

PROCUREMENT PLAN

Basic Data

Project Name: Inner Mongolia Autonomous Region Environment Improvement Project (Phase II)	
Project Number: 40634-013	Approval Number: 2658
Country: China, People's Republic of	Executing Agency: Government of Inner Mongolia Autonomous Region-Development and Reform Commission, Inner Mongolia Autonomous Region Finance Department (Former Inner Mongolia Autonomous Region)
Project Procurement Classification:	Implementing Agency: N/A
Project Procurement Risk:	
Project Financing Amount: US\$ 368,070,000 ADB Financing: US\$ 150,000,000 Cofinancing (ADB Administered): Non-ADB Financing: US\$ 218,070,000	Project Closing Date: 31 December 2018
Date of First Procurement Plan: 6 August 2010	Date of this Procurement Plan: 9 February 2018, Version 10

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\$ 1,000,000 and Above	
National Competitive Bidding for Goods	Between US\$ 100,000 and US\$ 999,999	The first NCB goods packages are required to have prior review by the Asian Development Bank.
Shopping for Goods	Up to US\$ 99,999	
International Competitive Bidding for Works	US\$ 10,000,000 and Above	
National Competitive Bidding for Works	Between US\$ 100,000 and US\$ 9,999,999	The first NCB works packages are required to have prior review by the Asian Development Bank.
Shopping for Works	Up to US\$ 99,999	

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

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
None							

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
None							

Consulting Services							
Package Number	General Description	Estimated Value	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
AES-CW-03	Civil Works for Boiler House (Aershan DHS)	1,600,000.00	1,586,275.00	NCB	Q4 / 2014	20-MAR-15	PCSS0021
BT-EP-02	Automatic Heat Exchange Unit for New Thermal Power Station between 2011 and 2012, Baotou DHS	2,450,000.00	3,930,500.94	ICB	Q1 / 2012	06-JUN-12	PCSS0005
CF-EP-06	Ball Valve and Butterfly Valve (2), Chifeng DHS	1,880,000.00	1,695,714.00	ICB	Q2 / 2015	14-AUG-15	PCSS0029
AT-EP-01	Boiler, Auxilliary Equipment etc(Aershan and Tuquan DHS)	7,310,161.29	6,931,503.00	ICB	Q2 / 2015	31-AUG-15	PCSS0023
HHHT-EP-03	Boilers and accessories in area F and G, Hohhot DHS	6,870,000.00	4,050,094.55	ICB	Q2 / 2012	02-OCT-12	PCSS0010
HHHT-EP-06	Cement and Steel Products, Hohhot DHS	2,330,000.00	4,073,562.44	ICB	Q2 / 2012	23-NOV-12	PCSS0012
ZLT-DHS-05	Coal supply system, slag removal system, dual removal and installation, Xing An Prefecture Zhalaite Banner Yindeer Town DHS	510,000.00	548,288.10	NCB	Q2 / 2012	24-SEP-12	PCSS0008
AT-EP-04	External Pipe etc (Aershan and Tuquan DHS)	4,054,677.42	3,768,729.00	ICB	Q2 / 2015	31-AUG-15	PCSS0026
HHHT-EP-08	Heat Exchange Unit and Control Equipment Procurement Contract	7,020,000.00	3,844,776.12	ICB	Q4 / 2013	28-SEP-16	PCSS0033
AT-EP-02	Heat Pump, Heat Exchanger, Pump etc (Aershan and Tuquan DHS)	6,530,806.00	6,127,434.00	ICB	Q2 / 2015	31-AUG-15	PCSS0024
HHHT-EP-05	Heat exchange unit, valves, electrical equipment and control system in area F and G, Hohhot DHS	3,880,000.00	4,268,503.42	ICB	Q2 / 2012	02-OCT-12	PCSS0011
ZLT-EP-04	Heat exchange units, Xing An Prefecture Zhalaite Banner Yindeer Town DHS	1,900,000.00	2,020,960.53	ICB	Q2 / 2013	22-MAY-13	PCSS0015
HHHT-EP-10	Heating Exchange Units, Water Pump and Relevant Electric	9,420,000.00	3,792,923.88	ICB	Q2 / 2017	06-NOV-17	PCSS0037

	Equipment						
CF-EP-03	Pipe fitting, filter and ultrasonic flowmeter	1,000,000.00	771,362.15	ICB	Q3 / 2012	12-FEB-13	PCSS0018
BT-EP-01	Pre-insulated pipe and fittings for new and rehabilitated pipeline net between 2011 and 2012	7,140,000.00	7,135,405.45	ICB	Q1 / 2012	19-APR-12	PCSS0001
HHHT-EP-04	Pre-insulated pipe and fittings in area F and G, Hohhot DHS	12,030,000.00	7,493,548.00	ICB	Q2 / 2014	12-JUN-14	PCSS0019
CF-EP-01	Pre-insulated pipe and steel pipe, Chifeng DHS	10,000,000.00	12,716,955.78	ICB	Q3 / 2012	19-AUG-13	PCSS0017
CF-EP-07	Prefabricated Insulating Pipe and Pipe Fitting (2), Chifeng DHS	9,000,000.00	8,317,398.00	ICB	Q2 / 2015	20-AUG-15	PCSS0030
HHHT-EP-09	Prefabricated Insulation Pipe and Pipe Fitting Procurement Contract	5,690,000.00	9,015,885.13	ICB	Q3 / 2017	30-NOV-17	PCSS0038
AT-EP-03	Steel Pipes (Aershan and Tuquan DHS)	8,426,290.32	7,841,765.00	ICB	Q2 / 2015	31-AUG-15	PCSS0025
HHHT-EP-07	Valve Equipment Procurement Contract	5,950,000.00	1,611,940.30	ICB	Q4 / 2013	28-SEP-16	PCSS0032

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
0016	PMO administration expenses	750,000.00	750,000.00	ICS	Q3 / 2010	01-JUN-11	PCSS0016
CS01	Project implementation supervision consultants	1,000,001.00	785,200.00	QCBS	Q3 / 2013	24-JUN-14	PCSS0020

2. Completed 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	Date of Completion	Comments
ZLT-CW-03	Civil Work for thermal source station, Xing An Prefecture Zhalaite Banner Yindeer Town DHS	3,228,629.67	3,204,757.22	NCB	Q2 / 2012	24-SEP-12	25-OCT-13	PCSS0007
ZLT-EP-02	DCS System and electrical equipment for thermal source station, Xing An	2,501,518.49	2,544,226.33	ICB	Q2 / 2012	24-SEP-12	10-JUN-13	PCSS0006

	Prefecture Zhalaite Banner Yindeer Town DHS							
ZLT-EP-01	Boiler, Fan, Dust Removal and Desulphurization Equipment, Pumps, Water treatment system and materials for thermal source station, Xing An Prefecture Zhalaite Banner Yindeer Town DHS	3,938,406.84	3,947,463.87	ICB	Q1 / 2012	24-SEP-12	25-OCT-13	PCSS0002
BT-EP-03	Water Pump Frequency Converter, Heat Metering Device, SCADA and Distributed Frequency Converter for the Existing Thermal Power Station, Baotou DHS	2,960,000.00	5,124,049.11	ICB	Q1 / 2012	06-JUN-12	01-FEB-15	PCSS0003
BT-EP-04	Water Pump Frequency Converter Device and Valves for the Existing Thermal Source Station, Baotou DHS	4,250,000.00	2,759,469.40	ICB	Q1 / 2012	06-JUN-12	02-FEB-16	PCSS0004
CF-EP-02	Ball valve and butterfly valve, Chifeng DHS	1,700,000.00	814,675.99	ICB	Q3 / 2012	12-FEB-13	01-MAY-16	PCSS0013
CF-EP-04	Heat Exchange Unit, Electrical equipment and control system	4,700,000.00	4,256,611.90	ICB	Q3 / 2012	12-FEB-13	01-MAY-16	PCSS0014
HHHT-EP-02	Heat Exchange Unit, Valves, Electrical Equipment and Controls System in area K, Hohhot DHS	4,620,000.00	5,219,135.18	ICB	Q2 / 2012	02-OCT-12	01-MAY-16	PCSS0009
HHHT-EP-01	Pre-insulated pipe and fittings in area K, Hohhot DHS	8,840,000.00	2,849,981.14	ICB	Q3 / 2014	04-MAR-15	01-DEC-17	PCSS0022
CF-EP-05	Prefabricated Insulating Pipe and Pipe Fitting, Chifeng DHS	5,580,000.00	4,795,471.42	ICB	Q2 / 2015	21-AUG-15	01-DEC-17	PCSS0028
AT-EP-05	Vehicle (Aershan and Tuquan DHS)	677,419.35	552,482.63	NCB	Q2 / 2015	31-AUG-15	01-DEC-17	PCSS0027
ZLT-EP-06	Boiler, Fan, Dust Removal and Desulphurization Equipment	3,280,000.00	3,323,705.00	ICB	Q2 / 2017	18-SEP-17	31-DEC-17	PCSS0035
CF-EP-08	Heat Exchange Unit, Electrical Equipment and Control System, Chifeng DHS	2,880,000.00	3,697,417.50	ICB	Q2 / 2015	14-AUG-15	31-DEC-17	PCSS0031
	Heat Exchange	4,320,000.00	4,530,397.19	ICB	Q2 / 2017	18-SEP-17	31-DEC-17	PCSS0036

ZLT-EP-07	Units and Ancillary Equipment							
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Consulting Services								
Package Number	General Description	Estimated Value	Awarded Contract Value	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Date of Completion	Comments
None								

D. National Competitive Bidding

A. Regulation and Reference Documents

1. The procedures to be followed for national competitive bidding shall be those set forth in *The Government Procurement Law of People's Republic of China* approved on 29 June 2002 and *Law of the People's Republic of China on Bid Invitation and Bidding of the People's Republic of China* promulgated on August 30, 1999 with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the ADB Procurement Guidelines.

B. Procurement Procedures

1. Competitive Bidding Procedure (Procurement Law Art. 26 and Law on Bidding Art. 10).

2. Public tendering is the acceptable method of government procurement, and public invitation is the accepted bid invitation mode.

2. Eligibility

3. The eligibility of bidders shall be as defined under section I of the Procurement Guidelines; accordingly, no bidder or potential bidder should be declared ineligible for reasons other than those provided in section I of the Guidelines, as amended from time to time.

3. Advertising

4. All invitations to prequalify or to bid shall be advertised in the national press (China Daily Newspaper) or a free and open access website (www.chinabidding.com). 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 twenty-eight (28) 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.

4. Bidding Period

5. The minimum bidding period is 28 days prior to the deadline for the submission of bids.

5. Participation by Government-Owned Enterprises

6. 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.

6. Rebidding

7. Re-bidding shall not be allowed solely because the number of bids is less than three (3).

C. Bidding Documents

7. Qualification requirements

8. 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.

8. Bid Submission and Opening

9. Bidders shall be allowed to submit bids by mail or by hand.
10. 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.

9. Bid Evaluation and Award

11. 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.
12. 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.

10. ADB Policy Clauses

13. 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.
14. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that the Borrower shall reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question.
15. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that ADB will declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by ADB, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices or any integrity violation in competing for, or in executing, ADB-financed contract.

