

SERVICE PROCUREMENT NOTICE

Request for Expression of Interest (REOI)

CONSULTANCY SERVICES FOR THE SUPERVISION OF CONSTRUCTION WORKS FOR SAMTREDIA –GRIGOLETI ROAD SECTIONS (Lot I and Lot III)

Location: Georgia

1. Reference code
(GEWHA/B/CS/QCBS-02/01)

2. Procedure

The procurement process adopted by the Contracting Authority for the purpose of this contract is an international competitive bidding with pre-qualification, also referred to as the restricted tender procedure as defined by the [Guide to Procurement for projects financed by the EIB.](#) The procedure will be conducted as per the national procurement legislation [Procurement law of Georgia], aligned with the EIB Guide to Procurement version 2018 (GtP). This procedure comprises two separate stages:

Stage 1 of this process is the pre-qualification process, which is designed to identify eligible and suitable candidates for this contract.

Stage 2 will be a formal tender process involving only the shortlisted candidates identified and selected as eligible and suitable as a result of the prequalification.

In detail, during the first stage, any candidate may submit a request to participate in the tendering process. Once the applications are received, the ones submitted on time will be evaluated according to the exclusion, selection and shortlisting criteria established in the present notice. The shortlisting of applicants will be conducted on a non-discriminatory basis, following the application of objective criteria, as explained in the sections below. Subsequently, the Contracting Authority will then send requests for proposals (RFP) to the shortlisted applicants. All Proposals subsequently received (that are compliant i.e. submitted in accordance with the tendering instructions) will be evaluated in accordance with the evaluation (award) criteria as set out in the present notice and in the RFP document. The award criteria is economically advantageous bid (80% quality + 20% price), as per the GtP.

3. Project

Georgia East West Highway A/B (GEWH A/B) is being implemented between 2013 and 2021. The East-West Highway (road number S-1 according to Georgian classification corresponding to roads E60 & E97 in the European network) is the main artery for long distance road traffic in Georgia, being used by most traffic from Azerbaijan and Armenia to the Black Sea ports and Turkey, as well as long distance traffic to and from Tbilisi. The project aims at upgrading and improving the most Western part of the East-West highway,

4. Financing

The EIB is providing funding to the Government of Georgia for the new construction of the road sections from Samtredia to Grigoleti (LOT-1) being approximately 11.5 km long, Samtredia to Grigoleti (LOT-2) being approximately 18.5 km long and Samterdia

to Grigoleti (LOT-3) being approximately 12 km long, Samtredia to Grigoleti (LOT-4) being approximately 9.5 km long under the GEWH A/B.

5. Contracting Authority

Roads Department of the Ministry of Regional Development and Infrastructure of Georgia

Attn: Levan Kupatashvili – Deputy Chairman

Address: Kazbegi ave. 12 0160, Tbilisi, Georgia

Email: info@georoad.ge

cc: n.papunidi@gmail.com ; vakhtang.razmadze@georoad.ge ; ana.gogs@gmail.com

6. Project Description

The project is comprised of: the Civil Works of construction of 52 Km 4 lane highway for Samterdia-Grigoleti road section, which is divided into the following four lots:

Lot 1 - km 0+00 - km 11+500 new construction; 11.5 km

Lot 2 - km 11+500 - km 19+500 new construction; 18.5 km

Lot 3 - Km 11+500 - Km 42+000 - new construction; 12 km

Lot 4 - Km 42+000 - Km 51+570 new construction; 9.5 km

Samtredia-Grigoleti road section Lot I starts from New Kutaisi Bypass-Samtredia road section being under construction, from the Ochopa bridge at PK 0+00. Project alignment within km 1+500-km 1+800 crosses Samtredia-Lanchkhuti-Grigoleti road, the river Logoba and Samtredia-Batumi railway and railway to “Wissol” production base with grade-separated intersection. Road alignment goes along the right side of the river Rioni up to km 9+000; it crosses the river Tskhenistskali at km 5+400. The road crosses the river Rioni and Khevistskali from km 9+000 to km 9+800 and passes to the left side of the river Rioni. Project section ends at km 11+500, before the meander (Didi Narionali Lake).

Samtredia-Grigoleti road section Lot III starts at PK 300+00 (km 30+00), end of LOT 2, in Lanchkhuti, accompanying on left side the Samtredia – Batumi railway and ending at PK 420+00 (km 42+00) - beginning of LOT 4. Designed cross-sections of the road and bridges Meet the requirements of a 4-lanes highway road with 2 stop lanes. Within the section are in total 44 concrete structures.

- 3 Bridges
- 3 Overpasses
- 18 Box Culverts
- 13 Box Cattle passes
- 7 Box Underpasses for rural roads

CONTRACT SPECIFICATION

7. Nature of contract

Time-based

8. Scope of Contract

The Contracting Authority wishes to engage a consultant (the “Consultant”) to perform the role of Construction Supervisor and Engineer in accordance with FIDIC conditions of contract (the “Assignment”). The details of the construction works are given in project description.

It is envisaged that all construction contracts will be based on FIDIC Red Book / MDB Harmonized conditions of contract.

The overall objectives of the Assignment are to:

- Ensure that the works are implemented on time, according to specifications and within the budget from the works contracts, the Georgian legislative system and regulations and as agreed with the financing authorities; and
- Act as the Engineer under the FIDIC works contracts (FIDIC MDB Harmonized edition 2010).

The consultancy service assignment for the supervision of Samterdia-Grigoleti roads sections is ongoing. The current supervision company is expected to be replaced by the selected company, as a result of the call. The selected company shall provide the supervision service for the following road sections: Samterdia-Grigoleti Lot1 and Samterdia-Grigoleti Lot3

9. Number and titles of lots

Not applicable.

10. Maximum budget

EUR 4 500 000 NET of 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. 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.*

Note: In addition, the ground for exclusion will be any form of alliances with the current supervision company. (Alliance means JV and or sub-contrnsultant.)

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, 8 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** (based on item 3 of the application form). In case of applicant being a public body, equivalent information should be provided.

(a) The annual turnover of the candidate should be of at least EUR 2 250 000 for each of the last three years (2016, 2017 and 2018 for which accounts have been closed. **Note to candidates:** *In the application form, please make sure to include the actual year for which the data is provided*

- *Single entity: must meet requirement*
- *All partners combined: must meet requirement*

- *Each partner: must meet at least 25% of the required annual turnover (i.e. EUR 562,500) for each of the last three years*

One partner: must meet at least 50% of the required annual turnover (i.e. EUR 1 125 000) for each of the last three years

2) **Professional capacity of candidate** (based on items 4 and 5 of the application form)

- (a) The number of the permanent staff of the candidate (*individual company or the each member of consortium*) currently working in fields related to this contract (as they are described in item 6 – “Project Description” above), should be at least 30 for each of the last three years (2016, 2017 and 2018). **Note to candidates:** *In the application form, please make sure to include the actual year for which the data is provided*

Single entity: must meet requirement

All partners combined: must meet requirement

Each partner: must meet at least 50% of the required number of permanent staff working in the fields related to this contract (i.e. 15) for each of the last three years;

One partner: N/A

- (b) For each of the last three years (2016, 2017 and 2018), at least 50% of the overall number of staff of the candidate (*individual company or the each member of consortium*) is permanent. **Note to candidates:** *In the application form, please make sure to include the actual year for which the data is provided.*

3) **Technical capacity of candidate** (based on items 5 and 6 of the application form) Legal persons:

(a) The candidate has successfully carried out from 01 January 2013 up to the deadline for the receipt of applications indicated under item 23 below, at least 2 similar projects, each of a minimum value of EUR 3 600 000 equivalent, related to the Supervision of large-scale highway/motorway/expressway construction works *implemented under FIDIC or equivalent Conditions of Contract for Works (Red book or MDB harmonized edition) (supervision of rehabilitation works shall not be considered)*. The submitted referenced should be either fully completed (the final payments done) or the Taking-Over Certificates issued.

- *Single entity: must meet requirement*
- *All partners combined: must meet requirement¹*
- *Each partner: must meet at least 25% of the requirement (At least 2 projects, each of a minimum value of 25% of EUR 3,600,000 (i.e. EUR 900,000) equivalent.)*
- *One Partner: N/A*

¹ In the case of JV, the value of contracts completed by its members shall not be aggregated to determine whether the requirement of the minimum value of a single contract has been met. Instead, each contract performed by each member contributing to meeting the requirement shall satisfy the minimum value of a single contract as required for single entity. In determining whether the JV meets the requirement of total number of contracts, only the number of contracts completed by all members each of value equal or more than the minimum value required shall be aggregated.

(b) The candidate has successfully carried out from 01 January 2013 up to the deadline for the receipt of applications indicated under item 23 below, at least 1 projects for Supervision of large-scale highway/motorway/expressway construction works, *implemented under FIDIC or equivalent Conditions of Contract for Works*, with a minimum construction value of EUR 80 000 000. The submitted referenced should be either fully completed (the final payments done) or the Taking-Over Certificates issued.

- *Single entity: must meet requirement*
- *All partners combined: must meet requirement*
- *Each partner: N/A*
- *One Partner: must meet requirement*

Note to candidates: The number of references, either in case of a JV or a single entity, to be provided must not exceed 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 reexamined 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 3(a) above.
- 2) The cumulated value of projects brought as reference which comply with the requirements of criterion 3(a) above.

PROVISIONAL TIMETABLE

20. **Provisional date of Request for Proposals**
June 2019

21. **Provisional commencement date of the contract**
November 2019

22. **Initial period of implementation of tasks and possible extension of the contract**
The initial period of execution of the contract shall be 48 months consisting 24 months for construction supervision and 24 months for supervision during Defects Notification Period (DNP). This period may be extended, with the prior approval of the Contracting Authority.

APPLICATION

23. **Deadline for receipt of applications**
The applications must be received by the Contracting Authority no later than 16:00 hrs. local Georgian time on 22 May 2019. The applications shall be opened by the Contracting Authority no later than 16:15 hrs. local Georgian time on 22 May 2019. Any application received after this deadline will not be considered.

24. Application format and details to be provided

Applications must be submitted using the standard application form (available at http://www.georoad.ge/uploads/files/Application_form_en1.pdf) whose format and instructions must be strictly observed.

Any additional documentation (brochure, letter, etc) sent with an application will not be taken into consideration.

25. How applications may be submitted

Applications must be submitted in English exclusively to the Contracting Authority:

- EITHER by recorded delivery (official postal service) to:

Roads Department of the Ministry of Regional Development and Infrastructure of Georgia

Mr. Levan Kupatashvili, Deputy Chairman

Address Kazbegi ave. 12, 0160, Tbilisi, Georgia

- OR hand delivered (including courier services) to:

Roads Department of the Ministry of Regional Development and Infrastructure of Georgia

Mr. Levan Kupatashvili, Deputy Chairman

Address Kazbegi ave. 12, 0160, Tbilisi, Georgia

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.

Applications submitted by any other means will not be considered.

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.