

**Ministry of Agriculture
(MoA)**

**Resilient Landscape and Livelihood Project
(RLLP) (P163383)**

**PROJECT PROCUREMENT STRATEGY
FOR DEVELOPMENT
(PPSD)**

**August 2018
Revised April 2021**

TABLE OF CONTENTS

	PAGE
ABBREVIATION	3
1. PROJECT OVERVIEW	4
1.1 Project Description.....	4
1.2. Project Development Objectives (PDO) and Components.....	5
2. OVERVIEW OF THE COUNTRY, PROCUREMENT, AND MARKET ASSESSMENT.....	9
2.1. Country Context	9
2.4. Market Analysis.....	15
4. PROCUREMENT RISK ANALYSIS	24
5. RECOMMENDED PROCUREMENT ARRANGEMENTS FOR THE PROJECT ...	27
5.1. Procurement Activity and Estimated Cost	27
7. SUMMARY OF PPSD FOR THE PAD	30

ABBREVIATION

NPCU	National Program Coordination Unit
INSA	Information Network Security Agency
EMA	Ethiopian Mapping Agency
CQS	Consultant Qualification Selection
MoALR	Ministry of Agriculture and Livestock Resource
DS	Direct Selection
FA	Force Accounts
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IB	Invitation for Bidding
IBRD	International Bank for Reconstruction and Development
IC	Individual Consultant
ICB	International Competitive Bidding
IPF	Investment Project Financing
KfW	German Reconstruction Credit Institute
LCS	Least Cost Selection
RLLP	Resilient Landscape and Livelihood Project
NCB	National Competitive Bidding
QCBS	Quality – Cost Based Selection
SDB	Standard Bidding Documents
SSS	Single Source Selection
USD	United States Dollars
WB	World Bank
MSE	Micro and Small Enterprises
WRLC	Water and Land Resource Center
INBAR	International Network for Bamboo and Rattan
ILRI	International Livestock Research Institute
CITA	Centre for International Tropical Agriculture
IWMI	International Water Management Institute
CCAFS	Climate Change Agriculture and Food Security
CIAT	International Center for Tropical Agriculture
ICRAF	Consultative Group on International Agricultural Research
CGIAR	World Agroforestry Center

Background

The main reason to revise this PPSD is the current situation of the Tigray region unrest and to support agricultural seed for farmers affected by the unrest crisis to keep their prior resilience and livelihood status. After the unrest was carried out in the region Tigray, the planned activities for the 2013 EFY cannot be implemented yet as the unrest erupted on November 2020.

Tigray Bureau of Agriculture and Rural Development (BOARD) Field reports has confirmed that many farms and rural areas have been destroyed, crops burned down, farm equipment's and livestock's were affected and many of the region project areas in need of emergency seed, livestock health service, and livestock feed. Accordingly, RLLP watersheds need seed and livestock resources and farmers have no access to seed, forage and oxen power.

Due to all these, many households have been in trouble in a cycle food insecurity and hunger. Therefore, to restore the agricultural practices, Tigray Regional Bureau of Agriculture has prepared a rehabilitation and response plan for the coming three months, which is an Emergency Plan. Additionally, RLLP of Tigray has also made an assessment with woreda focal persons and accountants prepared this response plan.

Thus, the prepared Emergency plan which focuses on Crop and Livestock sub-sector, will have a multiplier effect to the Region's people in terms of provision of food, employment, and income generating.

1. PROJECT OVERVIEW

1.1 Project Description

Country name:	Ethiopia
Project name:	Resilient Landscape and Livelihood Project
Total investment:	142 million USD of which: IDA Loan from WB is 100 million USD; MDTF grant fund is 32 million USD; Counterpart fund is 10 million USD (Government Contribution),
Project number:	P 163383
Project Development Objectives	To improve livelihoods, climate resilience, carbon storage, and land productivity in vulnerable rural major watersheds.
Project area	The project will be implemented in 17 new, 18 Canada and 135 existing a total of 170 woredas of Eight regions which are Amhara 44 (4 new, 6 Canada and 34 existing woredas), Oromia 50 (5 new, 6 Canada and 39 existing Woredas), SNNP 32 (4 new and 31 existing Woredas), Sidama Region 3 woredas, Tigray 22 (2 new, 6 canada and 14 existing Woredas), Benshangule 12 (1 new and 11 existing Woredas), Gambela 7 (1 new and 6 existing woredas) and South west region (11 woredas).

1.2. Project Development Objectives (PDO) and Components

A. PDO

To improve climate resilience, land productivity and carbon storage, and increase access to diversified livelihood activities in selected rural watersheds.

B. Project Beneficiaries

The primary beneficiaries of the RLLP will be rural households on degraded land, facing land tenure and water insecurity in **170** selected watersheds. Indirect beneficiaries include: (i) communities adjacent to Project intervention areas adopting SLM and CSA practices through demonstration effects, as observed under SLMP-II; (ii) private sector participants and end-consumers in value chains targeted by the Project; (iii) households outside Project areas benefiting from the creation of land certification capacity at woreda and regional level; (iv) recipients of capacity building at all levels of government, as well as in national partner organizations; and (v) communities outside project areas benefiting from groundwater recharge, reduced flooding, and lower sediment loads, as a result of SLM interventions

C. Project Components

The proposed project consists of 4 components, all with direct link to procurement. A brief summary of the four main components are:

Component 1. Investment in Green Infrastructure for Resilient Watersheds

This component would scale-up proven sustainable land and water management practices by rural smallholders and communities in large watersheds (average 10,000 ha each) vulnerable to climate variability and change, recurrent drought and floods, and land degradation. Investment would support communal and individual lands as well as supporting infrastructure such as rural roads and small bridges. Proven climate-smart practices include: soil and water conservation infrastructure such as terraces, small irrigation, and water harvesting trenches, check dams, small reservoirs, and other civil works; soil fertility and moisture management; assisted natural regeneration, enclosures plus livestock land use rationalization, intercropping, low tillage, gully reclamation, establishing grazing corridors, watering points and wells, sylvo-pastoral strategies, etc. Government Development Agents in the Bureaus of Agriculture would mobilize and support communities and receive continuous training to ensure quality extension. It is also important to enhance the interconnectivity of natural resources, which would be supported through land use planning in targeted watersheds where green corridors would be established to link fragmented forests, water bodies, key habitats, and rehabilitated micro watersheds (km).

There would be three sub-components:

Sub-component 1.1. Land restoration and watershed management; Described above.

Sub-component 1.2. Climate-smart agriculture; Described above.

Sub-component 1.3. Income Opportunities and Resilient Livelihoods;

This sub-component would finance advisory services and investment to improve access to and implementation of income generating activities. These activities will help address the issue of landless/jobless youth/women and the resulting increased stress on the natural resource base and its potential to reduce climate risks. Interventions could potentially include:

- Ethanol and improved cook stove and solar home lighting promotion via women-managed local enterprise development, to close the last mile in distributing low carbon household technologies that also reduce land and water degradation;
- Support to self-help groups, cooperatives and community unions such as vocational training for jobs, identification of business opportunities and preparation of related business plans for natural resource based community enterprises or others;
- Organization of related consultation workshops, private sector forums, exhibitions/ fairs;
- Preparation of marketing strategies and sales promotions, manuals/guidelines;
- Facilitation of access for technology, market information, credit, standard certification services;
- Facilitate access to markets and fair trade opportunities;
- Facilitate opportunities for international foundations and private sector engagement; and
- Construction of warehouses, stores, product processing and workshops.

Component 2. Investing in Institutions and Information for Resilience:

This component would enhance production and management of -- and access to -- relevant environmental, climate, hydrological, crop, livestock, forest, geospatial, and weather information for land use decision making and disaster risk reduction at the levels of major watersheds, community watersheds, and farms. Land use planning (supported under Component 3) would be informed by vulnerability mapping and climate profiling, which would in turn be used to develop or update watershed plans and farm planning (under Component 1) by incorporating climate smart agricultural techniques financed under Component 1. Component 2 would also support rigorous independent impact evaluations through a partnership arrangement between the MOA, the Ethiopia Development Research Institute's Environment and Climate Research Center, the World Bank's Development Research Group, CGIAR partners (Agrobiodiversity, CIAT, ICRAF, ILRI, IWMI, CIMMYT), Water and Land Resources Center (WLRC) and the Africa Gender Lab for Impact Evaluation. The above-mentioned institutions are identified to

undertake different researches in a landscape on biophysical impact evaluation, socio-economic survey and accounting of different intervention impacts on livelihood development and contribution to resilience building independently or in a group. Moreover, the CGIAR partners will be responsible to conduct research and produce evidences regarding contribution of climate smart agriculture intervention on agriculture production, among others, compared to areas without climate smart agriculture intervention. The identified institutions are equipped with scientific knowledge, technologies and facilities to provide quality services to MoA and there are no other institutions in the country that can satisfy the demand.

Additionally, Technical Assistances (TA) are required to improve the implementation of activities planned every year (2018-2023). The TAs shall be identified and procured by regional coordination units. Financing under this component for Technical Assistance (TA) - that the level of resources allocated under the project for TA will have to fall within the norms applied by MOFEC. The ENR team, in consultation with PCU, attempted to estimate costs required for TA in terms of provision of trainings of trainees (ToT), coaching, monitoring and evaluation of activities, data quality improvement and organization, assist the Woreda Focal persons in coordination and administration of project activities, assist the preparation of multiyear development plans, establishment and strengthening of WUAs, etc. The TAs will be assigned at zonal level, and will be responsible for six project Woredas (based on GIZ SURED experience¹).

To estimate the total cost of TA, the WB assessed the watersheds/woredas that fall in KfW zones and those that do not share the same zone with KfW. Accordingly, out of the total WB-Supported watersheds (SLMP-1 & 2 and RLLP) about 53 woredas/watersheds share the same zone with KfW supported watersheds, and the remainder fall outside these zones. Using a clustering approach, the 53 woredas will be supported within 10 zones. The rest of the woredas where KfW support is not available will be organized into 19 zones. The cost estimated for TA in KfW Zones for (53 woredas) is US\$ 2.72 million for five years. Similarly, the cost of TA for other woredas which will be supported in 19 zones is US\$ 4.82 million.

RLLP shall support the establishment of WUAs at least one in each major watershed. Accordingly, about 142 watersheds (50 from SLMP 1, 81 from SLMP 2, and 11 from RLLP) will be supported to exit. Hence, 142 WUAs will be established & legalized for sustainability. In this regard, an estimated cost of US\$ 600,000.00 is required.

¹GIZ SURED shared a cost estimation of field coaching and trainings including workshops and other related activities in zones where WB SLMP-1, SLMP-2 and RLLP watersheds overlap, and do not overlap, with KfW-supported zones.

Component 3. Land administration and use:

In the same targeted watersheds in component 1, this component would (i) improve the legal land tenure security of rural households and groups through land certification and administration, and (ii) expand and enhance local level land use planning and innovations in landscape certification models. For the former, approximately 20,000 landless youth would receive legal communal land certificates, inputs, and extension in exchange for land restoration. And 1,076,000 households would receive legal individual landholding certificates. Half of the communal and individual/HH certificates would include a woman. For the latter, the component would introduce the certification of locally managed forest plantations or natural forest, so that forest maturity is reached. This approach to forest management provides job opportunities for establishment and management including harvesting, processing and transport of forest products while helping green the supply chain for wood products.

The objective of this component is to strengthen land tenure and the land administration system in project areas, improving incentives for beneficiary communities to invest in sustainable landscape management. In the micro-watersheds targeted under Component 1, this component will: (i) improve the land tenure security of rural households and groups through land certification and administration, and (ii) enhance local level land use planning and support innovations in landscape certification systems, including rollout of the National Rural Land Administration Information System (NRLAIS). For the former, households will receive Second Level Landholding Certificates (SLLCs), and targeted landless youth will receive communal land certificates in exchange for land restoration. Half of the communal and individual certificates will include women as title-holders.

Component 4. Project Management and monitoring:

The component would finance the operational costs of Project Implementation Units (PIUs) in MoA and Regional State Bureaus of Agriculture. These PIUs will carry out all fiduciary aspects of project implementation including financial management, procurement, environmental and social safeguards, M&E, sector coordination of investment targeting and policy harmonization, and donor coordination structures.

1.3. Procurement objective

The project procurement should ensure supply of the required goods and services in a timely and efficient manner to facilitate the achievement of project objectives. This will be achieved through; Efficient procurement processing at all levels and by all procurement players, Efficient packaging of small-scale works contracts to attract sufficient competition, adopt the best approaches of procurement that will ensure participation of households in the affected communities for the land degradation and afforestation

to the extent possible to assure sustainability and support the project objective for resilient livelihood of the targeted communities while minimizing risk of community driven supply failure and ensuring procurement implementation in accordance with the agreed procedure.

2. OVERVIEW OF THE COUNTRY, PROCUREMENT, AND MARKET ASSESSMENT

2.1. Country Context

A. Political

Ethiopia has gone under wide public unrest in the last 3 years which affects decentralized projects and procurement implementation alike. Recently, the political environment has changed with a change in administration of the government. As a result, there is relative instability across the country especially in Tigray region. This has significantly affected the operational environment at decentralized level where RLLP project is implemented. As a result, the political risk to affect procurement implementation in the project is considered to be high which more in Tigray Region. Special attention shall be taken for the procurement of goods and services in Tigray Region.

The situation in Tigray region made political unrest and this make difficult to continue at a normal condition to implement procurement in the region. This condition will continue for some time in the future and the procurement arrangement shall be designed in different way from the previous normal condition.

B. Economic

Ethiopia is one of the fast-growing economies in the Africa. The growing economy has attracted a high Foreign Direct Investment, which in turn encourages the participation of foreign bidders in international competitive bidding. The level of inflation is relatively high due to shortage of foreign currency, exchange rate fluctuation and other economic factors. Most of RLLP procurements are local and will be effected in local currency, and hence insulated from inflation induced by foreign exchange rate fluctuation.. Besides, the experience under SLMP project shows that there has not been any payment related issues and complaints from suppliers and contractors which is expected to continue under RLLP.

C. Sustainability

Environmental sustainability and climate resilient green economy are policy pillars of Ethiopian fast growing economy. Required inputs to be procured for RLLP are suitable for the national and international environment and climate sustainability. One of the objectives of the project is insuring natural resource sustainability and climate smart agriculture. Therefore, the woreda level procurements are labor intensive and community based which makes them more accessible to grass root level beneficiaries and suitable for environmental security and sustainability of the project.

D. Technologies

The level of technological modernization in the country is increasing with the fast growing economy. However, RLLP is agricultural based project and not dependent on sophisticated technologies. But, basic technologies like wireless internet access, cell phone access and some database software like Systematic Tracking of Exchange in Procurement (STEP) (for procurement processing with the Bank) will be used in the project procurement. Every woreda and regional project specialists should use laptop computer and wireless internet access to facilitate the project procurement planning, implementation and reporting purpose.

Relevant to CSA, there are nationally tested technologies like modernized plough plow (BerkenMaresha) for conservation agriculture, conservation and use of tree and plant genetic resources, on landscape and soil management as well in CSA (they recently launched a CSA profile for Ethiopia and partnering with SLMP on soil carbon enhancement project implementation), on agroforestry and IWMI on water and landscape management, etc... Bio-physical impact evaluation, Climate Smart Agriculture productivity impact evaluation, and Synergies and policy evaluation of the biophysical and CSA impact evaluations will be applied by using different technologies with collaborations of different research institutes.

Related to Bamboo development propagation technologies for sustainable seedling production, the project will use different nursery facilities and materials and bamboo manufacturing technologies which will be used for processing bamboo products. Different bamboo handcraft machines will be used for this technology.

E. Legal:

The Federal Democratic Republic of Ethiopia's constitution (1995) mandates regional governments and City Administrations to enact laws and proclamations on issues falling under their jurisdictions. This includes public procurement which is governed by the federal or regional proclamation and supporting documents depending on the reporting structure of the procuring entity under consideration. The public procurement and property administration Act 659/2009 govern the procurement and property administration activities of public bodies accountable to the central government.

Likewise, procurement activities of public bodies and woredas reporting to the regions/City Administrations is governed by the respective regional proclamations and procedures while woreda level procurement is further supported by the Pool Manual as revised and approved by the respective regional governments.

Currently, the Federal government is working towards revising the proclamation which will likely be adopted, as required, by regional governments. Though the proposed changes are not yet confirmed, the

amendment is expected to come up with a provision that allows more flexibility to adopt the dynamism in the market. Hence, there is a good chance of positive progress to support procurement implementation both for government financed and Bank financed projects including RLLP project.

2.2 Procurement Arrangement and Capacity Assessment

Procurement under the project will be implemented at different tiers federal, Regional, woreda and community level. In the current situation of Tigray region, the regional procurement arrangement is mostly restricted in the regional level. Due to the current unrest situation of Tigray, the woreda will unable to procure inputs for the project and it is better to be handled by the regional level. The following provides brief description of the proposed arrangement:

- i) ***Federal Level Procurement Implementation:*** The Ministry of Agriculture (MoA) with the overall responsibility for the project will also be assisted by the National Project Coordination Unit (NPCU) established by Management Board for Natural Resource Projects. MoA assisted by NPCU has the responsibility to coordinate the general implementation and supervision of the project. The MoA/NPCU will, in addition to the responsibility for overall guidance and support including use of STEP, implement procurement activities in all the components including procurement actions that are of strategic nature and common user in nature.
- ii) ***Regional Level Procurement Implementation:*** Regional Bureaus of Agriculture (BoA), Regional Land administration and use Bureaus (BoLAU) assisted by regional Project Management Units (RPCU) established by the seven participating regional states for the woreda land administration requirements. The procurement staff at the RPCU in collaboration with the procurement unit at the BoA will be responsible for the day to day procurement activities of the project at the regional level. The RPCU will also provide support to woreda procurement staff in managing STEP and providing adequate and timely communication of procurement information.
- iii) ***Woreda Level Procurement Implementation:*** The Woreda Finance, Procurement and Property Administration office and the designated procurement team in the office will be responsible for procurement activities in the project under their respective woredas. However, the procurement team will also be supported by a focal person who will be placed at Woreda Agricultural office related to all procurement technical matters in the project including in identifying procurement requirements and technical evaluation of bids and contract management and monitoring. The federal and respective regional PCUs shall support woreda procurement experts on the management and communication of procurement information through STEP.

For the current situation of Tigray region, the project woredas of the region will unable to procure project inputs for each woreda because of the unrest of the region. The woreda administration

structure is currently not fully functional. On the other hand the regional administration structure is relatively functional. Procuring project inputs by competitive base is impossible at this time that many suppliers are not serving the regions currently. Other suppliers are not interested to participate in the bid from other regions including Addis Ababa. Because of this and current situation in the region, the recommended procurement method is direct procurement. The inputs to be procured will be serial seeds, forested seeds forage seeds and livestock.

iv) ***Community Level Procurement Implementation:*** The community level procurement will be managed by the Woreda Finance and Economic Development Office in collaboration with the local administration (Kebele Administration). The Procurement Manual will provide procedural details on the arrangement of CDD procurement, roles and responsibilities of the different players, step by step implementation procedure, record handling and reporting etc.

As discussed above the community level procurement in the Tigray region is impossible. This is because of the current situation and the community structure is not fully functional. The recommended procurement shall be handled by the regional level.

2.3. SWOT analysis

i) **Strength:** -MoA and Regional BoAs have a capability to deliver all procurement activities with continuous support and guidance from the Bank subject to some strengthening in specification preparation and capacity building on technical and financial evaluators and endorsing committee to timely deliver approval of contracts.

In terms of staffing, MoA/ NPCU and the six BOAs/RPCUs in the six regions are recognized having substantial experience in implementation of multilateral-financed projects. But in the case of Woreda, the government procurement officers will be responsible for procurement required for the project at local level. The experience of these specialists on World Bank procurement procedure is limited and further exacerbated by high turnover. The procurement staffs under MoA/NPCU and BOAs/RPCUs are mobilized from the WB financed SLMP II project which is on the verge of completion. These staffs are found to be experienced except for Gambela and Benshangule regions which are newly included regions in this project for which staff recruitment should be conducted afresh. Procurement staff working in the other four regions is all familiar with Bank procurement procedures and most of them are having experience between 6 to 10-years in project procurement management. Besides, they have attended some training conducted by MoA/NPCU & PPA under the old procurement and consultant selection guideline. However, training on the New Procurement Framework which governs this project is necessary.

As part of their functions, the MoA/NPCU will be the focal point at the central level, responsible for implementing all procurement/bidding activities at central level of strategic and selected common user

items for the use of the project, such as: commodities and consulting service packages, monitoring and evaluation, technical assistance, audit, training, equipment of project management. MoA/NPCU will also be responsible for coordinating, supervising, guiding procurement implementation at the central level. This calls for enhanced knowledge in project management, even though the MoA/NPCU had previous experience in managing several projects financed by the World Bank, EU, KfW, and other donors.

The BoAs/RPCUs will organize, manage, coordinate and supervise all regional and Woreda procurement activities under this project. Almost all of the four BoAs/RPCUs (Amhara, Oromia, Tigray and SNNP) under this project are already at sufficient level of knowledge and practical skills gained from similar previous projects. Most of them have participated in different training sessions and could be able to deal with their daily tasks at acceptable level.

In the case of Woreda level, the capacity of woreda procurement specialists in handling small and low value procurement is sufficient, because the procurements in the woreda level is mainly RFQ and CDD and not need high qualified personnel. Even though this, the personals in the Woreda level needs capacity development on handling procurement and frequent follow-up by regional procurement specialists. The other strength of the project procurement is the commitment of the regional and national staff to undertake quality, timely and sufficient procurement.

As per the requirement in the national procurement regulations, procurement entities are obliged to maintain complete record of both electronic and hard copy of all documents for procurement transactions that can easily be retrieved and are well secured in a strong room. The MoA/NPCU and the BoAs/RPCUs have inherited a legacy procurement filing and storage system from previous completed projects. It is observed that documents are filed and stored at acceptable level and easy to locate and access which will be a great asset for the project to use.

ii) Weakness: - undeveloped market research mechanisms and limited competitive suppliers is a major challenge for the project procurement. Limited contract administration capacity and mechanism is another weakness of the country procurement. The other weakness is limited number of staff and low understanding of new World Bank procurement procedures in the woreda level. Supplying quality and sufficient amount of community driven inputs for the project will be another weakness in the project procurement.

The experience from some SLMP project shows that contract management and monitoring capacity has been weak. There is no clear guidance and tools supporting contract management and monitoring both from the World Bank side and the Government of Ethiopia. As a result, there was capacity limitation and lack of clarity between the procurement staff and technical unit in the responsibility on contract

management and monitoring. Besides, the PCU's didn't participate in training on contract management procedures under SLMP-II, especially procurement staffs.

The project procurement manual should cover a section on contract management procedures in light of WB requirements and that of Government of Ethiopia. This will assist the performance in contract management, bringing the capacity to perform contract management business at the federal and all regions to the required professional level. Besides, it will be appropriate to form a dedicated contract management team at in the MoA and BoAs (at federal and regional level) under the Directorate. This team should have exposure of national laws, business laws and all procurement laws in the country and particularly the new WB procurement and contract management procedures

(iii) Opportunity: - the fast growing economy of the country will be an opportunity for the project procurement in that the private sector development will increase the supply opportunity of the project. Expansion of institutions to train quality and large number of procurement specialists is another opportunity. The political context like the development in bringing peace and stability will be another opportunity for the procurement.

The Government of Ethiopia is in the process of revising its procurement law and regulation. It is expected that the new procurement law and regulation will resolve some of the concerns on the current law including ensuring the independence of the complaint handling system, providing tools for contract management and monitoring etc.

The continuity of the project from SLMP-II is another opportunity which uses the existing staff and starting facility. Procuring office equipment, office furniture and other consumable materials at the beginning stage is not that much urgent.

(iv) Trait: - the main trait of the countries procurement is rigidity of regulatory procurement procedures, lack of competitive environment that the country market is mainly owned by limited suppliers, the government system is rigged to work in the continuously changed system and environment, and the country unrest especially in Tigray region etc... The major trait of the country procurement is shortage of foreign exchange for the local suppliers.

As part of the requirement of the new procurement policy framework, procurement staff at all levels are required to communicate procurement information starting from procurement planning until contract completion through the newly established system called Systematic Tracking of Exchanges in Procurement (STEP). This computerized communication system requires facilities and good internet connectivity which is not reliably available particularly at local level. Based on this, all national and regional procurement specialists should have fast wireless internet access or EVDO facilities.

Summary of SWOT analysis in the project procurement

<p><u>Strength</u></p> <ul style="list-style-type: none"> • Using track record of successful implementation of procurement. • Incitation of government to facilitate project procurement • Previous experiences of implementing procurement under the Bank’s procedures. 	<p><u>Opportunity</u></p> <ul style="list-style-type: none"> • Fast growing economy of the country • High fraud and corruption control mechanism by the government side • Huge expansion of educational institutions for the procurement area • Political stability that the development in bringing peace and stability • Experienced project staff for implementation
<p><u>Weakness</u></p> <ul style="list-style-type: none"> • Limited contract administrative capacity in the government side. • Limited number of staff and low understanding of procurement procedures in the woreda level • Weak market research mechanism 	<p><u>Trait</u></p> <ul style="list-style-type: none"> • Luck of foreign currency for local suppliers • Rigid regulatory practice in procurement and will be rigid to work in the changed system and environment • Luck of sufficient competitive suppliers • Market inflation to have stable plan and implementation of procurement.

Even if the experience of SLMP-II were of appreciably reasonable, there were a number of challenges encountered during procurement implementation for the project. Most of them were on the government side which were, lack of capacity for preparation of appropriate specification and ToRs, technical evaluation, delay on timely approval of bid evaluation and quality assurance problems (checking of materials according to contract). These challenges should be properly addressed to have effective procurement practices for the RLLP project. In RLLP, it is recommended to have separate technical teams, at federal and regional level, to prepare specification, evaluate technical proposals and timely approval of bid evaluation and endorsement mechanisms.

RLLP will use other alternative mechanisms to facilitate procurement activities; for instance, outsourcing of specification preparation (for example, procurement of vehicle and motor bicycles) and technical evaluation of proposals (for example, for transport authority), and other similar mechanisms that will be suitable to the project.

For prior procurements of high value and high risk procurements, the Bank will support by reviewing specifications and Term of Reference to overcome inadequacies observed in the preparation of specifications and TORs.

2.4. Market Analysis

Ethiopia is among the growing sizeable economies in Africa. The country’s strong economic growth and recent infrastructure development has provided many opportunities for both local and foreign companies in goods and equipment supplies, consultancy services and construction. Besides to the increase in the

provision of public infrastructure and services delivery funded by Government, rising affluence has led to an increasing demand for private residential and commercial infrastructure which is fueling a boom in the country's construction industry. One of the reasons for the increasing dynamic development of the country's supply, construction and consultancy industry is the country's adoption and development of the right legal framework including the Investment Law and the Public Procurement Law that create a clear legal framework for the operation of businesses in a fair and transparent manner.

Even though the private sector of Ethiopia who supplies goods and services has increased gradually, there are shortages of quality project inputs to supply some selected items for the success of the project. Some of these inputs and their options to supply are listed below:

A. Potential Supply Source:

i) **Improved seeds:** The market for supply of quality improved seeds is limited and uncompetitive due to strict quality assurance requirement (the germination power). The experience from the SLMP shows that the alternative supply source from Government enterprises and research institutes are more reliable in providing assurance for the quality of the improved seeds supplied in the project which is a critical factor in this procurement decision. Some of the government enterprises and research institutes reputable for the supply of improved seeds include regional Seedling Development Centers and Scientific Research Centers. Please refer for complete list of potential suppliers in each region which are provided as annex to this document. Therefore, the procurement of improved seeds, including Serial, forest and fruit seeds, could be considered (as determined on a case by case basis) from government enterprises that have a certificate of quality assurance. These seed will include, forest seeds, fruit seeds, vegetable seeds, bamboo seeds, and others.

In the current Tigray Situation, the improved seed shall be procured directly from seed multipliers because of limited number of suppliers in the region. Procuring seed by competitive base impossible because of suppliers are not interested to participate from other regions for afraid of unrest in the region. Even the suppliers in the region are not fully participating in supplying seeds. Most of them (suppliers) are disabled during conflict. Therefore, the recommended procurement method for this region (Tigray) is direct procurement by the regional project implementation unit and distribute to the woredas.

1. For high and Specialized Seeds (Procurement of cereal seeds (maize and teff) to procure from Ethiopian Agriculture Works Corporation (Addis Ababa and Mekelle branch), Procurement of Bio-fertilizer from Tigray Soil Laboratory office, Forage Seeds (Alfalfa and Sudan Grass) from Tigray Biotechnology Center (Mekelle), and other forage seeds (cow pea, pigeon pea, lulblab, desho and buffle) from privet firms. Besides, Cereal Seeds (barley wheat, sorgum and kichen pea) will procure

from different cooperatives (Mekelle and Woredas), and Vegetable Seeds (Swiss, chard, lettuce and onion) from Fisol Trading Private limited company (mekelle) that can supply to the region and the RPCU will lead and procure it. Procurement of Chicken 45 day old or above will be procured from different out growers which are; Daget Hailu and Semhal Gebreaninya Animal Production and fattening, Haftom and Amanuel Poultry Production, Bernesh Kebede Poultry Production, Tsiruy Tesfay Poultry Production and Tsega Gebrezgabher Poultry Production. Priority was mature chicken/poultry for immediate production. Sheep and goats for six woredas will be procured from Private producers (at woreda level). Since there was unrest in the region, beginning from the first day of November and continuing until today, competitive bid is not the appropriate method and it is difficult to procure such items within a short period with required quality and quantity.

ii) Livestock: procuring livestock (like sheep, goat, poultry), is challenging in which the market lacks the capacity to supply quality livestock at the required quantity. But government agencies, enterprises and research institutions have the capacity to supply these inputs at the required quality and quantity. Therefore, it is better to procure it from research institutions, government agencies and enterprise in addition to community procurement from the local and open market. Procurement of livestock will include different quality and generations of sheep, goat, and poultry.

The same is true for Tigray region that there is no sufficient supplier in the region and the recommended procurement method is direct procurement by the regional PIU and distribute to the regions.

iii) Feasibility Study for small scale construction: - This small scale consultancy services will be conducted in scattered and remote woredas which makes them unattractive and costly for local consultants. While considering competitive selection procedures in some of the regions depending upon the availability of the market, the option of employing government staff for feasibility study for small scale infrastructure through operational costs could be more appropriate.

iv) Small Scale Infrastructure Construction: - These are small scale construction of infrastructure that will be carried out in scattered and remote areas which may not be attractive for the private sector players. The experience from SLMP shows that using the private sector construction companies for construction of small and scattered works procurement has not led to successful outcome. Rather, government enterprises like Amara Water Works Supply and Development Enterprise (AWWSDE) in Amhara region, Oromia Water Works Enterprise (OWWE) in Oromia Region, and the same companies in the other regions provide better value for money in these kinds of procurements as they provide assurance on the quality and timely delivery of infrastructures located in remote areas. Thus, employing government owned construction companies on a cost recovery basis (Force Account) in each region is

feasible and more advantageous as determined on a case by case basis. However, there are also region based Micro and Small Enterprises (MSEs) and private contractors who could be able to and interested to engage in the construction of these facilities. Therefore, the option of using open local competition is one possibility of accessing the market.

v) Promotion Medias: In Ethiopia, private owned Medias (like TVs and Radios) are not that much increased as the demand. Therefore, using government owned and government affiliated Medias is an alternative for the project to promote the users and to introduce the result of the project.

vi) Fuel Saving Stoves: - IGA is one of the focus areas of the coming project RLLP. For this procuring and distributing of fuel saving stoves is one procurement activity on the woreda level. The stoves are not widely available in the market instead they are available in small group enterprises and government owned companies. These enterprises and government owned companies are alternative sources of supply for the project inputs.

vii) Limestone: Lime is one of the inputs to be procured under the project for acidic soil treatment. This input is totally owned by government enterprises and there is no or limited alternative to procure this from the market in each region. For example, Dejen Gypsum enterprise (government enterprise and financially autonomous itself) is the only nearby company for Amhara and Benshangule Regions and Kela lime production center is the only lime supplier for SNNP and Oromia regions.

viii) CDD procurement: as part of delivering the project objective in improving the livelihood of the community, the project will procure locally available items from the community through CDD procurement. These procurements could include fuel saving stoves, local stone, sand, donkey back transport, soil, grass, various seedlings, local skilled and unskilled laborers, improved varieties of livestock's (poultry, sheep, cows, goats,) etc.

The procurement procedures, specifications, and contract packaging should be suitably adapted to reflect CDD considerations in a manner that is efficient and transparent.

The detail procurement arrangement and procedure will be stipulated in the procurement manual and implemented only when the method is indicated in the procurement plan and agreed.

ix) Vehicles and Motor Cycles: It was observed from SLMP-I and SLMP-II that, there is limited capacity to procure vehicles and motor cycles due to lack of capacity in specification preparation, technical evaluation and inspection. As a result, similar projects like RLLP have successfully used UNOPS for procurement of vehicles and motor cycles which is also a recommended approach for procurement under this project. Besides, the required vehicles under RLLP are few which are not attractive for international bidders and manufacturers. Therefore, it is recommended that vehicles and

motorcycles are to be procured from UNOPS directly to overcome delay of delivery and quality problem. It is possible to procure high quality, relatively for low price and (up to 15% discount from UNOPS) and timely delivery as per the experience of MoA projects like AGP, DRDIP and PSNP.

x) Office equipment, Commodity Goods and Furniture: The project needs different goods like office equipment (computers, photocopy machines, printers, scanners, etc.), furniture, stationary materials, tire for vehicles, etc. For these commodities, there are several manufacturing outlets represented by several agents as suppliers in Ethiopia for such equipment, goods and commodities as computers and accessories, electronics, office equipment and office supplies required under the project. The costs of these supplies are moderate. There are also local agents representing manufacturers of similar goods and commodities produced abroad. Hence, it can be tendered out through Request for Bids and Request for Quotation methods through approaching the national market

xi) Consultancy services: The consultancy assignments for feasibility study of small scale infrastructure, baseline survey for new woredas, knowledge management and generation, Bamboo development and livelihood studies, impact assessment for the project, different manual preparation, etc. requires highly skilled personnel but also with high level of knowledge of the territory and general terrain. There have been several projects in the past that required similar skills and were well executed. Experience and records compiled by MoA shows that there are several qualified local consulting firms on the national market that have previously worked for MoA and on similar projects. The market for this is highly competitive. Previous projects have worked with a number of individuals on policy directions and revision, Feasibility study of small scale infrastructure for small schemes requires government operational cost instead of using competitive method. It is advantageous for experience sharing, time saving; least costing and the government will be responsible for the assignment. The project under operational cost will cover per dime, and venue and transportation costs. For large scheme and non-remote areas, competitive process is advantageous. The outputs will be reviewed by different experts within the relevant government agency and the Bank.

The project envisages to undertake at least 3 impact evaluation studies (Bio-physical impact evaluation, Climate Smart Agriculture productivity impact evaluation, and Synergies and policy evaluation of the biophysical and CSA which are considered to be high value (Estimated cost \$ 1 million per contract). While the consultancy market is still considered as not competitive in delivering these assignments, and there are specialized researches institutes like (WLRC and CGIAR (CIAT & CIMMYT) who are reputable and experienced in these studies which could be considered as sole sources for these services. The actual approach will be determined on a case by cases basis during the implementation of the project.

Considering the unique national, regional and global experiences of the mentioned CGIAR centers on agricultural research in general and CSA in particular, their involvement in the CSA impact assessment (IA) and capacity building will bring the following key experience and expertise:

- The centers have a profound understanding of the research, extension, policy and development programs of Ethiopia,
- CSA is a new development in climate adaptation and resilience and the centers have a wide variety of expertise and experience in CSA planning and implementation;
- The centers' inter- and multi-disciplinary skills allow them to make an integrated CSA impact assessment;
- The centers have accumulated experience in conducting on-farm, off-farm, on-station and social studies in diverse agro ecologies and communities;
- The centers have experience in conducting complex tradeoff analysis of CSA,
- The centers have expertise in CSA planning, implementation and monitoring at landscape scales.

In consideration of the requirement of the program, the consortium will mainly operate at field level in different aspects of CSA impact assessment in selected SLMP words and building capacity at different levels. The consortium will work in close coordination with other partners focusing on household and landscape level. The CGIAR consortium will operate under the direction of the SLMP Coordinator.

Therefore, there is no other firm or company to deliver other than these firms for the above mentioned assignment or impact assessments.

Furthermore, WLRC will finalize the output of SLMP-2 contract on Knowledge management and generation through upgrading the software on Knowledge Management and Information system. The institutional justification in the World Bank archive (during SLMP-2 contract) will serve the purpose with additional brief technical justification for the specific assignment.

The purpose of developing the knowledge management information system is mainly to enhance planning, reporting and documentation of the project and serve as a data base for generated knowledge with spatial and non-spatial integrated data management. As a result, the project M&E system will be strengthened and will be fully functional.

Therefore, to complete and realize functionality of the earlier designed system, consultancy service was planned to be awarded to Water and Land Resource Center (WLRC) as the activity is described in the PAD for the following reasons:

- The center is contributed to the system development during SLMP-2 phase though single source contacting.

- The center has built experiences with SLMP is system requirement analysis and modeling to contribute to well advanced system in the short term.
- The need for single source consultancy service was discussed and agreed during the second JISM held at Nov 11-12, 2019. In the Aide Memoire of the mission, agreed action of component two stated that Updating and extend the WLRC contract with in six months, and
- As stipulated in the RLLP procurement manual, this activity is continuation of the previous awarded activity and the performance of the consultant is found satisfactory.

B. Supply Positioning

Supply and delivery of farm tools, supply of different improved seeds livestock and small scale infrastructure falls within the Strategic Critical quadrant, constituting the highest spend with the high risk of vulnerability under project. In this analysis, high levels of effort and time on the market analysis and strategy formulation have therefore been spent on the supply and delivery of these inputs. A lot of effort has been made to research into the market for the supply of improved seed and livestock, in addition to historical information to guide the best approach to getting supply to meet the requirements of the project in the most efficient, reliable and timely manner, resulting in value for money and contributing to the achievement of the project development objective. It is noted from the market research that the supply market for improved seeds and livestock at the required level of quantity and quantity is very limited. It is mostly owned by very few enterprises, research institutions and government agencies.

Following supply of improved seeds and livestock in terms of risk vulnerability, Small scale irrigation, design of construction and feasibility study and different small-scale constructions should be given appropriate consideration that the spend volume for these activities in the project period is very high. They are considered as critical activities to unlock strategies for implementation, planning, site survey, design and construction, and overall supervision to ensure quality of the intended works is met. Consultancy contracts for the initial studies, planning and design is thus categorized Strategic Security and will need careful planning, advance procurement for specific contracts to ensure that no delays are experienced at the initial stages of implementation.

Procurement of works contract for construction of small-scale infrastructure is high category procurement under the project and will involve construction or maintenance of small scale infrastructure/ buildings, dyke improvement and up gradation; dredging canals; repair of culverts under dykes; access roads. These works are very critical and directly linked with livelihood of rural areas for which the project stands for. Thus, effective and timely procurement of these small scale constructions of infrastructure is key for the success of the project. It was noted that there are private contractors and small scale enterprises (SMEs) in

each region that can provide sufficient competition and value for Money in the procurement of these infrastructures. Therefore, the procurement will be conducted through open/local competition.

The various categories of procurement have thus been appropriately identified with their associated risks and shown in the Supply Position chart below.

<i>Risk vulnerability</i>	consultancy services(CSA consultancy services, bamboo development, knowledge management, audit service and IC), design and small scale construction, Supply of small scale infrastructure and works	Supply of improved seed, livestock, farm tools and any community based contracts
	Contracts of vehicles, motor cycles, and office equipment	Non consultancy services (ortho-photo production, satellite imagery, and promotional materials), goods, office furniture, industrial products and others non- consultancy services, etc.
	<i>Total Spend</i>	

Total Spend

Supplier Positioning Matrix

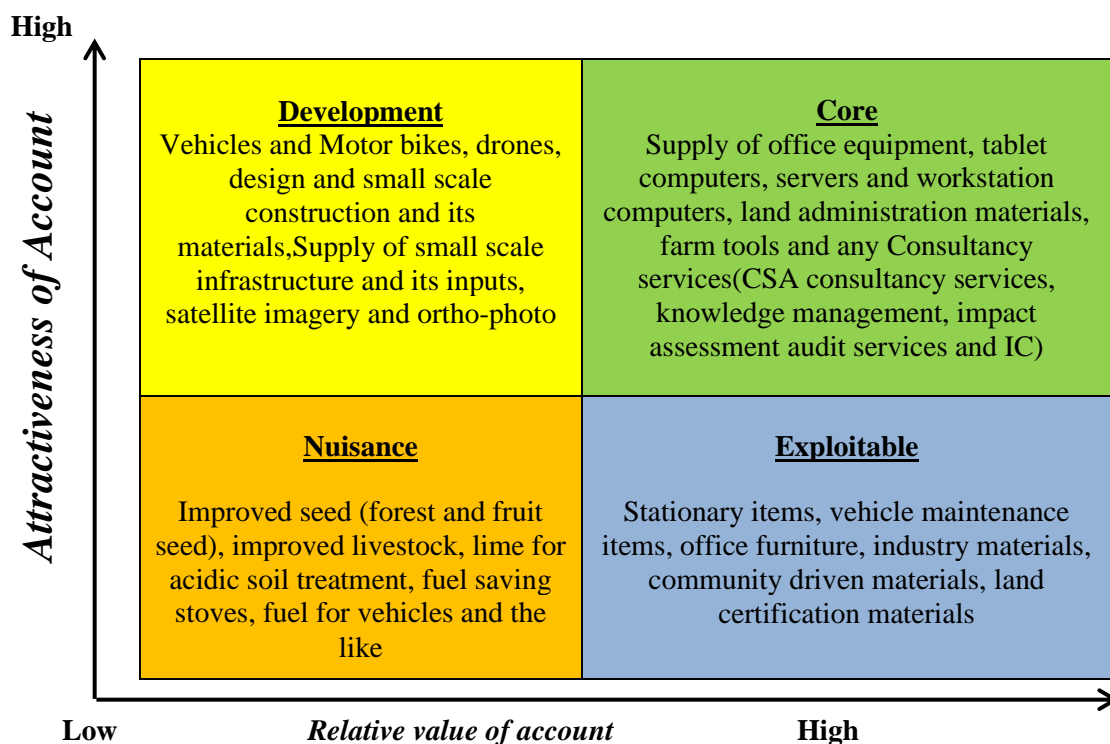
C. Supplier Preferencing

As part of the market research activities, studies were conducted to understand how suppliers for the most critical activities view the project owner to help determine procurement strategies to adopt to attract as much competition to derive value for money as much as possible.

Suppliers can prefer the project as core, development, exploitable and nuisance according to their preference. Suppliers who prefer as core are the inputs of the project will highly important and will have impact in the economies of scale. These materials will be supply of office equipment, tablet computers, servers and workstation computers, land administration materials (GPS, hard disks, auger, clinometers), farm tools and any consultancy services (CSA consultancy services, knowledge management, impact assessment audit services and IC). On the other hand suppliers who consider as development will expect the imputes like Vehicles and Motor bikes, drones, design and small scale construction and its materials, supply of small scale infrastructure and its inputs, satellite imagery and ortho-photo production.

Suppliers who consider as consumable and for temporary satisfaction are termed as exploitable and these inputs for the project are supply of stationary items, vehicle maintenance items, office furniture, industry materials, community driven materials, land certification materials and similar items. Some items are difficult to procure and have very limited suppliers. Suppliers of these items are termed as nuisance and these inputs are like supply of improved seed (forest and fruit seed), improved livestock, lime for acidic soil treatment, fuel saving stoves, fuel for vehicles and similar items. From the experience of SLMP-II, supplier of these inputs is not willing to participating in the competition because of the shortage of supplies.

The supply positioning categories of procurement have thus been appropriately identified with their attractiveness by suppliers is shown in the Supply Preferencing chart below:



To overcome supply of these nuisance items especially for seed supply, given that most of the seed multiplications have been specifically established by Government for this purpose, they consider the activity as their core market and see the project as good customers to grow their value as critical for their survival and justification of continuing existence.

On the other hand, the very small number and capacity problem of private sector involved on a small number of specific species of improved seeds and livestock not normally and sufficiently marketed by the private companies. These private sector suppliers thus find it an opportunity to further grow their businesses through further development by working with the project. They however want the project to

provide high amount of advance funds for them to cope with the high capital demand needed to meet the project demands.

3. STAKEHOLDERS ANALYSIS

Table 1: Stockholders analysis of the project

Stakeholder	Interest	Stakeholder Objectives from the Procurement
WB	Responsible	Acceptable procedures are used correctly and timely to achieve value for money and fairness in the procurement function, and contribute to PDO Provide awareness creation for the new procurement framework Provide timely clearance for prior review procurements Provide capacity building support
MoA/NPCU and BoAs/RPCUs	Responsible	Ensure that procurements are properly planned and conducted in timely manner to attract high competition to achieve value for money and fairness
MoLR	Accountable	Project implementation and receipt of stakeholders' full participation to ensure sustainability Conduct procurement of strategic and critical common user items.
MOFEC, MPI & Other Ministries	Informed	Get support of relevant Government Agencies in policy and counterpart funding issues
Communities and Households	Consulted	Properly consulted and involved in planning and implementation and provided with alternative livelihood and or contract in the physical and biological work
Vendors (Supplier and consultants)	Informed	Process of selection is open, fair and transparent

4. PROCUREMENT RISK ANALYSIS

Procurement Risk and Mitigation Measures: Lessons from the previous SLMP- II Project shows that the project experienced challenges due to delay in procurement planning and processing, lack of adequate technical support and uncompetitive market. These challenges have to be addressed including the possible challenges on procurement of strategic inputs, especially improved seeds, vehicles, motor bicycles and office equipment should be considered seriously to overcome project initial implementation phase.

Given the existing satisfactory procurement capacity within the implementing agencies, there is no need for hands-on extended implementation support. However, some actions will have to be taken to further strengthen capacity to ensure successful delivery of procurement actions particularly given that the project is governed by a new procurement policy framework which has brought regulation that is new even for experienced procurement experts. The project involves procurement under Community Driven Development (CDD) which requires providing simple and clear guidance on the governance structure and processing and reporting of procurement activities at local level where implementation capacity is even low.

In addition to providing continuous training before and after the effectiveness of the project, the procurement manual should be prepared with adequate coverage of the procurement issues including CDD procurement in a separate section and strengthening internal control and accountability in the project procurement structure.

With regard to training, the federal PCU in collaboration with the World Bank should organize trainings and workshop in the use of World Banks' new Systematic Tracking of Exchanges in Procurement (STEP) and the application of the new procurement framework. The procurement training should be extended to members of bid evaluation committees, procurement endorsing committee and relevant agency technical specialists who will participate in the preparation of Terms of Reference/Bidding documents and bid evaluation reports. The World Bank should provide support and technical assistance in the process of capacitating procurement experts on how to use STEP and familiarizing the concepts of the new procurement frameworks. In addition, timely review of procurement decisions (when applicable), procurement capacity and implementation and forwarding constructive and suitable suggestion is expected from the Bank. On the other hand, risk and capacity assessment should be conducted by the Bank before implementation of the project.

The project Procurement Risk Analysis has been analyzed based on the experience of the existing SLMP-II project and it is presented which is prepared in consideration of conclusions identified below.

In the current situation especially for the Tigray Region, the risk for no sufficient suppliers is observed due to unrest occurred in the region. The risk mitigation mechanism is procuring different seed directly from seed multipliers in the region for this year and distributing it to woredas.

Table 2: Summary of Procurement and Mitigation Measures

Risk Description	Likelihood Rating	Impact Rating	Overall Risk Rating	Proposed Mitigation	Risk owner
Limited/ insufficient number of qualified and experienced procurement staffing at the central, regional and woreda implementing agency to undertake procurement and support PPMUs	M (High for Woreda level)	H	H	Advanced procurement training on over all procurement activities Prepare and implement procurement manual with clear procedures in handling procurement activities in the project.	MoLR/ NPCU
Lack of capacity in contract management specially in the woreda level and in construction contracts	M (High for Woreda level)	H	H	Procurement manual to provide a section on contract management. Advanced contract management training and preparation of a guideline how to manage contracts,	MoLR/ NPCU
Insufficient and/ or delay in allocation of counterpart fund	H	H	H	MoLR NPCU & /BoANRs/ RPCUs plan, prepare and submit Counterpart Fund Request for the next year by the early for the next year	Implementin g Agencies
Delay in timely delivery of works (small scale iinfrastructures, culvert, weir, canal, ford, etc)	H	H	H	Extensive supervision and contract administration, participating construction enterprises (like Regional water works enterprises, and small scale enterprises)	Implementin g Agencies
Incapacity to attract and retain qualified procurement experts	H	H	H	Provide sufficient and competitive incentive structure and benefits	Implementin g Agencies
In adequate facility to use STEP at regional federal and woreda level	M	H	H	Provide adequate facilities including EVDO (Wireless) apparatus for each procurement specialists and dedicated internet connectivity	Project coordination units
Delay Timely delivery of Office equipment (Computers, photocopy machines, UPS, hard disk, etc)	M	H	H	Implementing agencies should prepare standard and more accessible specification and improve evaluation trend and approval mechanism	Implementin g Agencies
Local communities/ households are not interested in participating in physical work and in forest planting due to low wage rate	M	H	M	Organize sensitization and consultation programs to brief and seek communities' involvement, support and provide tools and incentives to whip up interest and increase wage rate	Implementin g Agencies

Risk Description	Likelihood Rating	Impact Rating	Overall Risk Rating	Proposed Mitigation	Risk owner
Possible corrupt and fraudulent practices in the implementation of the project procurement	M	H	H	Require procurement staff to sign Transparency and Ethic Statement, Use of internal audit system, Strong involvement of Regional and woreda Inspectorate Unit to conduct regular inspection	Implementing Agencies and development partners
Delay in selection of first year individual consultants	M	M	M	Ensure TORs for all first-year individual consultants assignments are ready prior to project effectiveness	MoLR/ NPCU
Inadequate complaint handling mechanism	M	M	M	Strengthen complaint handling mechanism at all levels of project implementation to receive, record and resolve all complaints with the guidance of the Bank team. Establish a complaint register and tracking system.	Implementing Agencies
Insufficient number of suppliers to participate in some types of equipment	M	M	M	Use diversified ways of advertising methods (including website) and participate international suppliers	Implementing Agencies

5. RECOMMENDED PROCUREMENT ARRANGEMENTS FOR THE PROJECT

5.1. Procurement Activity and Estimated Cost

The main categories and allocations for procurement activities under the project include (a) goods supply made up of (i) supply of office equipment, cars, motor bike and office supplies (Estimated cost USD 4,000,000) and (ii) supply and delivery of improved seeds, community driven commodities and seedlings for degraded land plantation and enrichment (Estimated cost USD 20,000,000); (b) Works contracts for the construction of small-scale infrastructure including access roads, dyke improvement and upgrading, dredging of canals, repair of culverts, access roads etc. (Estimated cost USD 7,000,000); (c) Non consultancy services for ortho-photo production and usage of mass media for promotion (Estimated cost USD 2,500,000); and (d) consultancy service for CSA and knowledge management, manual preparation, design and contrition supervision of small-scale infrastructure, and training (Estimated Cost USD 15,000,000).

5.2 Procurement arrangement and approach

Based on the project requirements, operational context, technical solutions and market analysis, procurement risk & Mitigation measures and strategy have been developed for each procurement category

to support the achievement of the project development objectives. For the procurement of goods involving equipment, cars, motorbike etc., the average estimated cost per package is not expected to exceed to USD 1,000,000 per package over the entire project life of 5 years. Given that there are several manufacturing outlets for these goods with several agents and suppliers representing them, an open national competition is more appropriate except vehicles and motor cycles which are recommended to be procured from UNOPS directly as per the justification in the previous sections. Procurement of Goods includes high value contracts under the projects which involve the supply of vehicles and motor bicycles. As indicated above, the market for these procurements is competitive and could be handled through open international competition. But the capacity in drafting specifications and technical evaluation of bids is inadequate. The alternative, as proven to be successful in other similar projects, could be to procure through UNOPS which allows access to its unique competence, negotiation power and arrangement with suppliers. Other big value contracts could be procurement of office equipment and land administration which have competitive market both locally and internationally.

Similarly, market research and trend showed that there is government, small, medium and large scale construction firms in the Ethiopian national market for the sector to the extent that over the past five years there were no records of many international firms participating in bidding with contracts estimated to cost less than USD 300,000. The average package of works contract anticipated under the project is about USD 250,000 with construction sites scattered in many locations. In this regard, an open national competition is found more suitable for works procurement. Based on the size of packages of works contracts to be procured and the historical trends of participation in similar bidding, no international firms are expected to be attracted to participate.

On the other hand, the market survey conducted for seed production and supply indicated seedlings are rarely produced on commercial scale for supply by the private sector. Seed supplies over the years in all projects have come from regional Seedling Development Centers and Scientific Research Centers specially established under the regions by the Government of Ethiopia to provide such seeds. These seedling production centers are under the direct administration and control of the local administration, which are also the project owners of this project. The approach for selection arrangement to be used for the supply of various types of seedling under the project is force account for the participation and direct contracting for government enterprises and the small scale privately owned nurseries for specific specialized seed production where competition is not practically possible.

Procurement of consultancy services particularly for impact evaluations related to Bio-physical impact evaluation, Climate Smart Agriculture productivity impact evaluation, Knowledge Management Information System and Synergies and policy evaluation of the biophysical and CSA are also considered

to be of high value (Estimated cost \$ 1 million per contract). While the consultancy market is still considered not competitive in delivering these assignments, except specialized researches institutes like WLRC, CGIAR, and CGIAR who are reputable and experienced in these studies which could be considered as alternative sources for these services. The actual approach will be determined on a case by cases basis during the implementation of the project.

Special focus will be given for procurement of small value supply of materials and services by the targeted community through CDD procurement. These procurements are directly linked with the achievement of Project Development Objectives by giving market access to the host community for the success of diversified livelihood activities. Similarly, focus will be given on the small scale works contracts, which in aggregate, takes substantial share of the project resource but will be executed in several packages each not exceeding USD 200,000.00. These small value works contracts will be open through open competition (nationally/locally) inviting all potential bidders including SMEs and local contractors. Packages of goods contracts in the region of USD 150,000 per package are also expected. There are other consumable costs like vehicle maintenance, stationary and other operational costs.

The case of Tigray Region:

There is unrest occurred in Tigray in the current situation and we proposed the implementation arrangement especially for the procurement of improved seeds and livestock.

- **Project emergency improved seeds and livestock procurement will be confined to the prior intervention major watersheds, micro watersheds and beneficiaries of RLLP woredas.**
- **Beneficiaries will be supported by the regions according to their level of damage and size of farm land approved by the community, kebele and woreda platforms organized which is available structure in the current situation.**
- **The potential seed suppliers will be selected in the region level and seed enterprises and cooperatives found within the region based on Zonal cluster approach to reduce risk, cost and time of distribution.**
- **Biotechnology institute, Bokra union, Shewit cooperative, Meadi kilte-awlaelo, and other input centres in the region will be the major suppliers of seed.**
- **Procurement methodology should be flexible enough to capture the changing circumstances happening in the emergency situation of the region.**
- **Variety, quality, and germination inspections will be undertaken by group of experts already organized by the project and BoARD.**

- Seed support will be made based on the notion of seed for development, i.e farmers will receive seed after the accomplishment of important packages set as preconditions that can help to facilitate the cultivation process and increase production.
- Documents will be maintained as per the established procedure in the project and shall be uploaded in STEP at a later time when internet connection is reestablished..
- Monitoring and evaluation of the process will be made through the emergency response platforms organized by the interim gov't from region to community. Community representatives and facilitators will take lion share at the bottom level.

7. SUMMARY OF PPSD FOR THE PAD

Table 3: Summary of costs for PPSD

Contract Title, description and category	Estimated cost USD and risk rating	Bank oversight	Procurement approaches/ competition	Selection methods	Evaluation methods
Office equipment (computers, printers, photocopier machines, scanners, tablet computers, hard disk) for national, regional and woreda level	2,618,403	Prior	Open/International	Request for Bids	Lowest Evaluated Cost (LCS) (Two packages)
Vehicles and motor bicycles	3,135,767	Prior	Limited/UNOPS	Direct Selection	Lowest Evaluated Cost (LCS)
Land Administration Materials (A3 color printers, scanners, total station, GPS, Clinometers, Auger, Plotters and hard disks) for regions	1,044,198	Post	Open/National	Request for Bids	Lowest Evaluated Cost (LCS)
Server, workstation computer with UPS for regions	285,800	Post	Open/National	Request for Bids	Lowest Evaluated Cost (LCS)
Acidic soil treatment materials and lime	305,716	Post	Open/National	Request for Bids	Lowest Evaluated Cost (LCS)
Office furniture for NPCU, RPCU and Woreda	409,297	Post	Open/National	Request for Bids	Lowest Evaluated Cost (LCS)
Stationary for NPCU, RPCU and Woreda	483,570	Post	Open/National	Request for Bids	Lowest Evaluated Cost (LCS)
Forest, vegetables and fruit seed (for woredas)	900,600	Post	Open/National	Request for Bids	Lowest Evaluated Cost (LCS)
Cereal seeds (maiz and teff) for Tigray Region	579,000	Prior	Limited	Direct Selection	Negotiation
Cereal seeds (Barley (Local), Wheat (Local), Sorghum (Local) and Chick pea (Local)) for Tigray region	1,316,600	Prior	Limited	Direct Selection	Negotiation
Bio-fertilizer for Tigray region	2,080	Post	Limited	Direct Selection	Negotiation
Forage seeds for Tigray region	237,625	Prior	Limited	Direct Selection	Negotiation

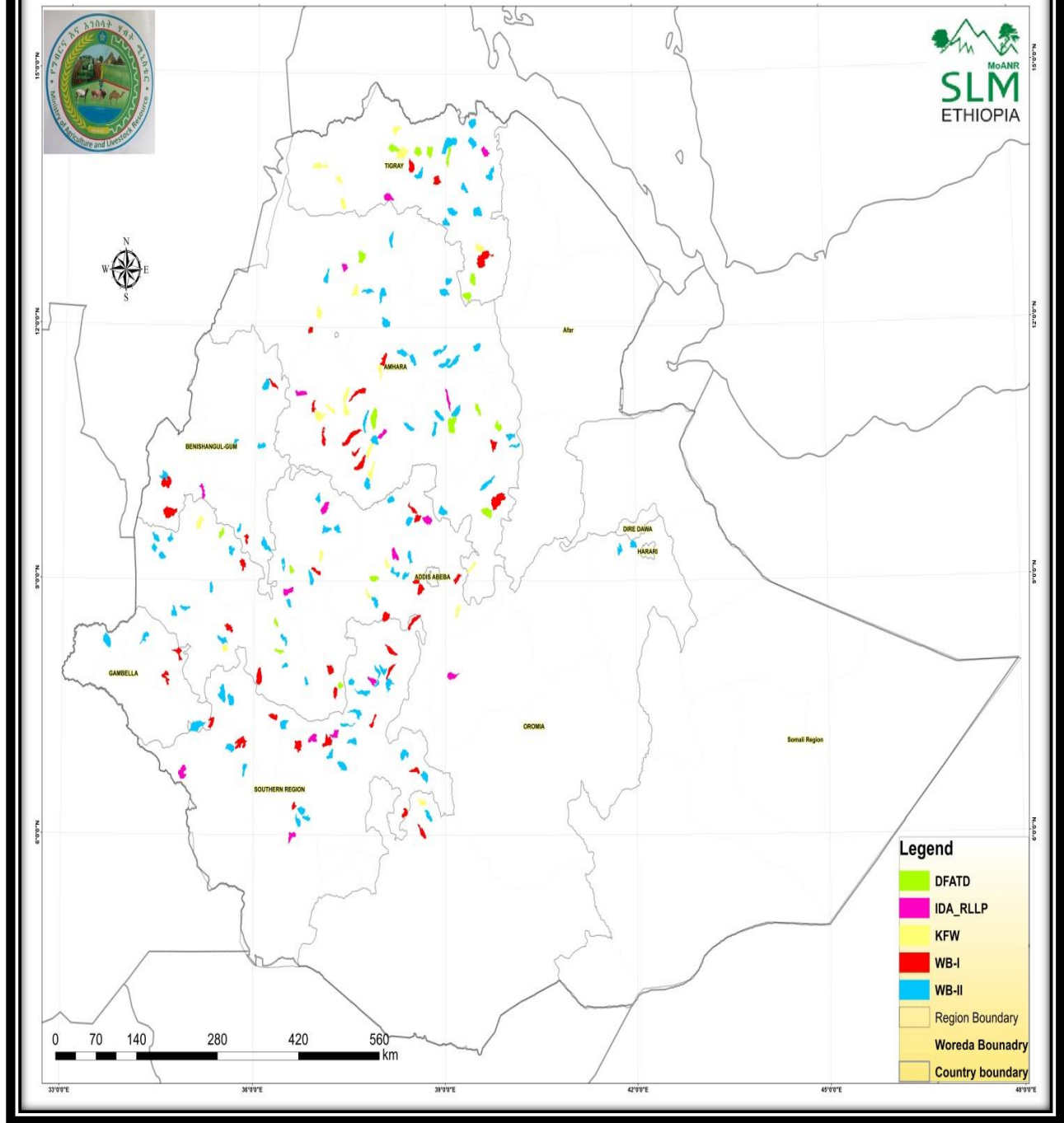
Vegetable seeds for Tigray Region	45,200	Post	Limited	Direct Selection	Negotiation
Chicken 45 day old or above for Tigray region	283,480	Prior	Limited	Direct Selection	Negotiation
Sheep and goats for Tigray region	192,800	Prior	Limited	Direct Selection	Negotiation
Agricultural hand tools (for woredas)	1,500,800	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Livelihood Promotion (IGA) Activities	476,000	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Water pumps (for woredas)	885,740	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Land certification materials (for woredas)	700,700	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Farm hand tools (like shovel, hoe, etc...)	750,000	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Industrial materials (nail, iron sheet, cement, etc...)	870,000	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Nursery tools (for watersheds))	550,700	Post	Limited	CDD	Lowest Evaluated Cost (LCS)
Tire and inner tube for vehicles (for national and regions)	350,200	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Gabion for terracing (for watersheds)	892,423	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Livestock (Chicken, bee, cattle) for watersheds	840,000	Post	Limited	CDD	Lowest Evaluated Cost (LCS)
Handcraft machineries for bamboo products manufacturing	1,000,000	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Construction of woreda information center (including its equipment)	500,000	Post	Open/ National	Request for Bids	Lowest Evaluated Cost (LCS)
Aerial photo, Ortho-photo production and satellite imagery	886,430	Prior	Limited (Force Account)	Direct selection	Cost recovery basis (Negotiation)
Provision of disease and drought resistant crop seeds	750,000	Post	Limited	Request for Quotation	Lowest Evaluated Cost (LCS)
Provision of improved farm machines/tools (hand held harvester, ripper, line planter, mechanical weed slasher) for 10 farmer groups	650,000	Post	National	Request for Bids	Lowest Evaluated Cost (LCS)
Compost making and transporting materials (including Effective micro-organism, earthworms and wheel barrows)	162,950	Post	National	Request for Bids	Lowest Evaluated Cost (LCS)
Community infrastructures and community access road (in different watersheds)	2,500,000	Post	National	QCBS	Rated criteria (VfM)
Bio-physical impact evaluation (Climate Smart Agriculture productivity impact evaluation and Synergies and policy evaluation of	2,500,000	Prior	Limited	Direct Selection	Lowest Evaluated Cost (LCS)

the biophysical and CSA impact evaluations)					
SLMP Knowledge Management Information System (KMIS) Upgrading, Maintenance and Implementation Training Consultancy Service	500,000	Prior	Limited	Direct Selection	Lowest Evaluated Cost (LCS)
Financial Audit for 5 years 5 times	100,000	Post	National	CQS	CQS
Independent Procurement Audit 2 times in a project time	150,000	Post	Open/International	QCBS	Quality and cost
Publication and public sensitization for project areas	450,000	Post	NCB/RFQ	Request for Bids	Lowest Evaluated Cost (LCS)
Studies, assessments, strategies and manuals/guidelines development for IGA and private sector development	88,400	Post	Open	IC	IC
Individual consultant	8,372,835	Post	Open	IC	IC
Revision and updating of capacity assessment, harmonized result based M&E, livelihood development assessment, consultancy services, etc..	275,000	Post	National	CQS	CQS
Trainings (M&E, GIS, Procurement, Finance, AutoCAD and design, ODK, CSPRO, Arc collector, UAV (drone application), Environmental and social safeguard, skill training for agro forestry and manufacturing related activities)	1,416,695	Post	National	CQS	Lowest Evaluated Cost (LCS)
Short term contract workers (Parasurveyors with their alliance) for land administration	350,000	Post	Open national	IC	IC
Operational costs (maintenance, fuel, sanitation, electricity, telecommunication, internet, DSA and other costs)	525,000	Post	National	RFQ/Direct	Lowest Evaluated Cost (LCS)
COVID-19 protection materials for national, regional and woreda project implementation areas	1,658,000	Post	National	RFB/RFQ	Lowest Evaluated Cost (LCS)
Total USD	41,967,009				

ANNEXES

ANNEX 1: MAP OF ETHIOPIA SHOWING THE PROJECT AREAS

SLMP Intervention Woreda By Fund Source



ANNEX 2: Government, Private Companies and Research Centers

1. States Owned Companies/ Centers in each regions

No	Name of company	Specialty/ Items to be delivered	location	Remark
Amhara Region				
1	Amhara Forest Enterprise	Different Forest Seed	Bahir Dar	
2	Amhara Improved Seed Enterprise	Different Improved Seed	Bahir Dar	
3	Deberezeite Institute of Veterinary Medicine	Vaccine	Deberezeite	
4	Ethio Improved Seed Enterprise	Different Improved Seed	Addis Ababa, Bahir Dar, e.t.c	
5	Kombolecha Poultry Resource Development Enterprise	chicken With Different Age	Kombolecha	
6	Ethiopia forest seed research center	Different Improved Forest Seed	Addis Ababa	
7	Amaha Agricultural Research Institute	Basic Improved Seed Supply	Bahir Dar	
8	Ethio Telecom...	Mobile And CDMA Card	Bahir Dar and in different towns of the region	
Oromia Region				
1	Research Institutes/Universities	Forest seeds	Jimma, Finfinne/Addis Ababa, Melkasa	
2	Oromia Forest and Wild life Enterprise	Forest seeds	Finfine/Addis Ababa	
3	National Forest Research Center	Forest seeds	Finfine/Addis Ababa	
4	Kotebe Metal Works Industry	Nursery tools	Finfine/Addis Ababa	
5	Kotebe Metal Works Industry	Hand tools for SWC	Finfine/Addis Ababa	
SNNP Region				
1	Hawassa poultry breeding Enterprise	Hens & cocks	Hawassa	
2	Kela lime production center	Lime stone	Gurage zone buei worda	
3	Jimma Agriculture research center	Improved best seeds	Jimma	
4	Hawassa liquid nitrogen center	Liquid nitrogine	Hawassa	
5	Wolita liquid nitrogen center	Liquid nitrogine	WolitaSodo	
6	Wolkite liquid nitrogen center	Liquid nitrogine	Wolkite	
7	Wolitasodo Improved Caws & breeding center	Improved bulls	Wolitasodo	
8	South best seed enterprise	Improved best seed	Hawassa	
9	Ethiopia best seed enterprise	Improved best seed	Addis ababa	

No	Name of company	Specialty/ Items to be delivered	location	Remark
10	Sinqillee Limestone factory	Limestone	Oromia / Sinqillee	
11	South design & construction Enterprise	Design and Consultancy service	South / Hawassa	
12	South Water Works Construction Enterprise	Infrastructure construction and Spring development construction	SNNPR / Hawassa	
Tigray Region				
1	Ethio telecom	Mobile card and Fixed phone and Internet , Video Apparatus Network cables, switch and internet connection device	Mekelle/ Woredas	
2	Tigray Mass Media Agency	Public sensitization via mass-media (TTV)	Mekelle	
3	Timuga Fruit nursery center	Avokado Fruits	Alamata	
4	Boreke Fruit nursery center	Variety of Fruits	Tselemti	
5	Ethiopian Seed Enterprise	Special Seeds	Addis Ababa/Branch Mekelle	
6	Aynalem Forages seeds center	Variety of Forages seeds	Mekelle	
7	Mekelle Farm	Poultry and hens	Mekelle	
8	TDA (Tigray Development Association)	Poultry and hens	Mekelle	
9	Tigray Water Works Construction	Design and Construction	Mekelle	
Gambela Region				
1	Deberezeite Institute of Veterinary Medicine	Vaccine	Deberezeite	
2	Ethio Improved Seed Enterprise	Different Improved Seed	Addis Ababa	
3	Ethiopia forest seed research center	Different Improved Forest Seed	Addis Ababa	
4	Kotebe steel	Agricultural tools	Addis Ababa	
5	Ethio Plastic	Poly bags	Addis Ababa	
6	Ethio Telecom...	Mobile And CDMA Card	Gambela	
Benshangule Region				
No	Name of company	Specialty/ Items to be delivered	location	Remark
1	Deberezeite Institute of Veterinary Medicine	Vaccine	Deberezeite	
2	Ethio Improved Seed Enterprise	Different Improved Seed	Asosa	
3	Ethiopia forest seed research center	Different Improved Forest Seed	Addis Ababa	
4	Kotebe steel	Agricultural tools	Addis Ababa	
5	Ethio Plastic	Poly bags	Addis Ababa	
6	Ethio Telecom...	Mobile And CDMA Card	Asosa	

2. Enterprises, research centers or agencies autonomous by themselves (not or little supported/funded by government) the capacity to supply project inputs

No	Name of company	Specialty/ Items to be delivered	location	Remark
Amhara Region				
1	Tis Isat construction plc	Different Water Works and Related Construction	Bahir Dar	
2	Abay Construction Plc	Different Water Works and Related Construction	Bahir Dar	
3	Amahara Road Development Enterprise	Different road works and related construction	Bahir Dar	
4	Amhara Water Works Development Enterprise	Different Water Works and Related Construction	Bahir Dar	
5	Amahara Design Works Enterprise	Different Design Works	Bahir Dar	
6	Amahara Pipe Enterprise	Geomemeberane and other Pipes	Bahir Dar	
7	Dejen Gypsum Enterprise	Lime and gypsum	Dejen	
		Oromia Region		
1	Oromia Water Works Enterprise	water works and related	Finfine/Addis Ababa	
3	Oromia Rural Road Construction Enterprise	Road construction & related	Finfine/Addis Ababa	
4	URRAP	Road construction & related	Different zones of the Region	
SNNP Region				
1	Abyssinia cement factory	Limestone	Oromia / Mojjo	
4	Building inputs production factoryMidroc sister company	Limestone	Addis Ababa	
5	Sinqillee Limestone factory	Limestone	Oromia / Sinqillee	
6	Abera High breed sheep supply association	High breed sheep	SNNPR/Sidama	
7	Konso High breed goats supply association	High breed Goats	SNNPR/Konso	
8	Bonga High breed sheep supply association	High breed sheep	SNNPR/Bonga	
9	DoyogenaSheeps breeding association	High breed sheeps	SNNPR KembataTembaro	
10	Ethio Sidama farmers union	Haricot (improved seed)	Hawassa	
11	Hibret fire farmers union	Improved seed	Arbaminch	
12	Zeretakembata farmers union	Improved seed	Doyogena	

No	Name of company	Specialty/ Items to be delivered	location	Remark
13	Halabihorisinka farmers	Improved seed	Halabakulito	
14	Edget farmers union	Improved seed	Butajira	
Tigray Region				
1	BruhTesfa	Polythen tube	Mekelle	
2	BruhTesfa	Grafted seedling cup	Mekelle	
3	MaychewPartiklBord	Gabion supply	Maychew	
4	Raya Berewery	Molasses	Maychew	
5	Mekelle Tissue culture	Variety of Fruits, Crop, Seedlings,	Mekelle	
6	Saba Dimention stone	Dimention stone	Adwa	
7	Mesebo Factory	Cement	Mekelle	
8	Mesfin industrial PLC	Tractor	Mekelle	
9	Hadnet Raya Union Association	Special seeds & Fertilizer	Maychew	
10	Mebale Union Association	Special seeds & Fertilizer	Axsum	
11	KuleMeday Union Association	Special seeds & Fertilizer ,balanced forage	Enderta	
Gambela Region				
1	Letinsa Share Company	Different Water Works And Related Construction	Addis Abeba	
2	Terrace Engineering PLC	Different Water Works And Related Construction	>>	
3	Mohamed & Families water works construction PLC	Different road works and related construction	>>	
4	BDS center for development research	Different Water Works And Related Construction	>>	
Benshangule Region				
1	BDS center for development research	Different Water Works And Related Construction	Addis Ababa	
2	Mohamed & Families water works construction PLC	Different Water Works And Related Construction	>>	
3	Terrace Engineering PLC	Different road works and related construction	>>	
4	Letinsa Share Company	Different Water Works And Related Construction	>>	

3. Private Companies/Farms who can supply project inputs

No	Name of company	Specialty/ Items to be delivered	location	Remark
Amhara Region				
1	Eshete Agricultural Input Supplies Plc	Agricultural Input Supplies	Bahir Dar	
2	Seiedhusen General Agricultural Input Supplies Plc	Agricultural Input Supplies	Bahir Dar	
3	Amanuel Agricultural Input Supplies Plc	Agricultural Input Supplies	Bahir Dar	
4	Beyenewalewa forest ,vegetable and fruit seed supplier plc	Forest ,Vegetable And Fruit Seed Supplier	AWASSA	
5	DT Trading	Agricultural Input Supplies	Addis Ababa	
6	Alegateplc	Agricultural Input Supplies	Bahir Dar	
7	MsefinAnagaw	Agricultural Input Supplies	Bahir Dar	
8	MuhamedNega	Agricultural Input Supplies	Bahir Dar	
9	LmelmeKasie	Agricultural Input Supplies	Bahir Dar	
10	MulatAbegaze	Agricultural Input Supplies	Bahir Dar	
11	Dewaro General trading	Agricultural Input Supplies and others	Bahir Dar	
12	Grado poultry supplies plc	Poultry Supplies	Komebolecha	
Oromia Region				
1	ILRI	Seed supplier	Bishoftu, Oromia	
2	FRC - Forest Seed Center	Seed supplier	Addis Ababa	
3	Agroforestry Best	Seed supplier	Addis Ababa	
4	MenageshaSuba Forest District Office	Seed supplier	Menegesha	
5	Green Memes	Seed supplier	Addis Ababa	
6	TimirErshaGibeat	Seed supplier	Jemo	
7	AlemuLegese, Holeta	Fruit tree seedling Suppliers; Apple	Holeta	
8	Dajene W/mariam	Fruit tree seedling Suppliers; Apple	Menegesha	
9	Deribe	Fruit tree seedling Suppliers; Avocado	Itaya, Oromia	
10	Wagane	Fruit tree seedling Suppliers; Avocado	Huruta, Oromia	
11	Tesfaye	Gabion Suppliers	Furi, Burayu, oromia	
12	Wukiro - Towelde	Gabion Suppliers	Ura'el, Kaliti, Addis Ababa	

No	Name of company	Specialty/ Items to be delivered	location	Remark
13	Emu General Importers	Generoters, pumps, Different Equipment	Finfine/Addis Ababa	
14	Ultimate Motors	Electronics & Equipment	Finfine/Addis Ababa	
15	Kenera International Plc	Computers and Electronics	Finfine/Addis Ababa	
16	Alta ComputechPlc	Computers and Electronics	Finfine/Addis Ababa	
Tigray Region				
1	BeyeneWelanowatertube& Seedling plastic supply	Polythen tube	Mekelle	
2	BeyeneWelanowatertube& Seedling plastic supply	Gratted seedling cup	Mekelle	
3	Hadnet Raya Union Association	Special seeds & Fertilizer	Maychew	
4	MebaleUnion Association	Special seeds & Fertilizer	Axsum	
5	KuleMeday Union Association	Special seeds & Fertilizer ,balanced forage	Enderta	
Gambela Region				
1	BereketMeskele Forest & forage seed & Tropical fruit seedling supplier	Different Forest & forage seed & fruit seedling	Hawassa	
2	SemonSetotawu Forest & forage seed & Tropical fruit seedling supplier	>>>>>>	>>	
3	BirhanuKerka Forest & forage seed & Tropical fruit seedling supplier	>>>>>>	>>	
4	MatusalaWajo Forest & forage seed & Tropical fruit seedling supplier	>>>>>>	>>	
5	Tesfaye Poultry farm Enterprise	Chicken With Different Age	Around Deberezeite	
6	Merobi Poultry farm Enterprise	>>>>>>	>>>>	
7	TederosKasahun Poultry farm Enterprise	>>>>>>	>>>>	
8	NegashAbisheru construction materials supplier	Agricultural tools & field equipment's	Gambela	
9	Zemzembenti construction materials supplier	>>>>>>	>>	

No	Name of company	Specialty/ Items to be delivered	location	Remark
10	Mengistu Abate construction materials supplier	>>>>>>	>>	
11	BineyamTadesse construction materials & generator trading	Agricultural tools, field equipment's, water lifting & portable electric generators	Addis Ababa	
12	Yustena Machinery & tools	>>>>>>	>>	
13	BetelihemAbat construction materials supplier	>>>>>>	>>	
14	Desta belay printing enterprise	Different project documents, receipt, banners, etc	Gambela	
15	Genet printing enterprise	>>>>>>	>>	
16	Alewero printing enterprise	>>>>>>	>>	
17	John General printing enterprise	>>>>>>	>>	
18	TsegaReta Supplier	Computers & accessory	Addis Ababa	
19	Tigest&Tesfaye Stationary, Computers & accessory Supplier	>>>>	>>	
20	SS Computers & related equipments Supplier	>>>>	>>	
21	Bel Agro Bisness PLC	Bee equipment & accessories		
22	Gogel trading	>>>>>>		
23	Birayet trading	>>>>>>		
24	Multi supplies trading	>>>>>>		
Benshangule Region				
1	Adugnabelachew Forest & forage seed & Tropical fruit seedling supplier	Different Forest & forage seed & fruit seedling	Asosa	
2	AntenhTades Forest & forage seed & Tropical fruit seedling supplier	>>>>>>	>>	
3	BirhanuKerka Forest & forage seed & Tropical fruit seedling supplier	>>>>>>	>>	
4	EjigayehuAlemu Forest & forage seed & Tropical fruit seedling supplier	>>>>>>	Asosa	
5	Gerado poultry supplies plc	Chicken With Different Age	Kombolcha	
6	Andent Poultry farm Enterprise	>>>>>>	Pawe	
7	EshetuGetahun Poultry farm Enterprise	>>>>>>	>>>>	

No	Name of company	Specialty/ Items to be delivered	location	Remark
8	AyelechBonsaConstraction Materials Supplier	Agricultural tools & field equipment's	Asosa	
9	Mohammed Usman construction materials supplier	>>>>>>	>>	
10	GeremewChane construction materials supplier	>>>>>>	>>	
11	BineyamTadesse construction materials & generator trading	Agricultural tools, field equipment's, water lifting & portable electric generators	Addis Ababa	
12	Yustena Machinery & tools	>>>>>>	>>	
13	BetelihemAbatconstruction materials supplier	>>>>>>	>>	
14	KidaneMariyamAbera	Different project documents, receipt, banners, etc	Asosa	
15	Genet printing enterprise	>>>>>>	>>	
16	TsgayeMesert	>>>>>>	>>	
17	AdugnaTeshome	>>>>>>	>>	
18	BkemaKebede	Computers & accessory	Asosa	
19	EtalemBirhanu	>>>>	>>	
20	BiniyamDisasa	>>>>	>>	
21	UsmanAhemed PLC	Bee equipment & accessories	>>	
22	Afenan General Trading	>>>>>>	>>	
23	DerebewAshigere	>>>>>>	>>	
24	Abebaw W/Agenhu	>>>>>>	>>	

ANNEX 3: ADVANCE ACTION PLAN PRIOR TO PROJECT EFFECTIVENESS

Findings:

- Every procurement staff should be available before the project effectiveness to arrange project startup inputs. For MoLR/NPCU and four regions (Amhara, Oromia, SNNP and Tigray) the previous procurement specialists have the capacity to fill this gap. But for two regions (Gambela and Benshangule) have no procurement specialist independently to fill the gap. Therefore, recruitment of these specialists at the earliest time is mandatory.
- MoLR/NPCU and RBoANRs/PCUs personnel have no adequate knowledge and experience on the new WB procurement frame work. Hence, there may be a gap on the nature of regulations/ articles/ clauses... in the SBD/ SRFP; and procurement personnel may not be applying them correctly if not further trained.
- Procurement personnel at woreda level lack knowledge and experience in WB new framework procurement; hence, they should be supported by advance procurement trainings.

Strategy:

- Startup procurement trainings prior to project effectiveness based on new procurement framework. These will also be the basis for any further need for additional advanced trainings during project implementation.

Target participants:

- Procurement personnel from MoLR/NPCU, RBoALRs/PCUs and Woreda procurement officers.
- Personnel from relevant agencies involved in procurement activities, decisions and oversight (i.e. appraisal, approval, inspectorate, internal audit etc.).

Training contents proposed:

- New WB procurement frame work, especially on “Bank Policy - Procurement in Investment Project Financing (IPF) and Other Operational Procurement Matters” and “Procurement Regulations for IPF Borrowers - Procurement in Investment Project Financing: Contract management, Goods, Works, Non-consulting and Consulting services, July 2016”;
- Understand the nature of each requirements/ articles/ clauses of the ITB, ITC, BDS, GCC; SCC in SBDs
- Activities to be performed at each steps of each procurement/ selection methods and the associated deliverables/ outputs required at each activities/ each steps; and contract management activities.

Targets to be achieved:

- Knowledgeable on the new WB procurement frame work;
- Understand the natures of articles/ clauses of the ITB, ITC, BDS, GCC; SCC...

- Correctly implementing of procurement/ selection process at high standard, achieving the efficiency in timing, costing, and resources mobilized;
- Best practices on procurement/ selection, contract management, filling and file keeping are on hand and be ready to use.

ANNEX 4: PROCUREMENT PLAN

(Textual Part)

Project information: Ethiopian Resilient Landscape Livelihood Project

Project Implementation Agencies: MoLR Central Project Management Unit (NPCU) and Regional Project Management Units (RPCUs) of Amhara; Oromia; SNNP; Tigray; Benshangule; Gambela

Date of the Procurement Plan: June 6, 2018

Period covered by this Procurement Plan: 18 Months (2018/19) (from January 2019 to June 2020)

Preamble

In accordance with paragraph 5.9 of the “World Bank Procurement Regulations for IPF Borrowers” (July 2016) (“Procurement Regulations”) the Bank’s Systematic Tracking and Exchanges in Procurement (STEP) system will be used to prepare, clear and update Procurement Plans and conduct all procurement transactions for the Project.

This textual part along with the Procurement Plan table in STEP, constitute the Procurement Plan for the Project. The following conditions apply to all procurement activities in the Procurement Plan. The other elements of the Procurement Plan as required under paragraph 4.4 of the Procurement Regulations are set forth in STEP.

A. The Bank’s Standard Procurement Documents (SPDs): The Bank’s SPDs shall be used for all contracts subject to international competitive procurement (ICB) and those contracts as specified in the Procurement Plan tables in STEP.

B. National Procurement Arrangements: In accordance with paragraph 5.3 of the Procurement Regulations, when approaching the national market (as specified in the Procurement Plan tables in STEP), the country’s own procurement procedures may be used..

(a) Open Competitive Procurement: When the Borrower uses its own national open competitive procurement arrangements as set forth in the Ethiopian Public Procurement Law No. 649/2009 and related provisions necessary to affect the same arrangement; and (b) Guiding Implementation of the Law on the Procurement (collectively, “National Procurement Laws”), such arrangements shall be subject to paragraph 5.4 of the Procurement Regulations and the following conditions.

(i) In accordance with paragraph 5.3 of the Procurement Regulations, the request for bids/request for proposals document shall require that Bidders/Proposers submitting Bids/Proposals present a signed acceptance at the time of bidding, to be incorporated in any resulting contracts, confirming application of, and compliance with, the Bank’s Anti-Corruption Guidelines, including without limitation the Bank’s right to sanction and the Bank’s inspection and audit rights.

(ii) No domestic preference over foreign bidders shall be granted to national bidders in bid evaluation, nor shall foreign bidders be asked or required to form joint ventures with or be subcontractors to national bidders in order to submit a bid.

(iii) The model bidding documents (harmonized model bidding documents) agreed with the Association shall be used.

(iv) No bid shall be eliminated from detailed evaluation on the basis of minor, non-substantive deviations. The evaluation of bidder's qualifications shall be conducted separately subsequent to the technical and commercial evaluation of the bid.

(v) A bidder shall neither be required nor permitted, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

(vi) No bid shall be rejected on the basis of a comparison with the employer's estimate and budget ceiling.

(vii) The Recipient shall implement an effective mechanism allowing bidders to complain and have their complaints handled in a timely manner. The complaints mechanism shall allow the submission of anonymous complaints.

C. Leased Assets as specified under paragraph 5.10 of the Procurement Regulations: Not Applicable.

D. Procurement of Second Hand Goods as specified under paragraph 5.11 of the Procurement Regulations: Not Applicable.

E. Domestic Preference as specified under paragraph 5.51 of the Procurement Regulations (Goods and Works): For International Competitive Bidding.

F. Hands-on Expanded Implementation Support (HEIS) as specified under paragraphs 3.10 and 3.11 of the Procurement Regulations: Not Applicable.

G. Other Relevant Procurement Information: Not Applicable.

Note: - the procurement plan has been attached in a separate excel sheet