



## **Dhaka: Business Opportunities Seminar**

The ADB Procurement System and Business Opportunities

Dhaka, Bangladesh 13 December 2022

Sharlene Shillingford Senior Procurement Specialist

Procurement, Portfolio and Financial Management Department

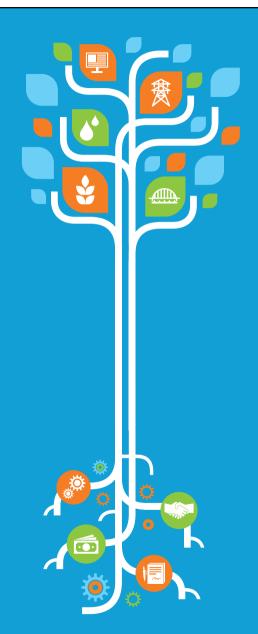




### **Overview**

- 1. Snapshot of ADB and its Operations
- 2. Business Opportunities
- 3. ADB Procurement Framework
- 4. Key Issues Impacting Procurement





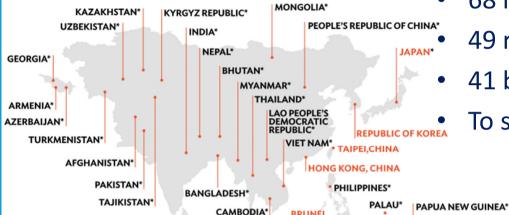


# **ADB Operations**









SRI LANKA

**SINGAPORE** 

- Founded in 1966, HQ in Philippines
- 68 members
  - 49 regional & 19 non-regional;
  - 41 borrowing members

FEDERATED STATES OF MICRONESIA

NAURU¹

SOLOMON\*

VANUATU\*

**NEW ZEALAND** 

MARSHALL ISLANDS\*

• TUVALU\*

NIUE

- To support its clients, ADB works with:
  - Private sector
  - NGOs and CBOs

**Foundations** 

Academia /Think Tanks

Donors

Other Intl. Organizations

Austria, Belgium, Canada, Denmark, Finland, France, Germany\*, Ireland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom. United States\*

Nonregional Members (19 countries)

Advanced economies and/or graduated developing members.

**MALDIVES** 

\* Field Office

As of March 2019

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

**AUSTRALIA** 

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

MALAYSIA

INDONESIA\*

TIMOR-LESTE\*







# BUSINESS OPPORTUNITIES

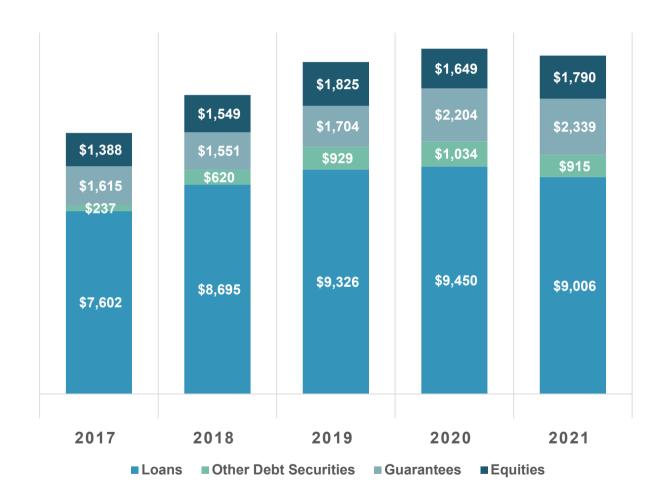
# ADB 2021 Sovereign Portfolio by Region (\$ billion) TOTAL US\$ 104b



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

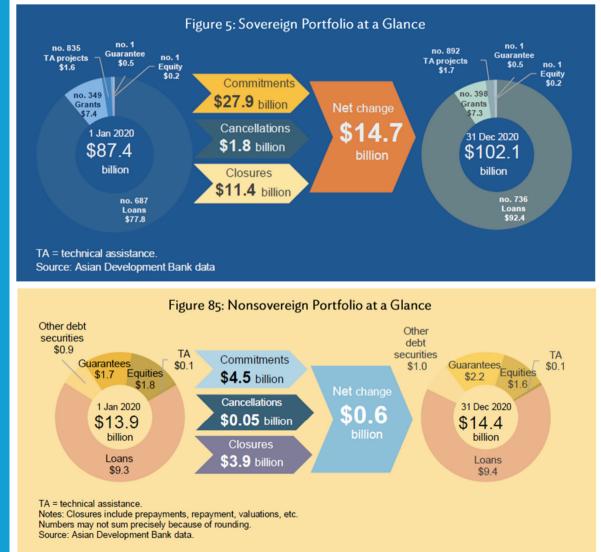


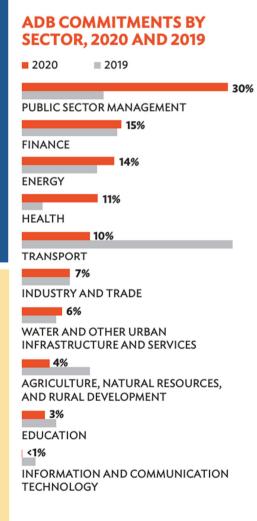
## ADB 2021 Non-Sovereign Portfolio





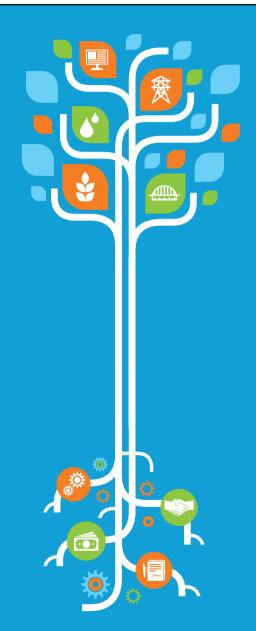








**Strategy 2030: Seven Operational Priorities** 





# ADB Business Opportunities





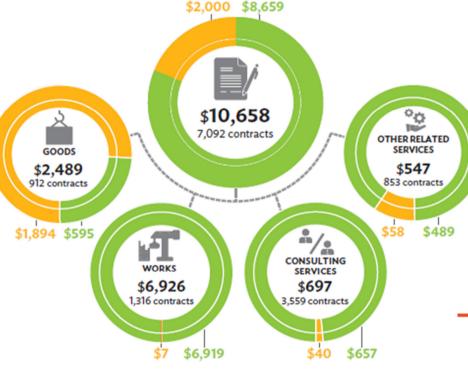
# 2021 ANNUAL PROCUREMENT REPORT



#### **Procurement Volume 2021**

Figure 14: Overall Procurement in 2021

(\$ million)



COVID-19Non-COVID-19

COVID-19 = coronavirus disease. Source: Asian Development Bank, PPFD. Figure 15: Annual Procurement Statistics, 2017–2021 (\$ billion)



Source: Asian Development Bank, PPFD.

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



#### **Procurement Volume 2021**

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

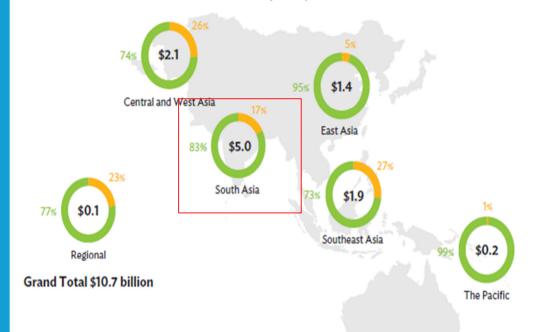
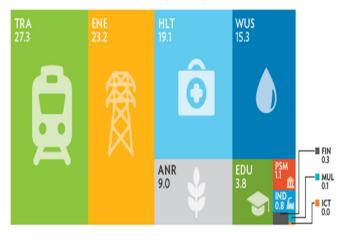


Figure 18: Procurement by Sector, 2021 (% of total procurement)



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.



Non-COVID-19COVID-19



# **Top Suppliers by Member State**

	F	Procurement Ra	nking – 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

	Procurement Ranking – 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 Suppliers by Amount**

#### 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 Suppliers by Amount**

#### 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





## **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

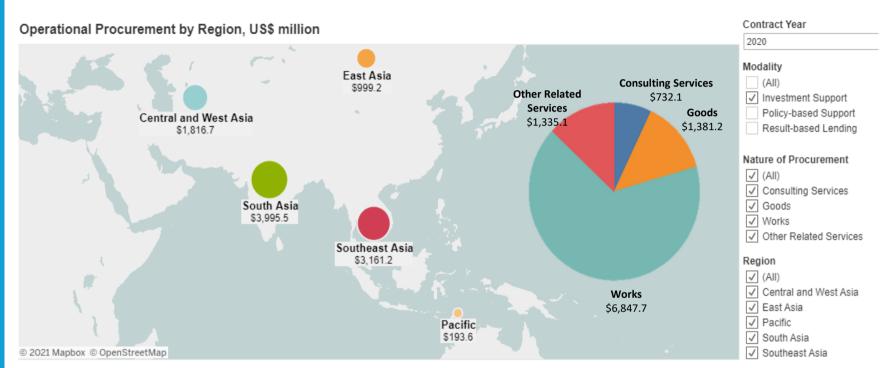
ANR = agriculture, natural resources, and rural development; EDU = education; ENE = energy; FIN = finance; TRA = transport; WUS = water and other urban infrastructure and services.

Note: Numbers may not sum precisely because of rounding.





#### **ADB Procurement Dashboard**



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



external and internal





coverage past 5 years



**INFORMATION** region, member, nationality, nature, origin, sector



ACCESS TO DATA downloading options



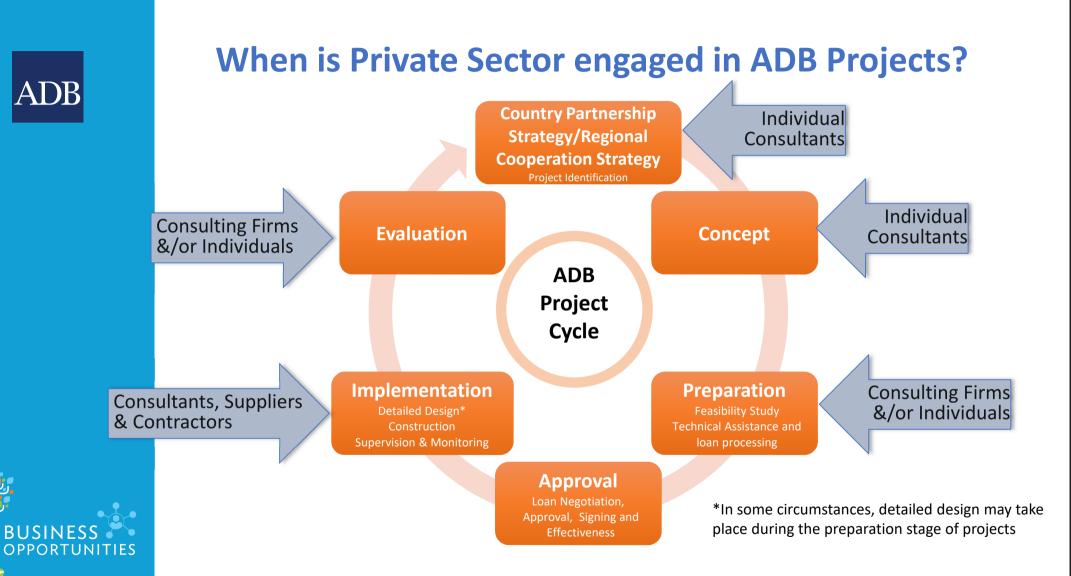


#### Why Pursue ADB Funded Contracts?

- 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









## 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











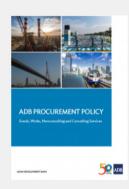




#### **ADB Procurement Framework**

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



# **Procurement Principles with Expected Outcomes**

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.	



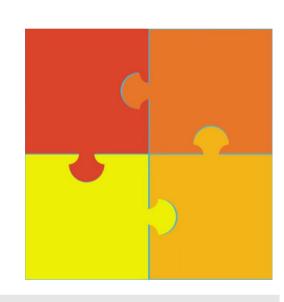


## **Implications of the Procurement Framework**

#### 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



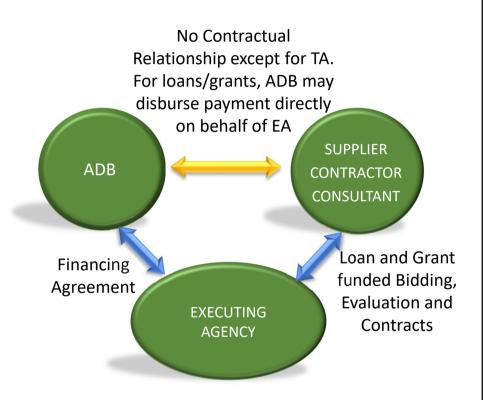


# Relationship, Roles and Responsibilities in Procurement

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









# Recent Changes

Updates

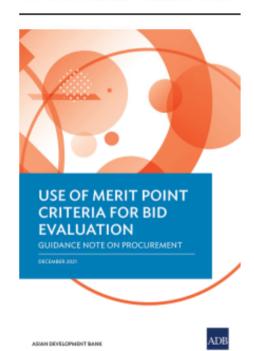
December 2021 & October 2022





#### **ADB Business Center**

You are here: Home > Business Center > Guides



# Use of Merit Point Criteria for Bid Evaluation

Business Guide | December 2021











Merit point criteria (MPC) contributes to fit-for-purpose procurement outcomes that achieve value for money and project's development objectives. This guidance note outlines the benefits of MPC and how they should be structured, formulated, and used in ADB projects.

Practical examples and case studies presented are aimed at assisting borrowers, including grant recipients, in using MPC in projects financed in whole or in part by ADB loans or grants, or by ADB-administered funds.

#### **ADB Business Center**

You are here: Home > Business Center > Guides



#### Sustainable Public Procurement

Business Guide | December 2021











This guidance note aims to assist ADB staff and borrowers (including grant recipients) on how to incorporate aspects of sustainability in the public procurement process.

It introduces the concept of sustainable public procurement and provides guidance on sustainability issues throughout the ADB procurement cycle from planning, contract specification, evaluation to contract management. Tools and references based on international best practices are included in the guide. Case studies from countries including Indonesia and the Philippines illustrate how ADB's sustainable procurement policies can make long-term positive impact on economies and communities.



## **Updated SPP Guidance**

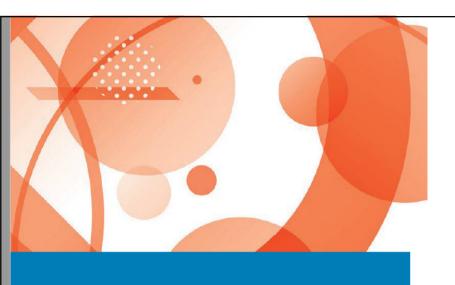
• PPRA incorporated into SPP Report

PROCUREMENT PLANNING

**GUIDANCE NOTE ON PROCUREMENT** 

**DECEMBER 2021** 





# PROCUREMENT RISK FRAMEWORK

**GUIDANCE NOTE ON PROCUREMENT** 

**DECEMBER 2021** 

## **Updated Procurement Risk Framework**

- Risk Ratings
  - Low
  - Moderate
  - Substantial
  - High

ΑD

ASIAN DEVELOPMENT BANK

WHO WE ARE

WHAT WE DO WHERE WE WORK

**WORK WITH US** 

COVID-19 Search



# **Anticorruption and Integrity**

Underpinned by ADB's zero tolerance for corruption, the Office of Anticorruption and Integrity aligns with ADB's commitment to strengthen governance across Asia and the Pacific as it mitigates integrity risks, investigates integrity violations, and promotes integrity among ADB's stakeholders.



Main

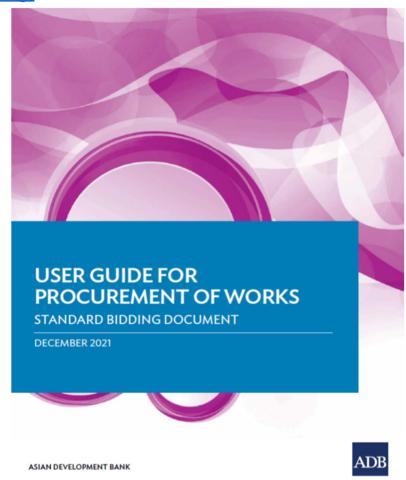
Report Integrity Violations

Our Work ▼

Advisories and Sanctions ▼

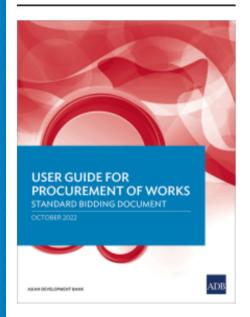
→ Who We Are → Anticorruption and Integrity

# <u>User Guide for Procurement of Works | Asian Development Bank (adb.org)</u>





You are here: Home > Business Center > Documents and Forms



# User Guide for Procurement of Works - FIDIC Red Book (2017)

Business Document | October 2022









This document guides borrowers on how to prepare a bidding document for a unit price type of work contracts and evaluate bids and award contracts.

This publication provides guidance for borrowers on how to prepare a bidding document for an admeasurement (unit price) type of works contract using FIDIC Red Book (2017) general terms and conditions. It also covers how to evaluate bids and award contracts, based on the Asian Development Bank's Standard Bidding Document for the Procurement of Works for cases "with" and "without" pregualification.



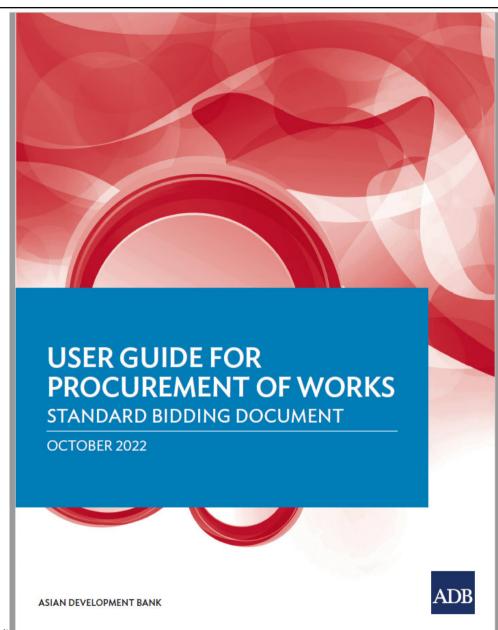
#### **Link Access**

User Guide for Procurement of Works - FIDIC Red Book (2017)
 Asian Development Bank (adb.org)









Management and staff. It

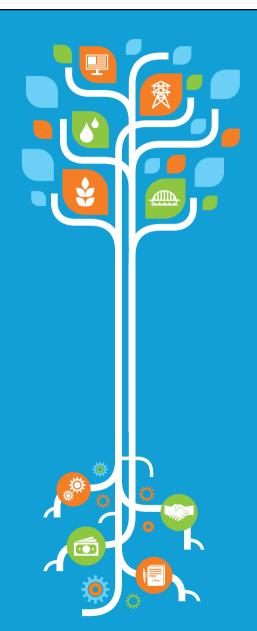


### **Refer to SBD**

For projects with concept notes approved **on or after** 1 July 2017:

- Standard Bidding Documents and User's Guide to Procurement of Works - using FIDIC Red Book (2017)
- Standard Bidding Documents and User's Guide to Procurement of Works - using MDB Edition June 2010
- Standard Bidding Documents and User's Guide to Procurement of Works – Small Contracts
- Standard Bidding Documents and User's Guide to Procurement of Plant (Design, Supply, and Installation)
- Standard Bidding Documents and User's Guide to Procurement of Information Technology Products and Services
- Standard Bidding Documents and User's Guide to Design-Build-Operate Contracts for Water and Wastewater Greenfield Infrastructure Projects







# **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







# Key Issues Impacting Procurement

Issues observed in Bangladesh



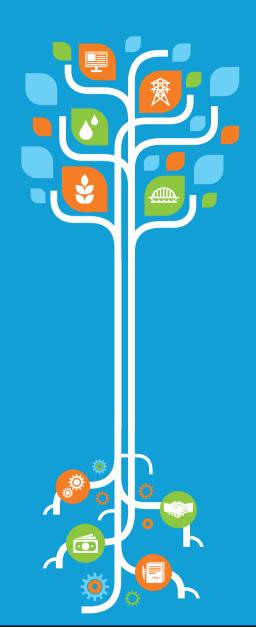




### **Key Issues**

- 1. Integrity-সততা
- 2. Consulting পরামর্শ সেবা
- 3. Clarifications-ব্যাখ্যা
- 4. Ghost contracting ভূতের চুক্তি
- 5. Taxation-ট্যাক্সেশন
- 6. Blacklisting and removal from the sanctions list- কালো তালিকাভুক্ত করা এবং নিষেধাজ্ঞা অপসারণ
- 7. Qualification of past experience-অতীত অভিজ্ঞতার যোগ্যতা
- 8. Health and Safety- স্বাস্থ্য এবং নিরাপত্তা
- 9. FIDIC move to FIDIC Red 2017-FIDIC (থকে FIDIC Red 2017
- 10.Adjudication and dispute resolution-বিচার এবং বিরোধ নিষ্পত্তি
- 11.Abnormally Low Bids অস্বাভাবিক কম ক্রয় প্রস্তাব







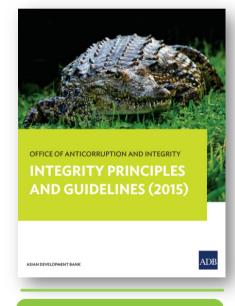
# Integrity সততা



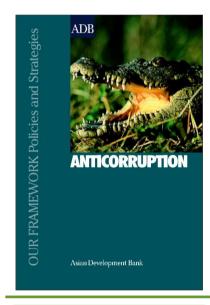


### **ADB's Anticorruption Policy & Guidelines**

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



Highest Ethical Standards



Zero Tolerance





### **Conflict of Interest**

- Potential
- Perceived
- Actual





### **Conflict of Interest**

### • ITB 4 —

- (a) they have controlling shareholders in common; or
- (b) they receive or have received any direct or indirect subsidy from any of them; or
- (c) they have the same legal representative for purposes of this bid; or
- (d) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to material information about or improperly influence the bid of another Bidder, or influence the decisions of the Employer regarding this bidding process; or
- (e) a Bidder participates in more than one bid in this bidding process, either individually or as a partner in a Joint Venture, except for alternative offers permitted under ITB 13 of the Bidding Document. This will result in the disqualification of all Bids in which it is involved. However, subject to any finding of a conflict of interest in terms of ITB 4.3(a)-(d) above, this does not limit the participation of a Bidder as a Subcontractor in more than one Bid: or
- (f) a Bidder, Joint Venture partner, associates, parent company, or any affiliated entity, participated as a Consultant in the preparation of the design or technical specifications of the works that are the subject of the Bid: or
- (g) a Bidder was affiliated with a firm or entity that has been hired (or is proposed to be hired) by the Employer or Borrower as Engineer for the contract; or
- (h) a Bidder would be providing goods, works, or nonconsulting services resulting from or directly related to consulting services for the preparation or implementation of the project specified in the BDS ITB 2.1 that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm: or
- (i) A Bidder that has a financial or familial relationship with Employer's personnel including personnel of project implementing/executing agency, or of a recipient of a part of the loan who: (i) are directly or indirectly involved in the preparation of the bidding documents or specifications of the contract, and/or the bid evaluation process of such contract; or (ii) would be involved in the implementation or supervision of such contract unless the conflict stemming from such relationship has been resolved in a manner acceptable to ADB throughout the procurement process and execution of the contract







## Consulting

**ADB Consultant Management Systems (CMS)** 





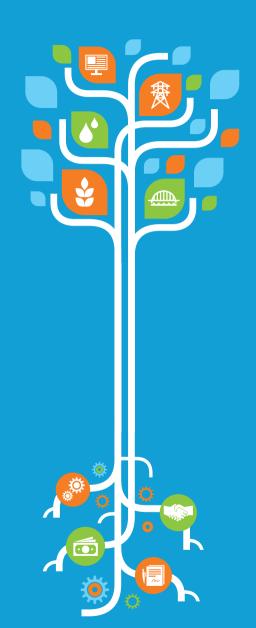




### **A few Reminders**

- Read the full RFP
- Do not assume. Ask questions
- Seek clarification through the CMS system
- Check that your quantities, rates and totals are in order
- Double check them!
- Submit your financial proposal in the built-in FIN attachment;
- Do not submit the financial proposal in your TECH attachment;
- Prepare a draft in CMS. Do not wait for the last minute;
- SUBMIT! Hit that Submit button. We see submissions in draft after closing.
- CMS submission deadline 4 p.m. Manila time. NOT 11:59pm







# Clarifications ব্যাখ্যা













### **Right to Seek Clarification**

### 27. Clarification of Bids

- 27.1 To assist in the examination, evaluation, and comparison of the Technical and Price Bids, the Employer may, at its discretion, ask any Bidder for a clarification of its Bid. Any clarification submitted by a Bidder that is not in response to a request by the Employer shall not be considered. The Employer's request for clarification and the response shall be in writing. No change in the substance of the Technical Bid or prices in the Price Bid shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the Price Bids, in accordance with ITB 34.
- 27.2 If a Bidder does not provide clarifications of its Bid by the date and time set in the Employer's request for clarification, its Bid may be rejected.

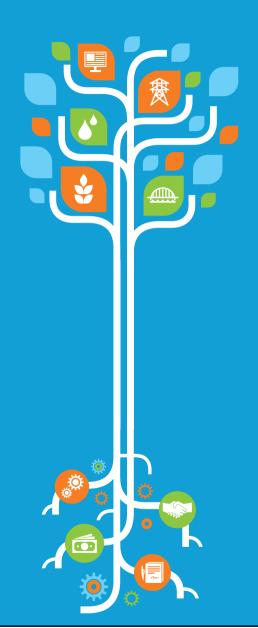




### **Pointers**

- General clarification
- Certificate of past experience
- Third party has no obligation to respond to EAs/ new employers
- Copy Bidders
- No automatic disqualification of bidders
- No presumption of guilt
- Violation of ADB policies







# Taxation ট্যাক্সেশন





### **Consideration of Taxes**

• ITB 14.7

14.7 All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bids, shall be included in the rates and prices and the total Bid Price submitted by the Bidder.





# Change alert – No Taxation on Importation of Equipment

SCC 14.1 The Contract Price-

#### **Special Provisions**

#### [ Alternative 1]

"Notwithstanding the provisions of sub-paragraph (b), Contractor's Equipment, including essential spare parts, imported by the Contractor for the sole purpose of executing the Contract shall be exempted from the payment of import duties and taxes upon importation."

#### [Alternative 2]

"Notwithstanding the provisions of sub-paragraph (b), Contractor's Equipment, including essential spare parts, imported by the Contractor for the sole purpose of executing the Contract shall be temporarily exempt from the payment of import duties and taxes upon initial importation, provided the Contractor shall post with the customs authorities at the port of entry an approved export bond or bank guarantee, valid until the Time of Completion plus 6 months, in an amount equal to the full import duties and taxes that would be payable on the assessed imported value of such Contractor's Equipment and spare parts, and callable in the event the Contractor's Equipment is not exported from the Country on completion of the Contract. A copy of the bond or bank guarantee endorsed by the customs







## **ADB Debarments**





### **ADB Debarments**

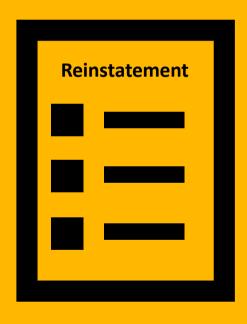


ADB debarments are set for a **minimum** debarment period, except for indefinite debarments.

A debarred entity can <u>apply for reinstatement</u> <u>after the minimum debarment period</u>, unless there is a provision for early reinstatement.

Unless a debarred entity has requested for and has been granted reinstatement, it remains debarred even after the minimum debarment period.





### Reinstatement is not automatic



OAI assesses the merits of reinstating a debarred entity.



OAI informs the entity of the decision on the reinstatement request.

### **Sanctions Violation**

Entities who participate in ADB-related activities while debarred, whether before or after the minimum debarment ends, may be found to have committed a sanctions violation.

A sanctions violation is an integrity violation and may result in the extension of debarment.



NTERNAL. This information is accessible to ADB Management and staff. It may be shared outside ADB with appropriate permission

### Office of Anticorruption and Integrity



www.adb.org/integrity



@anticorruptionandintegrity



anticorruption@adb.org integrity@adb.org



@adb\_oai



+63-2-8632 5004



ADB Anticorruption and Integrity



+63-2-8636 2152



Report integrity violations:

https://www.adb.org/integrity/report-violations





# Health and Safety স্বাস্থ্য এবং নিরাপত্তা







## **Environmental Health and Safety**

- Enhanced
- Number of clauses
- Detail required
- Past performance





### **Mandatory EHSMP**

#### 1.7.1 Environmental, Health and Safety Management Plan (EHSMP) 2

Any bid not accompanied by the EHSMP may be rejected by the Employer as nonresponsive. If a Bidder submits a EHSMP that is not commensurate with the risks and impacts of the proposed works and activities in the bidding document, the Employer shall issue a request for clarification to request for further information from the Bidder. The Bidder must submit the requested information within \_\_\_\_\_ days of receiving such a request. Failure to provide a satisfactory response to the request for further information within the prescribed period of receiving such a request may cause the rejection of the Bid.



#### Form CON - 2: EHS Performance Declaration

Each Bidder must fill out this form in accordance with Criterion 2.2.4 of Section 3 (Evaluation and Qualification Criteria).

In case of a Joint Venture, each Joint Venture Partner must fill out this form separately and provide the Joint Venture Partner's name:

Joint Venture Partner:

In case of a Specialist Subcontractors, each Specialist Subcontractor must fill out this form and provide the Specialist Subcontractor's name:

Specialist Subcontractor:

### Environmental and Health and Safety Performance Declaration in accordance with Section 3 (Evaluation and Qualification Criteria)

- □ **No suspension or termination of contract**: An employer has not suspended or terminated a contract and/or called the performance security for a contract for reasons related to Environmental or Health and Safety performance since the date specified in Section 3 (Evaluation and Qualification Criteria), Criterion 2.5.
- Declaration of suspension or termination of contract: The following contract(s) has/have been suspended or terminated and/or Performance Security called by an employer(s) for reasons related to Environmental or Health and Safety performance since the date specified in Section 3 (Evaluation and Qualification Criteria), Criterion 2.5. Details are described below:
- □ Declaration of request for replacement of Key Environment, Health and Safety Personnel: The following contract(s) has/have experienced a request by the Employer to replace Environmental, Health and Safety Personnel for reasons related to Environmental or Health and Safety performance since the date specified in Section 3 (Evaluation and Qualification Criteria), Criterion 2.5. Details are described below:
- Declaration of past fatality resulted from EHS issues on site: The following contract(s) has/have experienced a fatality resulted from EHS issues on site since the date specified in Section 3 (Evaluation and Qualification Criteria), Criterion 2.5. Details are described below:

Year	Suspended or terminated portion of contract		Total Contract Amount (current value, currency, exchange rate and US\$ equivalent)
[insert year]	-	Contract Identification: [indicate complete contract name/ number, and any other identification]	[insert amount]
		Name of Employer: [insert full name]	
		Address of Employer: [insert street/city/country]	

NTERNAL. This information is accessible to ADB Managem

Year	Suspended or terminated portion of contract		Total Contract Amount (current value, currency, exchange rate and US\$ equivalent)
[insert year]	[insert amount and percentage]	Contract Identification: [indicate complete contract name/ number, and any other identification]	[insert amount]
		Name of Employer: [insert full name]	
		Address of Employer: [insert street/city/country]	
		Reason(s) for suspension or termination: [indicate main reason(s) e.g. discharge over environmental limit, workers did not have required health and safety permits to undertake high risk work, work carried out was not adhered to approved construction methodology and quality control plan]	
[insert year]	[insert amount and percentage]	Contract Identification: [indicate complete contract name/ number, and any other identification]	[insert amount]
		Name of Employer: [insert full name]	
		Address of Employer: [insert street/city/country]	
		Reason(s) for suspension or termination: [indicate main reason(s)]	

	[list all applicable contracts]	
Performan	ce Security called by an employer(s) for reasons related to EHS performa	nce
Year	Contract Identification	Total Contract Amou (current value, currency, exchange rate and US\$ equivalent)
[insert year]	Contract Identification: [indicate complete contract name/ number, and any other identification]	[insert amount]
	Name of Employer: [insert full name]	
	Address of Employer: [insert street/city/country]	
	Reason(s) for suspension or termination: [indicate main reason(s) <u>e.g.</u> discharge over environmental limit, workers did not have required health and safety permits to undertake high risk work, work carried out was not adhered to approved construction methodology and quality control plan]	
Key EHS p	ersonnel replacement requested by the Employer for reasons related to E	HS performance
Key EHS p	ersonnel replacement requested by the Employer for reasons related to E	Personnel
Key EHS p Year	ersonnel replacement requested by the Employer for reasons related to E Contract Identification and Reasons	
, ,		Personnel replacement action
Year	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other	Personnel replacement action and results
Year	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]	Personnel replacement action and results
Year	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]	Personnel replacement action and results
Year	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]  Address of Employer: [insert street/city/country]	Personnel replacement action and results
Year [insert year]	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]  Address of Employer: [insert street/city/country]	Personnel replacement action and results
Year [insert year]	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]  Address of Employer: [insert street/city/country]  Reason(s) for requesting for replacement: [indicate main reason(s)]	Personnel replacement action and results  [insert description]
Year [insert year]	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]  Address of Employer: [insert street/city/country]  Reason(s) for requesting for replacement: [indicate main reason(s)]	Personnel replacement action and results
Year [insert year] Fatality due	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]  Address of Employer: [insert street/city/country]  Reason(s) for requesting for replacement: [indicate main reason(s)]  e to EHS issues on Site	Personnel replacement action and results  [insert description]  Follow-on actions taken by the
Year [insert year] Fatality due	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]  Address of Employer: [insert street/city/country]  Reason(s) for requesting for replacement: [indicate main reason(s)]  et to EHS issues on Site  Contract Identification  Contract Identification: [indicate complete contract name/ number, and any other	Personnel replacement action and results  [insert description]  Follow-on actions taken by the contractor
Year [insert year] Fatality due	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]  Address of Employer: [insert street/city/country]  Reason(s) for requesting for replacement: [indicate main reason(s)]  e to EHS issues on Site  Contract Identification  Contract Identification: [indicate complete contract name/ number, and any other identification]	Personnel replacement action and results  [insert description]  Follow-on actions taken by the contractor
Year [insert year] Fatality due	Contract Identification and Reasons  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]  Address of Employer: [insert street/city/country]  Reason(s) for requesting for replacement: [indicate main reason(s)]  e to EHS issues on Site  Contract Identification  Contract Identification: [indicate complete contract name/ number, and any other identification]  Name of Employer: [insert full name]	Personnel replacement action and results  [insert description]  Follow-on actions taken by the contractor





থেকে FIDIC Red 2017







# July 2022 – Switch from MDB Pink to FIDIC Red Book

What HAS changed from Pink 2010 to Red 2017?



#### Retained in 2017

- Layout/Structure/Concept
- Risk sharing between parties
- Re-use the definitions, wordings, languages
- Harmonization across suite/versions

#### Enhanced in 2017

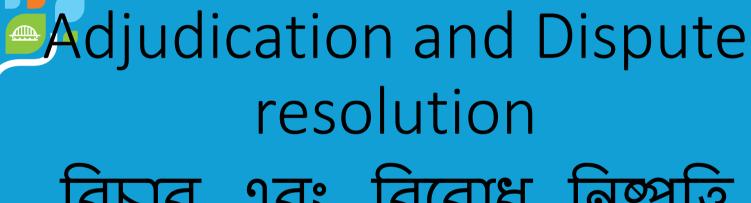
- Fairness Principles
- Applicability in diverse civil/common jurisdictions

#### Significant Changes in 2017

- **Greater detail and clarity** on the Contract Requirements & Procedure
- Enhanced provisions for Quality and Contract Management
- Detailed provisions for Claims, and Disputes resolution
- MDB specific requirements not included (Because Red 2017 is based on Red 1999, which did not have MDB requirements)







বিচার এবং বিরোধ নিষ্পত্তি







### **Reminders and Recommendations**

- Recommend to establish from the onset
- Under FIDIC Red DAAB Avoidance and adjudication DAAB can work to/endeavor avoid the rise of disputes
  - Site visits every 3 to 4 months
  - Parties may agree to jointly submit issues ... (appropriate/relevant)
  - Outside of site visits jointly submit issues for opinions
- Avoid disputes before they begin
- Reduce bickering...
- Late establishment of the DAAB results in little chance of avoiding disputes.







# Abnormally Low Bids অস্বাভাবিক কম ক্রয় প্রস্তাব







### **Abnormally Low Bids**

- All ALBs will be analyzed to determine feasibility of rates provided
- EAs have a right to examine bid price under detailed review of BOQ.
- Clarification is sought in writing
- Respond in writing submitting full explanations
- Do not generalize
- Bid prices determined not "justified" will be rejected.







# For Bidder -Risk of Rejection

- 38. Abnormally Low bids
- 38.1 An abnormally low bid is one where the bid price, in combination with other elements of the bid, appears to be so low that it raises concerns as to the capability of the Bidder to perform the contract for the offered bid price.
- 38.2 When the offered bid price appears to be abnormally low, the Employer shall undertake a three-step review process as follows:
  - (a) identify abnormally low costs and unit rates by comparing them with the engineer's estimates, other substantially responsive bids, or recently awarded similar contracts;
  - (b) clarify and analyze the bidder's resource inputs and pricing, including overheads, contingencies and profit margins; and
  - (c) decide whether to accept or reject the bid.
- 38.3 With regard to ITB 38.2 (b) above, the Employer will seek a written explanation from the bidder of the reasons for the offered bid price, including a detailed analysis of costs and unit prices, by reference to the scope, proposed methodology, schedule, and allocation of risks and responsibilities. This may also include information regarding the economy of the manufacturing process; the services to be provided, or the construction method to be used; the technical solutions to be adopted; and any exceptionally favorable conditions available to the bidder for the works, equipment or services proposed.
- 38.4 After examining the explanation given and the detailed price analyses presented by the bidder, the Employer may:
  - (a) accept the bid, if the evidence provided satisfactorily accounts for the low bid price and costs, in which case the bid is not considered abnormally low;
  - (b) accept the <u>bid, but</u> require that the amount of the performance security be increased at the expense of the bidder to a level sufficient to protect the Employer against financial loss. The amount of the performance security shall generally be not more than 20% of the contract price; or
  - (c) reject the bid if the evidence provided does not satisfactorily account for the low bid <u>price</u>, <u>and</u> make a similar determination for the next ranked bid, if required.





# **Finding Information**







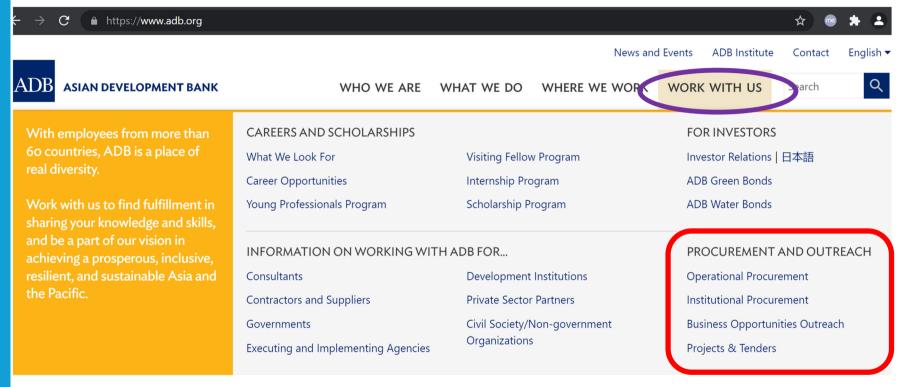
# Identifying opportunities for contracts with project executing agencies and ADB

- 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 - www.adb.org/business

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



### **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/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
COT acruse

#### Coraccrue

cont 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 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.



■ Archive

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

#### Pregualified 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.

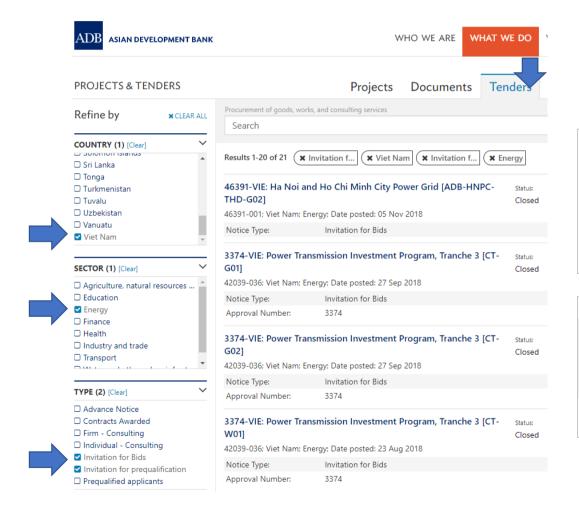
Current Awarded Contracts







# **Goods & Works – Specific Procurement Notice**



#### 

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	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

Applications:

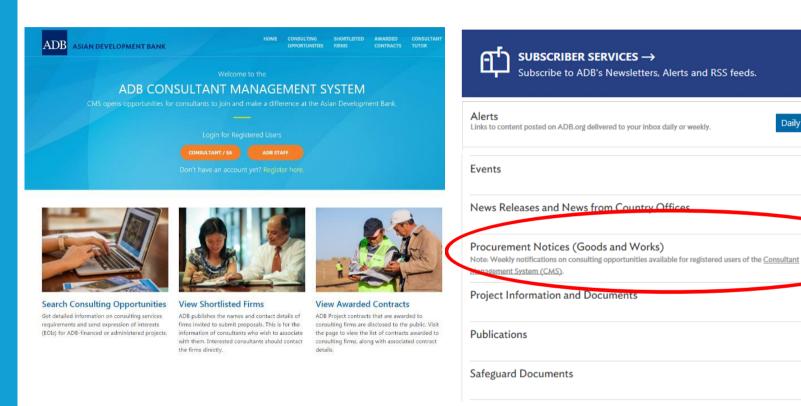
Date:	5 November 2018	
Loan No. and Title:	46391-VIE: Ha Noi and Ho Chi Minh City Power Grid Development Sector Project	
Contract No. and Title:	ADB-HNPC-THD-G02: 110kV Tran Hung Dao Substation: Supply of Materials and Equipment for Substation. Sub – project: Rehabilitation and upgrade of 110kV Tran Hung Dao Substation - £12	
Deadline for Submission of Bide:	17 December 2018 at 14:00 hours	

 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: <a href="https://alerts.adb.org">https://alerts.adb.org</a>

Weekly Off

On Off



# More information on Bangladesh



### 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)



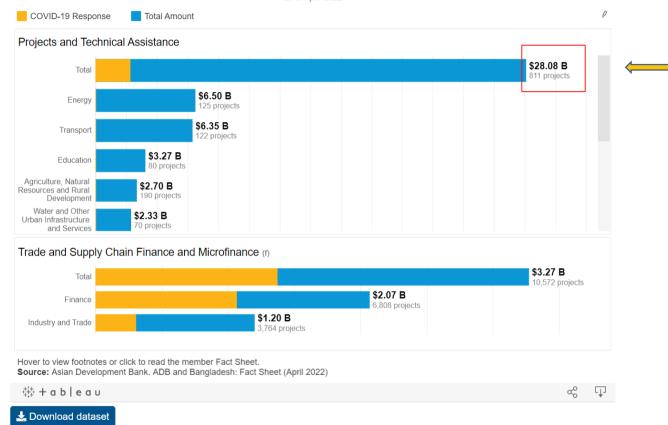
The ADB Country Partnership Strategy 2021–2025 for Bangladesh supports the country in achieving its vision of promoting prosperity and fostering inclusiveness through three strategic objectives—boosting competitiveness, employment, and private sector development; promoting green growth and climate resilience;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



### ADB Assistance and Projects in Bangladesh

Bangladesh: Cumulative Commitments (a,b,c,d,e)









## **ADB Regulations for Borrowers**



# PROCUREMENT REGULATIONS FOR ADB BORROWERS

Goods, Works, Nonconsulting and Consulting Services









# **ADB Procurement Policy**



#### **ADB PROCUREMENT POLICY**

Goods, Works, Nonconsulting and Consulting Services



ASIAN DEVELOPMENT BANK







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

