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Cox's Bazar: Business Opportunities Seminar:

Additional Financing of the Emergency Assistance Project

The ADB Procurement System and Business Opportunities

Cox's Bazar, 1 September 2022



Procurement, Portfolio and Financial Management Department







Overview

- 1. Snapshot of ADB and its Operations
- 2. Business Opportunities
- 3. ADB Procurement Framework
- 4. How to find information











A Brief about ADB

- 68 members MONGOLIA' KAZAKHSTAN* KYRGYZ REPUBLIC* **UZBEKISTAN*** PEOPLE'S REPUBLIC OF CHINA 49 regional & 19 non-regional; INDIA* NEPAL* JAPAN" **GEORGIA* BHUTAN*** MYANMAR* THAILAND* ARMENIA* LAO PEOPLE'S DEMOCRATIC REPUBLIC*
- 41 borrowing members To support its clients, ADB works with: **AZERBAIJAN*** TURKMENISTAN' VIET NAM* TAIPEI, CHINA Private sector AFGHANISTAN* HONG KONG, CHINA PAKISTAN* PHILIPPINES* NGOs and CBOs BANGLADESH* TAJIKISTAN* PALAU* PAPUA NEW GUINEA* CAMBODIA* **Foundations** FEDERATED STATES OF MICRONESIA MALDIVES . MALAYSIA SRI LANKA MARSHALL ISLANDS* Academia /Think Tanks INDONESIA* NAURU* SINGAPORE TUVALU* Donors Nonregional Members (19 countries) TIMOR-LESTE* SOLOMON* **ISLANDS** Austria, Belgium, Canada, Denmark, Finland, France, Other Intl. Organizations Germany*, Ireland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, TONGA* VANUATU* ISLANDS* United Kingdom, United States* Advanced economies and/or graduated developing members. Field Office **NEW ZEALAND AUSTRALIA***

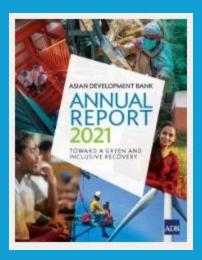
Founded in 1966, HQ in Philippines

Main Instruments: Loan/Grants, Technical Assistance, Equity and Guarantees

Largest Borrowers: India, China, Pakistan, Bangladesh, Indonesia









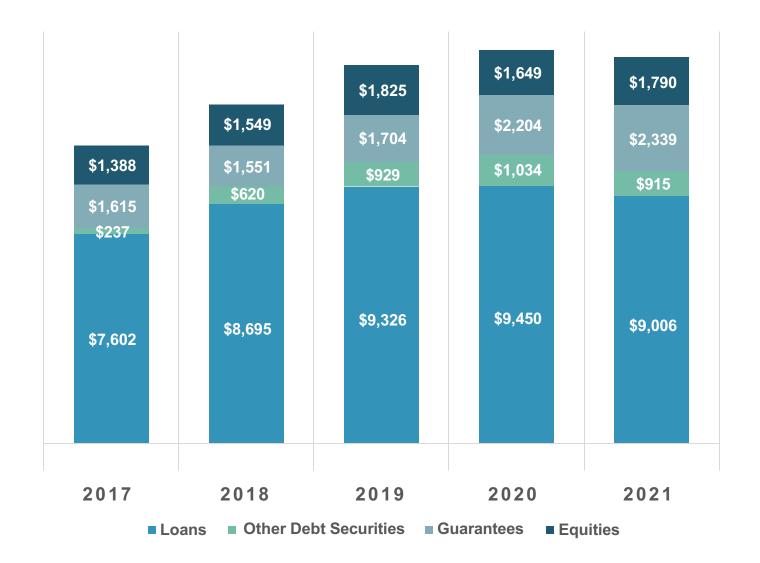
ADB 2021 Sovereign Portfolio by Region (\$ billion) TOTAL US\$ 104b



https://www.adb.org/documents/adb-annual-report-2021

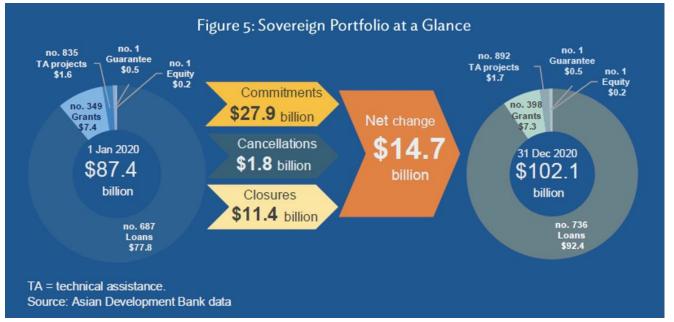


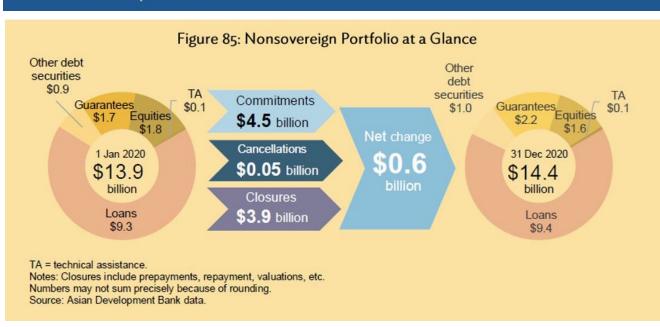
ADB 2021 Non-Sovereign Portfolio

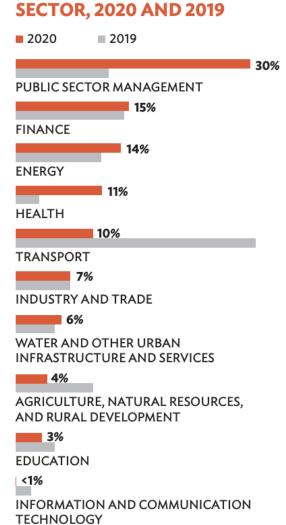












ADB COMMITMENTS BY



Strategy 2030: Seven Operational Priorities











2021 ANNUAL **PROCUREMENT** REPORT



Procurement Volume 2021

Figure 14: Overall Procurement in 2021 (\$ million)

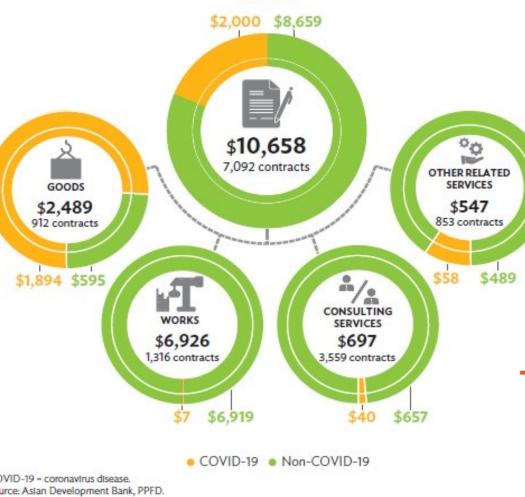
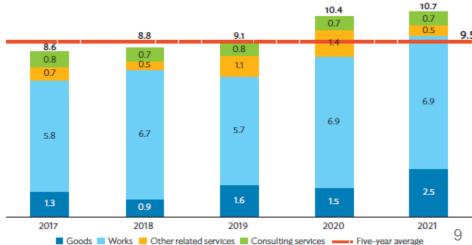


Figure 15: Annual Procurement Statistics, 2017-2021 (\$ billion)



COVID-19 - coronavirus disease. Source: Asian Development Bank, PPFD.



Procurement Volume 2021

Figure 17: Total Procurement by Region, 2021 (\$ billion)

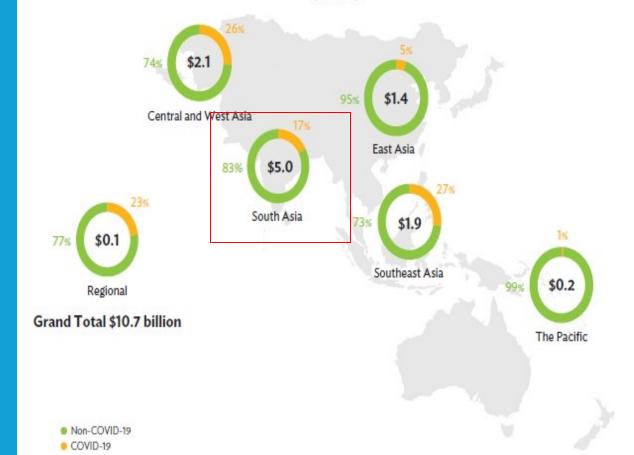
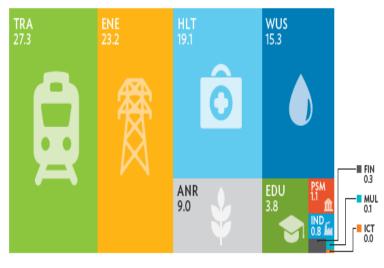


Figure 18: Procurement by Sector, 2021 (% of total procurement)



ANR – Agriculture, Natural Resources, and Rural Development; EDU – Education; ENE – Energy; FIN – Finance; HLT – Health; IND – Industry and Trade; ICT – Information and Communication Technology; MUL – Multisector; PSM – Public Sector Management; TRA – Transport; WUS – Water and Other Urban Infrastructure and Services. > 0.0 – less than 0.05. Source: Asian Development Bank, PPFD.





Top Suppliers by Member State

Procurement Ranking – Goods				
	2018	2019	2020	2021
1	PRC	IND	IND	PRC
2	BAN	PRC	PRC	BAN
3	IND	USA	INO	PHI
4	SWE	BAN	TUR	IND
5	VIE	VIE	HKG	DEN

	Procurement Ranking – Consulting Services			
	2018	2019	2020	2021
1	KOR	IND	USA	IND
2	IND	AUS	KOR	INO
3	FRA	USA	IND	JPN
4	UKG	GER	INO	FRA
5	AUS	FRA	AUS	AUS

	Proci	urement Ranki	ing – Works	
	2018	2019	2020	2021
1	PRC	PRC	IND	IND
2	IND	IND	PRC	PRC
3	BAN	BAN	PHI	VIE
4	GER	INO	BAN	PAK
5	PAK	PAK	PAK	INO

Tables indicate country of origin for supplier, contractor, or consultant across the time period; ranked by total aggregate contract value per type.







Top 5 Suppliers of Goods (2018–2021)

	Name	No. of Contracts	ADB Amount (\$ million)
1	United Nations Children's Fund (UNICEF)	10	836.21
2	Sinovac Life Sciences Co. Ltd.	9	685.55
3	BEML Ltd.	3	678.72
4	TBEA CO. LTD.	6	258.01
5	China National Technical Import & Export Corp.	3	212.74







Top 5 Suppliers of Works (2018–2021)

	Name	No. of Contracts	ADB Amount (\$ million)
1	Larsen & Toubro Ltd.	41	1,492.19
2	Siemens	13	663.89
3	China Railway Group Limited	20	595.19
4	NCC Limited	30	594.25
5	Acciona Construction Philippines Inc.	2	538.12





BUSINESS OPPORTUNITIES

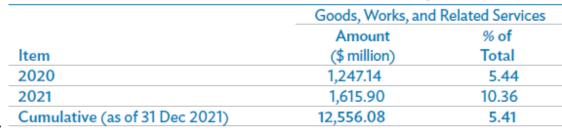
Top Suppliers by Amount

	Top 5 Consulting Services Firms (2018–2021)			
	Name	No. of Contracts	ADB Amount (\$ million)	
1	EGIS International	34	109.09	
2	T.Y. Lin International SMEC	4	62.97	
3	Ove Arup & Partners	9	58.39	
4	Korea Consultants International Co. Ltd.	3	53.22	
5	CTI Engineering International Co., Ltd.	3	45.39	



Bangladesh Share of Contracts

Bangladesh: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects



	Consulting Services	
	Amount	% of
Item	(\$ million)	Total
2020	17.59	2.41
2021	8.63	1.24
Cumulative (as of 31 Dec 2021)	320.92	2.16

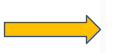
	Total Procurement	
	Amount	% of
ltem	(\$ million)	Total
2020	1,264.73	5.34
2021	1,624.53	9.97
Cumulative (as of 31 Dec 2021)	12,877.00	5.21





Bangladesh Top 5 Contractors/Suppliers





Contractor/Supplier	Sector	Contract Amount (\$ million)
United Nations Children's Fund (UNICEF)	HLT	747.27
Max Infrastructure Ltd.	TRA	337.43
Toma Construction	ANR, TRA, WUS	245.20
Abdul Monem Ltd.	TRA	165.07
Gandharbpur Water Treatment SNC	WUS	137.05
Others		3,468.65
Total		5,100.67

ANR = agriculture, natural resources, and rural development; HLT = health; TRA = transport; WUS = water and other urban infrastructure and services.





Bangladesh Top 5 Consultants

Top 5 Consultants from Bangladesh Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2017–31 December 2021

Consultant	Sector	Contract Amount (\$ million)
E. Gen Consultants Ltd.	ANR, EDU, ENE, FIN, WUS	19.87
Development Design Consultants Ltd.	ANR, TRA	12.55
BETS Consulting Services Ltd.	ANR, TRA, WUS	8.82
Hifab International AB	WUS	5.56
Resource Planning and Management Consultants Pvt. Ltd.	WUS	4.67
Individual Consultants		14.75
Others		23.56
Total		89.77

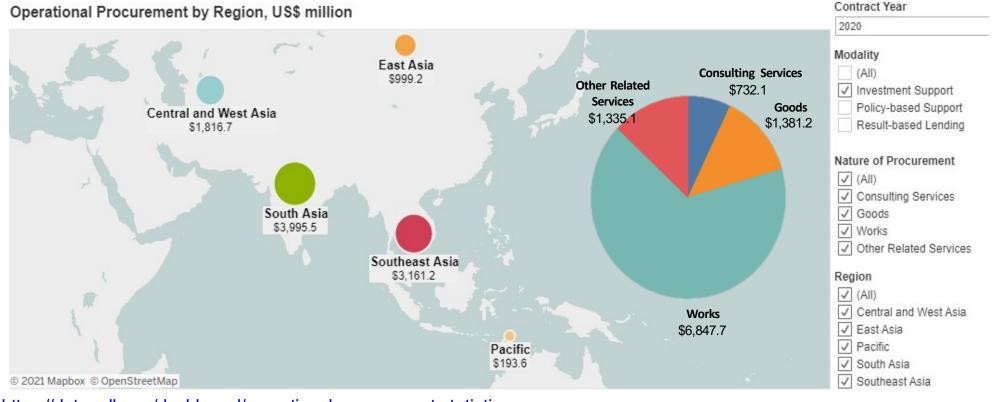
ANR = agriculture, natural resources, and rural development; EDU = education; ENE = energy; FIN = finance; TRA = transport; WUS = water and other urban infrastructure and services.

Note: Numbers may not sum precisely because of rounding.





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





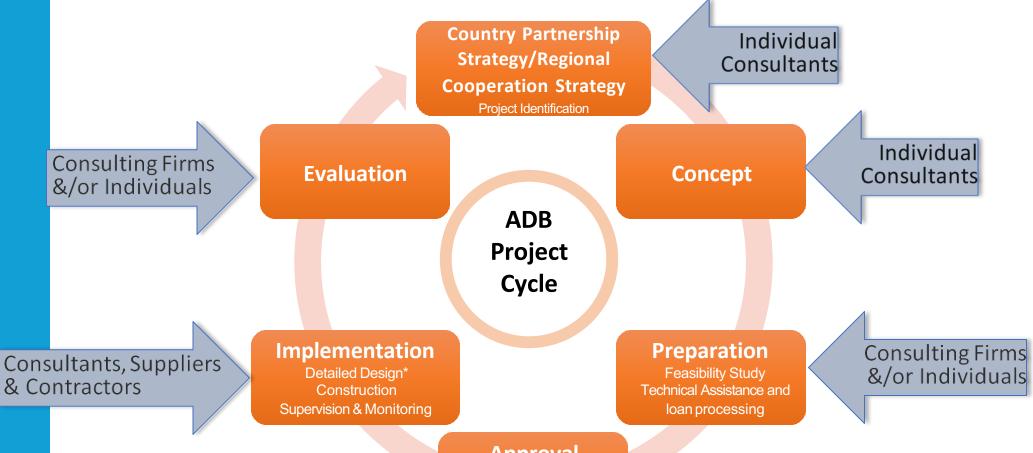
Why Pursue ADB Funded Contracts?

- Assured financing for goods, works, and services
- Gateway to new opportunities in fast growing economies across multiple sectors
- ADB's operations are rapidly growing
- Internationally accepted fair and transparent procurement procedures
- Strong integrity oversight





When is Private Sector engaged in ADB Projects?





Approval

Loan Negotiation, Approval, Signing and Effectiveness

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



Types of business opportunities

Supply of goods

Machinery, equipment, ICT, furniture

Civil works

- Roads, railways, bridges, irrigation canals, schools, etc.
- EPC Power plants, pump stations, water treatment plants, heating plants, airports, (etc.

Consulting services

 Project preparation & implementation, site supervision (PMC), detailed design, knowledge products, policy/advisory, staff consultants

Nonconsulting services

Surveys, training, translation, event management



















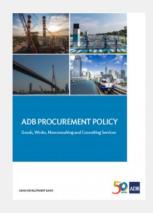




ADB Procurement Framework

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

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Expected Impacts

- 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 borrowers and suppliers









Principle		Outcomes
	Fairness	Equal opportunity; equitable distribution; and credible mechanisms for addressing procurement-related complaints.
	Economy	Using price, quality, and any nonprice attributes to deliver viable projects.
	Efficiency	Ensures procurement processes are proportional to value and risks.
	Transparency	Deliver relevant procurement information publicly in a consistent and timely manner; appropriate reporting; and confidentiality.
	Quality	Structured arrangements delivering appropriate outputs in an effective manner to achieve project outcomes and objectives.
	Value for Money	Obtain optimal benefits through effective, efficient, and economic use of resources.



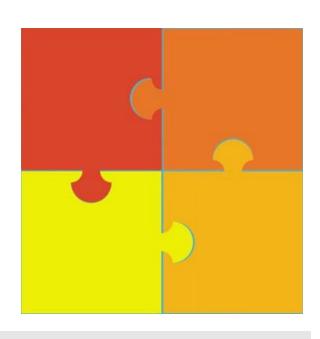


Implications of the Procurement Framework

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



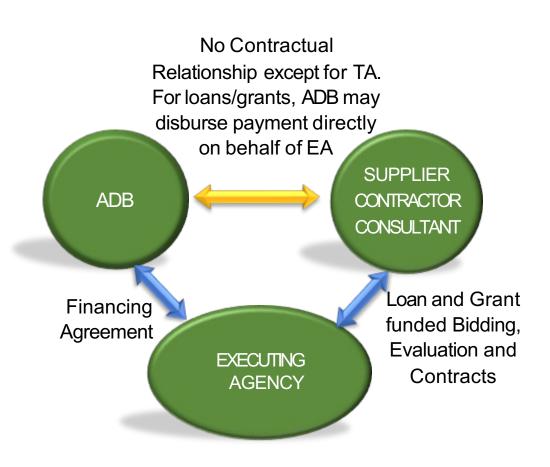


Relationship, Roles and Responsibilities in Procurement

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

ADB (under TAs) or Borrower select and recruit Consultants

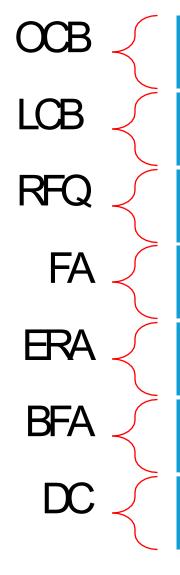
ADB reviews the procurement activities of EAs to ensure that proceeds of its financing are used in accordance with the bank's rules







Procurement Methods – Goods & Works



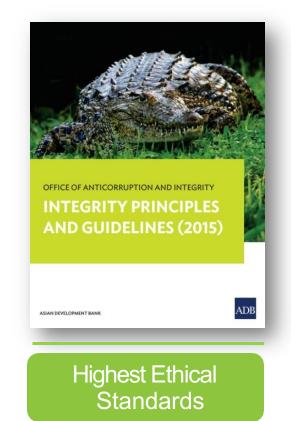
- Open Competitive Bidding
- Limited Competitive Bidding
- Request for Quotations
- Framework Agreements
- Electronic Reverse Auction
- Borrower's Force Account
- Direct Contracting

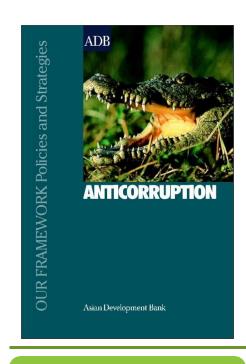




ADB's Anticorruption Policy & Guidelines

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 when considering ADB-financed assignments

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

ASK QUESTIONS





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 and Complaints

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:

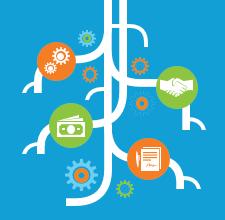
www.adb.org/site/integrity/how-to-report-fraud







Finding Information







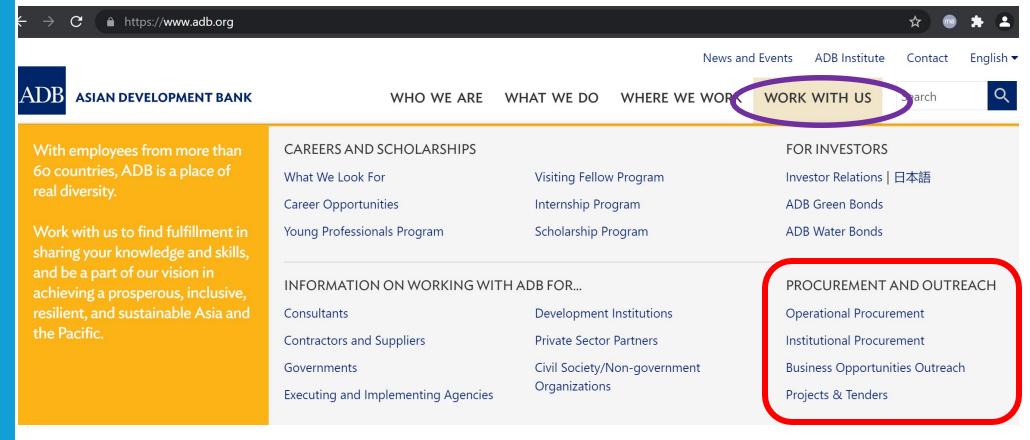
Identifying opportunities for contracts with project executing agencies and ADB

- 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





How to find Information on our Website





Business Center - <u>www.adb.org/business</u>

Procurement - www.adb.org/business/operational-procurement



Operational Procurement

Guides and Documen S Operational Procurement stitutional/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/operational-procurement/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

Cor_{accrue}.

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 I invitation he 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.

- Procurement Plan
- Advance Action
- Prequalified Contractors
- Contracts Awarded
- Bidding Procedures

Prequalified Contractors

The prequalification of contractors are undertaken for most large, ADB financed civil works contracts, turnkey contracts and contracts for the supply of expensive and technically complex equipment. ADB reviews and approves the prequalification process conducted by the Borrower's executing agency and publishes lists of prequalified contractors for contracts with estimated value of \$10,000,000 and above.

Current Prequalified Applicants

■ Archive

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.

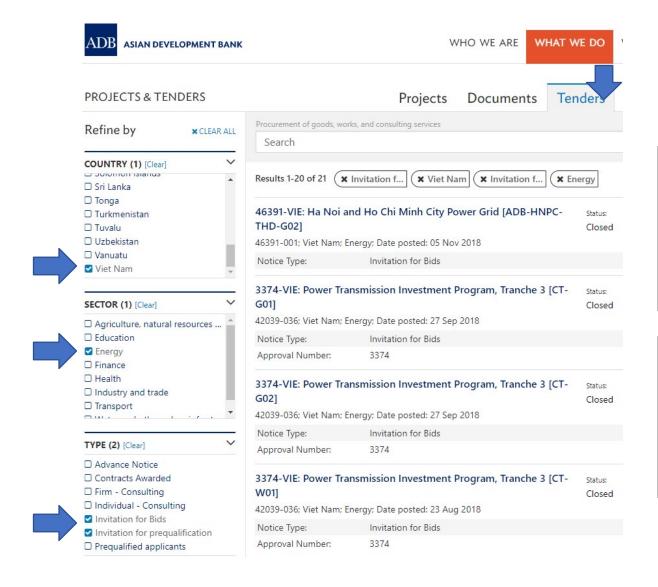
Current Awarded Contracts

Archive





Goods & Works – Specific Procurement Notice



nvitation f	vitation for Prequalification			
Date:	14 March 2018			
Loan No. and Title:	Loan 3630/8335 Grant 0561CAM: Provincial Water Supply and Sanitation Project			
Contract No. and Title:	MIH/PWSSP/01— Plant Design, Supply, Installation, Commissioning and O&M Support for Battambang Water Supply			
Deadline for Submission of Applications:	26 April 2018; 10:00 hours (local time)			

- This Invitation for Prequalification follows the Procurement Plan for this project that appeared on the Asian Development Bank (ADB) website on 8 December 2017.
- The Royal Government of Cambodia has received financing from ADB toward the cost of Provincial Water Supply and Sanitation Project.

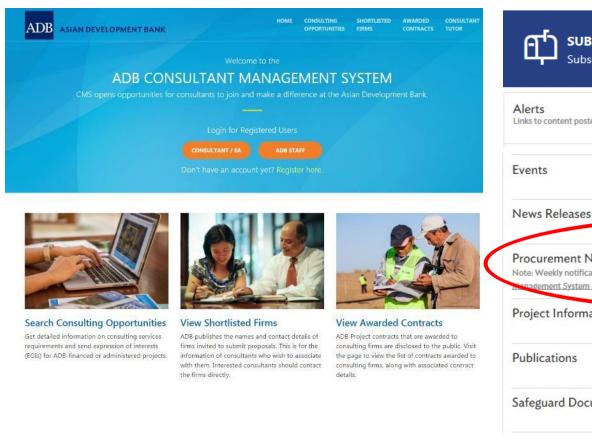
Invitation for Bids	
Date:	5 November 2018
Loan No. and Title:	46391-VIE: Ha Noi and Ho Chi Minh City Power Grid Development Sector Project
Contract No. and Title:	ADB-HNPC-THD-G02: 110kV Tran Hung Dao Substation: Supply of Materials and Equipment for Substation. Sub – project: Rehabilitation and upgrade of 110kV Tran Hung Dao Substation - E12
Deadline for Submission of Bids:	17 December 2018 at 14:00 hours

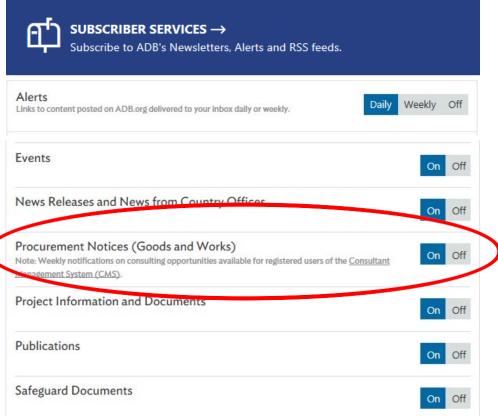
1. The Socialist Republic of Viet Nam has received financing from the Asian Development Bank (ADB) toward the cost of Ha Noi and Ho Chi Minh City Power Grid Development Sector Project, and it intends to apply part of the proceeds of this financing to payments under the contract named above. Bidding is open to Bidders from eligible source countries





Register for alerts





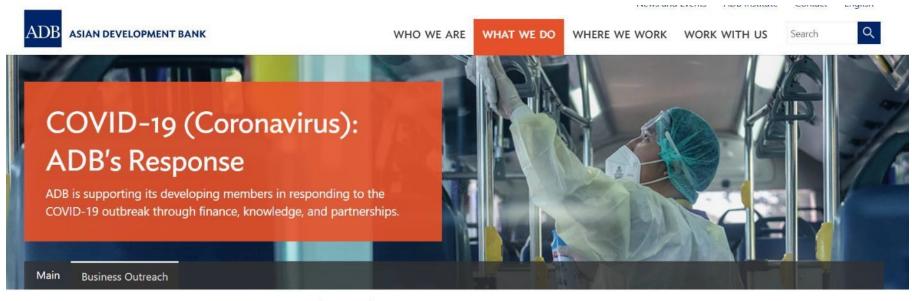


ADB's CMS System: http://cms.adb.org

Goods & Works Notices: https://alerts.adb.org



COVID-19 Opportunities



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



https://www.adb.org/what-we-do/covid19-coronavirus/procurement

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.









Asian Development Bank and Bangladesh: Fact Sheet

Publication | July 2022













ADB is a key source of external assistance for Bangladesh, providing \$2 billion on average annually during 2016-2021.

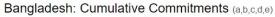
Download (Free: 383.86 KB)



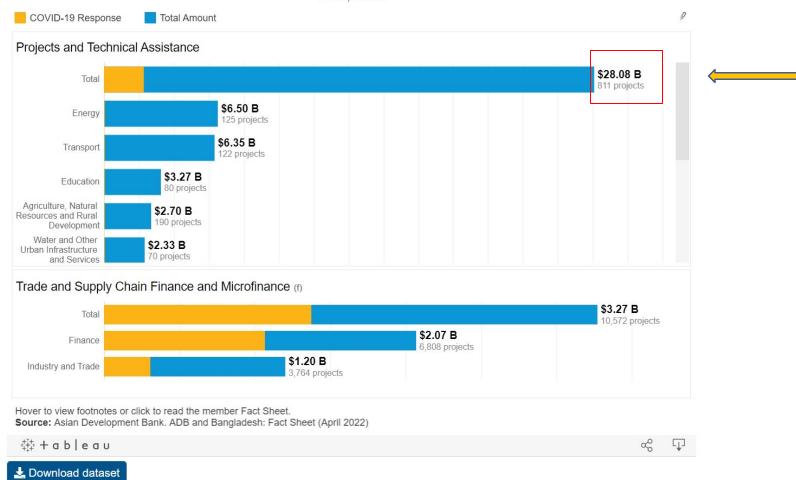
The ADB Country Partnership Strategy 2021–2025 for Bangladesh supports the country in achieving its vision of promoting prosperity and fostering inclusiveness through three strategic objectives—boosting competitiveness, employment, and private sector development; promoting green growth and climate resilience; and strengthening human capital and social protection. Management and staff. It may be shared outside ADB with appropriate permission.



ADB Assistance and Projects in Bangladesh



as of April 2022







ADB Regulations for Borrowers



PROCUREMENT REGULATIONS FOR ADB BORROWERS

Goods, Works, Nonconsulting and Consulting Services





ASIAN DEVELOPMENT BANK



ADB Procurement Policy



ADB PROCUREMENT POLICY

Goods, Works, Nonconsulting and Consulting Services









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: Sharlene Shillingford-McKlmon ssmcklmon@adb.org

