

PROCUREMENT PLAN

Basic Data

Project Name: Phuentsholing Township Development Project		
Project Number: 50165-002		Approval Number: 3668/0573/4019/0765
Country: Bhutan		Executing Agency: Druk Holding and Investments Limited
Project Financing Amount: US\$ 93,000,000 ADB Financing: US\$ 81,500,000 Cofinancing (ADB Administered): Non-ADB Financing: US\$ 11,500,000		Implementing Agency: Construction Development Corporation Limited
		Project Closing Date: 31 December 2025
Date of First Procurement Plan: 5 June 2018		Date of this Procurement Plan: 23 January 2022, Version 2
Advance Contracting: Yes	Related to COVID-19 response efforts: No	Use of e-procurement (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\$ 1,000,000 and Above	
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	
International Competitive Bidding for Works	US\$ 3,000,000 and Above	
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	
Community Participation in Procurement for Works	Up to US\$ 20,000	Small service contracts may be directly contracted. Works considered non-competitive in nature (i.e., excavation of small channels, earth shifting, turfing, tree planting and other misc. works in adjoining areas).

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
----------------	---------------------	-----------------	--------------------	---------------------	-------------------	-----------------------------------	----------

CW-02A	Common urban infrastructure	24,340,000.00	ICB	Prior	1S2E	Q1 / 2021	Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: N Bidding Document: Large Works 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
CS_05	Sustainable township management capacity development	1,300,000.00	QCBS	Prior	Q3 / 2022	FTP	Assignment: International Quality-Cost Ratio: 90:10 Covid-19 Response? No Comments: ratio was agreed during fact finding mission
CS-03	Urban Management Advisor	100,000.00	ICS	Prior	Q4 / 2021		Assignment: International Expertise: Urban Management Covid-19 Response? No
CS-04	Investment Promotion Advisor	100,000.00	ICS	Prior	Q1 / 2022		Assignment: National Expertise: Investment

							Covid-19 Response? No
CS-06	Investor promotion and transaction advisory services	1,100,000.00	QCBS	Prior	Q1 / 2023	FTP	Assignment: International Quality-Cost Ratio: 90:10 Covid-19 Response? No Comments: ratio was agreed during fact finding mission

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
CW-02B	Horticulture Works	670,000.00	1	NCB	Prior	1S1E	Q2 / 2023	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works 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
PG-01	O&M Equipment	2,183,000.00	1	ICB	Prior	1S1E	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)	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-01	River training and land reclamation	36,000,000.00	45,156,406.37	ICB	Q2 / 2017	21-MAY-18	Amount exceeding estimate will be charged to additional financing.

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-01	Project	5,710,000.00	5,065,597.31	QCBS	Q4 / 2016	15-SEP-17	

	implementation consultant						
CS-02	Independent environmental monitoring expert	250,000.00	78,640.63	ICS	Q3 / 2018	04-APR-19	

D. National Competitive Bidding

1. General

The procedures to be followed for national competitive bidding shall be the open tendering/bidding method set forth in the [Procurement Rules and Regulations 2009](#) issued by the Ministry of Finance of the Royal Government of Bhutan with the clarifications and modifications described in the following paragraphs.

2. Domestic Preference

No preference of any kind shall be given to domestic bidders or for works of domestically manufactured goods. Clause 1.1.2.2 of the [Procurement Rules and Regulations 2009](#) shall not apply.

3. Registration

Foreign suppliers and contractors from ADB member countries shall be allowed to apply for pre-qualification and to bid, without national registration, licensing and other government authorizations, leaving compliance with these requirements until after notice of award and before signing of contract.

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.

4. Exclusion of Bidders / National Sanctions List

Exclusion of bidders for reasons cited in paragraph 2.1.4.1 of the BPM, including inclusion on national sanctions lists may be applied only with prior approval of ADB. Rejection of bids on account of "past poor performance" of bidders shall also be subject to ADB's prior approval.

5. Qualifications

Post qualification shall be used unless prequalification is explicitly provided for in the loan agreement/procurement plan.

If prequalification is undertaken, the prequalification criteria shall be based on ADB's User's Guide to Prequalification of Bidders.

From the date of advertisement, a minimum period of 28 days shall be allowed for the preparation and submission of prequalification applications.

6. Eligibility of Bidders

The eligibility of bidders shall be as defined under Eligibility provisions of ADB's Procurement Guidelines ("Guidelines") (March 2013, as amended from time to time), accordingly, no bidder or potential bidder should be declared ineligible for reasons other than those stated the Guidelines.

7. Procurement Thresholds and Procurement Methods

In cases of conflict between the thresholds as prescribed in Clause 4.1 of the BPM and the Procurement Plan, the lower threshold shall prevail. The procurement methods specified on the Procurement Plan shall be followed.

8. Procurement Process

One envelope open bidding process shall be used unless two stage process is explicitly provided for in the loan agreement/procurement plan.

9. Advertising

Bidding of contracts estimated at \$500,000 or more for goods and related services or \$1,000,000 or more for civil works shall be advertised on ADB's website via the posting of the Procurement Plan.

10. Bidding Documents

Procuring entities shall use standard bidding documents acceptable to ADB for the Procurement of Goods, Works and related Services.

11. Packaging

Slicing or splitting of contracts within a package shall not be used to change the contract sizes and the corresponding methods of procurement indicated in the loan agreement/procurement plan.

12. Bid Security and Performance Security

Where required, bid security (earnest money), retention money (or security deposit) and performance security (or performance guarantee) shall be in the form of a demand draft, certified check, letter of credit, or bank guarantee from a reputable bank.

The terms and conditions of bid security as well as retention money and performance security shall be clearly specified in the forms provided and/or conditions of contract in terms of periods of validity and grounds for forfeiture, or release of the bank guarantees, or refund of the cash security deposits.

13. Rejection of All Bids and Re-bidding

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

14. Low Bids and Unbalanced Bids

Bids shall not be rejected solely because the bid price seriously lower or unbalanced. The bidder whose bid is determined to be the lowest evaluated substantially responsive bid may be required by the Executing Agency/Implementing Agency (EA/IA) to provide a higher performance security to a level sufficient to protect the EA/IA against financial loss in the event of default of the successful bidder under the Contract.

15. Disclosure of Decision on Contract Awards

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

