

PROCUREMENT PLAN

Basic Data

Project Name: Strengthening Sustainable Urban Transport for Ha Noi Metro Line 3	
Project Number: 40080-024	Approval Number: 3235/8291
Country: Viet Nam, Socialist Republic of	Executing Agency: Ha Noi People's Committee
Project Procurement Classification: Category B	Implementing Agency: Department of Transport and Urban Public Works
Project Procurement Risk: Low	
Project Financing Amount: US\$ 58,950,000 ADB Financing: US\$ 4,200,000 Cofinancing (ADB Administered): US\$ 48,950,000 Non-ADB Financing: US\$ 5,800,000	Project Closing Date: 1 January 2019
Date of First Procurement Plan: 12 December 2014	Date of this Procurement Plan: 16 November 2016, Version 3

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\$ 1,000,000 and Above	
National Competitive Bidding for Goods	Between US\$ 100,001 and US\$ 999,999	
Shopping for Goods	Up to US\$ 100,000	If needed
International Competitive Bidding for Works	US\$ 10,000,000 and Above	
National Competitive Bidding for Works	Between US\$ 100,001 and US\$ 9,999,999	
Shopping for Works	Up to US\$ 100,000	If needed

Consulting Services	
Method	Comments
Quality- and Cost-Based Selection for Consulting Firm	
Single Source Selection for Consulting Firm	
Others for Consulting Firm	

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
CW-01	Station 8: Transit Interchange	2,810,000.00	NCB	Prior	1S1E	Q4 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: CTF financing, estimated value

							includes taxes, physical and price contingencies
CW-02	Station 9: Transport Interchange	4,710,000.00	NCB	Prior	1S1E	Q1 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: CTF financing, estimated value includes taxes, physical and price contingencies
CW-04	Stations 1,2,3,4,5,6,7: Elevated Walkway and Accessibility	3,740,000.00	NCB	Prior	1S1E	Q4 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: CTF financing, estimated value includes taxes, physical and price contingencies

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-1	Station Area Development Program	1,520,000.00	QCBS	Prior	Q4 / 2015	FTP	Assignment: International Quality-Cost Ratio: 90:10 Comments: ADB/CTF financed, including taxes, physical and price

							contingencies (not yet advertised, schedule subject to further updates)
CS-2	Bus System Improvement and Implementation Support	2,280,000.00	QCBS	Prior	Q4 / 2015	FTP	Assignment: International Quality-Cost Ratio: 90:10 Comments: ADB/CTF financed, including taxes, physical and price contingencies (not yet advertised, schedule subject to further updates)
CS-3	Fares, Ticketing and Transport Pricing Study	2,470,000.00	QCBS	Prior	Q4 / 2015	FTP	Assignment: International Quality-Cost Ratio: 90:10 Comments: ADB/CTF financed, including taxes, physical and price contingencies (not yet advertised, schedule subject to further updates)
CS-4.1	Design	1,238,000.00	QCBS	Prior	Q1 / 2017	FTP	Assignment: International Quality-Cost Ratio: 90:10 Comments: CTF financed, including taxes, physical and price contingencies
CS-4.2	Supervision and Implementation Support	1,671,000.00	QCBS	Prior	Q4 / 2017	FTP	Assignment: International Quality-Cost Ratio: 90:10 Comments: CTF financed, including taxes, physical and price contingencies

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
None								

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
CW-03	Stations 10, 11, 12: Subway and Accessibility	4,830,000.00	1	NCB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: CTF financing, estimated value including taxes, physical and price contingencies
CW-05	Station Catchment Area Improvements	4,610,000.00	1	NCB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: CTF financing, estimated value including taxes, physical and price contingencies

CW-06	Bus Systems Works	1,980,000.00	1	NCB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: CTF financing, estimated value including taxes, physical and price contingencies
EQ-01	Buses, Systems and Operations	15,040,000.00	1	ICB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods Comments: Large Goods, CTF financing, estimated value including taxes, physical and price contingencies

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
None							

D. Non-ADB Financing

The following table lists goods, works and consulting services contracts over the life of the project, financed by Non-ADB sources.

Goods and Works				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Comments
None				

Consulting Services				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Comments
EIA Report Preparation	14,000.00	1	SSS	
Financial Auditing	80,000.00	1	OTHERS	Use NCB/ country systems, based on agreed TOR and prequalified firms accepted by ADB

E. National Competitive Bidding

1. General

The procedures to be followed for the procurement of goods, non-consulting services, and works under contracts awarded on the basis of National Competitive Bidding shall be those set forth in: (a) Law on Procurement No. 43/2013/QH13 dated November 26, 2013 ("Law on Procurement") and (b) Decree No. 63/2014/ND-CP dated June 26, 2014 (collectively, "National Procurement Laws"). Whenever any procedure in the National Procurement Laws is inconsistent with the ADB Procurement Guidelines (March 2013, as amended from time to time), the ADB Procurement Guidelines shall prevail, amongst others on the following.

2. Eligibility

- (i) The eligibility of bidders shall be defined under section I of the ADB Procurement Guidelines; accordingly, no bidder or potential bidder should be declared ineligible for reasons other than those provided in section I of the ADB Procurement Guidelines, as amended from time to time. Conditions of bidders' participation shall be limited to those that are essential to ensure bidders' capability to fulfill the contract in question. Foreign bidders shall be eligible to participate under the same conditions as national bidders. Foreign bidders shall not be asked or required to form joint ventures with, or be subcontractors to, national bidders in order to submit a bid.
- (ii) A firm declared ineligible by ADB cannot participate in bidding for an ADB-financed contract during the period of time determined by ADB.
- (iii) A bidder shall not have a conflict of interest, which term shall be defined in accordance with section 1 of ADB Procurement Guidelines.¹ Any bidder found to have a conflict of interest shall be ineligible for contract award.
- (iv) Government-owned enterprises in the Borrower's country shall be eligible to participate as a bidder only if they can establish that they are legally and financially autonomous, operate under commercial law and are not dependent agencies of the Borrower or Sub-Borrower.
- (v) National sanction lists may only be applied with approval of ADB².

3. Preferences

No preference of any kind shall be given to domestic bidders over foreign bidders or for domestically manufactured goods over foreign manufactured goods. Unless otherwise stated in the applicable financing agreement, preferences among domestic bidders set forth in Article 14(3) of the Law on Procurement shall not be applied.

¹ Detailed guidance on how to apply conflict of interest test is available under section 1 of ADB's standard bidding documents for goods and works (as amended from time to time).

² For fraud and corruption cases, Section 50 of ADB's Integrity Principles and Guidelines provides that ADB may decide that another international financial institution's or legal or regulatory body's determination that a party has failed to adhere to appropriate ethical standards, as defined by any established system of principles, rules, or duties, including the laws or regulations of a state, constitutes that party's failure to maintain the highest ethical standards as required by ADB's Anticorruption Policy. The party may be subject to remedial action in accordance with the Integrity Principles and Guidelines. <http://www.adb.org/sites/default/files/integrity-principles-guidelines.pdf>

4. Bidding Procedure

Single stage-single envelope shall be the default bidding procedure and application of other bidding procedures shall require ADB's prior approval.

5. Time for Bid Preparation

The time allowed for the preparation and submission of bids for large and/or complex packages shall not be less than thirty (30) days from the date of the invitation to bid or the date of availability of the bidding documents, whichever is later.

6. Standard bidding documents

The Borrower's standard bidding documents, acceptable to ADB, shall be used. Bidders shall be allowed to submit bids by hand or by mail/ courier.

7. Bid Opening and Evaluation

- (i) Bids shall be opened in public, immediately after the deadline for submission of bids, regardless of the number of bids received.
- (ii) Except with prior approval of ADB, merit points shall not be used in bid evaluation.
- (iii) No price adjustments shall be made for evaluation purposes in accordance with Article 117(6) of Decree 63 when unit rates offered by the bidder are determined to be abnormally low.
- (iv) Bidders shall be given commercially reasonable time period to respond to clarification requests.
- (v) Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations³.
- (vi) Except with the prior approval of ADB, negotiations contemplated under paragraphs 7 and 8 of Article 117 of Decree No. 63/2014/ND-CP shall not take place with any bidder prior to contract award.
- (vii) A bidder shall not be required, as a condition for award of contract, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

8. Rejection of All Bids and Rebidding

- (i) No bid shall be rejected on the basis of a comparison with the Procuring Entity's estimate or budget ceiling without ADB's prior concurrence.
- (ii) All bids shall not be rejected and new bids solicited without ADB's prior approval.

³ A minor, non-substantial deviation is one that, if accepted, would not affect in any substantial way the scope, quality, or performance specified in the contract; or limit in any substantial way, the Contracting entity rights or the Bidder's obligations under the proposed contract or if rectified, would not unfairly affect the competitive position of other bidders presenting substantially responsive bids.

9. Publication of the Award of Contract. Debriefing.

- (i) For contracts subject to prior review, within 2 weeks of receiving ADB's "No—objection to the recommendation of contract award, the borrower shall publish in the Government Public Procurement Gazette, or well-known and freely-accessible website the results of the bid evaluation, 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 and evaluated prices of each bid that was evaluated; iv) name of bidders whose bids were rejected and the reasons for their rejection; and v) name of the winning bidder, and the price it offered, as well as the duration and summary scope of the contract awarded.
- (ii) For contracts subject to post review, the procuring entity shall publish the bid evaluation results no later than the date of contract award.
- (iii) In the publication of the bid evaluation results, the Borrower shall specify that any bidder who wishes to ascertain the grounds on which its bid was not selected, may request an explanation from the Borrower. The Borrower shall promptly provide an explanation of why such bid was not selected, either in writing and/or in a debriefing meeting, at the option of the Borrower. The requesting bidder shall bear all the costs of attending such a debriefing.

10. Contract Administration

The Contract Agreement, as such term is defined in the relevant bidding document, shall be applied without any modification during implementation except as otherwise agreed by ADB.

11. Fraud and Corruption

A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that ADB will sanction a party or its related parties, including declaring ineligible, either indefinitely or for a stated period of time, to participate in ADB-financed, administered or supported activities if it at any time determines that the party has, directly or indirectly through an agent, engaged in integrity violations as defined under ADB's Integrity Principles and Guidelines, including corrupt, fraudulent, collusive, or coercive practices in competing for, or in executing, an ADB-financed, administered or supported contract.

12. Right to Inspect/ Audit

Each bidding document and contract financed by ADB shall include a provision requiring bidders, contractors, agents (whether declared or not), sub-contractors, sub-consultants, service providers, or suppliers and any personnel thereof, to permit ADB to inspect all accounts, records and other documents relating to any prequalification process, bid submission, and contract performance (in the case of award), and to have them audited by auditors appointed by ADB.