



# Asian Development Bank Business Opportunities Seminar

Doing Business with ADB and the ADB Procurement System

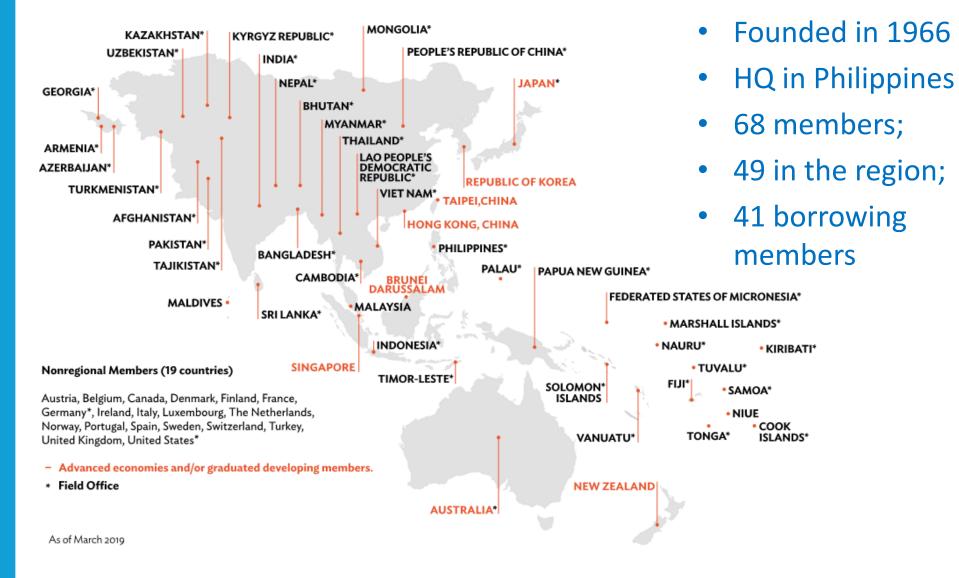
Ireland 28 October 2020







#### What is ADB?





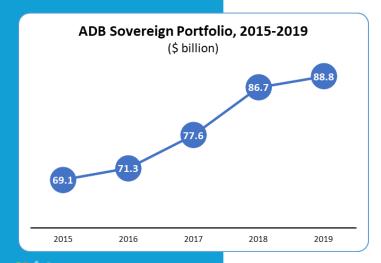


#### **ADB 2019 Sovereign Portfolio**









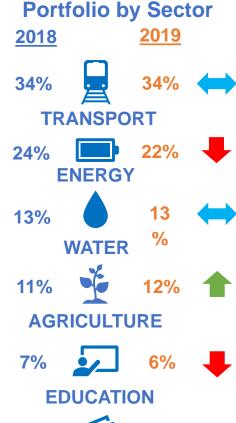






















ADB = Asian Development Bank. Source: Asian Development Bank data.

https://www.adb.org/documents/2019-annual-portfolio-performance-report

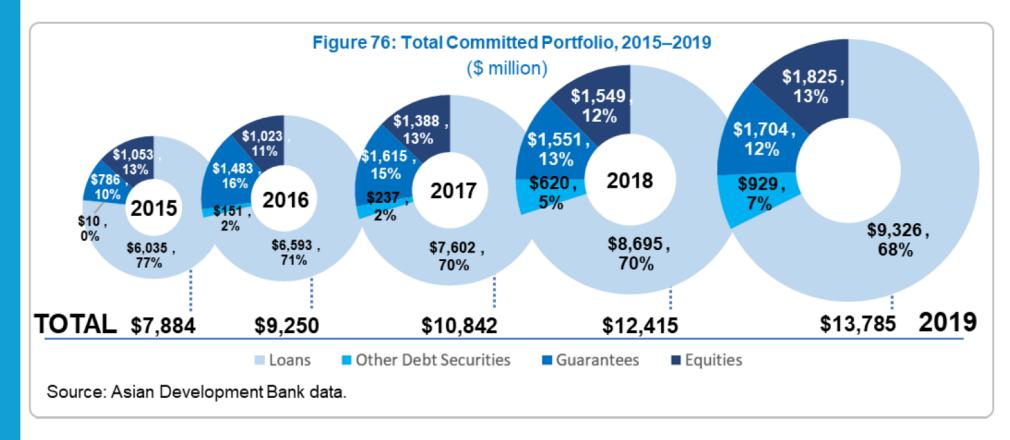
Other

1%

\$0.5bn



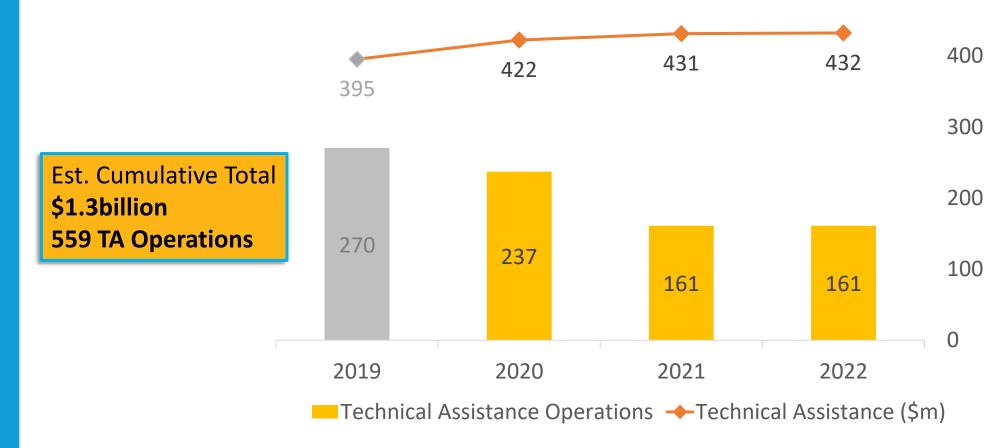
#### **ADB 2019 Non-Sovereign Portfolio**







### **Technical Assistance Pipeline 2020-2022**







### **Strategy 2030: Seven Operational Priorities**



Addressing remaining poverty and reducing inequalities



Accelerating progress in gender equality

At least 75% of committed operations by 2030



Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability \

At least 75% of committed operations by 2030, \$80 billion from own resources from 2019–2030



Making cities more livable



Promoting rural development and food security



Strengthening governance and institutional capacity



Fostering regional cooperation and integration

#### **Key Approaches**



Expanding private sector operations

1/3 of ADB operations by 2024



Catalyzing and mobilizing financial resources for development

\$1 in private sector operations financing matched by \$2.50 of cofinancing



Strengthening knowledge services

https://www.adb.org/documents/strategy-2030-prosperous-inclusive-resilient-sustainable-asia-pacific

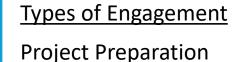




## **Business Opportunities - Consulting**

Total Contracted in 2019 = \$775m

2019	No. of Contracts		Total Value of Contracts Awarded (\$m)	
	Firms	Individuals	Firms	Individuals
Technical Assistance	225	2,960	108.8	110.4
Staff Consultants	18	961	1.9	24.7
Loans			370	26.2
Grant			110.8	21.6



Feasibility Studies, Preliminary Design, ADB Safeguard Policies, Capacity Building, Procurement

#### **Project Implementation**

Surveys, Detailed Design, Construction Supervision, Project Management, Capacity Building, Procurement

Knowledge Products
Studies, Capacity Building, Knowledge
Sharing
Staff Consultants
Administrative Assistance to ADB
Operations





### **Business Opportunities – Goods & Works**

Supply of Goods	Machinery
	Equipment
	Computers
	Furniture etc.
Civil Works	Roads
	Railways
	Bridges
	Irrigation Canals,
	Schools, etc.
Turnkey	Power Plants
	Pump Stations
	Water Treatment Plants
	Solid Waste Treatment Plants
	Airports, etc.

Loans and Grants	\$100,000 < \$1m	\$1m < \$20m	> \$20m
Average number of contracts per year	2,000	1,000	150
Average Contract Size (\$m)	0.3	3.5	29.0



Total Contracted value of Goods and Works in 2019 = \$10.6bn



## **Ireland – Top Five Consulting Firms**

Consultant	Sector	ADB financed amount (US \$m)		
Project Management Ltd.	EDU, WUS	6.82		
AARC Ltd.	EDU, FIN, PSM, TRA	5.46		
GDSI Ltd.	FIN	2.11		
Intuition Publishing Ltd.	FIN, PSM	0.88		
Individual Consultants		2.76		
Total		18.03		
Notes as your the managering paried 01 January 2015 21 December 2010				

Note: covers the reporting period 01 January 2015 - 31 December 2019

EDU = education; FIN = finance, PSM = public sector management, TRA = Transport, WUS = water and urban services





#### Why pursue ADB-Financed Contracts?



Gateway to new opportunities in fast growing emerging economies across multiple sectors



Availability of funds is assured



Internationally accepted procurement procedures

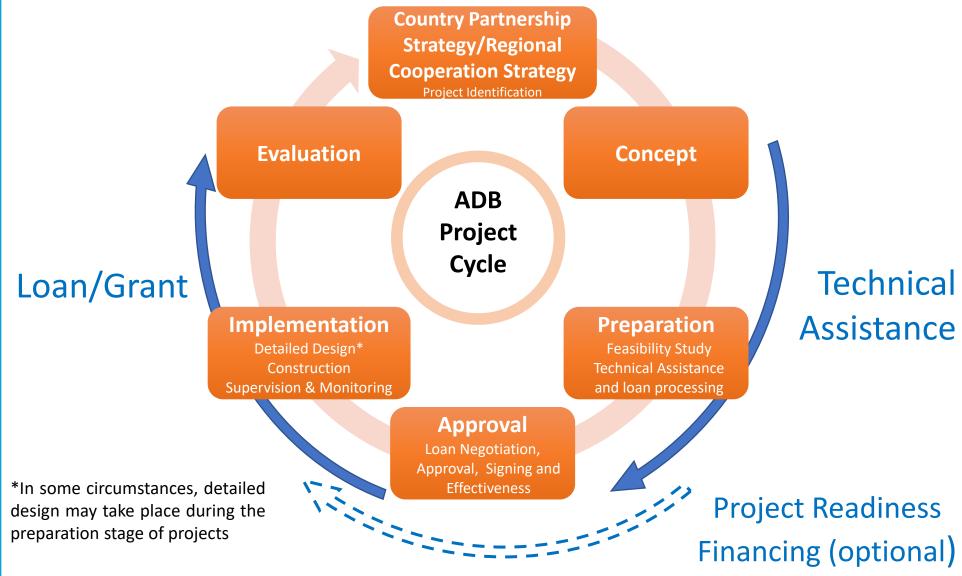




Risks related to transparency, fairness and integrity of procurement processes mitigated through ADB oversight



#### **Different Modalities of Engagement for Consultants**







When is private sector engaged? **Country Partnership** Individual Strategy/Regional Consultants **Cooperation Strategy Project Identification** Individual **Consulting Firms Evaluation** Concept Consultants &/or Individuals **ADB Project** Cycle **Implementation Preparation Consulting Firms** 

Consultants, Suppliers & Contractors

Detailed Design\* Construction Supervision & Monitoring

Feasibility Study Technical Assistance and loan processing

&/or Individuals



Loan Negotiation, Approval, Signing and Effectiveness

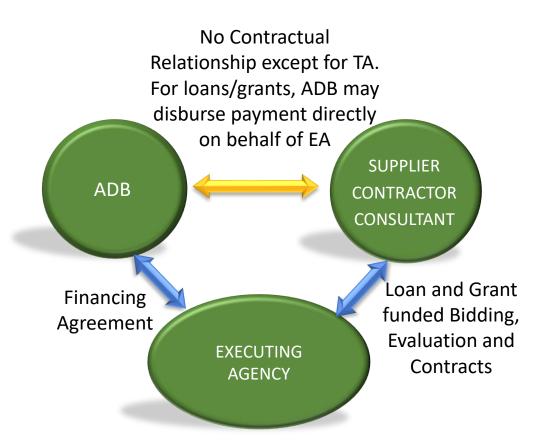
\*In some circumstances, detailed design may take place during the preparation stage of projects





#### Relationships

- The Borrower (Executing Agency) is responsible for procurement of goods and works
- ADB (under TAs) or Borrower select and recruit Consultants
- ADB reviews the procurement activities of EAs to ensure that proceeds of its financing are used in accordance with the bank's rules











# Consulting Services





## **Types of Consultants**





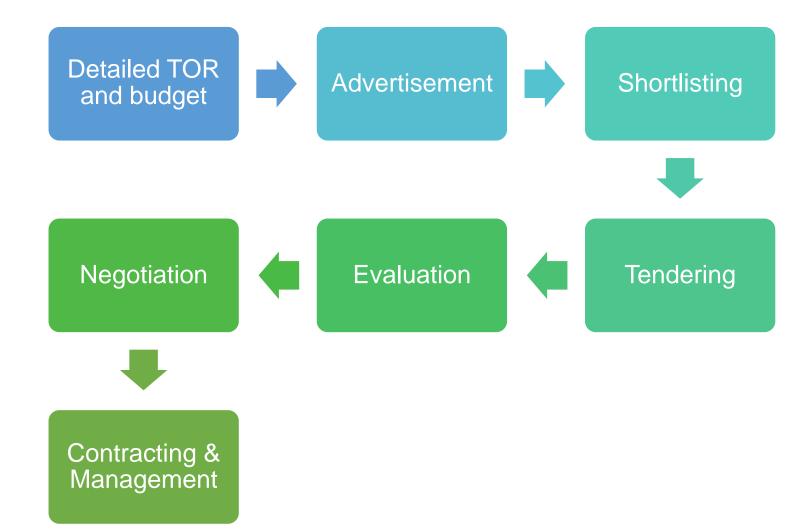
#### Recruitment may be national or international

- Internationals may be for any ADB member country (global if eligibility restriction waived)
- A firm is national if legally incorporated in the DMC
- An individual is national if a citizen of the DMC





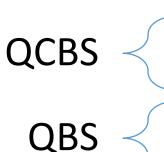
#### **Firm Consultant Recruitment**







#### **Procurement Methods - Firms**



Quality & Cost Based Selection



Quality Based Selection



Consultants Qualifications Selection



Fixed Budget Selection



Least Cost Selection



Direct Contracting





#### **Salient Points on Firm Recruitment Process**

All opportunities advertised on CMS, shortlist published

A Full, Simplified or Bio-data proposal may be requested

Use of standard Bidding Documents, Focus on quality in evaluation

ToR's may be Input (conformance) or Output (performance) based

Contracts: Time-Based or Lump Sum (can be hybrid)

CMS used for ADB TA Services; EA systems used for loans & grants

Others: Member eligibility / debriefing / ADB review





## **TA Consulting**

V Loan/Grant Consulting

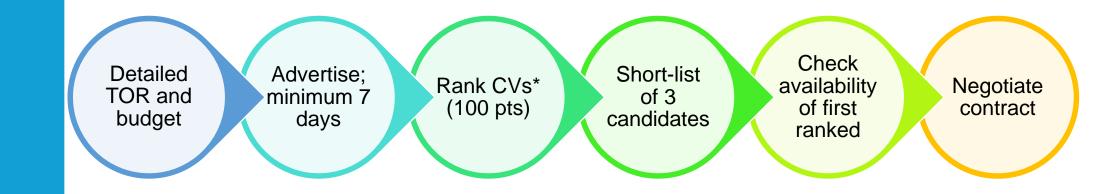
- ADB is the Client.
- Direct payment by ADB
- Contracts governed by UK law
- Provision of Privileges and Immunities (expert on mission).
- Tax Exemption in project country\*
- Activities earlier in project cycle (e.g. feasibility studies).
- Complaints to ADB

- Borrower is the Client
- ADB in oversight role
- Payment by client (may be through ADB)
- Contract governed by law of borrower's country
- Contracts subject to tax
- Activities later in project cycle (e.g. detailed design, supervision)
- Complaints to borrower, may copy ADB





#### **Individual Consultant Recruitment**





\*Direct project-related experience; Regional/International experience; and Qualifications specific to the assignment



# General points when approaching ADB Contracts

- Identify suitable entry points and look to build expertise.
- Consider individual consulting opportunities
- Know your client and their expectations
- Understand context and background to project
- Leverage experience with similar institutions
- Identify partners who will add value
- Understand costs of doing business (e.g. taxes)
- Consider if external specialists will strengthen your team
- ASK QUESTIONS









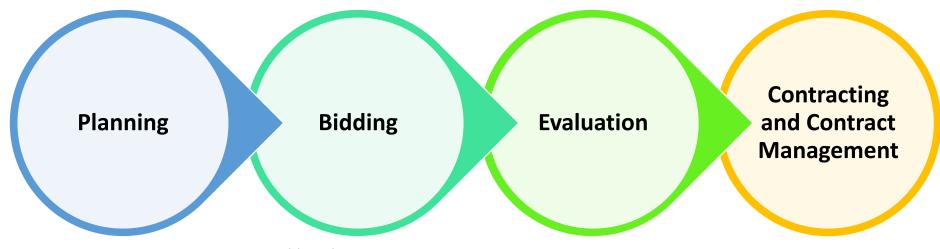


# Goods & Works





#### **Procurement Process**



- Requirements
- Procurement Strategy
- Procurement Plan
- Risk Register

- Bidding documents
- Advertising
- Pre-bid meeting/site visit
- Amendments
- Submission & opening

- Evaluation Stages
- Clarifications
- Preferred Bidder
- ADB Approval
- Notification of Award

- Contract signature
- Contract management plan
- Amendments
- Audit



Individual Packages



#### **Procurement Methods – Goods & Works**

# **Open Competitive Bidding (OCB)**

Limited Competitive Bidding (LCB)

Request for Quotations (RFQ)

**Direct Contracting (DC)** 

Framework Agreements

**Electronic Reverse Auction** 

Borrower's Force Account





#### Salient Points in Goods & Works Procurement

Use of user guides and standard bidding documents – ability to adapt to market

International and national advertisement depending on complexity and market

Various Procedural Options for Bid Evaluation (1S1E, 1S2E, 2S, 2S2E)

Evaluation can be pass/fail, scoring system, hybrid

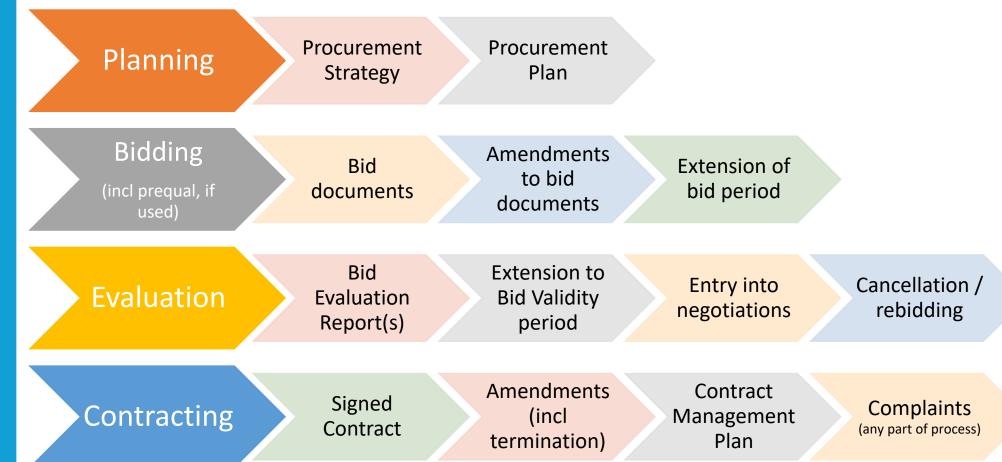
ADB Review System – Prior and Post Review (sampling)

Others: Advance Contracting; Abnormally Low Bids; Debriefing & Complaints





## **ADB Oversight**







#### **Common Mistakes**

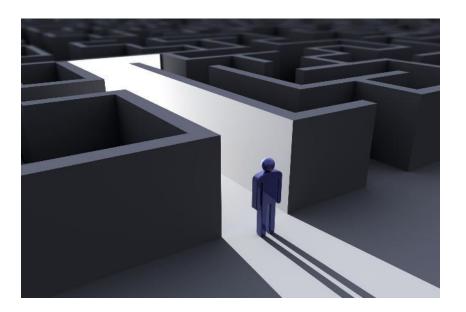
- Bids not signed
- No Bid Security or Bid Securing Declaration (if required)
- Insufficient Amount of Bid Security, incorrect validity period
- Lack of Supporting Documents
- Incomplete Bids / Partial Bids
- Absence of test reports if required
- Conflicts of interest not disclosed
- Inclusion of financial offer with technical offer where bid conditions require them to be separated

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









# Finding Info and Opportunities





#### **How to find Information on our Website**

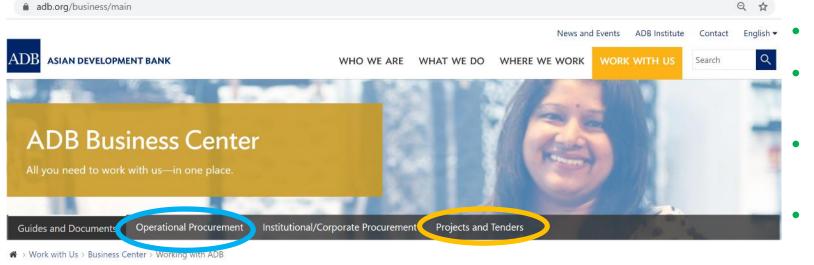




#### www.adb.org/business

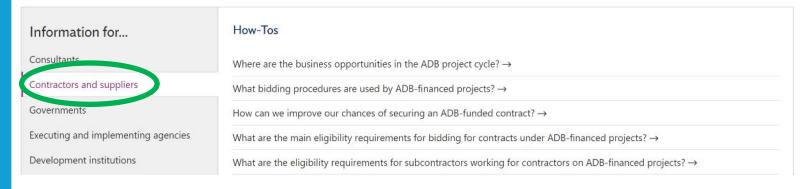


# 1. ADB Business Center - www.adb.org/business



- How-Tos
- Policies & Regulations
- Procedures & Guidance
- Documents & Forms

#### Working with ADB







### 2. Operational Procurement

Guides and Documer S Operational Procurement nstitutional/Corporate Procurement Projects and Tenders

→ Work with Us > Business Center > 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

ADR

contil 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 and 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

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

#### Pregualified 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.

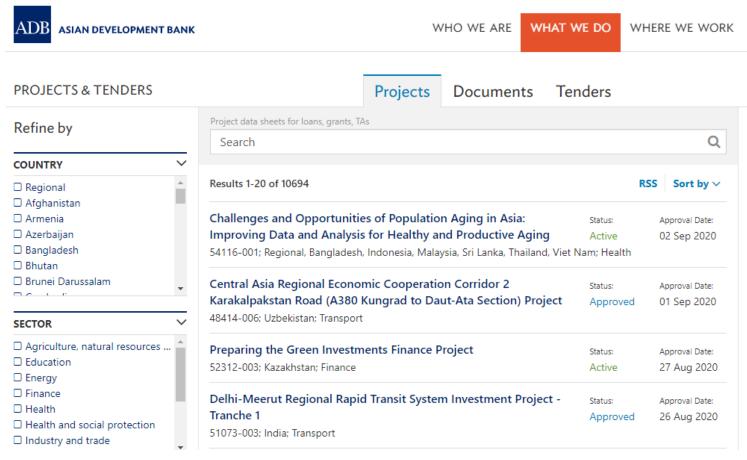
Current Awarded Contracts

Archive





### 3. Projects & Tenders



- Projects
- Documents
- Tenders

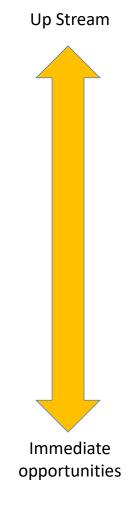
Multiple Search tools available to refine search





## **Identifying Opportunities**

- Country Partnership Strategy (CPS) / Country
   Operations Business Plan (COBP)
- Project Procurement Plans
- Advance Notices
- Specific Notices
- ADB and CMS Websites as a source of Information







#### **CPS and COBP**



♠ > Where We Work > Country Planning Documents

#### **Country Planning Documents**

All Country Planning Documents →

#### 

#### Country Partnership Strategies (CPS) →

ADB's primary platform for designing operations to delived velopment results at the country level.

#### Country Operations Business Plans →

ADB works with each developing member country to map out a medium-term development strategy and a 3-year country operations business plan (COBP) to implement it.

#### Regional Cooperation Strategy and Programs (RCS) →

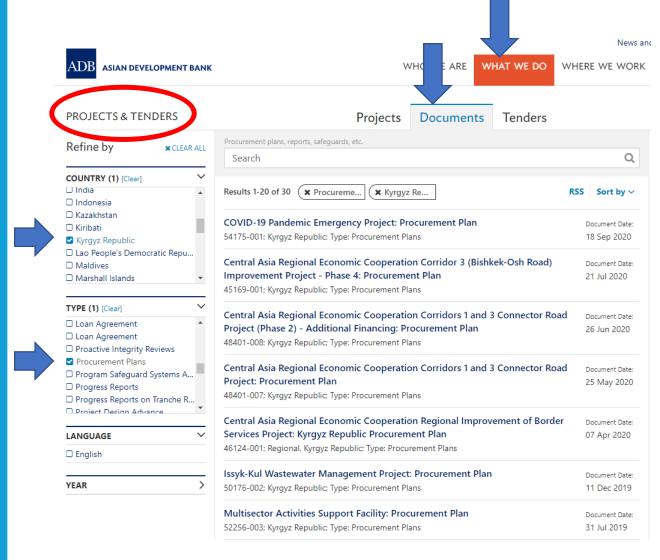
Strategies that outline how an ADB-defined region or subregion in Asia and the Pacific can work together to foster economic growth and cooperation.

https://www.adb.org/countries/documents/main





#### The Procurement Plan



- Lists all foreseen procurement on a project.
- Published once the project is approved
- Updated periodically
- Goods, Works and Services
- Includes salient points regarding tenders





#### Consulting - Finding Opportunities on <a href="http://cms.adb.org">http://cms.adb.org</a>





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



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

**View Shortlisted Firms** 



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.

View Awarded Contracts

 Consulting opportunities are visible through ADB's CMS (<a href="http://cms.adb.org">http://cms.adb.org</a>)

SHORTLISTED

**FIRMS** 

AWARDED

CONTRACTS

CONSULTANT

TUTOR

- Register for alerts to receive notices of all consulting opportunities
- All advertisement of Consulting opportunities (both EA and ADB) published
- RFP process for ADB Administered Contracts is through CMS





# **Consulting Opportunities**

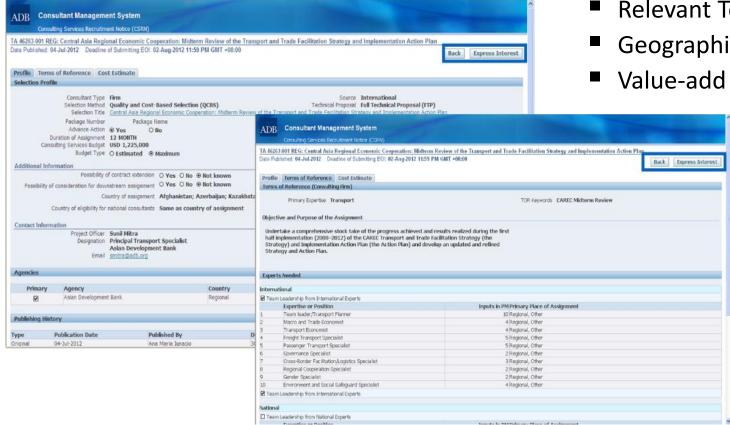
Refine by	Clear All							
+ COVID-19 Related Assignment	Allega vertige och o							
+ Consultant Type								
Eligibility of Consultant Country								
	Search by Expertise		(	io				
+ Engagement Period				_		I	Deadline	
+ Country	Project		Expertise	Consultant Type	Engagement Period (Months)	Published	(Manila local time)	View CSRN
+ Sector	LOAN 51132-002 GEO: Sustain Sanitation Sector Development	t Program - CS-1	Supervision Consultant	Firm	17	27-Aug-2020	25-Sep-2020 11:59 PM	
<u>+</u> <u>Engagement Type</u>	Construction Supervision Const Project	ultant - Telavi Water Supply						
+ Consultant Source	LOAN 53118-001 GEO: Livable for Balanced Regional Develop	ment - LCIP/QCBS/01-2020	supervision of civil works	Firm	24	18-Aug-2020	16-Sep-2020 11:59 PM	
+ Budget Amount	Supervision of Civil Works undo of Kindergartens and Sport Col of Georgia							ıi\$
	LOAN-3803 GEO: North—South Road Project - KKRP/CS/ICS-03 Environment and Social Adviso (51257-001)	3 Health, Safety,	Health, Safety, Environment and Social Advisor	Individual	18	03-Sep-2020	09-Sep-2020 11:59 PM	ι <mark>φ</mark>
	LOAN-3803 GEO: North-South Road Project - KKRP/CS/ICS-02 Specialist (51257-001)		Health and Safety Specialist	Individual	12	03-Sep-2020	09-Sep-2020 11:59 PM	·
	TA-9624 REG: FCAS Specialist	(52050-001)	FCAS Specialist	Individual	2.7	01-Sep-2020	07-Sep-2020 11:59 PM	





## **Consulting - Express Interest**

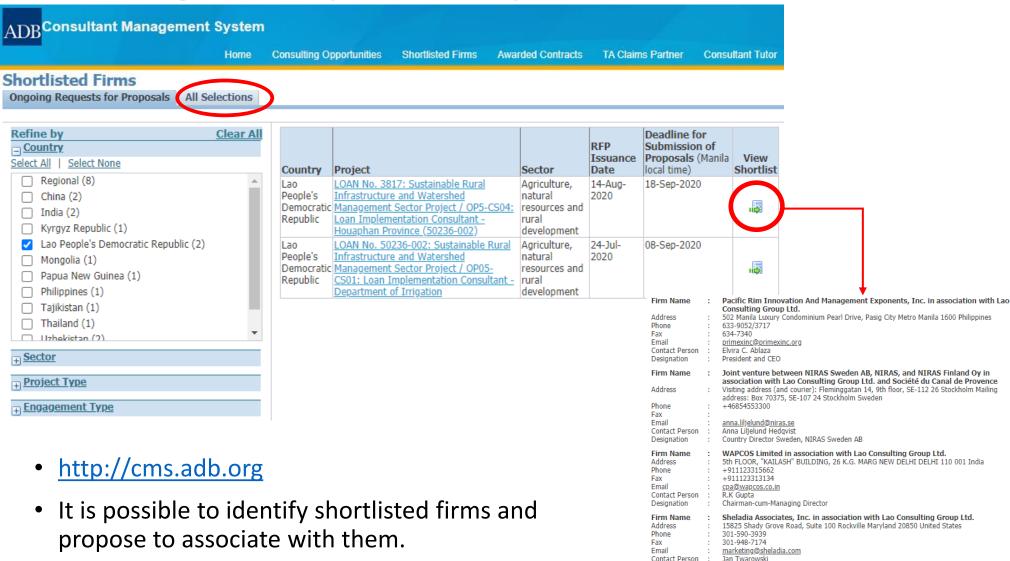
- Considerations
  - Eligibility
  - Go it alone or associate/joint venture
  - Capacity to compete and deliver
  - Relevant Technical Experience
  - Geographical Experience







### **Consulting - Offer partnerships to shortlisted firms**



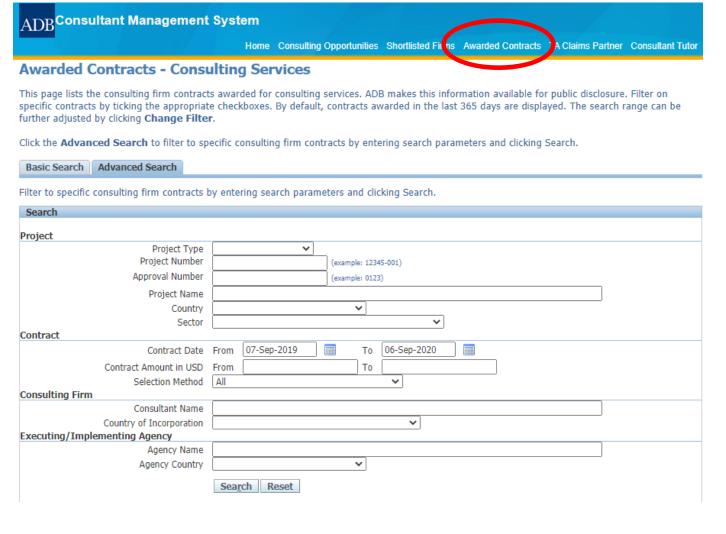


Vice President, International Division

Designation



## **Consulting - Identify Successful firms in Area of Interest**

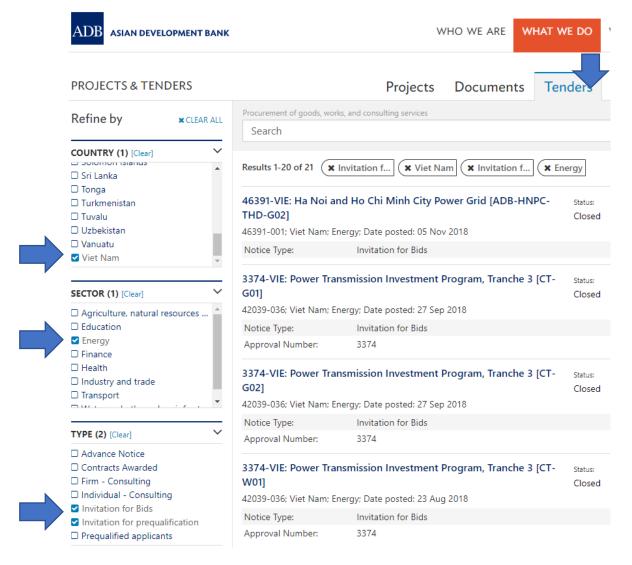


- http://cms.adb.org
- Identify Awarded
   Contracts by country,
   sector, value and
   selection method.
- Investigate possibility to partner on future engagements





# **Goods & Works – Specific Procurement Notice**



nvitation to	or Prequalification
Date:	14 March 2018
Loan No. and Title:	Loan 3630/8335 Grant 0561CAM: 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	26 April 2018; 10:00 hours (local time)

In detail on for December 116 - Hou

Applications:

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

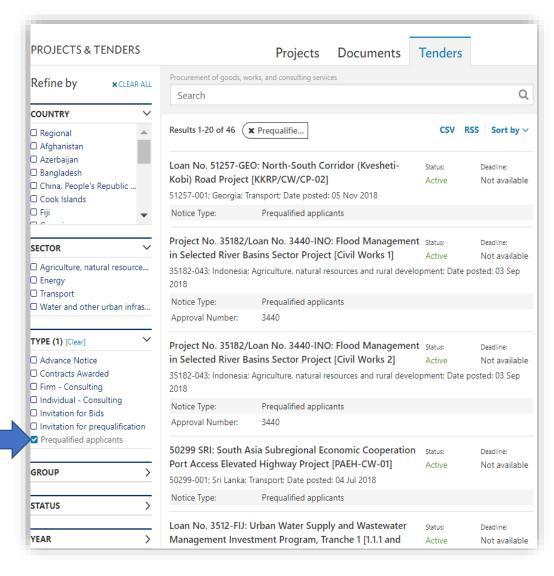
Invitation for Bids					
Date:	5 November 2018				
Loan No. and Title:	46391-VIE: Ha Noi and Ho Chi Minh City Power Grid Development Sector Project				
Contract No. and Title:	ADB-HNPC-THD-G02: 110kV Tran Hung Dao Substation: Supply of Materials and Equipment for Substation. Sub – project: Rehabilitation 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 elialible source countries.





# **Goods & Works- Prequalified Contractors**



#### List of Prequalified Applicants

Date:	5 November 2018	
Loan No. and Title: 51257-GEO: North-South Corridor (Kvesheti-Kobi) Road Project		
Contract:	KKRP/CW/CP-02: Construction of the Kvesheti-Kobi Road (Road Section)	

Applicant No.	Applicant Name	Nationality
Applicant 1	China Construction Third Engineering Bureau Corporation Limited	PRC
Applicant 3	, , , , ,	
Applicant 5	China Road and Bridge Corporation	PRC
Applicant 6	JV Astaldi SpA and IHI Infrastructure Systems Co, Ltd	ITA/JAP
Applicant 7	IC Ictas Insaat Sanayi ve Ticaret AS	TUR
Applicant 8	China State Construction Engineering Corporation Limited	PRC
Applicant 9	JV Sinohydro-Powerchina Road Bridge	PRC/PRC
Applicant 11	JV CJIC&JXTEG	PRC/PRC
Applicant 12	Co, Ltd/Cnina Geo-engineering Corporation)	
Applicant 13		
Applicant 15	Mapa Insaat ve Ticaret AS	TUR
Applicant 16	JV Nurol/Gulsan Nurol Insaat Ve Ticaret AS/Gulsan Insaat Sanayi, Turizm, Nakliyat ve Ticaret AS	TUR/TUR
Applicant 17	Kolin Insaat Turizm Sanayi ve Ticaret AS	TUR
Applicant 20	Ticaret AS	
Applicant 23		





### **Goods & Works - Contracts Awarded**

> Business Opportunities > Operational Procurement: Goods, Works, and Related Services >

# Contracts Awarded - Goods, Works, and Services



ADB provides archived information on procurement contract awards since 2016

This section contains 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.

★ > Business Opportunities > Operational Procurement: Goods, Works, and Related Services > Contracts Awarded >

View Current Contracts Awarded

View Archive

Archive: Contracts Awarded - Goods, Works, and Services



An archive of contracts awarded for goods and civil works with contract value above US\$1.0 million. This archive lists contracts awarded until 2016. For current contracts awarded, please go to the <u>tenders page</u>.

Loans Grants

Title	File
Contracts Awarded for Loan Projects - Goods & Civil Works (April 2020)	xlsx (38.24 KB)
Contracts Awarded for Loan Projects - Goods & Civil Works (March 2020)	xlsx (44.09 KB)
Contracts Awarded for Loan Projects - Goods & Civil Works (February 2020)	xlsx (38.27 KB)

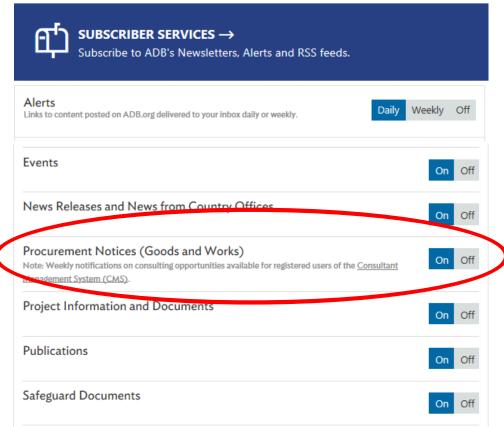


https://www.adb.org/site/business-opportunities/operational-procurement/goods-services/contracts-awarded



## **Register for alerts**







ADB's CMS System: <a href="http://cms.adb.org">http://cms.adb.org</a>

Goods & Works Notices: <a href="https://alerts.adb.org">https://alerts.adb.org</a>



### **ADB CMS Tutor – How to use CMS**

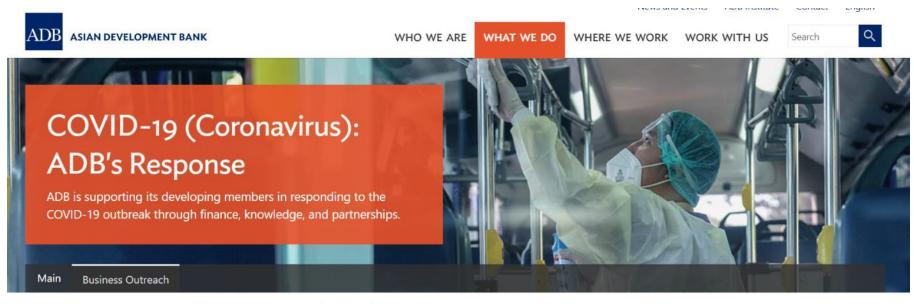


- http://consultanttutor. adb.org
- Provides guides, FAQs and other advice on using the System.
- Step-by-step instructions to take you through each step of the process.
- Contact Details for CMS support





# **COVID-19 Opportunities**



★ > COVID-19 (Coronavirus): ADB's Response > ADB Business Outreach Activities for CO...



### ADB Business Outreach Activities for COVID-19 Pandemic Response

Recognizing the urgency of the global coronavirus pandemic, ADB announced a \$20 billion package to address the immediate needs of its DMCs as they respond to COVID-19.

As part of the response, ADB has engaged with the international business community to:

- · understand and connect with the global market and
- facilitate regional support for emergency procurement of COVID-19 related critical products.

https://www.adb.org/what-we-do/covid19-coronavirus/procurement





# **COVID-19 filter functions developed**

Search by Expertise

#### **Consulting Opportunities**

Consulting Services Recruitment Notices (CSRN)

CSRN provides detailed information on the consulting services required for ADB-financed or administered projects, including terms of reference. Filter on specific advertisements of interest by ticking the appropriate checkboxes or by entering keywords to search by expertise.

	ne by	Clear Al
- 0	19 Related Assignment	
<u> </u>	Yes (7)	
	No (188)	
_ Co	nsultant T <u>ype</u>	
	Firm (57)	
	Individual (138)	
<u> </u>	gibility of Consultant Country	
	Open to Member Countries Only (187)	
	Non-Member Countries Allowed (8)	
= En	gagement Period	
	Less than 3 months (16)	
	3 months to 1 year (75)	
	More than 1 year (104)	

Search by Experuse				do			
)	Project	Expertise	Consultant Type	Engagement Period (Months)	Published	<b>Deadline</b> (Manila local time)	View CSRN
	TA-6562 INO: PT Cisarua Mountain Dairy: Gender empowerment in dairy - Training on dairy farming (54216- 002)	International dairy farmer expert	Firm	16	22-Oct-2020	05-Nov- 2020 11:59 PM	
	TA-6562 INO: PT Cisarua Mountain Dairy: Gender empowerment in dairy-Training on financial literacy (54216-002)	National financial literacy expert	Firm	16	22-Oct-2020	05-Nov- 2020 11:59 PM	
	TA-6553 MON: Strengthening Institutional Capacity to Respond to COVID-19 - Communication Agency (54226-001)	Communications Specialist	Firm	18	22-Oct-2020	05-Nov- 2020 11:59 PM	
	TA-6563 REG: Regional Support to Build Disease Resilient and Energy Efficient Centralized Air-conditioning Systems - Centralized Air- conditioning Energy Efficiency Expert (54210-001)	Air-conditioning/Energy Efficiency Expert	Individual	12.3	27-Oct-2020	02-Nov- 2020 11:59 PM	
	TA 54317-001 MON: Managing the Risks of Food Insecurity in Mongolia during the COVID-19 Crisis	Agriculture and Food Security, Food Supply Chain	Firm	16	17-Oct-2020	31-Oct- 2020 11:59 PM	

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# THANK YOU!

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