



Advance Contracting Notice

Date: 12 August 2020

Country/Borrower: Georgia

Title of Proposed Project: Livable Cities Investment Project for Balanced Regional Development

Name and Contact Details of the Executing Agency:

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Brief Description of the Project:

Ministry of Finance and Ministry of Regional Development and Infrastructure of Georgia (MRDI) have requested loan financing from the Asian Development Bank (ADB) to implement Livable Cities Investment Project for Balanced Regional Development (LCIP). The executing agency will be MRDI and the implementing agency will be the Municipal Development Fund of Georgia.

The proposed LCIP will enable inclusive and balanced regional development by capitalizing on ongoing investments to develop economic clusters as hubs for tourism and incubators for micro, small, and medium-sized enterprises, building on the comparative advantages — natural, cultural and human asset of each region. LCIP will pilot the integrated multi-sector investment approach in regional clusters covering cities/municipalities and its surrounding peri-urban areas stimulating local economic growth, improving livability and balancing urban-rural development.

The urban region clusters were identified to establish critical mass and economy of scale for efficient investments, with a potential to be replicated country-wide. Kakheti cluster (Telavi municipality and Velistsikhe village), to the east of Tbilisi, is renowned for its viticulture, cuisine experiences and scenic and heritage attractions. Zugdidi cluster in the Samegrelo-Zemo Svaneti region is a well-connected regional logistics center, which links the coastal city of Batumi to the cultural heritage and eco-tourism and is the gateway to Mestia. Mestia-Ushguli cluster in the Samegrelo-Zemo Svaneti region is a popular adventure tourism destination with significant pressure to meet the tourist demand. Safe year-round connectivity to attract tourists to surrounding communities is vital to the development of the region and preservation of Mestia and Ushguli's natural and cultural heritage such as the ancient towers.

The investments are prioritized from the integrated urban action plans prepared in consultation with the citizens, business owners, civil society organizations, regional and national governments, and will cover upgrading of city centers, infrastructure and community facilities including kindergartens, sports complexes, library, theater, music school and heritage structures. Public space and streetscape improvements will incorporate inclusive design and social distancing

guidelines to ensure universal access. In addition, the project will finance the construction of at least twenty-five kindergartens, and six sports complexes in seven lagging regions and twelve municipalities. This will bring about positive impact on the overall well-being of the youth and help stimulate local economies that are suffering from the economic impact of the COVID-19 pandemic.

Brief Description of Works and Consulting Services to be Procured:

The proposed ADB loan is intended to be used for the procurement of civil works, goods and consulting services. Advance contracting will be used for kindergartens construction, sports complex construction, indoor and outdoor equipment/furniture for kindergartens and sports complex and urban upgrade in the three regions of Georgia, it will also be used for supervision consultant recruitment. ADB approval of advance contracting will not commit ADB to subsequently approve the project or to finance the procurement costs.

All contracts will be procured in accordance with ADB Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time). It is expected that the open competitive bidding (international advertisement) for these contracts will commence in the third quarter of 2020.

Details of all tenders will be published Georgia e-GP (GE-GP) and the bidding process will be through GE-GP. (<http://www.procurement.gov.ge/>)