

## PROCUREMENT PLAN

### Basic Data

<b>Project Name:</b> Supporting Electricity Supply Reliability Improvement		
<b>Project Number:</b> 49216-002		<b>Approval Number:</b> 3409/9186/0486
<b>Country:</b> Sri Lanka		<b>Executing Agency:</b> Ceylon Electricity Board, Ministry of Power and Renewable Energy
<b>Project Financing Amount:</b> US\$ 160,200,000 <b>ADB Financing:</b> US\$ 115,000,000 <b>Cofinancing (ADB Administered):</b> <b>Non-ADB Financing:</b> US\$ 45,200,000		<b>Implementing Agency:</b> Ceylon Electricity Board, Lanka Electricity Company (Private) Ltd., National Water Supply and Drainage Board, Sustainable Energy Authority <b>Project Closing Date:</b> 31 March 2022
<b>Date of First Procurement Plan:</b> 26 July 2016		<b>Date of this Procurement Plan:</b> 8 December 2021, Version 6
<b>Advance Contracting:</b> Yes	<b>Related to COVID-19 response efforts:</b> No	<b>Use of e-procurement (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\$ 2,000,000 and Above	based on domestic industry capacity
National Competitive Bidding for Goods	Between US\$ 100,001 and US\$ 1,999,999	
Shopping for Goods	Up to US\$ 100,000	
International Competitive Bidding for Works	US\$ 15,000,000 and Above	
National Competitive Bidding for Works	Between US\$ 100,001 and US\$ 14,999,999	
Shopping for Works	Up to US\$ 100,000	

Consulting Services	
Method	Comments
Quality- and Cost-Based Selection for Consulting Firm	
Individual Consultant 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
10	Supervisory Control and Data Acquisition (SCADA) Supported	6,600,000.00	ICB	Prior	1S2E	Q1 / 2022	Prequalification of Bidders: N

	Distribution Control Center (DCC) for the Western Province South 1						Domestic Preference Applicable: N  Bidding Document: Plant  Covid-19 Response? No
6	Construction of hybrid renewable energy systems in small islands	11,000,000.00	ICB	Prior	1S2E	Q3 / 2017	Prequalification of Bidders: N  Domestic Preference Applicable: N  Advance Contracting: Y  Bidding Document: Plant  Covid-19 Response? No
7	SVC and BSC at GSS          Lot 3: A3 - Installation of breaker switched capacitor banks in Colombo grid substations and replacing detuned breaker switched capacitor banks at Thulhiriya grid substation	5,400,000.00          5,400,000.00	ICB	Prior	1S2E	Q3 / 2017	Prequalification of Bidders: N  Domestic Preference Applicable: N  Advance Contracting: Y  Bidding Document: Plant  Covid-19 Response? No
8	Renewable Energy Micro-Grid	1,500,000.00	ICB	Prior	1S2E	Q3 / 2017	Prequalification of Bidders: N  Domestic Preference Applicable: N  Advance Contracting: Y

							Bidding Document: Plant  Covid-19 Response? No
9	Sea water desalination plant and ice-making factory          Lot 2: Ice Making Plant	60,000.00          60,000.00	NCB	Prior	1S1E	Q3 / 2017	Prequalification of Bidders: N  Domestic Preference Applicable: N  Advance Contracting: Y  Bidding Document: Goods  Covid-19 Response? No

### 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
None								

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
5	ABC 33kV, Load Break Switch, and Auto-reclosers; distribution substation metering; meter cubicles, wiring cables, etc.	16,120,000.00	9,140,868.65	ICB	Q4 / 2018		
3	Accessories for ABC, MV insulators, conductors and cables	12,000,000.00	8,055,015.07	ICB	Q4 / 2015		
2	PVC Meter Enclosure 1 Phase	3,100,000.00	466,516.90	ICB	Q3 / 2016	17-AUG-16	
1	Poles	5,790,000.00	3,393,134.73	NCB	Q4 / 2015		
9	Sea water desalination plant and ice-making factory	1,090,000.00	1,048,182.81	NCB	Q3 / 2017		
7	SVC and BSC at	20,430,000.00	16,107,982.80	ICB	Q3 / 2017		

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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
F	Consulting Firm	700,000.00	512,801.00	QCBS	Q4 / 2016	04-APR-18	
CI2 (CEF)	Capacity Development Consultant	100,000.00	46,900.00	ICS	Q3 / 2017	28-AUG-17	
CF1 (CEF)	Consultant for Microgrid Pilot Subproject	100,000.00	92,300.00	ICS	Q3 / 2017	10-JUL-17	
CI1 (CEF)	Renewable Energy Specialist	100,000.00	50,500.00	ICS	Q3 / 2017	10-JUL-17	
C2 (JFPR)	Water Supply Engineer	100,000.00	41,688.00	ICS	Q3 / 2018	23-JUL-18	

## D. National Competitive Bidding

### A. Regulation and Reference Documents

1. The procedures to be followed for national competitive bidding shall conform to the provisions prescribed in the *Procurement Guidelines 2006 for Goods and Works* issued in January 2006 by the National Procurement Agency, and the specific procedures prescribed by the *Procurement Manual* issued in March 2006, 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. Eligibility

2. The eligibility of bidders shall be as defined under Section I of ADB's Procurement Guidelines (2015, as amended from time to time) (the "Guidelines"); accordingly, no bidder or potential bidder should be declared ineligible for reasons other than those provided in Section I of the Guidelines.

#### 2. Registration and Sanctioning

3. Registration is acceptable under the following conditions:

- (i) Bidding shall not be restricted to pre-registered firms under the national registration system of the Institute for Construction, Training and Development (ICTAD), and such registration shall not be a condition for the submission of bids in the bidding process.
- (ii) Where registration is required prior to award of contract, bidders: (i) shall be allowed a reasonable time to complete the ICTAD 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.
- (iii) National sanction lists or blacklists may be applied only with prior approval of ADB.

### **3. Prequalification**

4. Prequalification is discouraged for NCB. When used, particularly for works contracts, an individual prequalification exercise is acceptable for each contract as is the use of a registration system (or approved standing list) of contractors based on criteria such as experience, financial capacity, and technical capacity. Foreign bidders from eligible countries must, however, be allowed to register and to bid without unreasonable cost or additional requirements.

### **4. Advertising**

5. 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.

### **5. Preferences**

6. The following shall be observed:

- (i) No preference of any kind shall be given to domestic bidders or for domestically manufactured goods.
- (ii) Foreign suppliers and contractors from ADB member countries shall be allowed to bid, without registration, licensing, and other government authorizations, leaving compliance with these requirements for after award and before signing of contract.

### **6. Participation by Government-Owned Enterprises**

7. Government-owned enterprises in the Democratic Socialist Republic of Sri Lanka shall be eligible to participate only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not a dependent agency of the procuring entity, or the Project Executing Agency or Implementing Agency.

### **7. Rejection of Bids and Rebidding**

8. Bids shall not be subjected to a test for unrealistic rates. No lowest evaluated and substantially responsive bid shall be rejected on the basis of comparison to rates, including but not limited to market, historical, or agency established rates, without prior approval of ADB.

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

### **8. Price Negotiations**

10. Price negotiation shall be allowed only where the price offered by the lowest evaluated and substantially responsive bidder substantially exceeds costs estimates. Approval of ADB is required prior to any negotiation of prices.

## **C. Bidding Documents**

### **9. Acceptable Bidding Documents**

11. Procuring entities shall use standard bidding documents acceptable to ADB for the Procurement of Goods, Works and Consulting Services, based ideally on the standard bidding documents issued by ADB.

### **10. Bid Security**

12. Where required, bid security shall be in the form of a certified check, a letter of credit or a bank guarantee from a reputable bank.

### **11. ADB Policy Clauses**

13. 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.

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 or 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.

