

CADIP Tranche 3 Procurement Plan ^a

Basic Data

Project Name: Civil Aviation Development Investment Program, Tranche 3	
Project Number: 43141-044	Approval Number: to be determined
Country: Papua New Guinea	Executing Agency: National Airport Corporation
Total Cost of Investment Program: \$557 million	Project Closing Date: 31 Dec 2018
Multi-tranche Financing Facility: \$473 million Total Cost of Tranche 3: \$275 million	Date of this Procurement Plan:
Date of First Procurement Plan: 01 April 2016	02 December 2016

^a Procurement plan will be revised annually.

A. Methods, Thresholds, Review and 12-Month Procurement Plan

1. Procurement and Consulting Methods Thresholds

Except as 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 (ICB) for Works	\$5 million	Prior Review
International Competitive Bidding for Goods	\$2 million	Prior Review
National Competitive Bidding (NCB) for Works	Below \$5 million	Post Review
National Competitive Bidding for Goods	Below \$2 million	Post Review
Shopping for Works	Below \$300,000	Post Review
Shopping for Goods	Below \$300,000	Post Review

Consulting Services

Method	Comments
Individual Consultants System (ICS)	Prior
Firm (Quality-and Cost-Based Selection 90:10)	Prior

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

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

Package No.	General Description	Estimated Value (\$ million)	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement Date	Comments
CADIP3-WOO1	Momote Airport Pavement Upgrade, New Terminal Building and Associated Works	36.42	ICB	Prior	1S1E	Q1/2016	No PQ/Large works. Advance contracting. Bids received on 06 May 2016. Evaluation completed. Contract Signing in Dec 2016. Master Bidding

							Document approved
CADIP3-W002	Mt. Hagen Airport Pavement Strengthening, New ATC Tower and Associated Works	39.15	ICB	Prior	1S1E	Q2/2016	No PQ/Large works. Advance contracting. Bids advertised on 29 June. 2016 and are under evaluation. Master Bidding Document approved
CADIP3-W003	Mendi Airport Pavement Strengthening, New Terminal Building and Associated Works	11.99	ICB	Prior	1S1E	Q12017	No PQ/Large works. Master Bidding Document approved
CADIP3-W004	Vanimo Airport Runway Extension and Associated Works	7.87	ICB	Prior	1S1E	Q1/2017	No PQ/Small works
CADIP3-W005	Madang Airport Pavement Strengthening, New Terminal Building and Associated Works	30.41	ICB	Prior	1S1E	Q1/2017	No PQ/Large works. Master Bidding Document approved
CADIP3-W006	Wewak Airport Pavement Strengthening, New Terminal Building and Associated Works	12.73	ICB	Prior	1S1E	Q1/2017	No PQ/Large works. Master Bidding Document approved
CADIP3-W007	Gurney Airport Pavement Upgrading, Terminal Building Extension and Associated Works	13.43	ICB	Prior	1S1E	Q4/2016	No PQ/Large works. Master Bidding Document approved
CADIP3-W008	Security Fencing Package for Kerema, Kiunga and Tari Airports	7.75	ICB	Prior	1S1E	Q/2016	No PQ/Small works. Bids advertised on 8 November 2016
CADIP3-W009	Kavieng Airport Pavement Upgrading, Terminal Building and Associated Works	21.45	ICB	Prior	1S1E	Q1/2017	No PQ/Large works. Master Bidding Document approved
CADIP3-	Buka Airport	10.74	ICB	Prior	1S1E	Q2/2017	No PQ/Large

W010	Pavement Upgrading, Terminal Building and Associated Works						works. Master Bidding Document approved
CADIP3-G001	Airfield Lighting equipment	9.74	ICB	Prior	1S1E	Q3/2017	No PQ/Goods contract (7 airports)

^a All prices are inclusive of 10% GST

ICB = International Competitive Bidding; NCB = National Competitive Bidding; NAC = National Airport Corporation; PQ = Pre-Qualification; 1S1E = Single-Stage One Envelope.

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

The following table lists consulting services contracts for which procurement 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	Type of Proposal	Comments
CS1	Individual for PIU support	1.35	ICS	Prior	Q3/2016	International	4 contracts
CS2	Design and supervision consultant	3.55	QCBS (90:10)	Prior	Q2/2016	International	1 contract
CS3	Accounting and audits	0.50	SSS	Prior	N/A	N/A	1 contract

ICS=Individual Consultant Selection System, QCBS=Quality-and Cost-Based Selection, SSS=Single-Source Selection.

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

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

General Description	Estimated Value (USD m)	Number of Contracts	Procurement/ Recruitment Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
Pavement Maintenance	1.29	8	Shopping	Post	N/A	Q2 2017	8 airports (Kiunga, Kerema, Tari, Daru, Aropa, Wapenamada, Tokua, Nadzab)
Topographical Survey & Geotechnical	0.56	4	Shopping	Post	N/A	N/A	4 airports (Kavieng, Buka, Mendi, Tokua)
Airport maintenance equipment and certification	2.43	Various	Shopping	Post	N/A	Q3/2017	To be carried out at NAC Airports

- Funds for maintenance of runways, taxiways and aprons of NAC airports. NAC = National Airport Corporation. NAC airports are Buka, Chimbu, Daru, Girua, Goroka, Gurney, Hoskins, Kavieng, Kerema, Kieta, Kiunga, Madang, Mendi, Momote, Mt. Hagen, Nadzab, Port Moresby, Tari, Tokua, Vanimo, Wapenamanda and Wewak.
- NAC = National Airports Corporation; ASL = Air Services Limited; CASA = Civil Aviation Safety Authority; AIC = Accidents Investigation Commission.

B. Indicative List of Packages Required Under the Project (Not Applicable)

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/Post (Sample)]	Bidding Procedure	Comments
	NIL						

Consulting Services							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior / Post)	Type of Proposal	Comments
	NIL						

C. List of Awarded and On-going, and Completed Contracts (Not Applicable)

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	Comments
	NIL						

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
	NIL						

2. Completed Contracts

Goods and Works								
Package Number	General Description	Estimated Value	Contract Value	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Date of Completion	Comments
	NIL							

Consulting Services								
Package Number	General Description	Estimated Value	Contract Value	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Date of Completion	Comments
	NIL							

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.

Works				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Comments
Long term maintenance contracts	To be determined by NAC	01	ICB	5 regional airports. Advertisement Q2 2017

B. National Competitive Bidding

1. General

National competitive bidding (NCB) shall conform to the provisions set in the Public Financial Management Act (PFMA) as issued in 1995 and amended in 2003, and the specific procedures prescribed in the Financial Instructions (FIs) issued in 2005, with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of ADB Procurement Guidelines.

2. Participation in Bidding

- (i) Government-owned enterprises in Papua New Guinea shall be eligible to bid only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not a dependent agency of the Borrower/Executing Agency/Implementing Agency.
- (ii) Foreign bidders shall be eligible to participate in bidding under the same conditions as national bidders.
- (iii) Bidding shall not be restricted to preregistered firms and such registration shall not be stated in the bidding documents as a condition for the submission of bids. 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.

3. Classification of Contractors; Qualification; Post-qualification

- (i) Post qualification shall be used unless prequalification is explicitly provided for in the loan agreement/procurement plan.
- (ii) Bidding shall not be restricted to any particular class of contractors, and non-classified contractors shall also be eligible to bid. Qualification criteria (in case prequalification was not carried out) shall be stated in the bidding documents, and before contract award, the bidder having submitted the lowest evaluated responsive bid shall be subject to post-qualification.

4. Conflict of Interest

Bidders may be considered to be in conflict of interest with one or more parties in this bidding process if, including but not limited to:

- (i) they have controlling shareholders in common, or
- (ii) they receive or have received any direct or indirect subsidy from any of them; or
- (iii) they have the same legal representative for purposes of this bid; or
- (iv) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the Bid or another Bidder, or influence the decisions of the Employer regarding

- this bidding process; or
- (v) Bidder participates in more than one bid in this bidding process. Participation by a Bidder in more than one Bid will result in the disqualification of all Bids in which the party is involved. However, this does not limit the inclusion of the same subcontractor in more than one bid; or
 - (vi) a Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the contract is the subject of the Bid; or
 - (vii) a Bidder or any of its affiliates has been hired (or is proposed to be hired) by the Employer or Borrower as Engineer for the contract.

5. Preferences

No preference shall be given for domestic bidders and for domestically manufactured goods.

6. Advertising, time for bid preparation

- (i) Invitations to bid shall be advertised in at least one newspaper of national circulation or freely accessible and well-known website, allowing a minimum of 4 weeks for the preparation and submission of bids, such 4 weeks' period to begin with the availability of the bid documents or the advertisement, whichever is later.
- (ii) Bidding of NCB contracts estimated at below \$2,000,000 for goods and related services, or below \$5,000,000 for civil works, shall be advertised on ADB's website via the posting of the Procurement Plan.

7. Standard Bidding Documents

Until national standard bidding documents approved by ADB are available, bidding documents acceptable to ADB should be used.

8. Bid Security

If required by the bidding documents, bid security shall be in the form of a bank guarantee from a reputable bank. A bidder's bid security shall apply only to a specific bid.

9. Bid Opening and Bid Evaluation

- (i) Bidders may deliver bids, at their option, either in person or by courier service or by mail.
- (ii) Bidders shall not be allowed to amend their tenders after the closing date and time for submission of bids.
- (iii) Bids shall be opened in public, immediately after the deadline for submission of bids. No bid shall be rejected during bid opening. The name of the bidder, the total amount of each bid, and any discounts shall be read aloud and recorded in the minutes of the public bid opening.
- (iv) Evaluation of bids shall be made in strict adherence to the Qualifications and Evaluation Criteria stipulated in the bidding documents
- (v) No bidder shall be rejected merely on the basis of a comparison with the employer's estimate and budget ceiling without ADB's prior concurrence.
- (vi) The Contract shall be awarded to the technically responsive bidder that offers the lowest evaluated price, and meets the qualifying criteria. In determining the lowest evaluated price, the following are to be considered: (i) bid price, as offered, (ii) arithmetical corrections on the bid price, if any, and (iii) monetary value of the evaluation criteria that are stated in the bidding document.

10. Rejection of Bids

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

11. Extension of the Validity of Bids

In exceptional circumstances and with prior ADB approval, the procuring entity may, before the expiration of bid validity, request all bidders in writing to extend the validity of their bids. In such a case, bidders shall not be requested nor permitted to amend the price or any other condition of their bid. Bidders shall have the right to refuse to grant such an extension without forfeiting their bid security, but bidders granting such an extension shall be required to provide a corresponding extension of their bid security.

12. Disclosure on Contract Awards

At the same time that notification on award of contract is given, the Borrower /Executing Agency/Implementing Agency shall publish the following information on contract award on a free and open access website or other means of publication acceptable to ADB: (i) name of each bidder who submitted a bid; (ii) bid prices as read out at bid opening; (iii) name and evaluated price of each bid that was evaluated; (iv) names of bidders whose bids were rejected and the reasons for the rejection; and (v) name of the winning bidder, price it offered as well as the duration and summary scope of the contract awarded. The Executing/Implementing Agency shall respond in writing to unsuccessful bidders who seek explanations on the grounds on which their bids are not selected.

13. No Negotiations

There shall be no negotiations, even with the lowest evaluated bidder, without ADB's prior concurrence. A bidder shall not be required, as a condition of award, to undertake obligations not specified in the bidding documents, or otherwise, to modify the bid as originally submitted.

14. Inspection and Auditing

Each contract financed from the proceeds of a Loan/Grant shall provide that the contractor/supplier 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.

15. Member Country Restriction

Bidders must be nationals of member countries of ADB, and offered goods must be produced in and supplied from member countries of ADB.