

PROCUREMENT PLAN

Basic Data

Project Name: Shanxi Small Cities and Towns Development Demonstration Sector Project	
Project Number: 42383-023	Approval Number: 2606
Country: China, People's Republic of	Executing Agency: Shanxi Provincial Government
Project Procurement Classification:	Implementing Agency: N/A
Project Procurement Risk:	
Project Financing Amount: US\$ 266,150,000 ADB Financing: US\$ 100,000,000 Cofinancing (ADB Administered): US\$ 250,000 Non-ADB Financing: US\$ 165,900,000	Project Closing Date: 30 June 2018
Date of First Procurement Plan: 18 December 2009	Date of this Procurement Plan: 22 March 2018, Version 6

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\$ 3,000,000 and Above	
National Competitive Bidding for Goods	Between US\$ 100,000 and US\$ 2,999,999	The first NCB procurement documents should be submitted for review and approval; subsequent NCB will be subject to post reviews.
Shopping for Goods	Up to US\$ 99,999	
International Competitive Bidding for Works	US\$ 40,000,000 and Above	
National Competitive Bidding for Works	Between US\$ 100,000 and US\$ 39,999,999	The first NCB procurement documents should be submitted for review and approval; subsequent NCB will be subject to post reviews.
Shopping for Works	Up to US\$ 99,999	

Consulting Services	
Method	Comments
Consultant's Qualification Selection for Consulting Firm	
Fixed Budget Selection for Consulting Firm	
Least-Cost Selection for Consulting Firm	
Quality- and Cost-Based Selection for Consulting Firm	
Quality-Based Selection for Consulting Firm	
Single Source 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
B-BF-04-01	Fenyang road emptier, snow sweeper, garbage transfer trolley, etc.	640,000.00	1	NCB	Post	1S1E	Q1 / 2018	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Others Comments: MOF SBD for goods.
B-BG-01-01	Office equipment for eight project towns	200,000.00	1	NCB	Post	1S1E	Q1 / 2018	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Others Comments: MOF SBD for goods.
B-QX-01-01	Qingxu Donghu Park maintenance equipment and road sweepers	550,000.00	1	NCB	Post	1S1E	Q1 / 2018	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Others Comments: MOF SBD for goods.
B-YC-02-03	Yicheng power supply unit for	99,999.00	1	SHOPPING	Post		Q1 / 2018	

	management room							
B-YC-02-04	Yicheng heating equipment for management room	64,600.00	1	SHOPPING	Post		Q1 / 2018	
B-YC-04-01	Yicheng emergency vehicle for water supply plant and maintenance equipment	650,000.00	1	NCB	Post	1S1E	Q1 / 2018	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Others Comments: MOF SBD for goods.
TBC2	Office equipment	52,500.00	1	SHOPPING	Post		Q1 / 2018	

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
A-PY-01-01	Pingyao: Huiji River Improvement (embankments, steel dam, bottom-protecting engineering, power transmission line, housing, temporary engineering, etc)	8,620,000.00	7,350,879.25	NCB	Q1 / 2012	26-OCT-12	0010. CNY49,000,961.09
A-PY-01-02	Pingyao: Huiji River Improvement works (Seepage-prevention, embankment, landscaping, other construction, etc)	8,690,000.00	53,023,325.00	NCB	Q3 / 2012	26-OCT-12	Contract currency CNY. Construction to be completed by 2015
A-FY-02-01	Xinghuacun: Xinqunan road and Xinguzhong road	5,440,000.00	33,154,895.00	NCB	Q1 / 2012	25-JUN-12	0008. Currency CNY
A-FY-01-01	Xinghuacun: Xinshi road	7,350,000.00	65,456,570.00	NCB	Q1 / 2012	25-JUN-12	0009. Currency CNY
A-LS-01-01	Lingshi No.1 Kindergarten & Preschool Education information Center, and Sunshine migrants Kindergarten Project	5,750,000.00	5,035,614.47	NCB	Q1 / 2016	25-NOV-16	0030. CNY34,576,039.65
A-LS-02-01	Lingshi: Jingjie Kindergarten, Yinfang Kindergarten, Jiguang Kindergarten, and Suxi Kindergarten Project	5,670,000.00	5,430,524.01	NCB	Q1 / 2016	25-NOV-16	0031. CNY37,287,607.03
A-QX-01-01	Qingxu: Water storing, water connection and landscape and upgrade of Baishi river	9,800,000.00	55,859,642.78	NCB	Q2 / 2015	26-NOV-15	Contract currency CNY. PCSS 0026.
A-YC-02-01	Yicheng: Water plant and pipeline	5,490,000.00	5,239,197.49	NCB	Q3 / 2016	02-NOV-16	0029. CNY36,279,870.87
A-YC-01-01	Yicheng: Water well	1,661,000.00	1,685,755.53	NCB	Q3 / 2016	02-NOV-16	0028. CNY11,673,351.31
A-YY-04-01	Youyu: Road base and pavement;	4,110,000.00	22,333,475.00	NCB	Q2 / 2015	23-JUL-15	Contract currency CNY. PCSS 0025.

	curbs, gutters, drainage, and greening; electrical supply and lighting						
B-LS-02-01	Lingshi: Kindergarten Facilities	2,400,000.00	2,748,784.83	NCB	Q2 / 2016	04-AUG-16	0027. CNY18,485,578.00
B-LS-01-01	Lingshi: Preschool Education Information Equipment	3,050,000.00	2,494,353.60	ICB	Q2 / 2016	12-OCT-17	
B-PY-01-05	Pingyao: Mechanic and electric equipment & installation	880,000.00	4,801,186.00	NCB	Q2 / 2015	03-JUL-15	Contract currency CNY. PCSS 0024.
B-PY-01-04	Pingyao: Metal structure equipment and installation	910,000.00	4,801,186.00	NCB	Q2 / 2015	03-JUL-15	Contract currency CNY. PCSS 0023.
B-YC-02-02	Yicheng: Equipment for Water Supply	3,423,000.00	3,112,588.66	ICB	Q3 / 2016	13-FEB-17	0032. CNY21,108,020.00

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
PMCS-02	Project Implementation and Capacity Building	1,100,000.00	1,213,030.00	QCBS	Q4 / 2013	28-AUG-14	0021. Contract in US\$.

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.

Goods and Works				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Comments
Niangziguan: River improvement works - rubber Dam	430,000.00	1	NCB	Domestic Funding
Yicheng: Pipeline II	1,441,000.00	1	NCB	Domestic Funding
Yicheng: Vehicles	636,000.00	1	NCB	Domestic Funding

Consulting Services				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Comments
None				

E. 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.