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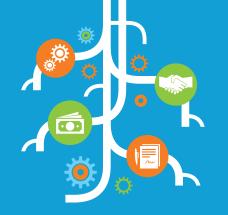
VIRTUAL BUSINESS OPPORTUNITIES SEMINAR

27 October 2022

ADB Procurement Framework

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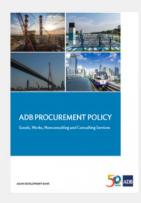




ADB's Procurement Frameworks

For projects with concept papers approved on or after 1 July 2017

ADB's new procurement framework comprises a Procurement Policy and Procurement Regulations for ADB Borrowers. It modernizes project procurement processes through a principles-based approach, to meet the diverse needs of clients as ADB scales up its operations in line with Strategy 2030.



ADB Procurement Policy



Procurement Regulations for ADB Borrowers

For projects with concept papers approved before 1 July 2017

ADB's Procurement Guidelines and Guidelines on the Use of Consultants defined the policies and procedures for selecting, contracting, and monitoring suppliers of goods, works, and services for ADB-financed projects.



Procurement Guidelines



Guidelines on the Use of Consultants





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









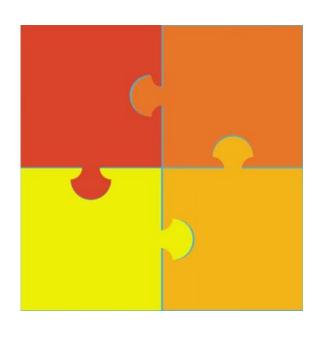
ADB's Procurement Principles

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

Implications of the Procurement Framework

Fit-for-Purpose

- Major shift from one-size-fits-all to a fit-forpurpose 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

Where are the opportunities in ADB Projects? **Country Partnership** Individual Strategy/Regional Consultants **Cooperation Strategy** Project Identification Individual **Consulting Firms Evaluation** Concept Consultants &/or Individuals **ADB Project** Cycle **Implementation Preparation Consulting Firms** Consultants, Suppliers Detailed Design* Feasibility Study &/or Individuals & Contractors Construction •Technical Assistance and Supervision & Monitoring loan processing **Approval** Loan Negotiation, *In some circumstances, detailed design may take Approval, Signing and place during the preparation stage of projects Effectiveness



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



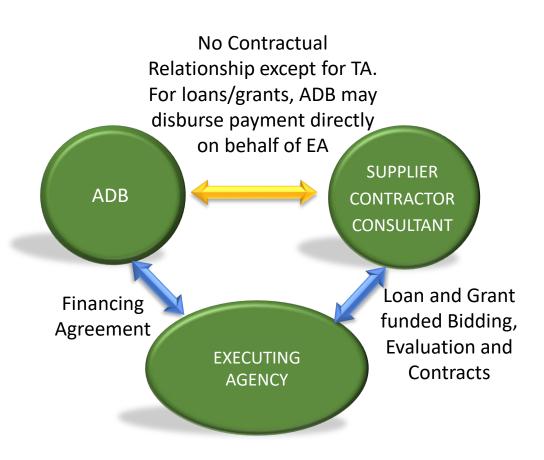


Relationship, Roles and Responsibilities in Procurement

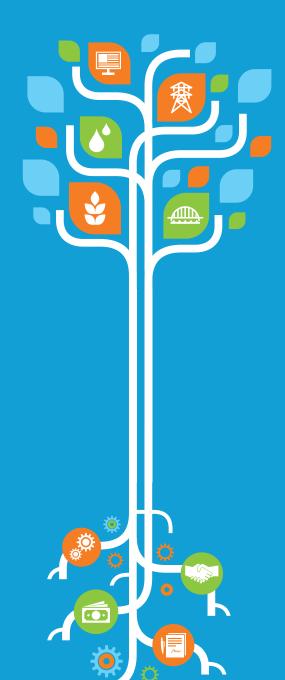
The Borrower (Executing Agency) is responsible for procurement of goods, works and services

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







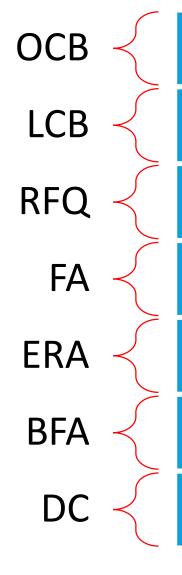


Procurement of Goods, Works and Services





Procurement Methods – Goods & Works



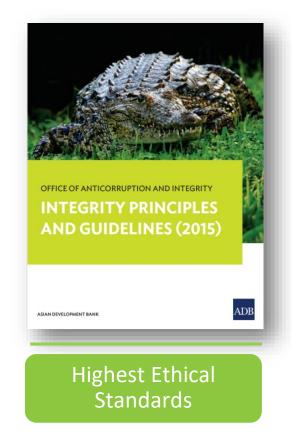
- Open Competitive Bidding
- Limited Competitive Bidding
- Request for Quotations
- Framework Agreements
- Electronic Reverse Auction
- Borrower's Force Account
- Direct Contracting

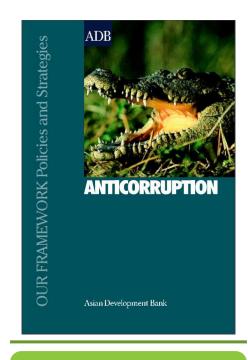




ADB's Anticorruption Policy & Guidelines

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





Zero Tolerance





Salient Points in Goods & Works Procurement

Use of user guides and standard bidding documents – ability to adapt to market

International and national advertisement depending on complexity and market

Various Procedural Options for Bidding Process (1S1E, 1S2E, 2S, 2S2E)

Evaluation can be pass/fail, merit point-based scoring system, hybrid

ADB Review System – Prior and Post Review (sampling)

Others: Advance Contracting; Abnormally Low Bids; Debriefing & Complaints





Types of Consultants





Recruitment may be national or international

- Internationals may be for any ADB member country (global if eligibility restriction waived)
- A firm is national if legally incorporated in the DMC
- An individual is national if a citizen of the DMC





Procurement Methods to Recruit Firms



Quality & Cost Based Selection

QBS

Quality Based Selection

CQS

Consultants Qualifications Selection

FBS

Fixed Budget Selection

LCS

Least Cost Selection

DC

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 Request for Proposal, Focus on quality in evaluation

ToR: Input (conformance) or Output (performance) based

Contracts: Time-Based or Lump Sum (can be hybrid)

Online CMS used for ADB TA Services; EA systems used for loans/grants

Others: Member Country eligibility / debriefing / ADB review







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

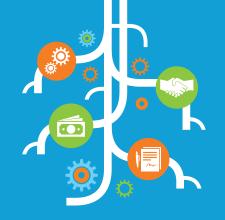
How to report fraud:

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





Finding Information







How to find Information on our Website





www.adb.org/business



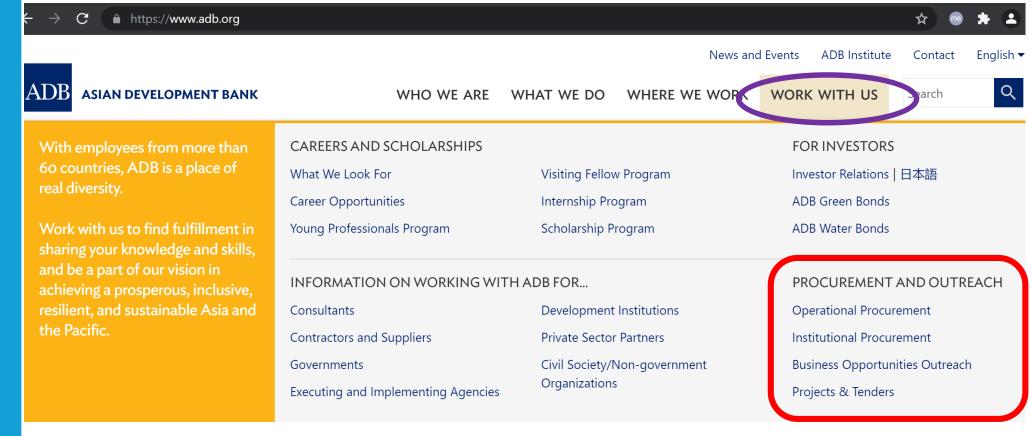
Identifying opportunities for contracts with project executing agencies and ADB

- 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





How to find Information on our Website





Business Center - www.adb.org/business

<u>Procurement - www.adb.org/business/operational-procurement</u>



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.



- 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

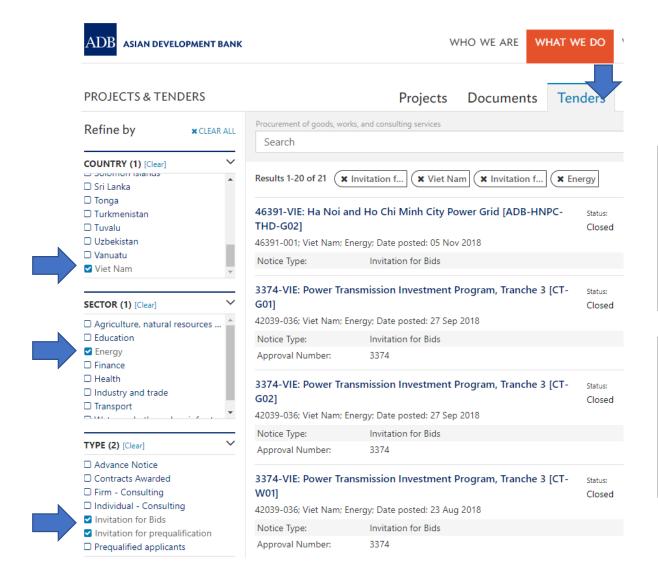
Contracts awarded for goods and civil works with contract value above US\$1.0 million. An archive of the previous year's contract awards is also provided.

Current Awarded Contracts





Goods & Works – Specific Procurement Notice



Invitation 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		

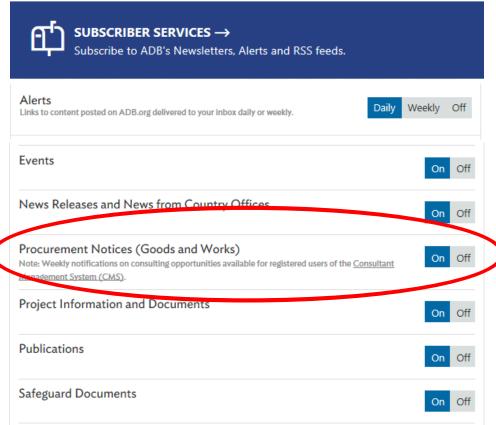
1. The Socialist Republic of Viet Nam has received financing from the Asian Development Bank (ADB) toward the cost of Ha Noi and Ho Chi Minh City Power Grid Development Sector Project, and it intends to apply part of the proceeds of this financing to payments under the contract named above. Bidding is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





Register for alerts





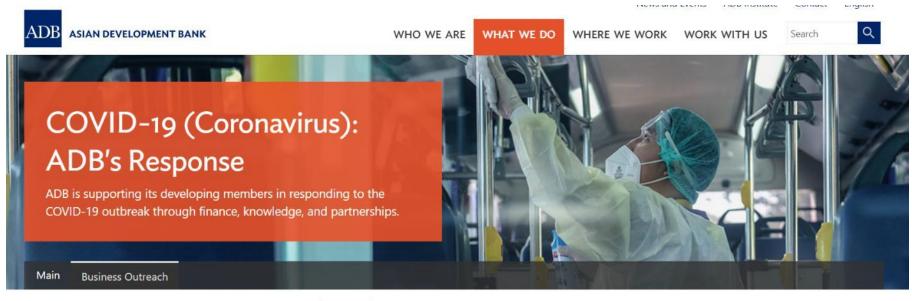


ADB's CMS System: http://cms.adb.org

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.





For more information

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/







THANK YOU

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