

## PROCUREMENT PLAN

### Basic Data

<b>Project Name:</b> Power Distribution Enhancement Investment Program - Tranche 4	
<b>Project Number:</b> 38456-037	<b>Approval Number:</b> 3096
<b>Country:</b> Pakistan	<b>Executing Agency:</b> Pakistan Electric Power Company (Pvt.) Limited
<b>Project Procurement Classification:</b>	<b>Implementing Agency:</b> Faisalabad Electric Supply Company Limited, Gujranwala Electric Power Company, Hyderabad Electric Supply Company, Islamabad Electric Supply Company, Lahore Electric Supply Company, Multan Electric Power Company, Peshawar electric Supply Company, Quetta Electric Supply Company
<b>Project Procurement Risk:</b>	
<b>Project Financing Amount:</b> US\$ 167,200,000 <b>ADB Financing:</b> US\$ 167,200,000 <b>Cofinancing (ADB Administered):</b> <b>Non-ADB Financing:</b>	<b>Project Closing Date:</b> 1 January 2018
<b>Date of First Procurement Plan:</b> 27 March 2014	<b>Date of this Procurement Plan:</b> 8 July 2015, Version 1

### 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	Exceeding \$1,000,000
National Competitive Bidding for Goods	Between US\$ 100,000 and US\$ 999,000	The first NCB is subject to prior review, thereafter post review.
Shopping for Goods	Between US\$ 1 and US\$ 99,999	Below \$100,000
International Competitive Bidding for Works	US\$ 5,000,001 and Above	Exceeding \$5,000,000
National Competitive Bidding for Works	Between US\$ 100,000 and US\$ 5,000,000	The first NCB is subject to prior review, thereafter post review.
Shopping for Works	Between US\$ 1 and US\$ 99,999	Below \$100,000

#### 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
FESCO-01	Power Transformers and Grid Station Equipment	15,300,000.00	ICB	Prior	1S1E	Q2 / 2014	Prequalification of Bidders: N  Domestic Preference Applicable: Y  Bidding Document: Goods

	<p>Lot 1: Power Transformers 11,600,000.00</p> <p>Lot 2: Current Transformers and Lightening Arrestors 400,000.00</p> <p>Lot 3: Control, Relay and 11 kV Panels 3,000,000.00</p> <p>Lot 5: 132 kV Grid Station Allied Material 300,000.00</p>						Comments: Bid evaluation ongoing.
HESCO-01	<p>Power Transformers and Grid Station Equipment</p> <p>Lot 1: Power Transformers 8,500,000.00</p> <p>Lot 2: Circuit Breakers and Isolators 200,000.00</p> <p>Lot 3: Current Transformers and Lightening Arrestors 200,000.00</p> <p>Lot 4: Control, Relay and 11 kV Panels 1,700,000.00</p>	10,600,000.00	ICB	Prior	1S1E	Q2 / 2014	<p>Prequalification of Bidders: N</p> <p>Domestic Preference Applicable: Y</p> <p>Bidding Document: Goods</p> <p>Comments: Bid evaluation ongoing.</p>
IESCO-01	<p>Power Transformers and Grid Station Equipment</p> <p>Lot 1: Power Transformers 13,900,000.00</p> <p>Lot 2: Circuit Breakers and Isolators 500,000.00</p> <p>Lot 3: Current Transformers and Lightening Arrestors 300,000.00</p> <p>Lot 4: Control, Relay and 11 kV Panels 2,900,000.00</p> <p>Lot 5: Cables and Conductors 800,000.00</p> <p>Lot 6: 132 kV Grid Station Allied Material 200,000.00</p>	18,600,000.00	ICB	Prior	1S1E	Q3 / 2014	<p>Prequalification of Bidders: N</p> <p>Domestic Preference Applicable: Y</p> <p>Bidding Document: Goods</p> <p>Comments: Bid evaluation ongoing.</p>
LESCO-01	Power Transformers	43,200,000.00	ICB	Prior	1S1E	Q4 / 2014	Prequalification

	and Grid Station Equipment						of Bidders: N Domestic Preference Applicable: Y Bidding Document: Goods Comments: Bid evaluation ongoing.
	Lot 1: Power Transformers	31,700,000.00					
	Lot 2: Circuit Breakers and Isolators	1,100,000.00					
	Lot 3: Current Transformers and Lightening Arrestors	800,000.00					
	Lot 4: Control, Relay and 11 kV Panels	7,100,000.00					
	Lot 5: Cables and Conductors	1,900,000.00					
	Lot 6: 132 kV Grid Station Allied Material	600,000.00					
LESCO-02	Civil works for grid stations/transformers	2,200,000.00	NCB	Post	1S1E	Q2 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Draft BD yet to be submitted.
MEPCO-01	Power Transformers and Grid Station Equipment	33,400,000.00	ICB	Prior	1S1E	Q2 / 2014	Prequalification of Bidders: N Domestic Preference Applicable: Y Bidding Document: Goods Comments: Bid evaluation ongoing.
	Lot 1: Power Transformers	26,300,000.00					
	Lot 2: Circuit Breakers and Isolators	600,000.00					
	Lot 3: Current Transformers and Lightening Arrestors	400,000.00					
	Lot 4: Control, Relay and 11 kV Panels	4,500,000.00					
	Lot 5: Cables and	1,300,000.00					

	Conductors Lot 6: 132 kV Grid Station Allied Material	300,000.00					
MEPCO-02	Civil works for grid stations/transformers	1,700,000.00	NCB	Post	1S1E	Q2 / 2015	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Small Works  Comments: Draft BD approved on Mar 2015. For IFB posting.
PESCO-01	Power Transformers and Grid Station Equipment  Lot 1: Power Transformers Lot 2: Circuit Breakers and Isolators Lot 3: Current Transformers and Lightening Arrestors Lot 4: Control, Relay and 11 kV Panels Lot 5: Cables and Conductors Lot 6: 132 kV Grid Station Allied Material Lot 7: 11 kV Distribution Transformers	24,700,000.00  17,000,000.00 200,000.00 100,000.00 1,800,000.00 800,000.00 100,000.00 4,700,000.00	ICB	Prior	1S1E	Q3 / 2014	Prequalification of Bidders: N  Domestic Preference Applicable: Y  Bidding Document: Goods  Comments: Bid evaluation ongoing.
QESCO-01	Power Transformers and Grid Station Equipment	10,600,000.00	ICB	Prior	1S1E	Q2 / 2014	Prequalification of Bidders: N  Domestic Preference Applicable: Y  Bidding Document: Goods  Comments: Lot V for rebidding. Bid evaluation ongoing for the rest of the lots.

Lot 1: Power Transformers	7,600,000.00					
Lot 2: Circuit Breakers and Isolators	300,000.00					
Lot 3: Current Transformers and Lightening Arrestors	200,000.00					
Lot 4: Control, Relay and 11 kV Panels	1,900,000.00					
Lot 5: Cables and Conductors	500,000.00					
Lot 6: 132 kV Grid Station Allied Material	100,000.00					

### 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
None							

### 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
FESCO-02	Circuit Breakers and Isolators	500,000.00	1	NCB	Prior	1S1E	Q1 / 2015	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Goods
HESCO-02	132 kV Grid Station Allied Material	100,000.00	1	NCB	Post	1S1E	Q1 / 2015	Prequalification of Bidders: N  Domestic Preference Applicable: N  Bidding Document: Goods

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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	Contract Value	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
FESCO-01	Power Transformers and Grid Station Equipment	700,000.00	615,019.00	ICB	Q2 / 2014		
GEPCO-01	Power Transformers and Grid Station Equipment	9,300,000.00	5,686,066.04	ICB	Q1 / 2014		
HESCO-01	Power Transformers and Grid Station Equipment	700,000.00	442,028.55	ICB	Q2 / 2014		

Consulting Services							
Package Number	General Description	Estimated Value	Contract Value	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
None							

## **D. National Competitive Bidding**

### **1. General**

The procedures to be followed for national competitive bidding shall be those set forth in the Public Procurement Rules 2004 [S. R. O. 432 (1)/2004] issued on the 9<sup>th</sup> June 2004 by the Public Procurement Regulatory Authority Ordinance 2002 (XXII of 2002) of the Islamic Republic of Pakistan with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the ADB Procurement Guidelines.

### **2. Registration**

- (i) Bidding shall not be restricted to pre-registered firms and such registration shall not be a condition for participation in the bidding process.
- (ii) Where registration is required prior to award of contract, bidders: (i) shall be allowed a reasonable time to complete the registration process; and (ii) shall not be denied registration for reasons unrelated to their capability and resources to successfully perform the contract, which shall be verified through post-qualification.

### **3. Prequalification**

Normally, post-qualification shall be used unless prequalification is 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. Bidding Period**

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

### **5. Bidding Documents**

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

### **6. Preferences**

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

### **7. 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. NCB contracts estimated to cost \$500,000 or more for goods and related services and &1,000,000 or more for civil works will be advertised on ADB's website via the posting of the Procurement Plan.

### **8. Bid Security**

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

### **9. 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.
- (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 the 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.

**10. Rejection of all Bids and Rebidding**

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

**11. Participation by Government-owned enterprises**

Government-owned enterprises in the Islamic Republic of Pakistan 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.

**12. ADB Member Country Restrictions**

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.



