

PROCUREMENT PLAN

Basic Data

Project Name: Mahaweli Water Security Investment Program - Tranche 1	
Project Number: 47381-002	Approval Number: 3267/3268
Country: Sri Lanka	Executing Agency: Ministry of Mahaweli Development & Environment
Project Financing Amount: US\$ 190,000,000 ADB Financing: US\$ 150,000,000 Cofinancing (ADB Administered): Non-ADB Financing: US\$ 40,000,000	Implementing Agency: N/A
	Project Closing Date: 30 June 2020
Date of First Procurement Plan: 26 June 2015	Date of this Procurement Plan: 14 September 2016, Version 4

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	Threshold applies to all unless propriety items are required from overseas (e.g. MLBCR Goods ICB-01).
National Competitive Bidding for Goods	Between US\$ 100,001 and US\$ 1,999,999	
Shopping for Goods	Up to US\$ 100,000	
International Competitive Bidding for Works	US\$ 7,500,000 and Above	Except MLBCR-ICB-01
National Competitive Bidding for Works	Between US\$ 100,001 and US\$ 7,499,999	Except MLBCR-ICB-01
Shopping for Works	Up to US\$ 100,000	
Community Participation in Procurement for Works	Up to US\$ 20,000	Simple civil works contracts costing less than \$20,000 each may be directly awarded to project area community groups / civil society organizations as a community works contract using existing government rates. ADB PAI 5.10 for community participation is followed.
Force Account for Works	Up to US\$ 650,000	Includes works and goods. Total amount for entire tranche 1 is \$650,000 (this amount includes all contract packages under tranche 1). Existing government rates shall be used. Utility shifting, field office works, and other works by government-owned entities (for activities which cannot be done by competitive contracting such as shifting power and telephone poles, realigning water/drainage pipes, road restoration, cables, cutting trees etc.)

Consulting Services	
Method	Comments
Consultant's Qualification Selection for Consulting Firm	

Least-Cost Selection for Consulting Firm	
Quality- and Cost-Based Selection for Consulting Firm	
Quality-Based Selection for Consulting Firm	
Individual Consultants 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
MLBCR-IC B-01	Heightening of Minipe Anicut including water control facilities for LB and RB canals	6,910,000.00	ICB	Prior	1S2E	Q3 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: Y Bidding Document: Large Works
MLBCR-N CB-01	Rehabilitation of Minipe LB Canal from 0+000 km to 30+140 km - stage 1	2,670,000.00	NCB	Prior	1S2E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: Y Bidding Document: Small Works
MLBCR-N CB-02	Rehabilitation of Minipe LB Canal from 30+140 km to 49+820 km - stage 2	1,320,000.00	NCB	Prior	1S2E	Q3 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: Y Bidding Document: Small Works
MLBCR-N CB-03	Rehabilitation of Minipe LB Canal from 49+820 km to 63+650 km - stage 3	5,230,000.00	NCB	Prior	1S1E	Q3 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advance

							Contracting: N Bidding Document: Small Works
MLBCR-N CB-04	Rehabilitation of Minipe LB Canal from 63+650 to 73+960 km - stage 4	2,440,000.00	NCB	Prior	1S1E	Q3 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: N Bidding Document: Small Works
MLBCR-N CB-05	Rehabilitation & Electrification of Radial Gated Structures and Improvements Cross Regulators of Minipe LB Canal	1,100,000.00	NCB	Prior	1S1E	Q1 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
NWPC-IC B-01	Construction of Mahakithula & Mahakirula tanks, feeder canal of 3.66 km from Mahakithula to Mahakirula and inlet tunnel to Mahakithula tank from Nabadagahawatta diversion canal	47,970,000.00	ICB	Prior	1S2E	Q1 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: Y Bidding Document: Large Works
NWPC-IC B-02	Construction of Main Canal from Nabadagahawatta Wewa to Mahakithula Wewa inlet tunnel (from 5+250 km to 22+460 km)	21,350,000.00	ICB	Prior	1S2E	Q1 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: N Bidding Document: Large Works
NWPC-NC	Wemedilla LBMC from	5,550,000.00	NCB	Prior	1S2E	Q1 / 2016	Prequalification

B-01	0+000 Km to 5+250 Km & new Sluice and tail canal						of Bidders: N Domestic Preference Applicable: N Advance Contracting: N Bidding Document: Small Works
UEC-ICB-01	Construction of Upper Elahera Canal From 0+100 Km to 6+226 Km	24,740,000.00	ICB	Prior	1S2E	Q1 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advance Contracting: Y Bidding Document: Large Works
Various lots-1	Office furniture, IT equipment and software	1,360,000.00	SHOPPING	Prior		Q2 / 2014	Advance Contracting: N

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-2	Improving System Efficiencies and Water Productivity consultants	3,400,000.00	QCBS	Prior	Q2 / 2016	FTP	Assignment: International Quality-Cost Ratio: 90:10 Advance Contracting: N Comments: As per FAM.
CS-3	Expert panel and other specialist assistance as required	1,500,000.00	ICS	Prior	Q3 / 2015		Assignment: International Expertise: TBD Advance Contracting: N

							Comments: As per FAM. International and national consultants.
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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
MLBCR Goods-01	Supplying of operation and maintenance materials	660,000.00	1	NCB	Prior	1S1E	Q3 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advanced Contracting: N Bidding Document: Goods
Various lots-2	Utility shifting and deposit works by government-owned entities	450,000.00	1	FA	Post		Q4 / 2016	Advanced Contracting: N
Various lots-3	Community works contracts	180,000.00	1	CPP	Prior		Q2 / 2016	Advanced Contracting: N Comments: Many contracts, each contract not exceeding \$20,000. Prior review for first contract. Direct contracting.
Various lots-4	Field office works	300,000.00	5	SHOPPING	Post		Q4 / 2016	Advanced

								Contracting: Y
Various lots-5	Vehicles	680,000.00	1	NCB	Prior	1S1E	Q1 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advanced Contracting: N Bidding Document: Goods

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
None							

Consulting Services							
Package Number	General Description	Estimated Value (cumulative)	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
None							

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-1	Program Design, Management and Supervision Consultants	22,630,000.00	20,783,510.88	QCBS	Q4 / 2014	27-OCT-15	

D. National Competitive Bidding

A. Regulation and Reference Documents

1. The procedures to be followed for national competitive bidding shall conform to the provisions of ADB's Procurement Guidelines (2015).

B. Procurement Procedures

1. Eligibility

2. The eligibility of bidders shall be as defined under Section I of ADB's Procurement Guidelines (2015, as amended from time to time) (the "Guidelines"); accordingly, no bidder or potential bidder should be declared ineligible for reasons other than those provided in Section I of the Guidelines.

2. Sanctioning

3. National sanction lists or blacklists may be applied only with prior approval of ADB.

3. Prequalification

4. Prequalification is discouraged for 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.

4. Advertising

5. The posting of NCB specific notices for contracts valued at less than \$1 million on ADB's website is not required but is highly recommended.

5. Preferences

6. The following shall be observed:

- (i) No preference of any kind shall be given to domestic bidders or for domestically manufactured goods.
- (ii) Foreign suppliers and contractors from ADB member countries shall be allowed to bid, without registration, licensing, and other government authorizations, leaving compliance with these requirements for after award and before signing of contract.

6. Participation by Government-Owned Enterprises

7. Government-owned enterprises in the Democratic Socialist Republic of Sri Lanka shall be eligible to participate only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not a dependent agency of the procuring entity, or the Project Executing Agency or Implementing Agency.

7. Rejection of Bids and Rebidding

8. Bids shall not be subjected to a test for unrealistic rates. No lowest evaluated and substantially responsive bid shall be rejected on the basis of comparison to rates, including but not limited to market, historical, or agency established rates, without prior approval of ADB.

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

8. Price Negotiations

10. Price negotiation shall be allowed only where the price offered by the lowest evaluated and substantially responsive bidder substantially exceeds costs estimates. Approval of ADB is required prior to any negotiation of prices.

C. Bidding Documents

9. Acceptable Bidding Documents

11. Procuring entities shall use standard bidding documents acceptable to ADB for the Procurement of Goods, Works and Consulting Services, based ideally on the standard bidding documents issued by ADB.

10. Bid Security

12. Where required, bid security shall be in the form of a certified check, a letter of credit or a bank guarantee from a reputable bank.

11. ADB Policy Clauses

13. 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.

14. 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 or the contract in question.

15. 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.