



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Ministry of Public Works and Transport
Department of Roads

NOTIFICATION OF AWARD

Employer : Department of Roads, Ministry of Public Works and Transport
Project : Southeast Asia Regional Economic Corridor and Connectivity Project
Contract title : Local Road Climate Resilient Improvement and Maintenance in Xayabouly Province
(Road No. 3660, 3635 and 3643)
Country : Lao PDR
IDA Credit No. : 7102-LA

Bid/Contract Reference No: HPBC-LR-NCB-XAY-LOT-2023 (CW-005)

Scope of Contract: Hybrid Performance-Based Contract (HPBC) which includes:

- 1) The Improvement of climate resilient and safety of Road No. 3660, From Souvannaphoum Village (Threeway intersection of Road no.4) to Buabarn Village for a total length of 32 km long, Paklay district in Xayabouly province. The existing road locates on mountainous areas and passes through built-up community areas in the villages of Souvannaphoum, Nakarng, Pangkham, Khoksavanh, Thamixay, Huaymodsom and Namai (7 villages and 6 schools);
- 2) The Improvement of climate resilient and safety of Road Number 3635, Form Muang Village to Pangzang Village for a total length of 15 km long, Khop district in Xayabouly province. The existing road locates on mountainous areas and passes through built-up community areas in the villages of Donekhoun, Lem, Thongmen, Nakha and Paxang (5 villages and 4 schools); and
- 3) The Improvement of climate resilient and safety of Road Number 3643, From Thong village to Pangbong village to Keodonkhoun Village for a total length of 13 km long, Ngeun district in Xayabouly province. The existing road locates on mountainous areas and passes through built-up community areas in the villages of Thong, Bualuang and Pangbong (3 villages and 3 schools).

Contract duration: 60 months. (24 months for Improvement phase and 36 months for Maintenance phase)

Duration of Defects Notification Period: N/A (maintenance service instead – for 36 Months)

Evaluation Currency: US Dollars.

Awarded Bidder(s):

Name: Souphaphone Construction, Survey Design and Road Bridge Sole Co., Ltd.

Address: Nongdouang Neua Village, Sikhottabong District, Vientiane, Lao PDR.

Bid price at bid opening: 4.573.824,17 USD

Evaluated Bid Price: 4.573.824,17 USD

Contract Price: 4.573.824,17 USD, including:

Improvement Works: 4.010.424,17 USD

Maintenance Services: 408.000,00 USD

Emergency Works: 155.400,00 USD

Evaluated Bidder(s):

No.	Name of Bidder	Bid price USD	Evaluated Bid price
1	Guangdong No. 3 Water Conservancy and Hydro-Electric Engineering Board Co., Ltd	5.555.132,73	5.553.728,28
2	Noy Lathamavong Road Bridge Construction Sole Co., Ltd	5.115.538,00	N/A – Rejected
3	Khamfong Group Sole Co., Ltd	4.355.355,73	N/A – Rejected
4	Joint Development Construction Comprehensive Sole Co., Ltd & HeungsyConstruction Co., Ltd	4.600.319,62	N/A – Rejected
5	Sipaserd Construction Bridge Road & Building Housing Co., Ltd	4.231.449,43	N/A – Rejected
6	Supthavy Construction Co., Ltd	4.294.334,81	N/A – Rejected
7	Vatsana Development Construction Co., Ltd	5.004.655,45	N/A – Rejected
8	Xayya Construction and Renovation Sole Co., Ltd	4.901.253,18	4.754.198,12

Rejected Bidder(s):

Name: Guangdong No. 3 Water Conservancy and Hydro-Electric Engineering Board Co., Ltd.

Reasons for rejection:

- The bid's evaluated price was higher than that of the awarded bidder.

Name: Noy Lathamavong Road Bridge Construction Sole Co., Ltd

Reasons for rejection:

- The bid validity date is 6 February 2024 while the bidding document required it to be valid until 10 February 2024 (4 days shorter).
- The bank guarantee was issued in a different format (no mention of Bidding process and of ESHS performance security) and is valid until 10 February 2024 (28 days shorter);
- Absence of the Appendix to Bid – Schedule of Cost Indexation and Schedule of Adjustment Data.

Name: Khamfong Group Sole Co., Ltd

Reasons for rejection:

- The Letter of Bid was not filled on several paragraphs, including (h), (i), (l), (m). Accordingly, there is no bid validity period indicated in the bid.

Name: Joint Development Construction Comprehensive Sole Co., Ltd & Heungsy Construction Co., Ltd

Reasons for rejection:

- The LoB was signed by Joint Development Construction Comprehensive Sole Co., Ltd only and not by JV;

- The Bid Security was issued in the name of Joint Development Construction Comprehensive Sole Co., Ltd only, and not in the name of JV.

Name: Sipaserd Construction Bridge Road & Building Housing Co., Ltd

Reasons for rejection:

- The bank guarantee is valid until 10 February 2024 i.e., 28 days shorter than required.

Name: Supthavy Construction Co., Ltd.

Reasons for rejection:

- The bank guarantee is valid until 09 February 2024 i.e., 29 days shorter than required.

Name: Vatsana Development Construction Co., Ltd.

Reasons for rejection:

A. Schedule C: Method Statement

- The Bidder did not elaborate on how he will develop the detailed design from Conceptual design and it is not submitted; from the proposal whether bidder understood his responsibilities for the detailed design is the part of bidder responsibility. So far, no experiences on Hybrid Contract conception. Also, not indicated any sub-contractor to support the Detail design arrangements or survey equipment proposed for survey works.
- No QA plan submitted and not indicated any project management process to be used.
- Overall, the Schedule C does not meet the requirements on Hybrid Performance concept on method statements.

B. Schedule G: Key Personnel Proposed:

- Most of the personnel for the Improvement Works have been proposed with different CVs than these same persons were proposed under the recent 2 bidding processes for similar works in Luangprabang (CW-007) and Luangnamtha (CW-003). This is a possible fraud case as CVs of same persons cannot be different from one bidding to another and it indicates at tampering CVs for the purpose of bidding.

Name: Xayya Construction and Renovation Sole Co., Ltd.

Reasons for rejection:

- The bid's evaluated price was higher than that of the awarded bidder.

On behalf of the Employer:



Mr. Litta KHATTIYA

Director General of Department of Roads (MPWT)