

PROCUREMENT PLAN

Basic Data

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|---|---|
| Project Name: Water Supply and Sanitation Sector Project (Additional Financing) | |
| Project Number: 45301-003 | Approval Number: 0604 |
| Country: Lao People's Democratic Republic | Executing Agency: Ministry of Public Works and Transport |
| Project Financing Amount: US\$ 35,930,000 ADB Financing: US\$ 30,500,000 Cofinancing (ADB Administered): Non-ADB Financing: US\$ 5,430,000 | Implementing Agency: N/A |
| | Project Closing Date: 30 September 2023 |
| Date of First Procurement Plan: 13 September 2018 | Date of this Procurement Plan: 9 September 2019, Version 2 |
| Advance Contracting: Yes | e-GP: No |

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\$ 100,001 and US\$ 500,000 | The first NCB is subject to prior review, thereafter post review. |
| Shopping for Goods | Between US\$ 1,000 and US\$ 100,000 | |
| International Competitive Bidding for Works | US\$ 3,000,001 and Above | |
| National Competitive Bidding for Works | Between US\$ 100,001 and US\$ 3,000,000 | The first NCB is subject to prior review, thereafter post review. |
| Shopping for Works | Between US\$ 10,001 and US\$ 100,000 | |

| Consulting Services | |
|---|---|
| Method | Comments |
| Consultant's Qualification Selection for Consulting Firm | for service contracts, e.g., website administration |
| Single Source Selection for Consulting Firm | Extension of the existing contract due to works continuation, for Government-initiated or provided services, e.g., audit, MOU |
| Individual Consultant Selection for Individual Consultant | prior approval |
| Single Source Selection for Individual Consultant | This is limited to extension of existing contract for safeguards |

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 |
|----------------|---|-----------------|--------------------|---------------------|-------------------|-----------------------------------|--|
| WS-CW33 | Rehabilitation and expansion of water supply systems and public sanitation in Lamam | 4,900,000.00 | ICB | Prior | 1S1E | Q3 / 2019 | Prequalification of Bidders: N Domestic Preference Applicable: N Advance |

| | | | | | | | |
|---------|---|--------------|-----|-------|------|-----------|--|
| | | | | | | | Contracting: Y Bidding Document: Large Works |
| WS-CW35 | Rehabilitation and expansion of water supply systems and public sanitation in Samakkhyxay | 6,900,000.00 | ICB | Prior | 1S1E | Q3 / 2019 | Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: Y Bidding Document: Large Works |
| WS-CW37 | Rehabilitation and expansion of water supply systems and public sanitation in Xamneua | 4,400,000.00 | ICB | Prior | 1S1E | Q4 / 2018 | Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: Y Bidding Document: Large Works |

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 |
|----------------|---------------------------|-----------------|--------------------|---------------------|-----------------------------------|------------------|--|
| FA 1 | Independent audit of PNPs | 599,999.00 | CQS | Prior | Q3 / 2018 | BTP | Assignment: National Advance Contracting: N Comments: National accounting firm for independent |

| | | | | | | | |
|------|--|------------|-----|-------|-----------|--|---|
| | | | | | | | audit of PNPs as in original PAM/Procurement Plan. In the approved PAM, amount for this package is \$612,000. I just changed it to \$599,999 so that the system will accept it. |
| RE 2 | Service contract for PNPs operational staff O&M training | 100,000.00 | ICS | Prior | Q4 / 2019 | | Assignment: National Expertise: Engineering Advance Contracting: N Comments: national or regional |

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 |
| HHS 2 (Batch 4) | Household sanitation under grants to poor households Batch 4 | 30,000.00 | 1 | SHOPPING | Post | | Q3 / 2019 | Advanced Contracting: N Comments: in the approved procurement plan, this package was included under Consulting Services Contracts Estimated to Cost \$100,000 or More. |
| OFCW 8 to 11 | Office modifications (for PIUs Batch 4) | 40,000.00 | 4 | SHOPPING | Post | | Q4 / 2018 | Advanced Contracting: N |
| SPEC VEH 4 | Two 1-ton | 40,000.00 | 1 | SHOPPING | Post | | Q2 / 2018 | |

| | | | | | | | | |
|-----------|--|-----------|---|----------|------|--|-----------|-------------------------|
| | flatbed trucks for PNPs (Batch 4) | | | ING | | | | Advanced Contracting: N |
| VEH PIU 4 | Vehicles (3) for PCU and PIU (Batch 4) | 95,000.00 | 1 | SHOPPING | Post | | Q2 / 2019 | Advanced Contracting: N |

| Consulting Services | | | | | | | | |
|---------------------|--|-----------------|---------------------|--------------------|---------------------|-----------------------------------|------------------|---|
| Package Number | General Description | Estimated Value | Number of Contracts | Recruitment Method | Review (Prior/Post) | Advertisement Date (quarter/year) | Type of Proposal | Comments |
| FA 2 | Financial project audit (State Audit Office) | 30,000.00 | 1 | SSS | Post | Q1 / 2019 | BTP | Assignment: National Advance Contracting: N Comments: in the approved procurement plan, this package was included under Consulting Services Contracts Estimated to Cost \$100,000 or More; also type of proposal indicated was FP |
| FA 3 | Financial Accounting Clerk | 30,000.00 | 1 | ICS | Post (Sampling) | Q4 / 2019 | | Assignment: National Expertise: Accounting |

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 |
| COM 2-4 | Community consultation events and hygiene awareness campaigns (Batch 3 to 5) | 80,000.00 | 4 | RFQ for Goods | Post | | Comments: Q4 2018-Q2 2019; 1 package per province |
| HHM 4 | Supply and delivery of household Class C water meters Batch 4 and 5 | 240,000.00 | 2 | NCB | Post | 1S1E | Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods |
| HHS 2 | Household sanitation under grants to poor households Batch 4&5) | 30,000.00 | 3 | RFQ for Goods | Post | | Comments: one package per province |
| IEC 4 | IEC Materials for community subproject information and hygiene awareness (Batch 4 and 5) | 72,000.00 | 2 | RFQ for Goods | Post | | Comments: Batch 4 and 5; one contract per province |
| NRW-G02 | Leak detection equipment (electronic listening stick and ground microphone) and meter test bench (for Batch 4&5 PNPs) | 120,000.00 | 2 | NCB | Post | 1S1E | Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods |

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|-----------------------------|--|--|---|---------------|------|------|---|
| | Lot 1: Lot 2: | 60,000.00 60,000.00 | | | | | Comments: Lot 1: Batch 4, Lot 2: Batch 5 Note: in the approved procurement plan, it was indicated that bidding document for this is Small Works |
| OFCW 12 | Office modifications for PIUs (Batch 5) | 20,000.00 | 1 | RFQ for Goods | Post | | |
| SPEC VEH 5 | Four 1- ton flatbed trucks for PNPs (Batch 3 and 4) | 80,000.00 | 1 | RFQ for Goods | Post | | |
| VEH PIU 5 | Vehicles (2) for PIU (Batch 5) | 60,000.00 | 1 | RFQ for Goods | Post | | |
| VI-CW37 & CW38, CW39 & CW40 | Civil works for VEI and supply of small scale O&M equipment for OPWT Batch 4 Lot 1: Lot 2: Lot 3: Lot 4: | 490,000.00 235,000.00 235,000.00 235,000.00 235,000.00 | 2 | NCB | Post | 1S1E | Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Lot 1: Xam-Nua & Sopbao (\$240,000), Lot 2: Namthouan & Viengkham (\$250,000) |

| | | | | | | | |
|---------|---|--------------|---|-----|-------|------|--|
| WS-CW39 | Rehabilitation and expansion of water supply systems and public sanitation in Namthouan | 4,500,000.00 | 1 | ICB | Prior | 1S1E | Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works |
| WS-CW40 | Construction of new water supply system and public sanitation in Viengkham. | 1,500,000.00 | 1 | NCB | Prior | 1S1E | Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works |

| 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 |
| WS-CW38 | Construction of new water supply system and public sanitation in Sopbao | 1,000,000.00 | 1,352,149.00 | NCB | Q4 / 2018 | 22-APR-19 | Phoutpaseut Construction Co., Ltd. (21-May22019) |

| 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 |
| PIA | Consulting services for Project Implementation | 5,470,000.00 | 5,741,709.00 | SSS | Q3 / 2018 | 12-MAR-19 | Lao Consulting Group , Ltd. (effective 1-Dec-2018) |

| | | | | | | | |
|--|------------------------------|--|--|--|--|--|--|
| | Assistance and Sector Reform | | | | | | |
|--|------------------------------|--|--|--|--|--|--|

D. National Competitive Bidding

A. Regulation and Reference Documents

1. The procedures to be followed for National Competitive Bidding (NCB) shall be those set forth for "Public Bidding" in Prime Minister's Decree No. 03/PM of the Lao People's Democratic Republic, effective 09 January 2004, and Implementing Rules and Regulations effective 12 March 2004 with update 0861/MOF of 05 May 2009 entitled " Amendments of Some Articles of Implementing Rules and Regulations on Decree Of Government Procurement Of Goods, Works, Maintenance And Services", with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the Procurement Guidelines.

B. Procurement Procedures

1. Procurement Plan

2. Contract packages subject to NCB procedures will be those identified as such in the project Procurement Plan. Any changes to the method of procurement from those provided in the Procurement Plan shall be made through updating of the Procurement Plan, and only with prior approval of ADB.

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. Preferences

4. No preference of any kind shall be given to domestic bidders or for domestically manufactured goods.

5. Suppliers and contractors shall not be required to purchase local goods or supplies or materials.

4. National Sanctions List

6. National sanctions lists may be applied only with prior approval of ADB.

5. Advertising

7. The posting of NCB specific notices for contracts valued at less than \$1 million on ADB's website is not required but is highly recommended.

C. Procurement Documents

6. Use of Harmonized Documents

8. The harmonized standard bidding documents entitled "Procurement of Works, NCB-SBD, Harmonized Bidding Documents, December 2015" and "Procurement of Goods, NCB-SBD, Harmonized Bidding Documents, December 2015" approved by the Ministry of Finance through 3246/MOF dated 28 September 2015, and approved by ADB by *OSFMD/OSP2* dated 7 June 2016, shall be used for all procurement by NCB unless exceptions are specifically identified in the Procurement Plan.

7. Rejection of all Bids and Rebidding

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

8. Disclosure of Decisions on Contract Awards

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

9. ADB Policy Clauses

11. A provision shall be included in all NCB works and goods contracts financed by ADB requiring suppliers and contractors to permit ADB to inspect their accounts and records and other documents relating to the bid submission and the performance of the contract, and to have them audited by auditors appointed by ADB.

12. 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, or coercive practices in competing for the contract in question.

13. 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.