



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 Oudomxay Province
(Road Number 1202 and 1867)
Country : Lao PDR
IDA Credit No. : 7102-LA

Bid/Contract Reference No: HPBC-LR-NCB-OUX-LOT-2023 (CW-004)

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

1. The improvement of climate resilient and safety of Road Number 1202, Starting at Khuang Kham Village linking to railway station connecting to Province Border for a total of length of 22 km long, (Namor District) in Oudomxay Province. The existing road locates on mountainous areas and passes through built-up community areas in the villages of Namngeung, Phiamai Noy, Phakham, Phiamai Yai and Ton kar (5 villages and 5 schools)
2. The Improvement of climate resilient and safety of Road Number 1867, Starting at Houn district connect to the border of Na lae district, linking to road 2w at Houn District for a total of length of 41 km long, (Houn District) in Oudomxay Province. The existing road locates on mountainous areas and passes through built-up community areas in the villages of Phonesavanh, Phonesavath, Somexai, Na, Nakham, Somephone, Nam phoun, Phousone, Chanvang, Konethoey and Phoulath (11 villages and 5 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: **Sengthong Construction Development Group Co., Ltd**

Address: No. **Ban Salakam Tai, Hatsaifong District, Vientiane Capital, Lao PDR**

Bid price at bid opening: **4.135.057,26 USD**

Evaluated Bid Price: **4.135.057,26 USD**

Contract Price: **4.135.057,26 USD**, including:

Improvement Works: 3.595.147,26 USD

Maintenance Services: 421.740,00 USD

Emergency Works: 118.170,00 USD

Evaluated Bidder(s):

No.	Name of Bidder	Bid price USD	Evaluated Bid Price
1	Sompasong Road and Bridge Construction Co., Ltd	4.894.182,40	N/A – Rejected
2	JV of Joint Development Construction Comprehensive Sole Co., Ltd. and Heuangsy Construction Co., Ltd.	5.086.451,44	N/A – Rejected
3	Khounthavong Lao Construction Co., Ltd	4.844.637,87	4.818.750,47
4	China Jiangxi International Economic and Technical Cooperation Co., Ltd.	5.210.888,17	5.209.687,21
5	Sengmixay Intergrate Sole Co., Ltd	4.375.938,82	N/A – Rejected
6	Vatsana Development Construction Co., Ltd	4.743.972,78	4.506.773,35
7	Malyny Group	4.452.109,00	N/A – Rejected
8	Guangdong No. 3 Water Conservancy and Hydro-Electric Engineering Board Co., Ltd	4.829.240,93	4.872.174,41
9	JV of Road No. 8 Construction Enterprise and LBD Road Bridge and Infrastructure Construction Sole Co., Ltd	4.810.571,35	4.679.720,35
10	Supthavy Construction Maintenance Complete Sole Co., Ltd	4.895.347,88	N/A – Rejected

Rejected Bidder(s):

Name: Sompasong Road and Bridge Construction Co., Ltd.

Reasons for rejection:

- The form of Bid Security (Bank Guarantee) was completely different from the form included in the RFB. Second, the guarantee was on a slightly different name that the firm that signed the bid ("Sompasong building Road Bridge and Irri Const Co., Ltd" instead of "Sompasong Road and Bridge Construction Co., Ltd".
- The period of validity of the bank guarantee was 08 January 2024 instead of 03 February 2024 (i.e., 28 days beyond the bid validity), which is 26 days shorter.

Name: JV of Joint Development Construction Comprehensive Sole Co., Ltd. and Heuangsy Construction Co., Ltd.

Reasons for rejection:

- The LoB was signed by the Director on behalf of Joint Development Construction Comprehensive Sole Co., Ltd. and not on behalf of the Joint Venture (the name of the Bidder is not the JV);
- The bid validity date was not indicated – the sentence remained untouched as in the original form;
- The bank guarantee was issued on the name of Joint Development Construction Comprehensive Sole Co., Ltd. and not on the name of the Joint Venture.

Name: Khounthavong Lao Construction Co., Ltd.

Reasons for rejection:

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

Name: China Jiangxi International Economic and Technical Cooperation Co., Ltd.

Reasons for rejection:

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

Name: Sengmixay Intergrate Sole Co., Ltd.

Reasons for rejection:

- Schedule C: Method Statement

The Bidder proposed method statement for Rehabilitation and Maintenance Works. Sourcing of materials not addressed with identification of the borrow pits proposed to be used for each road.

Method Statement for Maintenance Services are described, including the list of performance indicators, proving a clear understanding of the contractor regarding the performance requirements. Traffic Management not addressed in details during construction period.

The Contractor provided inadequate review of the conceptual design, and concluding that not understand the review of conceptual design review as described in the Schedule-D.

- Schedule E: Contractor's Equipment

Most of equipment missed the supporting documents, such as purchase or registration documents. Some of the equipment was older than 15 years, which is not allowed by the RFP. Generally, the equipment forms had not provided enough detail and filled in superficially.

Taking into account the multiple deviations and the fact that the ownership and the availability of equipment was not confirmed in any way, this schedule was considered as failed.

- Schedule G: Key Personnel Proposed:

It was found that half of the proposed personnel had not been qualified against requirements (see details in Form 1.2 below). Such positions as Materials Engineer, Maintenance Engineer, Structural Engineer and Safety / Environmental and Social Manager failed to meet requirements for both improvement works and maintenance phases.

Name: Vatsana Development Construction Co., Ltd.

Reasons for rejection:

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

Name: Malyny Group

Reasons for rejection:

- The period of validity of the bank guarantee was 03 February 2021 (i.e., expired already), while it must be valid until 03 February 2024.

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: JV of Road No. 8 Construction Enterprise and LBD Road Bridge and Infrastructure Construction Sole Co., Ltd. 

Reasons for rejection:

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

Name: Supthavy Construction Maintenance Complete Sole Co., Ltd.

Reasons for rejection:

- The LoB was on the paragraphs (h), (l), (j) and (m) – those remained unattended.
- The bid validity date was not indicated – the sentence remained untouched as in the original form. 

On behalf of the Employer:



Mr. Litta KHATTIYA

Director General of Department of Roads (MPWT)