

## PROCUREMENT PLAN

### Basic Data

<b>Project Name:</b> Guangdong Chaonan Water Resources Development and Protection Demonstration Project	
<b>Project Number:</b> 46079-002	<b>Approval Number:</b> 3114
<b>Country:</b> China, People's Republic of	<b>Executing Agency:</b> Chaonan District Government
<b>Project Procurement Classification:</b>	<b>Implementing Agency:</b> N/A
<b>Project Procurement Risk:</b>	
<b>Project Financing Amount:</b> US\$ 230,750,000 <b>ADB Financing:</b> US\$ 100,000,000 <b>Cofinancing (ADB Administered):</b> <b>Non-ADB Financing:</b> US\$ 130,750,000	<b>Project Closing Date:</b> 31 March 2020
<b>Date of First Procurement Plan:</b> 17 September 2013	<b>Date of this Procurement Plan:</b> 28 November 2017, Version 4

### 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	Invitation for bids, bidding documents, and bid evaluation and recommendation for contract awards will be subject to ADB's prior review.
National Competitive Bidding for Goods	Between US\$ 100,000 and US\$ 2,999,999	The first NCB procurement documents for goods should be submitted for prior ADB review and approval. Subsequent NCB procurement documents will be subject to post-review.
Shopping for Goods	Up to US\$ 99,999	
International Competitive Bidding for Works	US\$ 20,000,000 and Above	Invitation for bids, bidding documents, and bid evaluation and recommendation for contract awards will be subject to ADB's prior review.
National Competitive Bidding for Works	Between US\$ 100,000 and US\$ 19,999,999	The first NCB procurement documents for works should be submitted for prior ADB review and approval. Subsequent NCB procurement documents will be subject to post-review.
Shopping for Works	Up to US\$ 99,999	
Government Procedure for Works	No threshold (allowed for any amount)	

Consulting Services	
Method	Comments
Quality- and Cost-Based Selection for Consulting Firm	80:20 STP
Others for Consulting Firm	Government Procedure
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
C1	Exhibition hall for water resource protection and bulletin boards	1,140,625.00	NCB	Post	1S1E	Q4 / 2018	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Others  Comments: MOF SBD for Goods
C11	Distribution pipelines in Lugang township	9,740,000.00	NCB	Post	1S1E	Q2 / 2018	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Others  Comments: MOF SBD for CW
C12	Distribution pipelines in Xiashan	12,980,000.00	NCB	Prior	1S1E	Q2 / 2018	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Others  Comments: MOF SBD for CW
C13	Distribution pipelines in townships of Chendian and Simapu	9,809,370.00	NCB	Post	1S1E	Q2 / 2018	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Others  Comments: MOF SBD for CW

C14	Civil works, installation, and commissioning of water transmission pipeline for He-Yang, Si-gao, and Xia-Xin sections	3,437,500.00	NCB	Post	1S1E	Q1 / 2018	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Others  Comments: MOF SBD for CW
C15	Civil works, installation, and commissioning of water transmission pipeline for Donglan and Shan-He sections	3,100,000.00	NCB	Post	1S1E	Q3 / 2018	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Others  Comments: MOF SBD for CW
C7	Water distribution pipelines in townships of Liangying and Xiancheng	13,410,000.00	NCB	Prior	1S1E	Q2 / 2018	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Others  Comments: MOF SBD for CW
G4	Supply, installation, and commissioning of equipment of the Jinxi and Qiufeng water supply plants	8,180,000.00	ICB	Prior	1S1E	Q4 / 2017	Prequalification of Bidders: N  Domestic Preference Applicable: Y  Bidding Document: Goods
G5	Water transmission pipelines for He-Yang, Si-Gao, and Xia-Xin sections	5,600,130.00	ICB	Prior	1S1E	Q1 / 2018	Prequalification of Bidders: N  Domestic Preference Applicable: Y  Bidding Document:

							Goods
G9	Supply and installation of equipment of three-prevention (flood, drought, and typhoon) management center	3,269,970.00	ICB	Prior	1S1E	Q2 / 2018	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: 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	Comments
T3	Study on water resources protection and control measures around the reservoir areas	550,000.00	QCBS	Prior	Q4 / 2016	STP	Assignment: International  Quality-Cost Ratio: 80:20  Comments: Both international and national consultants
T4	Development of water source protection and development action plan	800,000.00	QCBS	Prior	Q4 / 2017	STP	Assignment: International  Quality-Cost Ratio: 80:20  Comments: Both international and national consultants

### 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
G1	Solid waste collection &	98,150.00	1	SHOPPING	Post		Q3 / 2017	

	transfer trucks & equipment in Chengpo and Qiufeng villages							
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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 (cumulative)	Estimated 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
C8	Civil works, installation, and commissioning of the Jinxi and Qiufeng water supply plants	17,934,650.00	13,081,388.55	NCB	Q2 / 2017	07-SEP-17	0013. CNY86,928,443.16
C4	Civil works, installation, and commissioning of the Longxi water supply plant	10,553,960.00	8,668,562.73	NCB	Q2 / 2015	18-DEC-15	0003. CNY56,087,334.59
C3	Civil works, installation, and commissioning of water transmission pipelines for Shikeng to Yangfenchen and Wugou reservoir to the	10,800,000.00	9,920,255.02	NCB	Q4 / 2015	12-MAY-16	0006. CNY66,286,152.00

	Longxi water supply plant and for Shi-Jing section						
C9	Distribution pipelines in townships of Chengtian and Jingdu	8,317,720.00	7,243,750.23	NCB	Q1 / 2017	26-JUN-17	0012. CNY47,558,117.78
C2	Water conservation reforestation around the three major reservoir areas	5,552,750.00	4,266,117.38	NCB	Q4 / 2016	16-FEB-17	0008. CNY29,460,100.20
C6	Water distribution pipelines in Longtian township	9,141,370.00	8,200,004.09	NCB	Q1 / 2017	26-JUN-17	0011. CNY53,836,306.88
G7	Equipment of water quality test center	450,000.00	377,907.43	NCB	Q4 / 2016	14-MAR-17	0010. CNY2,563,572.87
G8	Supply and installation of equipment of water supply dispatching and control center	750,000.00	714,017.44	NCB	Q4 / 2016	14-MAR-17	0009. CNY4,904,800.00
G3	Supply, installation, and commissioning of equipment of the Longxi water supply plant and water plant maintenance equipment and pipeline leak-detecting equipment	2,940,330.00	4,286,641.42	ICB	Q2 / 2015	17-FEB-16	0004. CNY28,185,096.01
G2	Water transmission pipelines for Shikeng to Yangfenchen, Wugou reservoir to the Longxi water supply plant and Shi-Jing section, and water meters used for households	14,036,270.00	14,234,199.32	ICB	Q2 / 2015	30-MAY-16	0007. CNY94,489,461.92

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
T1	Project implementation consulting services	830,000.00	824,489.00	QCBS	Q4 / 2014	21-JUN-16	0005
T2	Individual consultants	140,000.00	126,000.00	ICS	Q4 / 2014	13-APR-15	

#### 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>
Water transmission line	8,578,030.00	1	GP	

  

<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>
Project monitoring and evaluation system	190,000.00	1	OTHERS	Government financed. Both international and national assignment.

## **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](http://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.

