



# **BUSINESS OPPORTUNITIES SEMINAR**

Development Aid, 14th October 2021

# Focus on ADB Procurement Framework and opportunities



Stephane BESSADI, Sr Procurement Specialist

Procurement, Portfolio and Financial Management Department (PPFD/PFP2)

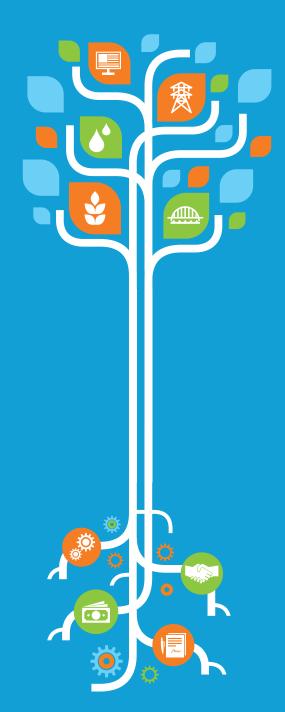




# **Overview**

- 1. A Brief about ADB and Its Operations
- 2. ADB Procurement Framework
- 3. ADB Business Opportunities







# A Brief about ADB and Its Operations

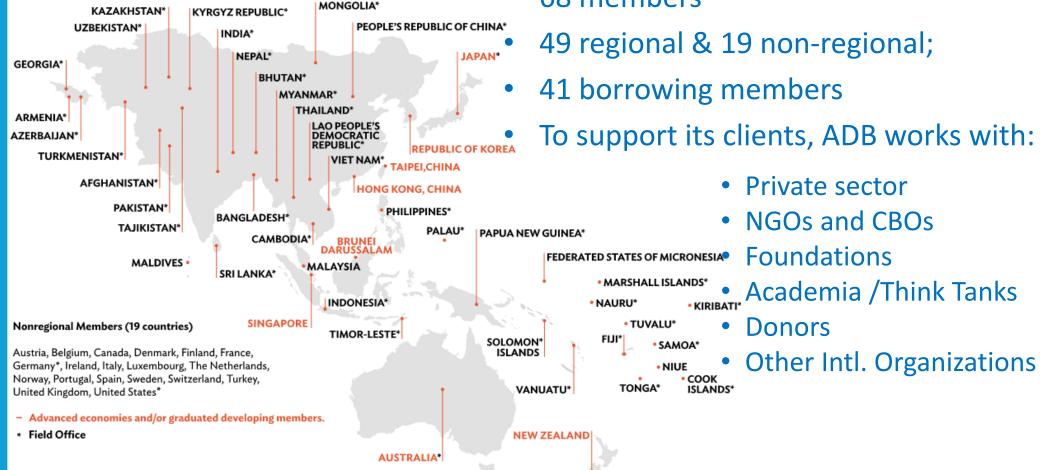




# A Brief about ADB

68 members

Founded in 1966, HQ in Philippines



OPPORTUNITIES

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



# **ADB 2020 Sovereign Portfolio**



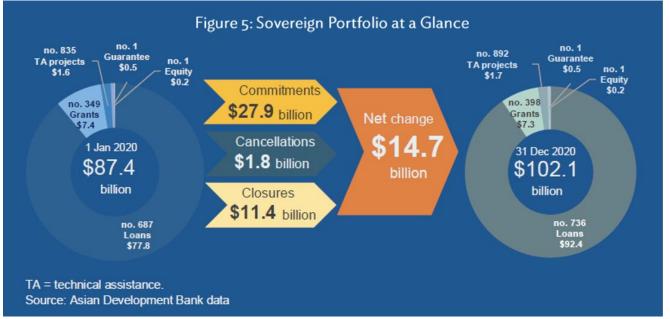


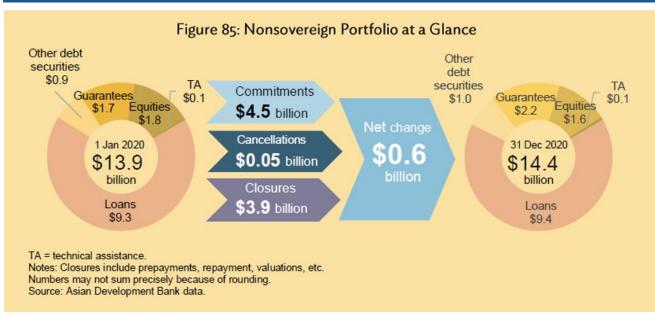
ADB = Asian Development Bank. Source: Asian Development Bank data.

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

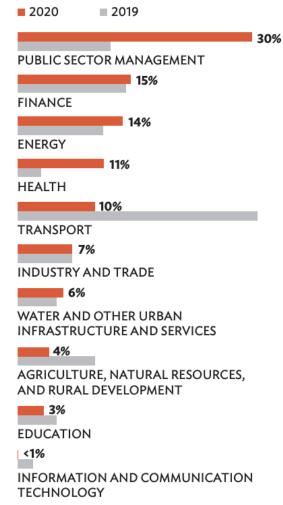
\*KMSD – Knowledge Management and Sustainable Development Departments







#### **ADB COMMITMENTS BY SECTOR, 2020 AND 2019**

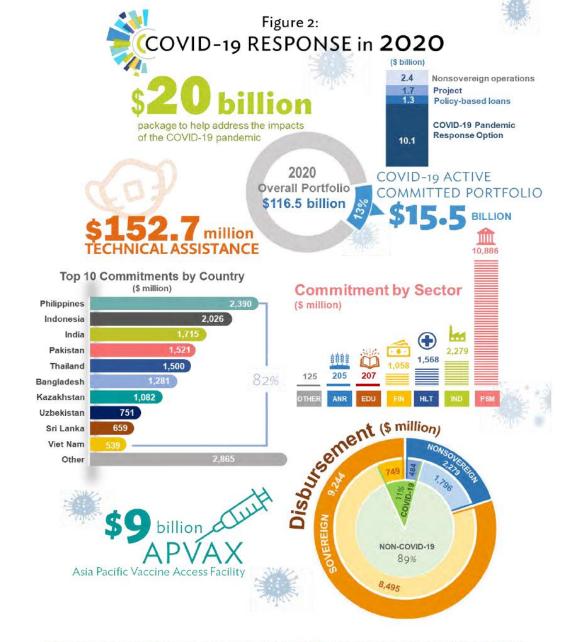




**ADB Business Opportunities Seminar** 









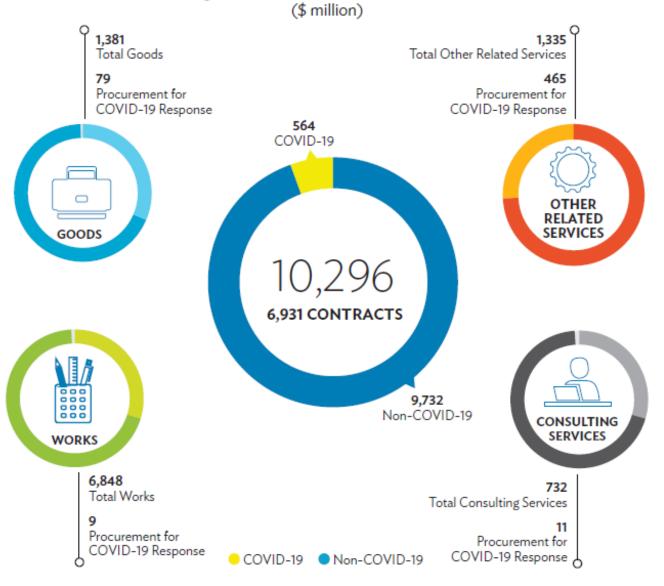
ANR = agriculture, natural resources, and rural development; COVID-19 = coronavirus disease; FIN = finance; HLT = health; IND = industry and trade; PSM = public sector management.

Note: Totals may not sum precisely because of rounding.

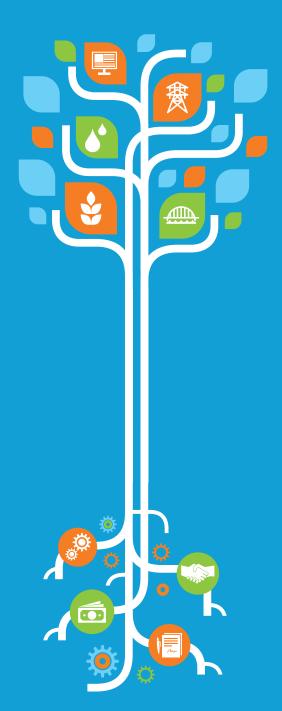








COVID-19 = coronavirus disease. Source: Asian Development Bank.





# ADB Procurement Framework





## 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











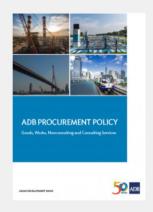




#### **ADB's Procurement Framework**

#### 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













# **Procurement Principles with Expected Outcomes**

Principle		Outcomes			
Fairness	}	Equal opportunity; equitable distribution; and credible mechanisms for addressing procurement-related complaints.			
Econom	У	Using price, quality, and any nonprice attributes to deliver viable projects.			
Efficience	cy	Ensures procurement processes are proportional to value and risks.			
Transpa	rency	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 fo Money	r	Obtain optimal benefits through effective, efficient, and economic use of resources.			

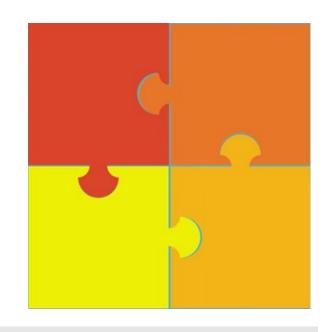


## Implications of the Procurement Framework

#### **Fit-for-Purpose**

 Major shift from one-size-fits-all to a fit-for-purpose approach

 If standardized approach doesn't effectively and efficiently deliver on project outcome, a customized approach may be adopted, with contract-specific methods



Fit-for-Purpose





### **Expected Impacts**

#### ADB expects to:

- 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 borrower and supplier

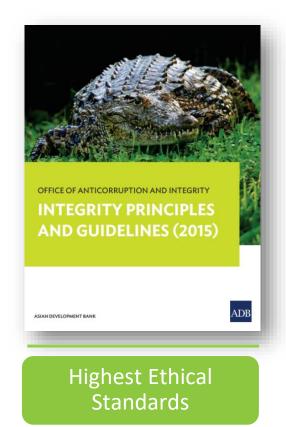


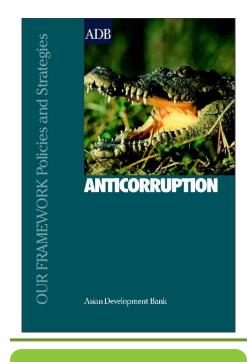




# **ADB's Anticorruption Policy & Guidelines**

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





Zero Tolerance







# ADB Business Opportunities







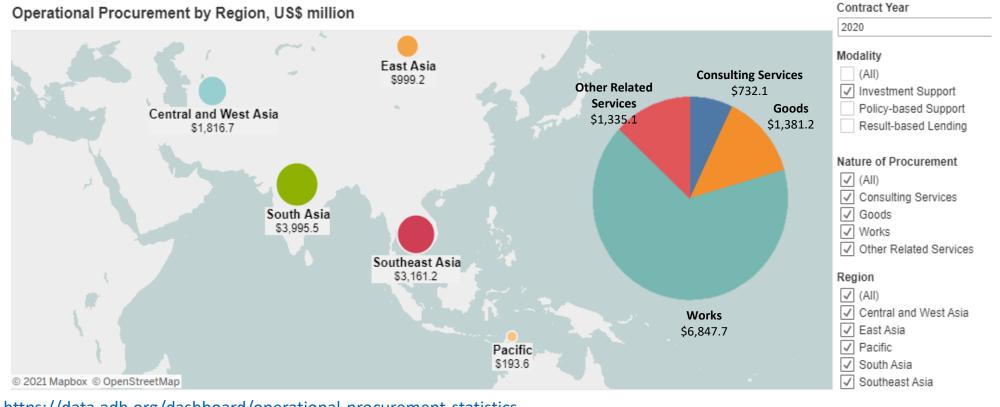
Procurement Ranking – Consulting						
	2017	2018	2019	2020		
1	AUS	KOR	IND	USA		
2	KOR	IND	AUS	KOR		
3	IND	FRA	USA	IND		
4	USA	UKG	GER	INO		
5	PHI	AUS	FRA	AUS		

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	INO	BAN		
5	VIE	PAK	PAK	PAK		

Tables indicate country of origin for supplier, contractor, or consultant across the time period; ranked by total aggregate contract value per type (i.e. goods, works, or consulting services).



# ADB Procurement Dashboard



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









**USERS** external and internal **COVERAGE** past 5 years

**INFORMATION** 

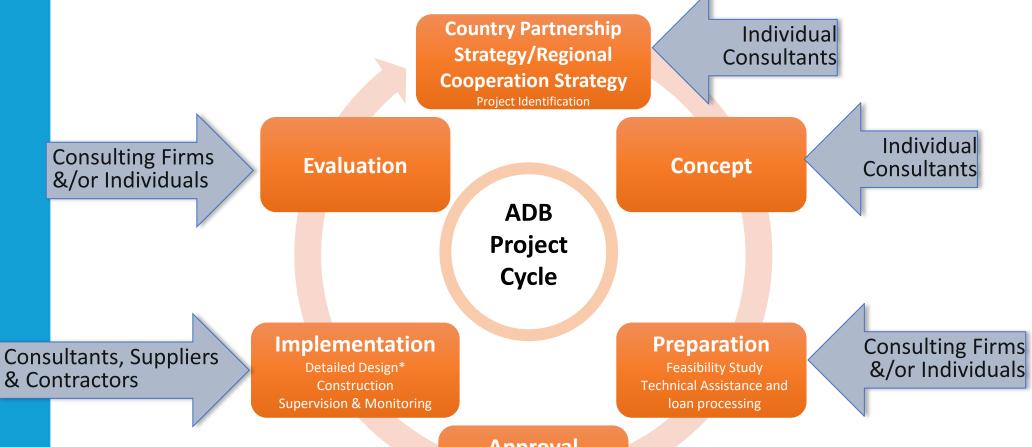
region, member, nationality, nature, origin, sector

**ACCESS TO DATA** downloading options

**ADB Business Opportunities Seminar** 



## 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



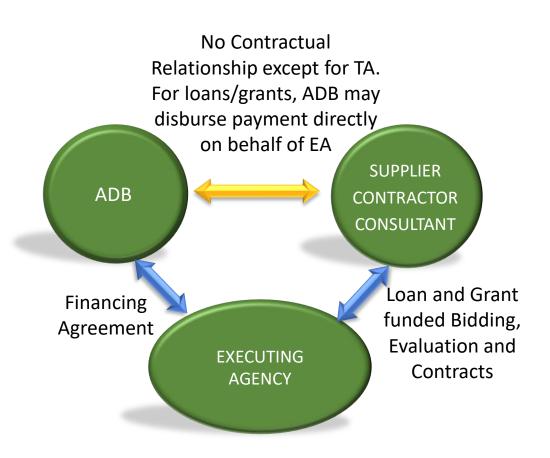


# Relationship, Roles and Responsibilities in Procurement

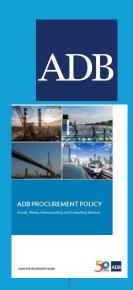
The Borrower (Executing Agency) is responsible for procurement of goods, works and services

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











#### **Procurement of Goods & Works**

#### OCB

- > Thresholds Removed
- Context specific, risk-based packaging, greater consideration for local industries

#### OCB (National Advertising)

- ➤ Bidding documents in national language
- ➤ Bid Prices and Payment in local currency
- ➤ Bid and performance security limited to local banks
- Reduced bid preparation period

#### Evaluation Criteria

- > Weighted Scoring is now clearly supported, where justified
- ➤ Will allow to differentiate between offers of differing quality
- > Lowest price no longer necessarily the winning bid









#### **Procurement of Goods & Works**

#### More Flexibility in Procurement Method

- > Thresholds Removed
- > OCB, LCB, RFQ (Shopping), DC

#### More Flexibility in Contracting Method

- > Standard ADB documents Large Works, Small Works, Plant, Goods
- ➤ Full range of FIDIC Books Design-Build, Design-Build-Operate, Engineer-Procure-Construct, etc.
- > Performance-based contracts and other new forms allowed

#### Other new features

- ➤ Abnormally-low bids
- ➤ Application of standstill period
- > Allow consideration of parent company qualifications
- > Allow consideration of historical non-performance of contractor
- > Under prequalification, number of bidders can be limited



# **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



#### **Procurement of Consultants**





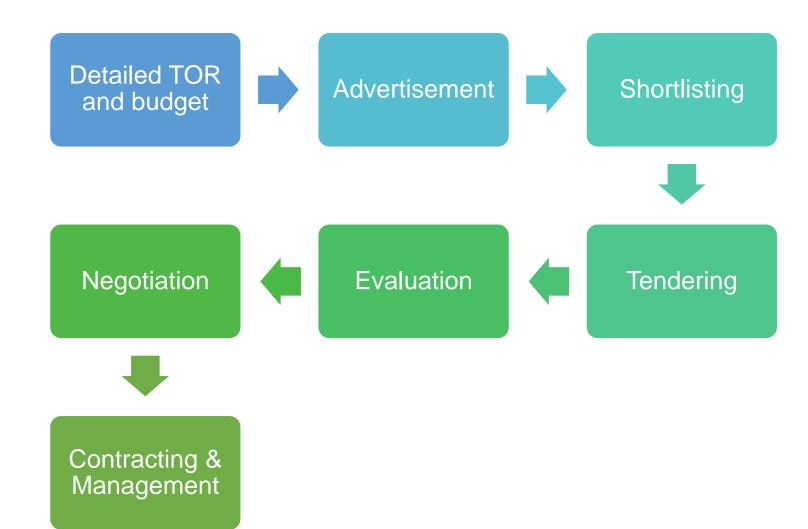
#### Recruitment may be national or international

- International may be from any ADB member country (global if no eligibility restriction)
- In firm contracts, team members can be from any country (unless sanctioned)
- A firm is national if legally incorporated in the developing member country.
- An individual is national if a citizen of the developing member country, or if they have legal right to reside and work in the country.





#### **Firm Consultant Recruitment**







#### **Procurement Methods to Recruit Firms**



QBS < • Quality Based Selection

CQS 

 Consultants Qualifications Selection

FBS < • Fixed Budget Selection

LCS

DC

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)

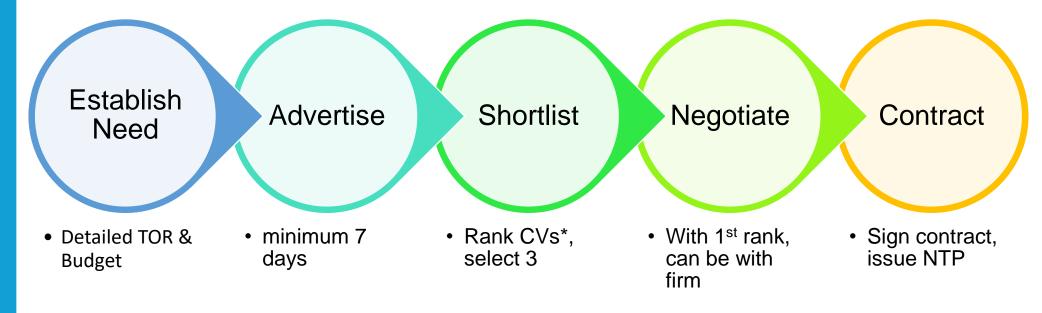
CMS used for ADB TA Services; EA systems used for loans & grants

Others: Member eligibility / debriefing / ADB review





#### **Individual Consultant Recruitment**





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



# **General points when approaching ADB Contracts**

Consider individual consulting opportunities

Understand context and background to project

Identify partners who will add value

Consider if
external
specialists will
strengthen
your team

Know your client and their expectations

Leverage experience with similar institutions

Understand costs of doing business (e.g. taxes)



# **ASK QUESTIONS**



#### How to find Information on our Website

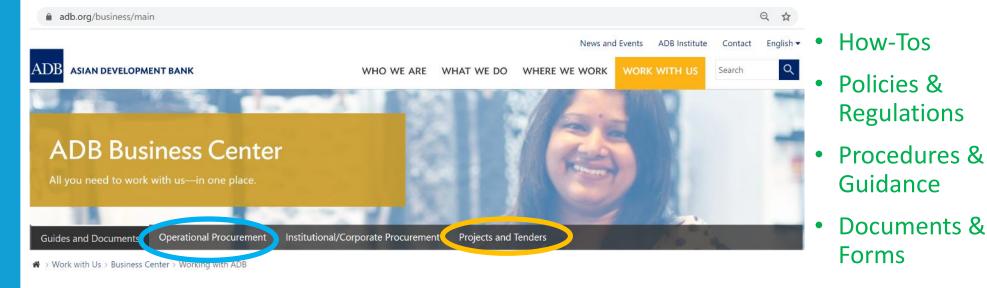




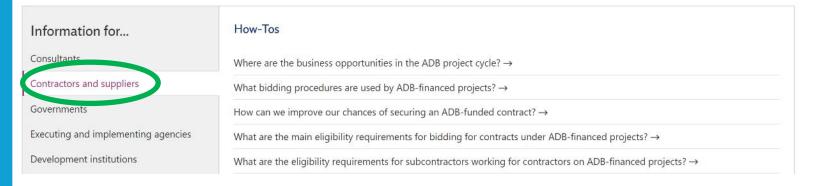
# www.adb.org/business



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



#### 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/operationalprocurement/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

ont 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 pregualification 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 Applicant

#### Contracts Awarded

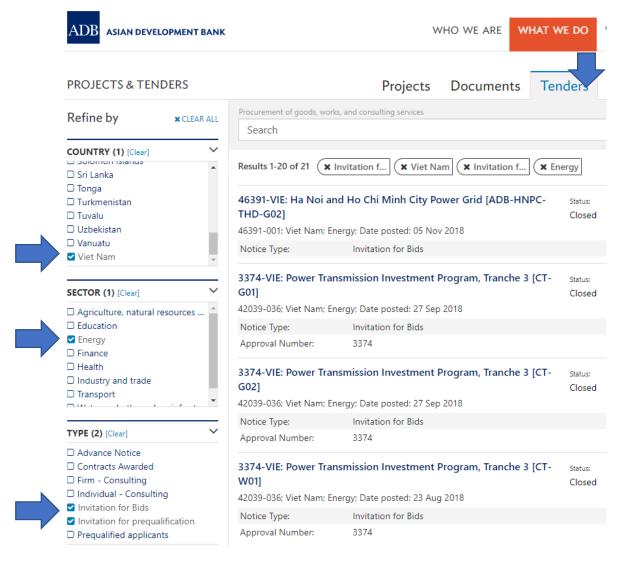
Contracts awarded for goods and civil works with contract value above US\$1.0 million. An archive of the previous year's contract awards is also provided.

Current Awarded Contracts





# 3. Goods & Works – Specific Procurement Notice



nvitation to	or 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)

- 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 payence under the contract named above. Bidding is open to Bidders from eligible 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 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.



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)**

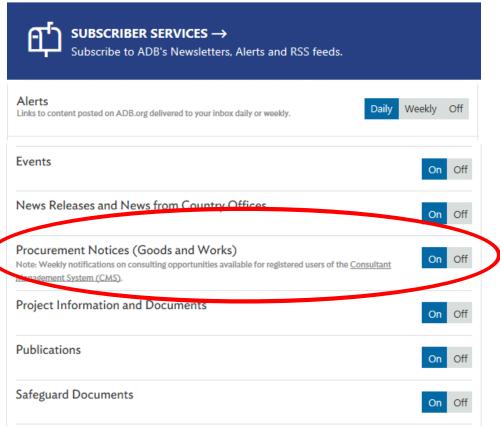
Refine by	Clear All							
+ COVID-19 Related Assignment	410000000000000000000000000000000000000							
+ Consultant Type	амамамамамамама							
+ Eligibility of Consultant Country	***************************************							
+ Engagement Period	Search by Expertise			Go				
+ Country	Project		Expertise	Consultant Type	Engagement Period (Months)	Published	Deadline (Manila local time)	View CSRN
+ Sector	LOAN 51132-002 GEO: Sust		Supervision Consultant	Firm	17	27-Aug-2020	25-Sep-2020	
+ Engagement Type	Sanitation Sector Developm Construction Supervision Co Project	ent Program - CS-1 onsultant - Telavi Water Supply					11:59 PM	
<b>⊕</b> Consultant Source	for Balanced Regional Deve	ble Cities Investment Project lopment - LCIP/QCBS/01-2020	supervision of civil works	Firm	24	18-Aug-2020	16-Sep-2020 11:59 PM	
+ Budget Amount		inder the Project – Construction Complexes in different regions						nig
	LOAN-3803 GEO: North-Sor Road Project - KKRP/CS/ICS	uth Corridor (Kvesheti–Kobi) 5-03 Health, Safety, visor (International Position)	Health, Safety, Environment and Social Advisor	Individual	18	03-Sep-2020	09-Sep-2020 11:59 PM	i j
		uth Corridor (Kvesheti–Kobi) 6-02 National Health and Safety	Health and Safety Specialist	Individual	12	03-Sep-2020	09-Sep-2020 11:59 PM	···\$
	TA-9624 REG: FCAS Special	ist (52050-001)	FCAS Specialist	Individual	2.7	01-Sep-2020	07-Sep-2020 11:59 PM	B





# Register for alerts





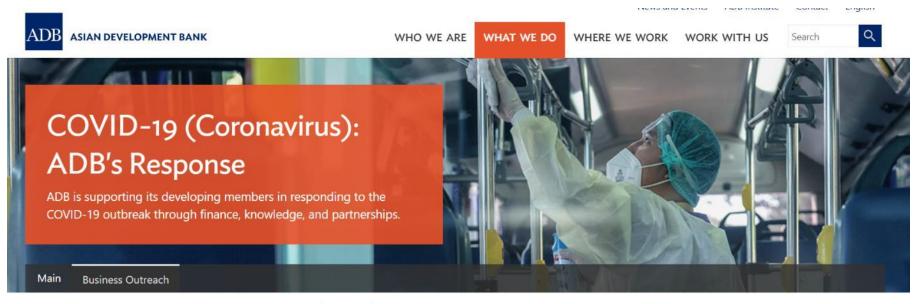


ADB's CMS System: <a href="http://cms.adb.org">http://cms.adb.org</a>

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.

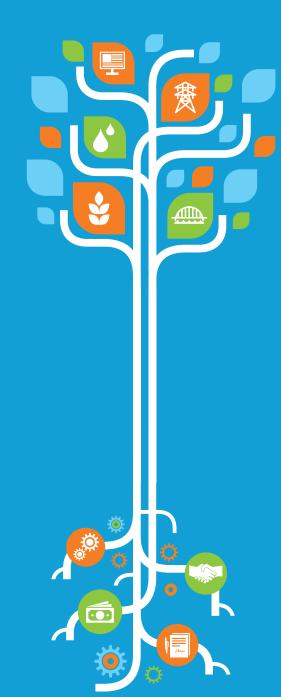
Search by Expertise

	ne by	Clear All
<b>✓</b>	Yes (7) No (188)	
<u> Co</u>	nsultant Type	
	Firm (57) Individual (138)	
= Eli	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 Expertise				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	

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: Stephane Bessadi sbessadi@adb.org

