

# **Construction Sector Transparency Initiative (CoST)- ETHIOPIA**

**Assurance Team Final Report  
October 2010**

**World Bank Financed Ethiopian Nile Irrigation and Drainage  
Project**

**Feasibility Study, Detailed Design and Preparation of Tender  
Documents  
(Approx. 20,000ha Irrigation & Drainage)**

**October 2010**



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PROJECT NAME	TEAM LEADER	TEAM MEMBER
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## Acronyms

AT	Assurance Team
ANRS	Amhara National Regional State
ARARI	Amhara Regional Agricultural Research Institute
AWPB	Annual Work Plan and Budget
BoFED	Bureau of Finance and Economic Development
BoWRD	Bureau of Water Resources Development
BoARD	Bureau of Agriculture and Rural Development
CoST	Construction Sector Transparency
CPA	Cooperative Promotion Agency
dg	<i>Development Gateway's</i>
EIDP	Ethiopian Irrigation and Drainage Project
ETB	Ethiopian Birr /Currency
EPLAUA	Environmental Protection, Land Administration and Use Authority
EOI	expression of interest
ESIA	Environmental and Social Impact Assessment
FDRE	Federal Democratic Republic of Ethiopia
FY	Fiscal Year
ha	hectare
GPN	Development Business Magazine
ICAS	Interim Country Assistance Strategy
IDA	International Development Association
ITC	Instructions to Consultants
LOI	Letter of Invitation
MPI	Material Project Information
MoWR	Ministry of Water Resources
MSG	Multi-Stake Holder Groups
M&E	Monitoring and Evaluation
NMSG	National Multi-Stake Holder Groups
PSC	Project Stirring Committee
PE	Procuring Entity
QCBS	Quality- and Cost-Based Selection
RFP	Request for Proposal
RAP	Resettlement Action Plan
S. No.	Serial Number
TOR	Terms of Reference
UN	United Nations
VAT	Value Added Tax
WB	World Bank
%	Percentage

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## 1. EXECUTIVE SUMMARY

### 1.1. Project Description

1.1.1. Ethio-Nile Irrigation and Drainage Project is one of the development programmes in a series of Nile investments with a total amount of 110 million USD budget to develop approximately 100,000 ha irrigable land within 8 years program from 2008 to 20015. The project is located within the Nile basin of the country, Ethiopia. The development objective of the project is to sustainably increase agricultural output and productivity of local farmers, thereby reduce rural poverty in Ethiopia at large. The Ministry of Water Resources, has established project coordinating office at national level for the coordination and monitoring of the project. Also at region and district level project implementation teams are established. Currently the project is at feasibility study and detail design phase under two contracts (app. 20,000ha and 80,000ha contracts).

### 1.2. Approach to Awarding Contract

1.2.1. Here the service is Feasibility Study, Detailed Design and Preparation of Tender Documents approximately for 20,000ha Irrigation & Drainage project. The employer is Federal Democratic Republic of Ethiopian through the Ministry of Water Resources, which entered into a contract agreement with TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia with Lump-Sum (fixed) contract price amounting 3,609,620.00 USD and local currency of 12,805,968.75 ETB with VAT. The contract agreement was signed on 2<sup>nd</sup> August 2007 for 20 months of contract period.

1.2.2. The consultant employed for this project is selected according to the Quality- and Cost-Based Selection (QCBS) of World Bank procedure. Each step had to be approved with No Objection by World Bank. The percentage weights allocated for technical and financial proposal so to select the best bidder are 80 and 20 respectively. Evaluation Criteria was set by 5 committee members from the PE and approved by the Main Tender Committee. A total of 23 potential consultants had expressed their interest to contest for the assignment. The submission deadline was 28 Feb 2006. Out of which six firms were short listed and 2 of them reserved on the short listing evaluation process. Regardless, only 4 firms submitted their Technical and Financial proposals. At the end, only two firms namely Tahal Consulting Engineers Ltd. and GIBB have been found to be technically responsive and qualified for financial evaluation. Finally, the service contract was signed on 2 August 2007 with TAHAL Consulting Engineers Ltd of Israel and

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Concert Engineering and Consulting Enterprise PLC of Ethiopia, for a contract period of 20 months.

1.2.3. The procurement process took close to 18 months (from 28 Feb 2006 to August 2, 2007) due to encountered notable delays on both sides (WB and PE) processes. The short listing report prepared by the PE on May 2006 was sent to WB for No Objection on 07 June 2006. However, the bank issued its no objection statement on 07 June 2006 which is after a month. Then, the Request for Proposal (RFP) was submitted to the bank on 13 September 2006 which is after 9 weeks. WB reply was also late for 2 months. The consulting firms' proposal submission date was extended from 03 to 17 January 2007. The technical evaluation report was sent to WB on 02 February, 2007. "No Objection" replied on 27 April 2007 after 2 months delay. The financial proposal opened on 16 May 2007. Finally, Contract agreement was signed after 18 months since the announcement of Expression of Interest, on August 2, 2007.

### 1.3. The Consulting Service Progress

1.3.1. Up to July 30, 2010 the project is not completed and the delay was 15 months or 75 %.

1.3.2. The commencement date was delayed by additional five weeks noticing the Holiday and rainy season reasons. So, 6.67 % of the assignment period spent here with out contractually justified reasons. The inception report was submitted after 2 months delay on 29 November 2007.

1.3.3. The consultant failed to deploy most of the professionals and key personnel that were expected for the execution of the works based on the man-month in put under the Contract Agreement. Also, the AT observed a lot of correspondences letters regarding the substitution of professionals within the contract period. No strong action seen that taken by the PE except the warning letters.

### 1.4. Recommendations

1.4.1. The procurement process delay should be minimized by some means that should be set by the two parties negotiation. For example, WB may assign a staff for the follow up in the PE country during the procurement process.

1.4.2. The PE should give more care and emphases to minimize the crises for this project by implementing day to day and weekly follow up instead of notifying the delay of milestone reports.

1.4.3. The PE should strengthen the Coordination unit/office by hiring individual consultants capable of managing especially contractual and technical issues.

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1.4.4. Ministry of Water Resources should consider dividing such contract into smaller parallel contracts called lots in order to improve the whole progress of the project.

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## 2. INTRODUCTION

### 2.1. Background

- 2.1.1. The Construction Sector Transparency Initiative (CoST) aims to increase the accountability of public sector organisations and construction companies for their construction projects for the cost, time and quality of public sector construction projects. It will do this by disclosing information at all stages of the construction project cycle, from the initial identification of the project to the final completion. To achieve this, the disclosed information will be verified and analyzed for accuracy and factually assessed by experts AT appointed for this purpose to be easily understood by stakeholders.
- 2.1.2. . It is being piloted in seven countries, Ethiopia being one of them. The MSG directs the implementation. It consists of representatives from government, the private sector and civil society. Country coordinating office is managing the pilot on behalf of the MSG.
- 2.1.3. Projects for the pilot study were identified before the AT team was assigned. In this assignment one professional was responsible to handle two contracts one consulting service contract and the other works contract. The consulting service is about Ethio-Nile Irrigation and Drainage Project contract. However, when I get in to the assignment the service have been found to be two contracts which are the 20,000 and 80,000 ha irrigation and drainage projects. Both these consulting contracts are verified and analysed by this AT member.
- 2.1.4. This Ethio-Nile Irrigation and Drainage Project is 8 years program, 110 million USD budget and 100,000 ha command area financed by World Bank. Here, the report deals part of this project which is the feasibility study and detail design app. 20,000 ha service contract. The 80,000 ha is covered by the other similar report.
- 2.1.5. The assurance team appointed for this specific pilot study comprises two senior water resources engineers specialized in hydraulics engineering one as a team leader and the other as team member. The team has a collective responsibility to collect and analyse project information and generate analytical report of the assurance process. This report has been prepared by Tesema Habte, AT member.

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## 2.2. Objectives of the Pilot Study

The role of the Assurance Team, who will be answerable to a National Multi-Stakeholder Group (NMSG) responsible for CoST, has a role of interpretation in helping to make raw data disclosures understandable to a wider range of stakeholders.

The assurance process will have the following core objectives:

- collect the project information
- verify the accuracy and completeness of the information
- analyse the information and make informed judgements about the cost and quality of the project
- report on the findings regarding the cost and quality of the project and highlighting any outstanding questions.
- to produce reports that are clearly intelligible to the non-specialist.

## 2.3. Study Approach and Work Carried Out

2.3.1. The Assurance Team (AT) obtained an induction from the National Multi-Stakeholder Group (NMSG) at the beginning of this assignment.

2.3.2. The team had thoroughly reviewed the documents obtained. To check for consistency and accuracy, similar documents from consultants have been collected and analysed.

2.3.3. Data and information were collected and compiled according to the formats and tools given by the country coordinating office. This was done with the view to assessing compliance with procurement procedures stipulated during tendering phase. Documentation was then carried out to record, assess and report findings and recommendations obtained from the study.

2.3.4. The Ministry of Water Resources coordinates the project through the established coordinating office and was collaborating through the process.

2.3.5. Frequent discussions were made with the project coordinator and the staffs involved in the project implementation on required issues.

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2.3.6. Initially availed data, document and information fall into the following categories.

Report Type	Document Date	Volume	Prepared by
Project Appraisal Document	May 6, 2007		MoWR
Financial Agreement	July 13, 2007		
Consultant Short Listing Evaluation Report	May 2006		MoWR
Combined Technical and Financial Evaluation Report for selection of Consulting Firms	May 2007		MoWR
Consulting Service Contract Agreement	2 August 2007		MoWR
Addendum for Contract agreement	31 August 2009		
Progress Reports	June 01 – 30, 2010		TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia
Addendum	August 31, 2009		
Payments ( 1 advance and 4 payments)	From 3/12/2008 to 6/5/2010		

2.3.7. Additional data, document and information collected by the AT fall into the following categories.

Report Type	Document Date	Volume	Prepared by
Project Implementation Manual	September 2007	I & II	MoWR
RFP (Request for Proposal)	20 November 2006 sent to the firms		MoWR
Consultant Proposals for Technically Qualified Firms	January 2007		<ul style="list-style-type: none"> <li>TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia</li> <li>GIBB Africa Ltd and Associates (Kenya)</li> </ul>
Technical Evaluation Report for selection of Consulting Firms	February 2007		MoWR
Financial Evaluation Report for selection of Consulting Firms	May 2007		<ul style="list-style-type: none"> <li>TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia</li> <li>GIBB Africa Ltd and Associates (Kenya)</li> </ul>

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## 2.4. Description of the Project and Services

### Descriptions

- 2.4.1. Ethio-Nile Irrigation and Drainage Project is one of the development programmes in a series of Nile investments with a total amount of 110 million USD budget to develop approximately 100,000 ha irrigable land within 8 years program from 2008 to 20015. The project is located within the Nile basin of the country, Ethiopia. The development objective of the project is to sustainably increase agricultural output and productivity of local farmers, thereby reduce rural poverty in Ethiopia at large. The Ministry of Water Resources, has established project coordinating office at national level for the coordination and monitoring of the project. Also at region and district level project implementation teams are established. Currently the project is at feasibility study and detail design phase under two contracts (app. 20,000ha and 80,000ha contracts).
- 2.4.2. It also forms a key element of the World Bank's strategy in Ethiopia, in particular its Interim Country Assistance Strategy (ICAS), predicated on twin pillars of good governance and growth, in particular pro-poor growth along with productivity enhancement.
- 2.4.3. Here, the report deals with the Consulting Service contract of Feasibility Study, Detail Design and Preparation of Tender Documents approximately 20,000 ha Irrigation & Drainage project which is part of the Ethio-Nile Irrigation and Drainage Project (EIDP).
- 2.4.4. The project is located within the Nile basin that draining the northern and central parts of the country. It is implemented as a national project, located in the three regions namely Amhara, Oromia and Benishangul.
- 2.4.5. The objective of the development programme is to sustainably increase agricultural output and productivity in project areas. Anticipated results include an increase in quantities of major products marketed by farmers as well as in value added per unit area and worker.
- 2.4.6. This Feasibility Study, Detail Design and Preparation of Tender Documents of approximately 20,000 ha Irrigation & Drainage project includes:
- Megech / Seraba 5,254 ha pumping scheme, 110m long pipeline from Lake Tana,
  - Ribb 14,460 ha reservoir source irrigation scheme, and
  - Anger 17,000 ha feasibility; 5,000 ha and dam detail design projects.

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**Project Location**

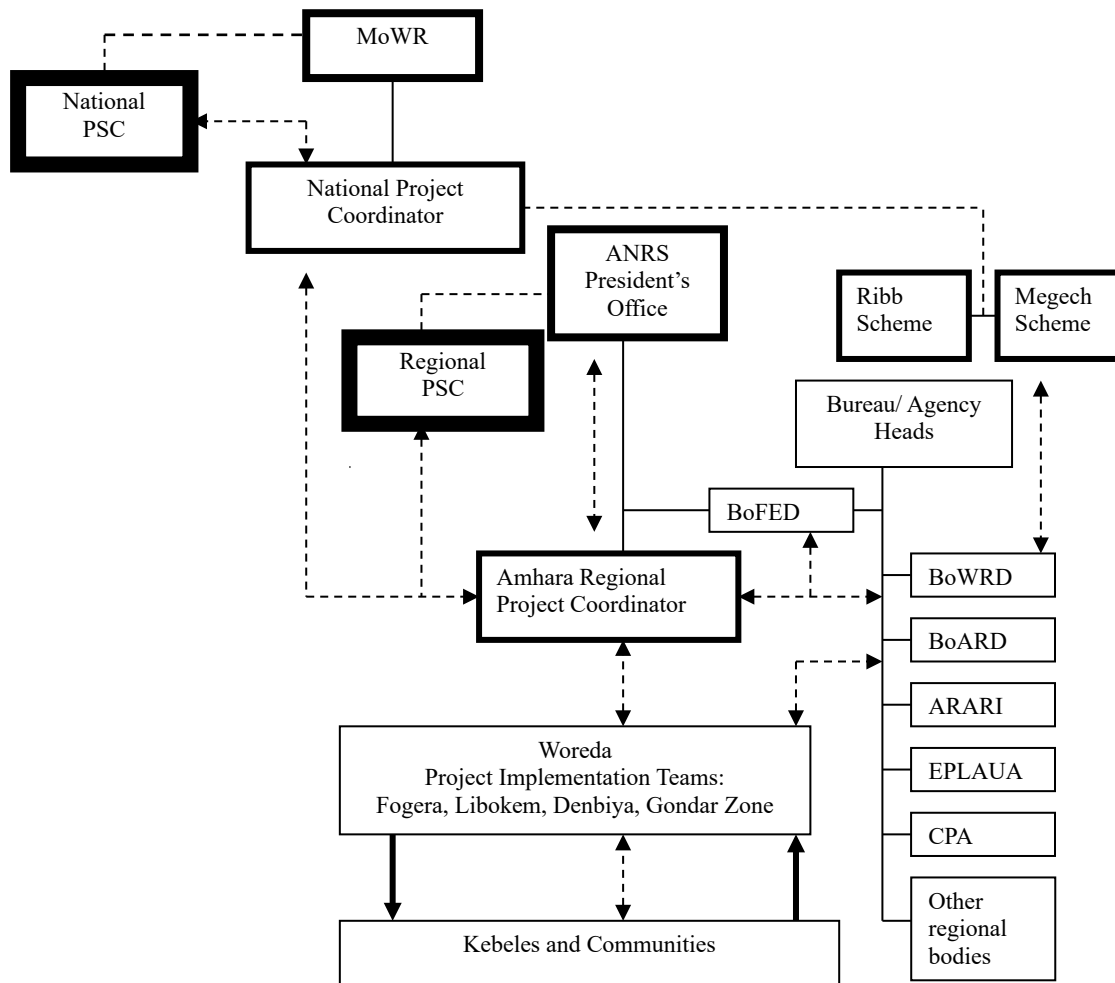
2.4.7. This EIDP is implemented as a national project located in Amhara and Oromia National Regional State in three specific locations named Megech, Ribb and Anger.

- The Megech / Seraba pump Irrigation and Drainage Project area is located in northern part of the country in Amhara Regional State, North Gonder zone in Dambia Wereda and near northern shoreline of Lake Tana.
- Ribb Irrigation and drainage project is located in the Ribb River Basin, a sub-basin of Lake Tana Basin situated on its eastern side, in South Gonder Zone of Amhara National Regional State.
- Anger Project area is located in the Oromia National Regional State in East Wollega and Horro Guduru zones.

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2.4.8. Overall information and reporting links



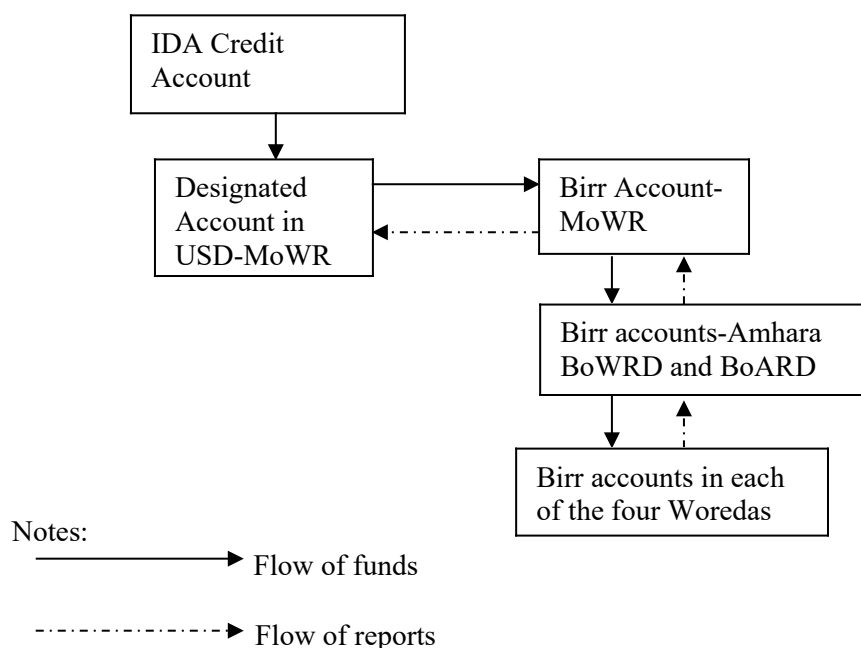
←--→ = Information and reporting links. Include submission of AWPBs, periodic reporting & participation in M&E Activities

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The employer and PE is Federal Democratic Republic of Ethiopian (FDRE) through the Ministry of Water Resources MoWR), who entered into a contract agreement with TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia at a Lump-Sum contract price of the foreign currency 3,138,800.00 US \$ without VAT or 3,609,620.00 USD \$ with VAT and local currency 11,135,625.00 ETB without VAT or 12,805,968.75 ETB with VAT. The Consultancy Contract agreement was signed on 2nd August 2007.

The PE is coordinating and monitoring the project through the coordinating offices at national level (under the Irrigation and Drainage Department) and regional level. Overall management of the project is undertaken by the national and regional project coordinating offices. Project Steering Committee (PSC) gives support on technical issues. Regional Directors board gives support to organize the regional Bureaus. Decisions and other issues reach up to the higher officials and the Minister depending on the weight.

#### 2.4.9. Flow of funds to implementing agencies



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### 3. VERIFICATION AND ANALYSIS OF DOCUMENT

#### 3.1. World Bank Procedure

The Ministry's procedures for awarding of contract slightly vary depending on the source of the fund. Here, World Bank funded project is explained since the fund is from IDA, World Bank source.

3.1.1. The procurement process followed the World Bank standard procedures for selection and employment of Consultants by World Bank Borrowers.

3.1.2. The selection method adopted for this service consulting firm procurement is QCBS (Quality- and Cost-Based Selection).

3.1.3. QCBS uses a competitive process among short-listed firms that takes into account the quality of the proposal and the cost of the services in the selection of the successful firm. Cost as a factor of selection shall be used judiciously. The relative weight to be given to the quality and cost shall be determined for each case depending on the nature of the assignment. For this procurement, 80% was given for quality (Technical Proposal) while 20 % was allocated for cost (Financial Proposal). This approach is likely to provide good value for money.

3.1.4. The selection process shall include the following steps:

- i. preparation of the TOR;
- ii. preparation of cost estimate and the budget;
- iii. advertising;
- iv. preparation of the short list of consultants;
- v. preparation and issuance of the RFP [which should include: the Letter of Invitation (LOI); Instructions to Consultants (ITC); the TOR and the proposed draft contract];
- vi. receipt of proposals;
- vii. evaluation of technical proposals: consideration of quality;
- viii. public opening of financial proposals;
- ix. evaluation of financial proposal;
- x. final evaluation of quality and cost; and
- xi. negotiations and award of the contract to the selected firm.

3.1.5. TOR shall define clearly the objectives, goals, and scope of the assignment and provide background information (including a list of existing relevant

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studies and basic data) to facilitate the consultants' preparation of their proposals.

The Borrower / PE shall be responsible for preparing the TOR for the assignment.

3.1.6. The evaluation of the proposals shall be carried out in two stages: first the quality, and then the cost. Evaluators of technical proposals shall not have access to the financial proposals until the technical evaluation, including any Bank reviews and no objection, is concluded. Financial proposals shall be opened only thereafter. The evaluation shall be carried out in full conformity with the provisions of the RFP.

3.1.7. Each step should be approved by the WB to proceed the next step.

### **3.2. Project Identification and Budget**

3.2.1. For most of the water projects, the first stage is to prioritize and select projects from previously studied Master Plan study. Accordingly, this project is initiated from the Abay (Nile) Master Plan study.

3.2.2. The following documents are available for project clarification

- Project Appraisal Document dated May 6, 2007 was prepared by the MoWR.
- Financial agreement document dated July 13, 2007.
- Project implementation manual dated September 2007

3.2.3. Accordingly, Project Appraisal Document dated 6 May 2007 for the EIDP was prepared by the Ministry of Water Resources. This report describes briefly about the project, institutional and implementation arrangements, project costs, financial management and disbursement arrangements, procurement arrangements, financial and economic analysis.

3.2.4. The Project Appraisal Document forecast the total cost for the project as follows,

Source of Fund	Amount of Fund			Type of Fund
	Local	Foreign	Total	
FDRE	7.00	0.00	7.00	
IDA	54.00	46.00	100.00	Loan
Local Communities	3.00	0.00	3.00	
<b>Total</b>	<b>64.00</b>	<b>46.00</b>	<b>110.00</b>	

Estimated Disbursements (Bank FY / US \$ m)								
FY	2008	2009	2010	2011	2012	2013	2014	2015
Annual	19.00	22.00	22.00	15.00	5.00	5.00	5.00	2.00
Cumulative	19.00	44.00	68.00	78.00	83.00	88.00	93.00	100.00

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3.2.5. The project appraisal document forecast the procurement arrangement for the project as follows,

<b>Description of the Work / Assignment</b>	<b>Estimated Cost in US\$ 000'</b>	<b>Procurement / Selection Method</b>	<b>Review by Bank</b>	<b>Expected Proposals Submission Date</b>
Construction of head works and other appurtenant structures for Megech pump irrigation scheme	13,500	ICB	Prior	3 Sept 2008
Construction of head works and other appurtenant structures for Ribb pump irrigation scheme	30,000	ICB	Prior	10 Sept 2008
Consultants' service for the construction supervision and contract administration of Megech Pump Irrigation Scheme	800	QCBS	Prior	10 June 2009
Consultants' service for the construction supervision and contract administration of Ribb Irrigation scheme	800	QCBS	Prior	10 June 2009

3.2.6. By now (July 2010), none of these activities started. Even, the feasibility study and detail design is not yet completed.

3.2.7. Financial Agreement, dated 13 July 2007, was entered into between Federal Democratic Republic of Ethiopia ("Recipient") and International Development Association (IDA). In this report it has been tried to briefly describe the project monitoring, reporting and evaluation, procurement, withdrawal of the proceedings of the financing and repayment schedule.

3.2.8. The project Financial Agreement Document specifies the categories of Eligible Expenditures as shown on the table below. The allocation of the amount of the

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Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category shown below:

S. No.	Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed
1	Goods and Equipment	1,180,000	100 % of foreign expenditures and 90% of local expenditures
2	Civil Works	29,300,000	100 % of foreign expenditures and 90% of local expenditures
3	Consultants' Services and Audits	19,410,000	90%
4	Training and Workshops	2,360,000	100%
5	Grants	1,320,000	100%
6	Operating Costs	1,770,000	90 % expenditures incurred before October 31,2009, 70% for expenditures incurred before October 31,2011, 50% for expenditures incurred before October 31,2013, and 40% thereafter.
7	Refund of project preparation Advance	460,000	
8	Unallocated	9,800,000	
<b>Total Amount</b>		<b>65,600,000 (US\$100 million Equivalent)</b>	

3.2.9. The project Financial Agreement Document forecasts the closing date to be October 31, 2015.

3.2.10. Project Implementation Manual dated September 2007, for the EIDP prepared by the Ministry of Water Resources. It is tried to describe briefly about the components and sub-components detailed description and implementation schedule.

3.2.11. Having considered the documents from the Ministry of Water Resources in light of the World Bank procedures, we are satisfied that these documents adequately

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identify the project and the funding for the project except feasibility study and detail design procurement was not forecasted in the project appraisal document.

Only construction works and services were scheduled.

### ***3.3. Approach to Awarding Contracts –***

- 3.3.1. Terms of Reference (ToR) for the consultancy service of Feasibility Study, Detail Design and Preparation of Tender Document of Irrigation and Drainage Projects in the Nile Basin of Ethiopia (Approx. 20,000 ha) was prepared by the MoWR. The ToR describes about proposed study, organizations and management, project area and description of the project. Also, the ToR includes explanations about the scope, methodology, schedule, deliverables, staff requirements, technical and financial proposal contents of the consulting firm.
- 3.3.2. The procurement process followed the QCBS World Bank standard procedures. The invitation for expression of interest (EOI) was posted on UN Development Online /Web site on February 13, 2006. Expression of interest submission deadline was on 28 February 2006 at 10:00 local time. 5 committee members organized from the PE for the short listing. Evaluation Criteria was set by this committee and approved by the Main Tender Committee. A total of 23 potential consultants had expressed their interest to contest for the assignment. Out of which 6 firms short listed and 2 reserved on the short listing evaluation process. Finally, no objection acquired from WB on 07 July 2006. Later on while bidders were being requested to reconfirm their interest to be kept in the short list, one of the firms (RPYAL Haskoning from The Netherlands) declined to be kept in the short list. After notifying the Bank, the reserved firm (ARCADIS Euroconsult from The Netherlands) was included in the short list. Then, RFP was sent on 20 November 2006 to the consulting firms. The proposal submission dead line was extended by two weeks from 03 to 17 January 2007 due to the firms' request. Out of the six invited consulting firms, 4 of them submitted their Technical and Financial proposals. The selection was based on the quality and cost based selection (QCBS); the percentage weight for technical is 80% and for financial is 20%. Out of the four firms, only 2 firms evaluated to be responsive and qualified for the next financial evaluation. These are TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia selected and GIBB Africa Ltd and Associates (Kenya).

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- 3.3.3. Finally, the service contract for the project was awarded to TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia on August 2, 2007, for a contract period of 20 months.
- 3.3.4. The procurement procedure is acceptable except the time taken due to encountered notable delays on both sides (WB and PE) processes which is close to 18 months (from 28 Feb 2006 to August 2, 2007). The short listing report prepared by the PE on May 2006 was sent to WB for No Objection on 07 June 2006. However, the bank issued its no objection statement on 07 June 2006 which is after a month. Then, the Request for Proposal (RFP) was submitted to the bank on 13 September 2006 which is after 9 weeks. WB reply was also late for 2 months. The consulting firms' proposal submission date was extended from January 03, 2007 to January 17, 2007. The technical evaluation report was sent to WB on 02 February, 2007. "No Objection" replied on 27 April 2007 after 2 months delay. The financial proposal opened on 16 May 2007. Finally, Contract agreement was signed after 18 months since the announcement of Expression of Interest, on August 2, 2007.
- 3.3.5. According to the RFP, the commencement date was March 14, 2007. This implies the commencement date delayed by 7 months which is 35 % of the contract period.
- 3.3.6. The detail of this procurement procedure is tabulated in annex D.

### 3.4. *Consultancy Contract*

- 3.4.1. The following documents have been provided in relation to the appointment of TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia for the consultancy service of Feasibility Study, Detail Design and Preparation of Tender Document of Irrigation and Drainage Projects in the Nile Basin of Ethiopia (Approx. 20,000 ha).

- Terms of Reference (ToR),
- Technical proposal,
- A Contract Agreement dated 2 August,
- Latest Progress Reports (June 01 – 30, 2010),
- Payment Certificates (One advance payments and four payments),
- 8 months time extension Addendum, and
- Correspondence letters.

- 3.4.2. The Initial Contract Prices, Scope and Programme

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3.4.3. The employer is Federal Democratic Republic of Ethiopian (FDRE) through the Ministry of Water Resources MoWR), who entered into a contract agreement with TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia at a Lump-Sum contract price of 3,609,620.00 USD and local currency 12,805,968.75 ETB with VAT. The Consultancy Contract agreement was signed on 2nd August 2007.

- The scope of the contract is Feasibility Study, Detail Design, and Tender Documents Preparation for
  - Megech / Seraba 5,254 ha pumping scheme, 110m long pipeline from Lake Tana to the head of the contour canal.
  - Ribb 14,460 ha reservoir source irrigation scheme Ribb, and
  - Anger 17,000 ha feasibility, 5,000 ha and dam detail design projects
- The contract is lump sum (Fixed) contract. There is no bonus and penalty arrangement.
- The agreement was signed on August 2, 2007.
- The date for the commencement of Services is 28 days after the effective date.
- The time period allocated was 20 months.
- Original contract amount is 3,138,800.00 USD without VAT 3,609,620.00 USD with VAT and local currency 11,135,625.00 ETB without VAT 12,805,968.75 ETB with VAT.

#### Summary of initial data

S. No.	Scope	Price	Time	Remark
1	Specification			Feasibility Study, Detail Design, and Tender Documents Preparation <ul style="list-style-type: none"> <li>• Megech / Seraba 5,254 ha pumping scheme, 110m long pipeline from Lake Tana to the head of the contour canal.</li> <li>• Ribb 14,460 ha reservoir source irrigation scheme Ribb, and</li> <li>• Anger 17,000 ha feasibility, 5,000 ha and dam detail design projects</li> </ul>
2	Feasibility Study	Lump-Sum of without VAT <ul style="list-style-type: none"> <li>• 3,138,800.00 US \$ and</li> <li>• 11,135,625.00 ETB</li> </ul>	10 months for Megech and Ribb; 14 months for Anger	Two months added during clarification and contract agreement Additional 30,000 USD \$ was agreed between the PE and the selected Consultant for farmers mobilization and consultation workshop/meeting even if they provided 24.2 % greater financial offer than the second
3	Detail Design and Tender Document	with VAT	6 months for all	

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	Preparation	<ul style="list-style-type: none"> <li>3,609,620.00 USD \$ and</li> <li>12,805,968.75 ETB</li> </ul>		consultant; but not approved by the World Bank.
4	Contract signed and Commencement		Contract signed on 2 AUG 2007; Commencement date 28 days after effective date.	<ul style="list-style-type: none"> <li>According to the RFP, the commencement date was March 14, 2007</li> <li>According to Contract agreement Contract signed on 2 AUG 2007; Commencement date 28 days after effective date. Actually, Commenced on 10<sup>th</sup> October 2007.</li> </ul>

#### 3.4.4. Information related to project changes (variation orders)

Additional 30,000 USD was agreed between the PE and the selected consultant during negotiation for farmers mobilization and consultation workshop / meeting. However, it is not approved by the World Bank. The AT member recommends to re-evaluate the firms' proposal for such additional price agreed during negotiation since there is the possibility to alter the winner.

An Addendum signed on August 31, 2009 to give 8 months time extension and completion date to be extended 31<sup>st</sup> March 2010.

No	Date of issue	Reason for variation	Work required	Effect on cost	Effect on programme / time	Effect on quality
1.	August 31, 2009	The Consultant has encountered difficulties, due to itself and other circumstances	No change in work volume	Null	8 months extension	not completed up to now to assess the quality

#### 3.4.5. Information related to project changes (without variation orders)

No	Type of Change	Reason for the change	Amount of the change	Effect on cost	Effect on programme / time	Effect on quality
1.	Time	Not clarified yet	Starting from March 31, 2010 up now	Null	Still not completed and no variation issued	not completed up to now to assess the quality

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3.4.6. Total amount Paid to date is 1,613,343.20 USD \$ and 5,723,711.26 ETB (See Annex).

3.4.7. We are satisfied that the documents describe fully and accurately the appointment of TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia.

### **3.5. Findings**

3.5.1. The service Commenced on 10th October 2007. According to the contract agreement signed, the date for the commencement of the services / assignment was delayed by additional five weeks noticing the Holiday and rainy season reasons. So, 6.67% of the assignment period spent here with out contractually justified reason. The inception report was supposed to be submitted within a month after the date of commencement. However, it was submitted on 29 November 2007 after 2 months delay. This implies the project was in trouble from the very beginning.

3.5.2. The comments for the Draft Inception Report were too much about 31 pages. There was remarkable mess seen in the Draft Inception Report. It is clearly stated with out ambiguity in the contract agreement ToR section 9.3.10 page 78 that the consultant shall do:

- Feasibility studies for the whole 17,000 ha gross command area.
- Detail design of the irrigation command area on the immediate net 5, 000 ha only.
- Design of the main irrigation infrastructure (dam and main canals), taking into consideration future development of full 17,000 ha.

However, in the draft Inception Report (p. 1 & 41) stated that the current study was to undertake detail feasibility study on 5000 ha of land to develop irrigated agriculture.

We can see clearly here the 17,000 ha feasibility study and the 5000 ha detail design irrigation land was going to be changed smoothly to 5000 ha detail feasibility study. The remaining activity that 12,000 ha feasibility study and 5000 ha detail design was to be missed. This can be nearly estimated that three fourth (3/4) of the Anger Command area volume of work to be missed. In other words, only one fourth of the Anger Command area volume of work was to be accomplished. This was a big deviation for the project. But, the consultant adjusted stating what was written on the contract agreement after the PE comment.

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3.5.3. Summary of these delay shown below (actual execution verses contractual)

S. No	Activity Type	Contractual	Actual Time	Deviation Between Contractual and Actual
1	RFP commencement date was March 14, 2007			
2	Contract Signed		August 2, 2007	
3	Contract Commencement date	After 28 days since effective; August 30, 2007	October 10, 2007	1 month and 10 days
4	Inception Report	Within one month of commencement of work; Up to September 30, 2007	November 29, 2007	2 months

3.5.4. The PE wrote a letter Ref. MWR 237/15/280 dated February 15, 2008 to the consultant about the Project Progress stating the failure of the consultant to accomplish the following activities as per the contract agreement and schedule of activities.

- Interim report was not submitted,
- Design criteria report was not submitted,
- Only one monthly report was submitted, and
- Proposed staffs were not fully deployed.

This was a time 40% left to complete and submit the Megech and Ribb feasibility reports. The basic and the most resource or input for the assignment was contractually agreed professionals and personnel. But, the consultant was not fully deploying these staffs. No strong action was taken by the PE except writing a warning letter.

3.5.5. Also, the AT observed a lot of correspondences letters to substitute professionals within the contract period. This should have been discouraged by the PE since it has a paramount effect on the progress of the project.

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3.5.6. With a Ref. letter MWR 237/15/28 dated 24 December 2008 the Ministry of Water Resources requested the Tahal's top management to hold a meeting regarding the unacceptable level of the delay as per the recommendation of the World Bank Mission. However, the consultant not accepted the time for his unable to avail the top management on the requested week. The supplier / consultant reasoned generally the possible causes of the delay with the Ref. letter No.20Kha09Jan1203Ltr dated January 12, 2009. The PE Project coordinating office asked guidance and decision to the higher officials on the subject matter. Finally, with further correspondence Addendum was signed on August 31, 2009 for 8 months time extension. However, this agreement lacks Contractual justification of the time extension process. In usual way, the supplier (the consultant) should claim the delay with tangible and justifiable facts and analysis indicating the time range and amount affected him out of his control. Then the PE, after receiving the supplier claim, should analyze and justify as per the agreement to approve the accepted portion of the claim. But for this contract this procedure is missed. The Project Coordinating Office should have been submitted the contractual justification and analysis to the higher officials for comment and decision. The Project Coordinating Office asked guidance and decision simply with a single letter without the contractual analysis to the higher officials.

3.5.7. Initially, it was 18 months assignment. During ToR clarification, 2 months added for stakeholder consultation and mobilization and to be the contract period of the assignment 20 months. Contract agreement was signed on August 2, 2007. It was one year assignment but it is three years since the assignment started. The delays of each activity time / points are described under annex C.

3.5.8. The initial period including the extended time was elapsed but the Assignment is not yet completed. All of the activities and milestones are delayed to unacceptable level. According to the August 31, 2009 Addendum, the completion period of the assignment was March 31, 2010. Up to July 30, 2010 the project was delayed by 15 months or by 75 %. Still the major activities and milestones are not completed. Major activities that are not completed are listed below:-

- Ribb site Feasibility Study,
- Megech and Ribb Completion Report, and
- Feasibility Study and Detail design for Anger site.

3.5.9. It will be hardly possible to attain the project objective encountering such a big run out of time at this feasibility and design phase the project. Already, the three

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years period elapsed by this feasibility and design phase of the eight years program. There is no any schedule indicating when this assignment is going to be completed. Only five years left, to the next construction phase which is more complex than this feasibility and detail design phase.

3.5.10. The delay of this service has severely affected the schedule of other consultant services which should follow the service like Environmental and Social Impact Assessment (ESIA) and Resettlement Action Plan (RAP).

### 3.6. Summary of Tender and Award

Tender process (project design)	Tender procedure	QCBS
	Number expressing interest for short listing	23
	Number short listed	6 and additional 2 reserved
	Number submitting Proposal	4
	List of tenderers	<ul style="list-style-type: none"> <li>• ARCADIS Euroconsult of the Netherlands and associates,</li> <li>• Mott MacDonald Limited of UK and associates,</li> <li>• TAHAL Consulting Engineers Ltd of Israel and associates, and</li> <li>• GIBB Africa Ltd of Kenya and Associates.</li> <li>• TECSULT International Limited of Canada and associates, (not submitted proposal)</li> <li>• HALCROW Group Limited of UK. (not submitted proposal)</li> </ul>
	Tender evaluation report	-yes
Contract award (project design)	Name of main consultant	TAHAL Consulting Engineers Ltd of Israel
	Contract price	Lump-Sum of foreign currency without VAT 3,138,800.00 US \$ ; with VAT 3,609,620.00 USD \$ and local currency without VAT 11,135,625.00 ETB; with VAT 12,805,968.75 ETB
	Contract scope of work	Feasibility Study, Detail Design, and Tender Documents Preparation <ul style="list-style-type: none"> <li>• Megech / Seraba 5,254 ha pumping scheme, 110m long pipeline from Lake Tana to the head of the contour canal.</li> <li>• Ribb 14,460 ha reservoir source irrigation scheme Ribb, and</li> </ul>

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		<ul style="list-style-type: none"> <li>• Anger 17,000 ha feasibility, 5,000 ha and dam detail design projects</li> </ul>
	Contract programme	Initially, it was 18 months. During contract agreement, 2 months added
	Variations	8 months added; Still not completed.

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### 3.7. Main Correspondence Letters Summary

The corresponding letter prevail the main concern is the delay of the project.

S. No.	Date	Reference No.	Written by / to	Required Subject/concern	Written in Response to	Remark
1	16 October, 2007	MoWR07Oct1601Ltr	Consultant / PE	Commencement date of project 10 October 2007 Delay was due to rainy season, Jewish holidays and Ethiopian Millennium		
2	15 FEB 2008	MWR 237/15/280	PE / Consultant	Failure to accomplish the following activities as per the contract agreement and schedule: Interim report was not submitted, Design criteria report was not submitted, Only one monthly report was submitted, and Proposed staffs were not fully deployed.		
3	24 DEC 2008	MWR 237/15/28	PE / Consultant	Request for meeting with TAHAL's top management To negotiate and sign an addendum about the unacceptable level of delay		
4	12 JAN 2009	20Kha09Jan1203Ltr		Reasons for delay and unable to attend the meeting	MWR 237/15/28, dated 24 DEC 2008	

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	Date	Reference No.	Written by / to	Required Subject/concern	Written in Response to	Remark
5	13 MAY, 2007	MWR 237/01/332	PE (H.E The Minister) / Consultant	Last Warning for Failure to accomplish the delayed activities: Interim report was not submitted, Design criteria report was not submitted, Monthly reports were not submitted, Proposed reports were not fully deployed, and Soil survey for Anger dam scheme not commenced.		
6	21 MAY 2008		Consultant / PE	Reasoning the delay: A bidding process for the selection of a mapping contractor delayed the topographic survey considerably, The delay due to execution and receipt of topographical map, The delay in the receipt of the full advance payments and others	MWR 237/01/332 dated 13 MAY, 2007	
7	30 May 2008	MWR 237/01/337	PE (H.E The Minister) / Consultant	Explaining the consultant's reason is not acceptable since it entered onto the contract anticipating all these facts.	May 21, 2008	

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#### 4. RECOMMENDATION

The procurement process delay should be minimized by some means that should be set by the two parties negotiation. For example, WB may assign a staff for the follow up in the PE country during the procurement process.

The PE should give more care and emphases to minimize the crises for this project by implementing day to day and weekly follow up instead of notifying the delay of milestone reports.

The PE should strengthen the Coordination unit/office by hiring individual consultants capable of managing especially contractual and technical issues.

Payment amount for the consultant staffs that are not deployed according to the contract should be considered carefully.

Ministry of Water Resources should consider dividing such contract into smaller parallel contracts called lots in order to improve the whole progress of the project.

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## Annexes

**Annex A: – Core List Material Project Information to be Disclosed**

**Annex B: – Payment Information**

**Annex C: - The Delays of Each Activity**

**Annex D: - Detail of Consultancy Service Procurement Process**

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**Annex A – Core List Material Project Information to be Disclosed  
and Possible Causes for Concern**

Stage in Project Cycle	Initial List of Disclosures	Additional Disclosures	Possible Causes for Concern
<b>Project identification</b>	Project specification	World Bank Financed Ethiopian Nile Irrigation and Drainage Project  Feasibility Study, Detail Design and Preparation of Tender Documents approximately 20,000 ha Irrigation & Drainage project includes: <ul style="list-style-type: none"> <li>• Megech / Seraba 5,254 ha pump Irrigation and Drainage Project, 110m long pipeline from Lake Tana to the head of the contour canal.</li> <li>• Ribb 14,460 ha Irrigation and drainage project reservoir source , and</li> <li>• Anger 17,000 ha feasibility; 5,000 ha and dam detail design projects.</li> </ul>	Feasibility study and detail design procurement was not forecasted in the project appraisal document. Only construction works and services were scheduled.
	Purpose	<ul style="list-style-type: none"> <li>• To sustainably increase agricultural output and productivity in project areas. Increase in quantities of major products marketed by farmers as well as in value added per unit area and worker.</li> </ul>	
	Location	<ul style="list-style-type: none"> <li>• Megech / Seraba is located in northern part of the Ethiopia in Amhara Regional State, North Gonder zone in Dambia Wereda and near northern shoreline of Lake Tana.</li> <li>• Ribb is located in the Ribb River Basin, a sub-basin of Lake Tana Basin situated on its eastern side, in South Gonder Zone of Amhara National Regional State.</li> <li>• Anger Project area is located in the Oromia National Regional State in East Wollega and Horro Guduru zones.</li> </ul>	
	Intended beneficiaries	<ul style="list-style-type: none"> <li>• 12,600 Local Farmers</li> </ul>	
<b>Project funding</b>	Budget	<ul style="list-style-type: none"> <li>• Lump-Sum (fixed price) of the foreign currency 3,609,620.00 USD \$ with VAT and local currency 12,805,968.75 ETB with VAT</li> </ul>	
<b>Tender process for the contract for project design</b>	Procurement Strategy	Cost Quality Based Selection (CQBS) of Short listing Method; 80% for Technical and 20% for financial	The procurement process took 18 months since the announcement of EoI. PE should work to minimize this delay.
	Contract Strategy /Type	Lump sum (Fixed-price)	
	Tender procedure	ICB. According to World Bank Guideline	

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	Number expressing interest	23	
	Number short listed	6	
	Number submitting tender	4	
	Number qualified for Technical proposal	2	
	Name of main consultant	TAHAL Consulting Engineers Ltd of Israel	
<b>Contract award</b>	Contract Signed	August 2, 2007	MoWR should re-check the evaluation process before the agreement of additional price like 30,000 USD during negotiation since there is possibility to alter the winner.
	Commencement date	28 days after effective date	
	Contract programme	20 months	
	Contract price	3,138,800.00 US \$ without VAT or 3,609,620.00 USD \$ with VAT and local currency 11,135,625.00 ETB without VAT or 12,805,968.75 ETB with VAT.	
<b>Contract Execution</b>	Individual significant changes to the contract which affect the price	N/A	The consultant failed to deploy most of the professionals and key personnel and no equivalent contractual action was seen except warning letters. This indicates very poor contract administration.
	Individual significant changes to the contract which affect the programme for those changes	8 months time extension	
<b>Post contract completion details</b>		After 8 months time extension, it was expected to be completed on March 31, 2010. Yet not completed after 38 months time period.	

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**Annex B – Payment Information**

Payment effected

S. No.	Date	Reference	Paid		Contract Amount	
			USD \$	ETB	USD \$	ETB
1	3/12/2008	SA 0002 / 08	123,231.6			
		SA 0005 / 08		1,491,451.55		
2	19/05/2009	SA 0004 / 08	470,820.00			
		SA 0006 / 08	4528.40			
		JV NO. L0001 / 07	500,000.00			
		JV NO. 0002 / 07		735,673.45		
3	16/04/2009	SA 0007 / 08		1,670,343.75		
	18/09/2009	Swift 8517 (SA013 / 09)	180,481.00			
4	10/09/2009	INS 01170/09 (Sa012/09)		640,298.44		
	24/12/2009	Swift 8913 (SA066 / 09)	180,481.00			
5	22/12/2009	INS 01646/09 (SA065/09)		640298.44		
	04/05/2010		153,801.20	545,645.63		
<b>Total</b>			<b>1,613,343.20</b>	<b>5,723,711.26</b>	<b>3,609,620.00</b>	<b>12,805,968.75</b>

**Contractually Agreed Payment Schedule**

1. Advance Payment	20%
2. Submission of First Quarter Interim Payment	15%
3. Submission Draft Feasibility Report Ribb & Megeh	10%
4. Submission Draft Feasibility Report for Anger	5%
5. Approval of Final Feasibility Report Ribb & Megeh	10%
6. Approval of Final Feasibility Report for Anger	10%
7. Approval of Completion Report Ribb & Megeh	20%
8. Approval of Completion Report for Anger	10%

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*Annex C: - The Delays of Each Activity*

S. No.	Activity Type	Time Schedule			Actual Time	Deviation Between Contractual and Actual
		Initial	Contractual	8 months Extension Addendum (August 31, 2009) - milestones		
1	Contract Signed				August 2, 2007	
2	Commencement Date	After 28 days since effective; August 30, 2007	After 28 days since effective; August 30, 2007		October 10, 2007	1 month and 10 days
3	Inception Report		Within one month of commencement of work; Up to September 30, 2007		November 29, 2007	2 months
3	Feasibility Study for Megech and Ribb Sites	8 months from day of commencement (draft); April 30, 2008	10 months from day of commencement (complete); July 2008	<b>Megech site</b> <ul style="list-style-type: none"> <li>Draft March 31, 2009</li> <li>Approval/ completion August 31, 2009</li> </ul> <b>Ribb site</b> <ul style="list-style-type: none"> <li>Draft</li> </ul>	<b>Megech site</b> <ul style="list-style-type: none"> <li>Draft March 31, 2009</li> <li>Final November 16, 2009</li> </ul> <b>Ribb site</b> <ul style="list-style-type: none"> <li>Draft December 31, 2009</li> </ul>	16 months and 17 days.  18 months  25 months up to July 30,

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				October 31, 2009 <ul style="list-style-type: none"> <li>Approval/ completion December 31,2009</li> </ul>	Up to July 30, 2010 not completed.	2010 and not completed.
4	Detail Design for Activity 3	Next 6 months from activity 3; October 30, 2008	Next 6 months from activity 4; December 30, 2008	<b>Completion Report</b> <ul style="list-style-type: none"> <li>Megech site November 31, 2009</li> <li>Ribb site February 28,2010</li> </ul>	<b>Completion Report</b> <ul style="list-style-type: none"> <li>Draft Megech site July 02, 2010</li> <li>Up to July 30, 2010 not completed.</li> </ul>	18 months <ul style="list-style-type: none"> <li>19 months up to July 30, 2010 and not completed.</li> </ul>
5	Feasibility Study for Anger site	12 months from day of commencement (draft); August 30, 2008	14 months from day of commencement; October 30, 2008	<b>Anger site</b> <ul style="list-style-type: none"> <li>Draft December 31, 2009</li> <li>Completion December 31,2009</li> </ul>	<ul style="list-style-type: none"> <li>Up to July 30, 2010 not completed.</li> <li>Up to July 30, 2010 not completed.</li> </ul>	<ul style="list-style-type: none"> <li>21 months up to July 30, 2010 and not completed.</li> <li>21 months up to July 30, 2010 and not completed.</li> </ul>
6	Detail Design for Activity 5	Next 6 months from activity 5; March 2, 2009	Next 6 months from activity 5; April 30, 2009	<b>Anger site</b> <ul style="list-style-type: none"> <li>Completion March 31, 2010</li> </ul>	<ul style="list-style-type: none"> <li>Up to July 30, 2010 not completed.</li> </ul>	<ul style="list-style-type: none"> <li>15 months up to July 30, 2010 and not completed.</li> </ul>

PROJECT NAME	TEAM LEADER	TEAM MEMBER
World Bank Financed Ethiopian Nile Irrigation and Drainage Project	BERHANU ALEMSEGED	TESEMA HABTE
Feasibility Study, Detailed Design and Preparation of Tender Documents (Approx. 20,000ha Irrigation & Drainage)		18 SEPT 2010

**Annex D: - Detail of Consultancy Service Procurement Process**

S.No	Steps	Price	Time	Remark
1	Specification			Feasibility Study, Detail Design, and Tender Documents Preparation approximately 20,000ha <ul style="list-style-type: none"> <li>• Megech / Seraba 5,254 ha pumping scheme, 110m long pipeline from Lake Tana to the head of the contour canal.</li> <li>• Ribb 14,460 ha reservoir source irrigation scheme, and</li> <li>• Anger 17,000 ha feasibility; 5,000 ha and dam detail design projects</li> </ul>
2	Consulting Firms Short listing Announcement on UN Development Business Magazine (GPN);Online /Web site		February 13, 2006	Selection was based on the QCBS
3	Short listing evaluation report		May 2006	<ul style="list-style-type: none"> <li>• 23 Consulting Firms Expressed interest</li> <li>• 6 Consulting Firms short listed</li> <li>• 2 Consulting Firms reserved</li> </ul>
4	Submission to the WB for no-objection		07 June 2006	
5	WB no objection		07 July 2006	
6	Request for Proposal (RFP) sent to the WB for no-objection		13 Sept 2006	
7	WB no objection		15 Nov 2006	
8	Request for Proposal (RFP) sent for the firms		20 Nov 2006	firms those RFP sent for <ul style="list-style-type: none"> <li>• ARCADIS Euroconsult of the Netherlands and associates,</li> <li>• Mott MacDonald Limited of UK and associates,</li> <li>• TAHAL Consulting Engineers Ltd of Israel and associates, and</li> <li>• GIBB Africa Ltd of Kenya and Associates.</li> <li>• TECSULT International Limited of Canada and associates,</li> <li>• HALCROW Group Limited of UK.</li> </ul>
9	Firms Proposal (only four submitted their proposal)		submission date Extended from January 03, 2007 to January 17, 2007	Those submitted their proposal <ul style="list-style-type: none"> <li>• ARCADIS Euroconsult of the Netherlands and associates,</li> <li>• Mott MacDonald Limited of UK and associates,</li> <li>• TAHAL Consulting Engineers Ltd of Israel and associates, and</li> <li>• GIBB Africa Ltd and Associates Kenya.</li> </ul> Two envelops (Technical and financial)

PROJECT NAME	TEAM LEADER	TEAM MEMBER
World Bank Financed Ethiopian Nile Irrigation and Drainage Project	BERHANU ALEMSEGED	TESEMA HABTE
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ETHIOPIA				Technical proposals Opened on Jan.17, 2007
10	Proposal Validity data		Extended from April 04, 2007 to April 18, 2007	
11	Opening of Technical Proposal		17 January 2007, 2007 at 2 :PM	<ul style="list-style-type: none"> <li>Number of proposals submitted were 4</li> </ul>
12	Firms Technical Proposal Evaluation Report		February 2007	<ul style="list-style-type: none"> <li>Selection was based on the QCBS,</li> <li>5 committee members from the PE organized for the evaluation</li> <li>Evaluation Criteria was set by this committee and approved by the Main Tender Committee</li> <li>Only 2 firms evaluated to be responsive (TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia selected and GIBB Africa Ltd and Associates (Kenya) reserved)</li> <li>Financial percentage 20%</li> <li>Technical Percentage 80%</li> </ul>
13	Technical evaluation submission to the WB		02 Feb, 2007	
14	Technical evaluation no objection from the WB		27 April 2007	
15	Opening of Financial Proposal		16 May 2007	
16	Combined Technical and Financial Report		May 2007	

17) Technical Score by the Firms (minimum qualifying scores 70%) – accounts 80% from the total

Consultant Name	Technical Score %
GIBB Africa Ltd and Associates	77.47
TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia	90.31

18) Financial Offer Score – accounts 20% from the total

Items	GIBB Africa Ltd and Associates (Kenya)			TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia	
	US \$	Euro	ETB	US \$	ETB
Remunerations (Read out)	1,044,358	730,263	1,320,000	1, 854,000.00	4,176,000.00
Reimbursable (Read out)	1,262,212	20,124	737,515	1,284,800	6,959,625.00
Total (Read out)	2,306,570	750,387	2,057,515	3,138,800.00	11,135,625.00
<b>Total Cost in ETB</b>		<b>31,596,549</b>			<b>39,232,907.08</b>
<b>Score %</b>		<b>100</b>			<b>74.13</b>

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World Bank Financed Ethiopian Nile Irrigation and Drainage Project Feasibility Study, Detailed Design and Preparation of Tender Documents (Approx. 20,000ha Irrigation & Drainage)	BERHANU ALEMSEGED	TESEMA HABTE 18 SEPT 2010

## 19) Combined both Technical and Financial Offer Score

Consultant Name	Technical Score %	Financial Offer Score %	Combined both Technical and Financial Offer Score %
GIBB Africa Ltd and Associates	77.47	100	87.07
TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia	90.31	74.13	81.96

S. No.	Steps	Cost	Time	Remark
20	Contract Agreement Signed		August 2, 2007	Between MoWR and TAHAL Consulting Engineers Ltd of Israel and Concert Engineering and Consulting Enterprise PLC of Ethiopia
21	Feasibility Study	Lump-Sum of without VAT <ul style="list-style-type: none"> <li>• 3,138,800.00 US \$ and</li> <li>• 11,135,625.00 ETB</li> </ul> with VAT <ul style="list-style-type: none"> <li>• 3,609,620.00 USD \$ and</li> <li>• 12,805,968.75 ETB</li> </ul>	8 months for Megech and Ribb; 12 months for Anger	The client proposed to give an extension of two months for stakeholder consultation and mobilization. Hence, the assignment period is extended to 20 months. Additional 30,000 USD \$ was agreed between the PE and the selected Consultant for farmers mobilization and consultation workshop/meeting during negotiation; but not approved by the World Bank.
22	Detail Design and Tender Document Preparation		6 months for all	
23	Contract signed and Commencement		28 days after effective date	<ul style="list-style-type: none"> <li>• According to the RFP, the commencement date was March 14, 2007</li> <li>• According to Contract agreement Contract signed on 2 AUG 2007; Commencement date 28 days after effective date.</li> </ul> <p>Actually, Commenced on 10<sup>th</sup> October 2007.</p>

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