



Republic of Malawi

Ministry of Energy

Private Bag 309

Lilongwe 3

PROCUREMENT PLAN

For

PROJECT PREPARATORY ADVANCE (PPA)

Name of Project: Mpatamanga Hydropower Project

Loan No./Credit No./Grant No.:

Financiers: World Bank

Implementing Agency: Ministry of Energy

Beneficiary Institutions: **Ministry of Energy**

**MPATAMANGA HYDROPOWER PROJECT PPA
PROCUREMENT PLAN**

I. General

1. Project information

Country: Malawi
Project Name: Mpatamanga Hydropower Project

Project ID: P165704

2. Project Implementation Agency: Ministry of Energy

3. Date of the Procurement Plan: August, 2020

4. Period covered by this Procurement Plan: November 2020 to June 2021

II. Preamble

In accordance with paragraph 5.9 of the “World Bank Procurement Regulations for IPF Borrowers” (July 2016 Revised November 2017 and August 2018) (“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.

III. *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.

IV. National Procurement Arrangements: In accordance with paragraph 5.3 of the Procurement Regulations, when approaching the national market (as specified in the Procurement Plan tables in STEP), the country’s own procurement procedures may be used.

When the Borrower uses its own **national open competitive procurement** arrangements as set forth in *The Public Procurement and Disposal of Assets Act, 2017 and its subsidiary instruments namely: The Public Procurement Regulations, 2004, Desk Instructions (2005), Standard bidding Documents and Circulars for the Public Procurement and Disposal of Assets (PPDA) Authority* such arrangements shall be subject to paragraph 5.4 of the Procurement Regulations under the following conditions:

- o Provision of “set-asides” contracts for small enterprises shall not be applied.
- o Criteria such as environmental aspect, extent of local content, technology transfer, and managerial, scientific & operational skills development shall not be used in the evaluation of bids unless specifically agreed by the Bank on case to case basis.

- o Procurement Documents include provisions, intended to adequately mitigate against environmental, social (including health and safety, sexual exploitation and abuse and gender-based violence), (“ES”) risks and impacts

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.

In accordance with paragraph 5.4(c) and 5.5 of the Procurement Regulations, the request for bids/request for proposals/request for quotations document shall require that Bidders/Proposers submitting Bids/Proposals/quotations present a signed acceptance at the time of bidding, 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. The form of the Letter of Acceptance is attached in Appendix 1.

- V. **Prequalification:** Not expected for works/goods packages in the procurement plan.
- VI. *Leased Assets as specified under paragraph 5.10 of the Procurement Regulations:* Leasing may be used for those contracts identified in the Procurement Plan tables. **Not Applicable**
- VII. *Procurement of Second-Hand Goods as specified under paragraph 5.11 of the Procurement Regulations* – is allowed for those contracts identified in the Procurement Plan tables. **Not Applicable.**
- VIII. *Domestic preference as specified under paragraph 5.51 of the Procurement Regulations (Goods and Works).*
 - Goods: **Not Applicable for those contracts identified in the Procurement Plan tables;**
 - Works: **Not Applicable for those contracts identified in the Procurement Plan tables.**
- IX. *Hands-on Expanded Implementation Support (HEIS) as specified under paragraphs 3.10 and 3.11 of the Procurement Regulations:* **Not Applicable.**
- X. **Proposed Procedures for CDD Components:** Not Applicable
- XI. **Other Relevant Procurement Information:** None

XII. Reference to (if any) Project Operational/Procurement Manual: The Ministry of Education Science and Technology (MoEST) team will prepare Procurement manual. The Procurement Plan will also form part of the Project Implementation Manual.

XIII. Procurement Approach and Prior Review Thresholds:

The Procurement Arrangements as indicated in the below table will be used. The thresholds for the Bank’s prior review requirements are also provided in the table:

Prior-review Thresholds		Thresholds for Procurement Methods							
Procurement Type	Substantial Risk (\$`000)	Works			Goods, IT & Non-Consulting Services			Shortlist of National Consultants	
Works	10,000	Open International or ICB (\$'000)	Open National or NCB (\$'000)	Request for Quotation or National Shopping (\$'000)	Open international or ICB (\$'000)	Open National or NCB (\$'000)	Request for Quotation or National Shopping (\$'000)	Consulting Services (\$'000)	Engineering & Construction Supervision (\$'000)
Goods, IT & Non-Consulting Services	2,000	≥	<	≤	≥	<	≤	<	≤
Consultants (Firms)	1,000	7,000	7,000	200	1,000	1,000	100	200	300
Individual Consultants	300								

*These prior review thresholds are for the purposes of the initial procurement plan for the first 12 months. The thresholds will be revised periodically based on re-assessment of risks. All contracts not subject to prior review will be post-reviewed.

Procurement Packages/Plan with Procurement Arrangements and Time Schedule: as per the table below:

b) PROCUREMENT PLAN

A. Works

There are no envisaged works under the PPA.

B. Goods and Non-Consulting Services

1	2	3	4	5	6	7	8	9	10
Ref. No.	Contract Description	Estimated Cost US\$	Market Approach	Selection Method	Prequalification (yes/no)	Domestic Preference (yes/no)	Review by Bank (Prior / Post)	Expected bid opening date	Expected Contract Signature Date
1.	Procurement of Internet modems, devices and purchase of airtime under COVID-19 support	14,000.00	Limited	RFQ	No	No	Post	15-Jan-21	30-Sept-20
2.	Procurement of Hand sanitizers, face masks/shields and gloves under COVID-19 support	1,000.00	Limited	RFQ	No	No	Post	15-Jan-21	30-Sept-20
3.	Office Operations	185,000	Limited	RFQ	No	No	Post	15-Jan-21	On-going

Commented [AAM1]: Should not be in the procurement plan

C. Consultancy Services

1	2	3	4	5	6	7	8	9	10
Ref. No.	Contract Description	Estimated Cost US\$	Market Approach	Selection Method	Evaluation Option	Shortlisting (yes/no)	Review by Bank (Prior / Post)	Expected Contract Signature Date	Comments
1.	Consultancy service for Technical Advisor (Review of FS and preparation of Baseline)	49,93650,000	Direct	CDS	N/A	No	Post	Jan 2021	Continuing Contract

1	2	3	4	5	6	7	8	9	10
Ref. No.	Contract Description	Estimated Cost US\$	Market Approach	Selection Method	Evaluation Option	Shortlisting (yes/no)	Review by Bank (Prior / Post)	Expected Contract Signature Date	Comments
	Solution and estimated costs)								
2.	Consultancy service for Panel of Experts for E&S	250,000	Open	INDV	Rated	Yes	Post	Jan 2021	To be revised accordingly
3.	Consultancy service for Panel of Experts for Geotech and Geophysical studies (Firm)	1,200,000	Open - International	QCBS	Rated	Yes	Post	Feb 2021	To be revised accordingly
4.	Consultancy service for Panel of Experts for Dam Safety	250,000	Open - International	QCBS	Rated	Yes	PriorPost	Jan 2021	Various contracts to start at various dates
5.	Consultancy service for EPC Tender Agent	660,000	Open - International	QCBS	Rated	Yes	PriorPost	Mar 2021	To be revised accordingly
6.	Consultancy services for Owner's Engineer	1,550,000	Open - International	QCBS	Rated	Yes	PostPrior	April 2021	Planning for RAP preparation underway
7.	Consultancy services for Insurance Advisor	100,000	Open - International	QCBS	Rated	Yes	Post	June 2021	To be revised accordingly
8.	Consultancy services for Tax Advisor	40,000	Open - International	QCBS	Rated	Yes	Post	June 2021	To be revised accordingly
9.	Consultancy services for Financial Model Advisor	75,000	Open - International	QCBS	Rated	Yes	Post	June 2021	To be revised accordingly

Commented [AAM2]: Won't these be individual consultants? If yes, the Selection Method should be INDV, and Market Approach just Open

1	2	3	4	5	6	7	8	9	10
Ref. No.	Contract Description	Estimated Cost US\$	Market Approach	Selection Method	Evaluation Option	Shortlisting (yes/no)	Review by Bank (Prior / Post)	Expected Contract Signature Date	Comments
10.	Consultancy services for Technical Advisor	800,000	Open – International	QCBS	Rated	Yes	Post	June 2021	To be revised accordingly
11.	Consultancy services for Lenders' Technical Advisor	250,000	Open – International	QCBS	Rated	Yes	Post	Sept 2021	To be revised accordingly
12.	Consultancy services for Lenders Insurance Advisor	75,000	Open – International	QCBS	Rated	Yes	Post	Sept 2021	To be revised accordingly
13.	Consultancy services for Lenders' Model Auditor	50,000	Open – International	QCBS	Rated	Yes	Post	Aug 2021	To be revised accordingly
14.	Consultancy service for Advisors for negotiation of compensation with displaced households for preparation of RAP	270,000	Open – International	QCBS	Rated	Yes	Post	Mar 2021	To be revised accordingly
15.	Consultancy services for Updating LRP and RAP implementation schedule for final design	50,000	Open – International	QCBSQS	Rated	YesNo	Post	Sept 2021	To be revised accordingly
16.	Consultancy services for designing replacement buildings	50,000	Open – International	QCBSQS	Rated	YesNo	Post	Mar 2021	To be revised accordingly
17.	Preparation of RAP: Revised inundation schedule for final design	30,000	Open – International	QCBSQS	Rated	YesNo	Post	Aug 2021	To be revised accordingly
18.	Consultancy services for probity assurance	50,000	Open – International	QCBSQS	Rated	YesNo	Post	May 2021	To be revised accordingly

Commented [AAM3]: Won't these be Individual Consultants i.e from No. 7 to 13?

RFQ – Request for Quotations; QCBS – Quality and Cost-based Selection and; INDV – Individual Consultant Selection.

Appendix 1

Letter of Acceptance of the World Bank's Anti-Corruption Guidelines and Sanctions Framework

Date:

Invitation of Bids/Proposals No. _____

To: _____

We, along with our sub-contractors, sub-consultants, service providers, suppliers, agents (whether declared or not) consultants and personnel, acknowledge and agree to abide by the World Bank's policy regarding Fraud and Corruption (corrupt, fraudulent, collusive, coercive, and obstructive practices), as set out and defined in the World Bank's Anti-Corruption Guidelines¹ in connection with the procurement and execution of the contract (in case of award), including any amendments thereto.

We declare and warrant that we, along our sub-contractors, sub-consultants, service providers, suppliers, agents (whether declared or not), consultants and personnel, , are not subject to, and are not controlled by any entity or individual that is subject to, a temporary suspension, early temporary suspension, or debarment imposed by a member of the World Bank Group, including, inter alia, a cross-debarment imposed by the World Bank Group as agreed with other international financial institutions (including multilateral development banks), or through the application of a World Bank Group finding of non-responsibility on the basis of Fraud and Corruption in connection with World Bank Group corporate procurement. Further, we are not ineligible under the laws or official regulations of *[Insert name of Employer as per bidding document]* or pursuant to a decision of the United Nations Security Council.

We confirm our understanding of the consequences of not complying with the World Bank's Anti-Corruption Guidelines, which may include the following:

- a. rejection of our Proposal/Bid for award of contract;
- b. in the case of award, termination of the contract, without prejudice to any other remedy for breach of contract; and
- c. sanctions, pursuant to the Bank's Anti-Corruption Guidelines and in accordance with its prevailing sanctions policies and procedures as set forth in the Bank's Sanctions Framework. This may include a public declaration of ineligibility, either indefinitely or for a stated period of time, (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in

¹Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by International Bank for Reconstruction and Development Loans and the International Development Agency Credits and Grants, dated October 15, 2006, and revised in January 2011 and July 2016, as they may be revised from time to time.

any other manner;² (ii) to be a nominated³ sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project.

We understand that we may be declared ineligible as set out above upon:

- a. completion of World Bank Group sanctions proceedings according to its prevailing sanctions procedures;
- b. cross-debarment as agreed with other international financial institutions (including multilateral development banks);
- c. the application of a World Bank Group finding of non-responsibility on the basis of Fraud and Corruption in connection with World Bank Group corporate procurement; or
- d. temporary suspension or early temporary suspension in connection with an ongoing World Bank Group sanctions proceeding.

For avoidance of doubt, the foregoing effects of ineligibility do not extend to a sanctioned firm's or individual's execution of its ongoing Bank-financed contracts (or its ongoing sub-agreements under such contracts) that are not the subject of a material modification, as determined by the Bank.

We shall permit, and shall cause our sub-contractors, sub-consultants, agents (whether declared or not), personnel, consultants, service providers or suppliers, to permit the Bank to inspect⁴ all accounts, records, and other documents relating to the procurement process and/or contract execution (in the case of award), and to have them audited by auditors appointed by the Bank.

We agree to preserve all accounts, records, and other documents (whether in hard copy or electronic format) related to the procurement and execution of the contract.

²For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

³A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

⁴Inspections in this context are usually investigative (i.e., forensic) in nature: they involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data, and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third-party verification of information.

Name of the Bidder/Consultant: _____

Name of the person duly authorized to sign the Bid/Proposal on behalf of the Bidder/Consultant:

Title of the person signing the Letter: _____

