

**TNRTP- P157702- Procurement Arrangements and Thresholds- SUBSTANTIAL RISK**

1. Procurement for the proposed project will be carried out in accordance with the Bank’s Procurement Regulations for Borrowers for Goods, Works, Non-Consulting and Consulting Services dated July 1, 2016 and applicable to Investment Project Financing (IPF) here in after referred to as “Regulations”. The project will be subject to the Bank’s anticorruption Guidelines<sup>3</sup>, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016.

2. As per the requirement of the Regulations, a Project Procurement Strategy Document (PPSD) has been developed, based on which the procurement plan has been prepared and sets out the selection methods to be followed by the Borrower during project implementation in the procurement of goods, works, non-consulting and consulting services financed by the Bank. The Procurement Plan will be updated annually for larger procurements like NCB or as required to reflect the actual project implementation needs and improvements in institutional capacity.

3. **Procurement methods:** The table below describes various procurement methods to be used for activities financed by the loan. These along with agreed thresholds will be reproduced in the procurement plan. The thresholds indicated in the following table apply to the initial 18 month implementation period and are based on the procurement performance of the project; these thresholds may be subsequently modified.

**Table 7 – Procurement method threshold**

<b>Thresholds for Procurement Approaches and Methods</b>	<b>Thresholds (US\$ equivalent)</b>
Open International (Goods, IT and non-consulting services)	> 3 million
Open National (Goods, IT and non-consulting services)	> 100,000 and up to 3 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: As per paragraph 6.8-6.10 of Regulation.  For Consultants: As per paragraph 7.13-7.15 of Regulation.
Shortlist of National Consultants	Up to 800,000

4. **Procurement Prior Review Thresholds:** The World Bank will prior review (thresholds are based on **SUBSTANTIAL rating**) the following contracts:

- a) Works: All contracts more than **US\$ 10 million equivalent**
- b) Goods and Information Technology: All contracts more than **US\$ 2 million equivalent**
- c) Non-Consulting Services: All contracts more than **US\$ 2 million equivalent;**

d) **Consultants: All contracts > US\$ 1 million equivalent for firms and > US\$ 300,000 equivalent for individuals.**

e) Direct Selection: All contracts more than US\$ 100,000 equivalent

5. The above thresholds are for the initial 18 month implementation period; based on the procurement performance of the project these thresholds may be subsequently modified. Even for large value Post Review cases, the inputs of Bank on Technical Specifications / TORs will be obtained by project. 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 prior review thresholds. The prior review thresholds will be mutually reviewed during project implementation and modified based on the risk assessment.

6. In the case of contracts subject to prior review, the Implementing Agency shall seek the 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, other significant changes to the terms and conditions of the contract; (c) any variation order or amendment (except in cases of extreme urgency) which singly or combined with all variation orders or amendments previously issued, increase the original contract amount by more than 15 percent; (d) the proposed termination of the contract.

7. **National Procurement Procedure Conditions:** 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 – 5.5 of Section V of the Regulations and the following provisions:

(a) Only the model bidding documents agreed with the GoI task force (and as amended for time to time) shall be used for bidding.

(b) Invitations to bid shall be advertised in at least one widely circulated national daily newspaper (or on a widely used website or electronic portal with free national and international access along with an abridged version of the said advertisement published in a widely circulated national daily, among others, giving the website/electronic portal details from which the details of the invitation to bid can be downloaded) at least 30 days before the deadline for the submission of bids.

(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) Extension of bid validity shall not be allowed with reference to contracts subject to Bank prior review without the prior concurrence of the Bank (i) for the first request for extension if it is longer than four weeks and (ii) for all subsequent requests for extension irrespective of the period (such concurrence will be considered by the Bank only in cases of force majeure and circumstances beyond the control of the purchaser/employer).

(e) Rebidding shall not be carried out with reference to contracts subject to Bank prior review without the prior concurrence of the Bank. The system of rejecting bids outside a predetermined margin or 'bracket' of prices shall not be used in the project.

(f) Rate contracts entered into by the Directorate General of Supplies and Disposals (DGS&D) will not be acceptable as a substitute for national competition procedures unless incorporation of right to audit and fraud corruption clauses. DGS&D contracts and its new version will be acceptable, however, for any procurement under the shopping procedures.

(g) No negotiations are conducted even with the lowest evaluated responsive bidders.

8. **Domestic Preference.** The *provision* of domestic preference will be applied in the evaluation of bids in accordance with Annex VI of the Regulations.

9. **Record keeping.** All *records* pertaining to award of tenders, including bid notification, register pertaining to sale and receipt of bids, bid opening minutes, bid evaluation reports and all correspondence pertaining to bid evaluation, communication sent to/with the Bank in the process, bid securities, and approval of invitation/evaluation of bids would be retained by IAs.

10. **Disclosure of procurement information.** The following documents shall be disclosed on the project/state websites: (a) a Procurement Plan and updates; (b) an invitation for bids for goods and works for all contracts; (c) request for expression of interest for selection/hiring of consulting services; (d) contract awards of goods and works procured following international and national procedures; (e) a list of contracts/ purchase orders placed following shopping procedures on a quarterly basis; (f) a list of contracts following direct contracting (DC) on a quarterly basis; (g) a monthly financial and physical progress report of all contracts; and (h) an action taken report on the complaints received on a quarterly basis.

11. The following details shall be sent to the Bank for publishing on the United Nations Development Bank and 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.

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

13. **Oversight and Monitoring by the Bank.** 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.

14. **The high risk and high value procurements,** if any will be identified for increased contract management support and indicated in the procurement plan. The SPIU will develop key performance indicators (KPIs) for such identified contracts and the KPIs would be monitored

during actual execution of contracts. Bank team will provide additional due diligence and independent review of the contract performance of such *identified* procurements.

**Frequency of procurement supervision,** the World Bank will normally carry out implementation support missions, including review and support on procurement, on a semi-annual basis. Mission frequency may be increased or decreased based on the procurement performance of the project.

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**PROCUREMENT PLAN** India : Tamil Nadu Rural Transformation Project (TNRTP)

General Information	
Country:	India
Bank's Approval Date of the Original Procurement Plan:	2018-12-05
Revised Plan Date(s): (comma delimited, leave blank if not)	2018-12-05
Project ID:	P157702
GFN Date:	
Project Name:	Tamil Nadu Rural Transformation Project (TNRTP)
Loan / Credit No:	IBRD / 87950
Executing Agency(ies)	Tamil Nadu Rural Transformation Society

WORKS																															
Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Procurement Process	Prequalification (Y/N)	Actual Amount (US\$)	Process Status	Draft Pre-qualification Documents		Prequalification Evaluation Report		Draft Bidding Document / Justification		Specific Procurement Notice / Invitation		Bidding Documents as Issued		Proposal Submission / Opening / Minutes		Bid Evaluation Report and Recommendation for Award		Signed Contract		Contract Completion					
										Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual				
058/TNRTP/2018 / Refurbishment of Identified Space for Setting up of State Project Management Unit (SPMU)	IBRD / 87950		Post	Request for Bids	Open - National	Single Stage - One Envelope		0.00	Pending Implementation					2018-12-07			2018-12-12					2019-01-11			2019-01-18			2019-02-01			2019-05-02

GOODS																														
Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Procurement Process	Prequalification (Y/N)	Actual Amount (US\$)	Process Status	Draft Pre-qualification Documents		Prequalification Evaluation Report		Draft Bidding Document / Justification		Specific Procurement Notice / Invitation		Bidding Documents as Issued		Proposal Submission / Opening / Minutes		Bid Evaluation Report and Recommendation for Award		Signed Contract		Contract Completion				
										Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual			

NON CONSULTING SERVICES																													
Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Procurement Process	Prequalification (Y/N)	Actual Amount (US\$)	Process Status	Draft Pre-qualification Documents		Prequalification Evaluation Report		Draft Bidding Document / Justification		Specific Procurement Notice / Invitation		Bidding Documents as Issued		Proposal Submission / Opening / Minutes		Bid Evaluation Report and Recommendation for Award		Signed Contract		Contract Completion			
										Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual		

CONSULTING FIRMS																													
Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Contract Type	Actual Amount (US\$)	Process Status	Terms of Reference		Expression of Interest Notice		Short List and Draft Request for Proposals		Request for Proposals as Issued		Opening of Technical Proposals / Minutes		Evaluation of Technical Proposal		Combined Evaluation Report and Draft Negotiated Contract		Signed Contract		Contract Completion				
									Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual			

**INDIVIDUAL CONSULTANTS**