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Doing Business with ADB and the ADB Procurement System

ADB Virtual Business Opportunities Webinar Series: Focus on Health and Education 8 September 2021

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Management Department

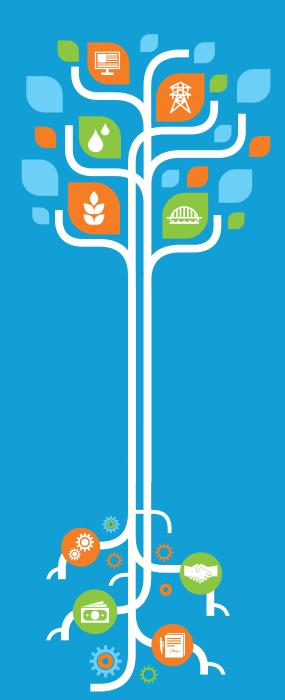




Overview

- ADB operations
- ADB business opportunities
- ADB procurement framework
- Bidding strategies and identifying opportunities







ADB Operations









- 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 & international organizations



Main instruments: loans/grants, technical assistance, equity and guarantees

Delivered through: ADB's own resources (ordinary; concessional; special funds) and cofinancing

Largest borrowers in 2020: India, PR China, Bangladesh, Pakistan, Indonesia



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

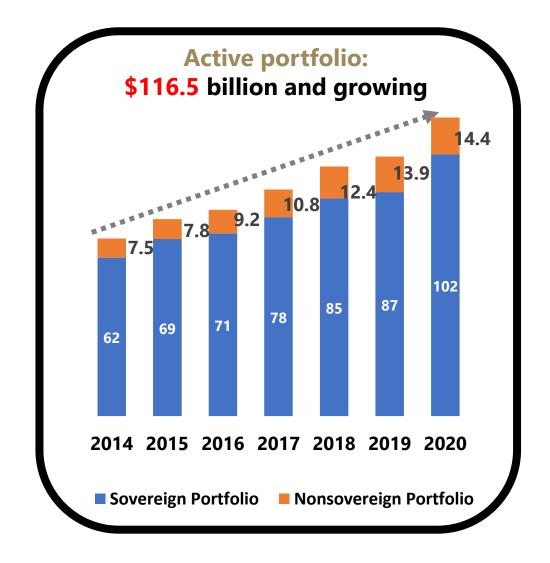
https://www.adb.org/documents/strategy-2030-prosperous-inclusive-resilient-sustainable-asia-pacific





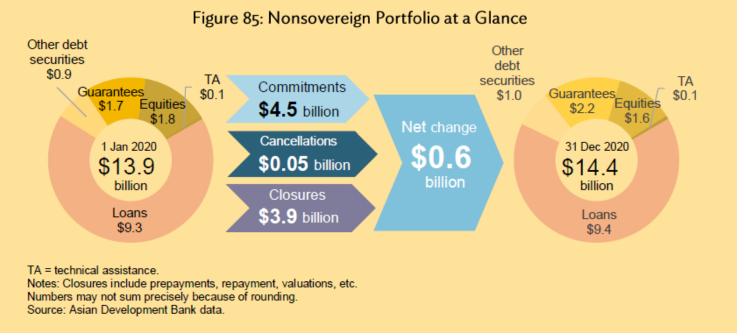
BUSINESS OPPORTUNITIES

Overview of ADB Operations





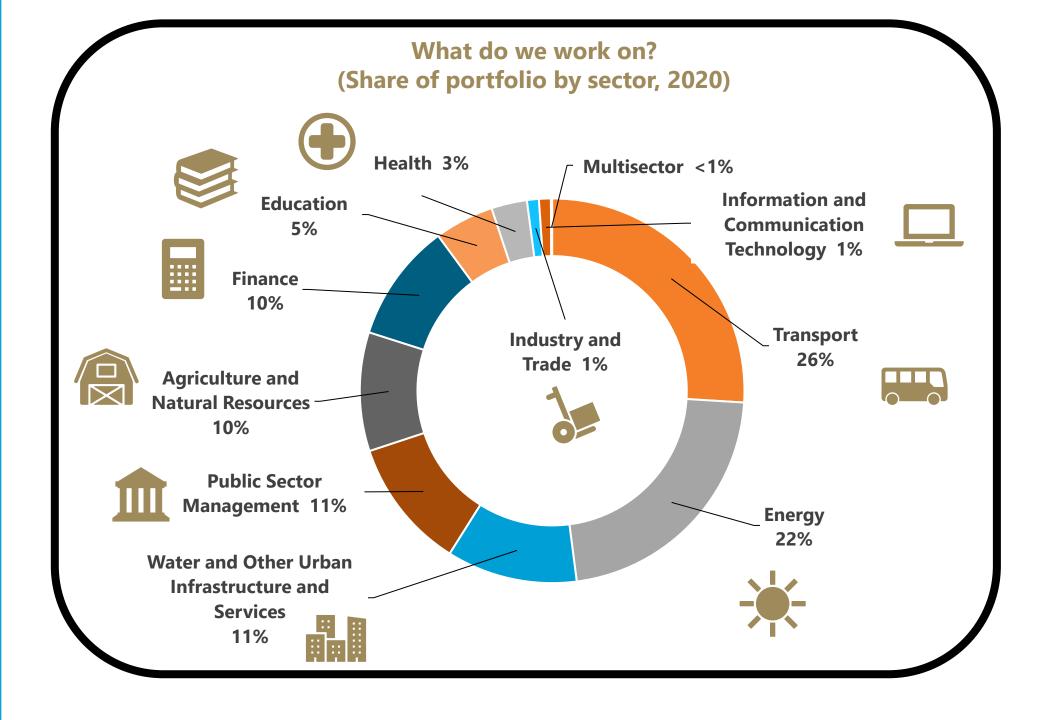














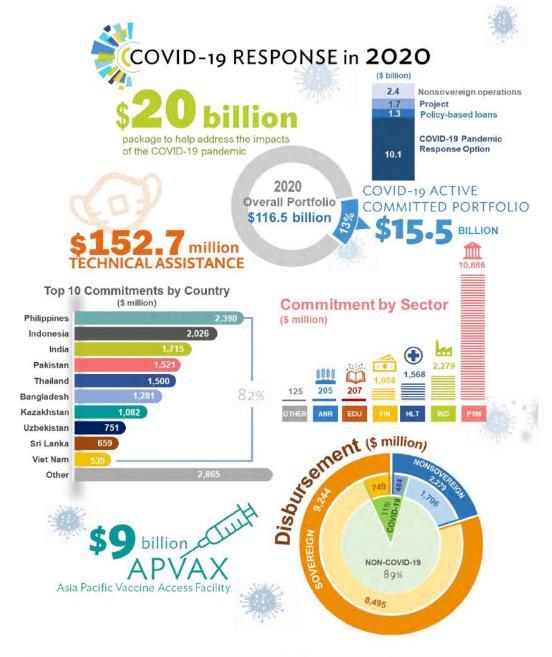
Active portfolio by region











ANR = agriculture, natural resources, and rural development; COVID-19 = coronavirus disease; FIN = finance; HLT = health; IND = industry and trade; PSM = public sector management.

Note: Totals may not sum precisely because of rounding.

Source: Asian Development Bank data.





ADB Business Opportunities





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





Types of business opportunities

- Supply of goods
 - Machinery, equipment, computers, furniture
- Civil works
 - Roads, railways, bridges, irrigation canals, schools, etc.
- Turnkey contracts
 - Power plants, pump stations, water treatment plants, heating plants, airports, etc.
- Consulting services
 - Project preparation & implementation, site supervision, detailed design, knowledge products, policy/advisory, staff consultants
- Nonconsulting services
 - Surveys, training, translation, event management







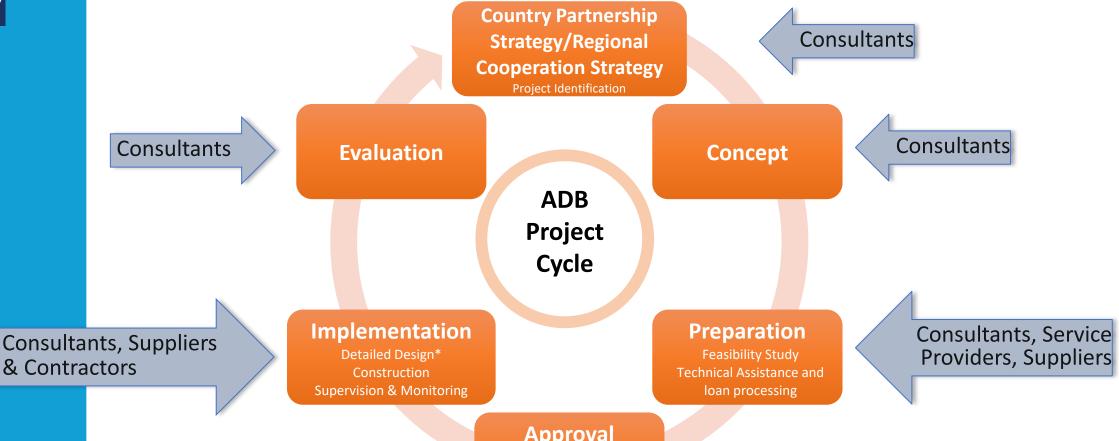
Overall Procurement in 2020 (\$ million) 1,335 1,381 Total Goods Total Other Related Services 852 926 79 465 contracts contracts Procurement for Procurement for COVID-19 Response COVID-19 Response 564 COVID-19 OTHER RELATED SERVICES GOODS 6,931 CONTRACTS 000 9,732 Non-COVID-19 CONSULTING SERVICES WORKS 6,848 732 Total Works Total Consulting Services 1,415 3,738 contracts contracts 11 Procurement for Procurement for COVID-19 Response COVID-19 Response

COVID-19Non-COVID-19

COVID-19 = coronavirus disease. Source: Asian Development Bank.



When is the Private Sector engaged?





Approval

Loan Negotiation, Approval, Signing and Effectiveness

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



Top Members for Goods

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





Top Members for Works

Procurement Ranking – Works					
	2020				
1	PRC	PRC	PRC	IND	
2	IND	IND	IND	PRC	
3	KOR	BAN	BAN	PHI	
4	BAN	GER	INO	BAN	
5	VIE	PAK	PAK	PAK	





Top Members for Consulting Services

	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	<mark>UKG</mark>	GER	INO	
5	PHI	AUS	FRA	AUS	





Top 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 Suppliers 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 Suppliers 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



United Kingdom's Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects, by Origin

	2	2019		2020		Cumulative (as of 31 Dec 2020)	
Item	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	
Goods, Works, and Related Services	106.85	0.75	140.72	0.62	2,230.63	1.03	
Consulting Services	26.40	3.49	46.93	6.41	1,249.51	8.84	
Total Procurement	133.25	0.89	187.65	0.80	3,480.14	1.51	

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

Contractor/Supplier	Sector	Contract Amount (\$ million)
Translink International Sales Ltd.	ENE	2.43
Intetrade Ltd.	ENE	1.27
Compass Plus Ltd.	FIN	0.59
Unit Export Ltd.	ENE, TRA	0.40
UEC Cross Culture Links Ltd.	EDU	0.20
Others		0.42
Total		5.31

EDU = education, ENE = energy, FIN = finance, TRA = transport.

https://www.adb.org/publications/united-kingdom-fact-sheet

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

Consultant	Sector	Contract Amount (\$ million)
Ove Arup & Partners International Ltd.	MUL, TRA, WUS	49.37
Landell Mills Ltd.	ANR, WUS	21.59
Mott MacDonald Ltd.	ANR, EDU, ENE, MUL, TRA, WUS	15.87
Oxfam GB	HLT, WUS	5.75
Roughton International Ltd.	TRA	5.75
Individual Consultants		44.95
Others		47.02
Total		190.30

ANR = agriculture, natural resources, and rural development; EDU = education; ENE = energy; HLT = health; MUL = multisector; TRA = transport; WUS = water and other urban infrastructure and services.





ADB Operational Procurement Stats

Operational Procurement Statistics Dashboard (ProcDash)

Asian Development Bank | Public sector governance

Welcome to ADB's Operational Procurement Statistics Dashboard (ProcDash)

The Operational Procurement Statistics Dashboard (ProcDash) presents the value of all goods, works and consulting services contracts awarded for projects under the Asian Development Bank operations. It has four sections, namely, overview, operational procurement by nationality, operational procurement by origin of goods and services, and operational procurement by threshold. For purposes of this dashboard, value of operational procurement is reported in terms of the amount financed by ADB.

The overview section presented below shows data on operational procurement statistics by region, nature, sector and by borrowing country. Data can be further filtered by contract year and modality. To determine the allocated procurement for policy-based support and results-based lending, click these two items in the modality filter.

For other details about ProcDash, refer to ProcDash FAQ.

ProcDash can also be used to supplement the operational procurement statistics under the Operational Data section of the ADB <u>Annual Report</u> and the figures from the member Fact Sheets. More information on operational procurement contracts is available on the Tenders page of ADB's website (choose "Contracts Awarded" from the "Type" selection).

The ProcDash currently shows data as of 31 March 2021. This will be updated every quarter.

By Nationality of contractor

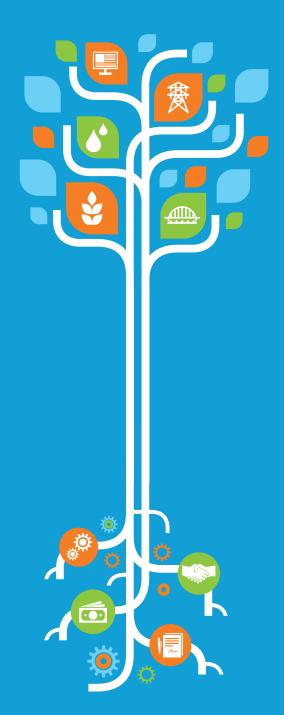
By Origin of goods and services

Total operational procurement based on contract year, US\$ million

\$2,062.5



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





ADB Procurement Framework

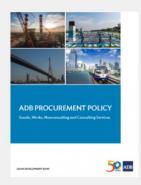




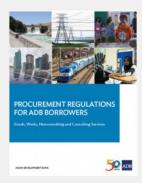
ADB's procurement frameworks

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
llus	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.
in a	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.





Country and Sector/Agency Procurement Risk Assessment

Feedback or Evaluation

Project Completion Report Contract Close Lessons Learned Project Conceptualization

Transaction Technical Assistance Procurement Risk Categorization

Implementation and Contract Management Contract Management Plan PROCUREMENT CYCLE

Quality

Money for

Procurement Planning

Procurement Plan
Project Procurement Risk
Assessment
Project Administration Manual

Contract Award

Bidding

ransparenc

Bidding Documents



Bid Evaluation

Evaluation Reports



How we procure

Roles and Responsibilities

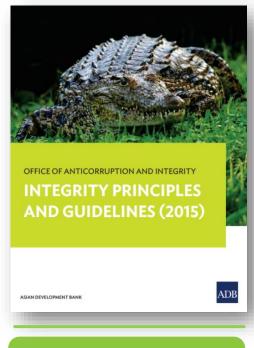
- The Borrower (Executing Agency (EA)) is responsible to procure most goods, works, and services
- ADB also procures some services and goods itself to support its borrowers through technical assistance grants (TA) and staff consulting
- ADB reviews the procurement activities of EAs to ensure compliance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



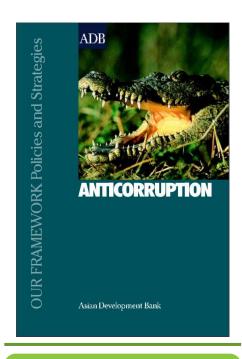


ADB's Anticorruption Policy & Guidelines

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

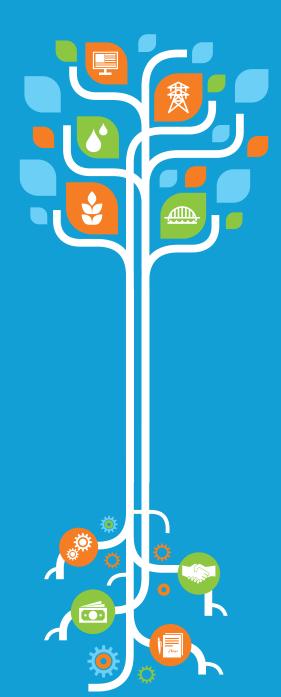






Zero Tolerance







Bidding Strategies







Tips for winning ADB-financed assignments

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





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:

- 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

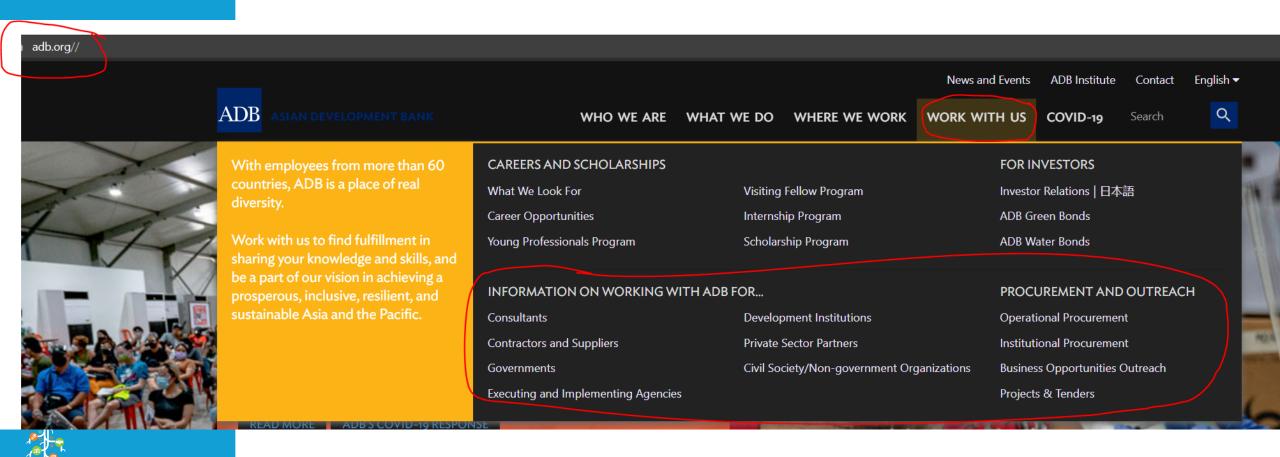
How to report fraud:

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





Identifying opportunities for contracts with project executing agencies and ADB: start at adb.org





Consultants: 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 apportunities 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.



Password

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

Login Assistance

Login

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





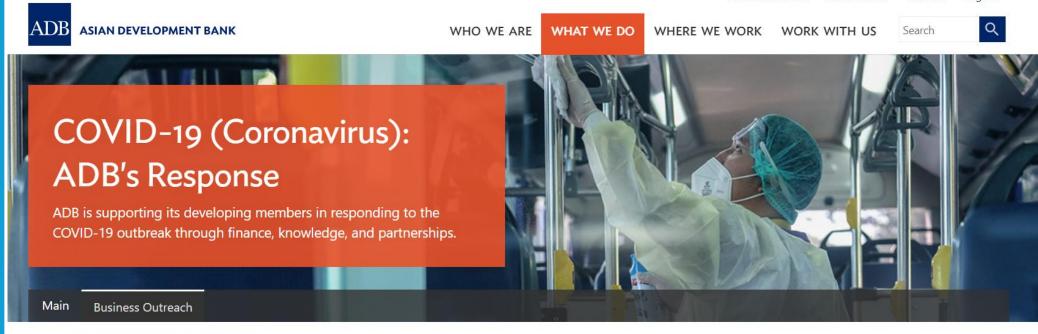
Identifying opportunities for contracts with project executing agencies and ADB

- 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





COVID-19 opportunities



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



ADB Business Outreach Activities for COVID-19 Pandemic Response

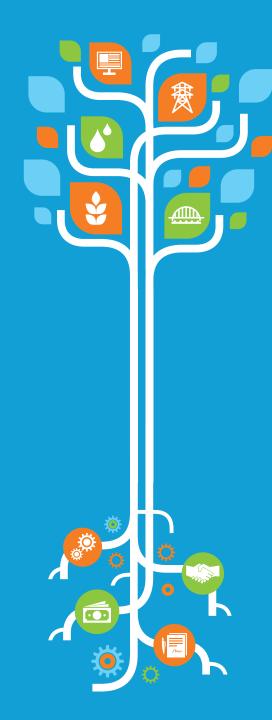
Recognizing the urgency of the global coronavirus pandemic, ADB announced a \$20 billion package to address the immediate needs of its DMCs as they respond to COVID-19.

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





For more: 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/

