

AGRICULTURAL EXPORT DIVERSIFICATION PROGRAM**(GY-L1007)****ANNEX II – PROJECT PROCUREMENT PLAN****I. GENERAL INFORMATION**

Country:	Co-operative Republic of Guyana	
Borrower:	Co-operative Republic of Guyana	
Project name:	Agricultural Export Diversification Program	
Executing agency:	Ministry of Agriculture	
Project number:	GY-L1007	
Loan contract number:	No number assigned	
Brief description of the project's objectives and components:	<p>The program goal is to contribute in the increase of Guyana's growth rate and reduce its volatility. Its purpose is to establish services and institutions for a sustainable increase in the income derived from the export of non-traditional agricultural exports in the aquaculture, fruits and vegetables, and livestock subsectors; enhancing the protection of domestic consumers from illness, and domestic production from disease and contamination. The components are: (i) promote Private Sector Entrepreneurship (PSE) in agribusiness; (ii) improve capabilities of Agribusiness Export and Facilitation Services (AES); (iii) strengthen and consolidate Agricultural Health and Food Safety Services (AHFSS); and works for a Drainage and Irrigation Rehabilitation (DIR) system.</p>	
Estimated dates:	Project approval by the Board of Executive Directors:	December 2007
	Estimated date of signature of the loan contract:	March 2008
	Final disbursement:	March 2013

II. INTRODUCTION

- 2.1 Procurements for the proposed project will be carried out in accordance with the Policies for the Procurement of Works and Goods Financed by the Inter-American Development Bank (GN-2349-7), of July 2006; and the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-7), of July 2006, and with the provisions established in the loan contract and this procurement plan.

III. PROCUREMENT PLAN

- 3.1 The procurement plan for the Agricultural Export Diversification Program covering the first 18 months of project execution has been agreed between the Bank and the Ministry of Agriculture. The plan, which is summarized in Appendix 1, indicates the procedure to be used for the procurement of goods, the contracting of works or services, and the method of selecting consultants, for each contract or group of contracts. It also indicates cases requiring prequalification; the estimated cost of each contract or group of contracts; the requirement for prior or post review by the Bank; and estimated dates for the publication of specific procurement notices and completion of the contracts included in this project. The procurement plan will be updated annually or whenever necessary or as required by the Bank. The detailed procurement plan is available at:

Ministry of Agriculture	Address:	Agricultural Services Developing Unit Regent & New Garden Streets Georgetown, Guyana
	Facsimile:	(592) 225-9362
	Email:	assp@guyana.net.gy

- 3.2 The procurement plan is available on the executing agency's website http://www.sdn.org.gy/minagri/moa_mfcl/index.htm. The following documents can also be found on the Bank's website (<http://www.iadb.org> - [Information on project procurements](#)).

IV. PROJECT PROCUREMENT

- 4.1 The procurements to be made for the proposed project are described in general below.

A. Works procurement

- 4.2 The works to be contracted include the following: civil works for upgrading agricultural health and food safety infrastructure such as the ones needed for Quarantine and Inspection Points of Entry, Mobile Control Post Units, the Building-Instrument/Food Chemistry Laboratory, and the Veterinary Diagnostic Laboratory; and for rehabilitating the drainage and irrigation infrastructure of the Canals Polder area.
- 4.3 Project works requiring international competitive bidding (ICB) will be contracted using the standard bidding documents (SBDs) issued by the Bank. Procurement subject to national competitive bidding (NCB) will be undertaken using national bidding documents agreed upon with the Bank.

B. Goods procurement

- 4.4 The goods to be procured for this project include the following: acquisition of equipment and supplies, such as vehicles for field activities, computer equipment to maximize information availability, laboratory equipment, books, furniture and office equipment.
- 4.5 Project goods requiring ICB will be procured using the SBDs issued by the Bank. Procurement subject to NCB will be undertaken using national bidding documents agreed upon with the Bank.
- 4.6 Information material such as books and journals, laboratory supplies will be acquired through the Price Quotation method since these are readily available off the shelf items and have small values.

C. Procurement of consulting services

- 4.7 Consulting services for the project include a consulting firm or specialized agency that will support activities related to the provision of public goods for the private sector; consulting services to be provided by international specialized agencies related to agricultural health and food safety; and other consulting services for specific tasks such as information systems and human resources. The former will provide the following services: manage the three agribusiness chain bodies, conduct market research studies, carry out technological missions, provide technical assistance for the prioritized clusters, educate on quality and best practices programs, identify and design the research and development partnerships, facilitate the assessment through a panel-type mechanism of the agribusiness plans to be supported by the Program, and act as an advisor in the selection process for the design, building and operation of the abattoir.
- 4.8 The consulting firms to be hired for the project will be selected using the standard request for proposals (RFP) issued by the Bank, or an RFP satisfactory to the Bank in cases where the standard RFP is not applicable. Individual consultants

will be selected bearing in mind the provisions established in chapter V of the policy in document GN-2350-7.

- 4.9 Short lists of consultants for consulting services estimated to cost less than US\$ 100,000 equivalent per contract, may consist entirely of national firms.
- 4.10 An international agricultural health and food safety specialized agency such as IICA, PAHO, CARDI, CARICOM, or FAO will provide technical assistance to the Agricultural Services Development Unit (ASDU) to select and contract those consulting contracts for the AHFSS Component under the procurement method known as Selection Based on the Quality-Base Selection (QBS).

D. Operating expenses

- 4.11 The following operating costs will be financed by the Bank throughout program execution, i.e. for five years: (i) the Deputy Manager of the Program Executing Unit; (ii) a Sanitary and Phytosanitary specialist; (iii) a procurement assistant; (iv) a financial assistant; (v) monitoring consultant; (vi) the management services for the aquaculture, livestock, and fruit and vegetable clusters; (vii) audits; (viii) office supplies; and (ix) agricultural and laboratory supplies for research, transfer of technology, and diagnostic services.
- 4.12 Project operating expenses to be financed by the Bank may be contracted using the executing agency's procedures that have been previously reviewed by the Bank and classified as satisfactory.

E. Advance contracting and retroactive financing

- 4.13 An advance contracting is envisaged for the hiring of a consulting firm or specialized agency that will support activities related to the provision of public goods for the private sector. The hiring of this consulting firm or specialized agency is a prior condition for first disbursement for the PSE Component. All procurements described in detail in the procurement plan, for which the policies contained in documents GN-2349-7 and GN-2350-7 have been followed, may receive Bank financing retroactively from the date of approval of the operation by the Board of Executive Directors, once the loan proceeds become eligible.

F. Bank review of procurement decisions

- 4.14 The following contracts will be subject to prior review by the Bank in accordance with Appendix 1 of the policies for the procurement of works and goods and the selection of consultants, respectively:
 - a. Works contracts with an estimated total cost of US\$180,000 equivalent or more.
 - b. Goods contracts with an estimated total cost of US\$150,000 equivalent or more.

- c. Contracts for non-consulting services with an estimated total cost of US\$60,000 equivalent or more.
 - d. All direct contracting.
 - e. Contracts for consulting services with firms with an estimated total cost of US\$60,000 equivalent or more.
 - f. Contracts with individual consultants with an estimated total cost of US\$ 30,000 equivalent or more.
 - g. All single-source selection of consulting firms.
- 4.15 Other contracts will be subject to post review by the Bank, in accordance with the aforementioned Appendix 1 of the policies.

V. DOMESTIC PREFERENCE

- 5.1 Bids offering goods originating in the borrower's country will receive a 15% price preference in contracts requiring international competitive bidding, as established in Appendix 2 of the procurement policies.

Appendix 1 - Procurement Plan¹

Country:	Co-operative Republic of Guyana	
Executing agency:	Ministry of Agriculture	
Project:	Agricultural Export Diversification Program	
Project and loan contract numbers²:	GY-L1007/ No number assigned.	
Brief description of the project's objectives and components:	The program goal is to contribute in the increase of Guyana's growth rate and reduce its volatility. Its purpose is to establish services and institutions for a sustainable increase in the income derived from the export of non-traditional agricultural exports in the aquaculture, fruits and vegetables, and livestock subsectors; enhancing the protection of domestic consumers from illness, and domestic production from disease and contamination. The components are: (i) promote Private Sector Entrepreneurship (PSE) in agribusiness; (ii) improve capabilities of Agribusiness Export and Facilitation Services (AES); (iii) strengthen and consolidate Agricultural Health and Food Safety Services (AHFSS); and works for a Drainage and Irrigation Rehabilitation (DIR) system.	
Estimated dates:	<ul style="list-style-type: none"> • Project approval by Board of Executive Directors³: December 2007 • Signature of the loan contract: March 2008 • Final disbursement: March 2013 	
Contact information of the executing agency office responsible for the procurement plan:	Address:	Ministry of Agriculture Agricultural Services Development Unit Regent & New Garden Streets Georgetown, Guyana
	Facsimile:	(592) 225-9362
	Email:	assp@guyana.net.gy
The procurement plan is available on the executing agency's website	http://www.sdn.org.gy/minagri/moa_mfcl/index.htm	

¹ All project contracts should be included, even if not financed by the Bank, indicating the source of funding in each case.

² The loan contract number should be entered as soon as one has been assigned.

³ As this document has to be prepared during the project analysis, the initial dates for approval of the operation, contract signing, and final disbursement are estimates, which should be updated when the definitive dates become available.

1. GOODS

Ref. No.	Description of the contract and estimated cost of procurement	Procurement method ¹	Review (prior or post)	Source of financing and percentage		Prequalification (Yes/No)	Estimated dates		Status (pending, in process, awarded, cancelled)	Comments
				IDB %	Local /other %		Publication of specific procurement notice	Completion of contract		
1	<ul style="list-style-type: none"> Laboratory equipment For NDDP: for the genetic laboratory, including refrigeration. For Plant Health Unit: for the Biocontrol Laboratory, including refrigeration. Quarantine posts at port, airport and road borders. For FDDs: drug chemistry, food chemistry, and food microbiology laboratories. For NARI: seed laboratory For Pesticide and Toxic Chemical Board: for residue analysis, included a generator and its device for protection. Estimated cost (US\$ 560,000) 	ICB	Prior	100%	0%	No	Q3 08	Q2 09	Pending	Two orders: in Q3 08 for the FDD, & PTCB; in Q1 09 for the NARI, NDDP & Plant Health.
2	<ul style="list-style-type: none"> Office equipment and furniture, communications and audiovisuals: Computers, servers, audiovisuals, communication devices Estimated cost (US\$ 185,000) 	ICB	Prior	100%	0%	No	Q2 08	Q3 09	Pending	4 quarterly orders.
3	<ul style="list-style-type: none"> Vehicles: 4x4 Trucks, motorcycles, boat. Estimated cost (US\$ 382,000) 	ICB	Prior	100%	0%	No	Q3 08	Q2 09	Pending	
4	<ul style="list-style-type: none"> Laboratory inputs: Glassware, reagents, materials. For Plant Health Estimated cost (US\$ 6,500) 	PC	Prior	100%	0%	No	Q1 09	Q3 09	Pending	
5	For FDD and VPH Estimated cost (US\$ 64,900)	NCB	Prior	100%	0%	No	Q4 08	Q1 09	Pending	
6	For Pesticide and Toxic Chemical, residue analysis Estimated cost (US\$ 72,400)	NCB	Prior	100%	0%	No	Q3 08	Q1 09	Pending	
7	<ul style="list-style-type: none"> Field and inspection inputs. For NDDP: genetic materials. Estimated cost (US\$ 59,000) 	NCB	Prior	100%	0%	No	Q2 08	Q1 09	Pending	
8	For Plant Health Unit: quarantine, surveillance, insects for eradication campaigns. Estimated cost (US\$ 12,000)	PC	Prior	100%	0%	No	Q3 08	Q1 09	Pending	
9	For Animal Health Unit: quarantine, surveillance, brucellosis, TBC, and control rabies campaigns. Estimated cost (US\$ 41,000)	NCB	Prior	100%	0%	No	Q3 08	Q1 09	Pending	
10	For FDD-VPH: inspection and certification. Estimated cost (US\$ 19,000)	PC	Prior	100%	0%	No	Q3 08	Q1 09	Pending	
11	<ul style="list-style-type: none"> Field and inspection equipment Estimated cost (US\$ 175,000) 	LIB	Prior	100%	0%	No	Q1 09	Q3 09	Pending	Two orders
12	<ul style="list-style-type: none"> Information material for beneficiaries Estimated cost (US\$ 12, 000) 	PC	Prior	100%	0%	No	Q3 08	Q2 09	Pending	
13	<ul style="list-style-type: none"> Library: books and journals. Scientific reference material. Estimated cost (US\$ 25,000) 	PC	Prior	100%	0%	No	Q3 08	Q2 09	Pending	

¹ **ICB:** International competitive bidding; **LIB:** limited international bidding; **NCB:** national competitive bidding; **PC:** price comparison; **DC:** direct contracting; **FA:** force account; **PSA:** Procurement through specialized agencies; **PA:** Procurement agents; **IA:** Inspection agents; **PLFI:** Procurement in loans to financial intermediaries; **BOO/BOT/BOOT:** Build, own, operate/build, operate, transfer/build, own, operate, transfer; **PBP:** Performance-based procurement; **PLGB:** Procurement under loans guaranteed by the Bank; **PCP:** Community participation procurement; **QCBS:** Quality- and cost-based selection **QBS:** Quality-based selection **FBS:** Selection under a fixed budget; **LCS:** Least-cost selection; **CQS:** Selection based on the consultants' qualifications; **SSS:** Single-source selection.

2. CIVIL WORKS

Ref. No.	Description of the contract and estimated cost of procurement	Procurement method	Review (prior or post)	Source of financing and percentage		Prequalification (Yes/No)	Estimated dates		Status (pending, in process, awarded, cancelled)	Comments
				IDB %	Local /other %		Publication of specific procurement notice	Completion of contract		
14	<ul style="list-style-type: none"> Rehabilitation for inspectorate offices and refurbish Instrument ion Room/Food Chemistry Laboratory Estimated cost (US\$ 35,000) 	PC	Prior	100%	0%	No	Q4 08	Q1 09	Pending	
15	<ul style="list-style-type: none"> Construction of Genetics Laboratory in Mon Repos. Estimated cost (US\$ 105,000) 	NCB	Prior	100%	0%	No	Q1 09	Q3 09	Pending	
16	<ul style="list-style-type: none"> Rehabilitation of Veterinary Diagnostic Laboratory in Mon Repos and inspection points (mobile units). Estimated cost (US\$ 229,000) 	NCB	Prior	100%	0%	No	Q2 08	Q4 08	Pending	
17	<ul style="list-style-type: none"> Rehabilitation: Biological Control Laboratory and Plant Health Offices in Mon Repos; airport office in Timehri: port office in Georgetown. Estimated cost (US\$ 76,400) 	PC	Prior	100%	0%	No	Q2 08	Q4 08	Pending	
18	<ul style="list-style-type: none"> Building and Equipment of an abattoir. Estimated cost (US\$ 910,000) 	BOO	Prior	100%	0%	Yes	Q2 09	Q2 10	Pending	
19	<ul style="list-style-type: none"> Rehabilitation of primary and secondary for the Canals Polder's drainage and irrigation area. Control structures, pump, and access roads. Estimated cost (US\$ 2,310,000) 	ICB	Prior	100%	0%	No	Q1 08	Q1 09	Pending	
20	<ul style="list-style-type: none"> Rehabilitation of primary and secondary for the Canals Polder's drainage and irrigation area. Canal and drainage earthworks. Estimated cost (US\$ 690,000) 	NCB	Prior	0%	100%	No	Q1 08	Q1 09	Pending	

3. CONSULTING SERVICES

Ref. No.	Description of the contract and estimated cost of procurement	Procurement method	Review (prior or post)	Source of financing and percentage		Prequalification (Yes/No)	Estimated dates		Status (pending, in process, awarded, cancelled)	Comments
				IDB %	Local /other %		Publication of specific procurement notice	Completion of contract		
21	<ul style="list-style-type: none"> Agricultural Health and Food Safety International Consultants and Training For design of regulations and policies; campaign procedures, design and implement data bases, common information systems, residues veterinary drugs, system accreditation, disease diagnostics, and training in epidemiology, quality assurance, equipment maintenance, implementing pests and diseases eradication programs. Estimated cost (US\$ 610,000) 	QBS	Prior	100%	0%	No	Q1 08	Q1 10	Pending	
22	<ul style="list-style-type: none"> Engineering design and supervision of Veterinary Diagnostic Laboratory in Mon Repos and construction of control posts (mobile units). Estimated cost (US\$ 13,000) 	CQS	Prior	100%	0%	No	Q2 08	Q1 09	Pending	
23	<ul style="list-style-type: none"> Engineering design and supervision for inspectorate offices and refurbish Instrument ion Room/Food Chemistry Laboratory Estimated cost (US\$ 1,000) 	CQS	Prior	100%	0%	No	Q3 08	Q3 08	Pending	
24	<ul style="list-style-type: none"> Engineering design and supervision construction Genetics Laboratory in Mon Repos. Estimated Cost (US\$ 10,500) 	CQS	Prior	100%	0%	No	Q1 09	Q1 09	Pending	
25	<ul style="list-style-type: none"> Engineering design and supervision rehabilitation Biological Control Lab., Plant Health offices in Mon Repos, airport office in Timehri, port in Georgetown. Estimate cost (US\$ 7,300) 	CQS	Prior	100%	0%	No	Q1 09	Q1 09	Pending	
26	<ul style="list-style-type: none"> Agricultural Health and Food Safety National Consultants and Training Legal services, implementation public awareness campaign. food safety policy. Estimated cost (US\$ 66,000) 	CQS	Post	100%	100%	No	Q2 08	Q2 09	Pending	
27	<ul style="list-style-type: none"> Supporting Private Sector Entrepreneurship in Agribusiness. For supporting aquaculture, fruit, vegetable and livestock clusters in management services, research and development, technological missions, quality programs, prepare business climate initiatives, and advice on setting up an abattoir. Estimated cost (US\$ 1,191, 000) 	QBS	Prior	100%	0%	No	Q1 08	Q1 09	In process	Notice imminent
28	<ul style="list-style-type: none"> Individual consultants PEU. Projects coordinator, SPS specialist, procurement specialist, and monitoring and evaluation services. Estimated cost (US\$ 138,600) 	Individual consultant's qualifications	Prior	100%	0%	No	Q4 07	Q2 09	In process	Contracts expected by January 2008.

Appendix 2 - Capacity of the Executing Agency & Supervision of Procurement by the Bank

The Agricultural Services Development Unit of the Ministry of Agriculture will be responsible for carrying out project procurements. Having assessed the capacity of the executing agency to carry out the procurement actions, the Bank rates the overall risk to the project arising from the administration of procurement as medium as found by following the ICAS methodology.

Significant deficiencies identified and corrective actions agreed upon are summarized below:

Deficiencies	Corrective action	Completion date	Comments
Lack of qualified staff	Strengthen the area of procurement hiring procurement assistant, and financial assistant.	Second Quarter 2008.	The Country Office will assess the risk status of the ASDU and the progress made on the corrective actions implemented starting the third quarter 2008, and decide upon actions as necessary.
Lack of formalized procedures	Prepare procurement manual that sets out, among other things, process, standards and procedures to be followed. Prepare human resources manual, that will specify the appointment, dismissal, evaluation procedures, and working conditions for the ASDU staff.	ASDU will hire a consultant first quarter 2008. Approval expected by Second Quarter, 2008.	
Lack of physical space.	Provide adequate physical space to accommodate new positions and equipment.	Office works adjacent to current premises completed by second quarter, 2008.	
Goods and premises not insured.	Consider, and possibly develop, an insurance plan to protect the goods funded by the programs.	(i) Analysis conducted by First Quarter, 2008; (ii) recommendations implemented II Quarter, 2008.	
Asset management not in place	Incorporate in the procedures aspects related with physical count of inventory, registration and movement of fixed assets and verify before payment, the agreement among the purchase orders and proof of receipt of the goods and services to be paid	(i) Recommendations implemented II Quarter, 2008.	

Frequency of procurement supervision

In addition to prior reviews, the Bank will conduct post reviews of procurement every six months. The frequency of post reviews and the thresholds established for the prior review of contracts are consistent with the assessment made of the executing agency's capacity. These thresholds and the frequency of post reviews may be adjusted in the process of updating and revising the procurement plan, depending on the performance of the executing agency and the progress made in adopting the corrective measures described.