

## PROCUREMENT PLAN

### Basic Data

<b>Project Name:</b> Viet Nam Water Sector Investment Program– Tranche 1: Ho Chi Minh Water Supply Project	
<b>Project Number:</b> Loan 2754-VIE	<b>Approval Number:</b> 41456-013
<b>Country:</b> VIET NAM	<b>Executing Agency:</b> Sai Gon Water Corporation (SAWACO)
<b>Project Procurement Classification:</b> Category B	<b>Implementing Agency:</b>
<b>Procurement Risk:</b> Low	
<b>Project Financing Amount:</b> \$ 154,000,000 <b>ADB Financing</b> : \$ 138,000,000 <b>Cofinancing (ADB Administered):</b> N/A <b>Counterpart Financing</b> : \$ 16,000,000	<b>Project Closing Date:</b> 31 December 2020
<b>Date of First Procurement Plan:</b> 07 June, 2011	<b>Date of this Procurement Plan:</b> 17th April 2020 Version 8

### 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. {delete the methods that do not apply}

Procurement of Goods and Works		
Method	Threshold	Comments
International Competitive Bidding (ICB) for Works	\$10,000,000 <sup>1</sup>	
International Competitive Bidding for Goods	\$2,000,000	
National Competitive Bidding (NCB) for Works <sup>3</sup>	Beneath that stated for ICB, Works	
National Competitive Bidding for Goods <sup>3</sup>	Beneath that stated for ICB, Goods	
Shopping for Works	Below \$100,000	
Shopping for Goods	Below \$100,000	

<sup>1</sup> Refer to PAI 3.03 Appendix 2 for International Competitive Bidding

<sup>2</sup> Please insert a specific threshold amount

<sup>3</sup> Refer to Para. 3 of PAI 3.05 for National Competitive Bidding

Consulting Services	
Method	Comments
Quality and Cost Based Selection (QCBS)	Quality Cost Ratio: 80:20, 90:10, FTP, STP
Quality Based Selection (QBS)	N/A
Consultants' Qualifications Selection <sup>4</sup> (CQS)	Audit
Least-Cost Selection <sup>5</sup> (LCS)	N/A
Fixed Budget Selection (FBS)	FTP
Single Source Selection (SSS)	BTP
Individual Consultant (IC)	BTP

<sup>4</sup> Refer to Para. 29 of PAI 2.02 for Consultants' Qualification Selection

<sup>5</sup> Refer to Para. 26 of PAI 2.02 for Least-Cost Selection

## 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: **None**.

Package Number <sup>6</sup>	General Description	Estimated Value	Procurement Method	Review [Prior / Post/Post (Sampling)]	Bidding Procedure <sup>7</sup>	Advertisement Date (quarter/year)	Comments <sup>8</sup>

<sup>6</sup> If the package contains multiple lots, please provide the following information for each lot – lot number, lot description and lot estimated value.

<sup>7</sup> Type of Bidding Procedures: 1S1E / 1S2E / 2S / 2S2E.

<sup>8</sup> Indicate whether prequalification of bidders and domestic preference is applicable. Specify the type of bidding documents to be used: Small Works / Large Works / Plant / Goods.

## 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 <sup>9</sup>	Comments <sup>10</sup>
CS11	Construction Supervision and Contract Management (CW1 and GD5)	4,200,000 (excl. of taxes)	QCBS	Prior	March 2018	FTP	International and National  Quality Cost Ratio: 90:10
CS3	Independent Resettlement Monitoring						Canceled/Merged into CS11

<sup>9</sup> See PAI 2.02G: full, simplified or bio data technical proposal.

<sup>10</sup> Indicate the type of assignment: International or National. Specify the Quality-Cost Ratio for QCBS method. Indicate the type of expertise for Individual Consultant Selection.

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

Consulting Services								
Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/year)	Type of Proposal <sup>9</sup>	Comments <sup>10</sup>
CS4	Social Development Services	25,000	0	SSS	Prior	BTP	National (Vietnamese Women Union)	Canceled
CS14	Information Education Communication (IEC) on Water Benefit	23,800	1	SSS	Prior	QIV/2018	National (Vietnam Women's Union Ho Chi Minh City )	
CS15	Auditor	11,113	1	SSS	Prior	QI-QII/2020	National	

## 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): **None**.

Goods and Works							
Package Number <sup>6</sup>	General Description	Estimated Value	Estimated Number	Procurement Method	Review [Prior /	Bidding Procedure <sup>7</sup>	Comments <sup>8</sup>

		(cumulative)	of Contracts		Post/Post (Sampling)]		

Consulting Services							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior / Post)	Type of Proposal <sup>9</sup>	Comments <sup>10</sup>

### 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 On-going 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 <sup>11</sup>	Comments <sup>12</sup>
CW1	2400mm Treated Water Pipeline Thu Duc side and City	78,330,000,000	69.014.669,23	ICB	19/8/2016	26/04/2017	Contract was signed on Aug. 24, 2017. Advance Payment made Dec. 14, 2017. Up to date it is not taken effective yet.
GD5	Information Communication Technology (ICT)	27,083,000,000	20.569.491,19	ICB	12/11/2014	20/06/2016	Completion Date Dec. 15, 2020

<sup>11</sup>Date of ADB Approval of Contract Award is the date of No-Objection letter to the EA/IA.

<sup>12</sup>Indicate the Contractor's name and the contract signing date.

Consulting Services							
Package Number	General Description	Estimated Value (\$)	Awarded Contract Value (\$)	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award <sup>11</sup>	Comments <sup>13</sup>

#### 2. Completed Contracts

Goods and Works								
Package Number	General Description	Estimated Value (\$)	Contract Value (at Completion) (\$)	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award <sup>11</sup>	Date of Completion <sup>14</sup>	Comments
GD1	Customer Service Water Meters	560,000	326.622,52	NCB (Prior)	15/12/2015	13/5/2016	28/12/2016	Ex. rate 22,670 VND/ USD
CW3-P1	Construction of Water	2,600,000	1.957.198,33	NCB (Prior)	Dec, 2015	24/5/2016	28/9/2017	Ex. rate 22,670

	Supply Network in Ba Diem Commune, Hoc Mon District (stages 3,4,5)							VND/ USD
CW3-P2	Construction of Water Supply Network in Ba Diem Commune, Hoc Mon District (stages 6,7)	4,140,000	2.311.429,36	NCB (Post)	30/6/2016	23/9/2016 (EA approved)	27/9/2017	
CW3-P3	Construction of Water Supply Network and Appurtenances in Vinh Loc Commune – Phong Phu Commune (Lot 1), Vinh Loc A (Lot 2,3), Binh Chanh District	4,500,000	2.871.337,44	NCB (Post)	05/7/2016	16/9/2016 (EA approved)	29/9/2017	.

<sup>11</sup> Date of ADB Approval of Contract Award is the date of No-Objection letter to the EA/IA.

<sup>14</sup>The Date of Completion is the physical completion date of the contract.

Consulting Services								
Package Number	General Description	Estimated Value (\$ ecl. contingencies)	Contract Value (at Completion) (\$)	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award <sup>11</sup>	Date of Completion <sup>14</sup>	Comments
CS1	Water Conservation Plan	194,000	131.500	IC	19/12/2012	30/5/2013	29/12/2014	International
CS2	Disaster Management Plan	194,000	106,750	IC	19/12/2012	30/5/2013	23/12/2014	International
CS5	Detailed Design and Construction Supervision	8,740,000	7.773.700	QCBS	29/10/2013	08/9/2014	17/10/2018	International
CS7	O&M Management	2,730,000	1.525.379,33	FBS	10/10/2013	19/3/2014	23/10/2017	International and National
CS8	Bidding Documents and Bids Evaluation for ICT (GD5)	205,000	190,000	IC	30/12/2012	29/5/2013	22/6/2017	International
CS9	Bidding Documents Preparation and Bids Evaluation for 2400 Treated Water	197,000	106,660	IC	07/2/2013	08/7/2013	05/10/2015	International

	Pipe (CW1)							
CS10	Review of Detailed Design and Cost Estimates of CW3-P2 and CW3-P3 packages	14,400	12,974	SSS	25/1/2016	14/11/2016	23/11/2016	National
CS6	Auditor	194,000	135.947,48	CQS	27/4/2015	19/6/2015	30/6/2019	International

<sup>11</sup> Date of ADB Approval of Contract Award is the date of No-Objection letter to the EA/IA.

<sup>14</sup>The Date of Completion is the physical completion date of the contract.

#### **D. Non-ADB Financing**

The following table lists goods, works and consulting services contracts over the life of the project, financed by Non-ADB sources.

<b>Goods and Works</b>				
<b>General Description</b>	<b>Estimated Value (cumulative)</b>	<b>Estimated Number of Contracts</b>	<b>Procurement Method</b>	<b>Comments</b>

<b>Consulting Services</b>				
<b>General Description</b>	<b>Estimated Value (cumulative)</b>	<b>Estimated Number of Contracts</b>	<b>Recruitment Method</b>	<b>Comments</b>
CS12: Assitance to Recruitement of CS11	23.000	01	SSS	On-going
Assitance to Recruitement of CW1, CS5, CS6, CS7 and CS9	22.178	01	SSS	Completed in 2014
Consulting for Appraisal of Selecting Results CW1 Package	11.227	01	SSS	Completed in 2017
Consulting for Appraisal of Selecting Results GD5 Package	11.644	01	SSS	Completed in 2016
CS13: Consulting Services for Verification of Design of D2400mm Treated Water Transmission Pipeline from Binh Thai South Crossing to junction of Dien Bien Phu Street and Nguywn Binh Khiem Street.	21,822 (excl. of taxes)	01	SSS	On-going

## **E. National Competitive Bidding**

### **1. General**

The procedures to be followed for the procurement of goods, non-consulting services, and works under contracts awarded on the basis of National Competitive Bidding shall be those set forth in: (a) Law on Procurement No. 43/2013/QH13 dated November 26, 2013 ("Law on Procurement") and (b) Decree No. 63/2014/ND-CP dated June 26, 2014 (collectively, "National Procurement Laws"). Whenever any procedure in the National Procurement Laws is inconsistent with the ADB Procurement Guidelines (March 2013, as amended from time to time), the ADB Procurement Guidelines shall prevail, amongst others on the following.

### **2. Eligibility**

(i) The eligibility of bidders shall be as defined under section I of the ADB Procurement Guidelines; accordingly, no bidder or potential bidder should be declared ineligible for reasons other than those provided in section I of the ADB Procurement Guidelines, as amended from time to time. Conditions of bidders' participation shall be limited to those that are essential to ensure bidders' capability to fulfill the contract in question. Foreign bidders shall be eligible to participate under the same conditions as national bidders. Foreign bidders shall not be asked or required to form joint ventures with, or be subcontractors to, national bidders in order to submit a bid.

(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 bidder shall not have a conflict of interest, which term shall be defined in accordance with section 1 of ADB Procurement Guidelines.<sup>1</sup> Any bidder found to have a conflict of interest shall be ineligible for contract award.

(iv) Government-owned enterprises in the Borrower's country shall be eligible to participate as a bidder only if they can establish that they are legally and financially autonomous, operate under commercial law and are not dependent agencies of the Borrower or Sub-Borrower.

(v) National sanction lists may only be applied with approval of ADB<sup>2</sup>.

### **3. Preferences**

No preference of any kind shall be given to domestic bidders over foreign bidders or for domestically manufactured goods over foreign manufactured goods. Unless otherwise stated in the applicable financing agreement, preferences among domestic bidders set forth in Article 14(3) of the Law on Procurement shall not be applied.

### **4. Bidding Procedure**

Single stage-single envelope shall be the default bidding procedure and application of other bidding procedures shall require ADB's prior approval.

### **5. Time for Bid Preparation**

The time allowed for the preparation and submission of bids for large and/or complex packages shall not be less than thirty (30) days from the date of the invitation to bid or the date of availability of the bidding documents, whichever is later.

### **6. Standard bidding documents**

The Borrower's standard bidding documents, acceptable to ADB, shall be used. Bidders shall be allowed to submit bids by hand or by mail/ courier.

### **7. Bid Opening and Evaluation**

(i) Bids shall be opened in public, immediately after the deadline for submission of bids, regardless of the number of bids received.

(ii) Except with the prior approval of ADB, merit points shall not be used in bid evaluation.

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<sup>1</sup> Detailed guidance on how to apply conflict of interest test is available under section 1 of ADB's standard bidding documents for goods and works (as amended from time to time).

<sup>2</sup> For fraud and corruption cases, Section 50 of ADB's Integrity Principles and Guidelines provides that ADB may decide that another international financial institution's or legal or regulatory body's determination that a party has failed to adhere to appropriate ethical standards, as defined by any established system of principles, rules, or duties, including the laws or regulations of a state, constitutes that party's failure to maintain the highest ethical standards as required by ADB's Anticorruption Policy. The party may be subject to remedial action in accordance with the Integrity Principles and Guidelines. <http://www.adb.org/sites/default/files/integrity-principles-guidelines.pdf>

- (iii) No price adjustments shall be made for evaluation purposes in accordance with Article 117(6) of Decree 63 when unit rates offered by the bidder are determined to be abnormally low.
- (iv) Bidders shall be given commercially reasonable time period to respond to clarification requests.
- (v) Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations<sup>3</sup>.
- (vi) Except with the prior approval of ADB, negotiations contemplated under paragraphs 7 and 8 of Article 117 of Decree No. 63/2014/ND-CP shall not take place with any bidder prior to contract award.
- (vii) 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.

## **8. Rejection of All Bids and Rebidding**

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

## **9. 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 Gazette, 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, may request an explanation from the Borrower. The Borrower 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.

## **10. Contract Administration**

The Contract Agreement, as such term is defined in the relevant bidding document, shall be applied without any modification during implementation except as otherwise agreed by ADB.

## **11. Fraud and Corruption**

A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that ADB will sanction a party or its related parties, including declaring ineligible, either indefinitely or for a stated period of time, to participate in ADB-financed, administered or supported activities if it at any time determines that the party has, directly or indirectly through an agent, engaged in integrity violations as defined under ADB's Integrity Principles and Guidelines, including corrupt, fraudulent, collusive, or coercive practices in competing for, or in executing, an ADB-financed, administered or supported contract.

## **12. Right to Inspect/ Audit**

Each bidding document and contract financed by ADB shall include a provision requiring bidders, contractors, agents (whether declared or not), sub-contractors, sub-consultants, service providers, or suppliers and any personnel thereof, to permit ADB to inspect all accounts, records and other documents relating to any prequalification process, bid submission, and contract performance (in the case of award), and to have them audited by auditors appointed by ADB.

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<sup>3</sup> A 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.