



Lao People's Democratic Republic  
Peace Independence Democracy Unity Prosperity

Ministry of Public Works and Transport  
Department of Planning and Finance

## Notification of Award

**Employer** : Department of Roads, Ministry of Public Works and Transport, Lao PDR.  
**Project** : Southeast Asia Regional Economic Corridor and Connectivity Project  
**Contract title** : Improvement and Maintenance of National Road Climate Resilient Rehabilitation and Maintenance in NR2W Section 2 (Km 68+400 – Km 121+000)  
**RFB No** : OPBRC-NR-ICB-2W-PK02-2023

**Scope of Contract** : Output and Performance-based Road Contract (OPBRC), which includes Improvement and Maintenance of the National Road 2 West, Section 2 (Length 52.6 km) from Km 68+400 – Km 121+000 to meet the Asian Highway Class III standards. This includes widening of the road from 6 meters to 8 meters (6 meters of the carriageway and 2 meters of shoulders-one meter each side to accommodate pedestrian safety) and rest areas.

**Contract duration** : The Contractor(s) shall carry out the Output and Performance-Based Road Contracts (OPBRC) with 3 years for construction and 7 years for operations and maintenance will be used. The total contract period is 10 years.

**Duration of Defects Liability Period** : Defect Liability Period shall be eighteen (18) months from the date of the Issuance of the Sectional Completion Certificates for each section, or twelve (12) months from the date of Certificate of Completion.

**Evaluation Currency** : US Dollars.

**Awarded Bidder :**

<b>Name</b>	Guangdong No. 3 Water Conservancy & Hydro-Electric Engineering Board Co., Ltd.
<b>Address</b>	Building 1&2, No. 67, Tangxia Dadao Middle, Tangxia Town, Dongguan City, Guangdong Province, P. R. China Telephone No. (+856) 20 5816 8333 – Authorized Representative E-mail : gd3he_lao_bd@163.com
<b>Contract price</b>	<b>US\$ 22,675,496.42</b> consisting of : 1. Maintenance Works : US\$ 2,400,000.00 2. Rehabilitation Works : US\$ 19,526,598.42 3. Emergency Works : US\$ 168,898.00 4. Provisional Sums : US\$ 580,000.00

**Evaluated Bidders :**

Name of Bidder	Weighed Technical Score	Bid Price, US\$		Weighed Financial Score	Combined Score *
		As Read-out	As Evaluated		
China Road and Bridge Corporation	22.53	25,775,376.00	24,508,229.38	63.11	85.64
Sichuan Road & Bridge (Group) Corporation Ltd.	29.19	26,062,000.00	26,012,635.00	59.46	88.65
JV - Yunnan Yimanjia Construction Engineering Co., Ltd. and Road No. 8 Construction Enterprise	30.00	24,721,111.00	24,141,111.00	64.07	94.07
Guangdong No. 3 Water Conservancy and Hydro-Electric Engineering Board Co., Ltd.	27.53	22,675,496.42	22,095,496.42	70.00	97.53
JV - China Yunnan Sunny Road and Bridge Co., Ltd. and China Railway Design Corporation and Hualong Yunjiao Highway Engineering Co., Ltd.	27.29	27,492,749.27	26,632,749.27	58.07	85.36
JV - Shandong Hi-speed Engineering Construction Group Co., Ltd. and Jinan Urban Construction Group Co., Ltd.	26.87	32,016,449.11	31,436,449.11	49.20	76.07
Zhongmei Engineering Group Limited	26.77	28,860,540.10 **	-	-	-

\* The full table with scores' calculation is attached in Annex 1 for your information.

\*\* The Bidder failed to comply with the maximum threshold (90%) for the rehabilitation works excluding the provisional sums and emergency works, as required by the ITB 33.4 of the RFB. Additionally, the Bidder refused to extend its bid validity date and the bid security's validity date, as per The Employer request of 12 September 2024.

**Rejected Bidders :****Bidder 02 : China Construction Fourth Engineering Bureau Ltd. (China):****Reason for rejection of bid :**

- The Bidder 2 was registered under the name of Bounyong Road Bridge Building Construction Co., Ltd (Lao PDR) who used to be subcontractor of this bidder in the previous bidding for NR2 Section 1. However, the bid was submitted by China Construction Fourth Engineering Bureau Ltd. – the Bidder who was rejected in the previous bidding for NR2 Section 1, for submitting a fake bid security which is in fact a reason for blacklisting from WB financed procurement. The representative of Lao Subcontractor was present at the bid opening.

- At bid opening, the Bidder #2 committed a serious deviation by not submitting a Technical Bid Envelope. There was only one envelope – Financial Part of the bid submitted. This was announced during bid opening and noted in the Minute.

**Bidder 04 : Longjian Road & Bridge Co., Ltd. (China) with Subcontractor Henan Communications Planning & Design Institute Co., Ltd (China):**

**Reason for rejection of bid :**

- EXP 4.1: Experience under construction contracts in the role of prime contractor, JV member, sub-contractor, or management contractor for at least the last 5 years, starting 1st January 2018 :  
**The contract experience was showed only for 3 years – 2019-22 while the requirement was to demonstrate relevant experience for at least 5 past years.**
- EXP 4.2(a): Experience on road maintenance contracts : The Bidder provided a Contract for Road Repair and Maintenance Project – all streets and roads in Mudanjiang City, during 2020-22 (AC Roads), as Prime Contractor, \$14,3 mln, China :  
**The maintenance contract is provided for a municipality's road repair and maintenance project, which is not a national / similar road.**
- EXP 4.2(b): Specific Key Activities of Construction Experience – Key Activity 1: Paved Asphalt roads in monsoon environments at least 40 km or 280.000 m<sup>2</sup> :  
The Bidder provided a Contract for National Highway Jiayin to Linjiang Highway Jiayin to Tangwanghe Section Reconstruction and Expansion Project (94.3 km, AC Road), as Prime Contractor, \$239 mln, China.  
**The similarity test is not confirmed – the road is up north of China, in between Russia and North Korea, which is not a monsoon region.**
- EXP 4.2(c): Specific Experience in managing ES aspects: The contractor provided a contract implemented in 2016-22 - Paira Bridge (Lebukhali Bridge) Project, as prime contractor, \$138.7 mln, Bangladesh :  
**The contract is for bridge in a city, and so it is not rural road. In addition, no relevant part of that contract was included to show ESMP or other relevant experience**

**Bidder 05 : JV – Souphaphone Construction Survey – Design and Road - Bridge Sole Co., Ltd. (Laos) and Thang Long Joint Stock Corporation (Vietnam) with Subcontractor Infra Design Consultants (India):**

**Reason for rejection of bid :**

History of Non-Performing Contracts – The JV did not mention the OPBRC contract recently executed under LRSP-2 Project of the MPWT, which has been delayed and resulted in multiple observations and deviations registered by the DoR. According to the DoR's records, the JV of Thang Long Joint Stock Corporation (Lead, Vietnam) and Souphaphone Construction, Survey-Design and Road-Bridge Sole Co., Ltd. (Partner, Lao PDR) was awarded the OPBRC Contract of Improvement and Maintenance of the NR13S, section 1 in Bolikhamxay province, in 2021. The contract has been implemented by the same joint venture and, according to the DoR, the JV's performance was not satisfactory. Specifically, the following conclusions have been made by the DoR with regard to the said contract:

- JV of Thang Long Joint Stock Corporation (Lead, Vietnam) and Souphaphone Construction, Survey-Design and Road-Bridge Sole Co., Ltd. (Partner, Lao PDR) has caused significant delays in rehabilitation phase - for around 6 months (31 March 2023 – 31 October 2023).
- The JV had not addressed the work method and not taken corrective measures as result of DOR's several warning letters.
- The contractor was penalized through price deduction of the O&M cost due to delayed implementation, which have been acknowledged and agreed by the contractor.

- Absence from the site and inactive participation of the JV lead member in the contract makes a case for MPWT of unacceptable performance by the Contractor, which must have consequence for the future contracts award by the Ministry to this particular JV.
- Based on the foregoing, the EC have rejected this particular JV's bid from further evaluation, based on the record of unsatisfactory past performance.

**Bidder 06 : China Jiangxi International Economic and Technical Cooperation Co., Ltd. (China) with Subcontractor China Railway Major Bridge Reconnaissance & Design Institute Co., Ltd. (China):**

**Reason for rejection of bid :**

- Schedule C - Contractor's Equipment, EQU Forms: The equipment forms for most of the items included same brands, models and supporting documents as proposed for the pervious OPBRC Package (CW-001) that has been just awarded to this company. This means in fact missing equipment for most of the items, although technically those equipment items were all technically responsive. Such situation cannot be accepted, as the Contractor cannot use same equipment in two contracts.

**Failure to propose adequate equipment for the contract.**

- Schedule D – Key Personnel Proposed, PER Forms: The personnel forms for most of the positions included same persons as proposed for the pervious OPBRC Package (CW-001) that has been just awarded to this company. This means in fact missing personnel for most of the positions, although those persons were substantially qualified against requirements. Such situation cannot be accepted, as the Contractor cannot use same personnel in two contracts.

**Failure to propose adequate personnel for the contract.**

**Bidder 12 : China Construction Eighth Engineering Division Corp., Ltd. (China) with Subcontractor Chuangxin Engineering Consulting Co., Ltd. (China):**

**Reason for rejection of bid :**

- The bid validity date is up to 11 September 2024 as per original deadline, while the validity had to be up to 21 September 2024 as per extended submission deadline.
- All documents were submitted in English, and only some documents were in Chinese (e.g. audit reports), but the translation in English was not certified as per notarial standards.
- The Bidder attached empty EXP forms and stamped them only. Accordingly, there were no past contracts or other related information attached either. The fact that the bidder did not include any information in EXP Forms is a significant negligence of the RFB requirements, which did not allow further evaluation of bid. EXP Forms represent a major part of the technical bid and it is one of the main requirements for qualification. The fact that the Bidder stamped the empty forms indicated that they were not accidentally missed, but simply ignored.

On behalf of the Employer :



**Mr. Vannasone K. Thepvongsa**

Deputy Director General, Department of Planning and Finance  
Deputy Head of SEARECC Procurement Committee