

GENERAL PROCUREMENT NOTICE

AZERBAIJAN

“Reconstruction of the Karabakh Irrigation Canal Project”

GENERAL PROCUREMENT NOTICE

Mode of Financing: Installment Sale and IsDB Grant

Financing No. AZE 1028

The IsDB is hereby providing Installment Sale and grant financing of US\$436.67 million to cover part of the financing costs of the “Reconstruction of the Karabakh Irrigation Canal Project”.

The project will include the following components.

Component 1 - Civil Works:

1.1 Main Canal Works and Associated Structures: This sub-component will rehabilitate and climate-proof the Karabakh Main Irrigation Canal through the reconstruction and lining of approximately 168 km canal, restoration/replacement of associated hydraulic structures, and targeted protection works to reduce seepage and evaporation losses and restore reliable delivery to downstream command areas. The main canal works will be sequenced into four contiguous sections sized to their design discharges:

- Section-1: km 0+000–27+000 at 135 m³/s; (Rectangular Channel)
- Section-2: km 27+000–67+000 at 117 m³/s;(Trapezodial Channel)
- Section-3: km 67+000–106+000 at 92 m³/s;(Trapezodial Channel)
- Section-4: km 106+000–168+000 at 62 m³/s (Trapezodial Channel).

Activities include earthworks, canal reshaping, concrete/approved impermeabilization, reconstruction of checks/gates, siphons, culverts, aqueducts, cross-drainage and road/rail crossings, measurement structures, bank protection and erosion control, service access, and site-specific environmental and safety measures.

The canal crosses about 30 streams and depressions of various sizes. Siphons will be provided for river crossings, while flood conveyance structures are planned for streams and depressions. To regulate water distribution, the canal will be equipped with intake and level raising structures with flow measurement devices. Spill structures are designed for river crossings. Bridges will be provided where the canal crosses roads, and overpasses are planned where it intersects existing irrigation ditches. These associated structures will be covered under this component.

1.2 Pump Stations: This sub-component will finance the design, supply, construction and rehabilitation of 14 pump stations required to serve areas where gravity delivery is not feasible, stabilize service pressures, and provide operational redundancy at critical off-takes. It includes intake/outlet works, pumps with variable-frequency drives, motors and control gear, surge and pressure control, civil structures (foundations/buildings), power supply interfaces and, where justified, backup generation, discharge manifolds and connections to laterals, together with instrumentation and telemetry for integration into the SCADA platform. The stations will be designed for high energy efficiency and maintainability, improving equity of water distribution and reducing service interruptions during peak demand.

Component 2 - Integrated Smart Water Management System (SCADA & EO):

This component strengthens ASWRA's capacity to operate the Karabakh Main Canal efficiently and in a climate-resilient and socially inclusive manner by integrating real-time Smart Monitoring and Control System (SCADA) automation with Earth Observation (EO), geospatial analytics, and a shared Spatial Data Infrastructure (SDI). Together, these systems form a Digital Water Intelligence Platform that enables ASWRA to manage water proactively, improve service reliability, reduce operational losses, and enhance climate resilience and agricultural productivity across the 166,034-hectare command area. By combining precise hydraulic control (SCADA) with field-level crop and water-use monitoring (EO/SDI), the component delivers a modern, data-driven water management system that improves efficiency, equitable distribution, and long-term irrigation performance in the Karabakh canal system.

Sub-Component 2.1. - Smart Monitoring and Control System (SCADA): This sub-component installs a modern SCADA system to automate and monitor the canal in real time. It includes flow, water-level, pressure, gate-position sensors, remote terminal units, telemetry, and a centralized control room for data visualization and decision-making. A total of 119 outlet structures, 3 siphons, construction and rehabilitation of 14 pump stations and key hydraulic structures will be equipped with remote-controlled actuators, motorized sluice gates, and monitoring instrumentation. Additional sensors will be installed at siphons, aqueducts, and river crossings to detect flooding, blockages, or structural issues early. SCADA will enable ASWRA to regulate water delivery more precisely, support demand-based releases, optimize pumping operations, and respond quickly to droughts, floods, or operational incidents.

Sub-Component 2.2. - Integration of Earth Observation (EO) and Geospatial Technologies for Water Resource Management (Grant): This sub-component establishes an EO-enabled SDI within ASWRA to complement SCADA by providing continuous field-level intelligence on how water is used across the irrigation command area. EO indicators, including evapotranspiration (ETa), NDVI-based crop vigour, soil moisture, irrigated area mapping, and drought indices, will be integrated with SCADA hydraulic data, weather information from the Hydrometeorology Agency, and agricultural data from the Ministry of Agriculture. The SDI will provide a unified digital platform for irrigation performance assessment, water accounting, crop monitoring, and climate risk analysis.

To ensure effective use, the project will deliver structured training programs and hands-on mentoring for ASWRA and partner institutions. Applied EO analyses will cover irrigation performance, canal rehabilitation impacts, drought and salinity diagnostics, irrigated area verification, and crop water productivity with User-friendly decision-support dashboards, automated performance reporting tools, for water managers, ASWRA and partners agencies.

For farmers, the Project will pilot climate-smart advisory services delivered via mobile applications and SMS—providing irrigation scheduling recommendations, crop stress alerts, and agronomic guidance based on near-real-time EO and weather data.

A sustainability strategy, including institutionalization of EO workflows, partnerships with universities and private providers, and a national EO/Geospatial Hackathon will help maintain and scale the system beyond the project period. User-friendly tools and farmer advisory services (via mobile apps and SMS) that translate EO information into actionable guidance for farmers.

To strengthen national innovation, the project will organize a national EO/Geospatial Hackathon, encouraging start-ups, students, and the tech community to develop new digital tools using the SDI's open data, thereby supporting Azerbaijan's digital transformation and climate resilience agenda.

Component 3 - Procurement of O&M Equipment: This component will provide the EA with the equipment needed to operate and maintain the infrastructure after completion.

Component 4 - Project Engineering Review and Construction Supervision Consultant Services: This component will provide support for reviewing the Project's detailed design, preparing the bidding documents for selecting the contractors, assisting the EA in the selection process, and supervising the project implementation. One consultancy firm will be recruited to supervise all the project activities during the implementation stage.

Component 5 - Support to the PMU: This component will provide support for Project Management Unit (PMU) in terms of recruitment of technical staff and payment of monthly allowances with related operating costs. Given that the construction of the Canal will be carried out in 4 lots which are planned to start sequentially, three engineers and two procurement experts will be needed. In addition to those, other experts are needed from different disciplines to ensure smooth implementation.

Component 6 - Compensation, Resettlements and Related Charges: The component will be funded by the GoA to complete land acquisition, resettlement and compensation. Most of the canal (km 0 to km 106) follow the original alignment and will be within the protection zone, extending 100 meters on either side of the existing canal constructed in 1958. Consequently, bulk of the land acquisition will be in Section-4 (km 106 to km 168) owing to new alignment. Appropriate compensation and resettlement measures are planned accordingly. Most of the land to be acquired has private ownership while some are owned by municipal authorities..

Component 7 - Audit: This component will support the annual audit of the project's expenses and Special Account.

Component 8 – Contingency Emergency Response Component: This standalone zero-value component is embedded in the Project to allow for the use of the present Project resources to cover emergency response activities in case of highly unpredictable events such as disasters, pandemics, etc., as a support to the Government's rapid emergency response efforts in the future. This can be done by reallocating Project funds, subject to prior consultation with the IsDB.

Procurement of contracts financed by the Islamic Development Bank will be conducted through the procedures as specified in the **Guidelines for Procurement of Goods, Works and related services under Islamic Development Bank Project Financing** (April 2019 edition, revised in February 2023), and is open to all eligible bidders as defined in the guidelines. Consulting services will be selected in accordance with the **Guidelines for the Procurement of Consultant Services under Islamic Development Bank Project Financing** (April 2019 edition, revised in February 2023).

Specific procurement notices for contracts to be bid under the Islamic Development Bank's International Competitive Bidding – Limited to IsDB's Member Countries (ICB/MC) procedures and for contracts for consultancy services (QCBS-MC and LCS methods) will be announced, as they become available, in IsDB Website and can be requested from info@adsea.gov.az.

Interested eligible firms and individuals who would wish to be considered for the provision of goods, works and consulting services for the above mentioned project, or those requiring additional information, should contact the Beneficiary at the address below:

“Reconstruction of the Karabakh Irrigation Canal Project”

Mr. Fuad Abishev (Azerbaijan State Water Resources Agency, Administration of Facilities under Construction PLE,

Deputy Chairman of the Board)

67 Moscow Ave, Baku, Azerbaijan, AZ1012

Fax: +994 12 4935165

Email: fuad.abishev@toom.gov.az