

PROCUREMENT PLAN

Project information: INDIA-State of Maharashtra's Agribusiness Rural Transformation - [SMART]

Project ID : P 168310

Project Implementation Agency: The lead implementing agency will be the Department of Agriculture [DOA] of the Government of Maharashtra. Department of Agriculture, Department of Marketing, Department of Animal Husbandry and Department of Rural Development are the four line departments participating in the project with eight autonomous agencies / undertakings namely Village Social Transformation Foundation (VSTF), Maharashtra State Rural Livelihood Mission, Mahila Arthik Vikas Mahamandal (MAVIM), Maharashtra Cooperative Development Corporation (MCDC), Maharashtra State Warehousing Corporation (MSWC), Maharashtra State Agriculture Marketing Board (MSAMB), Maharashtra State Cotton Growers Cooperative Marketing Federation (MahaCot) and Pune Municipal Corporation (PMC).

Date of the Procurement Plan: October ____, 2019

Period covered by this Procurement Plan: 18 months

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.

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.

Project Procurement Strategy for Development (PPSD): PPSD has been prepared for the project after carrying out extensive market analysis has been carried out for different packages of procurement. Decisions on packages and lots are made to ensure adequate participation of bidders. Consultancy contracts are framed based on market research and packaging decided in terms of scope of services and period. Based on risk and market analysis, the procurement plan has been prepared to set out the selection methods to be followed by the Borrower during project implementation in the procurement of works, goods, IT system procurement, non-consulting and consulting services financed by the World Bank.

Procurement methods.

Table 1 describes the various procurement methods to be used for activities financed by the loan. The thresholds indicated in Table 1 will apply to the initial 18 months of implementation and may be modified during project implementation based on procurement performance.

Table 1: Procurement Methods

| Procurement Approaches and Methods | Thresholds (US\$ Equivalent) |
|---|---|
| Open international (Goods, IT, and Non-consulting services) | > 10 million |
| Open national (Goods, IT, and Non-consulting services) | > 100,000 and up to 10 million |
| National request for quotation (Goods/Works) | Up to 100,000 |
| Open international (Works) | > 40 million |
| Open national (Works) | > 100,000 and up to 40 million |
| Direct selection | No threshold; For Goods / Works / Non-consulting services: According to paragraphs 6.8–6.10 of the Regulations; For Consultants: According to paragraphs 7.13–7.15 of the Regulations |
| Shortlist of national consultants | Up to 800,000 |

Procurement prior-review thresholds. The Bank will prior review contracts above the threshold indicated below:

- a. Works including Supply & Installation of Plant and Equipment: All contracts more than US\$10 million equivalent
- b. Goods and IT System: All contracts more than US\$2 million equivalent
- c. Non-consulting services: All contracts more than US\$2 million equivalent
- d. Consultants: All contracts (i) more than or equal to US\$1 million equivalent for firms; and (i) more than or equal to US\$300,000 equivalent for individuals
- e. In addition to above, and irrespective of the contract value, the following procurement activities are subject to the Bank's procurement prior review:

- procurement processes involving contract negotiations, as described in Section VI, paragraphs 6.34-36, of the Procurement Regulation;
- competitive dialogue;
- sustainable procurement;
- selection of probity assurance providers, as described in Section III, paragraph 3.3 of the Procurement Regulations; and
- best and final offer.

National procurement procedure conditions (NPP conditions). National competition for the procurement of goods, works, and non-consulting services per established thresholds will be conducted in accordance with paragraphs 5.3–5.5 of Section V of the Regulations and the provisions contained in the loan agreement and the following provisions:

- a. Only the model bidding documents agreed with the World Bank (and as amended from time to time) shall be used for bidding.
- b. 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.
- c. No special preferences 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.
- d. Except with the prior concurrence of the Bank, there shall be no negotiation of price with the bidders, even with the lowest evaluated bidder.
- e. Government e-Marketplace (GeM) set-up by Ministry of Commerce, Government of India will be acceptable for procurement under Request for Quotations (RFQ) method.
- f. 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
- g. 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
- h. 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.
- i. The Borrower shall use an effective complaints mechanism for handling procurement related complaints in a timely manner.
- j. 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 ("ESHS") risks and impacts.

Use of GeM (Government e-Marketplace) will be allowed in lieu of RFQ (Request for Quotation) as per following details:

- a) up to INR 50,000 in catalog mode (viz. any available item could be selected by Implementing Agency without further competition), provided selected Item/Supplier meeting the requisite quality, specification and delivery period.
- b) 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.
- c) 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.
- d) While making use of GeM portal, Borrower shall make use of Special Terms and Conditions meant for World Bank financed projects.

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 as specified under paragraph 5.10 of the Procurement Regulations: Not Applicable

Procurement of Second Hand Goods as specified under paragraph 5.11 of the Procurement Regulations : 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

OTHER RELEVANT PROCUREMENT INFORMATION

Community Driven Development (CDD):

The eligible Community-Based Organisations (CBOs) will undertake procurement at the community level under project. Under the WB Procurement Framework Regulations, the “Community Driven Development” will be followed for all the Procurements which will be carried out by eligible CBOs. Adhering to CDD arrangements, the Request for Quotation (RFQ), Local Competitive Bidding and Direct Selection will be used for Procurement of Goods, Works and Non-Consulting Services. For procurement of Consultants, Consultants’ Qualification-Based Selection (CQS) Method and Selection of Individual Consultant (IC) methods will be used. The detailed guidelines and standard documents for procurement under CDD will be provided to these CBOs to have common procurement documents.

Prior review by World Bank.

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, 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.

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. 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.

Disclosure of procurement information. The following documents shall be disclosed on the project/state websites: (i) a Procurement Plan and updates; (ii) an invitation for bids for goods and works for all contracts; (iii) request for expression of interest for selection/hiring of consulting services; (iv) contract awards of goods and works procured under international and national procedures; (v) a list of contracts/purchase orders placed under shopping procedures on a quarterly basis; (vi) a list of contracts under direct contracting (DC) on a quarterly basis; (vii) a monthly financial and physical progress report of all contracts; and (viii) 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) an invitation for bids for procurement of goods and works using open international procedures, (b) contract award details of all procurement of goods and works using open international procedure, and (c) a list of contracts/purchase orders placed following DC procedures on a quarterly basis.

Further, IAs will also publish on their websites any information required under the provisions of 'suo moto' disclosure as specified by the Right to Information Act.

Procurement Packages for key procurements - Consultancy Services for first 18 months

| # | Activity | Category | Number of Packages | Estimated cost in INR, Rs Lakh | Estimated cost in USD (1 USD = Rs.70) | Procurement Methods |
|---|---|----------------------|--------------------|--------------------------------|---------------------------------------|--|
| 1 | Environmental and Social Assessment & Preparation of ESMF for SMART Project | Consultancy Services | 1 | 29.79 | 42,557 | Open National CQS Lump Sum Contract |
| 2 | Pilot Credit Rating of FPOs by M-CRIL Ltd | Consultancy Services | 2 | 17.1 | 24,429 | Direct Selection Lump Sum Contract |
| 3 | Functional review of the Department of Agriculture and Directorate of Marketing | Consultancy Services | 1 | 74.00 | 1,05,714 | Open National Direct RFP Lump Sum Contract |
| 4 | State Technical Support Group for Productive Partnership and Market Access Plans | Consultancy Services | 1 | 1200 | 17,14,286 | Open International, QCBS EOI and RFP Hybrid Contract (i.e. Lump Sum & Time Based) |
| 5 | Regional Technical Services Group -1 for Vidarbha Region for Productive Partnership and Market Access Plans | Consultancy Services | 1 | 700 | 10,00,000 | Open International, QCBS EOI and RFP Hybrid Contract (i.e. Lump Sum & Time Based) |
| 6 | Regional Technical Services Group -2 for Marathwada Region for Productive Partnership and Market Access Plans | Consultancy Services | 1 | 700 | 10,00,000 | Open International, QCBS EOI and RFP Hybrid Contract (i.e. Lump Sum & Time Based) |

| # | Activity | Category | Number of Packages | Estimated cost in INR, Rs Lakh | Estimated cost in USD (1 USD = Rs.70) | Procurement Methods |
|----|---|----------------------|--------------------|--------------------------------|---------------------------------------|--|
| 7 | Regional Technical Services Group -3 for Western Maharashtra Region for Productive Partnership and Market Access Plans | Consultancy Services | 1 | 700 | 10,00,000 | Open International, QCBS EOI and RFP Hybrid Contract (i.e. Lump Sum & Time Based) |
| 8 | Regional Technical Services Group -4 for North Maharashtra & Konkan Region for Productive Partnership and Market Access Plans | Consultancy Services | 1 | 700 | 10,00,000 | Open International, QCBS EOI and RFP Hybrid Contract (i.e. Lump Sum & Time Based) |
| 9 | Monitoring and Evaluation Support Services by Gokhale Institute of Politics and Economics | Consultancy Services | 1 | 500 | 7,14,286 | Direct Selection. Time based Contract |
| 10 | Management Information System Support from Tata Trusts | Consultancy Services | 1 | 543 | 7,75,714 | Direct Selection. Time based Contract |
| 11 | Study of constraints and development of strategy for promoting exchange traded instruments for price risk mitigation by CBOS | Consultancy Services | 1 | 50 | 71,429 | Open National, CQS Direct RFP. Lump Sum Contract |
| 12 | Basic Price Studies for Market Intelligence Cell | Consultancy Services | 1 | 80 | 1,14,286 | Open National, CQS; Direct RFP Lump Sum Contract |

| # | Activity | Category | Number of Packages | Estimated cost in INR, Rs Lakh | Estimated cost in USD (1 USD = Rs.70) | Procurement Methods |
|----|------------------|----------------------|--------------------|--------------------------------|--|---|
| 13 | Internal auditor | Consultancy Services | 1 | 50 | 71,429 | Open National, CQS Direct RFP Lump Sum Contract |

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|--|---|---|-------|------------------------------------|----------------------|--|--------------|------|------------------------|------------|--|------------|------------|--|------------|------------|------------|------------|------------|
| SMART/PCMU/CS/05/2019-20 / Consulting Services for Regional Technical Support Group 2 for Marathwada Region under the SMART Project | / | Component C: Building Risk Mitigation Mechanisms. | Prior | Quality And Cost-Based Selection | Open - International | | 2,063,314.00 | 0.00 | Under Review | 2019-09-07 | | 2019-09-28 | 2019-11-11 | | 2019-12-09 | 2020-01-08 | 2020-02-12 | 2020-03-18 | 2026-03-17 |
| SMART/PCMU/CS/06/2019-20 / Consulting Services for Regional Technical Support Group 3 for Western Maharashtra Region under the SMART Project | / | Component C: Building Risk Mitigation Mechanisms. | Prior | Quality And Cost-Based Selection | Open - International | | 2,063,314.00 | 0.00 | Under Implementation | 2019-09-07 | | 2019-09-28 | 2019-11-11 | | 2019-12-09 | 2020-01-08 | 2020-02-12 | 2020-03-18 | 2026-03-17 |
| SMART/PCMU/CS/07/2019-20 / Consulting Services for Regional Technical Support Group 4 for North Maharashtra & Konkan Region under the SMART Project. | / | Component C: Building Risk Mitigation Mechanisms. | Prior | Quality And Cost-Based Selection | Open - International | | 2,063,314.00 | 0.00 | Under Implementation | 2019-09-07 | | 2019-09-28 | 2019-11-11 | | 2019-12-09 | 2020-01-08 | 2020-02-12 | 2020-03-18 | 2026-03-17 |
| SMART/PCMU/CS/08/2019-20 / Institutional and Functional Review for Enhancing Institutional Capacity for Agribusiness Reforms of Department of Agriculture (DOA) and Department of Marketing (DOM), Maharashtra State. Direct Request for Proposal method of procurement is selected. | / | Component A: Enhancing Institutional Capacity to Support Agricultural Transformation. | Post | Consultant Qualification Selection | Open - National | | 105,714.00 | 0.00 | Under Review | 2019-09-07 | | 2019-09-07 | 2019-10-07 | | | | 2019-10-25 | 2019-11-11 | 2020-04-09 |
| SMART/PCMU/CS/11/2019-20 / Study of constraints and development of strategy for promoting exchange traded instruments for price risk mitigation by CBOS. | / | Component C: Building Risk Mitigation Mechanisms. | Post | Consultant Qualification Selection | Open - National | | 71,429.00 | 0.00 | Pending Implementation | 2019-12-09 | | 2019-12-30 | 2020-02-12 | | | | 2020-03-13 | 2020-04-17 | 2020-10-14 |
| SMART/PCMU/CS/12/2019-20 / Basic Price Studies for Market Intelligence Coll | / | Component C: Building Risk Mitigation Mechanisms. | Post | Consultant Qualification Selection | Open - National | | 114,286.00 | 0.00 | Pending Implementation | 2019-12-09 | | 2019-12-30 | 2020-02-12 | | | | 2020-03-13 | 2020-04-17 | 2020-10-14 |
| SMART/PCMU/CS/13/2019-20 / Technical Consultancy Services for Stewardship Councils | / | Component C: Building Risk Mitigation Mechanisms. | Post | Consultant Qualification Selection | Open - National | | 454,286.00 | 0.00 | Pending Implementation | 2019-12-09 | | 2019-12-30 | 2020-02-12 | | | | 2020-03-13 | 2020-04-17 | 2020-10-14 |
| SMART/PCMU/CS/14/2019-20 / Appointment of Internal Auditor for SMART Project. | / | Component D: Project Management, Monitoring and Learning. | Post | Consultant Qualification Selection | Open - National | | 71,429.00 | 0.00 | Pending Implementation | 2019-11-13 | | 2019-12-04 | 2020-01-17 | | | | 2020-02-16 | 2020-03-22 | 2020-09-18 |

INDIVIDUAL CONSULTANTS

| Activity Reference No. / Description | Loan / Credit No. | Component | Review Type | Method | Market Approach | Contract Type | Estimated Amount (US\$) | Actual Amount (US\$) | Process Status | Terms of Reference | | Invitation to Identified/Selected Consultant | | Draft Negotiated Contract | | Signed Contract | | Contract Completion | |
|--------------------------------------|-------------------|-----------|-------------|--------|-----------------|---------------|-------------------------|----------------------|----------------|--------------------|--------|--|--------|---------------------------|--------|-----------------|--------|---------------------|--------|
| | | | | | | | | | | Planned | Actual | Planned | Actual | Planned | Actual | Planned | Actual | Planned | Actual |

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|---|---|---|------|------------------|--------|--|-----------|------|------------------------|------------|------------|--|--|--|------------|--|------------|--|
| <p>SMART/PCMU/CS/02/2019-20 / The rating of FPO using standardised rating would guide tailored capacity building support to FPOs and facilitate access to credit from formal financial institutions as part of project interventions.</p> | / | <p>Component B: Expanding Market Access and Supporting Enterprise Growth.</p> | Post | Direct Selection | Direct | | 20,702.17 | 0.00 | Pending Implementation | 2019-08-17 | 2019-08-22 | | | | 2019-09-16 | | 2019-12-15 | |
|---|---|---|------|------------------|--------|--|-----------|------|------------------------|------------|------------|--|--|--|------------|--|------------|--|