1. The Independent State of Papua New Guinea has applied for a loan from the Asian Development Bank (ADB) and a grant from Australian Aid towards the Sustainable Highlands Highway Investment Program (SHHIP) – Tranche 1 under which a total of 430 km of the Highlands Highway from the Nadzab Airport turn-off (Lae) to the Kagamuga Airport turn-off (Mount Hagen) will be repaired, rehabilitated, upgraded and maintained over a ten-year period. Part of this loan will be used for payments under the packaged lots (contracts) as named above. The eligibility rules and procedures of ADB will govern the bidding process. No nationality restrictions apply other than any restriction arising from ITB 4.7.

2. The Independent State of Papua New Guinea ("the Employer") represented by the Secretary of the Department of Works (DoW) invites sealed bids from eligible Bidders for: Repair, Rehabilitation, Upgrading and Maintenance of the Highlands Highway between Lae Nadzab in Morobe Province and Henganofi Bridge in the Eastern Highlands Province (Lot 1); Repair, Rehabilitation, Upgrading and Maintenance of the Highlands Highway between Henganofi Bridge to Mangiro Bridge and from Miunde Bridge to Kagamuga in Mt. Hagen Western Highlands Province (Lot 2); and Rehabilitation of the 57 km of the Simbu section of the Highlands Highway between Mangiro Bridge and Miunde Bridge ("the Road").

Bidders may bid for one, a combination of two, or all three (3) contracts (lots), as defined in the Bidding Documents. Bidders wishing to offer discounts in case they are awarded more...
than one contract (lot) will be allowed to do so provided those discounts are included in the Letter of Bid.

3. **International Competitive Bidding (ICB)** will be conducted in accordance with the ADB’s Single Stage – One Envelope procedure and is open to all eligible Bidders without nationality restrictions.

4. Only eligible Bidders with the following key qualifications should participate in this bidding:

   - Soundness of financial position over the last three (3) years and its prospective long-term profitability, demonstrated through audited financial statements or, if not required by the law of the Bidder’s country, other financial statements acceptable to the Employer. As a minimum, the Bidder’s net worth for the last year calculated as the difference between total assets and total liabilities should be positive. In the case of a Joint Venture Bidder, each partner must meet this requirement.

   - Minimum average annual turnover of:
     - For Lot 1 only: US$ 45 million or equivalent PGK
     - For Lot 2 only: US$ 40 million
     - For Lot 3 only: US$ 40 million
     - For combined Lots 1 and 2: US$ 85 million
     - For combined Lots 1 and 3: US$ 85 million
     - For combined Lots 2 and 3: US$ 80 million
     - For all 3 Lots: US$ 125 million

   defined as the total payments received by the Bidder for contract completed or under execution over the last three (3) years. In case of a Joint Venture Bidder, one partner must meet 40 percent of the requirement, each partner must meet 25 percent of the requirement, and all partners combined must meet 100 percent of the requirement.

   - The Bidder must have liquid assets and lines of credit to meet the cash flow of:
     - For Lot 1 only: US$8 million or equivalent PGK
     - For Lot 2 only: US$8 million
     - For Lot 3 only: US$6 million
     - For combined Lots 1 and 2: US$16 million
     - For combined Lots 1 and 3: US$14 million
     - For combined Lots 2 and 3: US$14 million
     - For all 3 Lots: US$22 million

   for the execution of the contract(s) being bid for. The Bidder’s liquid assets and lines of credit must also meet its other current commitments for other contracts. In case of a Joint Venture Bidder, one partner must meet 40 percent of the requirement, each partner must meet 25 percent of the requirement, and all partners combined must meet 100 percent of the requirement.

   - The Bidder individually or as a Joint Venture shall have successfully implemented at least two (2) similar contracts within the last eight (8) years for the total value in excess of:
     - For Lot 1 only: US$80 million or equivalent PGK
     - For Lot 2 only: US$70 million

1 Bank of PNG PGK mid-rate 28 days before bid closer date will apply
5. To obtain further information and inspect the Bidding Documents, Bidders should contact:

   **The Secretary**  
   Department of Works  
   Waigani Drive, Boroko  
   National Capital District  
   Telephone: +675 324 1114  
   e-mail: dwereh@works.gov.pg  
   facsimile: +675 324 1102

6. To purchase a complete set of Bidding Documents in English, eligible Bidders should:

   - submit a written application to the Chairman of the Central Supply and Tenders Board (CSTB) at the address shown below requesting the Bidding Documents for aforesaid Contracts in Table 1 above for Repair, Rehabilitation, Upgrading and Maintenance of the Highlands Highway from Lae Nadzab turnoff in Morobe Province to Kagamuga turnoff in Western Highlands Province  
   - pay a non-refundable fee of K12,500.00 or equivalent US$ amount by bank draft.

   Copies of the Department of Works Specification for Road and Bridge Works 2015 and the General Conditions of Contract (Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer, Multilateral Development Bank Harmonized Edition June 2010 prepared by FIDIC) will be provided to Bidders as a part of the Bid Documents.

   An extra fee of K850.00 or equivalent US$ amount will apply if a courier service is required to deliver the documents.

7. Deliver your bids:

   - to the address below  
   - on or before the deadline: **14 March 2018 at 10:00 hours (local time)**

   **The Chairman**  
   Central Supply and Tenders Board (CSTB)  
   First Floor, Westpac Waigani Branch Building, Waigani Drive  
   Port Moresby  
   National Capital District  
   Papua New Guinea

8. Bids will be opened at the CSTB Office immediately after the deadline in the presence of those Bidders’ representatives who choose to attend.

Asian Development Bank