

# PROCUREMENT PLAN

## Basic Data

<b>Project Name:</b> Road Sector Governance and Maintenance Project	
<b>Project Number:</b> 47085-002	<b>Approval Number:</b> 3368
<b>Country:</b> Lao People's Democratic Republic	<b>Executing Agency:</b> Ministry of Public Works and Transport
<b>Project Financing Amount:</b> US\$ 29,900,000 <b>ADB Financing:</b> US\$ 27,000,000 <b>Cofinancing (ADB Administered):</b> <b>Non-ADB Financing:</b> US\$ 2,900,000	<b>Implementing Agency:</b> Ministry of Public Works and Transport
	<b>Project Closing Date:</b> 30 September 2021
<b>Date of First Procurement Plan:</b> 28 January 2016	<b>Date of this Procurement Plan:</b> 4 February 2021, Version 7
<b>Advance Contracting:</b> Yes	<b>e-GP:</b> 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\$ 1,000,000 and Above	Prior review
National Competitive Bidding for Goods	Between US\$ 100,001 and US\$ 999,999	The first NCB is subject to prior review, thereafter post review.
Shopping for Goods	Up to US\$ 100,000	Post review
International Competitive Bidding for Works	US\$ 3,000,000 and Above	Prior review
National Competitive Bidding for Works	Between US\$ 100,001 and US\$ 2,999,999	The first NCB is subject to prior review, thereafter post review.
Shopping for Works	Up to US\$ 100,000	Post review

Consulting Services	
Method	Comments
Quality- and Cost-Based Selection for Consulting Firm	90:10 quality-cost ratio; Prior review
Least-Cost Selection for Consulting Firm	Prior review

### 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
G-2	Road Asset Management System - Weigh Scale	450,000.00	1	NCB	Prior	1S1E	Q2 / 2021	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Goods  Covid-19 Response? No

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
CW-2 Sal-LR 6901	Rehabilitation and Maintenance Works of LR 6901 (22.5km)	2,433,000.00	2,139,070.23	NCB	Q3 / 2017	04-APR-18	CONTRACTOR: JV OF ROAD NO. 8 CONSTRUCTION ENTERPRISE (R8CE)& TAY TRUONG SON CONSTRUCTION SOLE CO. LTD. Contract signed on 26 Apr 2018. Awarded contract value includes contract variation amount as of 7 Dec 2020 of 394,851.82.
CW-4 Xek-LR 7615	Rehabilitation and Maintenance Works of LR 7615 (22.73km)	2,648,000.00	3,207,572.59	NCB	Q3 / 2017	04-APR-18	CONTRACTOR: JV-ROAD NO. 8 CONSTRUCTION ENTERPRISE (R8CE) & TAY TRUONG SON CONST. SOLE CO. LTD. (TSC). Contract signed on 26 Apr 2018. Awarded contract value includes contract variation amount as of 7 Dec 2020 of 1,230,226.85.
CW-3 Xek-NR 16	Rehabilitation and Maintenance Works of NR 16 (54km)	1,460,000.00	1,166,777.70	NCB	Q3 / 2017	04-APR-18	CONTRACTOR: SAYSAVANH & VANNAVONG JV. Contract signed on 26 Apr 2018
CW-5 Att-NR 18B	Rehabilitation and Maintenance Works of NR 18B (111.9km)	2,112,000.00	3,908,756.51	NCB	Q3 / 2017	04-APR-18	CONTRACTOR: SOMXAY CHALERN CONSTRUCTION ROAD & BRIDGE CO. LTD. Contract

							signed on 26 Apr 2018. Awarded contract value includes contract variation amount as of 7 Dec 2020 of 1,811,766.50.
CW-1 Sal-NR 20	Rehabilitation and Maintenance Works of NR 20 (56km)	1,956,000.00	1,749,759.00	NCB	Q3 / 2017	04-APR-18	CONTRACTOR: SOMXAY CHALERN CONSTRUCTION ROAD & BRIDGE CO. Contract signed on 26 Apr 2018
CW-6 Att-LR 9001	Rehabilitation and Maintenance Works of LR 9001 (54km)	5,664,000.00	4,664,729.43	ICB	Q3 / 2017	24-JUL-18	CONTRACTOR: ROAD NO.8 CONST ENTP&TAY TRUONG SON CONST JV. Contract signed on 30 Jul 2018. Awarded contract value includes contract variation amount as of 7 Dec 2020 of 653,780.97.
G-1	Maintenance Tools	100,000.00	82,255.00	SHOPPING	Q4 / 2018	16-JAN-19	SUPPLIER: INDUSTEK CO., LTD

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
CS-2	Independent Financial Auditor	150,000.00	93,773.63	LCS	Q3 / 2016	02-APR-18	Consultant: ACCMIN CONSULTING AND SERVICES CO. LTD. Contract signed on 25Jun 2018
CS-1	Project Management Consultant	6,156,000.00	5,160,305.00	QCBS	Q4 / 2015	19-JUL-16	Contract awarded to the Joint Venture of Oriental Global Consultants,

							GITEC, and IDCJ. Contract signed on 29 July 2016
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## **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.

