

Procurement Arrangements

Project information: **India-** Uttarakhand Climate Responsive Rain-fed Farming Project (P179357)

Project Implementation agency: **Watershed Management Directorate**

Date of the Procurement Plan: **19th Dec 2023**

Period covered by this Procurement Plan: **For the Project Period**

Preamble

In accordance with paragraph 5.9 of the “World Bank Procurement Regulations for IPF Borrowers” (July 2016, revised November 2020) (“Procurement Regulations”) the Bank’s Systematic Tracking and Exchanges in Procurement (STEP) system will be used to prepare, clear and update Procurement Plans and conduct all procurement transactions for the Project.

This textual part along with the Procurement Plan tables in STEP constitute the Procurement Plan for the Project. The following conditions apply to all procurement activities in the Procurement Plan. The other elements of the Procurement Plan as required under paragraph 4.4 of the Procurement Regulations are set forth in STEP.

The Bank’s Standard Procurement Documents: shall be used for all contracts subject to international competitive procurement and those contracts as specified in the Procurement Plan tables in STEP.

National Procurement Arrangements: National competition for the procurement of goods, works and non-consulting services according to the established thresholds will be conducted in accordance with paragraphs 5.3 – 5.6 of Section V of the Regulations and the following provisions:

- i. Only the model bidding documents for National Competitive Procurement (NCP) agreed with the World Bank

- (and as amended for time to time), shall be used for bidding.
- ii. Invitations to bid shall be advertised on a widely used website or electronic portal with free open access at least 30 days prior to the deadline for the submission of bids, unless otherwise agreed in the approved procurement plan.
 - iii. No special preference will be accorded to any bidder either for price or for other terms and conditions when competing with foreign bidders, state-owned enterprises, small-scale enterprises or enterprises from any given State.
 - iv. Except with the prior concurrence of the Bank, there shall be no negotiation of price with the bidders, even with the lowest evaluated bidder.
 - v. Government e-Marketplace (GeM)* set-up by Ministry of Commerce, Government of India will be acceptable for procurement under Request for Quotations (RFQ) method.
 - vi. At the Borrower's request, the Bank may agree to the Borrower's use, in whole or in part, of its electronic procurement system, provided that the Bank is satisfied with the adequacy of such system.
 - vii. Procurement will be open to eligible firms from any country. This eligibility shall be as defined under Section III of the Procurement Regulations. Accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Bank for reasons other than those provided in Section III of the Procurement Regulations.
 - viii. The request for bids/request for proposals document shall require that Bidders/Proposers submitting Bids/Proposals include a signed acceptance in the bid, to be incorporated in any resulting contracts, confirming application of, and compliance with, the Bank's Anti-Corruption Guidelines, including without limitation the Bank's right to sanction and the Bank's inspection and audit rights.
 - ix. The Borrower shall use an effective complaints mechanism for handling procurement related complaints in a timely manner.
 - x. Procurement Documents will include provisions, as agreed with the Bank, intended to adequately mitigate against environmental, social (including sexual exploitation and abuse and gender-based violence), health and safety risks and impacts.

***Use of GeM** will be allowed in lieu of RFQ/Shopping as per following details:

- i. up to INR 50,000 in catalog mode (viz. any available item could be selected by IA without further competition), provided selected Item/Supplier meeting the requisite quality, specification and delivery period.

- ii. up to INR 3 Million from the Supplier having lowest price amongst at least three Suppliers meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse auction available on GeM may be used by the Purchaser.
- iii. up to INR equivalent of US\$ 100,000 from the Supplier having lowest price and meeting the requisite quality, specification and delivery period after mandatorily obtaining bids from at least three Suppliers, using online bidding or reverse auction tool provided on GeM.

When other national procurement arrangements other than national open competitive procurement arrangements are applied by the Borrower, such arrangements shall be subject to paragraph 5.5 of the Procurement Regulations.

Leased Assets: Not Applicable

Procurement of Second Hand Goods: Not Applicable

Domestic preference as specified under paragraph 5.51 of the Procurement Regulations.

Goods: is applicable for those contracts identified in the Procurement Plan tables;

Works: is not applicable

The table below describes various procurement methods to be used for activities financed by the loan. The thresholds (Table 11) indicated in apply to the initial 18-months of implementation period and are based on the procurement performance of the project:

Table 1: Procurement Thresholds

| Procurement Approaches and Methods | Thresholds (US\$ equivalent) |
|--|-------------------------------------|
| Open international (Works) | > 40 million |
| Open national (Works) | > 100,000 and up to 40 million |
| Open international (goods, IT system, and non-consulting services) | > 10 million |

| Procurement Approaches and Methods | Thresholds (US\$ equivalent) |
|--|---|
| Open national (goods, IT system, and non-consulting services) | > 100,000 and up to 10 million |
| National request for quotation (goods, IT system, works & non-consulting services) | Up to 100,000 |
| Direct selection | No threshold; For Works; Goods/non-consulting services/IT system: According to paragraphs 6.8-6.10 of the Regulations; For consultants: According to paragraphs 7.13-7.15 of the Regulations |
| Consultancy services (national): Shortlist with only national consultants | Up to 2 million |
| Consultancy services (International) | > 2 Million |

Short list comprising entirely of national consultants:

Short list of consultants for services, estimated to cost up to US\$ 2 Million or equivalent per contract, may comprise entirely of national consultants in accordance with the provisions of Procurement Regulations.

Procurement prior-review thresholds. The World Bank will prior review the procurement process based on the following thresholds table and as agreed in the approved procurement plan:

Procurement Prior Review Thresholds (US\$ millions)

| Type of procurement | High risk | Substantial risk | Moderate risk | Low risk |
|---|-----------|------------------|---------------|----------|
| Works (including turnkey, supply & installation of plant and equipment, and PPP) | 5 | 10 | 15 | 20 |
| Goods, information technology and non-consulting services | 1.5 | 2 | 4 | 6 |
| Consultants: firms | 0.5 | 1 | 2 | 4 |
| Consultants: individuals | 0.2 | 0.3 | 0.4 | 0.5 |

Irrespective of the thresholds, ToRs shall be prior reviewed by Bank. The prior review thresholds will also be indicated in the Procurement Plan. The Procurement Plan will be subsequently updated annually (or at any other time if required) and will reflect any change in the prior review thresholds. The details of National Procurement Procedures will be outlined in the Procurement Plan.

Prior review contract. In the case of contracts subject to prior review, the Implementing Agencies will seek the World Bank’s no objection before granting/agreeing to: (a) an extension of the stipulated time for performance of a contract that either increases the contract price or has an impact on the planned completion of the project; (b) any substantial modification of the scope of Works, goods, IT system; non-consulting services, or consulting services and other significant changes to the terms and conditions of the contract; (c) any variation order or amendment (except

in cases of extreme urgency) that, singly or combined with all variation orders or amendments previously issued, increases the original contract amount by more than 15 percent; and (d) the proposed termination of the contract. Complaints received in all prior review cases shall be sent to Bank for review and the response to the complaint in such cases, shall be cleared with the Bank. Complaints with allegations of fraud and corruption, shall be shared with Bank, irrespective of the thresholds.

Disclosure of procurement information. The following documents shall be disclosed on the project/state websites: (a) Procurement Plan and its updates; (b) an invitation for bids for procurement of Works, Goods, IT system procurement and non-consulting services; (c) request for expression of interest for selection/hiring of consulting services; (d) contract awards of Works, Goods, IT system procurement and non-consulting services procured following international and national procedures; (e) a list of contracts/purchase orders placed following RFQ (Request for Quotation) procedures on a quarterly basis; (f) a list of contracts following direct contracting (DC) on a quarterly basis; (g) an annual financial and physical progress report of all contracts; and (h) an action taken report on the complaints received on a quarterly basis.

The following details shall be sent to the World Bank for publishing on the United Nations Development Business and the World Bank external website: (a) Specific Procurement Notice (i.e. invitation for bids) for procurement of Works, Goods , IT system procurement and non-consulting services using open international procedures; (b) Requests for Expression of Interests above USD 800,000; (c) contract award details of all procurement of Works, Goods, IT system procurement and non-consulting services using open international procedure; and(d) a list of contracts/purchase orders placed following DC procedures on a quarterly basis. Further, the implementing agency will also publish on their websites any information required under the provisions of 'suo moto' disclosure as specified by the Right to Information Act.

Other Relevant Procurement Information.

All contracts not covered under prior review by the Bank will be subject to post review during implementation support missions and/or special post review missions, including missions by consultants hired by the Bank. To avoid doubts, the Bank may conduct, at any time, Independent Procurement Reviews of all the contracts financed under the loan.

Even for Post Review cases, the inputs of Bank on Technical Specifications / TORs will be obtained by project.

