

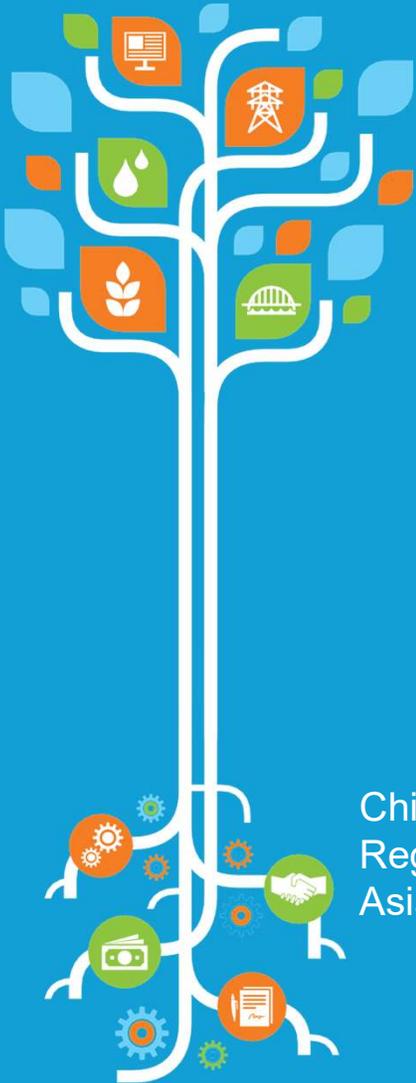
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Merit Point criteria (MPC) for ADB funded projects

26 June 2025

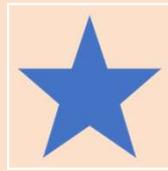
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Asian Development Bank

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Merit Point Criteria in Bidding

Value for Money



Merit Point Criteria (MPC), sometimes referred to as technical or rated-type criteria, are used to assess non-price attributes in the bidding process using merit points.



Since 2025 onwards, ADB's default option is to adopt MPC in evaluation bids using a combined technical and price score.



MPC : default evaluation method for Works advertised internationally and >USD 10 million for nationally advertised using ADB's SBDs.

Image of Merit Point Criteria

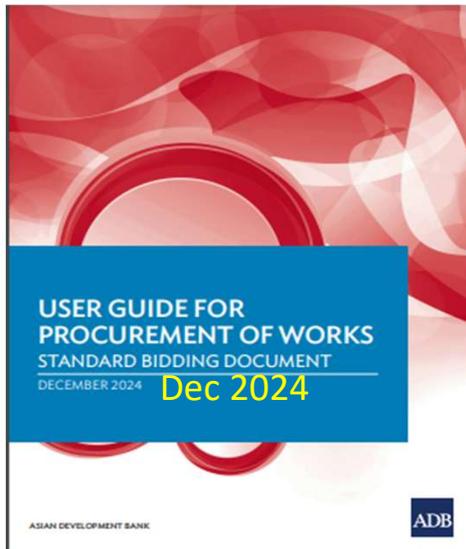
Lowest Evaluated and Substantially Responsive Bid (LESRB)



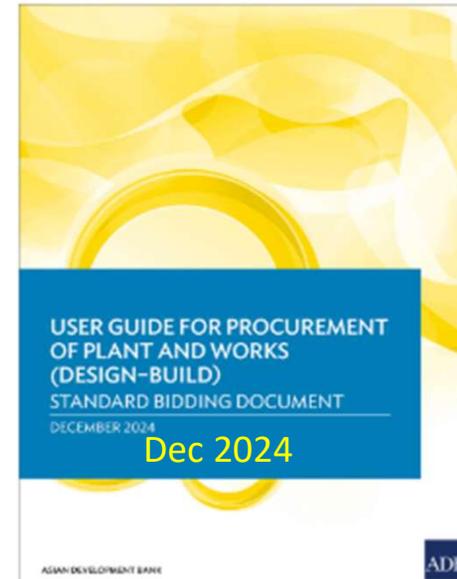
Merit Point Criteria (Scoring Method)



ADB new Standard Bidding Document



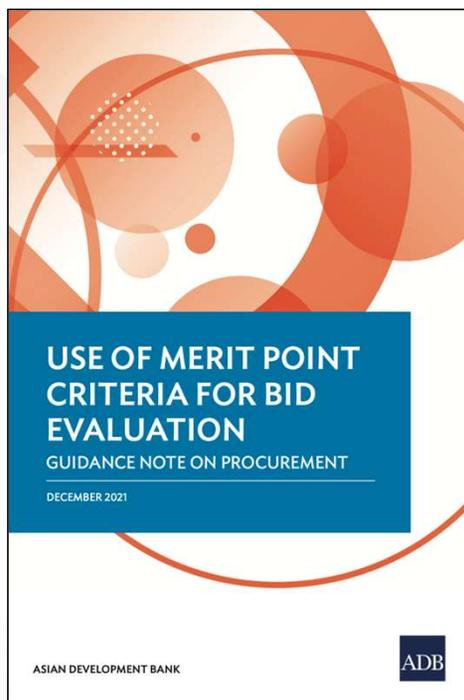
- Works
- FIDIC Red Book 2017
- Merit Point Criteria (MPC)



- Plant and Works (Design & Build)
- FIDIC Yellow Book 2017
- Merit Point Criteria (MPC)

<https://www.adb.org/business/how-to/where-can-i-find-adbs-standard-bidding-documents>

ADB Guidance Notes on application of MPC



USE OF MERIT POINT CRITERIA FOR BID EVALUATION

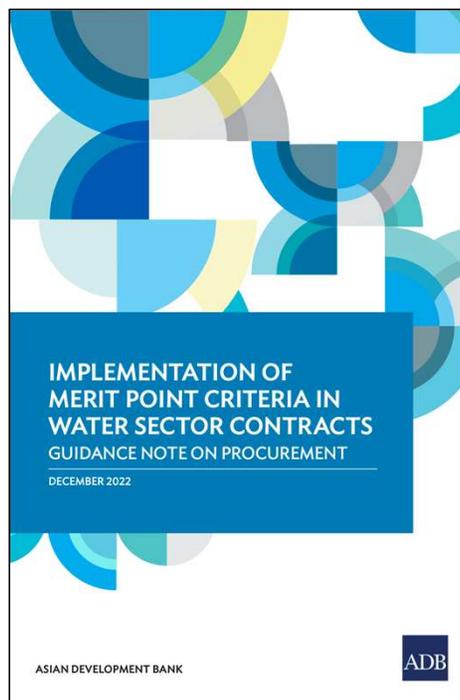
GUIDANCE NOTE ON PROCUREMENT

DECEMBER 2021

ASIAN DEVELOPMENT BANK



<https://www.adb.org/documents/merit-point-criteria-bid-evaluation>



IMPLEMENTATION OF MERIT POINT CRITERIA IN WATER SECTOR CONTRACTS

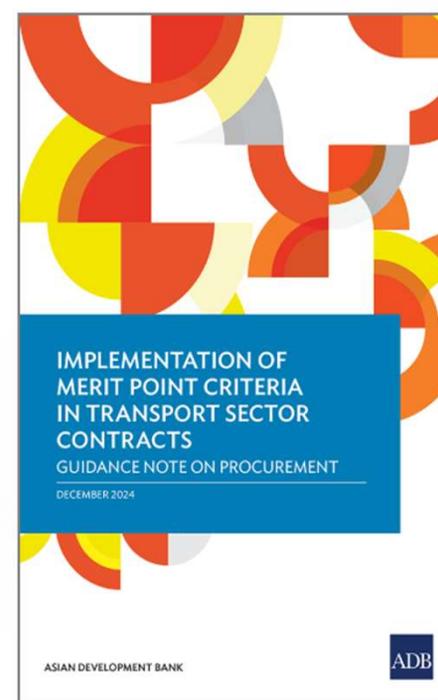
GUIDANCE NOTE ON PROCUREMENT

DECEMBER 2022

ASIAN DEVELOPMENT BANK



<https://www.adb.org/documents/implementation-merit-point-criteria-water-sector-contracts>



IMPLEMENTATION OF MERIT POINT CRITERIA IN TRANSPORT SECTOR CONTRACTS

GUIDANCE NOTE ON PROCUREMENT

DECEMBER 2024

ASIAN DEVELOPMENT BANK



<https://www.adb.org/documents/implementation-merit-point-criteria-transport-sector-contracts>

<Sample> MPC on CAM's projects

CAM Irrigation project

Project Name: Integrated Water Resources Management Project	
Project Number: 55197-001	Approval Number: 4553/1000/8493
Country: Cambodia	Executing Agency: Ministry of Water Resources and Meteorology
Project Procurement Risk: Substantial	Implementing Agency: Provincial Government of Battambang, Provincial Government of Pursat
Project Financing Amount: US\$ 201,729,675 ADB Financing: US\$ 87,989,000 Cofinancing (ADB Administered): US\$ 80,000,000 Non-ADB Financing: US\$ 33,740,675	Project Closing Date: 30 June 2031
Date of First Procurement Plan: 2 December 2024	Date of this Procurement Plan: 2 December 2024, Version 0

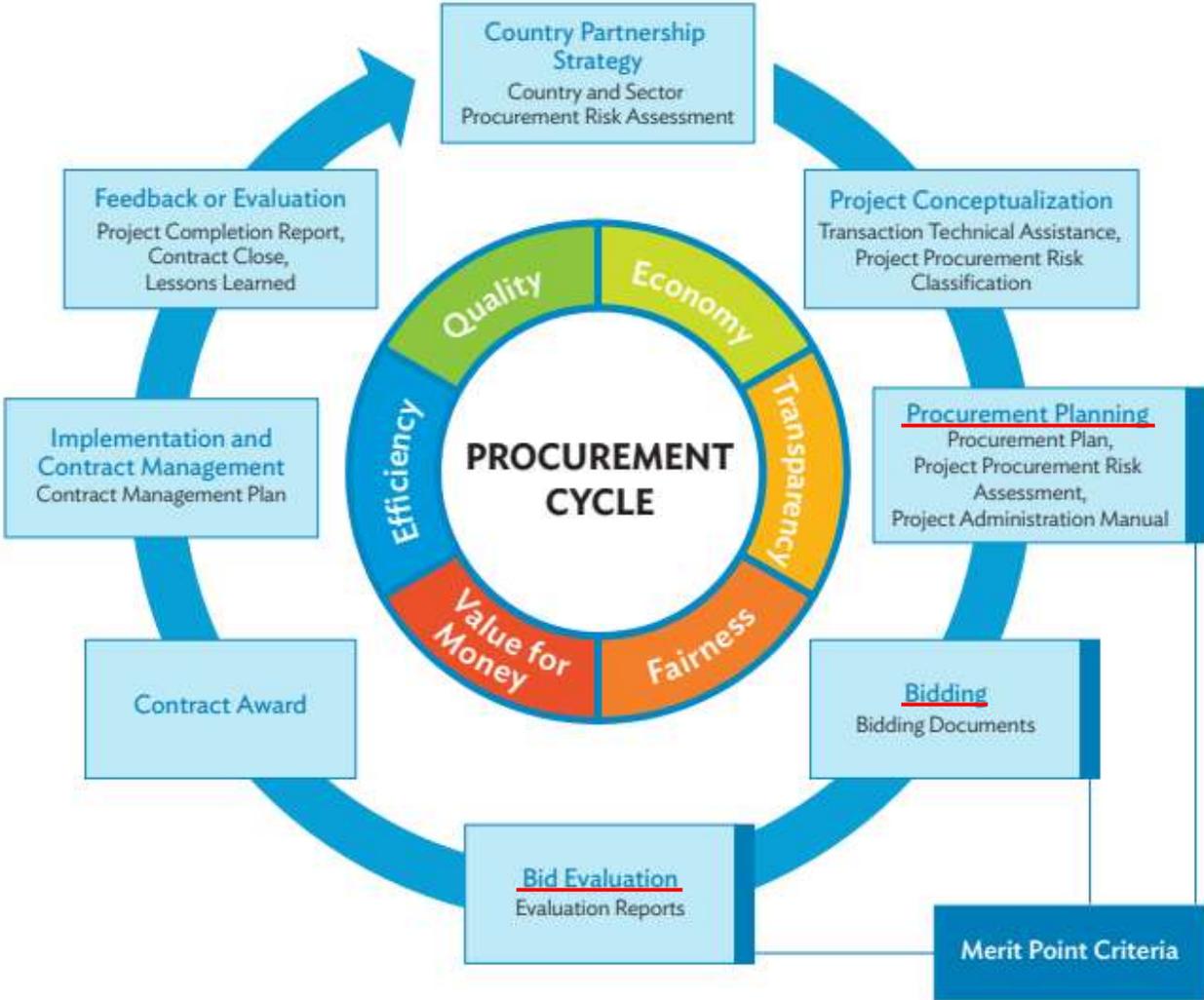
Goods and Works							
Package Number	General Description	Estimated Value (in US\$)	Procurement Method	Review	Bidding Procedure	Advertisement Date (quarter/year)	Comments
IWRM-CW01	Construction of Pursat regulator/barrage including service bridge, river bank protection, fish pass, gates, and canal intake structures for MC1 and MC2	22,600,000.00	OCB	Prior	1S1E	Q3 / 2025	Advertising: International Bidding Document: ADB SBD Large Works
IWRM-G01	Supply, installation and commissioning of AWS and AHS equipment for hydromet stations in Sangke and Pursat river basins	700,000.00	OCB	Prior	1S1E	Q3 / 2025	Advertising: International Bidding Document: ADB SBD Goods
IWRM-G02	Vehicles	360,000.00	OCB	Prior	1S1E	Q1 / 2025	Non-Consulting Services: No Advertising: National No. Of Contracts: 1

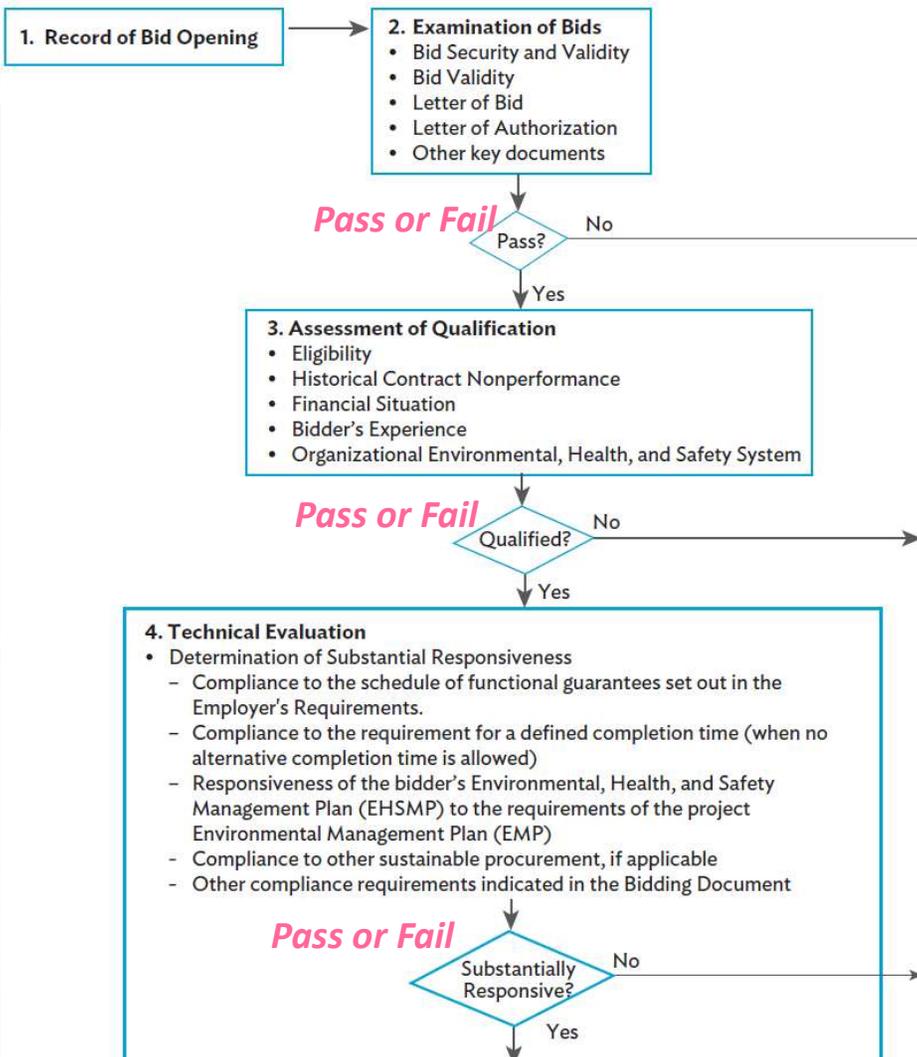
CAM Energy project

Project Name: Grid Expansion Project	
Project Number: 58169-001	Approval Number:
Country: Cambodia	Executing Agency: <u>Electricité du Cambodge</u>
Project Procurement Risk: Moderate	Implementing Agency: <u>Electricité du Cambodge</u>
Project Financing Amount: \$56,110,000 ADB Financing: \$52,720,000 Cofinancing (ADB Administered): Non-ADB Financing: \$3,400,000	Project Closing Date: 30 March 2030
Date of First Procurement Plan: 21 January 2025	Date of this Procurement Plan: 25 March 2025

Goods and Works							
Package Number	General Description	Estimated Value (in US\$)	Procurement Method	Review	Bidding Procedure	Advertisement Date (quarter/year)	Comments
GEP-TL-01	Design, Supply and Installation of 55 km HV transmission line	19,250,000.00	OCB	Prior	1S1E	Q2 / 2025	Advertising: International Bidding Document: ADB SBD for the Procurement of Plant Design, Supply, and Installation
GEP-SS-02	Design, Supply and Installation of 9 substations	24,185,000.00	OCB	Prior	1S1E	Q2 / 2025	Non-Consulting Services: No Advertising: International Bidding Document: ADB SBD for Procurement of Plant and Works (Design- Build) FIDIC Yellow Book (2017) Response? No Comments: 230kV, 115kV,

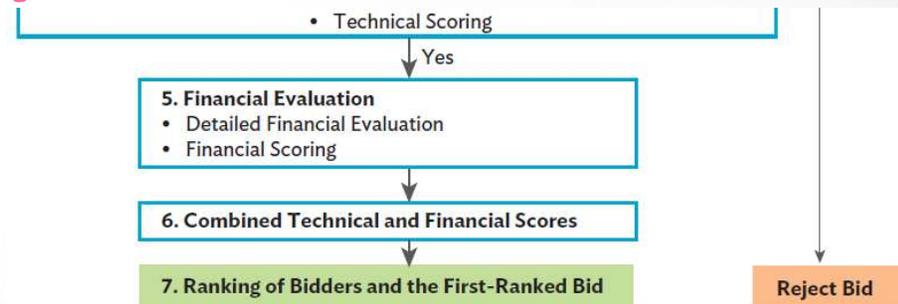
MPC in ADB Procurement Cycle





Standard Bidding Document: Sequence of qualification/evaluation

Spring method



Merit Point Criteria_Sample evaluation

The combined score (CS):

$$CS = \frac{T}{T_{high}} \times X + \frac{P_{low}}{P} (1 - X)$$

Where:

P = Each Bid Price

P_{low} = Lowest Bidder's Price

T = Each Technical score

T_{high} = Highest technical bidder's score

X = Technical weight (e.g., 40%)

<Sample>

Bidder A: Tec score: 95, Fin: \$50 million

Bidder B: Tec score: 60, Fin: \$39 million



Bidder A: $95/95 \times 40\% + 39/50 \times 60\% = 87$

Bidder B: $60/95 \times 40\% + 39/39 \times 60\% = 85$

Highest scored bidder win!

Price Sensitivity by Tec: Fin ratio (%)

The combined score (CS):

$$CS = \frac{T}{T_{high}} \times X + \frac{P_{low}}{P} (1 - X)$$

Company A

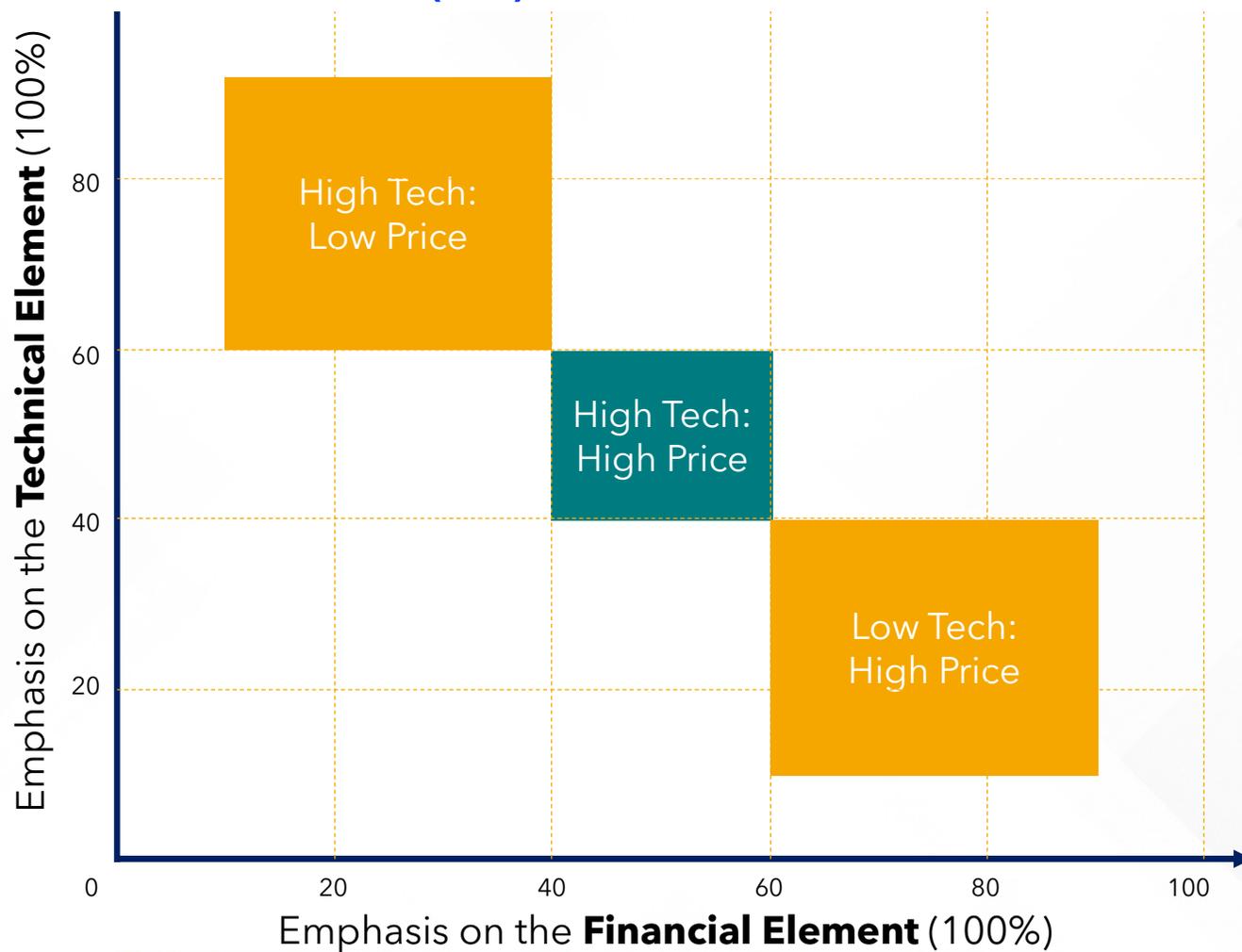
$$70/90 * X + 20/20 * (1 - X)$$

Company B

$$90/90 * X + 20/P * (1 - X)$$

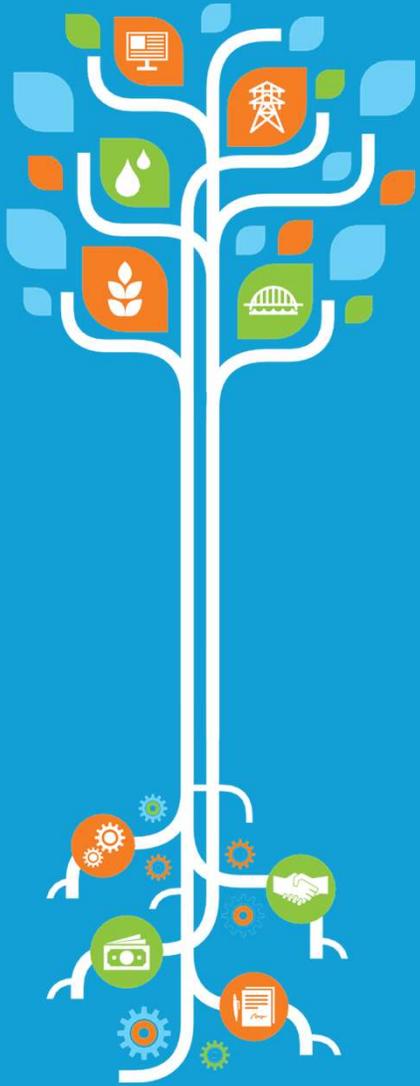
		Company A		Company B	
Tec	Fin	Low Tec score	Bid price (\$ M)	High Tec score	Bid price P (\$ M)
70%	30%	70	\$20	90	\$41.5
60%	40%				\$30.0
50%	50%				\$25.7
40%	60%				\$23.5
30%	70%				\$22.1
20%	80%				\$21.2
10%	90%				\$20.5

Idea of Tec : Fin Ratio (%)



Importance of MPC

- **Elevates Quality** (as part of VfM and fit-for-purpose approach) by evaluating bids based on operational performance, lifecycle value, and technical merit, **not just upfront costs**.
- Encourages stronger bids by signaling to the market that **quality will be rewarded**, resulting in better solutions, not just cheaper ones.
- Supports **fair competition** by encouraging all suppliers to meet clearly defined quality standards, leveling the playing field.
- Improves transparency and objectivity, **reducing subjectivity** in evaluations enhancing trust among stakeholders.
- Aligns with **ADB's priorities**, such as climate resilience, sustainable infrastructure, gender inclusion, and innovation.



Thank You !

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