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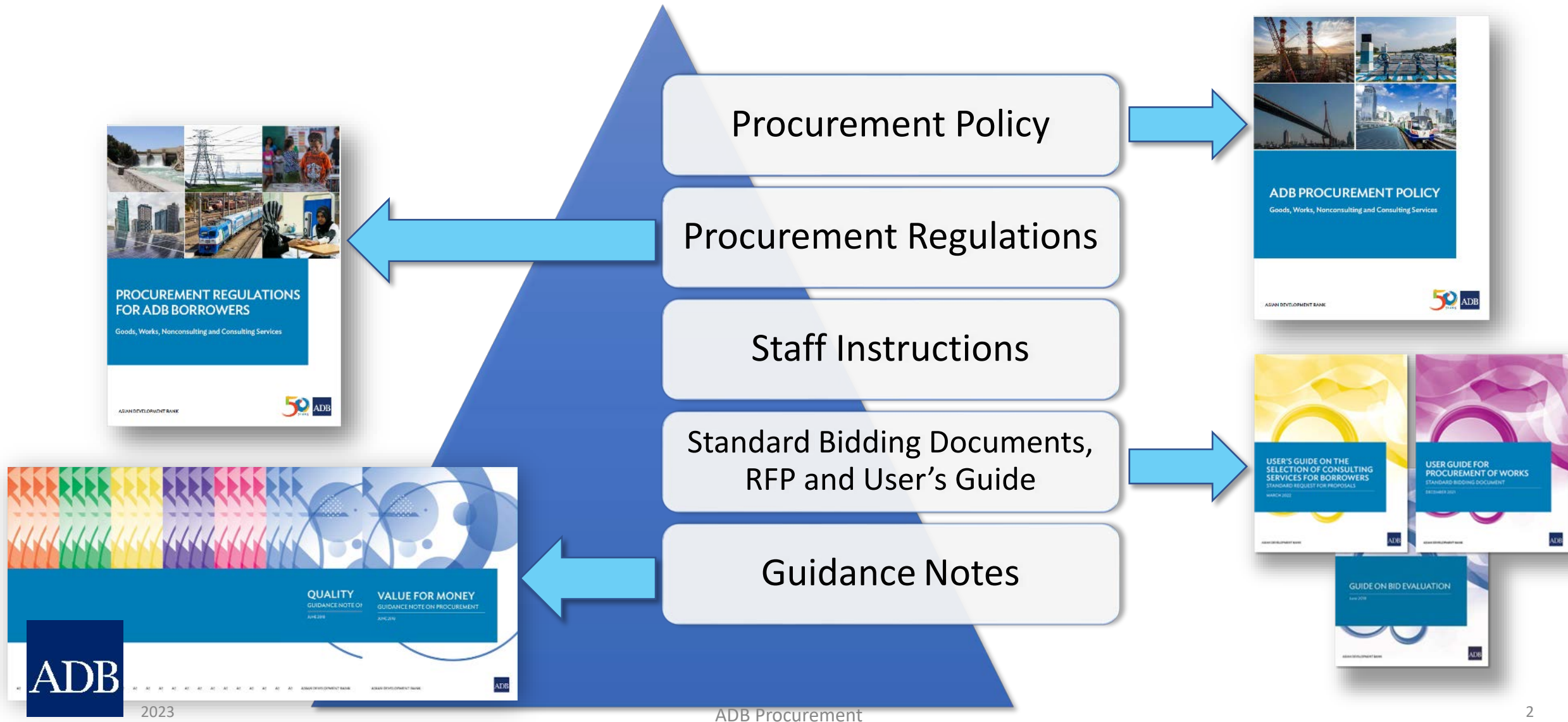


ADB Procurement Policy and Regulations 2017

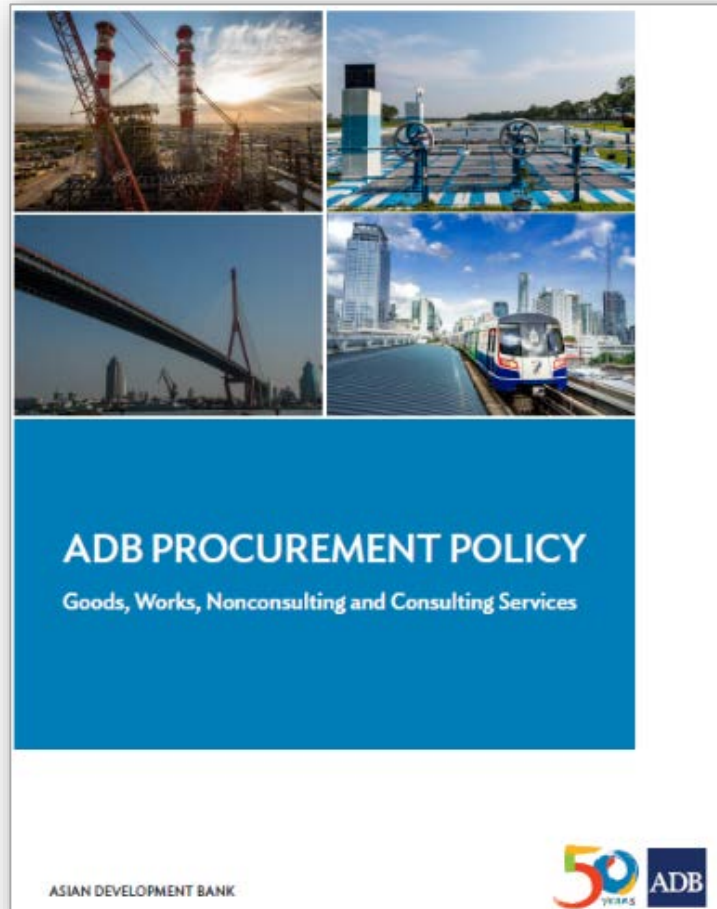
Mohsen I. Khan, Senior Procurement Officer, ADB

Islamabad, 22 July 2025

ADB Procurement Framework



ADB Procurement Policy



- It was approved by the ADB Board of Directors, who represent all member countries of ADB.
- It contains core principles which govern procurement financed in whole or in part by ADB financing.
- It is referred to in the financing agreement.
- It stipulates that the responsibility for the implementation of the project, and therefore for the procurement, award, and administration of contracts under the project, rests with the borrower.

Roles of Key Stakeholders in ADB Procurement



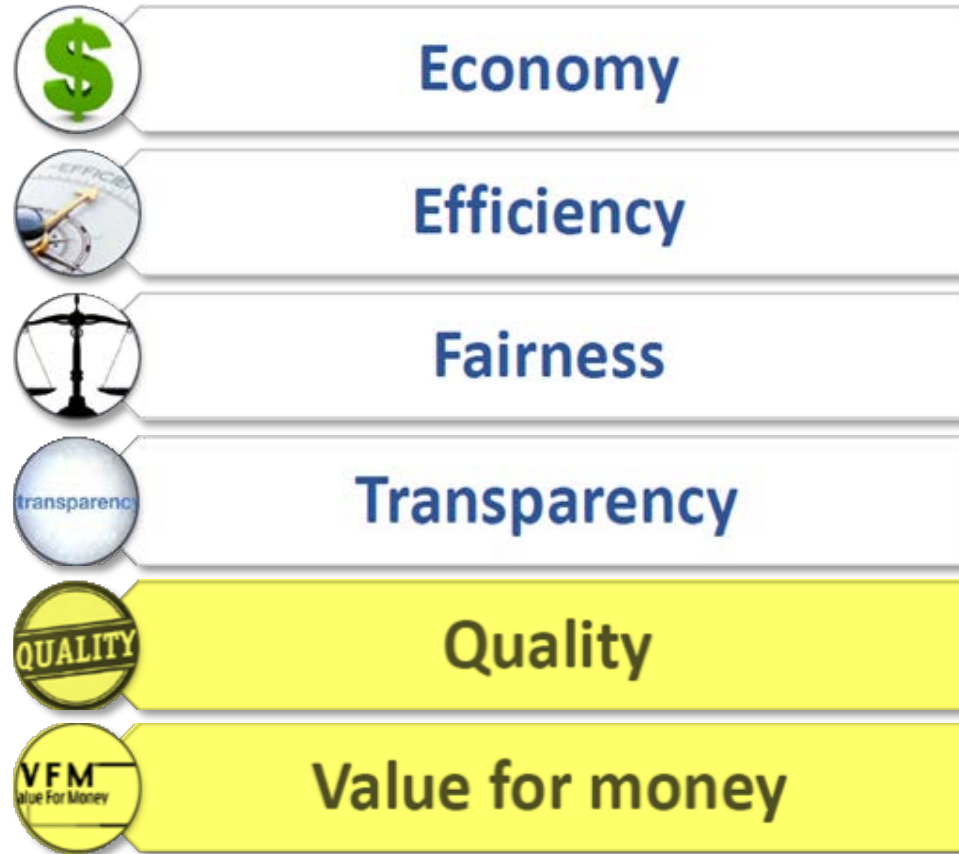
Borrower carries out procurement, awards and manages contract
ADB provides supports and has an oversight role

ADB Procurement Policy

- I. Purpose
- II. General Considerations
- III. Core Procurement Principles*
- IV. Fitness for Purpose
- V. Eligibility*
- VI. Development of Domestic Industry
- VII. Integrity*
- VIII. Conflict of Interest*
- IX. Accountability
- X. Noncompliance
- XI. Complaints
- XII. Alternative Procurement Arrangements
- XIII. E-procurement*
- XIV. Procurement Plan
- XV. Procurement for Nonsovereign Operations

Core Procurement Principles (III)

Prescriptive → Principle based



Can be achieved through application of Sustainable Public Procurement

Eligibility (V)

- To be eligible to participate in procurement for contracts financed by ADB, the bidder, and all parties constituting the Bidder...
 - ✓ shall have the nationality of an eligible country;
 - ✓ shall not have a conflict of interest;
 - ✓ shall not be under temporary suspension or debarment by ADB
 - ✓ and shall not be excluded by an act of compliance with the decision of the UN Security Councils
- The materials, equipment, and services to be supplied under the Contract shall have their origin in eligible source countries

Eligibility (V)

- Any conditions for participation shall be limited to those that are essential to ensure the bidder's capability to fulfill the contract in question
- ADB does not permit a borrower to deny the participation of a bidder for reasons unrelated to its capability and resources to successfully perform the contract, nor does it permit a borrower to disqualify any bidder for such reasons.

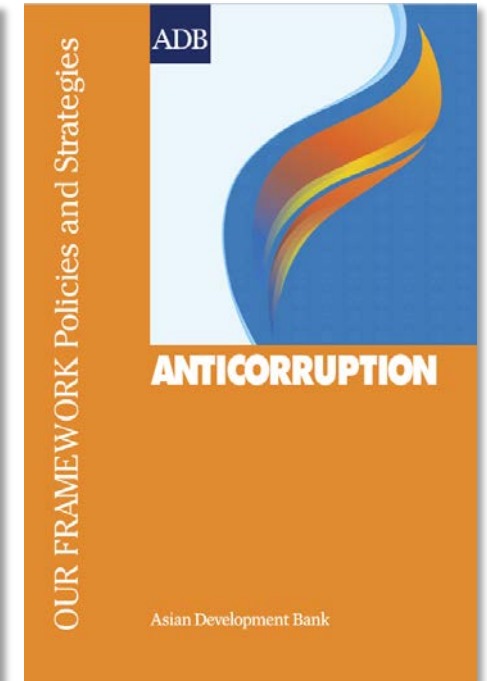
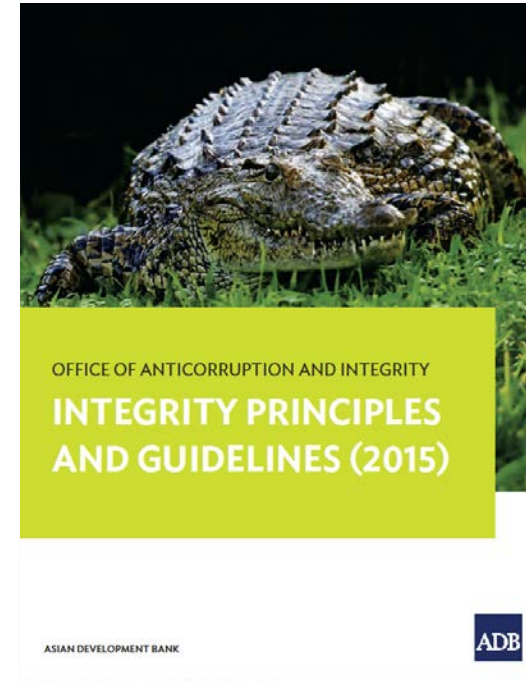


Eligibility (V)

- Government-owned enterprises in the Borrower's country may participate as a bidder only if specifically agreed by ADB. Such agreement will only be provided if the bidder can establish that they
 - ❖ can operate as a commercial entity;
 - ❖ are legally and financially autonomous;
 - ❖ are not dependent agency of the borrower
- Government officials and civil servants in the borrower's country may only be hired if they
 - ❖ are not being hired by the agency they were working for immediately before going on leave;
 - ❖ their employment would not create a conflict of interest.

Integrity (VII)

- ADB's Anticorruption Policy and Integrity Principles and Guidelines
- Highest ethics
- Specific definitions for corrupt, coercive, fraudulent, collusive, obstructive practices, and abuse
- Applies to executing and implementing agencies, contractors, consultants, suppliers, ADB staff, and anyone connected to an ADB financed, administered, or supported activity.
- ADB reserves the right to inspect and audit



Respectful Working Environment

- Environment free of unethical or inappropriate behaviors
- Bullying, discrimination, misconduct and harassment, including sexual harassment
- Training provided by contractor and consultant to their staffs is required and to be verified by Employer



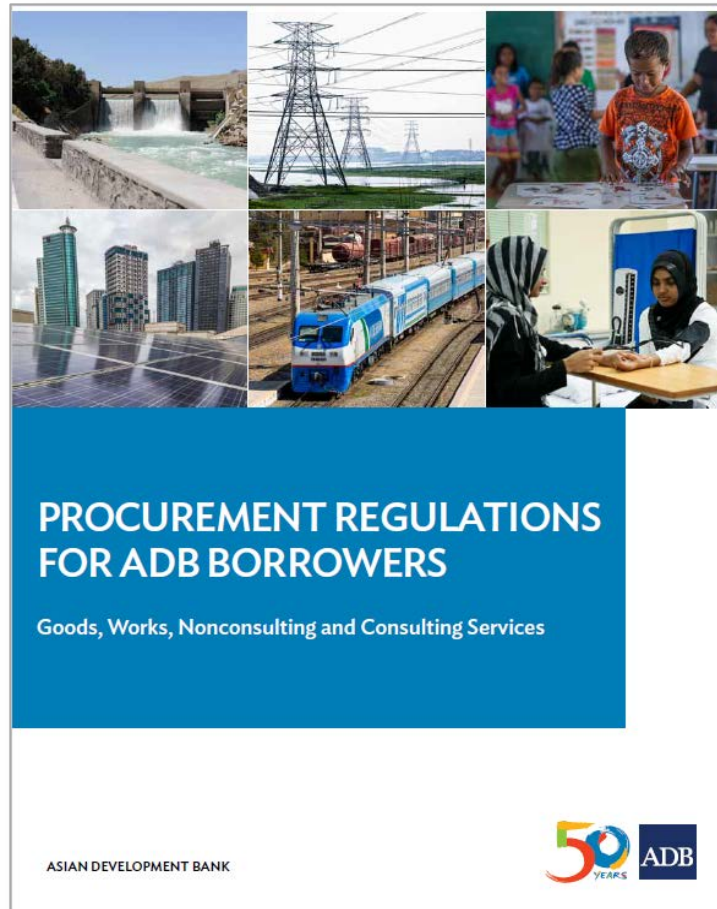
Conflict of Interest (VIII)*

- Interests that could cause undue influence on decision making process
- If cannot be appropriately mitigated → *may* lead to rejection of the bid
- Bidders or consultants may be considered to have a Conflict of Interest if they have conflicting activities, assignments, relationships, ownerships, i.e.:
 - ❖ Participated as a consultant for design/technical specification /project management /supervision of bid package
 - ❖ Have common controlling shareholders (sister concern)
 - ❖ Have same legal representatives for their bids
 - ❖ Submit more than one bid in the bidding process
 - ❖ Have relationship with each other, directly or through common third parties, that puts them in a position to have access of information about another bidder or influence the decision of the purchaser.

E-Procurement

- ADB encourages borrowers to use e-procurement for communication with bidders, advertisement, issuance of bidding document and its amendments, submission of bids, disclosure of contract awards.
- The use of e-procurement in ADB-financed projects shall be endorsed by ADB who will verify that the system is accessible and secure, ensure integrity and confidentiality, and have sufficient audit trail feature.

ADB Procurement Regulations



- It was issued by the ADB President.
- It provides details of the ADB Procurement Policy and Procedures.
- It follows international practices in procurement.
- It is harmonized with those of other Multilateral Development Banks.

ADB Procurement Regulations – Structure

I. Introduction

- ❖ Purpose
- ❖ General Considerations
- ❖ Fitness for Purpose
- ❖ Alternative Procurement Arrangements
- ❖ Applicability of These Regulations
- ❖ Procurement of Contracts Not Financed by the Asian Development Bank
- ❖ Eligibility
- ❖ Conflict of Interest
- ❖ Unfair Competitive Advantage
- ❖ Advance Contracting and Retroactive Financing
- ❖ Asian Development Bank Review
- ❖ Noncompliance, Complaints
- ❖ Integrity
- ❖ E-procurement
- ❖ Procurement Plan
- ❖ Procurement for Non sovereign Operations

ADB Procurement Regulations – Structure

II. Procurement Methods and Arrangements

- ❖ Open Competitive Bidding
- ❖ Limited Competitive Bidding
- ❖ Framework Agreements
- ❖ Request for Quotations
- ❖ Electronic Reverse Auction
- ❖ Direct Contracting
- ❖ Force Account

Particular Types of Procurement Arrangements

- A. Selection of Consultants
- B. Selection of Individual Consultants
- C. Procurement from Specialized Agencies
- D. Procurement in Fragile and Conflict-Affected Situations
- E. Procurement Agent
- F. Support to Governments for Public–Private Partnerships
- G. Procurement of High-Level Technology
- H. Performance-Based Procurement
- I. Community Participation in Procurement
- J. Procurement under Loans Guaranteed by the Asian Development Bank

ADB Procurement Regulations – Structure

Appendix 1: Value for Money

Appendix 2: Procurement Planning

Appendix 3: Open Competitive Bidding Procedure

Appendix 4: Consulting Services Selection using Open Competitive Bidding

Appendix 5: Evaluation Criteria and Methodology

Appendix 6: ADB Review of Procurement Decisions

Appendix 7: Bidding-Related Complaints

Appendix 8: Contract Management

Appendix 9: Roles and Responsibilities in ADB-Financed Projects

Standard Bidding Documents (SBDs)



- It includes instructions, templates, forms for bidding and contract.
- It provides consistency and legal certainty, and incorporates international, time-tested practices.
- Its use is required, and specific ways for customization are provided.
- There are 8 Users' Guides (UGs) and 7 Standard Bidding Documents (SBDs) for Procurement of Goods, Works and Non-Consulting Services.
- There is 1 UG and 1 Request for Proposal (RFP) document for Selection of Consultant.
- Other SBDs may be used under certain conditions.

Guidance Notes

- It is used to operationalize ADB Procurement policy and Regulations.
- It is grouped based on themes.



GUIDANCE NOTES

Preparation and Planning	Procurement Methods	Bidding Procedures	New Principles and Practices	Complaints, Compliance, and Eligibility	Specialized Areas
<ul style="list-style-type: none"> • Procurement Risk Framework • Strategic Procurement Planningz • Procurement Review • Alternative Procurement Arrangements 	<ul style="list-style-type: none"> • Open Competitive Bidding • Consulting Services Administered by ADB Borrowers • Non-consulting Services Administered by ADB Borrowers • Framework Agreements 	<ul style="list-style-type: none"> • Price Adjustment • Prequalification • Subcontracting • Domestic Preference 	<ul style="list-style-type: none"> • Value for Money • Quality • Contract Management • Abnormally Low Bids 	<ul style="list-style-type: none"> • Bidding-Related Complaints • Noncompliance in Procurement • Standstill Period • State-Owned Enterprises 	<ul style="list-style-type: none"> • Fragile, Conflict-Affected, and Emergency Situations • E-Procurement • Public-Private Partnerships • High-Level Technology • Sustainable Public Procurement • Use of Merit Point Criteria for Bid Evaluation

Procurement Non-compliance

- It refers to potential or actual situations where the borrower, or other parties involved in the procurement process, fails to adhere to the applicable provisions of the ADB Procurement Policy and Regulations, whether through their actions or inactions.
- Remedial Actions
 - ❖ Does not fund that particular transaction.
 - ❖ Suspends project implementation or initiate remedial action with specific assurances.
 - ❖ Cancel the portion of the loan relating to that specific transaction.
- Examples:
 - ❖ Procurement is not carried out as per the approved Procurement Plan.
 - ❖ A bid document subject to prior review is issued without such a review.
 - ❖ Decisions are made that do not align with ADB's no-objection.
 - ❖ Incomplete or misleading information is provided for a prior review process.
 - ❖ Failure to take action on a contractual breach.



Procurement

Goods, Works, Non-Consulting and Consulting Services

Operations Procurement

The Procurement, Portfolio and Financial Management Department (PPFD) provides fiduciary oversight of procurement of goods, works, non-consulting services, and consulting services. PPFD supports ADB staff and borrowers on procurement planning and implementation, contract management, and related risk assessment and mitigation. PPFD also leads procurement and consulting services innovation and capacity building initiatives.



ADB Business Center

All you need to work with us—in one place.

Working with ADB

www.adb.org/business/main

Information for...

Consultants

Contractors and suppliers

Governments

Executing and implementing agencies

Development institutions

Private sector partners

How-Tos

Does my executing/implementing agency have the staff and capability to work with ADB? →

What is ADB technical assistance (TA)? →

What principles guide ADB's procurement? →

How does ADB safeguard the integrity of its activities? →

What are ADB's main financial products for the public sector? →

Where can I get data on ADB projects and countries? →

ADB Procurement









Online Training on ADB Procurement



FINANCE

New Procurement Framework

The new Procurement Policy and Procurement Regulations were approved in April 2017. The Procurement Policy, Regulations and other supporting documents form the NPF within ADB, governing the procurement of goods, works and services by borrowers, Executing Agencies (EAs) and Implementing Agencies (IAs) conducting procurement on ADB-funded projects...

-  Module 1: Overview of NPF
-  Module 2: Strategic Procurement Planning
-  Module 3: Risk Management
-  Module 4: Analysis
-  Module 5: Procurement Strategy Development
-  Module 6: Bidding Procedures
-  Module 7: Consulting Services
-  Module 8: Bid Evaluation
-  Module 9: Contract Management
-  Module 10: Fragile, Conflict Affected and Emergency Situations

elearn.adb.org
*non-certified



New Direction in Procurement for ADB Financed Projects

- Promoting post-review (sampling)

Post Review Thresholds for Procurement Activities	
Type of Procurement Activity	Value (US \$ millions)
Works	< 1
Goods and Nonconsulting	< 0.5
Firm consulting services	< 0.25
Individual consulting services	< 0.1

- Promoting MPC
 - Default evaluation method for all works transactions:
 - ❖ where IFBs are advertised internationally using ADB's SBDs.
 - ❖ where IFBs are advertised nationally using ADB's SBDs and >USD 10 million.
 - MPC should be included in the SPP.
 - Exception to the use of MPC will be decided by the PD.
 - Approved PP: No need to change the evaluation method.



Question

Which procurement rules are used in a project which is jointly financed by the Government of Pakistan and ADB?

Select the best answer:

- a. The GOP's Public Procurement Regulatory Authority (PPRA) Rules and Regulations
- b. ADB Procurement Policy and Regulations
- c. Both (a) and (b)
- d. ADB Procurement Policy and Regulations for contract that is financed by ADB

Question

Which of the following are key principles forming the basis for any procurement under ADB finance?

Select the best answer:

- a. Fairness
- b. Transparency
- c. Economy and Efficiency
- d. Development of local industries
- e. All of the above
- f. Only (a), (b) and (c)

Question

Which document governs the transactional relationship between the Borrower and the bidders?

Select the best answer:

- a. Procurement Regulations
- b. Financing Agreement
- c. Bidding Document
- d. Project Administration Manual (PAM)
- e. Only (a) and (c)
- f. Only (a) and (d)

Question

Can a government-owned enterprise participate in an ADB financed project?

Select the best answer:

- a. Yes, only if they are profitable
- b. No, due to potential Conflict of Interest
- c. Yes, only if they meet eligibility requirement
- d. No, if they are black-listed by the government

Question

Can borrowers use their own e-procurement system in an ADB financed Project?

Select the best answer:

- a. Yes, since it is already being used by the borrower
- b. Yes, since it promotes economy and transparency
- c. Yes, if it has been assessed and endorsed by ADB
- d. No, since the Borrower must use ADB e-procurement
- e. Both (a) and (b)
- f. Both (b) and (c)



Question

A local and a foreign state-owned enterprise (SOE) were the only technically responsive bidders in a tender. Balance sheets of the local SOE, which is the lowest bidder, showed that it received cash transfers from the local government to keep it afloat. How should this bid be treated?

Select the best answer:

- a. Reject all bids as all ineligible and arrange for a rebidding.
- b. Accept the bid and award the contract.
- c. Adjust the lowest bid with the subsidies it received.
- d. Reject the lowest bid.



CASE STUDIES OF ADB'S PROCUREMENT PROCEDURES

AUGUST 2024

ASIAN DEVELOPMENT BANK

ADB



<https://www.adb.org/sites/default/files/publication/988806/case-studies-adb-procurement-procedures.pdf>

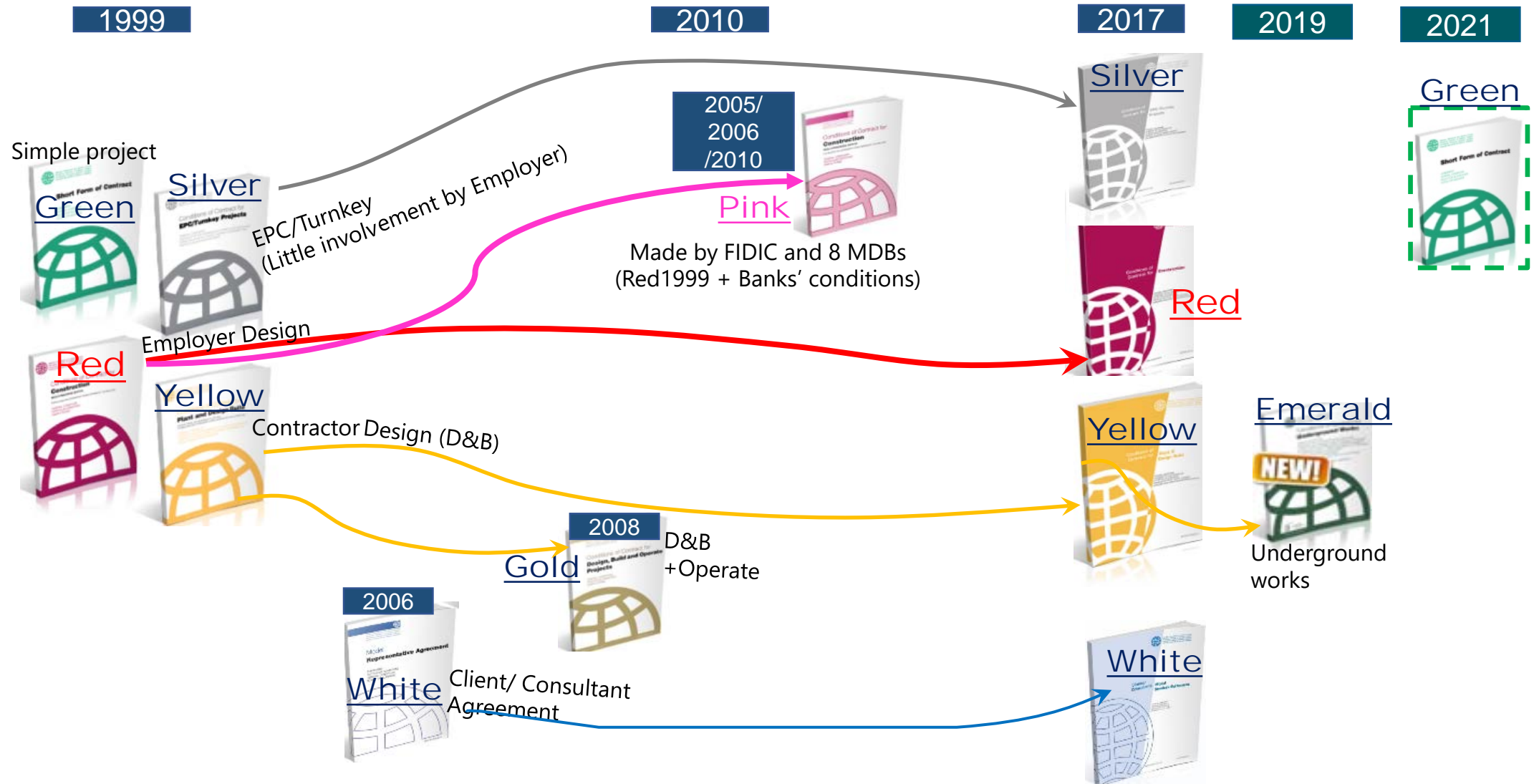


ADB's COPA – FIDIC Red Book 2017

Mohsen I. Khan, Senior Procurement Officer, ADB

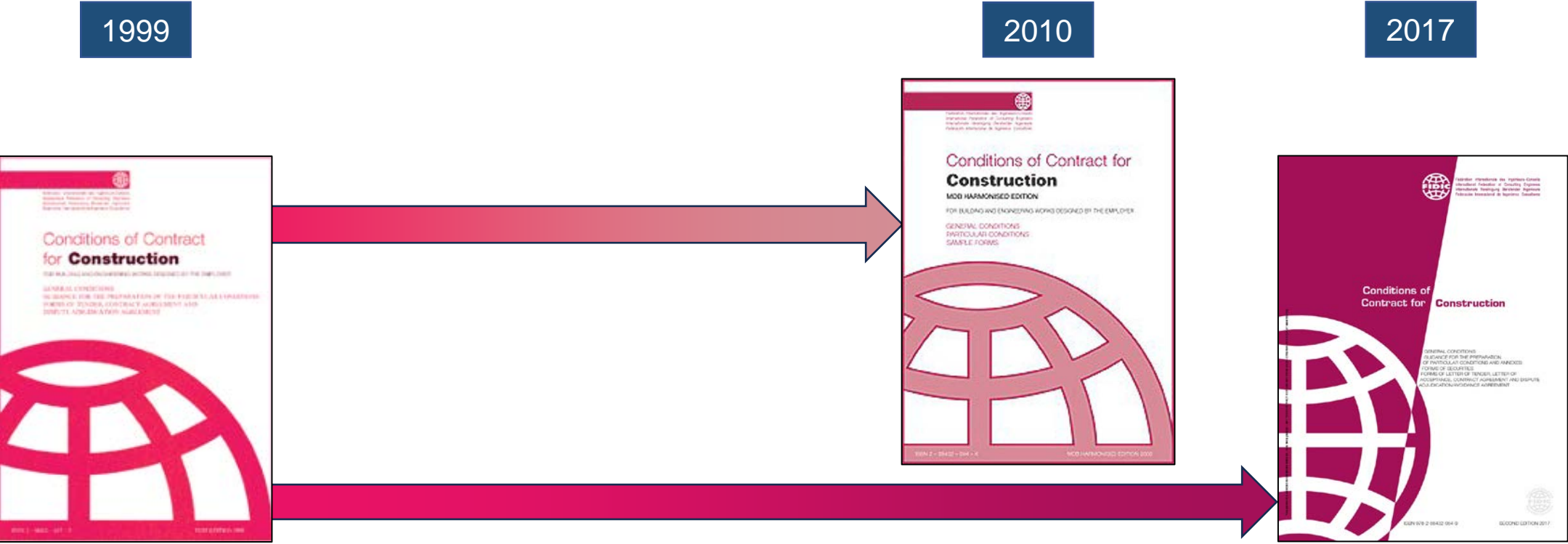
Islamabad, 22 July 2025

FIDIC's Transition





FIDIC Red Book and MDB



Use of FIDIC Redbook 2017 in ADB Financed Project

- ❖ In 2017, FIDIC published Second edition of Conditions of Contract (Comprising Red Book, Yellow Book, Silver Book).
- ❖ On the requirements and main highlights of changes in the Second edition of the Red, Yellow & Silver Books, please refer to FIDIC's press release on its web site:
https://fidic.org/sites/default/files/press%20release_rainbow%20suite_2018_03_1.pdf
- ❖ In Oct 2021, ADB signed a License Agreement with FIDIC for use of its Books in ADB funded projects.

FIDIC License Agreement with ADB: Key Points

License period 5 years starting 11 Oct 2021, renewable by agreement

- License Type**
- Non-exclusive, to refer to the FIDIC Books for ADB funded projects, where ADB SBDs are used (to be incorporated by reference)
 - Any inclusion of physical or electronic copies of the FIDIC Books in the SBDs is subject to FIDIC's copyright
 - Not authorized to publish any of the FIDIC Books on ADB's website or make it public in any other way due to FIDIC's copyright
 - ADB, Borrowers (consultants, contractors) required to purchase original copy of the FIDIC books from FIDIC



MDBs' License Agreement on FIDIC Books

Book	WB	IDB	CDB	AfDB	AIIB	EBRD	ADB
1999 Suite - 1st Ed. (Red, Yellow, Silver)							
1999 Green - 1st Ed. (Short Form of Contracts)							
Gold 2008 (Design Build Operate)							
MDB 2010							
2017 Suite - 2nd Ed. (Red, Yellow, Silver)							
2017 White - 5th Ed. (Consulting Model SA)							

Whilst ADB has the license agreement on the indicated FIDIC books, this does not restrict EA/IA to use other FIDIC books as well.

(Data Source: <https://fidic.org/multilateral-development-banks>)



Switching From Pink to FIDIC Red 2017: Challenges & Opportunities

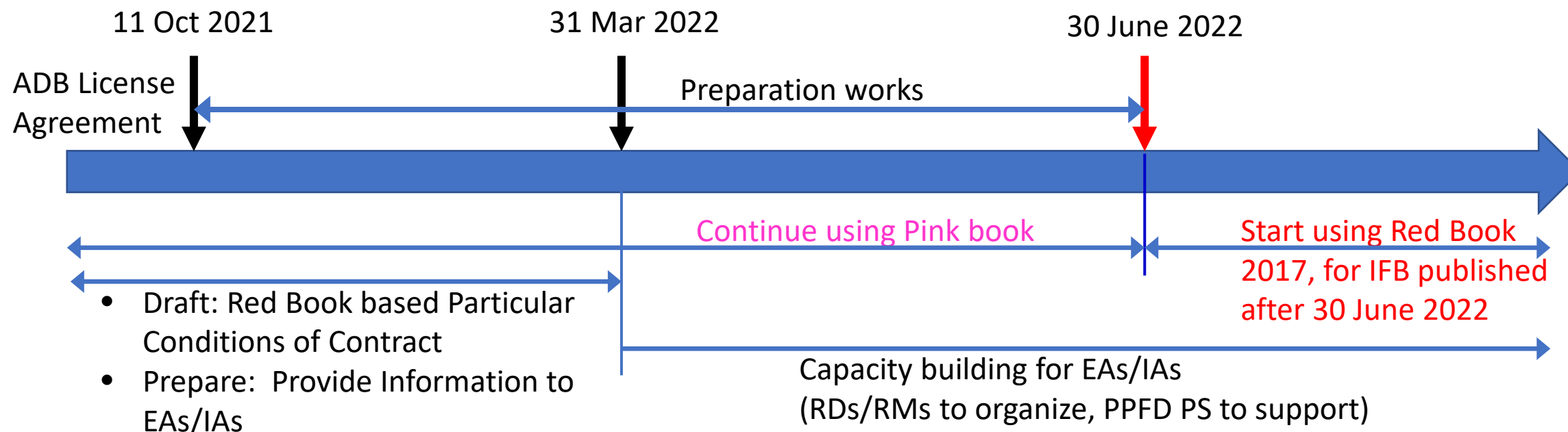
Opportunities

- Certainty: Greater detail and clarity on the requirements for notices and other communication
- Fairness: Employer's and Contractor's claims treated equally and separated from disputes
- Less dispute: Dispute avoidance mechanism
- Enhanced quality management: Detailed provisions for quality management & compliance verification

Challenges

- Voluminous: more-words more-loopholes, prescriptive, and difficult to comprehend.
- Not suitable for small Contracts: Too complex to apply for simple contracts.
- Supervision cost: Very likely to increase.
- Bank requirements: not included in General Conditions
- Capacity Building necessary: For EAs/IAs

ADB Borrower Timeline for FIDIC Red Book 2017 in Large Works SBD



Notes:

- Continue to use Pink Book for all procurement transactions where the Invitation for Bids (IFB) will be published on or before 30 June 2022.
- For IFB published after 30 June 2022, use of FIDIC Red Book 2017 in Large Works SBD

Switching to FIDIC Red 2017

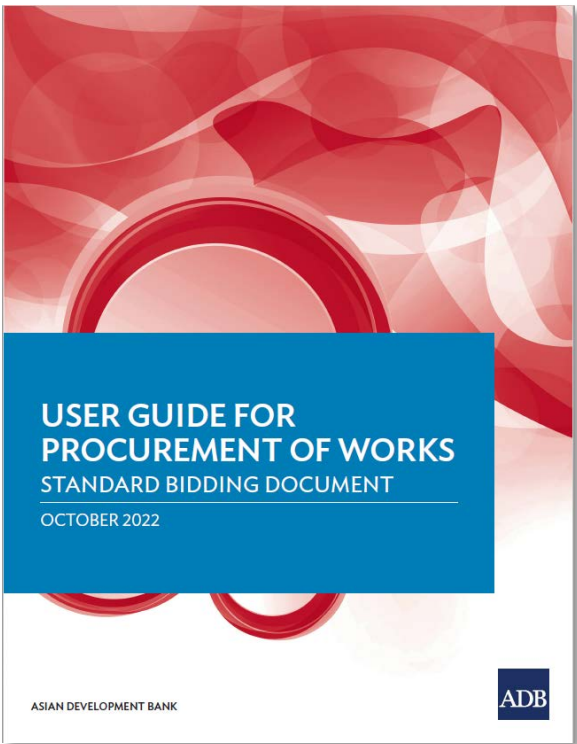
SBD incorporating ADB Requirements in Particular Conditions of Contract (PCC)

Contents

- Bidding Procedure (Section 1 to 5): Substantially similar to Large Works SBD (Dec 2021)
- General Conditions of Contract (Section 7): Incorporate by reference to FIDIC Red 2017
- PCC (Section 8) : anti-corruption, integrity, respectful workplace, eligibility, audit, disclosure, labour, environmental health and safety requirements

ADB Particular Condition of Contract: Section 8 (Conditions of Particular Application – COPA)

What you should have with you



- Section 1 Instructions to Bidders (ITB)**
This section specifies the procedures Bidders should follow when preparing Bids. Information is also provided on the submission, opening, evaluation of Bids.
- Section 2 Bid Data Sheet (BDS)**
This section consists of provisions that are specific to each procurement requirements included in Section 1 (Instructions to Bidders).
- Section 3 Evaluation and Qualification Criteria (EQC)**
This section contains the criteria to determine the lowest evaluated bidder to perform the contract if the bidding was not preceded by a prequalification process.
- Section 4 Bidding Forms (BDF)**
This section contains the forms to be completed by the Bidder and submitted with the Bid, if the bidding was not preceded by a prequalification process.
- Section 5 Eligible Countries (ELC)**
This section contains the list of eligible countries.
- Section 6 Employer's Requirements (ERQ)**
This section contains the Specifications, Drawings, Supplementary Information, Personnel Requirements, and Equipment Requirements.

Section 7 General Conditions of Contract (GCC)
This section contains the general clauses that govern the Contract. These are the Conditions of Contract for Construction, Multilateral Development Bank (MDB) Edition, published by the Fédération Internationale des Ingénieurs-Conseils (FIDIC) MDB Edition, subject to the variations and additions set out in Section 8 (Particular Conditions of Contract).

FIDIC Red 2017

Section 8 Particular Conditions of Contract (PCC)
This section contains provisions that are specific to each contract and the Conditions of Contract. Whenever there is a conflict, the provisions here prevail over the General Conditions of Contract.

ADB "COPA"

Section 9 Contract Forms (COF)
This section contains forms that, once completed, will form part of the Contract. These include the Security and Advance Payment Security, when required, shall only be used in accordance with the ADB Procurement - FIDIC



Drafting COPA/PCC – FIDIC Golden Principles (GPs)

- R&R must be generally complied with GCC
- Clear unambiguous PCC
- Risk should be allocated to the party best suited to manage it – Do not change this balance
- All time durations to be reasonable
- DAB / DAAB as a CP to Arbitration

The “COPA” will constitute Section 8 of the SBD (37 pages)

- They are partly (but not fully) aligned with World Bank’s documents
- They introduce a few clauses that were specific to the Pink Book
- They introduce ADB specific provision in areas such as Corrupt and Fraudulent Practices and Safeguards
- They are structured in four parts:
 - ❖ Part A: Contract Data
 - ❖ Part B: Special Provisions
 - ❖ Part C: Corrupt and Fraudulent Practices
 - ❖ Part D: Environmental, H&S – metrics for progress reports

Priority of Documents forming the Contract

Pink Book

1.5 Priority of Documents

1.5 Priority of Documents

The documents forming the Contract are to be taken as mutually consistent. If there is any conflict, ambiguity or discrepancy of the documents shall be in accordance with the following

- (a) the Contract Agreement;
- (b) the Letter of Acceptance;
- (c) the Letter of Tender;
- (d) the Particular Conditions Part A – Contract Data;
- (e) the Particular Conditions Part B – Special Provisions;
- (f) these General Conditions;
- (g) the Specification;
- (h) the Drawings;
- (i) the Schedules;
- (j) the JV Undertaking (if the Contractor is a JV); and
- (k) any other documents forming part of the Contract.

Red Book

❖ SC 1.5 – FIDIC Red Book

1. Contract Agreement
2. Letter of Acceptance
3. Letter of Tender
4. Particular Conditions – Part A – Contract Data
5. Particular Conditions – Part B – Special Provisions
6. Particular Conditions – Part C – Corrupt and Fraudulent Practices
7. Particular Conditions – Part D – EHS Metrics for Progress Reports
8. List of Eligible Countries (DB Section 5)
9. General Conditions
10. Specification
11. Drawings
12. Schedules
13. Environment, Health and Safety Code of Conduct
14. Environment, Health and Safety Management Plan (EHSMP)
15. JV Undertaking (if any)
16. Any other documents forming part of the Contract

The “COPA” will constitute Section 8 of the SBD (37 pages)

In preparing Section 8, the Borrower (Employer) will have to:

- Part A: Contract Data → specify all relevant (project-specific) contract parameters in Part A
- Part B: Special Provisions → add in Part B any project-specific provisions, such as those that may be needed to resolve conflict with the applicable law or any other project-specific requirements
- Part C: Corrupt and Fraudulent Practices → should be left “as is”
- Part D: Environmental, H&S – metrics for progress reports → should be left “as is”

ADB COPA: why amending the Red Book? 4 main drivers



Driver 1: Reflecting Typical MDB Requirements (Pink Book)

Selected Examples:

- Audit and Inspection by the Bank (SC 1.7)
- Definition of « Bank » (SC 1.1.89) and « Borrower » (SC 1.1.90) introduced
- Limitation of Engineer's authority for Variations (SC 3.2)
- Clause 6 - Staff and Labour provisions: Recruitment of local staff (SC 6.1), HIV-AIDS prevention (SC 6.7), Forced Labour (SC 6.21) and Child Labour (SC 6.22), Respectful Work Environment (SC 6.28)
- The 4 conditions precedent to the Commencement Date (SC 8.1)

CP for Commencement SC 8.1

- “The Engineer shall give a Notice to the Contractor stating the Commencement Date, not less than 14 days before the Commencement Date. This Notice shall be issued promptly after the Engineer determines the fulfillment of the following conditions:
- (a) signature of the Contract Agreement by both Parties, and if required, approval of the Contract by relevant authorities of the Country
- (b) delivery to the Contractor of reasonable evidence of the Employer’s financial arrangements (under Sub-Clause 2.4 [Employer’s Financial Arrangements];
- (c) except if otherwise specified in Sub-Clause 2.1 in the Contract Data, **effective access** to and possession of the Site given to the Contractor together with such permission(s) under (a) of Sub-Clause 1.13 [Compliance with Laws] as required for the commencement of the Works;
- (d) receipt by the Contractor of the Advance Payment under Sub-Clause 14.2 [Advance Payment] provided that the conditions set out under Sub-Clause 14.2.2(a) and (b) have been fulfilled by the Contractor within 28 days from the receipt of the Letter of Acceptance. Otherwise, this sub-paragraph (d) shall not apply.

ADB COPA: why amending the Red Book? 4 main drivers

Driver 2: Specify ADB requirements for Integrity Principles and Guidelines

Sub-Clause 15.8.1 The Bank requires compliance with the Bank's Anticorruption Policy and Integrity Principles and Guidelines (both as amended from time to time), as set forth in Particular Conditions - Part C- Corrupt and Fraudulent Practices.



ADB COPA: why amending the Red Book? 4 main drivers

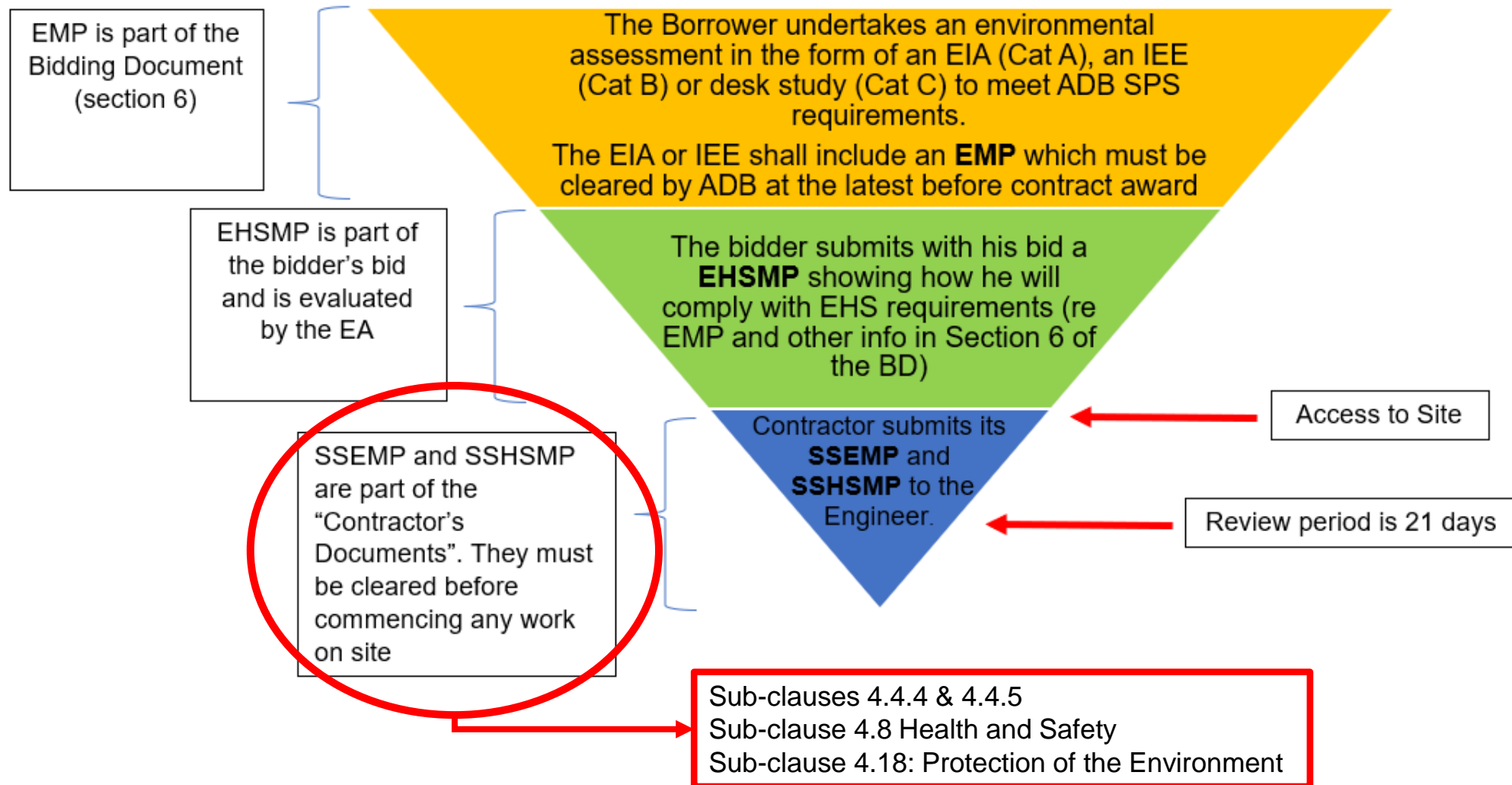
Driver 3: Adding Specific ADB Requirement

Selected Examples:

- ADB EHS Requirements – EMP, EHS Code of Conduct, SSEMP, SSHSMP (see figure on next slide)



Clauses introducing safeguard provisions (EMP)



ADB COPA: why amending the Red Book? 4 main drivers

Driver 3: Adding Specific ADB Requirement (cont'd)



Selected Examples:

- Contractor's design – possibility to account for climate change considerations, universal access...if required by the Specification (SC 4.1)
- Higher care of Contractor's Personnel – to be informed in a clear and understandable manner about the T&Cs of their employment, about their rights (SC 6.1), Contractor to accommodate their social and cultural needs (SC 6.6), Contractor's Personnel's grievance mechanism (SC 6.26), training (SC 6.27),
- Contractor can terminate the Contract if Employer has engaged in integrity violations of ADB Anticorruption Policy (SC 16.2.1)

ADB COPA: why amending the Red Book? 4 main drivers

Driver 4: Reflecting FIDIC Errata to the Red Book



Selected Examples:

10. Resignation and Termination	In Sub-Clause 10.3: "the DAA Agreement" is replaced with: "a DAAB member's DAAB Agreement".
11. Challenge	In Sub-Clause 11.1: on the second line, delete the text: ", or in the case of a three-member DAAB the Other Members jointly,". [Note: Errata to GCC.]
	Annex- DAAB Procedural Rules
Rule 4.2	On the fourth line, "chairman" is replaced with "chairperson". [Note: Errata to GCC.]
Rules 8.3	On the sixth line, "chairman" is replaced with "chairperson". [Note: Errata to GCC.]
	Form of Dispute Avoidance/Adjudication Agreement
	All instances of "DAA Agreement" are replaced with: "DAAB Agreement". In C (b): "chairman" is replaced with "chairperson". [Note: Errata to GCC.]

First errata issued in 2018,

Second errata issued in 2019

Third errata issued in Dec. 2022 (not reflected in SBD)

Example of errata to the Red Book → COPA

ERRATA to the FIDIC Conditions of Contract for Construction Second Edition 2017 [ISBN 978-2-88432-084-9]

The following significant errata **are not** included in the content of the Second Edition of the Conditions of Contract for Construction. Several minor typographical errors and layout irregularities **have been corrected and applied** to the content.

GENERAL CONDITIONS

Page 1	Sub-Clause 1.1.10:	On the third and fourth lines, delete "the Contractor's Proposal, ".
Page 6	Sub-Clause 1.1.77:	On the second line after "Payment Certificate under", add "Sub-Clause 14.2.1 [Advance Payment Guarantee] (if applicable), ".
Page 7	Sub-Clause 1.1.81:	On the first line, delete "the Contractor's Proposal, ".
Page 28	Sub-Clause 4.6:	On the second-last line of the first paragraph before "Contractor's", add "of the".
Page 29	Sub-Clause 4.7.3:	<p>In the second bullet-point of sub-paragraph (b)</p> <ul style="list-style-type: none">- before "if the items of reference", add «when examining the items of reference within the period stated in sub-paragraph (a) of Sub-Clause 4.7.2,"- on the second and third lines, delete "and the Contractor's Notice is given after the period stated in sub-paragraph (a) of Sub-Clause 4.7.2".
Page 37	Sub-Clause 4.22	On the third line of the second paragraph before "4.17", add "Sub-Clause".
Page 38	Sub-Clause 5.2.2:	In sub-paragraph (a) on the first line before "Subcontractor", add "nominated".
Page 70	Sub-Clause 14.2.1:	On the fifth and sixth lines of the first paragraph, replace "based on the sample form included in the Tender documents" with "in the form annexed

FAQ

1. Can EAs/IAs still use MDB Pink Book after 30 June 2022?

- License agreement between ADB and FIDIC to use the Pink Book expires on 30 June 2022, so ADB will no longer use the Pink Book as a part of Large Works SBD.
- Use of FIDIC Red Book 2017 is mandatory starting 1 July 2022, for Large Works SBD, unless otherwise approved by ADB.
- New transactions: During transition, if deemed necessary by the EA/IA to use Pink Book for new procurement transactions, EA/IA may purchase Pink Book directly from FIDIC.
- Ongoing transactions and existing contracts: Continued use of the Pink Book is okay for all ongoing contracts and for all bidding packages whose Invitation for Bid (IFB) have been or will be published on or before 30 June 2022.

FAQ

2. Can EAs/IAs use other FIDIC Books for which ADB has not signed license agreement?

- Yes. EAs/IAs can use other FIDIC Books for which ADB has not signed license with FIDIC, as per existing practice.
- Using other FIDIC Books, where ADB SBDs are nonexistent, may require additional time for preparation and review of the bidding documents.

FAQ

3. How will ADB support in providing training to EAs/IAs on FIDIC Red/ Yellow Books 2017?

- Briefing material highlighting summary of key changes from Pink Book to FIDIC 2017 is provided by PPFD/ADB. PPFD staff may support RDs/RMs in delivering such presentations to EA/IAs. PPFD staff may also support in organizing FIDIC training.
- As usual, as part of capacity building efforts, RDs/RMs are expected to arrange FIDIC training for EA/Is through FIDIC accredited trainer.



FAQ

4. How many numbers of FIDIC Red Book 2017 EAs/IAs must purchase in a project?
 - The number to be purchased depends on the number of persons who will need to hold it in the project.
5. Can EAs/IAs purchase FIDIC Book under relevant loan/ TA?
 - Yes, in principle, this is permitted.
6. How much will it cost to buy one print copy of FIDIC Red Book 2017?
 - Please check www.fidic.org/bookshop



FAQ

7. How much will it cost to buy one electronic copy of FIDIC Red Book 2017?

- Please check www.fidic.org/bookshop

8. What are the advantages and limitations of electronic copy of Red Book 2017?

- Advantages: It can be accessed immediately through “internet delivery” and is therefore not dependent on postage delivery period.
- Limitations: Electronic copy can be installed on one system only and only once. It has an expiry period of one year only after which the document is no longer accessible.

FAQ

9. Is it allowed to include physical copy of FIDIC Red Book in Bidding document?
- If the EA wishes to include physical copy of the FIDIC Book, the EA will be required to buy the Book in bulk and include each of so purchased Book in each bidding document.
 - In this situation, buying of electronic copies could be beneficial to purchase (since electronic version allows 10 print-outs).
10. Should you advise a bidder to buy the FIDIC Book?
- Yes, each bidder must have copy of FIDIC Book, for its own use.
11. Has ADB got the copyright of Red Book 2017? And will provide free copies of FIDIC Books to EA/IAs?
- No. ADB has got no copyright of FIDIC Red Book 2017.
 - ADB will not provide a free copy. Each user (EA/IA, Contractors and Consultants) is required to purchase it directly from FIDIC.

FAQ

12. Does ADB has obligation to check EA/IA's license from FIDIC? If an EA has two projects, can the EA use the license for one project to the second project?
- ADB has neither mandate nor obligation to check third parties' proper compliance of FIDIC copyright.
 - EA may use its own copy of FIDIC book, purchased from FIDIC, for more than one project.
13. Will EA will need to enter into any license agreement with FIDIC for use in ADB funded project?
- There is no requirement to have any specific license agreement for use in any project.
14. Can the EA purchase the license for the Red Book and use it across all its projects?
- For ADB financed projects, the requirement is to use the FIDIC Book purchased from FIDIC.



Thank You