

PROCUREMENT PLAN

Basic Data

Project Name: Sustainable Urban Transport Investment Program - Tranche 2	
Project Number: 42414-033	Approval Number: 2880/2879
Country: Georgia	Executing Agency: Municipal Development Fund of Georgia
Project Procurement Classification: Category B	Implementing Agency: Ministry of Regional Development and Infrastructure of Georgia
Project Procurement Risk: Low	
Project Financing Amount: US\$ 92,886,000 ADB Financing: US\$ 64,886,000 Cofinancing (ADB Administered): Non-ADB Financing: US\$ 28,000,000	Project Closing Date: 31 December 2018
Date of First Procurement Plan: 24 July 2012	Date of this Procurement Plan: 4 July 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
National Competitive Bidding for Goods	Between US\$ 100,000 and US\$ 999,999	ADB SBD (prior followed by post) Usage subject to review of the borrower's public procurement laws and regulations. Prior review applies to the procurement of the first NCB contract by the project management unit. If first contract procured satisfactorily, thereafter post review.
Shopping for Goods	Between US\$ 1,000 and US\$ 99,999	ADB SBD
International Competitive Bidding for Works	US\$ 1,000,000 and Above	ADB SBD
National Competitive Bidding for Works	Between US\$ 100,000 and US\$ 999,999	ADB SBD (prior followed by post) Usage subject to review of the borrower's public procurement laws and regulations. Prior review applies to the procurement of the first NCB contract by the project management unit. If first contract procured satisfactorily, thereafter post review.

Consulting Services	
Method	Comments
Consultant's Qualification Selection for Consulting Firm	RFP
Fixed Budget Selection for Consulting Firm	RFP
Least-Cost Selection for Consulting Firm	RFP
Quality- and Cost-Based Selection for Consulting Firm	QCBS 80:20 or 90:10
Quality-Based Selection for Consulting Firm	RFP
Single Source Selection for Consulting Firm	RFP
Individual Consultants Selection for Individual Consultant	Applied in accordance with Section 2.34, Guidelines on the Use of Consultants (as amended from time to time)

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
tbd 01	Capacity building for Tranche 2 - Technical expertise, assistance and training on project management, safeguards, financial ad procurement	500,000.00	LCS	Prior	Q4 / 2016	BTP	Assignment: International
tbd 02	Development of a bridge, road and tunnel laboratory at the Georgia Technical University	435,000.00	QCBS	Prior	Q2 / 2015	STP	Assignment: International Quality-Cost Ratio: 90:10 Comments: with shopping for an amount up to \$200,000

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
tbd Goods 1	Procurement of Goods for GTU bridge and tunnel laboratory	875,000.00	1	NCB	Prior	1S1E	Q4 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods Comments: multiple lots (number to be

								determined)
tbd Works 1	Rehabilitation of GTU bridge and tunnel laboratory	190,000.00	1	NCB	Prior	1S1E	Q4 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works

Consulting Services								
Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior/Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
tbd 04-2	Independent monitoring agency (Safeguard and resettlement) and individual consultants	75,000.00	1	ICS	Prior	Q4 / 2016		Assignment: International Expertise: Resettlement specialist
tbd 04-3	Independent monitoring agency (Safeguard and resettlement) and individual consultants	37,500.00	1	ICS	Prior	Q4 / 2016		Assignment: National Expertise: tbd
tbd 04-4	Independent monitoring agency (Safeguard and resettlement) and individual consultants	37,500.00	1	ICS	Prior	Q4 / 2016		Assignment: National Expertise: tbd
tbd 04-5	Independent monitoring agency (Safeguard and resettlement) and individual consultants	37,500.00	1	ICS	Prior	Q2 / 2017		Assignment: National Expertise: tbd
tbd 04-6	Independent monitoring agency (Safeguard and resettlement) and individual consultants	37,500.00	1	ICS	Prior	Q2 / 2017		Assignment: National Expertise: tbd

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
P42414SU TIP2-ICB1.03	Modernization of Tbilis-Rustavi Section of the Tbilisi-Red Bridge (Azerbaijani Border) Road (Section and Section 3)	58,000,000.00	51,168,000.00	ICB	Q2 / 2013	19-DEC-13	PC Committee approved rebidding on 10 May 2013.

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
SUTIP2/C/SSS/01-2014	Project financial statement and independent audit	100,000.00	99,946.00	SSS	Q1 / 2015	15-APR-15	ADB financing: \$84,700.00
SUTIP2/C/QCBS/7-2013	Engineering, Procurement, Construction Management and Supervision for Construction of Batumi Coastal Protection	1,500,000.00	1,457,000.00	QCBS	Q2 / 2013	14-OCT-14	Contract value: EUR 1,142,276.06 (Exchange rate: 14 Oct 2014 = EU1 = \$1.2751995368)
SUTIP2-IC-01-2015	Independent monitoring agency (Safeguard and resettlement) and individual consultants	75,000.00	75,000.00	ICS	Q3 / 2015	24-SEP-15	PCSS 0004 - Nino Nadashvili

D. National Competitive Bidding

1. General

The procedures to be followed for national competitive bidding shall be those set forth in the Law of Georgia on State Procurement January 1, 2006 with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the ADB's Procurement Guidelines.

2. Eligibility

The eligibility of bidders shall be as defined under section I of ADB's Procurement Guidelines, published by ADB; accordingly, no bidder or potential bidder should be declared ineligible to ADB-financed contracts for other reasons than the ones provided by section I of ADB's Guidelines. Bidders must be nationals of member countries of ADB, and offered goods and services must be produced in and supplied from member countries of ADB.

3. Prequalification

Normally, post-qualification shall be used unless explicitly provided for in the loan agreement/procurement plan. Irrespective of whether post qualification or prequalification is used, eligible bidders (both national and foreign) shall be allowed to participate.

4. Registration and Licensing

- (i) Bidding shall not be restricted to pre-registered/licensed firms.
- (ii) Where registration or licensing is required, bidders (i) shall be allowed a reasonable time to complete the registration or licensing process; and (ii) shall not be denied registration/licensing for reasons unrelated to their capability and resources to successfully perform the contract, which shall be verified through post-qualification.
- (iii) Foreign bidders shall not be precluded from bidding. If a registration or licensing process is required, a foreign bidder declared the lowest evaluated bidder shall be given a reasonable opportunity to register or to obtain a license without unreasonable cost and additional requirements.

5. Bidding Period

The minimum bidding period is twenty-eight (28) days prior to the deadline for the submission of bids.

6. Bidding Documents

Procuring entities should use standard bidding documents for the procurement of goods, works and services acceptable to ADB.

The term "services" above are applicable to the following: (a) related services (for supply of goods and works) such as transportation, insurance, installation, commissioning, training and initial maintenance, and (b) other services such as drilling, mapping, and similar operations.

7. Preferences

No domestic preference shall be given for domestic bidders and for domestically manufactured goods.

8. Advertising

Invitations to bid shall be advertised in at least one widely circulated national daily newspaper or freely accessible, nationally-known website allowing a minimum of twenty-eight (28) days for the preparation and submission of bids.

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

9. Bid Security

Where required, bid security shall be in the form of a bank guarantee from a reputable bank.

10. Bid Opening and Bid Evaluation

- (i) Bids shall be opened in public.
- (ii) Evaluation of bids shall be made in strict adherence to the criteria declared in the bidding documents and contracts shall be awarded to the lowest evaluated bidder—who meets the qualifying criteria stated in the bid documents.
- (iii) Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.
- (iv) No bidder shall be rejected on the basis of a comparison with the employer's estimate and budget ceiling without ADB's prior concurrence.
- (v) A contract shall be awarded to the technically responsive bid that offers the lowest evaluated price and no negotiations shall be permitted.
- (vi) Price verification shall not be applied.

11. Rejection of All Bids and Rebidding

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

12. Participation by Government-owned enterprises

Government-owned enterprises in Georgia shall be eligible to participate as bidders only if they can establish that they are legally and financially autonomous, operate under commercial law and are not a dependent agency of the contracting authority. Furthermore, they will be subject to the same bid and performance security requirements as other bidders.

13. Right to Inspect/Audit

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. Fraud and corruption

- (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, coercive or obstructive practices in competing for, or in executing, an ADB-financed contract.

For purposes of the provisions in (a) and (b) above, the definitions of the terms "fraudulent practice", "corrupt practice", "collusive practice", and "coercive practice" are the definitions given in ADB's Procurement Guidelines.

15. Conflict of Interest

ADB's rule in respect of "Conflict of Interest" as stipulated in ADB's Standard Bidding Documents for Procurement of Goods, Civil Works, and Plant-Design, Supply and Install shall be applicable.

16. Disclosure of Decision on Contract Awards

At the same time that notification on award of contract is given to the successful bidder, the results of bid evaluation shall be published in a local newspaper, or a 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.

