

PROCUREMENT PLAN

Basic Data

Project Name: Payment System Modernization Project	
Project Number: 46312-001	Approval Number: 3072
Country: Mongolia	Executing Agency: Bank of Mongolia (Central Bank)
Project Financing Amount: US\$ 22,500,000 ADB Financing: US\$ 20,000,000 Cofinancing (ADB Administered): Non-ADB Financing: US\$ 2,500,000	Implementing Agency: N/A
	Project Closing Date: 29 June 2020
Date of First Procurement Plan: 10 August 2016	Date of this Procurement Plan: 29 June 2017, Version 6

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	
National Competitive Bidding for Goods	Between US\$ 100,001 and US\$ 1,999,999	The first NCB is subject to prior review, thereafter post review.
Shopping for Goods	Up to US\$ 100,000	
Direct Contracting for Goods	Between US\$ 100,000 and US\$ 1,000,000	
International Competitive Bidding for Works	US\$ 5,000,000 and Above	
National Competitive Bidding for Works	Between US\$ 100,001 and US\$ 4,999,999	The first NCB is subject to prior review, thereafter post review.
Shopping for Works	Up to US\$ 100,000	

Consulting Services	
Method	Comments
Consultant's Qualification Selection for Consulting Firm	Recurrent Costs
Quality- and Cost-Based Selection for Consulting Firm	
Individual Consultants Selection for Individual Consultant	Investment Costs

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	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
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1	Core Banking System/BOM General Ledger	ICB	Prior	1S1E	Q1 / 2018	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
15.	Public Key infrastructure implementation for financial organizations	ICB	Prior	1S1E	Q3 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
3	ACH Plus supporting Direct Credits, Direct Debits and Instant Funds Transfers	ICB	Prior	1S2E	Q3 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
4	The National T card systems enhanced to support EMV and NFC technology and integration of e-Money schemes into Banking Payment system	ICB	Prior	1S1E	Q1 / 2018	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Others

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	Recruitment Method	Review (Prior/ Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
7.	Legal Framework Components required to support the proposed interoperable national payment systems infrastructure	QCBS	Prior	Q3 / 2018	FTP	Assignment: International Quality-Cost Ratio: 80:20 Comments: Various experts

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.

Package Number	General Description	Number of Contracts	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
09	PIU Furniture and Computer Hardware	1	SHOPPING	Post		Q3 / 2017	Comments: Computers and Printing devices, Desks, Chair and Shelves for PIU staff
10.	Upgrade RTGS to 2nd Generation	1	DC	Prior		Q1 / 2017	
14.	Shared access control and authentication services solution (e-Tokenization)	1	ICB	Prior	1S1E	Q4 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods Comments: Goods
16.	Upgrade of the National Shared EFTPOS / ATM Switch including Card and Hybrid / EMV Card Production System (physical and electronic personalization)	1	DC	Prior		Q4 / 2018	Domestic Preference Applicable: N
5.2	Renovation of and supply and installation of equipment for Disaster Recovery Data Center at the Central Bank branch in Darkhan-Uul aimag	1	NCB	Prior	1S1E	Q4 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Large Works
5.3	Renovation of and supply and installation of equipment for the Main Data Center in Ulaanbaatar	1	NCB	Prior	1S1E	Q2 / 2018	Prequalification of Bidders: N Domestic Preference

							Applicable: N Bidding Document: Small Works
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Package Number	General Description	Number of Contracts	Recruitment Method	Review (Prior/ Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
19.	Core Banking System/BOM General Ledger (G/L)	1	ICS	Prior	Q3 / 2017		Assignment: International Expertise: Core Banking
20.	Specialist on Central Securities Depository and Trading Systems	1	ICS	Prior	Q3 / 2017		Assignment: International Expertise: Central Securities Depository
22.	Implementation of Mobile NFC enablement either HCE or TSM	1	ICS	Prior	Q1 / 2018		Assignment: International Expertise: Mobile NFC
24.	National Legal Consultant	1	ICS	Prior	Q4 / 2018		Assignment: National Expertise: Legal
26.	Specialist on Enterprise resource planning (ERP) System	1	ICS	Prior	Q3 / 2017		Assignment: International Expertise: Enterprise resource planning
5.1	A consulting firm to design and develop technical requirement for data centers in Darkhan-Uul and Ulaanbaatar and construction and installation supervision	1	CQS	Prior	Q3 / 2017	BTP	Assignment: National
6.	Specialist to develop the National T card systems enhanced to support EMV and NFC technology and integration of e-Money schemes	1	ICS	Post	Q3 / 2017		Assignment: International Expertise: EMV/NFC

	into banking payment system						
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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).

Package Number	General Description	Estimated Number of Contracts	Procurement Method	Review (Prior/Post)	Bidding Procedure	Comments
08	Integration of financial and Other Services in the Smart ID Card	1	ICB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
11.	Foreign exchange trading system	1	ICB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
12.	Money Market Trading System	1	ICB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
13.	Retail banking delivery channels support (supporting branch automation, banking delivery channels and banking interfaces of project implemented systems	1	ICB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference

						Applicable: N Bidding Document: Goods
2	Central Securities Depository for Government Securities	1	ICB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
23.	Shared mobile pay by Bank platform based on the fast payment hub	1	ICB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
25.	Implementation of Mobile NFC enablement either HCE or TSM	1	ICB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods

Package Number	General Description	Estimated 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
18.	NETC Core network devices and security network upgrade (Routers, Switches, Next Generation Firewalls)	656,000.00	382,602.00	NCB	Q4 / 2016	07-FEB-17	IT Zone LLC, Mongolia
17.	NETC Fiber Network Extension	383,000.00	690,124.00	DC	Q4 / 2016	07-MAR-17	Unitelcom LLC, Mongolia

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
None							

2. Completed 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	Date of Completion	Comments
None								

Package Number	General Description	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Date of Completion	Comments
21.	ACH+ system supporting clearing of direct debits, direct credits and instant funds transfers	ICS	Q3 / 2016	09-NOV-16	31-MAR-17	Anthony Lee

D. National Competitive Bidding

A. Regulation and Reference Documents

1. The procedures to be followed for national competitive bidding shall be those set forth in the Public Procurement Law of Mongolia of 1 December 2005, effective 1 February 2006, as amended in February 2007; July 2009; and February, June and December 2011 (hereinafter referred to as PPLM), 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 [Recommended standard provision]

2. 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. Government-owned enterprises in Mongolia shall be eligible for projects only if they can establish that they: (i) are legally and financially autonomous; (ii) operate under the principles of commercial law; and (iii) are not dependent agencies of the Borrower, Beneficiary, Recipient Executing Agency and/or the Implementing Agency.

2. Participation of Foreign Bidders

4. International bidders from eligible countries of ADB shall be allowed to participate in local procurement and may not be denied participation due to nationality.

3. Preferences

5. No domestic preference shall be given for domestic bidders and for domestically manufactured goods.

4. Prequalification and Registration

6. Prequalification is discouraged for procurement contracts using 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.

5. Rejection of All Bids and Rebidding

7. All bids shall not be rejected or new bids invited without ADB's prior written concurrence.

8. No bid shall be rejected merely on the basis of a comparison with the estimated cost or budget ceiling without ADB's prior written concurrence (with specific reference to Article 30 of the PPLM).

C. Bidding Documents

6. Use of Bidding Documents

9. National Standard Bidding Documents Goods and Works that have been approved for procurement in ADB-financed projects shall be used.

7. Language

10. Bidding documents may be prepared in other languages, but a copy of the bidding documents must be made available in English and submitted to ADB for review.

8. Bid Validity

11. Bidders shall be requested to extend the validity of their bids only under exceptional circumstances and the Executing or Implementing Agency, as the case may be, shall communicate such request for extension to all bidders before the date of expiry of their bids. When the procurement is subject to ADB's prior review, the Executing or Implementing Agency, as the case may be, shall obtain in a timely manner the prior written concurrence of ADB for the extension of the bid validity period.

9. Bid Evaluation

12. Evaluation and qualification criteria, and submission requirements, to be used in each bidding activity shall be clearly specified in the bidding documents. The evaluation of bids shall be done in strict adherence to the criteria specified in the bidding documents.

13. Negotiations with bidders shall not be undertaken before award of contract, except as provided in Paragraph 2.63 of ADB's Procurement Guidelines. A bidder shall not be required, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify its bid as originally submitted.

14. At the same time that notification on award of contract is given to the successful bidder, the results of the bid evaluation shall be posted on a well-known freely accessible website (namely Mongolia's Ministry of Finance e-procurement website: www.e-procurement.mn) identifying the bid and lot numbers and providing information on the: (i) name of each bidder that submitted a bid; (ii) bid prices as read out at bid opening; (iii) names 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 the duration and summary scope of the contract awarded. The Executing Agency or Implementing Agency, as the case may be, shall respond in writing to unsuccessful bidders who seek explanations on the grounds on which their bids were not selected.

10. ADB Policy Clauses

15. 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.

16. 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 the contract in question.

17. 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.