

PROCUREMENT PLAN
Energy Supply Improvement Investment Program (Tranche 2)

Basic Data

Project Name: MFF-AFG: Energy Supply Improvement Investment Program, Tranche 2	
Project Number: Grant Number: 47282-004	Approval Number:
Country: AFGHANISTAN	Executing Agency: Da Afghanistan Breshna Sherkat (DABS)
Project Procurement Classification: B	Implementing Agency: Ministry of Finance
Procurement Risk: Moderate	
Project Financing Amount: \$415 million ADB Financing: \$188.23 million Cofinancing (ADB Administered): \$226.67 million Non-ADB Financing: \$5 million	Project Closing Date: 31 December 2022
Date of First Procurement Plan: 31 October 2016	Date of this Procurement Plan: 31 October 2016

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 (ICB) for Works	\$5,000,000	
International Competitive Bidding for Goods	\$2,000,000	

Consulting Services	
Method	Comments
Quality and Cost Based Selection (QCBS)	

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 (\$ million)	Procurement Method	Review [Prior / Post/Post (Sampling)]	Bidding Procedure	Advertisement Date (quarter/year)	Comments
1	HVDC B2B Converter Station at Dashte Alwan	240.0	ICB	Prior	Single Stage Two Envelop (1S2E)	Q4 2016	
2	220-kV Transmission Line from Doshi to Bamyan	75.0	ICB	Prior	Single Stage One Envelop (1S1E)	Q4 2016	
3	220/20-kV Substation in Bamyan	20.0	ICB	Prior	Single Stage One Envelop (1S1E)	Q4 2016	
4	20,000 Connections Distribution Network in Bamyan	25.0	ICB	Prior	Single Stage One Envelop (1S1E)	Q4 2016	

AFG=Afghanistan; ICB=International Competitive Bidding; HVDC=High Voltage Direct Current; kV=Kilovolt

Note 1: Domestic preference is not applicable for any of the contract packages.

Note 2: International and national assignments for all consulting services packages.

3. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

A. 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).

Consulting Services ¹							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior / Post)	Type of Proposal	Comments

B. National Competitive Bidding

1. General

National competitive bidding for the procurement of goods and related services shall conform to the provisions for Open Tender without prequalification as prescribed in the *Procurement Law* of October 2005

¹ The implementation supervision consulting services for the Project will be financed from tranche 1 of the MFF (G-0464/0465). Recruitment is ongoing and the consultant is expected to be fielded in Q1 2017.

and elaborated in the *Rules of Procedure for Public Procurement* issued by the Ministry of Finance in April 2007, with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the ADB Procurement Guidelines.

2. Registration and Other Pre-Bid Requirements

- (i) Bidding shall not be restricted to Shortlists or Standing Lists.
- (ii) No bid shall be declared as ineligible on the grounds of debarment without ADB's prior concurrence.
- (iii) No bid shall be declared ineligible on the grounds of government regulations that restrict sources without ADB's prior concurrence.
- (iv) Foreign suppliers and contractors from ADB member countries shall be allowed to bid, without registration, licensing, and other government authorizations. However, in case these foreign suppliers and contractors are declared winning bidders, the requirements may be completed after award and before signing of contract, without unreasonable costs or additional requirements.

3. Prequalification

Post qualification shall be used unless prequalification is explicitly provided for in the loan agreement/procurement plan. Irrespective of the procedure applied (whether prequalification or post qualification), no domestic or foreign contractor shall be precluded from participation.

If prequalification is undertaken, the prequalification criteria should include "Eligibility Requirements", "Financial Situation", "Pending Litigation", and "Experience". Technical Capacity (personnel and equipment) should not be part of the prequalification criteria.

Interested bidders shall be given a minimum period of 28 days for the preparation and submission of prequalification applications.

4. Advertising

Bidding of NCB contracts estimated at \$500,000 or more for goods and related services and NCB contracts estimated at \$1,000,000 or more for works shall be advertised on ADB's website via the posting of the Procurement Plan.

5. Bidding Documents

Procuring entities shall use standard bidding documents acceptable to ADB, based ideally on the standard bidding documents issued by ADB.

6. Bidding Period

Procuring entities shall allow for a minimum of four weeks for submission of bids.

7. Bid Security

Where required, bid security shall be in the form of a bank guarantee or check from a reputable bank and should not be more than two percent of the estimated value of contract to be procured.

8. Preferences

No preference of any kind shall be given shall be given to domestic bidders or for domestically manufactured goods.

9. Evaluation

No bid shall be rejected on the grounds of price, or for any other reason(s) not related to the evaluation and qualification criteria, without ADB's prior concurrence.

Prompt payment discounts offered by bidders shall not be considered in bid evaluation.

10. Price Negotiations

Price negotiation shall be allowed only after receiving ADB's prior concurrence.

11. Advance Payments

No advance payment shall be made without an advance payment security in the form of a bank guarantee or check from a reputable bank.

12. Government-Owned Enterprises

Government-owned enterprises in Afghanistan 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 the Implementing Agency.

13. Right to Inspect/Audit

A provision shall be included in all NCB works and goods contracts financed by the Bank (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. Anti-Corruption Policy

- (i) 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, or coercive practices in competing for the contract in question.
- (ii) 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, or coercive practices in competing for, or in executing, ADB-financed contract, as indicated in paragraph 1.14 (a) of ADB's Procurement Guidelines.

15. Disclosure of Decision on Contract Awards

At the same time that notification of award of Contract is given to the successful bidder, the results of bid evaluation shall be published in a local newspaper, or well-known freely accessible website identifying the bid and lot numbers and providing information on (i) name of each bidder who submitted a Bid, (ii) bid prices as read out at bid opening, (iii) name 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 duration and summary scope of the contract awarded. The executing agency/implementing agency/contracting authority shall respond in writing to unsuccessful bidders who seek explanations on the grounds on which their bids are not selected.

16. Eligibility

The eligibility of bidders shall be as defined under section I of the 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.