

PROCUREMENT PLAN

Basic Data

Project Name: Agriculture and Rural Development Project - Additional Financing	
Project Number: 39229-033	Approval Number: 3288/3287/8960
Country: Mongolia	Executing Agency: Ministry of Finance
Project Financing Amount: US\$ 61,000,000 ADB Financing: US\$ 50,000,000 Cofinancing (ADB Administered): Non-ADB Financing: US\$ 11,000,000	Implementing Agency: Ministry of Food and Agriculture, Ministry of Industry Project Closing Date: 31 December 2020
Date of First Procurement Plan: 23 September 2015	Date of this Procurement Plan: 23 September 2015, 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
National Competitive Bidding for Goods	Between US\$ 100,000 and US\$ 1,999,999	The first NCB is subject to prior review, thereafter post review.
Shopping for Goods	Up to US\$ 99,999	
National Competitive Bidding for Works	Between US\$ 100,000 and US\$ 4,999,999	The first NCB is subject to prior review, thereafter post review.
Shopping for Works	Up to US\$ 99,999	

Consulting Services	
Method	Comments
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
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
C0001	PMU consultants (national consultants)	843,000.00	ICS	Prior	Q2 / 2016		Assignment: National Expertise: Various experts

								Comments: It will comprise 382 pm inputs of project director, VCI coordinator, financial analyst, environment, social/gender, and legal specialists, and business advisor (BA). Existing contracts for first six consultants will be extended. BA will be recruited
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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
G0006	Computers and peripherals for executing agency/project management unit	36,383.00	1	SHOPPING	Post		Q2 / 2016	Comments: Server computer, five units of desktop computers, two units of notebook computers, printer, and camera

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

G0001	Agricultural equipment for herders and cooperatives	735,050.00	4	NCB	Prior	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
	Lot 1: Lot fleshing machine	216,900.00					
	Lot 2: Lot shearing machine	180,750.00					
	Lot 3: Lot drip irrigation system	216,900.00					
	Lot 4: Lot equipment for milking cows	120,500.00					
G0002	Equipment for Clothing Research Center	303,188.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
G0003	Air conditioning system (ISO139/ASTM/D1777) for Textile Institute	60,638.00	1	SHOPPING	Post		
G0004	Equipment for Textile Institute	147,834.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
G0005	Equipment for leather	356,306.00	4	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods

	<p>Lot 1: Lot laboratory tables</p> <p>Lot 2: Lot chromatography (for liquids)</p> <p>Lot 3: Lot microscope, freezer, microtome freezer, total dissolved solids meter, and biochemical oxygen demand and meter</p> <p>Lot 4: Lot experimental drum (D2150)</p>	<p>29,106.00</p> <p>255,041.00</p> <p>40,142.00</p> <p>32,017.00</p>					
G0007	<p>Agricultural tools and materials for herders and cooperatives</p> <p>Lot 1: Lot veterinary pharmaceuticals for protecting animal skins</p> <p>Lot 2: Lot antiseptics and other materials for cleaning of waste of skin's primary processing</p> <p>Lot 3: Lot set of instruments for skin primary processors</p> <p>Lot 4: Lot set of instruments for combing goats</p> <p>Lot 5: Lot color mark for sheeps and goats</p> <p>Lot 6: Lot tools and instruments for milking cows</p> <p>Lot 7: Lot bee-farming tools and instruments</p>	<p>1,012,200.00</p> <p>180,750.00</p> <p>90,375.00</p> <p>60,250.00</p> <p>192,800.00</p> <p>192,800.00</p> <p>90,375.00</p> <p>204,850.00</p>	7	NCB	Post	1S1E	<p>Prequalification of Bidders: N</p> <p>Domestic Preference Applicable: N</p> <p>Bidding Document: Goods</p>
W0001	<p>Building for Skin's primary processing</p>	243,300.00	1	NCB	Prior	1S1E	<p>Prequalification of Bidders: N</p> <p>Domestic Preference Applicable: N</p> <p>Bidding Document: Small Works</p> <p>Comments: Expectedly first procurement of works, hence, prior review is required</p>

W0002	Maintenance of the Textile Institute's laboratory	12,282.00	1	SHOPPING	Post		

Consulting Services							
Package Number	General Description	Estimated Value (cumulative)	Estimated 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.

