

## PROCUREMENT PLAN

### Basic Data

<b>Project Name:</b> Lanzhou Sustainable Urban Transport Project	
<b>Country:</b> People's Republic of China	<b>Executing Agency:</b> Lanzhou Municipal Government
<b>Loan Amount:</b> \$150 million	<b>Loan (Grant) Number</b>
<b>Date of First Procurement Plan:</b> 28 May 2009	<b>Date of this Procurement Plan:</b> 22 October 2009

### A. Process Thresholds, Review, and 18-Month Procurement Plan

#### 1. Project Procurement Thresholds

1. Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to the procurement of goods and works.

#### Procurement of Goods and Works

Method	Threshold
International Competitive Bidding (ICB) for Works	≥ \$10 million
International Competitive Bidding for Goods	≥ \$1 million
National Competitive Bidding (NCB) for Works	Below that stated for ICB Works and ≥ \$200,000
National Competitive Bidding for Goods	Below that stated for ICB Goods and ≥ \$100,000
Shopping for Works	Below \$200,000
Shopping for Goods	Below \$100,000

#### 2. ADB Prior or Post Review

2. Except as ADB may otherwise agree, the following prior- or post-review requirements apply to the various procurement and consultant-recruitment methods used for the project.

Procurement Method	Prior or Post	Comments
<b>Procurement of Goods and Works</b>		
ICB Works	Prior	
ICB Goods	Prior	
NCB Works	Post	A01 and 02 are prior review
NCB Goods	Post	
<b>Recruitment of Consulting Firms</b>		
Quality- and Cost-Based Selection	Prior	Quality cost ratio is 80:20.
Simplified Technical Proposal		
<b>Recruitment of Individual Consultants</b>		
Individual Consultant Selection	Prior	

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

#### 3. Goods and Works Contracts Estimated to Cost More than \$1 Million

3. The following table lists goods and works contracts for which procurement is either ongoing or expected to commence within the next 18 months.

General Description	Contract Value (\$ million)	Procurement Method	Pre-qualification of Bidders (Yes/No)	Advertisement Date	Comments
<b>A. Civil Works for New Roads</b>					
<b>1. Contract Packages under Retroactive Financing</b>					
A01: S554#	7.44	NCB	No	III 2009	ADB's prior review
A02: S583#, T550#	6.85	NCB	No	III 2009	ADB's prior review

A03: T571# (section 1:502#)	4.26	NCB	No	III 2009	
<b>2.Other Contract Packages</b>					
A04: T560#	8.18	NCB	No	IV 2009	
A05: T577#	14.74	ICB	No	IV 2009	
A06: T532#	9.71	NCB		IV 2010	
A07: T571# (Section 2:511#)	19.21	ICB	No	III 2011	Includes reconstruction of old 511# section (1,016 meters)
A08: T580#	10.46	ICB	No	III 2011	Includes reconstruction of old 580# middle section (750 meters)
A09: S556#, S568#	7.30	NCB	No	IV 2011	
A10: S569#	8.29	NCB	No	IV 2012	
<b>B. Civil Works for Reconstruction of Roads</b>					
B01: T514#	20.29	ICB	No	IV 2009	
B02: T514-1#, T514-2#	18.50	ICB	No	IV 2009	
B03: S554#	4.88	NCB	No	IV 2009	
B04: Dunhuang Road	4.81	NCB	No	IV 2009	
B05: S578#	6.74	NCB	No	IV 2010	
<b>C. Equipment</b>					
C01: Bus Rapid Transit Station and Onboard Equipment	11.10	ICB	No	I 2010	
C02: Advanced Traffic Control System	18.18	ICB	No	IV 2010	
C04: Utility Equipment	28.25	NCB	No	III 2010	

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

#### 4. Consulting Services Contracts Estimated to Cost More than \$100,000

4. The following table lists consulting services contracts for which procurement is either ongoing or expected to commence.

General Description	Contract Value (\$ million)	Recruitment Method	Advertisement Date	International or National Assignment	Comments
<b>A. Preparing Detailed Design</b>					
D1-1: Preparation of detailed design for roads	9.00	Government procedure (GP)	II 2009	National	Government financing (GF)
D1-2: Preparation of detailed design for ATCS	0.73	GP	IV 2009	National	GF
D1-3: Preparation of detailed design for BRT	0.35	GP	II 2009	National	GF
D1-4: Preparation of detailed design for advanced environmental monitoring system	0.10	GP	IV 2011	National	GF
<b>B. Construction Supervision</b>					
D2-1: Supervision of civil works	1.00	GP	III 2009	National	
D2-2: Supervision of installation of BRT station and other equipment	0.67	GP	I 2010	National	GF
D2-3: Supervision of installation of ATCS equipment	0.53	GP	I 2011	National	GF
<b>C. Monitoring</b>					
D3-1: Environmental external monitoring and training	0.21	GP	III 2009	National	GF
<b>D. Studies</b>					
D4-1: Traffic demand management strategy and policy reform	0.45	QCBS (BTP)	III 2010	International and national	ADB financing
D4-2: BRT operation and management planning	0.30	QCBS (BTP)	III 2010	International and national	ADB financing
D4-3: Non-Motorized Transport Development Plan	0.20	QCBS (BTP)	I 2011	International and national	ADB financing

ADB = Asian Development Bank, ATCS = advanced traffic control system, BRT = bus rapid transit, QCBS = quality- and cost-

based selection, STP = simplified technical proposal, BTP = biodata technical proposal

## 5. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000

5. The following table groups lower-value goods, works, and consulting services contracts for which procurement is either ongoing or expected to commence.

General Description	Value of Contracts (\$ million)	Procurement or Recruitment Method	Comments
<b>Equipment</b>			
C03: AEMS	0.73	NCB	ADB financing
<b>Consulting Services</b>			
<b>A. Preparing Detailed Design</b>			
D1-5: Advisory services for designing equipment and coordination of information technology systems (international)	0.06	GP	GF
D1-6: Review and supervise of BRT detailed design	0.05	ICS (biodata)	ADB financing
<b>B. Construction Supervision</b>			
D2-4: Supervision of installation of AEMS equipment	0.07	GP	GF
D2-5: Supervision of civil works and information technology systems (international)	0.06	GP	GF
<b>C. Monitoring</b>			
D3-2: Resettlement external monitoring	0.07	GP	GF
D3-3: Project performance monitoring	0.07	GP	GF
<b>D. Capacity Building</b>			
D5-1: BRT operation and management training	0.06	ICS (biodata)	ADB financing
D5-2: Advisory services on resettlement management	0.05	GP	GF
D5-3: Livelihood training for affected people	0.07	GP	GF

ADB = Asian Development Bank, AEMS = advanced environmental monitoring system, BRT = bus rapid transit, ICS = independent consultant selection.

## B. Indicative List of Packages Required Under the Project

6. The following table provides an indicative list of all procurement (goods, works, and consulting services) over the life of the project.

General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Domestic Preference Applicable	Comments
Goods	57.53	3	ICB	Yes	
	0.73	1	NCB	No	
Works	83.21	5	ICB	No	
	68.42	10	NCB	No	

  

General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Type of Proposal	Comments
Consulting Services	13.99	18	QCBS	STP	GP for GF
	0.11	2	ICS	biodata	

GP = government procedure, GF = government financing, ICB = international competitive bidding, ICS = independent consultant selection, NCB = national competitive bidding, QCBS = quality- and cost-based selection, STP = simplified technical proposal.

7. The Borrower's *Law of Tendering and Bidding of the People's Republic of China* promulgated by Order No. 21 of the President of the People's Republic of China on 30 August 1999, are subject to the following clarifications required for compliance with the Guidelines:

- (i) All invitations to pre-qualify or to bid shall be advertised in the national press, or official gazette, or a free and open access website in the Borrower's country. Such advertisement shall be made in sufficient time for prospective bidders to obtain prequalification or bidding documents and prepare and submit their responses. In any event, a minimum preparation period of thirty (30) days shall be given. The preparation period shall count (a) from the date of advertisement, or (b) when the documents are available for issue, whichever date is later. The advertisement and the prequalification and bidding documents shall specify the deadline for such submission.
- (ii) Qualification requirements of bidders and the method of evaluating the qualification of each bidder shall be specified in detail in the bidding documents, and in the prequalification documents if the bidding is preceded by a prequalification process.
- (iii) If bidding is preceded by a prequalification process, all bidders that meet the qualification criteria set out in the prequalification document shall be allowed to bid and there shall be no limit on the number of pre-qualified bidders.
- (iv) All bidders shall be required to provide a performance security in an amount sufficient to protect the Borrower/Project Executing Agency in case of breach of contract by the contractor, and the bidding documents shall specify the required form and amount of such performance security.
- (v) Bidders shall be allowed to submit bids by mail or by hand.
- (vi) All bids shall be opened in public; all bidders shall be afforded an opportunity to be present (either in person or through their representatives) at the time of bid opening, but bidders shall not be required to be present at the bid opening.
- (vii) All bid evaluation criteria shall be disclosed in the bidding documents and quantified in monetary terms or expressed in the form of pass/fail requirements.
- (viii) No bid may be rejected solely on the basis that the bid price falls outside any standard contract estimate, or margin or bracket of average bids established by the Borrower/Project Executing Agency.
- (ix) Each contract shall be awarded to the lowest evaluated responsive bidder, that is, the bidder who meets the appropriate standards of capability and resources and whose bid has been determined (a) to be substantially responsive to the bidding documents and (b) to offer the lowest evaluated cost. The winning bidder shall not be required, as a condition of award, to undertake responsibilities for work not stipulated in the bidding documents or otherwise to modify the bid as originally submitted.
- (x) Each contract financed with the proceeds of the Loan shall provide that the suppliers and contractors shall permit ADB, at its request, to inspect their

accounts and records relating to the performance of the contract and to have said accounts and records audited by auditors appointed by ADB.

- (xi) Government owned enterprises in the Borrower's country may be permitted to bid if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law and (c) are not a dependent agency of the Borrower/Project Executing Agency.
- (xii) Re-bidding shall not be allowed solely because the number of bids is less than three (3).