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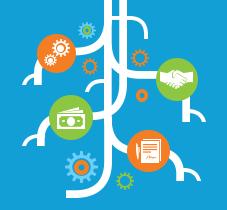
## INDONESIA BUSINESS OPPORTUNITIES SEMINAR

Aug 2021

Doing Business with ADB and the ADB Procurement System

Jenny Yanyee Chu Procurement Specialist

Procurement, Portfolio and Financial Management Department (PPFD/PFP1







#### **Overview**

- 1. A Brief about ADB and Its Operations
- 2. Top Suppliers in ADB Projects
- 3. Top Suppliers from Indonesia
- 4. ADB Procurement Framework
- 5. ADB Procurement Procedures for Goods/Works/Consulting Services
- 6. Bidding Strategies
- 7. How to find information on Business Opportunities under ADB Projects
- 8. Identifying Opportunities with Covid -19 Response Projects





#### 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 International **Organizations**



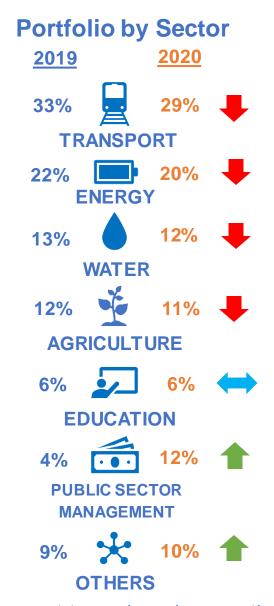
As of March 2019

Main Instruments: Loan/Grants, Technical Assistance, Equity and Guarantees Biggest ADB Borrowers: India, China, Pakistan, Bangladesh, Indonesia



## **ADB 2020 Sovereign Portfolio**







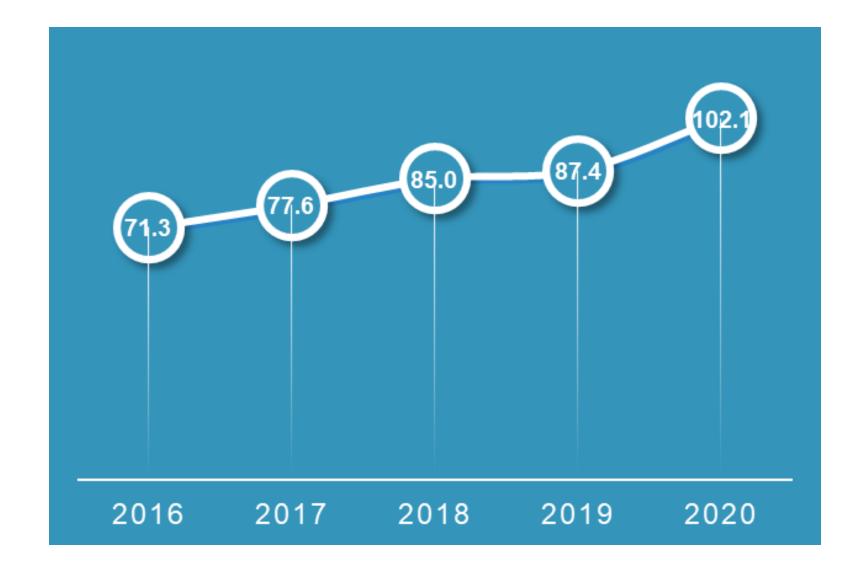
ADB = Asian Development Bank. Source: Asian Development Bank data.

https://www.adb.org/sites/default/files/institutional-document/697726/appr-2020.pdf

\*KMSD - Knowledge Management and Sustainable Development Departments



## **ADB Sovereign Portfolio (\$ million)**

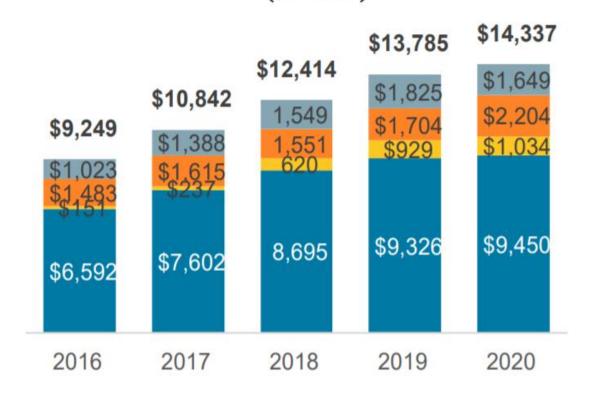






## ADB Non-Sovereign Portfolio (\$ million)

Figure 86: Total Committed Portfolio, 2016–2020 (\$ million)



■ Loans ■ Other debt securities ■ Guarantees ■ Equities

Source: Asian Development Bank data.





## **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





## **Top Goods Suppliers by Member State**

Procurement Ranking – Goods					
	2017	2018	2019	2020	
1	PRC	PRC	IND	IND	
2	IND	BAN	PRC	PRC	
3	SWE	IND	USA	INO	
4	<mark>INO</mark>	SWE	BAN	TUR	
5	BAN	VIE	VIE	HKG	





## **Top Woks Contracts by Member State**

Procurement Ranking – Works					
	2017	2018	2019	2020	
1	PRC	PRC	PRC	IND	
2	IND	IND	IND	PRC	
3	KOR	BAN	BAN	PHI	
4	BAN	GER	<mark>INO</mark>	BAN	
5	VIE	PAK	PAK	PAK	





## **Top Consulting Services by Member State**

Procurement Ranking – Consulting Services						
	2017	2018	2019	2020		
1	AUS	KOR	IND	USA		
2	KOR	IND	AUS	KOR		
3	IND	FRA	USA	IND		
4	USA	UKG	GER	INO		
5	PHI	AUS	FRA	AUS		





## **Top Goods Suppliers by Amount**

#### Top 5 Suppliers of Goods (2017–2020)

	Name	No. of Contracts	ADB Amount (\$ million)
1	BEML Ltd.	3	712.10
2	ABB Group	10	292.28
3	TBEA	6	227.61
4	China National Technical Import & Export Corp.	3	212.74
5	Progress Rail Locomotive Inc	1	135.34





## **Top Works Contractors by Amount**

#### Top 5 Contractors for Works (2017–2020)

	Name	No. of Contracts	ADB Amount (\$ million)
1	Larsen & Toubro Ltd.	28	997.00
2	Siemens	20	807.98
3	China Railway Construction Co. Ltd.	30	593.80
4	Hyundai Motor Group	4	568.89
5	Acciona Construction Philippines Inc.	2	563.46





## **Top Consultants by Amount**

#### Top 5 Consulting Services Firms (2017–2020)

	Name	No. of Contracts	ADB Amount (\$ million)
1	SMEC	34	150.61
2	EGIS International	32	84.37
3	T.Y. Lin International	1	59.10
4	Ove Arup & Partners International Ltd.	8	58.98
5	Korea Consultants International Co. Ltd.	4	55.78





#### Top 5 Contractors/Suppliers from Indonesia Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2016–31 December 2020

		Contract Amount
Contractor/Supplier	Sector	(\$ million)
Industri Kereta Api (Persero) P.T.	TRA	100.90
Hexing (INO) & Pal Mohan (IND) (JV)	ENE	76.38
Adhi Karya (Persero) Tbk P.T.	ANR, EDU	31.38
Pembangunan Perumahan (Persero) Tbk. P.T.	TRA, WUS	29.80
Basuki Rahmanta Putra P.T.	ANR	16.30
Others		6,897.48
Total		7,152.24

ANR = agriculture, natural resources, and rural development; EDU = education; ENE = energy; IND = India; INO = Indonesia; JV = Joint venture; TRA = transport; WUS = water and other urban infrastructure and services.





#### Top 5 Consultants from Indonesia Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2016–31 December 2020

Consultant	Sector	Contract Amount (\$ million)
Yodya Karya P.T.	WUS	18.75
Inacon Luhur Pertiwi P.T.	ANR, EDU, WUS	16.78
Indra Karya (Persero) P.T.	ANR, WUS	14.98
Prismaita Cipta Kreasi P.T.	WUS	6.13
Virama Karya (Persero) P.T.	WUS	5.50
Individual Consultants		13.25
Others		46.23
Total		121.62

ANR = agriculture, natural resources, and rural development; EDU = education; WUS = water and other urban infrastructure and services.

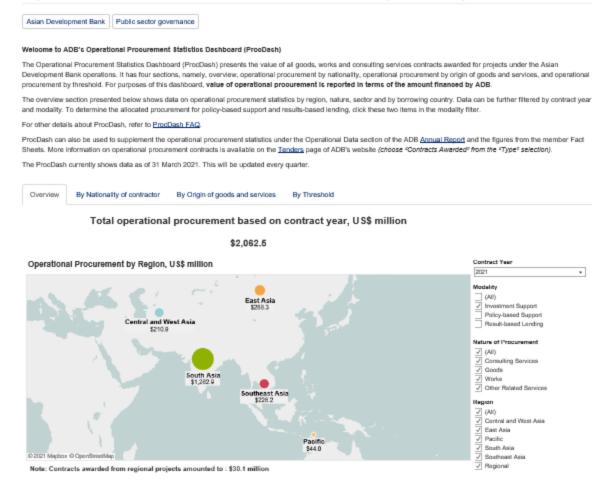




# BUSINESS OPPORTUNITIES

## **ADB Operational Procurement Stats**

#### Operational Procurement Statistics Dashboard (ProcDash)



https://data.adb.org/dashboard/operational-procurementstatistics



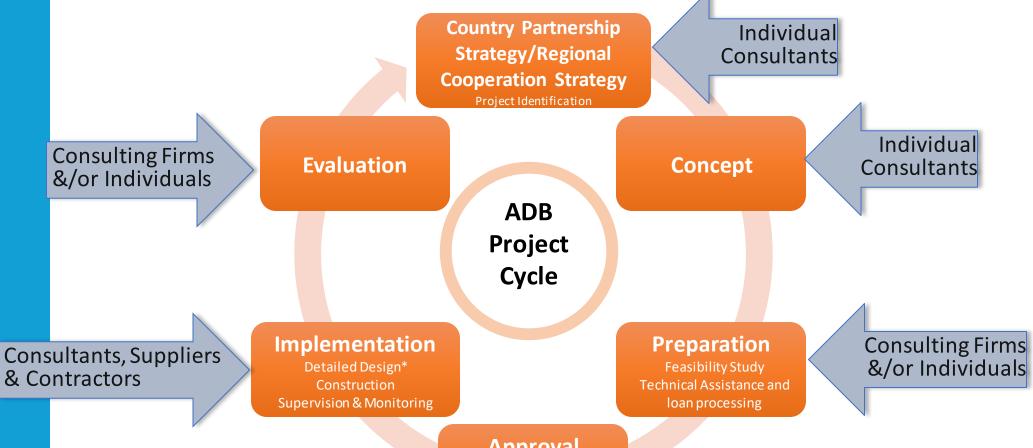
## Why Pursue ADB Funded Contracts?

- 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





#### When is Private Sector engaged in ADB Projects?





#### **Approval**

Loan Negotiation, Approval, Signing and Effectiveness

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



#### TYPES OF OPPORTUNITIES

#### Supply of Goods

Machinery, equipment, computers, furniture

#### Civil Works

 Roads, railways, bridges, irrigation canals, schools, power plants, pump stations, water treatment plants, heating plants, airports, etc.

#### Consulting Services

 Site supervision (PMC), Project preparation & implementation, knowledge products, staff consultants

#### Non-consulting Services

Surveys, training, translation, event management

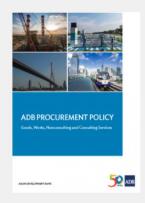




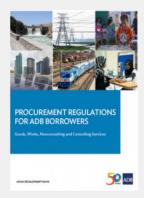
#### **ADB's Procurement Frameworks**

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







## **ADB's Procurement Principles**

Principles		Outcomes
The state of the s	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.



### Roles and Responsibilities in Procurement

- The Borrower/Executing Agency (EA) is responsible to procure most goods, works, and services
- ADB also procures goods/services to support its borrowers through technical assistance grants (TA) and staff consulting
- ADB reviews the procurement activities of EAs to ensure compliance with ADB's Procurement Policy and Regulations
- Open competitive bidding is the preferred option
- Technical and financial bid elements







#### **ADB Procurement Documents**

Prequalification

Goods

Works (Large and Small Contracts)

Plant: Design, Supply, Install

Information Technology Products and Services (New)

Design-Build-Operate (New)

Request for Quotations (Goods and Works)

**Consulting Services** 

Non-consulting Services (New)



#### **ADB Procurement Methods**

- Open Competitive Bidding
- Limited Competitive Bidding
- Request for Quotations
- Framework Agreement (consulting) New
- Electronic Reverse Auction New
- Direct Contracting
- Force Account
- Procurement from Specialized Agencies
- Procurement in Fragile Conflict-Affected and Emergency Situations New

- Procurement Agents
- Support to Government for Public-Private Partnerships
- Procurement of High-Level Technology New
- Community Participation in Procurement
- Procurement under Loans Guaranteed by ADB
- Procurement in Loans to Financial Intermediaries









- 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 Fin 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



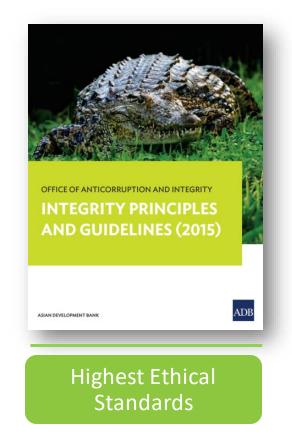
- Minor omissions to the documents required by the Bidding Documents may be clarified. Multiple minor omissions may add up to a major omission and if clarified would give the Bidder an unfair advantage

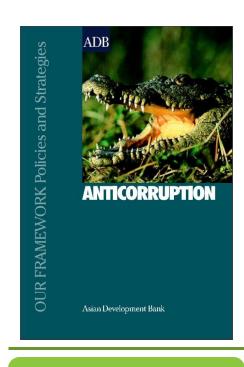




### **ADB's Anticorruption Policy & Guidelines**

Applies to executing and implementing agencies, contractors, consultants, suppliers, ADB staff, and anyone connected to an ADB-financed, -administered, or –supported activity.





Zero Tolerance









## **Consulting Services**





### **Types of Consultants**





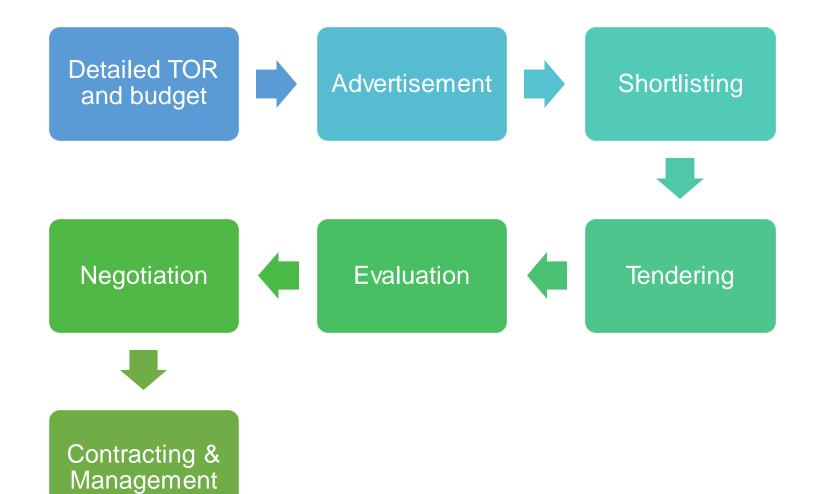
#### Recruitment may be national or international

- 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 to Recruit Firms**



Quality & Cost Based Selection

QBS

Quality Based Selection

CQS

• Consultants Qualifications Selection

**FBS** 

• Fixed Budget Selection

LCS

• Least Cost Selection

DC

Direct Contracting





#### **General Points to approach ADB Consulting 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 IN CASE OF ANY DOUBT









#### **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: <a href="https://www.adb.org/forms/complaints">https://www.adb.org/forms/complaints</a>

#### How to report fraud:

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





#### How to find Information on our Website

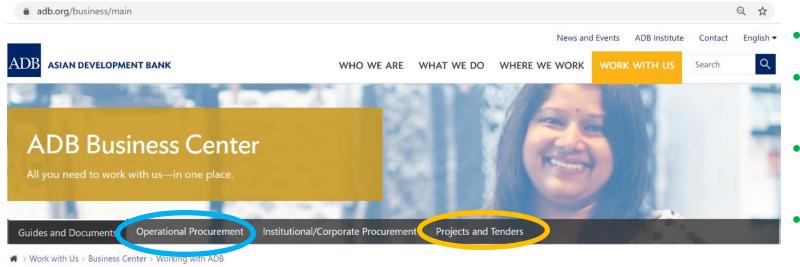




www.adb.org/business

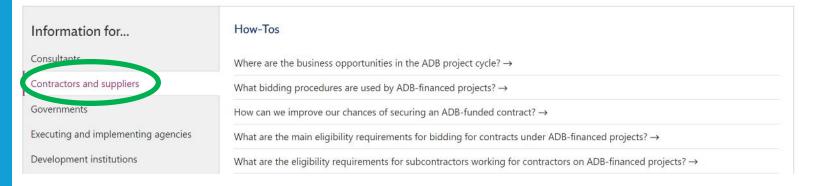


#### 1. ADB Business Center - www.adb.org/business



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

#### Working with ADB







### 2. Operational Procurement

Guides and Documen s nstitutional/Corporate Procurement **Projects and Tenders** Operational Procurement

A > 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/operationalprocurement/goods-services



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 pregualified contractors for contracts with estimated value of \$10,000,000 and above.

Current Prequalified Applicants

**Pregualified Contractors** 

**Procurement Plan** 

Contracts Awarded

**Bidding Procedures** 

Advance Action

Prequalified

Contractors

#### 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

#### 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

contl 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.

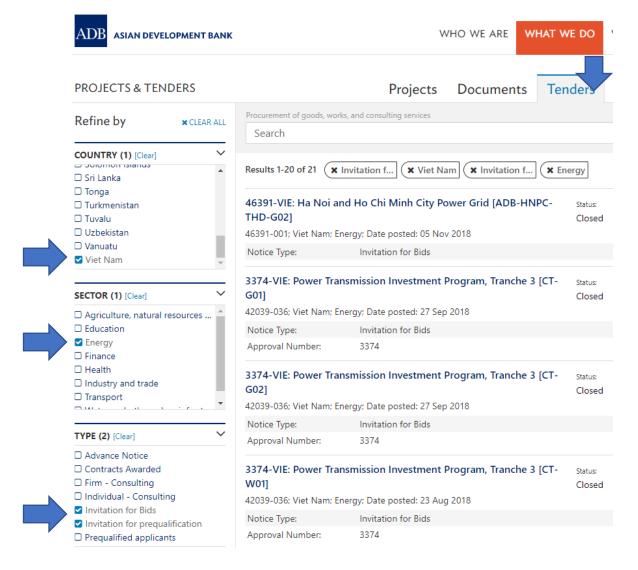
All Advance Notices



#### **ADB Business Opportunities Seminar**



## 3. 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 Applications:	26 April 2018; 10:00 hours (local time)

In the Hear for December 116 - - He

- 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 eliqible source countries





## **Consultants to Register in CMS (cms.adb.org)**



#### **Consultant Management System**

Overview FAQ

#### Welcome to the Asian Development Bank's Consultant Management System

Consultant Management System (CMS) is an integrated web-based system that supports the ADB's consulting services recruitment, from advertising the opportunity to awarding consulting contracts. This portal will enable users to work with the different facilities available in CMS.



Consultants create and update their profile, search opportunities, send Expressions of Interest (EOIs), respond to Non-Committal Inquiries (NCIs), and prepare and submit proposals. Login to the system by typing in your registered email address and password.

Since CSRN is now integrated in CMS, consultants are encouraged to complete their full registration to help facilitate EOI submission by tagging project and consulting experiences entered in their profile.

Click here to know who can register as consultants in CMS.

By using this service, you are accepting the CMS Terms and Conditions.



ADB Project Team Members can access all CMS functions like creating a selection, advertising opportunities, sending Non-Committal Inquiries (NCIs), distributing Request for Proposals (RFPs), sending Notice to Proceed (NTPs), and approving requests, even while working outside of the ADB network. Login to the system by typing in your ADB Self-Service Username and Password.



Executing Agencies (EAs) can access Consulting Services Recruitment Notice (CSRN) to post consulting opportunities for ADBfinanced projects. Login to the system by typing in your registered Username and Password.

To obtain an EA account, email your ADB Project Officer and copy csrn@adb.org with the following details:

1. Email address of the agency representative

3. Name and address of the agency

2. Full name of the agency representative

4. Duration of the recruitment for the project

#### Consulting Services Recruitment Notice (CSRN)

The Consulting Services Recruitment Notice provides detailed information on the consulting services required for ADB-financed or administered projects. The CSRN includes the terms of reference and is posted on ADB's website for at least one month for firms for EA-administered projects, 15 days for firms for ADB-administered projects or 7 days for individual consultants before shortlisting.

This will provide consultants sufficient time to prepare EOIs that are more specific and focused on the project's requirements.

Click here to view the list of advertisements of consulting opportunities.

🥍 Login

Login using your registered username and password.

Username Password

> Login Login Assistance

Note: ADB users can login using their Oracle username and password.

#### Registration

New user? Register now!

Register as Consulting Firm

Register as Individual Consultant

#### Need Help?

For inquiries regarding the system, please email cmshelp@adb.org.

#### CMS SYSTEM UPDATE

Dear CMS Users,

The changeover period from the Consulting Services Recruitment Notice (CSRN) to the Consultant Management System (CMS) has concluded. We thank you for your cooperation during this interim process.

Should you have any inquiries, contact cmshelp@adb.org.

CMS Team

NOTE: CMS undergoes weekly maintenance activities from





## **Consulting Services Recruitment Notices (CSRN)**

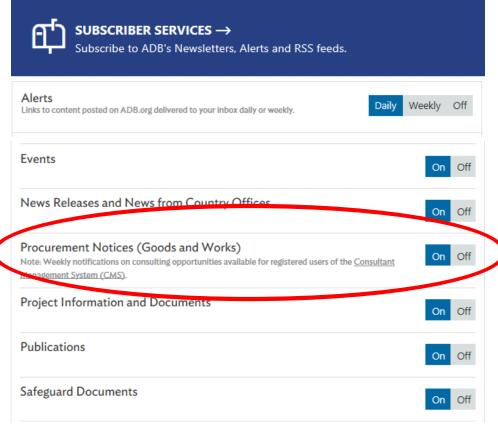
Refine by	Clear All							
+ COVID-19 Related Assignment	Alap wildy con-							
+ Consultant Type	anaranaranaranan							
Eligibility of Consultant Country								
	Search by Expertise			Go				
+ Engagement Period						1	Deadline	
+ Country	Project		Expertise	Consultant Type	Engagement Period (Months)	Published	(Manila local time)	View CSRN
+ Sector	LOAN 51132-002 GEO: Sust		Supervision Consultant	Firm	17	27-Aug-2020	25-Sep-2020	
	Sanitation Sector Developm	ent Program - CS-1 nsultant - Telavi Water Supply					11:59 PM	
<u>+</u> <u>Engagement Type</u>	Project	risultant - Telavi Water Supply						
+ Consultant Source		ble Cities Investment Project	supervision of civil works	Firm	24	18-Aug-2020	16-Sep-2020	
+ constitution co		lopment - LCIP/QCBS/01-2020					11:59 PM	
Budget Amount		nder the Project — Construction Complexes in different regions						ıliş
	of Georgia	Complexes in ultrerent regions						
		uth Corridor (Kvesheti–Kobi)	Health, Safety, Environment and	d Individual	18	03-Sep-2020	09-Sep-2020	
	Road Project - KKRP/CS/ICS	5-03 Health, Safety,	Social Advisor				11:59 PM	
	Environment and Social Adv	<u>isor (International Position)</u>						1042
	(51257-001)	uth Carridar (Kvachati Kahi)	Health and Safety Specialist	Individual	12	02 Con 2020	09-Sep-2020	
		uth Corridor (Kvesheti–Kobi) 3-02 National Health and Safety		Individual	12	03-Sep-2020	11:59 PM	
	<u>Specialist (51257-001)</u>							
	TA-9624 REG: FCAS Special	ist (52050-001)	FCAS Specialist	Individual	2.7	01-Sep-2020	07-Sep-2020	
							11:59 PM	11(5)





## Register for alerts





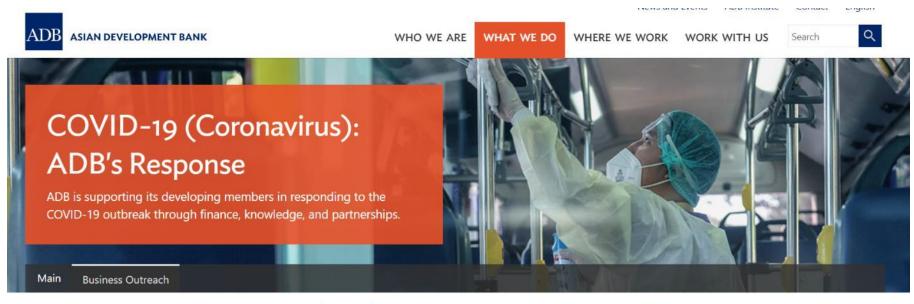


ADB's CMS System: <a href="http://cms.adb.org">http://cms.adb.org</a>

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



## **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 available**

#### **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.

Search by Expertise

	ne by <u>Clear Al</u>
-1X	Yes (7)
	No (188)
_ Co	nsultant Type
	Firm (57)
	Individual (138)
= Elig	<u>gibility of Consultant Country</u>
	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	GO					
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	ı
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	ıı
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	П
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	ı.
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	

Go







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: Jenny Yanyee Chu, ychu@adb.org

