

REVISIONS TO THE PROJECT ADMINISTRATION MEMORANDUM **REVISED COST ESTIMATES AND FINANCING PLAN**

Table 1: Summary of Cost Estimates by Component ^a

		(D Million)			(\$ Million)			% of Total Base Cost
		Phase 1	Phase 2	Total	Phase 1	Phase 2	Total	
Part A.	Support for Institutional and Integrated Development							
	1. Project and Sustainable Management							
	a. Management Services	44,768	39,636	84,404	2.8	2.1	4.9	1.5
	b. Consultants	167,009	90,098	257,107	10.5	4.7	15.2	4.7
	Subtotal Project and Sustainable Management	211,777	129,734	341,511	13.3	6.8	20.1	16.2
	2. Support for On-farm & Social Development	20,904	36,325	57,229	1.3	1.9	3.2	1.0
	3. Resettlement	867,310	815,629	1,682,939	54.7	43.0	97.7	30.1
	4. Environmental Management	21,858	12,873	34,731	1.4	0.7	2.1	0.6
	Subtotal Part A	1,121,849	7994,561	2,116,410	70.8	52.4	123.1	37.9
Part B.	Water Resources Infrastructure							
	1. Phuoc Hoa Basin Transfer							
	a. Barrage	839,633	0	839,633	53.0	0.0	53.0	16.3
	b. Transfer Canal	955,902	0	955,902	60.3	0.0	60.3	18.6
	c. UXO Clearance	14,190	0	14,190	0.9	0.0	0.9	0.3
	Subtotal Phuoc Hoa Basin Transfer	1,809,725	0	1,809,725	114.2	0.0	114.2	35.2
	2. Tan Bien Irrigation System							
	a. Main Canal	174,682	0	174,682	11.0	0.0	11.0	3.4
	b. Primary, Secondary & Tertiary Canals	0	284,274	284,274	0.0	15.0	15.0	4.6
	c. On-farm and Lower Canals	0	20,767	20,767	0.0	1.1	1.1	0.3
	d. UXO Clearance	0	2,307	2,307	0.0	0.1	0.1	0.0
	Subtotal Tan Bien Irrigation System	174,682	307,348	482,030	11.0	16.2	27.2	8.4
	3. Duc Hoa Irrigation System							
	a. Main Canal	0	434,442	434,442	0.0	22.9	22.9	7.0
	b. Primary, Secondary & Tertiary Canals	0	672,540	672,540	0.0	35.4	35.4	10.9
	c. On-farm and Lower Canals	0	35,444	35,444	0.0	1.9	1.9	0.6
	Subtotal Duc Hoa Irrigation System	0	1,142,426	1,142,426	0.0	60.2	60.2	18.5
	Subtotal Part B	1,984,407	1,449,774	3,434,182	125.2	76.4	201.6	62.1
	Total Base Cost	3,106,256	2,444,335	5,550,591	195.9	128.8	324.7	100.0
	Contingencies ^b	12,278	458,528	470,805	-21.4	24.1	2.7	0.9
	Interest During Implementation	0	37,795	37,795	0.0	2.0	2.0	0.6
	Total Project Cost	3,118,534	2,940,658	6,059,191	174.6	154.9	329.5	101.5

D = Dong; UXO = unexploded ordnance.

^a In mid-2010 prices.

^b Devaluation of the Dong during Phase 1 resulted in savings in US\$ terms when Dong expenditure is converted to US\$, which results in a negative price contingency when expressed in US\$. Phase 2 price contingencies (with supplementary financing) are computed at 0.7% in 2011, 0% in 2012, and 0.5% thereafter on foreign exchange costs and at 8.0% in 2011, and 6.0% thereafter on local currency costs. Phase 2 physical contingencies are computed at 10.0% for all expenditure categories.

Table 2: Summary of Cost Estimates by Financier
(\$ million)

Item	Cost	ADB		AFD		Farmers		Government	
		Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category
Part A. Support for Institutional and Integrated Development									
1. Project and Sustainable Management									
a. Management Services	5.0	4.6	90.5	0.0	0.0	0.0	0.0	0.5	9.5
b. Consultants Management Contract A11									
Payments for Years 2006-2009	7.6	7.1	93.4	0.0	0.0	0.0	0.0	0.5	6.6
Payments for Years 2009-2011	2.7	0.0	0.0	2.2	81.4	0.0	0.0	0.5	18.6
Payments for Years 2011-2013	5.5	5.2	94.4	0.0	0.0	0.0	0.0	0.3	5.6
Subtotal Project and Sustainable Management	20.8	16.9	80.9	2.2	10.5	0.0	0.0	1.8	8.6
2. Support for On-farm & Social Development	3.5	0.0	0.0	3.1	90.3	0.0	0.0	0.3	9.7
3. Resettlement	100.3	18.9	18.9	0.0	0.0	0.0	0.0	81.4	81.1
4. Environmental Management	2.1	1.9	92.0	0.0	0.0	0.0	0.0	0.2	8.0
Subtotal Part A	126.7	37.7	29.7	5.3	4.2	0.0	0.0	83.7	66.1
Part B. Water Resources Infrastructure									
1. Phuoc Hoa Basin Transfer									
a. Barrage	45.9	39.5	86.0	0.0	0.0	0.0	0.0	6.4	14.0
b. Transfer Canal Packages 1B, 1C & 1D									
Advance payments to contractors	14.7	12.8	24.6	0.0	0.0	0.0	0.0	1.8	12.6
Completion of payments to contractors	37.5	0.0	0.0	32.8	62.8	0.0	0.0	4.7	12.6
c. UXO Clearance	0.8	0.7	86.0	0.0	0.0	0.0	0.0	0.1	14.0
Subtotal Phuoc Hoa Basin Transfer	98.9	53.0	53.6	32.8	33.2	0.0	0.0	13.1	13.3
2. Tan Bien Irrigation System									
a. Main Canals	9.5	8.2	86.0	0.0	0.0	0.0	0.0	1.3	14.0
b. Primary, Secondary & Tertiary Canals	18.0	0.0	0.0	16.2	90.0	0.0	0.0	1.8	10.0
c. On-farm and Lower Canals	1.5	0.0	0.0	0.1	9.7	1.4	88.7	0.0	1.6
d. UXO Clearance	0.1	0.0	0.0	0.1	90.0	0.0	0.0	0.0	10.0
Subtotal Tan Bien Irrigation System	29.2	8.2	28.1	16.4	56.4	1.4	4.7	3.2	10.9
3. Duc Hoa Irrigation System									
a. Main Canals	27.5	23.6	86.0	0.0	0.0	0.0	0.0	3.8	14.0
b. Primary, Secondary & Tertiary Canals									
Civil Works Package No. 1	7.1	0.0	0.0	6.1	86.0	0.0	0.0	1.0	14.0
Civil Works Package Nos. 2-10	35.5	30.5	86.0	0.0	0.0	0.0	0.0	5.0	14.0
c. On-farm and Lower Canals	2.6	0.0	0.0	0.3	10.4	2.4	89.6	0.0	0.0
Subtotal Duc Hoa Irrigation System	72.7	54.2	74.4	6.4	8.8	2.4	3.2	9.8	13.5
Subtotal Part B	200.8	115.3	57.4	55.7	27.7	3.7	1.9	26.1	13.0
Total Project Cost	327.5	153.0	46.7	61.0	18.6	3.7	1.1	109.8	33.5
Financing Charges During Implementation	2.0	2.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Project Cost	329.5	155.0	47.0%	61.0	18.5%	3.7	1.1%	109.8	33.3%

ADB = Asian Development Bank; AFD = Agence Française de Développement; UXO = unexploded ordnance.

Source: Asian Development Bank estimates

INDICATIVE IMPLEMENTATION SCHEDULE

Activity ^a	Phase 1				Phase 2																							
	2010				2011				2012				2013				2014				2015				2016			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Basic Design/ Technic Design																												
National consultants selected and mobilized																												
Preparation of Basic Designs and Technical Design																												
Approval of Basic Designs and Technical Design																												
Detail Designs of Phase 2																												
Preparation of Detailed Designs																												
Approval of Detailed Designs																												
Construction Preparation Activities																												
UXO Clearance																												
Bidding and Contracts Award																												
Approval of Resettlement Plans																												
Land Acquisition and Resettlement																												
Implementation of phase 2																												
Construction of Duc Hoa Main Canal																												
Construction of Duc Hoa Irrigation Area																												
Construction of Tan Bien Irrigation Area																												
Hand-over completed works																												
Payment and Structures Insurance																												
OSDP Activities																												
Social Support - Binh Duong																												
Social Support - Binh Phuoc																												
Irrigation, agric.& social support-Tay Ninh & Long An																												
Environmental Management Activities																												

^a Includes Agence Française de Développement financing.

ADB = Asian Development Bank; OSDP = On-farm and social development program; UXO = unexploded ordnance.

Source: Asian Development Bank estimates

DISBURSEMENT PROCEDURES

1. Except as ADB may otherwise agree, the Loan proceeds shall be disbursed in accordance with the Loan Disbursement Handbook.

A. Imprest Account; Statement of Expenditures

2. Except as ADB may otherwise agree, the Borrower (i) shall cause the EA to establish immediately after the Effective Date, an imprest account at a commercial bank acceptable to the Borrower and ADB; and (ii) may cause the 2 Implementing Agencies to each establish a Second Generation Imprest Accounts (SGIAs) at the commercial bank, or branch thereof, where the imprest account is to be established. The imprest account and each of the SGIAs shall be established, managed, replenished, and liquidated in accordance with the Loan Disbursement Handbook and detailed arrangements agreed upon between the Borrower and ADB. The imprest account shall only be used for the purposes of the Project. The currency of the imprest account shall be the Dollar. The ceiling for the imprest account shall not exceed the lower of (i) the estimated expenditure to be financed from the imprest account for the first 6 months of Project implementation, or (ii) the equivalent of 10% of the Loan amount. The initial amount to be deposited into each SGIAs shall be equivalent to 6 months' estimated expenditures, but in any event not exceeding the amount of \$500,000 equivalent.

3. The statement of expenditures (SOE) procedure may be used for reimbursement of eligible expenditures to and to liquidate advances provided into the imprest account, in accordance with the Loan Disbursement Handbook, as amended from time to time, and detailed arrangements agreed upon between the Borrower and ADB. Any individual payment to be reimbursed or liquidated under the SOE procedure shall not exceed the equivalent of \$100,000.

4. The Project Completion Date is 31 March 2014 and Loan Closing is 6 months later on 30 September 2014. No new commitments of ADB loan finance can be entered into after 31 March 2014 and all payments must be completed against all ADB Loan commitments by 30 September 2014 when the loan account closes.

UPDATED PROCUREMENT PLAN

Project Name: Phuoc Hoa Water Resources Project phase 2	Executing Agency: Ministry of Agriculture and Rural Development
Loan and Grant Amount for phase 2: \$85 million	Implementing Agency: Investment and Construction Management Board No.9 (ICMB9)
Date of First Procurement: 25 June 2011	Date of this Procurement Plan: 25 February 2011

B. Process Thresholds, Review, and 24-Month Procurement Plan

1. Project Procurement Thresholds

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

Procurement of Goods and Works	
Method	Threshold
International competitive bidding (ICB) for works	Above \$5,000,000
ICB for goods	Above \$500,000
National competitive bidding (NCB) for works	\$100,000 up to \$5,000,000
NCB for goods	\$100,000 up to \$500,000
Shopping for works	Below \$100,000
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
Procurement of Goods and Works		
ICB for works	Prior	Prior review is required for the actual first bidding documents after which post review applies. PPMBs must commit to using the same format as the actual first bidding documents reviewed and approved by ADB.
ICB for goods	Prior	
NCB for works	Prior	
NCB for goods	Prior / Post	
Shopping for works	Post	
Shopping for goods	Post	
Direct purchasing	Post	
Recruitment of Consulting Firms		
QCBS	Prior	
CQS	Prior	
SSS	Prior	
Individual consultants	Post	

QCBS = quality- and cost-based selection, CQS = consultants' qualification selection, SSS = single source selection.

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

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

General Description	Contract Value (USD '000, cumulative)	Financed by	Procurement Method	Pre-qualification of Bidders (Yes/No)	Advertisement Date (Cons. Services Recruit. Notice) (quarter/year)
Construction + Equipment for Duc Hoa Main Canal	29,816.3	ADB & Govt'	ICB	No	15 April 2011
Tan Bien - Package 1: Pump equipments supply and instal; Pump Station, Management House and Road, Transfer Canal N2, Electricity line; Canal and Structures on N2 from K0~K10+944(Kf).	4,969.2	AFD & Govt'	NCB	No	30 July 2011
Tan Bien - Package 2: Canal and Structures on Secondary and Tertiary Canals N2-(6, 9, 10, 16, 17, 18, 19, 20, 22).	4,425.1	AFD & Govt'	NCB	No	30 July 2011
Tan Bien - Package 3: Canal and Structures on Primary, Secondary and Tertiary Canals N3; N6; N7; N8; N9; N13 and TN10	2,792.6	AFD & Govt'	NCB	No	30 July 2011
Tan Bien - Package 4: Canal and Structures on Primary, Secondary and Tertiary Canals N14; N16; N17.	3,527.5	AFD & Govt'	NCB	No	30 July 2011
Duc Hoa–Package 1: Canal and Structures on N2 from K0 ~ Tan Phu Road and Secondary, Tertiary Canals of N3-(11; 13; 15; 17; 19).	4,735.2	AFD & Govt'	NCB	No	10 August 2011
Duc Hoa–Package 2: Canal and Structures on N2 from Tan Phu Road to Canal N2-16; and on Secondary, Tertiary Canals of N3-7.	3,781.2	ADB & Govt'	NCB	No	10 August 2011
Duc Hoa–Package 3: Canal and Structures on N2 from N2-16 ~ Kf; and on Secondary and Tertiary Canals of N2-(20;22;24;26)	4,099.9	ADB & Govt'	NCB	No	10 August 2011
Duc Hoa–Package 4: Canal and Structures on N3 from K0 ~ Province Road 9 and on Secondary, Tertiary Canals of VC1; VC2; VC4; N2-2.	4,665.0	ADB & Govt'	NCB	No	10 August 2011
Duc Hoa–Package 5: Canal and Structures on Canal 2-4 and tertiary canals of N2-4.	4,109.0	ADB & Govt'	NCB	No	10 August 2011
Duc Hoa–Package 6: Canal and Structures on Secondary and Tertiary Canals of N2-(1; 6; 8); N3-(1; 3; 5).	4,340.5	ADB & Govt'	NCB	No	10 August 2011
Duc Hoa–Package 7: Canal and Structures on Secondary and Tertiary Canals of N2-(10; 12; 14; 16; 18); N3-(10; 12).	4,268.7	ADB & Govt'	NCB	No	10 August 2011

Duc Hoa–Package 8: Canal and Structures on N3 from Province Road 9 ~ Kf and on Secondary and Tertiary Canals of N3-2; N3-4; N3-6.	4,704.0	ADB & Govt ¹	NCB	No	10 August 2011
Duc Hoa–Package 9: Canal and Structures on Secondary and Tertiary Canals of N3-8.	4,371.9	ADB & Govt ¹	NCB	No	10 August 2011
Duc Hoa–Package 10: Canal and Structures on Secondary and Tertiary Canals of N3-9; Management House and Management Equipments.	3,562.2	ADB & Govt ¹	NCB	No	10 August 2011
Total of 15 construction Packages	88,168.3				

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 within the next 18 months.

General Description	Contract Value (\$'000, cumulative)	Recruitment Method	Advertisement Date (quarter/year)	International or National Assignment
Project Supervision Consultants	2,831.0	SSS	2Q/2011	International
NCB Construction Supervision	4,334.2	QCBS (80:20)	4Q/2011	National
OSDP consultants	384.4	SSS	2Q/2011	National
UXO Clearance	138.5	Government method	2Q/2011	National

C. Project Procurement Plan

5. The following table provides an indicative list of procurement of goods, works, and consulting services during Phase 2 of the Project.

Component	General Description	Estimated Value (\$ million cumulative)	Estimated No. of Contracts	Procurement methods	Responsible Agency
A. Part A: Support for Institutional and Integrated Development					
1. Project and Sustainable Management					
(i) Project Supervision Consultants		2.83	1	SSS	ICMB9 and PPMBs
(ii) NCB Construction Supervision		4.33	2	QCBS	
2. Support for On-farm and Social Development					
(i) OSDP consultants		0.42	4	SSS	PPMBs
(ii) OSDP investments – local service providers		1.96	6	CQS	
3. Resettlement					
(i) Resettlement consultants		0.07	1	SSS	ICMB9 and PPMBs
(ii) Resettlement support		49.19	6	TBD	
4. Environmental Management		0.85	3	SSS/CQS	ICMB9 and PPMBs
Subtotal Part A: Support for Institutional and Integrated Development		58.80	23		

B. Part B: Water Resources Infrastructure				
1. Tan Bien Irrigation System				
Primary/Secondary/Tertiary Canals	16.44	4	NCB	Tay Ninh PPMB
On-farm & Lower Canals	1.54		TBD	
Subtotal Tan Bien Irrigation System	17.98	4		
2. Duc Hoa Irrigation System				
Main Canal	28.49	1	ICB	ICMB9
Primary/Secondary/Tertiary Canals	43.53	10	NCB	Duc Hoa PPMB
On-farm & Lower Canals	2.63		TBD	
Subtotal Duc Hoa Irrigation System	74.65	11		
Subtotal Part B: Water Resources Infrastructure	92.63	15		
Estimated number of contracts		38		

ADB = Asian Development Bank; ICMB9 = Investment & Construction Management Broad No.9; PPMB = Province Project Management Board; CQS = consultants' qualification selection, ICB = international competitive bidding, M&E = monitoring and evaluation, MARD = Ministry of Agriculture and Rural Development, NA = not applicable, NCB = national competitive bidding, O&M = operation and maintenance; QCBS = quality- and cost-based selection; SSS = single source selection, TBD = to be determined.

D. National Competitive Bidding

1. General

6. The laws to be followed for national competitive bidding are set forth in (i) the Law on Procurement No. 61/2005/QH11 of 29 November 2005, (ii) the Construction Law no. 16/2003/QH11 of 26 November 2003, (iii) the Amendment Law No. 38/2009/QH12 of 19 June 2009 amending and supplementing key articles of the above-mentioned two laws, and (iv) the processes described in Decree No. 85/2009/ND-CP of 15 October 2009 on "Guiding Implementation of Procurement Law and Selection of Construction Contractors under the Construction Law". Whenever any procedure in the National Procurement Laws is inconsistent with the ADB Procurement Guidelines, the ADB Guidelines shall prevail, amongst others on the following.

2. Registration

- (i) Bidding shall not be restricted to pre-registered firms and such registration shall not be a condition for participation in the bidding process.
- (ii) Where registration is required prior to award of contract, bidders: (i) shall be allowed a reasonable time to complete the registration process; and (ii) shall not be denied registration for reasons unrelated to their capability and resources to successfully perform the contract, which shall be verified through post-qualification.
- (iii) Foreign bidders shall not be required to register as a condition for submitting bids.
- (iv) Bidder's qualification shall be verified through post-qualification process.

3. Eligibility

- (i) National sanction lists may only be applied with approval of ADB.¹
- (ii) A firm declared ineligible by ADB cannot participate in bidding for an ADB financed contract during the period of time determined by ADB.
- (iii) A firm which has been engaged by the borrower to provide consulting services for the preparation or implementation of a project, and any of its affiliates, shall be disqualified from subsequently providing goods, works, or services, resulting from or directly related to the firm's consulting services for such preparation or implementation.

4. Prequalification and Post qualification

- (i) Post qualification shall be used unless prequalification is explicitly provided for in the loan agreement/procurement plan. Irrespective of whether post qualification or prequalification is used, eligible bidders (both national and foreign) shall be allowed to participate.
- (ii) In the event where prequalification is used, interested firms shall be given no less than 42 days to prepare their prequalification submission.
- (iii) When pre-qualification is required, the evaluation methodology shall be based on pass/ fail criteria relating to the firm's experience, technical and financial capacities.
- (iv) Qualification criteria shall be clearly specified in the bidding documents, and all criteria so specified, and only criteria so specified, shall be used to determine whether a bidder is qualified. The evaluation of the bidder's qualifications should be conducted separately from the technical and commercial evaluation of the bid.
- (v) In carrying out the post-qualification assessment, the Employer/ Purchaser shall exercise reasonable judgment in requesting, in writing, from a bidder missing factual or historical supporting information related to the bidder's qualifications and shall provide reasonable time period (a minimum of 7 days) to the bidder to provide response.

5. Preferences

- (i) No preference of any kind shall be given to domestic bidders or for domestically manufactured goods.
- (ii) Regulations issued by a sectoral ministry, provincial regulations and local regulations which restrict national competitive bidding procedures to a class of contractors or a class of suppliers shall not be applicable.
- (iii) Foreign bidders shall be eligible to participate in bidding under the same conditions as local bidders, and local bidders shall be given no preference (either in bidding process or in bid evaluation) over foreign bidders, nor shall bidders located in the same province or city as the procuring entity be given any such preference over bidders located outside that city or province.

¹ Section 52 of the Integrity Principles and Guidelines allows ADB to sanction parties who fail to meet ADB's high ethical standards based on the decisions of third parties, such a decision can only be made by the Integrity Oversight Committee on the basis of ADB's own independent examination of the evidence. As such, the process should follow the normal assessment and investigative processes prescribed by the Integrity Principles and Guidelines. <http://www.adb.org/Documents/Guidelines/Integrity-Guidelines-Procedures/integrity-guidelines-procedures-2006.pdf>

6. Advertising

- (i) Invitations to bid (or prequalify, where prequalification is used) shall be advertised in Government Public Procurement Bulletin. In addition, the procuring agency should publish the advertisement in at least one widely circulated national daily newspaper or freely accessible, nationally-known website allowing a minimum of twenty-eight (28) days for the preparation and submission of bids and allowing potential bidders to purchase bidding documents up to at least twenty-four (24) hours prior the deadline for the submission of bids. Bidding of NCB contracts estimated at \$500,000 or more for goods and related services or \$1,000,000 or more for civil works shall be advertised on ADB's website via the posting of the Procurement Plan.
- (ii) Bidding documents shall be made available by mail, or in person, to all who are willing to pay the required fee, if any.
- (iii) The fee for the bidding documents should be reasonable and consist only of the cost of printing (or photocopying) the documents and their delivery to the bidder. (Currently set at D1 Million, increase subject to approval of ADB)

7. Standard bidding documents

- (i) The Borrower's standard bidding documents, acceptable to ADB, shall be used. The bidding documents shall provide clear instructions on how bids should be submitted, how prices should be offered, and the place and time for submission and opening of bids.
- (ii) Bidders shall be allowed to submit bids by hand or by mail/ courier.

8. Bid Opening

- (i) Bids received after the deadline for submission indicated in the bidding documents will be rejected.
- (ii) All bids received before the bid submission deadline shall be opened except those with proper notice of withdrawal.
- (iii) A copy of the bid opening record shall be promptly provided to all bidders who submitted bids.

9. Bid Evaluation

- (i) Merit points shall not be used in bid evaluation.
- (ii) Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.²
- (iii) Except with the prior approval of ADB, no negotiations shall take place with any bidder prior to the award, even when all bids exceed the cost estimates.

² Minor, non-substantial deviation is one that, if accepted, would not affect in any substantial way the scope, quality, or performance specified in the contract; or limit in any substantial way, the Contracting entity rights or the Bidder's obligations under the proposed contract or if rectified, would not unfairly affect the competitive position of other bidders presenting substantially responsive bids.

- (iv) A bidder shall not be required, as a condition for award of contract, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.
- (v) Bids shall not be rejected on account of arithmetic corrections of any amount. However, if the Bidder that submitted the lowest evaluated bid does not accept the arithmetical corrections made by the evaluating committee during the evaluation stage, its bid shall be disqualified and its bid security shall be forfeited.

10. Rejection of All Bids and Rebidding

- (i) No bid shall be rejected on the basis of a comparison with the owner's estimate or budget ceiling without the ADB's prior concurrence.
- (ii) Bids shall not be rejected and new bids solicited without the ADB's prior concurrence.

11. Participation by Government-owned enterprises

7. Government-owned enterprises shall be eligible to participate as bidders only if they can establish that they are legally and financially autonomous, operate under Enterprise law and are not a dependent agency of the contracting entity. Furthermore, they will be subject to the same bid and performance security requirements as other bidders.

12. Non-eligibility of military or security units

8. Military or security units, or enterprises which belong to the Ministry of Defense or the Ministry of Public Security, in whole or in part, shall not be permitted to bid.

13. Participation by Foreign contractors and suppliers, Joint Ventures and Associations

- (i) Foreign suppliers and contractors from eligible countries shall, if they are interested, be allowed to participate without being required to associate or form joint ventures with local suppliers or contractors, or to subcontract part of their contract to a local bidder.
- (ii) A bidder declared the lowest evaluated responsive bidder shall not be required to form a joint venture or to sub-contract part of the supply of goods as a condition of award of the contract.
- (iii) License for foreign contractors operation in Vietnam would be provided in a timely manner and will not be arbitrarily withheld.

14. Publication of the Award of Contract, Debriefing

- (i) For contracts subject to prior review, within 2 weeks of receiving ADB's "No-objection" to the recommendation of contract award, the borrower shall publish in the Government Public Procurement Bulletin, or well-known and freely-accessible website the results of the bid evaluation, identifying the bid and lot

numbers, and providing information on: i) name of each bidder who submitted a bid; ii) bid prices as read out at bid opening; iii) name and evaluated prices of each bid that was evaluated; iv) name of bidders whose bids were rejected and the reasons for their rejection; and v) name of the winning bidder, and the price it offered, as well as the duration and summary scope of the contract awarded.

- (ii) For contracts subject to post review, the procuring entity shall publish the bid evaluation results no later than the date of contract award.
- (iii) In the publication of the bid evaluation results, the borrower shall specify that any bidder who wishes to ascertain the grounds on which its bid was not selected, should request an explanation from the procuring entity. The procuring entity shall promptly provide an explanation of why such bid was not selected, either in writing and / or in a debriefing meeting, at the option of the borrower. The requesting bidder shall bear all the costs of attending such a debriefing. In this discussion, only the bidder's bid can be discussed and not the bids of competitors.

15. Handling of Complaints

- 9. The national competitive bidding documents shall contain provisions acceptable to ADB describing the handling of complaints in accordance with Article 47 of Decree No. 111/20006/DD-CP, read with Articles 72 and 73 of Law on Procurement No. 61/2005/QH11.

16. ADB Member Country Restrictions

- 10. Bidders must be nationals of member countries of ADB, and offered goods, works, and services must be produced in and supplied from member countries of ADB.

17. Fraud and Corruption

- 11. ADB will sanction a party or its successor, including declaring ineligible, either indefinitely or for a stated period of time, to participate in ADB-financed activities if it at any time determines that the firm has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for, or in executing, an ADB-financed contract.

18. Right to Inspect or Audit

- 12. Each bidding document and contract financed from by ADB shall include a provision requiring bidders, suppliers, contractors to permit ADB or its representative to inspect their accounts and records relating to the bid submission and contract performance of the contract and to have them audited by auditors appointed by ADB.