

PROCUREMENT PLAN

Basic Data

Project Name: South Asia Subregional Economic Cooperation Road Connectivity Project	
Project Number: 39225-034	Approval Number: 3149/0400
Country: Bhutan	Executing Agency: Department of Roads, Phuentsholing Thromde
Project Procurement Classification:	Implementing Agency: Department of Roads, Phuentsholing Thromde
Project Procurement Risk:	
Project Financing Amount: US\$ 69,000,000 ADB Financing: US\$ 50,350,000 Cofinancing (ADB Administered): Non-ADB Financing: US\$ 18,650,000	Project Closing Date: 31 December 2019
Date of First Procurement Plan: 31 July 2014	Date of this Procurement Plan: 18 September 2017, Version 4

A. Methods, Thresholds, Review and 18-Month Procurement Plan

1. Procurement and Consulting Methods and Thresholds

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

Procurement of Goods and Works		
Method	Threshold	Comments
International Competitive Bidding for Goods	US\$ 500,001 and Above	
National Competitive Bidding for Goods	Between US\$ 100,000 and US\$ 500,000	
Shopping for Goods	Up to US\$ 99,999	
International Competitive Bidding for Works	US\$ 3,000,001 and Above	
National Competitive Bidding for Works	Between US\$ 100,000 and US\$ 3,000,000	
Shopping for Works	Up to US\$ 99,999	

Consulting Services	
Method	Comments
Quality- and Cost-Based Selection for Consulting Firm	

2. Goods and Works Contracts Estimated to Cost \$1 Million or More

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

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
1	Nganglam-Deothang 0-43 km (ND01)	18,450,000.00	ICB	Prior	1S2E	Q1 / 2014	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Large Works Comments: EA/IA: DOR; No PQ; Large Works

2	Nganglam-Deothang 43-68 km (ND02)	13,150,000.00	ICB	Prior	1S2E	Q1 / 2014	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Large Works Comments: EA/IA: DOR; No PQ; Large Works
PAR-01	Bhalujhora Bridge on Pasakha Access Road	1,650,000.00	NCB	Prior	1S2E	Q2 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: re-bid
PAR-02	Multi-cellular box culvert, LCS and Roadworks on Pasakha Access Road	1,550,000.00	NCB	Prior	1S2E	Q2 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: re-bid
PAR-03	Construction of Gabion works on Pasakha Access Road	2,100,000.00	NCB	Prior	1S1E	Q2 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: re-bid

3. Consulting Services Contracts Estimated to Cost \$100,000 or More

The following table lists consulting services contracts for which the recruitment activity is either ongoing or

expected to commence within the next 18 months.

Package Number	General Description	Estimated Value	Recruitment Method	Review (Prior/Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
None							

4. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

The following table lists smaller-value goods, works and consulting services contracts for which the activity is either ongoing or expected to commence within the next 18 months.

Goods and Works								
Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
None								

Consulting Services								
Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior/Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
None								

B. Indicative List of Packages Required Under the Project

The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period).

Goods and Works							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Review (Prior/Post)	Bidding Procedure	Comments
6	Alay Land Custom Station	350,000.00	1	NCB	Prior	1S2E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: EA/IA: PT
7	Eco-friendly transportation	450,000.00	1	ICB	Prior	1S2E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods Comments: EA/IA: DOR

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Consulting Services							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior/Post)	Type of Proposal	Comments
None							

C. List of Awarded and On-going, and Completed Contracts

The following tables list the awarded and on-going contracts, and completed contracts.

1. Awarded and Ongoing Contracts

Goods and Works							
Package Number	General Description	Estimated Value	Awarded Contract Value	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
PAR-001	Emergency Protection Works under the Pasakha Access Road Project	255,000.00	254,535.18	NCB	Q1 / 2017	23-MAY-17	Direct contracting for emergency works
5a	Northern Bypass Road (Package I) in Phuentsholing	3,200,000.00	2,894,366.00	ICB	Q1 / 2017	15-JUN-17	
5b	Northern Bypass Road (Package II) in Phuentsholing	3,911,000.00	3,590,439.00	ICB	Q1 / 2017	15-JUN-17	
3	Pasakha access road (PA01)	5,900,000.00	3,560,051.29	ICB	Q1 / 2014	08-MAY-15	Contract has been terminated in January 2017. The package will be bid out, divided into 3 packages, using NCB
4	Phuentsholing mini-dry port	2,400,000.00	2,089,358.00	ICB	Q2 / 2016	24-MAR-17	

Consulting Services							
Package Number	General Description	Estimated Value	Awarded Contract Value	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
C2	Design, procurement assistance and supervision consultant (PT)	2,200,000.00	2,104,384.16	QCBS	Q1 / 2014	28-MAY-15	
C1	Supervision and capacity development consultant (DOR)	4,150,000.00	3,870,955.16	QCBS	Q1 / 2014	29-MAY-15	

D. National Competitive Bidding

1. General

The procedures to be followed for national competitive bidding shall be the open tendering/bidding method set forth in the [Procurement Rules and Regulations 2009](#) issued by the Ministry of Finance of the Royal Government of Bhutan with the clarifications and modifications described in the following paragraphs.

2. Domestic Preference

No preference of any kind shall be given to domestic bidders or for works of domestically manufactured goods. Clause 1.1.2.2 of the [Procurement Rules and Regulations 2009](#) shall not apply.

3. Registration

Foreign suppliers and contractors from ADB member countries shall be allowed to apply for pre-qualification and to bid, without national registration, licensing and other government authorizations, leaving compliance with these requirements until after notice of award and before signing of contract.

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.

4. Exclusion of Bidders / National Sanctions List

Exclusion of bidders for reasons cited in paragraph 2.1.4.1 of the BPM, including inclusion on national sanctions lists may be applied only with prior approval of ADB. Rejection of bids on account of "past poor performance" of bidders shall also be subject to ADB's prior approval.

5. Qualifications

Post qualification shall be used unless prequalification is explicitly provided for in the loan agreement/procurement plan.

If prequalification is undertaken, the prequalification criteria shall be based on ADB's User's Guide to Prequalification of Bidders.

From the date of advertisement, a minimum period of 28 days shall be allowed for the preparation and submission of prequalification applications.

6. Eligibility of Bidders

The eligibility of bidders shall be as defined under Eligibility provisions of ADB's Procurement Guidelines ("Guidelines") (March 2013, as amended from time to time), accordingly, no bidder or potential bidder should be declared ineligible for reasons other than those stated the Guidelines.

7. Procurement Thresholds and Procurement Methods

In cases of conflict between the thresholds as prescribed in Clause 4.1 of the BPM and the Procurement Plan, the lower threshold shall prevail. The procurement methods specified on the Procurement Plan shall be followed.

8. Procurement Process

One envelope open bidding process shall be used unless two stage process is explicitly provided for in the loan agreement/procurement plan.

9. Advertising

Bidding of 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.

10. Bidding Documents

Procuring entities shall use standard bidding documents acceptable to ADB for the Procurement of Goods, Works and related Services.

11. Packaging

Slicing or splitting of contracts within a package shall not be used to change the contract sizes and the corresponding methods of procurement indicated in the loan agreement/procurement plan.

12. Bid Security and Performance Security

Where required, bid security (earnest money), retention money (or security deposit) and performance security (or performance guarantee) shall be in the form of a demand draft, certified check, letter of credit, or bank guarantee from a reputable bank.

The terms and conditions of bid security as well as retention money and performance security shall be clearly specified in the forms provided and/or conditions of contract in terms of periods of validity and grounds for forfeiture, or release of the bank guarantees, or refund of the cash security deposits.

13. Rejection of All Bids and Re-bidding

Bids shall not be rejected and new bids solicited without the ADB's prior concurrence.

14. Low Bids and Unbalanced Bids

Bids shall not be rejected solely because the bid price seriously lower or unbalanced. The bidder whose bid is determined to be the lowest evaluated substantially responsive bid may be required by the Executing Agency/Implementing Agency (EA/IA) to provide a higher performance security to a level sufficient to protect the EA/IA against financial loss in the event of default of the successful bidder under the Contract.

15. Disclosure of Decision on Contract Awards

At the same time that notification on award of contract is given to the successful bidder, the results of bid evaluation shall be published in a local newspaper, or a well-known freely accessible website 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 of bidders whose bids were rejected and the reasons for their rejection, and (iv) name of the winning Bidder, and the price it offered, as well as duration and summary scope of the contract awarded. The executing agency/implementing agency/contracting authority shall respond in writing to unsuccessful bidders who seek explanations on the grounds on which their bids are not selected.

