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FRANCE: Business Opportunities Seminar

The ADB Procurement System and Business Opportunities

11 October 2022

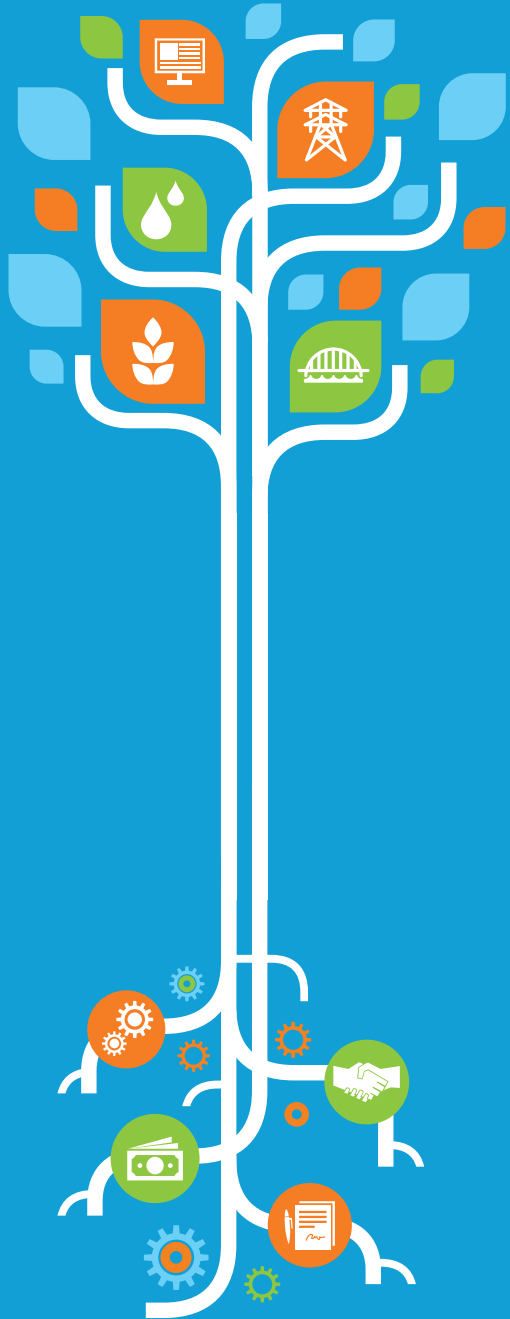
Stéphane BESSADI
Senior Procurement Specialist

Procurement, Portfolio and Financial
Management Department (PPFD)

BUSINESS 
OPPORTUNITIES

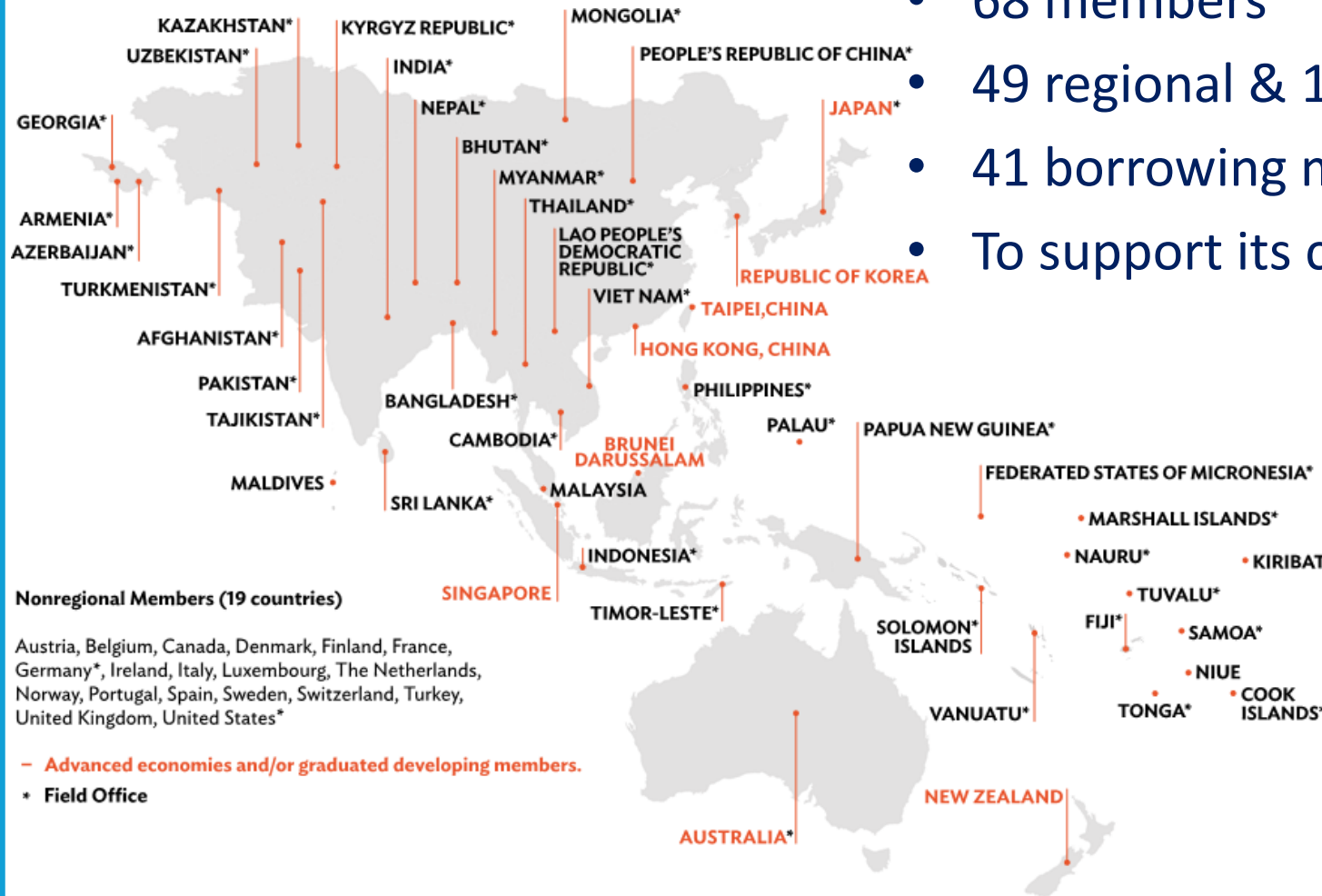
Overview

1. Snapshot of ADB and its Operations
2. ADB Private Sector Engagement & Procurement Statistics
3. ADB Procurement Framework
4. Bidding Strategies
5. Finding information



ADB Operations

A Brief about ADB



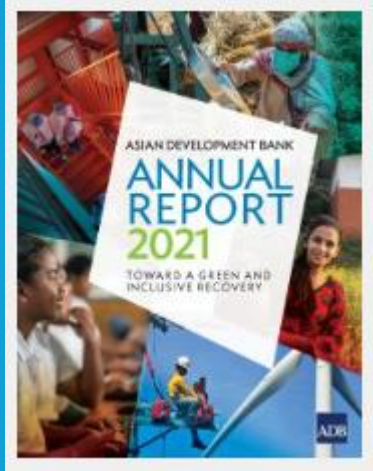
- Founded in 1966, HQ in Philippines
- 68 members
- 49 regional & 19 non-regional;
- 41 borrowing members
- To support its clients, ADB works with:
 - *Private sector*
 - *NGOs and CBOs*
 - *Foundations*
 - *Academia /Think Tanks*
 - *Donors*
 - *Other Intl. Organizations*

Main Instruments: Loan/Grants, Technical Assistance, Equity and Guarantees

Largest Borrowers: India, China, Pakistan, Bangladesh, Indonesia

ADB 2021 Sovereign Portfolio by Region (\$ billion)

TOTAL US\$ 104b

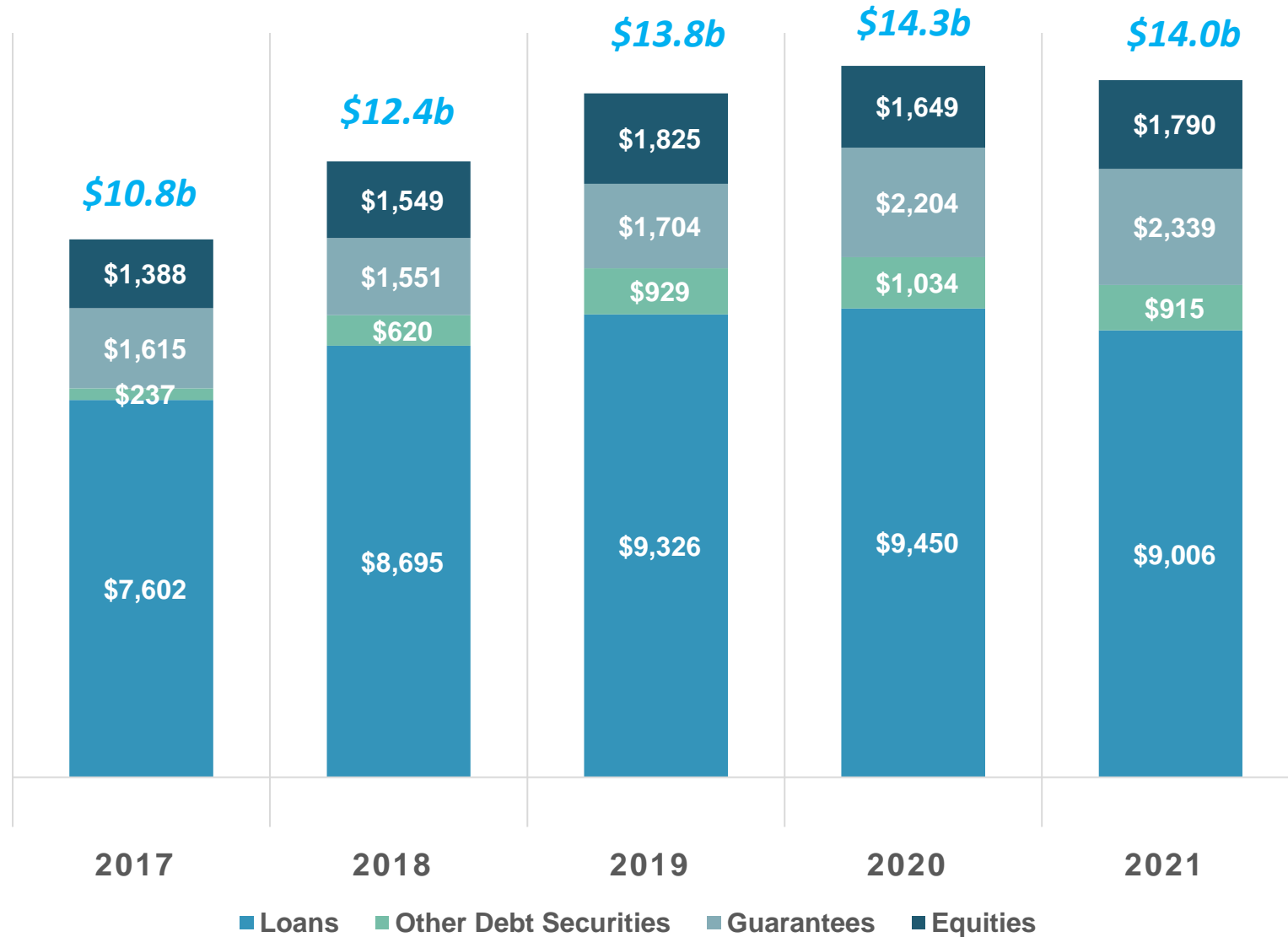


Portfolio by Sector		2020	2021	
29%	TRANSPORT	27%		↓
20%	ENERGY	19%		↓
12%	WATER	13%		↑
11%	AGRICULTURE	11%		
12%	PUBLIC SECTOR MANAGEMENT	11%		↓
16%	OTHERS	20%		↑

<https://www.adb.org/documents/adb-annual-report-2021>



6
ADB Private Sector Portfolio, 2017-2021



Activity 2021 by Sector

ADB Commitments by Sector, 2017–2021 (\$ million)

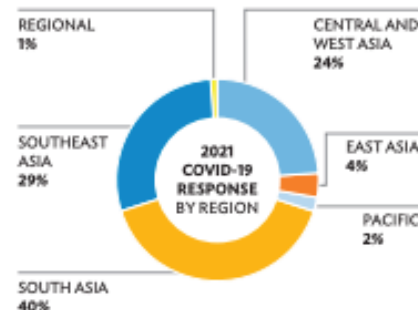
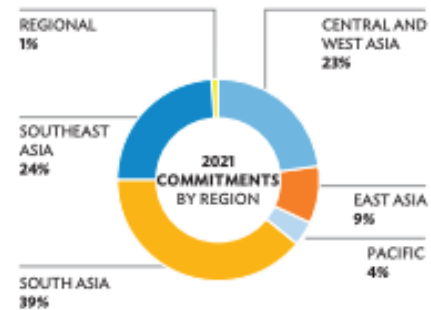
Sector	2017	2018	2019	2020	2021
Agriculture, Natural Resources, and Rural Development	1,546	2,375	2,309	1,281	1,490
Education	723	1,643	1,138	1,066	975
Energy	6,230	5,095	2,660	4,292	1,837
Finance	3,787	3,430	3,325	4,601	4,116
Health	219	524	644	3,512	5,882
Industry and Trade	1,261	1,899	1,592	2,215	716
Information and Communication Technology	73	62	579	32	55
Multisector	4	5	3	12	10
Public Sector Management	1,293	2,307	2,985	9,561	2,294
Transport	5,058	4,957	7,536	3,147	3,396
Water and Other Urban Infrastructure and Services	1,594	2,220	1,245	1,862	1,989
TOTAL	21,788	24,518	24,017	31,581	22,759

Note: Numbers may not sum precisely because of rounding.

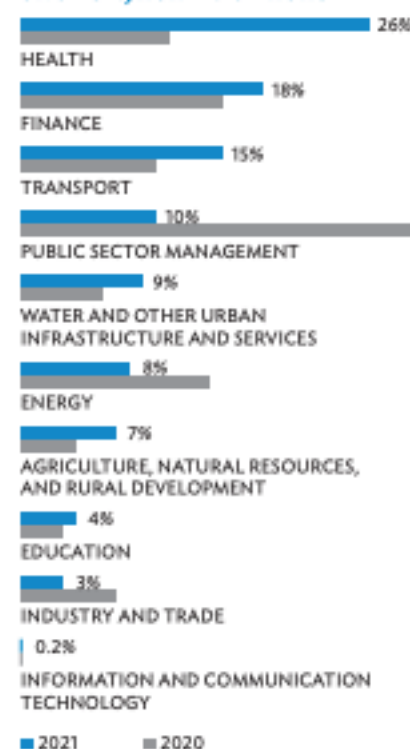
ADB Commitments by Region, 2017–2021 (\$ million)

Region	2017 Total	2018 Total	2019 Total	2020		2021	
				Total	COVID-19 Response	Total	COVID-19 Response
Central and West Asia	6,067	5,700	6,111	6,565	3,964	5,193	3,276
East Asia	2,810	3,162	2,663	2,893	385	2,034	478
Pacific	740	369	461	1,150	671	853	317
South Asia	7,238	7,621	7,307	9,034	3,983	8,819	5,409
Southeast Asia	4,668	7,143	7,181	11,628	7,039	5,579	3,944
Regional	265	523	294	310	105	282	85
TOTAL	21,788	24,518	24,017	31,581	16,146	22,759	13,511

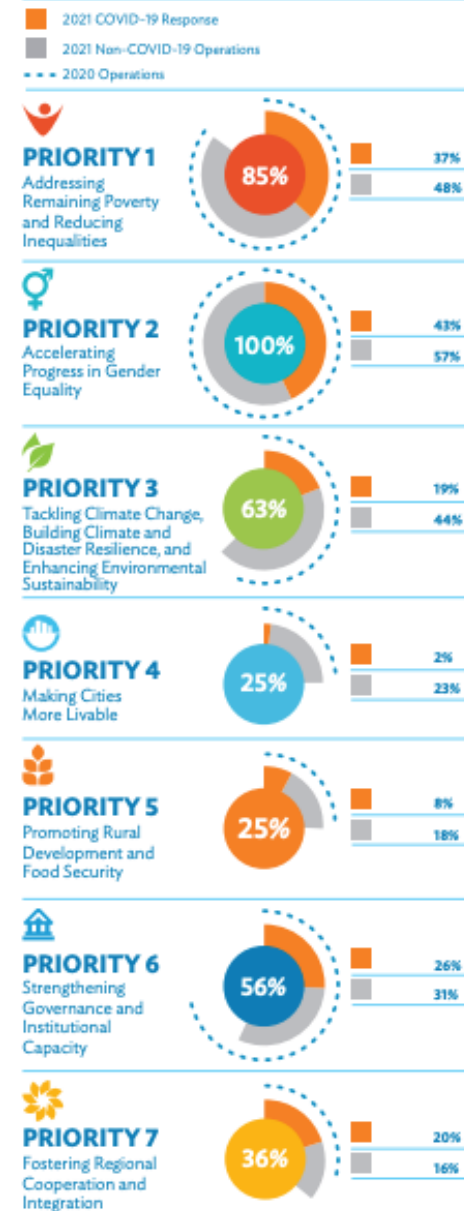
Note: Numbers may not sum precisely because of rounding.



ADB COMMITMENTS BY SECTOR, 2021 AND 2020



PERCENTAGE OF ADB'S COMMITTED OPERATIONS SUPPORTING STRATEGY 2030 PRIORITIES



Note: Most new ADB operations address multiple operational priorities. The sum of COVID-19 Response and Non-COVID-19 Operations percentages may not equal the total percentage figure for some operational priorities due to rounding.

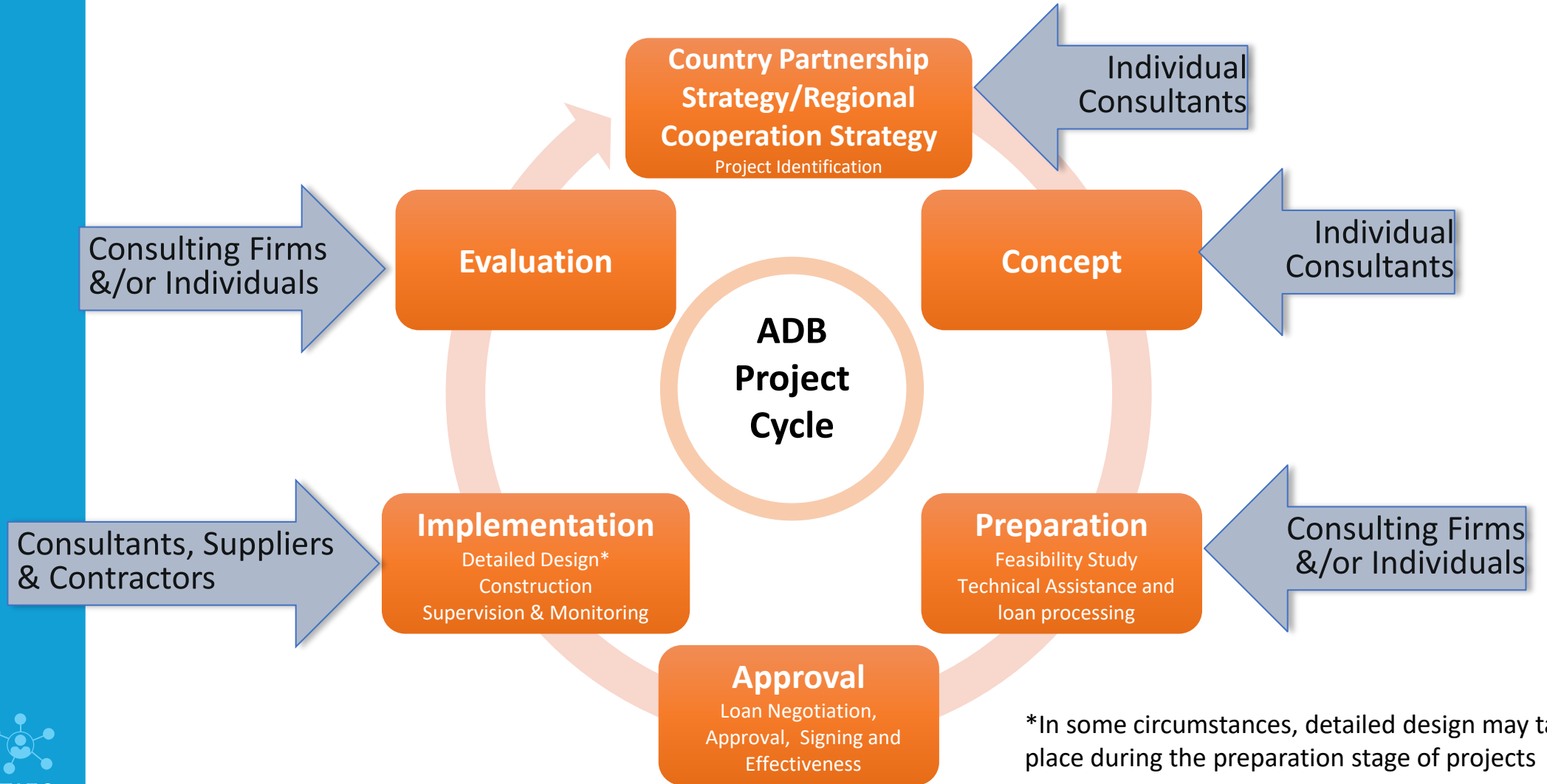


BUSINESS OPPORTUNITIES



ADB Private Sector Engagement & Procurement Statistics

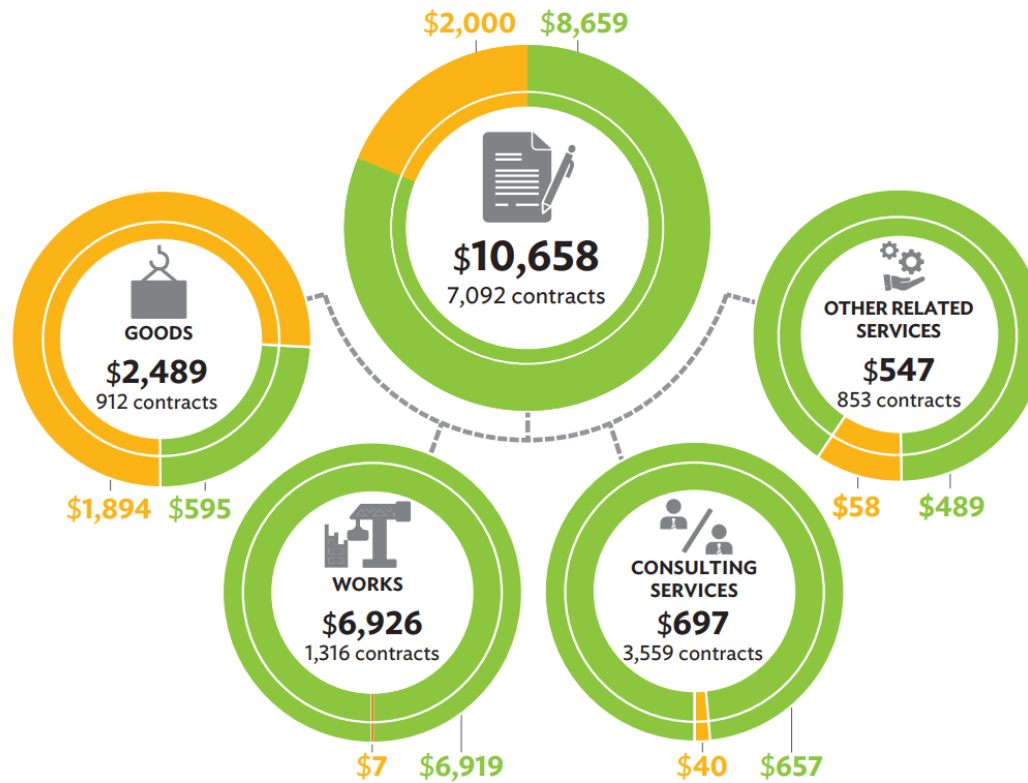
When is Private Sector engaged in ADB Projects?



Types of business opportunities

- **Goods**
 - Machinery, equipment, ICT, furniture
- **Works**
 - Roads, railways, bridges, irrigation canals, schools, etc.
 - EPC - Power plants, pump stations, water treatment plants, heating plants, airports, (etc.
- **Consulting services**
 - Project preparation & implementation, site supervision (PMC), detailed design, knowledge products, policy/advisory, staff consultants
- **Nonconsulting services**
 - Surveys, training, translation, event management

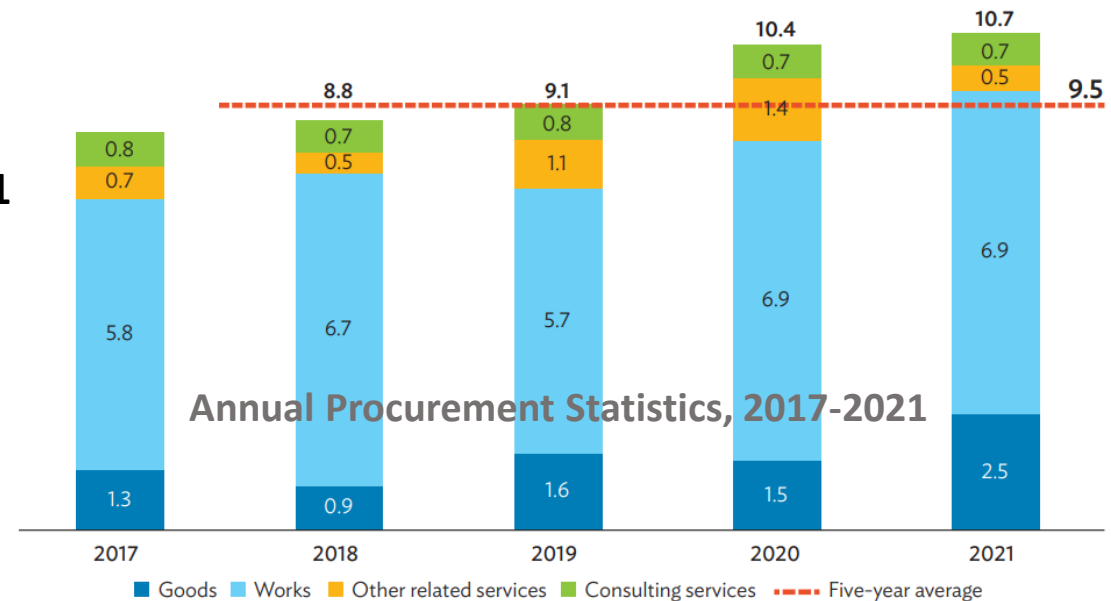
Procurement Statistics



Annual Procurement Statistics, 2021



<https://www.adb.org/documents/annual-procurement-report-2021>

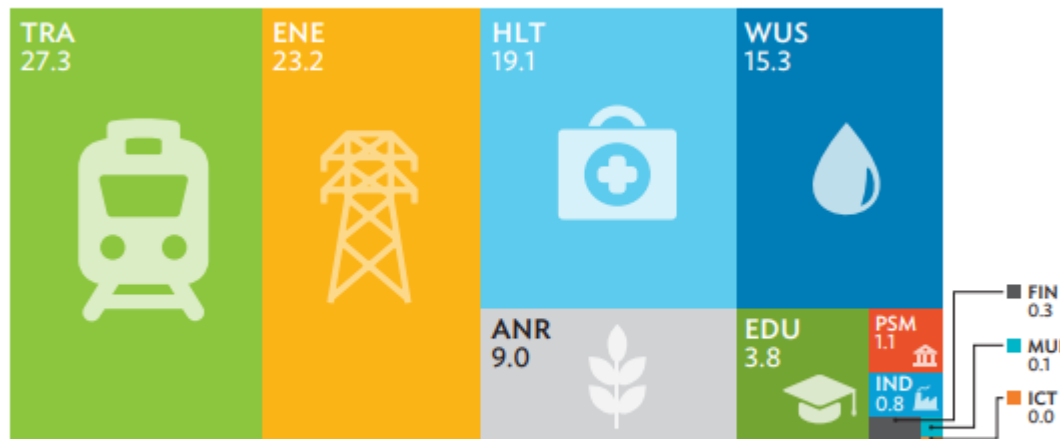


Annual Procurement Statistics, 2017-2021

Procurement Volume, 2021



Figure 18: Procurement by Sector, 2021
(% of total procurement)



ANR = Agriculture, Natural Resources, and Rural Development; EDU = Education; ENE = Energy; FIN = Finance; HLT = Health; IND = Industry and Trade; ICT = Information and Communication Technology; MUL = Multisector; PSM = Public Sector Management; TRA = Transport; WUS = Water and Other Urban Infrastructure and Services. > 0.0 = less than 0.05.

Top Suppliers by Member State

Procurement Ranking – Goods

	2018	2019	2020	2021
1	PRC	IND	IND	PRC
2	BAN	PRC	PRC	BAN
3	IND	USA	INO	PHI
4	SWE	BAN	TUR	IND
5	VIE	VIE	HKG	DEN

Procurement Ranking – Consulting Services

	2018	2019	2020	2021
1	KOR	IND	USA	IND
2	IND	AUS	KOR	INO
3	FRA	USA	IND	JPN
4	UKG	GER	INO	FRA
5	AUS	FRA	AUS	AUS

Procurement Ranking – Works

	2018	2019	2020	2021
1	PRC	PRC	IND	IND
2	IND	IND	PRC	PRC
3	BAN	BAN	PHI	VIE
4	GER	INO	BAN	PAK
5	PAK	PAK	PAK	INO

Tables indicate country of origin for supplier, contractor, or consultant across the time period; ranked by total aggregate contract value per type.

ADB Procurement Dashboard

Operational Procurement by Region, US\$ million



Contract Year

2020

Modality

- (All)
- Investment Support
- Policy-based Support
- Result-based Lending

Nature of Procurement

- (All)
- Consulting Services
- Goods
- Works
- Other Related Services

Region

- (All)
- Central and West Asia
- East Asia
- Pacific
- South Asia
- Southeast Asia

<https://data.adb.org/dashboard/operational-procurement-statistics>



USERS

external and internal



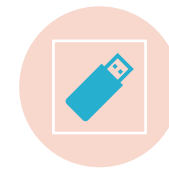
COVERAGE

Vast, multiple options



INFORMATION

region, member, nationality, nature, origin, sector



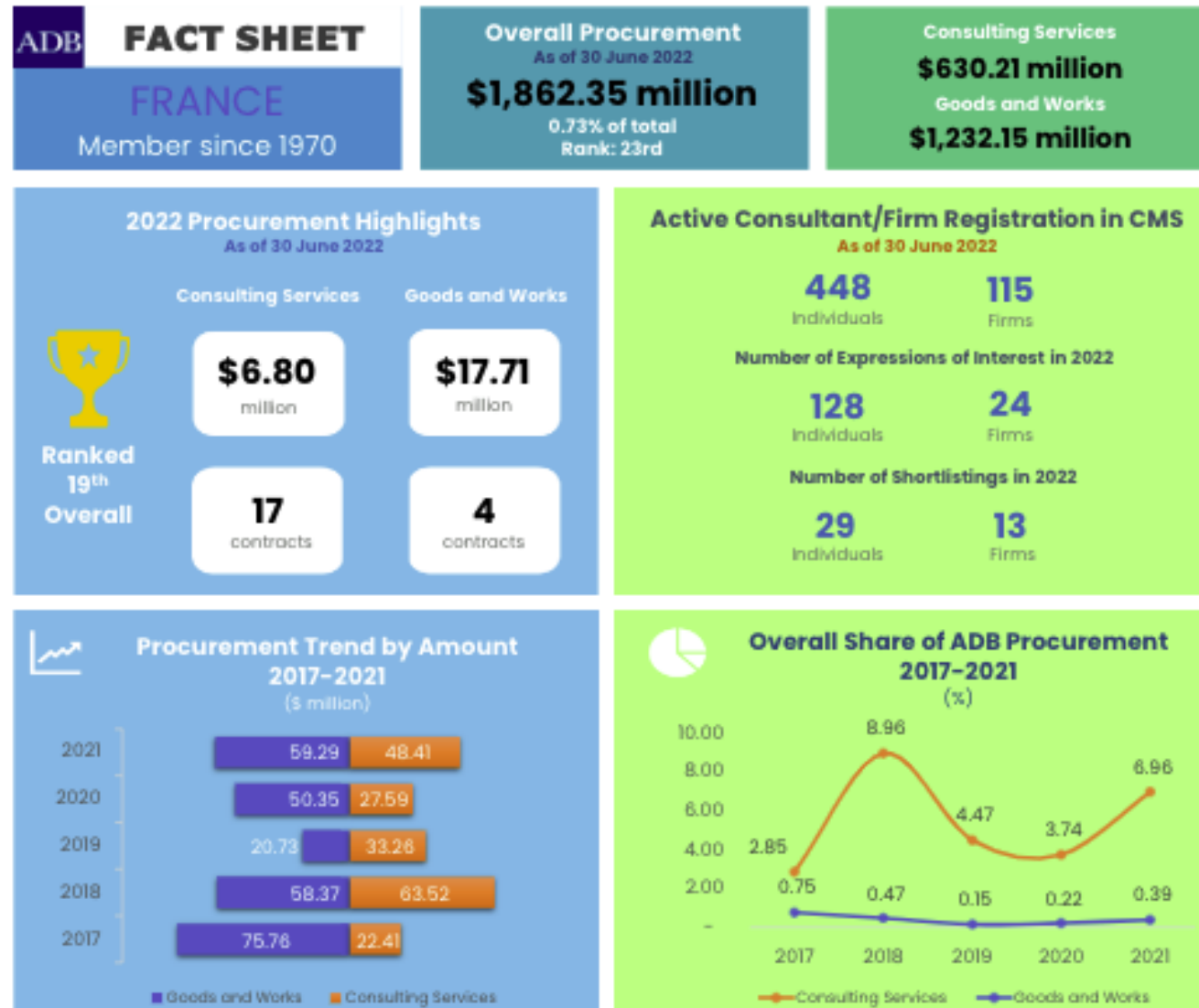
ACCESS TO DATA

downloading options

Summary Procurement Statistics, 2018-2022*

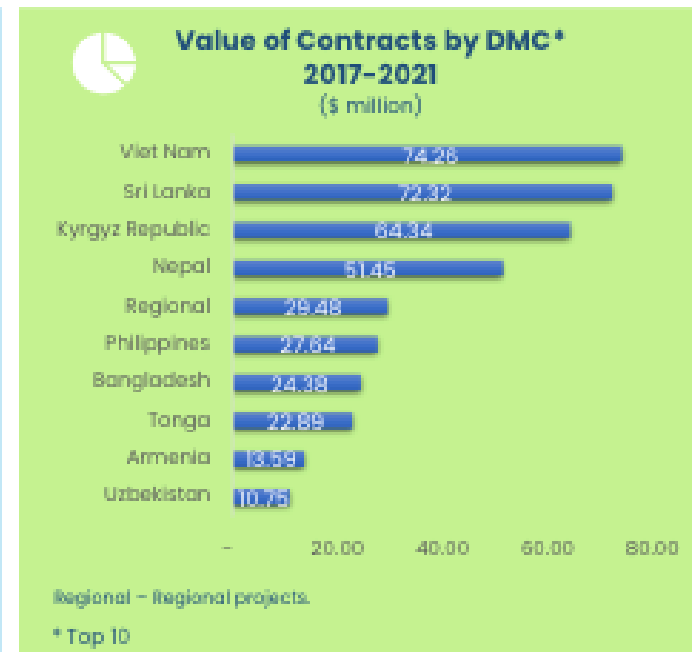
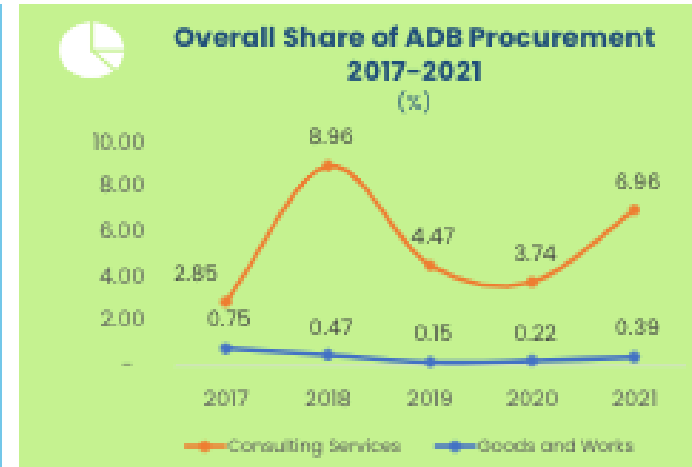
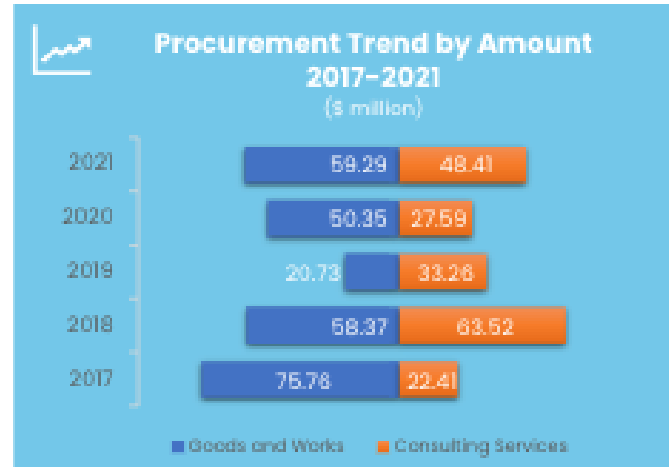
ADB

France



Summary Procurement Statistics, 2018-2022*

France

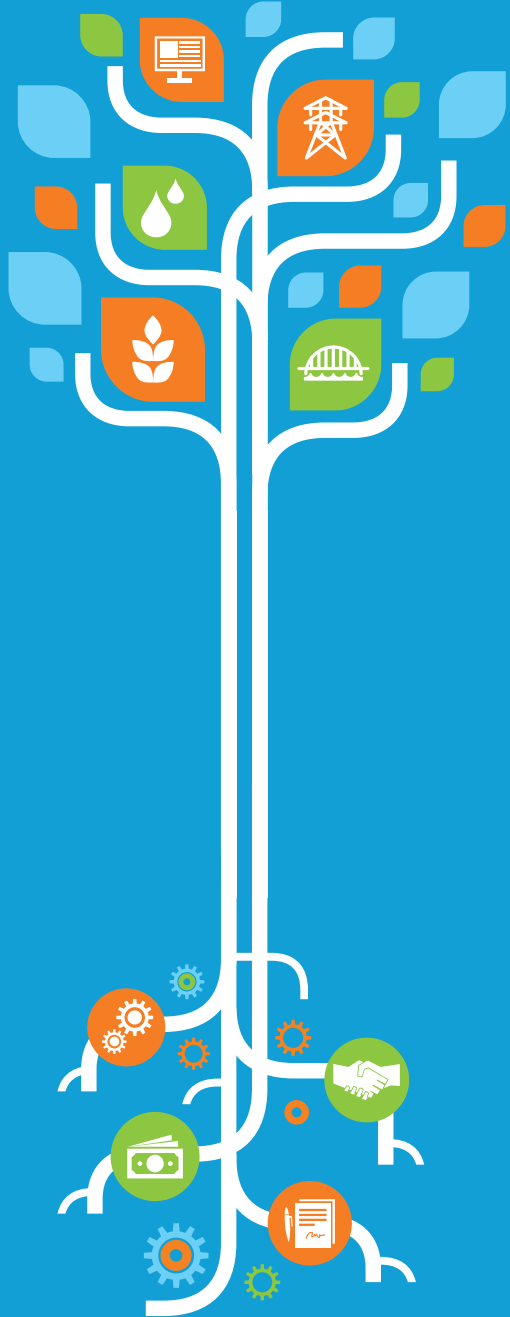


Why Pursue ADB Funded Contracts?

- Assured financing for goods, works, and services.
- Gateway to new opportunities in fast growing economies across multiple sectors.
- ADB's operations are rapidly growing.
- Internationally accepted fair and transparent procurement procedures.
- Strong integrity oversight.
- Opportunity to contribute towards development impact in Asia.



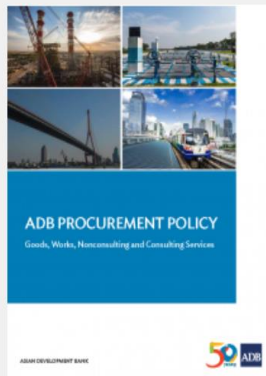
ADB Procurement Framework



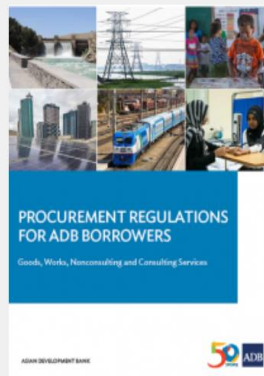
ADB Procurement Framework

For projects with concept papers approved **on or after 1 July 2017**

ADB's new procurement framework comprises a Procurement Policy and Procurement Regulations for ADB Borrowers. It modernizes project procurement processes through a principles-based approach, to meet the diverse needs of clients as ADB scales up its operations in line with Strategy 2030.



ADB Procurement Policy



Procurement Regulations for ADB Borrowers

For projects with concept papers approved **before 1 July 2017**

ADB's Procurement Guidelines and Guidelines on the Use of Consultants defined the policies and procedures for selecting, contracting, and monitoring suppliers of goods, works, and services for ADB-financed projects.









Procurement Guidelines

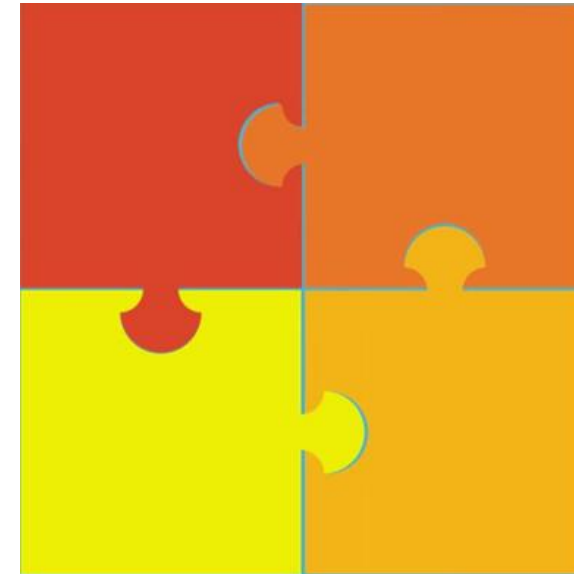


Guidelines on the Use of Consultants



Implications of the Procurement Framework

Principles		Outcomes
	Fairness	Equal opportunity; equitable distribution; and credible mechanisms for addressing procurement-related complaints.
	Economy	Using price, quality, and any nonprice attributes to deliver viable projects.
	Efficiency	Ensures procurement processes are proportional to value and risks.
	Transparency	Deliver relevant procurement information publicly in a consistent and timely manner; appropriate reporting; and confidentiality.
	Quality	Structured arrangements delivering appropriate outputs in an effective manner to achieve project outcomes and objectives.
	Value for Money	Obtain optimal benefits through effective, efficient, and economic use of resources.



- ✓ Principles based vs. Rules-based
- ✓ Fit-for-Purpose

Expected Impacts

- Improved **quality** and greater value-for-money
- **Reduced time** to deliver procurement outcomes
- **Higher quality suppliers** bidding for projects
- **Lowered costs** for each transaction
- **Strengthened capacity** of DMC procurement
- **Improved relationship** between borrowers and suppliers



ADB's Role in Sovereign Procurement

- ADB reviews the borrower's procurement procedures, documents, bid evaluations, award recommendations, and contracts to ensure that the procurement process is consistent with ADB's Procurement Policy and Procurement Regulations for Borrowers.
- ADB is a lender and finances projects that align with organizational priorities.
- Other than for some TA activities, ADB does not perform an evaluation function of bids or proposals submitted to borrowers to support ADB funded projects.

ADB	Executing Agency (EA)	Implementing Agency (IA)
<ul style="list-style-type: none"> • Review and oversight capacity • Ensures procurement is carried out per agreed procedures • Post review (sampling) or prior review of procurement transactions 	<ul style="list-style-type: none"> • Entity that signs ADB loan or grant for a project • Typically, MoF who may also perform implementation function 	<ul style="list-style-type: none"> • Responsible for implementing loan or grant • Issues tenders, performs evaluations, and contracts with contractors, consultants, and services providers for project purposes

Procurement Methods to Recruit Firms

QCBS	• Quality & Cost Based Selection
QBS	• Quality Based Selection
CQS	• Consultants Qualifications Selection
FBS	• Fixed Budget Selection
LCS	• Least Cost Selection
DC	• Direct Contracting

New selection method for firms

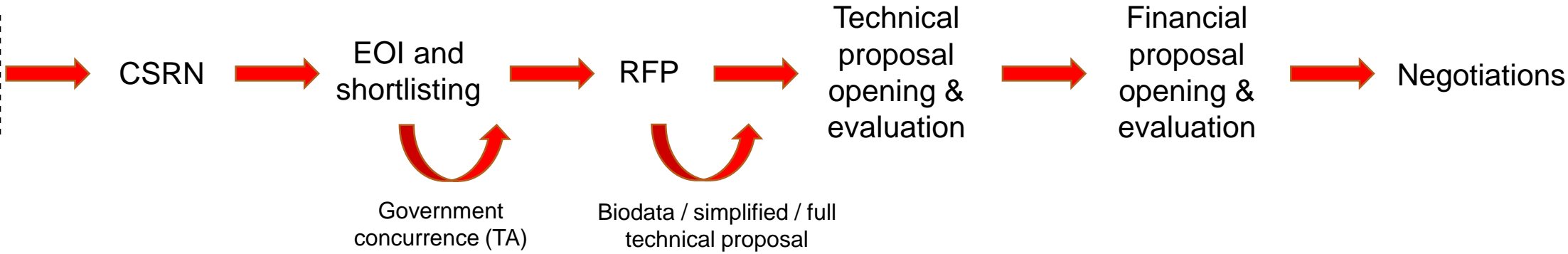
- ADB has launched a new, pilot selection method for recruiting consulting firms known as “**simplified consultants’ qualifications selection**” (SCQS)
- It aims to reduce recruitment times by half or more
- Time-saving features include:
 - Single-stage, single-envelope proposal process
 - Proposal length kept short for faster submission and evaluation
 - Fully electronic submission forms in CMS
 - Evaluation is based on highest technical score within maximum budget
 - Financial evaluation follows cost competitive principles
 - Documents necessary for negotiations and any desired changes to the standard contract are raised within the proposal itself
- Opportunities are now being advertised on CMS using SCQS
- The pilot is initially approved for ADB-administered selections with maximum budget up to \$500k until Dec. 2024



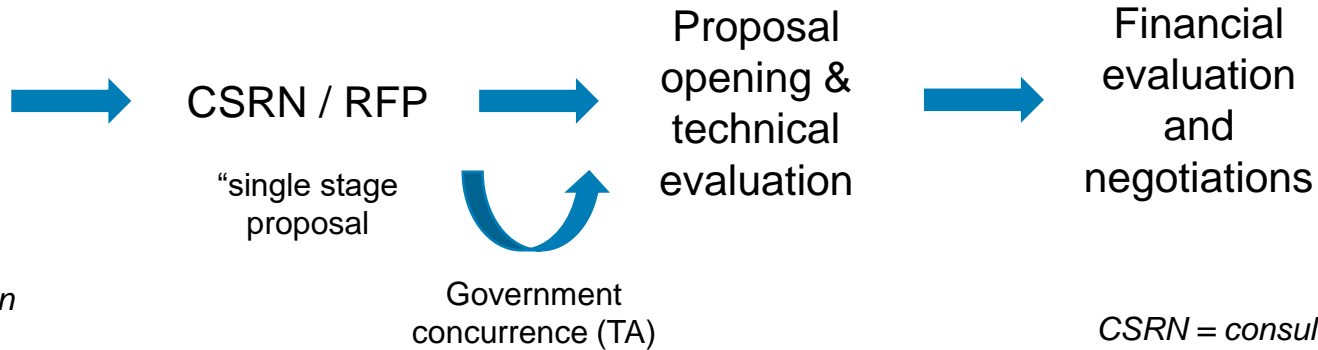


New selection method for firms

QCBS, QBS,
CQS, FBS,
LCS, DC



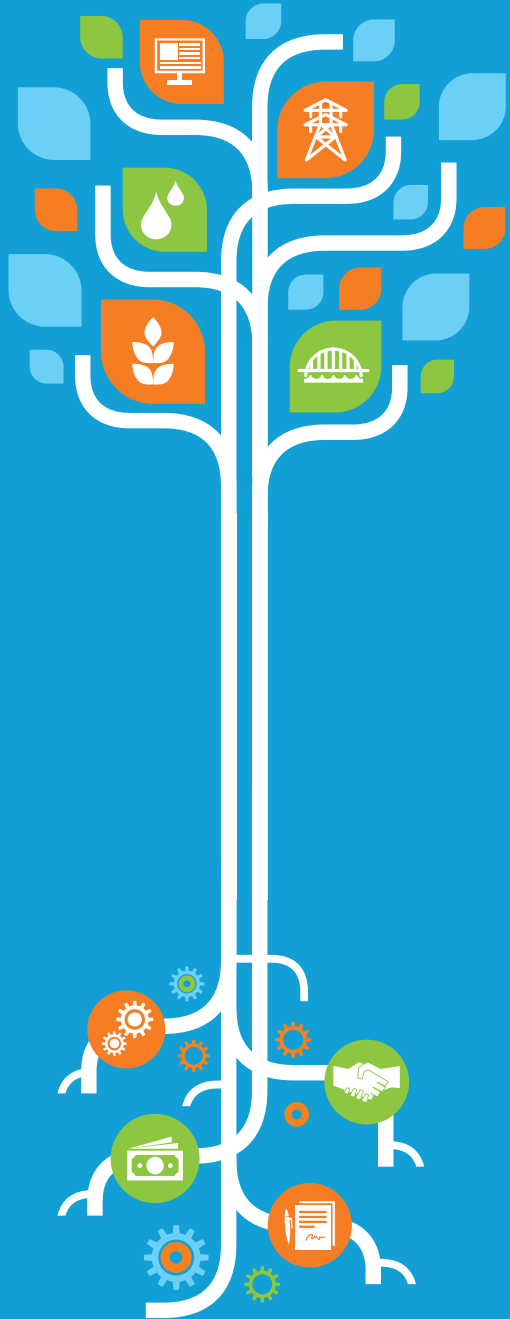
SCQS



QCBS = quality- and cost-based selection
 QBS = quality-based selection
 CQS = consultants' qualifications selection
 FBS = fixed budget selection
 LCS = least-cost selection
 DC = direct contracting

CSRN = consulting services recruitment notice (i.e., advertisement)
 EOI = expression of interest
 RFP = request for proposals

Bidding Strategies



Tips when considering ADB-financed assignments

- **Understand** the country, project, and client requirements
- Collect relevant business intelligence – **network!**
- Engage and partnership with firms likely to be shortlisted
- Position yourself to your competitive advantage
- **Study the bidding documents** and understand the procurement method and evaluation criteria
- Focus on **performance and reputation** for successful work
- Express interest
- Prepare a responsive and **strong technical proposal**
- Seek clarifications in writing
- Be ready for possible bid **extensions** or amendments

ASK QUESTIONS

Common Mistakes in preparing bids

- Bids not signed or Bids signed by a person who is not authorized signatory
- No Bid Security or Bid Securing Declaration (if required)
- Insufficient Amount of Bid Security, Incorrect Validity Period
- Lack of Supporting Documents (JV Agreements, Audited Financial Statements, Past Performance Certificates)
- Incomplete Bids / Partial Bids
- Absence of test reports (if required) as per bidding documents
- Conflicts of interest not disclosed
- Inclusion of financial offer with technical offer where bid conditions require them to be separated (i.e. under 1S2E bid procedure)

- Failure to provide a Signed letter of Bid, a correct Bid Validity Period and the required Bid Security or Bid Securing Declaration and Priced BOQs are grounds for immediate disqualification of the Bid.

- Minor omissions to the documents required by the Bidding Documents may be clarified. Multiple minor omissions may add up to a major omission and if clarified would give the Bidder an unfair advantage

What NOT to do

- Failure to disclose **conflict of interest** (e.g., employees from EA included in a proposal)
- Firm or JV partners not from an ADB **member country**
- Submitting proposal **late**
- Failure to respond to client **requirements**
- **Conditional bids**
- **Incomplete/noncompliant bids**, e.g., missing bid security, letter of bid not signed, JV agreement missing, bid envelopes not properly marked, etc.
- **Integrity** violations in the bidding process

When in doubt, always seek written clarification

Debriefing and Complaints

Debriefing:

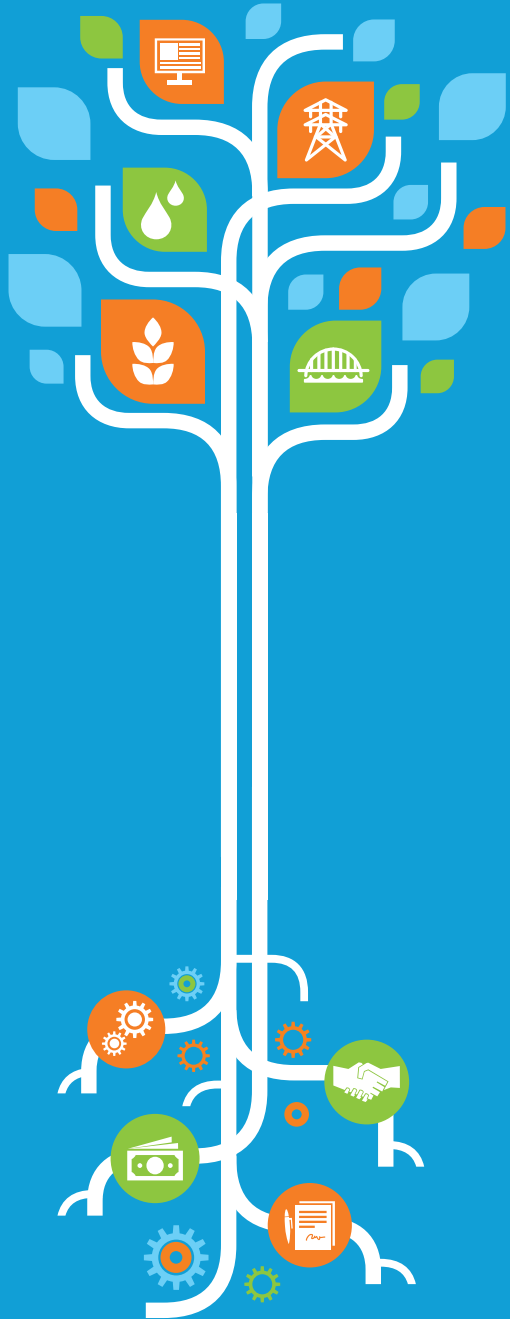
- Unsuccessful bidders may request debriefing from the procuring entity (the EA or ADB). If they are not satisfied with the explanation given, they may submit a complaint.
- Debriefings are an excellent learning opportunity for future bids!

Complaints:

- Bidders may file complaint directly with ADB and may copy ADB on correspondence with EAs.
- Complaints to ADB should be submitted through online form: <https://www.adb.org/forms/complaints>

How to report fraud:

- www.adb.org/site/integrity/how-to-report-fraud

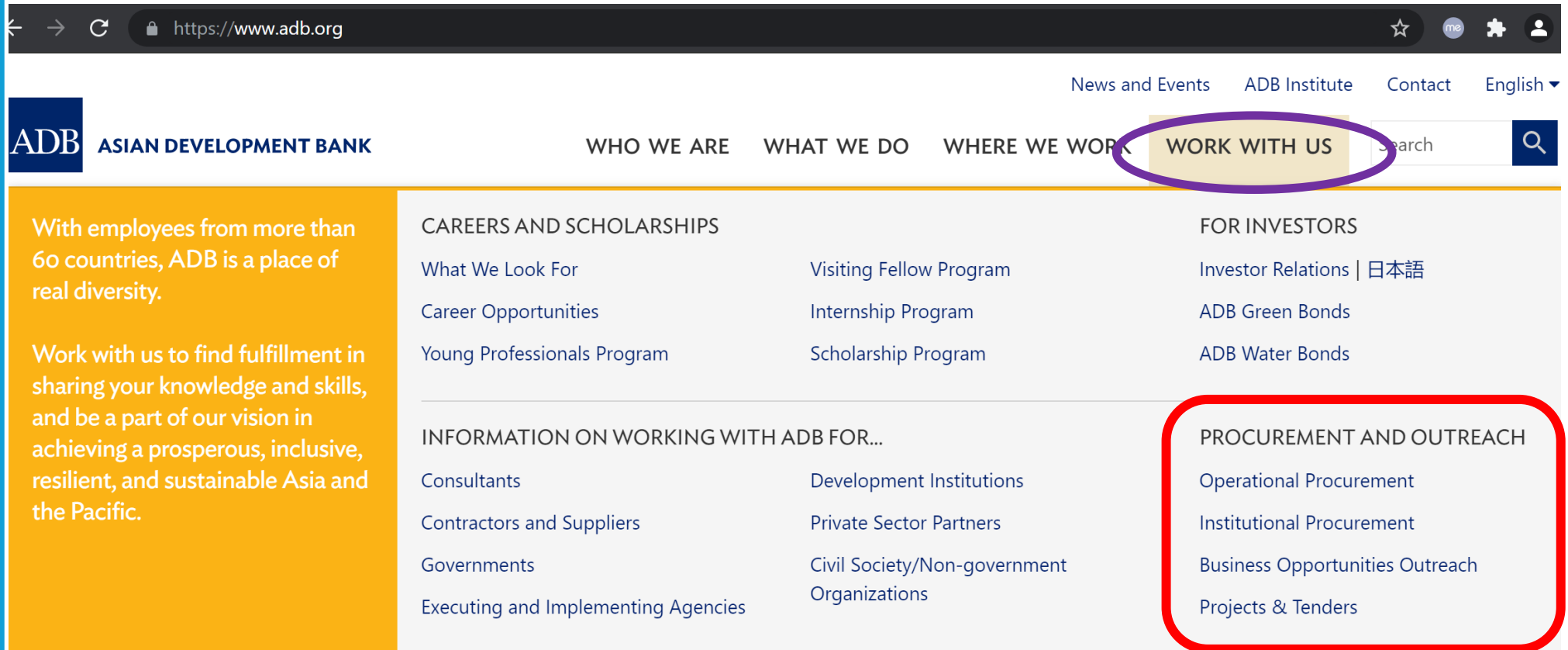


Finding Information

Identifying opportunities for contracts with project executing agencies and ADB

- Country partnership strategies
- Country operations business plans
- Procurement plans
- General and specific procurement notices
 - Advance notices
 - Invitation for prequalification
 - Invitation for bids
 - Consulting services recruitment notice (CSRN)
- Hop-on opportunities
 - Prequalified contractors / consultants
 - Contracts awarded
- *(ADB only)* Institutional procurement notices

How to find Information on our Website



The screenshot shows the ADB website navigation menu. The 'WORK WITH US' menu item is circled in purple. Below it, the 'PROCUREMENT AND OUTREACH' sub-menu is circled in red. The sub-menu items are: Operational Procurement, Institutional Procurement, Business Opportunities Outreach, and Projects & Tenders.

With employees from more than 60 countries, ADB is a place of real diversity.

Work with us to find fulfillment in sharing your knowledge and skills, and be a part of our vision in achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific.

CAREERS AND SCHOLARSHIPS

What We Look For

Career Opportunities

Young Professionals Program

Visiting Fellow Program

Internship Program

Scholarship Program

FOR INVESTORS

Investor Relations | 日本語

ADB Green Bonds

ADB Water Bonds

INFORMATION ON WORKING WITH ADB FOR...

Consultants

Contractors and Suppliers

Governments

Executing and Implementing Agencies

Development Institutions

Private Sector Partners

Civil Society/Non-government Organizations

PROCUREMENT AND OUTREACH

Operational Procurement

Institutional Procurement

Business Opportunities Outreach

Projects & Tenders

Business Center - www.adb.org/business

Procurement - www.adb.org/business/operational-procurement



Operational Procurement

Operations Procurement

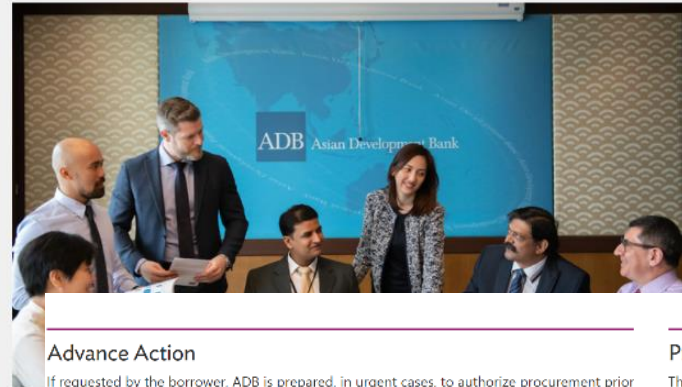
The Procurement, Portfolio and Financial Management Department (PPFD) provides fiduciary oversight of procurement of goods, works, non-consulting and consulting services. PPFD supports ADB staff and borrowers on procurement planning and implementation, contract management, and related risk assessment and mitigation throughout the project life cycle. It also leads procurement and consulting services innovation and capacity building initiatives.



Goods, Works, and Non-Consulting Services →

ADB extends loans and provides technical assistance to its developing member countries for a broad range of development projects and programs involving the procurement of goods, works, and services.

<https://www.adb.org/business/operational-procurement/goods-services>



Advance Action

If requested by the borrower, ADB is prepared, in urgent cases, to authorize procurement prior to loan approval. This is particularly when early contracting of goods or works would be crucial for timely completion of the project or when substantial financial benefits would accrue.

Cor
cont
and

ADB cont and In such cases, ADB will approve the draft prequalification or bidding documents before they are issued and ensure that requirements for public advertising and notification of bid invitation be followed.

ADB's approval of such advance procurement is with the explicit understanding that it does not commit ADB to approve the project and loan, and that future ADB financing depends on compliance with ADB's procedural requirements.

All Advance Notices Archive

Prequalified Contractors

The prequalification of contractors are undertaken for most large, ADB-financed civil works contracts, turnkey contracts and contracts for the supply of expensive and technically complex equipment. ADB reviews and approves the prequalification process conducted by the Borrower's executing agency and publishes lists of prequalified contractors for contracts with estimated value of \$10,000,000 and above.

Current Prequalified Applicants Archive

Contracts Awarded

Contracts awarded for goods and civil works with contract value above US\$1.0 million. An archive of the previous year's contract awards is also provided.

Current Awarded Contracts Archive

- Procurement Plan
- Advance Action
- Prequalified Contractors
- Contracts Awarded
- Bidding Procedures

Goods & Works – Specific Procurement Notice

ADB ASIAN DEVELOPMENT BANK

WHO WE ARE WHAT WE DO

PROJECTS & TENDERS Projects Documents **Tenders**

Procurement of goods, works, and consulting services

Search

Results 1-20 of 21 Invitation f... Viet Nam Invitation f... Energy

46391-VIE: Ha Noi and Ho Chi Minh City Power Grid [ADB-HNPC-THD-G02] Status: Closed
46391-001; Viet Nam; Energy; Date posted: 05 Nov 2018
Notice Type: Invitation for Bids

3374-VIE: Power Transmission Investment Program, Tranche 3 [CT-G01] Status: Closed
42039-036; Viet Nam; Energy; Date posted: 27 Sep 2018
Notice Type: Invitation for Bids
Approval Number: 3374

3374-VIE: Power Transmission Investment Program, Tranche 3 [CT-G02] Status: Closed
42039-036; Viet Nam; Energy; Date posted: 27 Sep 2018
Notice Type: Invitation for Bids
Approval Number: 3374

3374-VIE: Power Transmission Investment Program, Tranche 3 [CT-W01] Status: Closed
42039-036; Viet Nam; Energy; Date posted: 23 Aug 2018
Notice Type: Invitation for Bids
Approval Number: 3374

Refine by

COUNTRY (1) [Clear] Viet Nam

SECTOR (1) [Clear] Energy

TYPE (2) [Clear] Invitation for Bids Invitation for prequalification

Invitation for Prequalification

Date:	14 March 2018
Loan No. and Title:	Loan 3630/8335 Grant 0561--CAM: Provincial Water Supply and Sanitation Project
Contract No. and Title:	MIH/PWSSP/01-- Plant Design, Supply, Installation, Commissioning and O&M Support for Battambang Water Supply
Deadline for Submission of Applications:	26 April 2018; 10:00 hours (local time)

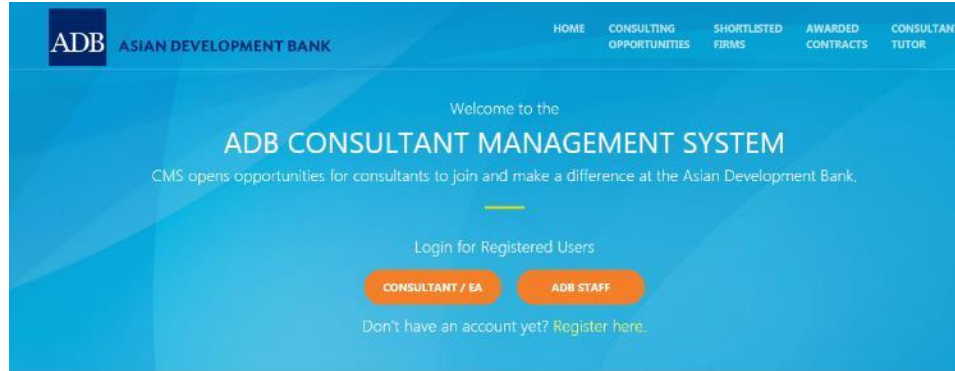
1. This Invitation for Prequalification follows the Procurement Plan for this project that appeared on the Asian Development Bank (ADB) website on 8 December 2017.
2. The **Royal Government of Cambodia** has received financing from ADB toward the cost of **Provincial Water Supply and Sanitation Project**.

Invitation for Bids

Date:	5 November 2018
Loan No. and Title:	46391-VIE: Ha Noi and Ho Chi Minh City Power Grid Development Sector Project
Contract No. and Title:	ADB-HNPC-THD-G02: 110kV Tran Hung Dao Substation: Supply of Materials and Equipment for Substation. Sub – project: Rehabilitation and upgrade of 110kV Tran Hung Dao Substation - E12
Deadline for Submission of Bids:	17 December 2018 at 14:00 hours

1. The Socialist Republic of Viet Nam has received financing from the Asian Development Bank (ADB) toward the cost of **Ha Noi and Ho Chi Minh City Power Grid Development Sector Project**, and it intends to apply part of the proceeds of this financing to payments under the contract named above. Bidding is open to Bidders from eligible source countries

Register for alerts




Search Consulting Opportunities

Get detailed information on consulting services requirements and send expression of interests (EOIs) for ADB-financed or administered projects.



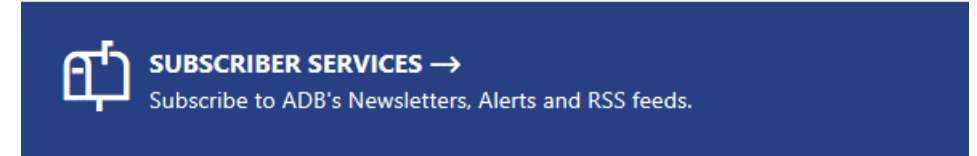
View Shortlisted Firms

ADB publishes the names and contact details of firms invited to submit proposals. This is for the information of consultants who wish to associate with them. Interested consultants should contact the firms directly.



View Awarded Contracts

ADB Project contracts that are awarded to consulting firms are disclosed to the public. Visit the page to view the list of contracts awarded to consulting firms, along with associated contract details.



Alerts

Links to content posted on ADB.org delivered to your inbox daily or weekly.

Daily Weekly Off

Events

On Off

News Releases and News from Country Offices

On Off

Procurement Notices (Goods and Works)

Note: Weekly notifications on consulting opportunities available for registered users of the [Consultant Management System \(CMS\)](#).

On Off

Project Information and Documents

On Off

Publications

On Off

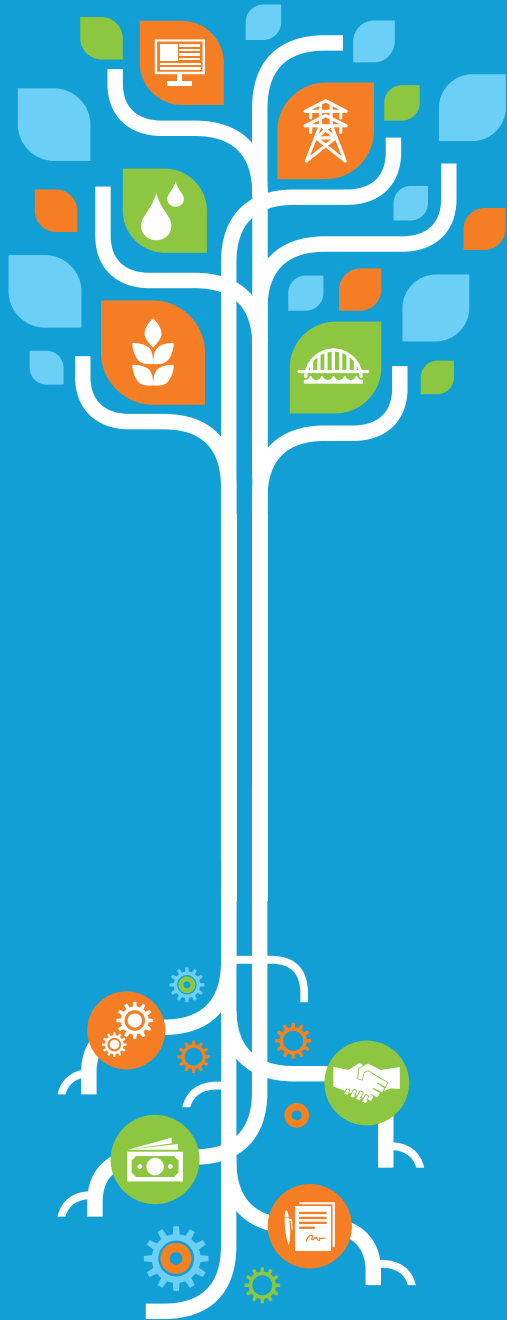
Safeguard Documents

On Off

ADB's CMS System: <http://cms.adb.org>

Goods & Works Notices: <https://alerts.adb.org>





For more information: adb.org

To join the community of ADB Consultants and Suppliers:

1) ADB Consultants Network:

<https://www.linkedin.com/groups/3796524/>

2) ADB Suppliers Network:

<https://www.linkedin.com/groups/3796532/>

Also follow “ADB Business Center”:

<https://www.linkedin.com/showcase/adb-business-center/>

Contact: Stephane BESSADI sbessadi@adb.org