

SERVICE PROCUREMENT NOTICE

Request for Expression of Interest (REOI)

CONSULTANCY SERVICES FOR THE SUPERVISION OF CONSTRUCTION WORKS
FOR

CONSTRUCTION SUPERVISION OF TRANCHE 3 LANJIK-GYUMRI ROAD SECTION IN ARMENIA

Location: Armenia

1. Reference code

T3-QCBS-01

2. Procedure

The procurement process adopted by the Contracting Authority for the purpose of this contract is QCBS method (Quality Cost Based Selection method), also referred to as the restricted tender procedure as defined by the [Guide to Procurement for projects financed by the EIB](#).

QCBS uses a competitive process among short-listed firms that takes into account the quality of the proposal and the cost of the services in the selection of the successful firm. **The procedure includes the following stages**

- a. advertising;
- b. Preparation of Long List of Consultants
- c. preparation of the short list of consultants;
- d. preparation and issuance of the RFP
- e. receipt of proposals;
- f. evaluation of technical proposals
- g. public opening of financial proposals;
- h. evaluation of financial proposal;
- i. Ranking of Proposals
- j. negotiations and award of the contract to the selected firm.

The minimum technical score (St) required to pass will be: 750 (on a scale of 1 to 1000). The weights given to the Technical (T) and Financial (P) Proposals will be T = 80%, and, P = 20%.

Selection Process is open to all eligible Consultants as defined in the paragraph 3.2 of the Guide to Procurement of the European Investment Bank. Consultants may apply solely or in association with the other eligible firms in the form of a joint venture or of a sub-consultancy agreement. Maximum number of allowable members of such kind of consortium is 3.No more than one application can

be submitted by a Consultant (as solely or as a member of JV), otherwise all applications submitted by the Consultant will be excluded.

Short-listed candidates may not form alliances or subcontract to each other in the frames of this assignment.

The attention of interested Consultants is drawn to paragraph 1.5 of the Guide to Procurement of the European Investment Bank, setting forth the Bank's policy on conflict of interest.

3. Project

“North-South Road Corridor Investment Program” is a major infrastructure project (here after NSRCIP project) which aims at connecting the Southern border of the country with its Northern point by means of 556km-long Meghri-Yerevan-Bavra highway by reducing it to about 85km and reaching up to 470km. North South Corridor is also a part of the Asian Highway corridor (AH 82) which connects the Central Asian countries (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan). As a result, the reconstruction of the current road of 556km of the 2nd category with the average of 60km/h will reach to 470km road with 100km/h as a result of which the crossing of the mentioned section will decrease from current 9-9.5 hours up to 4.5 hours and will increase comfort and safety, ensuring also the goal of becoming a transit route of freight and transport movement from East to West. The construction of this highly important strategic road will ensure easier traffic from the Southern border of Armenia to the Georgian border and up to Black Sea ports and will allow passenger and cargo transportation in accordance with European standards. It provides Armenia with the shortest access to the seaports linked to Europe, the Russian Federation, and Turkey. The highway will also provide serious development opportunities for all communities from the North to the South of Armenia.

The Program is divided into several Tranches. The Tranches 1, 2, 3 (Yerevan to Gyumri) together with the Northern Tranche 5 (Gyumri to Bavra) represent 170 km of the total length of the NSRC as follows:

Tranche 1- Yerevan/Northern outskirts to Ashtarak; improvement of 11.4 km of dual (2x2) carriageway

Tranche 2 - Ashtarak to Talin upgrading of some 41.9 km from 2-lanes to 4-lanes

Tranche 3 - Talin to Gyumri upgrading of 46.17 km from 2-lanes to 4-lanes

Tranche 5 - Gyumri to the Georgian Border at Brava improvement of some 70 km 2-lane road, including Gyumri Bypass

Tranche 4 is southern part of NSRC from Artashak to Kajaran, which consist from upgrading and construction of about 304km 2 lane single carriageway road.

4. Financing

Loan No.: FI N 82.634 AM

The Transport Project Implementation Organization of the Ministry of Territorial Administration and Infrastructure (hereinafter referred to as “the Borrower”) has received a loan from the

European Investment Bank – EIB (hereinafter referred to as “the Bank”) – towards the cost of the North-South Road Corridor Investment Program.

5. Contracting Authority

“Transport Project Implementation Organization” SNCO

Attn: Christine Ghalechyan, Acting General Director

4 Tigran Mets Str. Yerevan, Armenia

Tel/Fax: (374-12) 20 10 10

E-mail: christine.ghalechyan@tpio.am, hasmik.ordukhanyan@tpio.am

6. Project Description

The Ministry of territorial administration and infrastructure of the Republic of Armenia (MTAI), the executing agency for Tranche 3 and the Client, through its project implementation unit (PIU), the “Transport Project Implementation Organization” SNCO, seeks to engage an international engineering consulting firm (Consultant) for:

- (i) Supervision of the civil works on widening and improvement of the road between Lanjik-Gyumri 27.47 km road section in compliance with the standards and specifications produced by the Client. The works will be executed under the International Federation of Consulting Engineers (FIDIC) Conditions of Contract for construction for building and engineering works designed by the Employer (Multilateral Development Bank Harmonized Edition, June 2010) to be procured in compliance with the EIB's International Competitive Bidding procedures. The services for Tranche 3 construction supervision will be implemented over a construction period of 13 months plus 13 month of defects Notification period. Therefore, the Consultant should allow for this in the staffing schedule, but ensure that the proposed staff will be available for mobilization at the proposed times. Tentatively the provision of the supervision services expected to start in June 2020. The Consulting Services activities will cover the following geographical area of the Republic of Armenia: Shirak marz, more specifically Lanjik, Dzorakap, Sarnaghbyur, Artik, Maralik, Hayrenyats, Horom, Lusakert, Benyamin, Azatan villagies and Gyumri town.
- (ii) The civil works at NSRC Tranche 3 Lanjik-Gyumri road section, approx. 27.47 km commenced on 20th June 2016 with involvement of FIDIC Engineer. For the extension of civil works, following Consulting Services for construction supervision envisaged for continuation of current Supervision activates.
- (iii) The Consultant shall carry out construction supervision activities for Tranche 3 Lanjik-Gyumri road section assuming all the powers, duties and responsibilities assigned to the "Engineer" under the above mentioned contract.

CONTRACT SPECIFICATION

7. Nature of contract

Ceiling Amount for Time-Based assignments will be 65% of the Contract Price and for Lump-Sum assignments 35% of the Contract Price.

8. Scope of Contract

The scope of the Contract includes:

- (i) Supervision of the civil works on widening and improvement of the road between Lanjik-Gyumri 27.47 km road section in compliance with the standards and specifications produced by the Client. The works will be executed under the International Federation of Consulting Engineers (FIDIC) Conditions of Contract for construction for building and engineering works designed by the Employer (Multilateral Development Bank Harmonized Edition, June 2010) to be procured in compliance with the EIB's International Competitive Bidding procedures.

- (ii) The Consultant shall carry out construction supervision activities for Tranche 3 Lanjik-Gyumri road section assuming all the powers, duties and responsibilities assigned to the "Engineer" under the above mentioned contract.

9. Number and titles of lots

Not applicable.

10. Maximum budget

Estimated total cost of the assignment is 2,000,000 USD (almost 1,800,000 EURO) (inclusive of, reimbursable expenses, contingency but excluding indirect local taxes).

11. Scope for additional services

Not applicable.

CONDITIONS OF PARTICIPATION

12. Eligibility

Participation is open to firms originating from all countries of the world in accordance with the EIB Guide to Procurement <https://www.eib.org/en/infocentre/publications/all/guide-to-procurement.htm>

13. Candidature

All eligible legal persons (as per item 12 above) or groupings of such persons (consortia) may apply. A consortium may be a permanent, legally-established grouping, or a grouping which has been constituted informally for a specific tender procedure. Maximum number of allowable consortium members is 3 (three). All members of a consortium (i.e., the leader and all other members) are jointly and severally liable to the Contracting Authority.

14. Number of applications

No more than one application can be submitted by a legal person whatever the form of participation (as an individual legal entity or as leader or member of a consortium submitting an application). In the event that a legal person submits more than one application, all applications in which that person has participated will be excluded.

15. Shortlist alliances prohibited

Any tenders received from tenderers comprising firms other than those mentioned in the short-listed application forms will be excluded from this restricted tender procedure. Short-listed candidates may not form alliances or subcontract to each other for the contract in question.

16. Grounds for exclusion

As part of the application form, candidates must submit a signed declaration, included in the standard application form (see item 24 below), to the effect that they are not in any of the exclusion situations listed therein.

The Grounds for Exclusion are:

Conflict of interest (please refer to EIB's definition on conflict of interest as per section 1.5 of EIB GtP);

Prohibited conduct (please refer to EIB Anti-Fraud Policy and EIB Exclusion Policy and EIB's definition of prohibited conduct as per the Covenant of Integrity)

EU sanctions - Pursuant to its Sanctions Policy, the Bank shall not provide finance, directly or indirectly, to or for the benefit of an individual or entity that is subject to financial sanctions imposed by the EU, either autonomously or pursuant to the financial sanctions decided by the United Nations Security Council on the basis of article 41 of the UN Charter.

17. Sub-contracting

Subcontracting is allowed, Maximum value of allowed subcontracting is 20% of the contract value.

18. Number of candidates to be short-listed

On the basis of the applications received, after undertaking the detailed evaluation as per item 19 below, 6 (six) candidates will be invited to submit detailed tenders for this contract.

SELECTION AND AWARD CRITERIA

19. Selection criteria

1) Economic and financial capacity of candidate

Average Annual Turnover of the Consultant within the last 5 (five) years. The minimum Average Annual Turnover within the last 5 (five) years should not be less than EURO 1,450,000. The

minimum average annual turnover calculated as total certified payments received for contracts in progress and/or completed within the last 5 (five) years, divided by 5 (five) years.

Note to candidates: *In the Expressions of interest, please make sure to include the actual year for which the data is provided*

- *Single entity: must meet requirement*

In the case of J/V:

- **All partners combined: must meet requirement**
- *Each partner: must meet at least 25% of the required minimum annual turnover (i.e. EUR 362,500) within the last 5 (five) years*
- *One partner: must meet at least 50% of the required minimum annual turnover (i.e. EUR 725,000) within the last 5 (five) years*

2) Technical capacity of candidate

a) General Experience. The candidate shall show that its general experience in implementation of assignments in the road construction sector is not less than 10 years;

- *Single entity: must meet requirement*

- *In the case of J/V:*

- *One partner: must meet requirement*

- *Each partner: must have a general experience in implementation of assignments in the road construction sector not less than 3 years*

b) Specific experience: The candidate shall show that it has successfully implemented, completed and received final payment under at least 1 or 2 similar assignment over the last (5) years from the date of submission of Expression of Interest of an aggregated value of at least EUR 1,450,000 equivalent. Similar assignment means provision of construction supervision and/or project management services related to large scale highway/motorway/expressway construction works.

- *Single entity: must meet requirement*

- *In the case of J/V:*

- *All partners combined: must meet requirement*

In case of a joint venture, only the amount/length corresponding to the candidate's share of participation shall be taken into consideration in each of the contracts brought as reference.

Candidates shall demonstrate that they had a participation of a minimum of 50% in each of the contracts brought as reference.

Note to candidates: The number of references, either in case of a JV or in case of a single entity, to be provided must not exceed fifteen (15) for the entire application.

If more than 8 eligible candidates meet the above selection criteria, the relative strengths and weaknesses of the applications of these candidates must be re-examined to identify the eight best

applications for the tender procedure. The only factors which will be taken into consideration during this re-examination are, in order of precedence:

1) The number of projects brought as reference, which comply with the requirements of criterion 2) in the above comment box and were implemented under FIDIC conditions of contract.

2) The cumulated value of projects brought as reference, which comply with the requirements of criterion 2) in the above comment box and were implemented under FIDIC conditions of contract.

PROVISIONAL TIMETABLE

20. Provisional date of Request for Proposals

March-April 2020

21. Provisional commencement date of the contract

June-July 2020

22. Initial period of implementation of tasks and possible extension of the contract

The services for Tranche 3 construction supervision will be implemented over a construction period of 13 months plus 13 month of defects Notification period. Therefore, the Consultant should allow for this in the staffing schedule, but ensure that the proposed staff will be available for mobilization at the proposed times. Tentatively the provision of the supervision services expected to start in June 2020.

The intended commencement date of supervision activities for Tranche 3 Lanjik-Gyumri road section is June 2020 and the period of implementation of the contract will be 26 months, which includes

Phase 1: Commencement of the Supervision Consulting Services (indicative duration - 1 calendar month) Upon signing of the consultancy service contract, the Consultant shall commence its tasks.

Phase 2: Activities during Construction (indicative duration - 12 calendar months). During construction works the Consultant implement construction supervision tasks (including Road Safety Audit)

Phase 3: Post-construction Activities (indicative duration - 13 calendar months) Upon completion of main construction the Consultant shall continue implement its tasks (including Post-Construction Road Safety Audit)

APPLICATION

23. Deadline for receipt of applications

Expressions of interest must be received no later than 18:00 hrs. local Armenian time on **16 March, 2020.**

24. Application format and details to be provided

Expressions of interests must be submitted in free format. Interested Consultants must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.)

25. How applications may be submitted

Expressions of interest must be delivered in a written form in English in person (or by courier services) or by e-mail in the Adobe PDF format to the address below not later than **16 March, 2020, 18:00 (Yerevan time)**.

“Transport Project Implementation Organization” SNCO
Attn: Christine Ghalechayn, Acting General Director
4 Tigran Mets Str. Yerevan, Armenia
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E-mail: christine.ghalechyan@tpio.am, hasmik.ordukhanyan@tpio.am

The Contract title and the Reference code (see item 1 above) must be clearly marked on the envelope containing the application and must always be mentioned in all subsequent correspondence with the Contracting Authority.

26. Any such notification of alteration or withdrawal shall be prepared and submitted in accordance with item 25.

The outer envelope (and the relevant inner envelope if used) must be marked 'Alteration' or 'Withdrawal' as appropriate.

26. Operational language

All written communications for this tender procedure and contract must be in English.

27. Additional information

Opening of the Applications

The Contracting Authority shall open the Applications immediately after the deadline for their submission indicated in item 23.

Notification

The Contracting Authority shall notify those Candidates in writing, whose Applications were considered non responsive to the REOI, including a short summary of the relevant reasons for that decision.

Also, the Contracting Authority shall simultaneously notify those Candidates in writing, whose Applications were considered responsive to the REOI, including invitation to proceed with the next step of procurement, namely Request for Submission of Proposals.

EIB's Anti-Fraud policy

The Contracting Authority recommends the Candidates to pay attention to Anti-Fraud Policy, and to Exclusion Policy please refer to

http://www.eib.org/attachments/strategies/anti_fraud_policy_20130917_en.pdf

<https://www.eib.org/en/infocentre/publications/all/exclusion-policy.htm>

Conflict of interest

The Bank requires that candidates, tenderers, contractors, suppliers or consultants participating in a award procedure or a contract under a Bank-financed project shall not have a conflict of interest.

Conflict of interest occurs when the impartial and objective exercise of the functions of the promoter, or the respect of the principles of competition, non-discrimination or equality of treatment with regard to the procurement procedure or contract, is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest.

The Bank will not accept candidates or tenderers affected by a conflict of interest in the award procedure to benefit from EIB financing in relation to the contract to be awarded under the concerned procedure. The assessment of whether or not there is a conflict of interest has to be carried out on a case by case basis, considering the actual risk of conflict based on the specific circumstances of the case at stake. The individual or entity in question should be allowed to present supporting evidence which might remove all suspicion of a conflict of interest.