

PROCUREMENT PLAN

Basic Data

Project Name: Community Vegetable Farming for Livelihood Improvement	
Project Number: 50278-001	Approval Number: 9192
Country: Mongolia	Executing Agency: Ministry of Food, Agriculture, and Light Industry (MOFALI)
Project Financing Amount: US\$ 3,000,000 ADB Financing: Cofinancing (ADB Administered): US\$ 3,000,000 Non-ADB Financing:	Implementing Agency: N/A
	Project Closing Date: 30 June 2022
Date of First Procurement Plan: 4 December 2017	Date of this Procurement Plan: 4 December 2017, Version 0

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\$ 100,000 and US\$ 1,999,999	All NCBs for Goods is subject to prior review.
Shopping for Goods	Up to US\$ 99,999	First shopping for goods is subject to prior review.
Direct Contracting for Goods	Up to US\$ 9,999	
International Competitive Bidding for Works	US\$ 5,000,000 and Above	
National Competitive Bidding for Works	Between US\$ 100,000 and US\$ 4,999,999	All NCBs for Works is subject to prior review.
Shopping for Works	Up to US\$ 99,999	First shopping for works is subject to prior review.

Consulting Services	
Method	Comments
Least-Cost Selection for Consulting Firm	
Quality- and Cost-Based Selection for Consulting Firm	
Individual Consultants Selection for Individual Consultant	
Single Source 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
None							

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
C01	Implementation support Firm/NGO/Entity	472,763.00	QCBS	Prior	Q1 / 2018	BTP	Assignment: National Quality-Cost Ratio: 80:20 Comments: Firm/NGO/Entity engaged for project implementation
C02	Agronomist and agri-business specialist	145,000.00	ICS	Prior	Q1 / 2018		Assignment: International Expertise: Agronomist and agri-business

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
CW01	Green houses	227,861.00	2	NCB	Prior	1S1E	Q1 / 2018	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: This is the first NCB for works. 2 lots: 1. Construct seasonal greenhouses for vegetable growing and seed testing and improving, 2. Construct and pilot winter greenhouse in 1 select soum.
	Lot 1: Lot 1	113,931.00						
	Lot 2: Lot 2	113,930.00						

CW02	Water tank and connection for seed farmers in Ulaangom	43,638.00	1	SHOPPING	Prior		Q1 / 2018	Comments: This is the first shopping for works. Drill water well, tank and install pipeline and water tanks to improve seed farmers' access to water in Gashuunii gol, Chandmani and Negdel Dundiin Uildver.
CW04	Vegetable sale points	66,080.00	2	SHOPPING	Post		Q1 / 2018	Comments: 2 lots: 1. Set up kiosks in Ulaanbaatar city, 2. sale point(s) along main roads going to the East from Ulaanbaatar for selling vegetables.
G01	Agricultural farm inputs	321,194.00	3	NCB	Prior	1S1E	Q1 / 2018	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods Comments: This is the first NCB for goods. 3 lots: 1. Tractors, equipment and hand tools for all four soums, 2. Agrochemicals (pesticides & fertilizers) for each group, 3. Personal protective gear.
	Lot 1: Lot 1	107,065.00						
	Lot 2: Lot 2	107,065.00						
	Lot 3: Lot 3	107,064.00						
G02	Soil test to establish baseline for soil quality	9,861.00	1	DC	Post		Q1 / 2018	Comments: Procurement of services. Test at a certified lab.

G03	Provide mother seed, and seed to all groups	13,161.00	1	DC	Post		Q1 / 2018	Comments: Procurement of goods. 1 contract for the Seed Institute in Ulaangom.
G04	Vegetable farmer market information system	17,455.00	1	DC	Post		Q1 / 2018	Comments: Procurement of services. To engage the same entity that has developed design specs during grant preparation. Develop and launch web and mobile based vegetable farmer market information system.
G05	Shared storage facility in Ulaanbaatar	81,899.00	1	SHOPPING	Post		Q3 / 2018	Comments: Procurement of services. Rent a shared storage facility in Ulaanbaatar for selling project produce.
G06	Promotional display, bag and packaging	32,729.00	2	SHOPPING	Post		Q2 / 2018	Comments: 1 contract for printing promotional bag & packaging, and 1 contract for displays
G07	Project transportation	42,883.00	2	SHOPPING	Post		Q1 / 2018	Comments: 2 lots: 1 Project car for PIU 4 Motorcycles for soum coordinators
G08	PIU equipment and furniture	32,575.00	1	SHOPPING	Prior		Q1 / 2018	Comments: This is first shopping for goods. 1.

								Computers, copiers, printers, GPS for the PIU and soum coordinators. 2. Office furniture and equipment.
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Consulting Services								
Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior/Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
C03	Resource person for greenhouse	11,000.00	1	SSS	Prior	Q2 / 2018		Assignment: International
C04	Resource person for packaging and processing workshop	11,000.00	1	SSS	Prior	Q1 / 2019		Assignment: International
C05	Financial audit	35,114.00	1	LCS	Prior	Q4 / 2018	BTP	Assignment: National

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
CW03	Shared community-storage and processing workshop	421,064.00	2	NCB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Q2/2019. 2 lots: 1. Set up shared storage facilities in Orkhon, Yeruu and Ulaangom

	Lot 1: Lot 1	210,532.00					soums, 2. Establish vegetable processing and packaging facility in Orkhon (excluding \$100,000 to be financed from RETA funding).
	Lot 2: Lot 2	210,532.00					

Consulting Services							
Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior/Post)	Type of Proposal	Comments
None							

C. 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.

