

## STRATEGIC PROCUREMENT PLANNING

### JIANGXI GANZHOU RURAL VITALIZATION AND COMPREHENSIVE ENVIRONMENT IMPROVEMENT PROJECT

#### Section 1: Project Concept

<b>Project Title</b>	Jiangxi Ganzhou Rural Vitalization and Comprehensive Environment Improvement Project
<b>Country</b>	China, People's Republic of
<b>Executing agency</b>	Ganzhou Municipal Government (GMG)
<b>Implementing agency</b>	10 IAs: District / county government of Yudu County, Ningdu County, Chongyi County, Shangyou County, Dayu County, Nankang County, Huichang County, Shicheng County, Xingguo County, and Ganzhou Branch of Agriculture Bank of China
<b>Project Implementing Units (PIUs)</b>	Ganzhou Municipal Government ADB Project Management Office (PMO), Yudu County PMO Ningdu County PMO Chongyi County PMO Shangyou County PMO Dayu County PMO Nankang County PMO Huichang County PMO Shicheng County PMO Xinggguo County PMO
<b>Project Procurement Agent (PA)</b>	To be appointed
<b>Project development objectives</b>	The project aims to promote green development by protecting the water quality and ecological environment in the Gan River. It will provide pilot approaches to ecological compensation, green financing, and private sector engagement. The project incorporates innovative technologies and knowledge sharing products towards achieving GMG's rural environmental and ecological sustainability and improved rural livelihood.
<b>Project description</b>	The Project is designed with four outputs: (1) Output 1. Institutional capacity for environment and water resource management strengthened, (2) Output 2: Green development mechanisms piloted, (3) Output 3: Rural waste and sanitation management improved, and (4) Output 4: Water and soil conservation practices improved.
<b>Description of indicative contract packages</b>	There are about 59 contract packages with ADB financing: 31 contracts for works (civil works of river rehabilitation, afforestation and reforestation, water and soil conservation, design and construction of rural water supply and wastewater treatment facilities, construction of rural solid waste transfer stations, rural and agriculture infrastructures). 7 goods supply contracts (solid waste management equipment and vehicles, and environmental monitoring equipment). 21 service contracts (project management, studies, and training).
<b>Summary of the financing agreement</b>	ADB will provide USD 200 million loan with 6-year grace period and 25 years for loan maturity. GMG will provide more than USD 250 million counterpart

	fund from its own capital source. ADB will finance the payment of works, goods supply and consulting service contracts <sup>1</sup> , while the GMG will provide counterpart fund to pay for 50% of ADB financed works contract values, 100% of non-ADB financed (NBF) contract values, land acquisition and other project administration costs.
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## Section 2: Operating Environment

### A. Capacity and Capability Assessment of the Borrower

Strengths	Weaknesses
<p>(a) The central government of PRC has established robust legislative and regulatory framework for procurement management.</p> <p>(b) The procurement management procedures have been well established in EA and all IAs, with strict supervision from Ganzhou Finance Bureau and Jiangxi Provincial Development Reform Commission.</p> <p>(c) There is a well operated e-procurement system (Jiangxi Provincial Public Procurement System Platform) interconnected with the public resource trade centers in Jiangxi Province. The public procurement systems have been widely applied in the public procurement of works and goods contracts and have enough equipment and measures to implement anticorruption and integrity.</p> <p>(d) The procurement staff designated by EA have undertaken procurement activities of works and goods contracts in an ecological conservation pilot project and organized open competitive bidding in the sector of environmental engineering.</p>	<p>(a) The EA/IAs lack international financed project experience and unfamiliar with ADB procurement policy and regulations.</p> <p>(b) The procurement staff in the PMO are lack of hands-on experience on drafting terms of references (TORs), request for proposals (RFPs) and technical specifications, and don't have high level proficiencies in written and oral English</p> <p>(c) There are constraints for foreign bidders to access the local public procurement systems, including language barrier and required on-site registration for new bidders.</p> <p>(d) The project implementation units lack contract management experience and capacity to manage design variations in civil works contracts of rural water and wastewater projects.</p>
Opportunities	Threats
<p>(a) With the support from ADB procurement specialists and procurement agent, the EA and IAs' staff would develop their experiences and skills in procurement and contract management to deliver project procurement effectively and efficiently.</p> <p>(b) Provide a demonstrative green development project case</p> <p>(c) Pilot use of the local e-procurement system - Jiangxi Provincial Public Procurement System</p>	<p>(a) Over competitiveness in civil works market in China makes contractors take risks for lowball bids which needs more coordinating efforts from EA/IAs in contract management and may threaten project quality</p> <p>(b) The conflicts and discrepancies between local procurement practice and ADB regulation may affect the efficiency of project procurement</p>

<sup>1</sup> The disbursement ratios of ADB loan are 50% for works contracts, 100% for goods and services contracts.

<p>Platform (JPPSP) operated by the Ganzhou Municipal Public Asset Trade Center to enhance transparency and effectiveness of the project procurement transactions and minimize the implementation challenges (stated as weaknesses and threats)</p>	
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## B. Support Requirements

<p><b>Procurement capability and capacity</b></p>	<p>Training is required for ADB procurement policy and regulations.</p> <p>Project management consultant (Implementation support , e.g., IS) is required to help on preparation of bidding documents, bid evaluation reports and contract management plan.</p> <p>Professional Procurement Agent will be hired to further strengthening the capacity of EA and IAs and introduce ADB procurement regulation to bid evaluation committee members during bid evaluation.</p>
<p><b>Experience in implementing similar projects</b></p>	<p>The EA and IAs have experiences in implementation of ecosystem conservation and environmental engineering projects. But they don't have experience of IFI (international financial institution) financed projects.</p> <p>Training and technical support from the IS consultant are necessary.</p>
<p><b>Contract management capability and experience</b></p>	<p>The EA/IAs have general contract management experience, but have difficulties in contract management for low bid price contracts and managing massive variations in civil works contracts of rural water and wastewater.</p> <p>For rural water and wastewater subprojects, the contracts should include terms and conditions on design verification and provision of workshop drawings before commencement of construction to minimize the design variations. Project implementation supporting will be provided by the implementation support consultant.</p>
<p><b>Level of reliance on external consultants</b></p>	<p>Project management implementation support consultant is required to assist in preparation of bidding documents, bid evaluation reports and contract management plan, and conduct capacity training on procurement management.</p> <p>Professional Procurement Agent will be hired to further strengthening the capacity of EA and IAs and introduce ADB procurement regulation to Bid Evaluation Committee (BEC) members during bid evaluation.</p> <p>Training is required for ADB procurement policy and regulations.</p>
<p><b>Existence and description of complaints management system</b></p>	<p>Governmental Office for Complaints, and Discipline Inspection Commission are formal non-judicial mechanisms dealing with complaints. Bidding documents have specific clauses on handling complaints as well. No additional support is required.</p>

## C. Key Procurement Conclusions

<p>The strengths in the procurement management are as follows:</p> <ul style="list-style-type: none"> <li>• Well-established legislative and regulatory framework in PRC.</li> <li>• Organized procurement management procedures and institutional arrangements in EA and IAs with strict supervision.</li> <li>• Well performed public procurement systems including electronic procurement tools and facilities in Jiangxi Province.</li> <li>• Designated procurement staff with competitive bidding experience in the sectors.</li> </ul> <p>The main weakness and risks related to procurement management are that:</p> <ul style="list-style-type: none"> <li>• Procurement staff have less experiences in preparing quality bidding documents.</li> <li>• Procurement units are unfamiliar with ADB procurement regulations.</li> <li>• Difficulties in managing massive design variations in construction works of rural water and wastewater systems.</li> </ul> <p>The risks can be mitigated by:</p> <ul style="list-style-type: none"> <li>• Conducting extensive trainings to EA and IAs' staff on ADB procurement policy and regulations.</li> <li>• Contracting external project management TA consultant and procurement agent.</li> <li>• Adopting Design, Supply and Installation (DSI) contracts for construction of rural water and wastewater works.</li> </ul>
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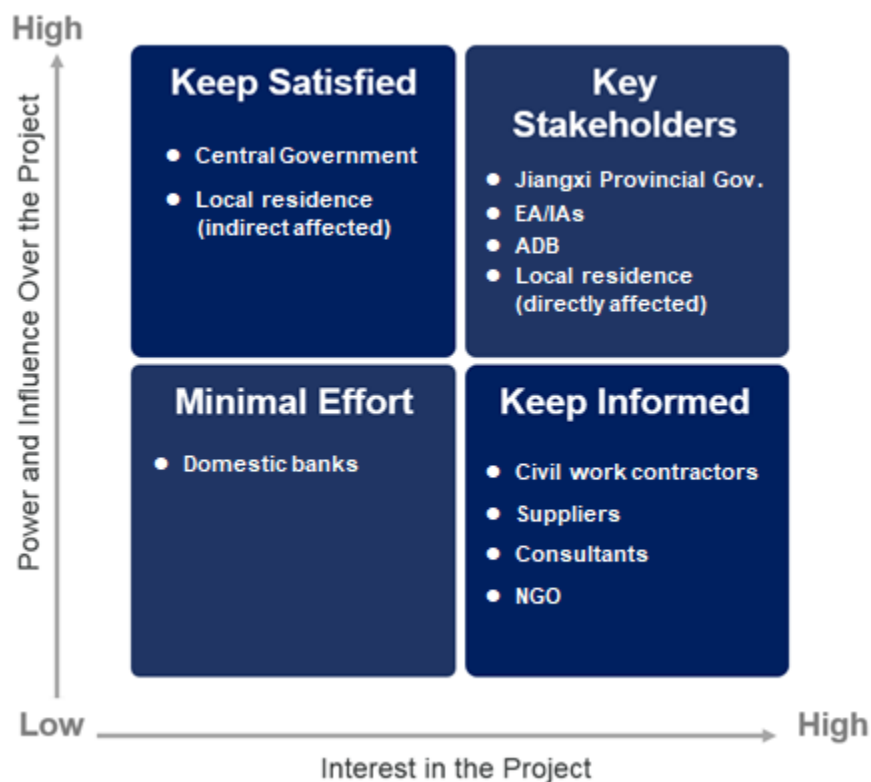
#### D. External Influences Analysis

<b>Governance</b>	<p>The Law of Tendering and Bidding in PRC, and Measures on the Implementation of Tendering and Bidding in Jiangxi Province have well been established and enforced.</p> <p>National government policies are stable for fair competitiveness and transparency of the public procurement.</p> <p>ADB procurement policies have been well implemented in China for ADB financed projects for more than 30 years.</p>
<b>Economic</b>	<p>Economic conditions in China are stable and considered appropriate for project implementation and provide opportunities for international and domestic bidders.</p>
<b>Sustainability</b>	<p>Continuous economic growth and sustainable development have been witnessed for the last 40 years in China and Ganzhou Municipality.</p> <p>Environmental sustainability – sound policies and practices have been implemented and adopted in the project design.</p> <p>Climate changes – adaption and mitigation measures have been considered in the project design.</p>
<b>Technology</b>	<p>Information technologies and big data analysis have been more applicable and accessible which will facilitate the procurement efficiency, transparency, and fairness. Since 2017, Chinese governments have mandated using e-procurement platform for procurement of governments financed contracts.</p>

**E. Key Procurement Conclusions**

- National and provincial governments have enforced the procurement laws and regulations.
- ADB procurement regulations have been implemented effectively for over 30 years in China.
- China has kept appropriate economic growth and satiability.
- Both environmental and ecological conditions have provided sustainable conditions for the project; and
- Information technologies have improved the efficiency, transparency and fairness of procurement. Manual procurements have been fully replaced with electronic procurement since 2019.

## F. Stakeholder Analysis and Communication Plan



Following stakeholders are identified:

Stakeholder Type	Stakeholders	Power	Interest	Strategy Quadrant
Public	Central Government	High	Low	Keep satisfied
	Provincial Government	High	High	Key stakeholder
	Ganzhou Municipal Government (EA)	High	High	Key stakeholder
	District/County Government (IAs)	High	High	Key stakeholder
Local Community	Local residents – directly affected	High	High	Key stakeholder
	Local residents – indirect affected	High	Low	Keep satisfied
	NGO	Low	High	Keep Informed
Contractors and Suppliers	Civil work contractors	Low	High	Keep Informed
	Suppliers	Low	High	Keep informed
	Consultants	Low	High	Keep informed
Internal	EA	High	High	Key stakeholder
	IAs	High	High	Key stakeholder
Financial Institutions	ADB	High	High	Key stakeholder
	Domestic Banks	Low	Low	Minimal Effort

## G. Stakeholder Communication Plan

<b>Stakeholder name and role</b>	Ganzhou Municipal Government and project district/county government, key stakeholders
<b>Interest in the project</b>	High interest as EA and IAs
<b>Support and influence level</b>	Support level: project champion Influence level: decision maker
<b>Objections, drivers, needs, and levers</b>	Objectives: fulfil the project objectives and deliver the project in time, quality and within budget. Drivers: compliance, monitoring framework, expected project outcomes. Needs: technical and financial supports, institutional cooperation. Levers: enforcement, management.
<b>Action</b>	Timely informed progress, share with them key issues, and seek their advices/supporting.
<b>Responsible, accountable, consulted, or informed?</b>	Responsible and Accountable
<b>Communicate what, when, and how?</b>	Submit reports and presentations at least semi-annual basis, some may need monthly reports. EA/IAs will be responsible for reporting.

<b>Stakeholder name and role</b>	Asian Development Bank, key stakeholder
<b>Interest in the project</b>	High interest as sponsor
<b>Support and influence level</b>	Support level: project champion Influence level: influencer
<b>Objections, drivers, needs, and levers</b>	Objectives: promote the project to achieve the outcomes with compliant manners. Drivers: target framework and country partnership plan. Needs: information and feedback. Levers: Disbursement, influence.
<b>Action</b>	Timely informed progress, share with them key issues, and seek their advice/supporting.
<b>Responsible, accountable, consulted, or informed?</b>	Accountable
<b>Communicate what, when, and how</b>	EA/IAs shall submit reports and presentations to ADB at least semi-annual basis and keep timely communication about key issues.

<b>Stakeholder name and role</b>	Jiangxi Provincial Government, key stakeholder
<b>Interest in the project</b>	Project manager
<b>Support and influence level</b>	Support level: project champion Influence level: influencer
<b>Objections, drivers, needs, and levers</b>	Objectives: promote the project to achieve the outcomes with compliant manners. Drivers: government work plan, achieve project benefits. Needs: information and feedback. Levers: Enforcement, influence.
<b>Action</b>	Timely informed progress, share with them key issues, and seek their advice/supporting.
<b>Responsible, accountable, consulted, or informed?</b>	Accountable
<b>Communicate what, when, and</b>	EA/IAs shall report to provincial government before making major

<b>how?</b>	decisions and keep timely communication about key issues.
<b>Stakeholder name and role</b>	Local residents (directly affected)
<b>Interest in the project</b>	High interest as beneficiary
<b>Support and influence level</b>	Support level: supporter Influence level: influencer
<b>Objections, drivers, needs, and levers</b>	Objectives: better living environment. Needs: information and benefits. Levers: compliant.
<b>Action</b>	Sufficient information disclosure and public consultations
<b>Responsible, accountable, consulted, or informed?</b>	Consulted and informed
<b>Communicate what, when, and how?</b>	EA/IAs shall conduct public consultation during project preparation and timely disclose the project related information to the local residents throughout the project period.

<b>Stakeholder name and role</b>	Keep Satisfied Stakeholder Group
<b>Interest in the project</b>	Low, as indirect beneficiary
<b>Support and influence level</b>	High power and influence
<b>Objections, drivers, needs, and levers</b>	Objectives: general public interest and livelihood improvement Drivers: project benefits. Needs: information and feedback. Levers: influence.
<b>Action</b>	Timely reporting and information sharing to seek their advice/supporting in a positive approach.
<b>Responsible, accountable, consulted, or informed?</b>	Consulted and informed.
<b>Communicate what, when, and how?</b>	Reporting, information discloses through websites and meetings EA/IAs will be responsible for public releasing Quarterly or semi-annual bases

<b>Stakeholder name and role</b>	Keep Informed Stakeholder Group
<b>Interest in the project</b>	High as bidders, contractors, and NGO
<b>Support and influence level</b>	Low power and influence
<b>Objections, drivers, needs, and levers</b>	Objectives: seek opportunities and business Drivers: project benefits. Needs: information Levers: influence.
<b>Action</b>	Timely information of the project progress, especially notices for call for tender. Publishing compliance to regulations timely.
<b>Responsible, accountable, consulted, or informed?</b>	Informed
<b>Communicate what, when, and how?</b>	Medium based Online EA/IAs are responsible for communications and publications from time to time as progress needs.

## H. Key Procurement Conclusions

Different stakeholders have different interests and levels of information required. The EA/IAs should play critical roles for communications with various stakeholders in a timely manner.



Communication can be through the following multiple channels:

- Reporting and presentations
- Meetings
- Medium based public releasing
- On-line information
- Call for tenders

Effective communications are also based on the quality of communication materials, timing, and approach to conduct communication. Both regular and progress-based updates should be scheduled in the procurement plan and project administration manual (PAM).

## Section 3: Market Analysis

### A. Porter's Five Forces

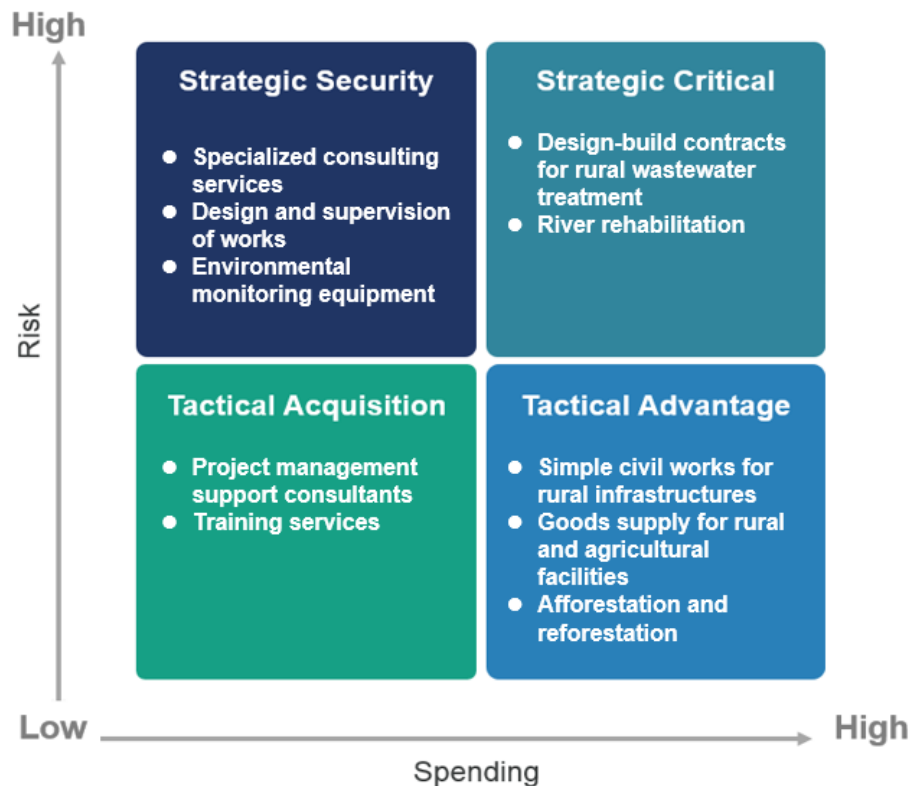
The Project includes civil works for sewerage systems, rural water and wastewater facilities, river rehabilitation, water and soil conservations, and rural and agriculture infrastructures, supply of solid waste handling equipment and vehicles, environmental monitoring equipment, and consultancy services for project management, capacity building and training.

<b>Competitive rivalry</b>	<ul style="list-style-type: none"> <li>• The engineering contents of the subprojects are not complex and don't require new technologies.</li> <li>• There are many active contractors and suppliers in the local market for the civil works, goods supplies, and services.</li> <li>• There are relatively lower levels of differentiation.</li> </ul>
<b>Bargaining power of buyers</b>	<ul style="list-style-type: none"> <li>• The principal buyers are governments with high bargaining power. They are more attractive than other buyers due to its stable organization and secured credits.</li> </ul>
<b>Bargaining power of suppliers</b>	<ul style="list-style-type: none"> <li>• The bargaining power of suppliers is relatively low, as the civil works, goods and services is over supplied in the market.</li> </ul>
<b>Risk of new entrants</b>	<ul style="list-style-type: none"> <li>• The capital requirements to bid for civil works are significant.</li> <li>• There are barriers to entry result from a need to acquire specialist skills and to have experience of similar projects.</li> </ul>
<b>Risk of substitutes</b>	<ul style="list-style-type: none"> <li>• The project doesn't have contents that require high-level innovation and technology, and will have a low risk of substitute products or services.</li> <li>• Alternative construction materials are easily available in China.</li> </ul>

### B. Key Procurement Conclusions

- The market in China is competitive for civil works, good supplies and consultancy services.
- The project natures don't require high technology and there are sufficient number of potential contractors, suppliers and service providers in the market for the contracts included in the project.
- The EA and IAs are local governments, the attractive buyers in the local market.
- As a result, the EA and IAs have high bargaining power to select competent contractors with competitive prices.
- New entrants may use low price bids to break through the market competition, which may cause risks to the employers.

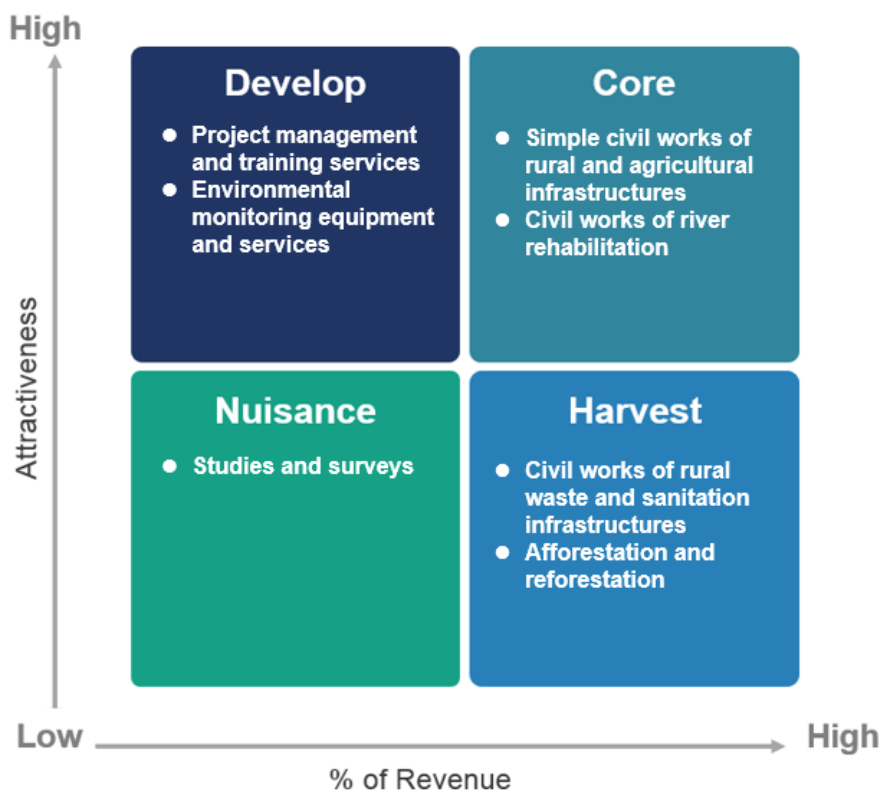
### C. Supply Positioning



### D. Key Procurement Conclusions

Rural water and wastewater management is the strategic critical component in the project, which shall be designed and constructed on town/village basis which local conditions vary very much. The project locations are distributed in the underdeveloped mountainous areas. It is challenging for designers to survey each town/village, and massive contract variations are major issue in the contract implementation. Therefore, contracts should include terms and conditions on design verification and provision of workshop drawings before commencement of construction. This will reduce the risks for contract variations/over budgets to the IAs as the designs should have been verified based on the site conditions by contractors as the contractual obligations to avoid design variations during the construction.

## E. Supplier Preferencing



## F. Key Procurement Conclusions

The contract packages in core category should require high thresholds for bidders' qualifications and experiences to increase quality assurance.

The contract packages in harvest category should broaden the channel and exposure of procurement advertisement to attract more potential bidders.

Capacity building contracts such as consultancy services in develop category will be more attractive for NGO and high-profile research institutes and universities. The TORs should be well defined and allow innovative and responsible working approach proposed.

For the consulting services of studies in nuisance category, the procurement staff need to spend more time to prepare the TOR and attract the potential bidders.

## Section 4: Risk Management

### A. Project Procurement Risk Assessment Risk Register

Risk Description	Likelihood ("L") (1-5)	Impact ("I") 1-5)	Risk Score (L x I)	Proposed Mitigation	Risk Owner
Poor performance	3	3	9	Increase selection criteria, improve the quality and clarity	EA/IAs

<b>Risk Description</b>	<b>Likelihood ("L") (1–5)</b>	<b>Impact ("I") 1–5)</b>	<b>Risk Score (L x I)</b>	<b>Proposed Mitigation</b>	<b>Risk Owner</b>
of procurement agent				of the terms of reference, and enhance supervision of the procurement agent's performance	
Low quality of bidding documents	5	5	25	Engage reputable and capable project management international consultant in the beginning of the project for improvement of bidding documents	EA/IAs
Low quality of bid evaluations	2	2	4	Good procurement agent should be engaged for ensuring compliance in bid evaluation and quality reports.	EA/IAs
Over budget and delays of construction due to variations of contracts	4	4	16	Design, Supply and Installation contract is recommended for rural water and wastewater contracts which are much influenced by local conditions.	EA/IAs
Non-compliance to ADB's procurement regulations and requirements	1	5	5	Prior review for each type of contracts to ensure acceptable procedures, bidding documents and bid evaluation to follow up by other contracts	EA/IAs ADB
Bidding related complaints may delay the bidding procedure	1	4	4	Well prepared tender documents and diligent bid evaluation should be conducted to avoid any ambiguities.	EA/IAs

### Section 5: Options Analysis

<b>Strategic Options Description</b>	<b>Feasibility (1–10)</b>	<b>Suitability (1–10)</b>	<b>Acceptability (1–10)</b>	<b>Overall (3–30)</b>
Civil works with similar nature within the same county/district should be packaged one contract to attract more qualified contractors	8	9	4	21
QCBS method will be adopted for major consultancy services with contract value above \$200,000.	9	9	3	21
Design, Supply and Installation contract and performance based technical specifications should be adopted for rural water and wastewater systems to ensure least variations for contract implementation.	10	10	8	28
National OCB for civil works as national contractors are extreme competitive.	10	10	8	28
No pre-qualifications for civil works, while short-	10	10	5	25

listing for consultancy will be carried as per ADB procedures.				
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## **Section 6: Procurement Strategy Summary**

### **A. Procurement Packaging and Scheduling**

Due to distribution of the project sites under 1 EA and 9 IAs to lead the procurement, contract packaging strategy will follow the following principles:

- Sub-projects in each IA jurisdiction will have least number of contracts.
- Contracts can be implemented across longer period to increase the contract values and minimize the contract managements.
- Consultancy service contracts of inception individual consultants will be prioritized to be procured as soon as possible.
- Retroactive financing contracts are limited for individual consultants engaged for procurement management, financial management, and safeguard supervision before the project management support consulting firm is contracted, and subject to prior review by ADB.
- It is estimated a total of 31 contracts for civil works, 7 contracts for goods supply, 10 contracts for consultancy services and 11 non-consulting service contracts.
- All contract packaging and scheduling will be subject to revision on a semi-annual basis in line with the project progress.
- Non-ADB financed contracts will be listed in the procurement plan under a separate list from the ADB financed contracts.

### **B. Procurement Method**

All civil works are proposed using national open competitive bidding (OCB) with national advertising.

Request for quotation (RFQ) is proposed for the procurement of small-size civil works with contract value less than \$500,000, equipment supply with contract value less than \$200,000, and all non-consulting services.

Quality and cost-based selection (QCBS) is adopted for major consultancy services (contract value above \$300,000).

Consultants' Qualification Selection (CQS) is adopted for small and specialized consultancy services under contract value of \$300,000.

### **C. Prequalification**

Prequalification will not be used for any of packages of works and goods for this project. However, consultants shortlisting procedure will be used for QCBS contracts of consulting services.

### **D. Bidding Procedures**

The bidding procedures for works, goods and non-consulting services (firm) will follow a one-stage, one envelope process. And the contracts for the consulting service will follow one-stage, two envelope processes.

### **E. Specifications**

Conformance technical specifications (TS) shall be prepared for works and goods except the contracts for rural water and wastewater facilities, which performance-based TS would be recommended. Items listed in the Bill of Quantities shall be cross referenced with the relevant clauses of the TS.

## **F. Review Requirements**

Prior review is applied to the first contract of works and goods with similar nature undertaken by each IA and all consulting service contracts.

Other civil works and goods supply contracts will be subject to post review (sampling) and post procurement audits. The following procedure should be followed: (i) ADB's review is not required for invitation for bids and bidding document however the first bidding document reviewed and confirmed by ADB if relevant should be used as a model without substantial modification; (ii) procurement process will be conducted without ADB's prior approval; and (iii) only a copy of the signed contract needs to be submitted to ADB for records. PMOs will maintain all documents related to the procurement of these contracts (procurement file) for ADB post reviews and other supervision process including compliant handling, including but not limited to: invitation for bids, bidding documents and amendments (if any), bid evaluation reports, bids submitted by the bidders, minutes/records, contract award letters and signed contracts etc. Post review will be conducted on a sampling basis by ADB annual review mission and/or by third party authorized by the ADB as a procurement audit.

## **G. Standstill Period**

Standstill Period process can be used in the bidding procedure. The latest PRC specific standard bidding documents for goods and works (adopted for OCB nationally advertised) allows for standstill period for EA to choose as an option. Suitable provision shall be indicated in the Bid Data Sheet if such a provision is applicable.

## **H. Standard Bidding Documents and Contract Forms**

All bidding documents for ADB financed contracts shall follow the latest templates of ADB standard bidding documents (SBD):

- ADB approved the PRC Specific SBD for Works (updated from time to time)
- ADB approved the PRC Specific SBD for Goods (updated from time to time)
- SBD for procurement of Works
- SBD for procurement of Works – Small Contracts
- SBD for procurement of Plant (Design, Supply, and Installation)
- SBD for procurement of Goods
- Sample Documents for Request for Quotations

## **I. Pricing and Costing Method**

It is recommended to adopt unit price/admeasurement costing for works, goods and services. Lump sum contracts may only be applicable for non-consulting service contracts (within \$200,000).

## **J. Key Performance Indicators**

As part of the contract management strategy, the IAs will identify key performance indicators (KPIs) for each contract to monitor the contractor's performance during contract implementation. Some of the KPIs for the projects rather simple civil works contracts are suggested below:

- Submission of work program within 28 days from issue of notice to commence: 5%
- Mobilize required equipment and personnel: 10%
- Takeover of site and prepare building layout: 5%
- Establish facilities like testing laboratory, safety and health measures: 2%
- Submit contract management plan: 2%
- Comply with legal regulations including necessary insurance policies: 2%

- Construction achievement in phases: 74%

## **K. Evaluation Method**

The bid evaluation method will be the lowest evaluated price of the substantially responsive bids as it well reflects the fairness and meeting the minimum criteria for the competence. Scoring method with weights of 90:10 for technical and price is adopted for QCBS method for consultancy services to reflect the importance of the technical competence, qualifications and experiences in delivering the services.

Other bid evaluation methods if proposed will require ADB's assessment and approval prior its adoption for any procurement packages. For instance, selecting the bidding bid with the price which is the closest to the average bid prices of all bids excluding bids of the highest bidding price and the lowest bidding price is unacceptable.

## **L. Contract Management Approach**

Contracts will be managed in accordance with ADB's standard bidding documents. The Engineer will be employed by the IAs with local competitive method under NBF. The IAs will be the Employers.

The IA will maintain their disbursement functions for cost control and compliance purpose. IAs will appoint experienced financial management staff, who undertook the previous ecosystem conservation pilot project.

EA will engage the project management support consultant to facilitate the procurement management, contract management, and quality assurance, as well as training to EA and IAs personnel.

A Procurement Agent will be engaged by EA to help EA and all IAs to manage the bidding process.