



ADB Business Opportunities Seminar

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Presented by

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Presentation Outline

- **ADB at a Glance**
- **ADB's Operations by Regions, Countries and Sectors**
- **ADB's Sector Business Opportunities and Contract Awards to Austrian companies**
- **ADB's Strategic Approach to its New Procurement Policy**



Overview

Regional Multilateral Development Bank

- Established in 1966
- Partnership of 67 countries
- 42 client countries
- Headquarters in Manila with 29 resident missions and 3 representative offices (Tokyo, Frankfurt, and Washington, DC)
- 3000+ employees from 61 member countries

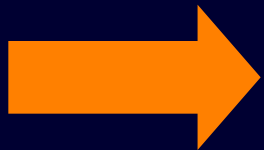


ADB's Vision: An Asia and Pacific Region Free of Poverty



Partners

- Governments
- Private sector
- Nongovernment organizations
- Development agencies
- Community-based organizations
- Foundations



Almost all ADB projects rely on consultants and contractors

ADB Strategy 2020*

Strategic Agenda

- Inclusive Social Development
- Environmental Sustainability
- Regional Cooperation for poverty reduction

Five Core Specializations

- Infrastructure
- Environment including climate change
- Regional Cooperation and integration
- Financial sector development
- Education
- Other: Health Agriculture Disaster Assistance



* <http://www.adb.org/documents/strategy-2020-working-asia-and-pacific-free-poverty>



ADB Operations

Main Instruments

- Loans and Grants
- Technical Assistance
- Finance ++:
 - Significant leveraging through official and commercial co-financing
 - Policy Advice, Knowledge Provision & Capacity Development

Lending

- Sovereign engagement with Governments
- Non-Sovereign lending to private/corporatized enterprises in developing countries through loans, equity investments, guarantees
- AAA credit rating helps mobilize funds for development activities



Overview of ADB Operations

Private Sector Operations

- To catalyze investments, ADB uses
 - ✓ Equity Investments
 - ✓ Loans
 - ✓ Guarantees
 - ✓ Complementary Financing Schemes
- Supported sectors include
 - ✓ Capital Markets and Financial Sector
 - Banks, Capital market institutions, Leasing or non-bank financial institutions, Insurance companies, Funds
 - ✓ Infrastructure Sector
 - Power, transportation, water supply, waste treatment, telecommunications



ADB 2006-2015 Approvals

Table 1: Approvals*, 2006–2015
(\$million)

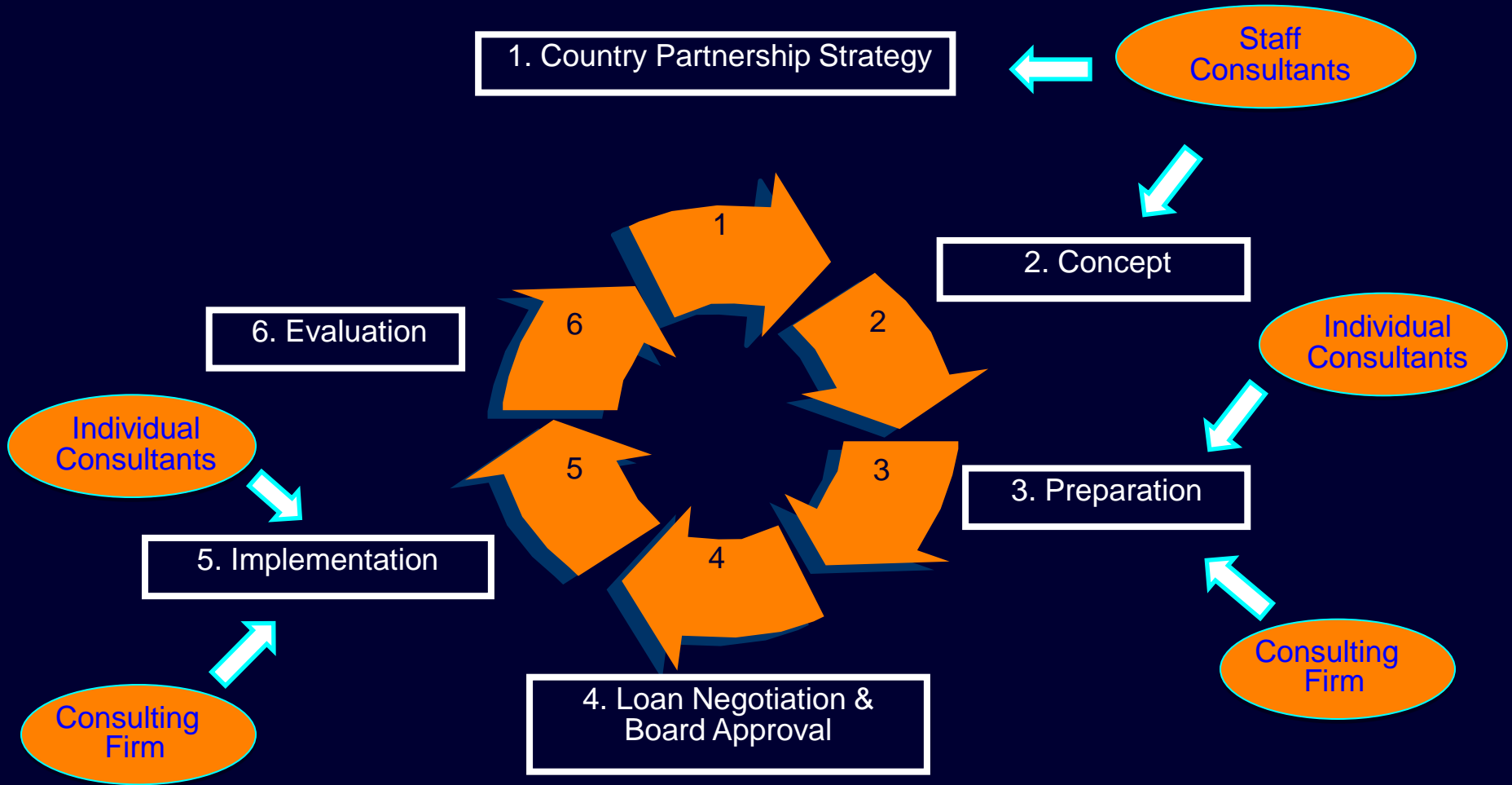
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Sovereign	7,115	9,415	9,310	13,702	11,361	11,344	11,127	12,589	11,571	13,669
Nonsovereign	805	981	1,400	1,474	1,240	1,561	1,375	1,539	1,918	2,626
Subtotal	7,920	10,396	10,709	15,176	12,601	12,905	12,502	14,128	13,490	16,295
Technical Assistance	148	161	189	202	174	145	151	155	159	141
Cofinancing	1,541	1,135	5,085	5,355	5,162	7,324	8,272	6,645	9,222	10,735
Total Operations	9,609	11,691	15,983	20,733	17,936	20,374	20,925	20,928	22,871	27,171 *

Approvals include loans, grants, equity investments, and guarantees.

Source: Operations Services and Financial Management Department, ADB.



Overview of ADB Operations - Project Cycle





Largest Borrowers

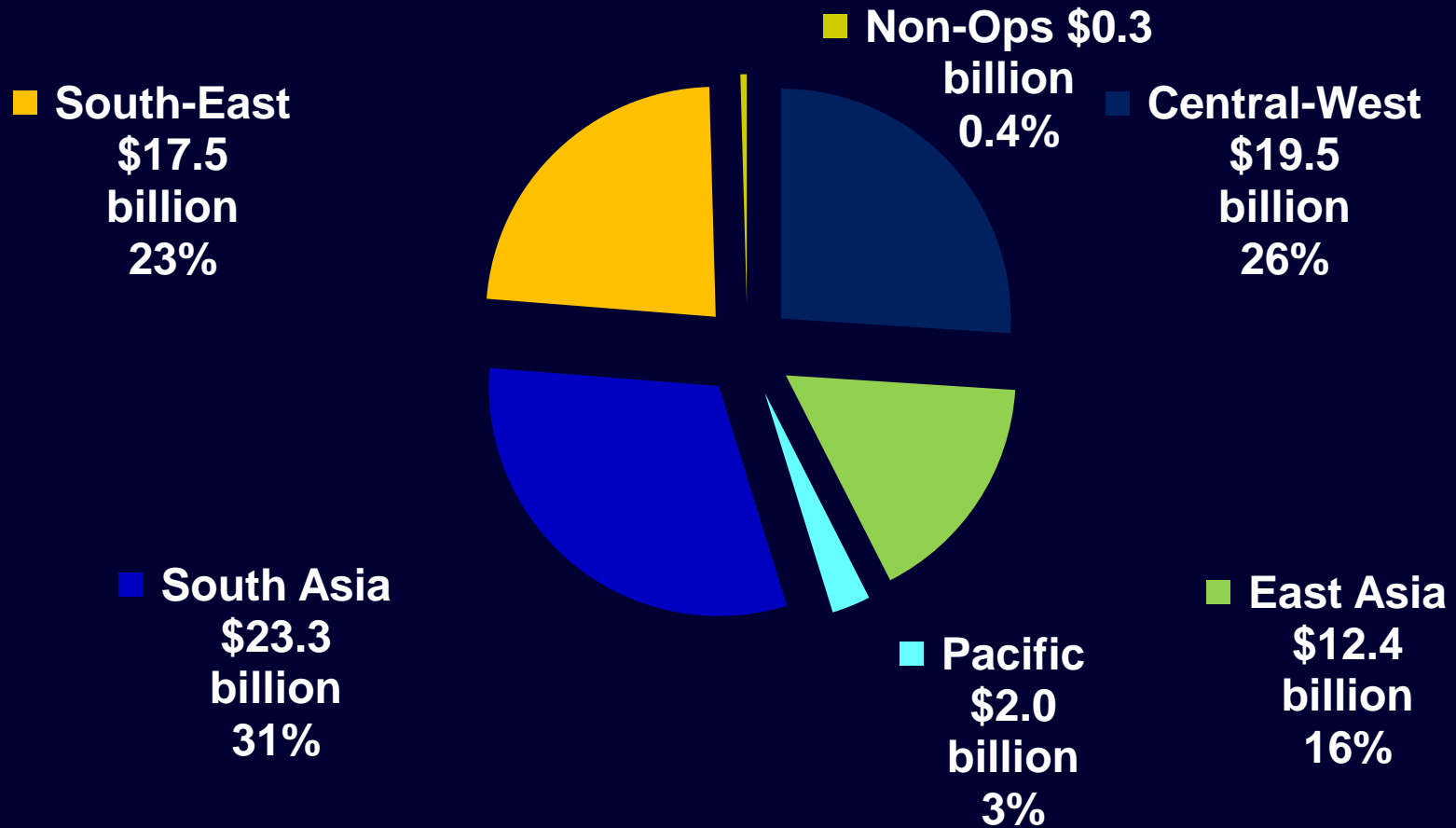
- Uncontracted loan and grant funds: \$27.6 Billion (2015)

2012	2013	2014	2015
India	India	India	India
PRC	PRC	PRC	PRC
Indonesia	Pakistan	Pakistan	Pakistan
Viet Nam	Indonesia	Viet Nam	Indonesia
Bangladesh	Philippines	Philippines	Bangladesh
Philippines	Bangladesh	Bangladesh	Kazakhstan



ADB Operations

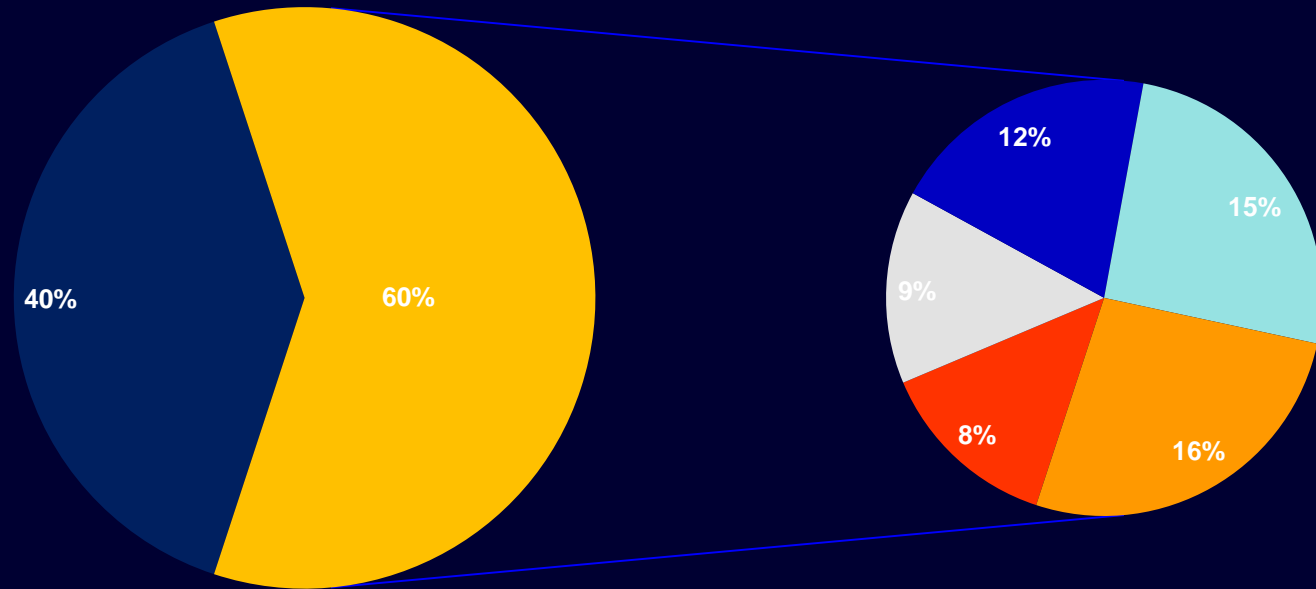
Portfolio Distribution by Sub-Region





ADB Operations

Portfolio Distribution by Large Countries



■ Others

■ Pakistan

■ People's Republic of China

■ Bangladesh

■ Viet Nam

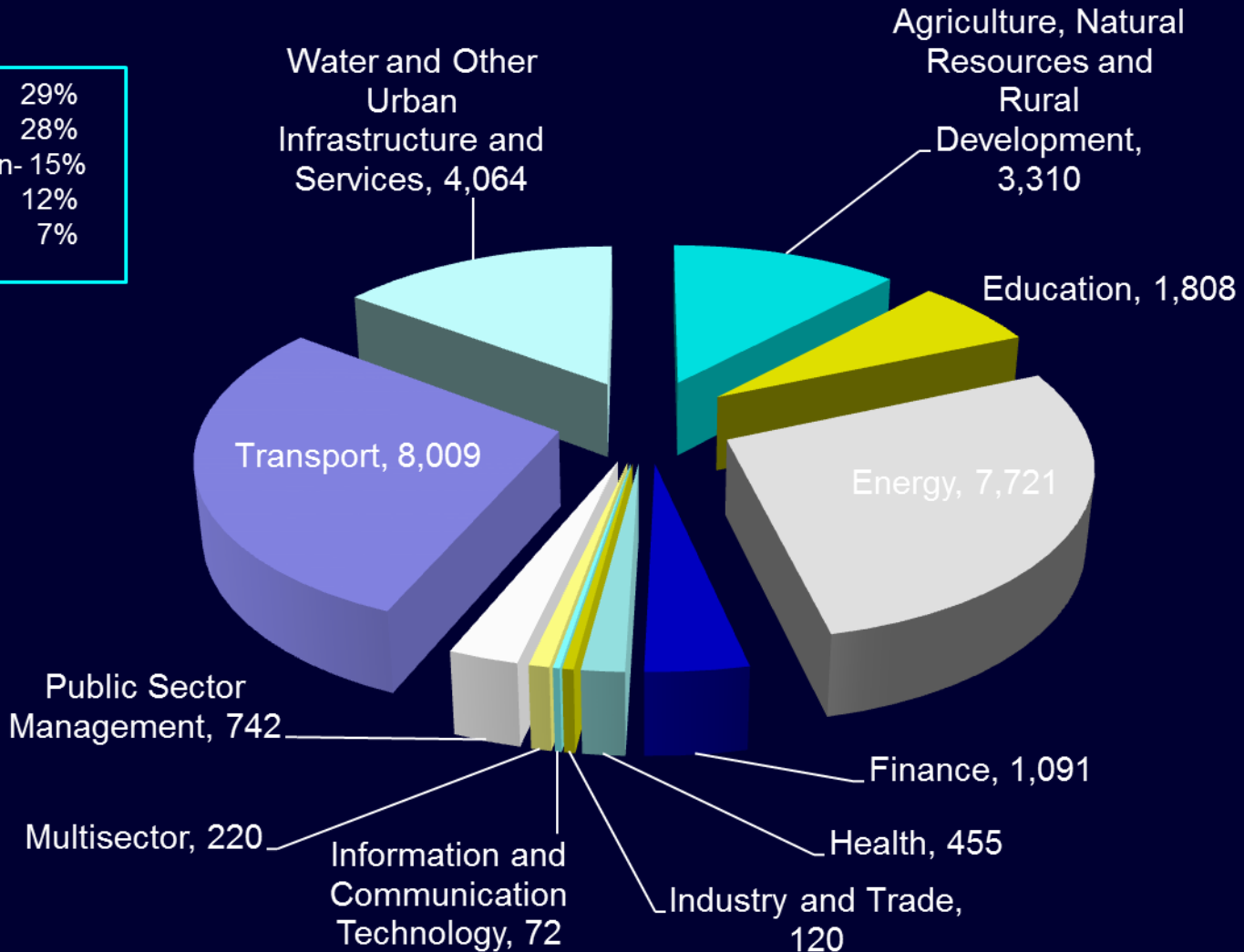
■ India



ADB Business Opportunities: by Sector

Uncontracted Loan and Grant Funds - by Sector
(in US\$ million at 31 Dec 2015) - Total = \$27,613M

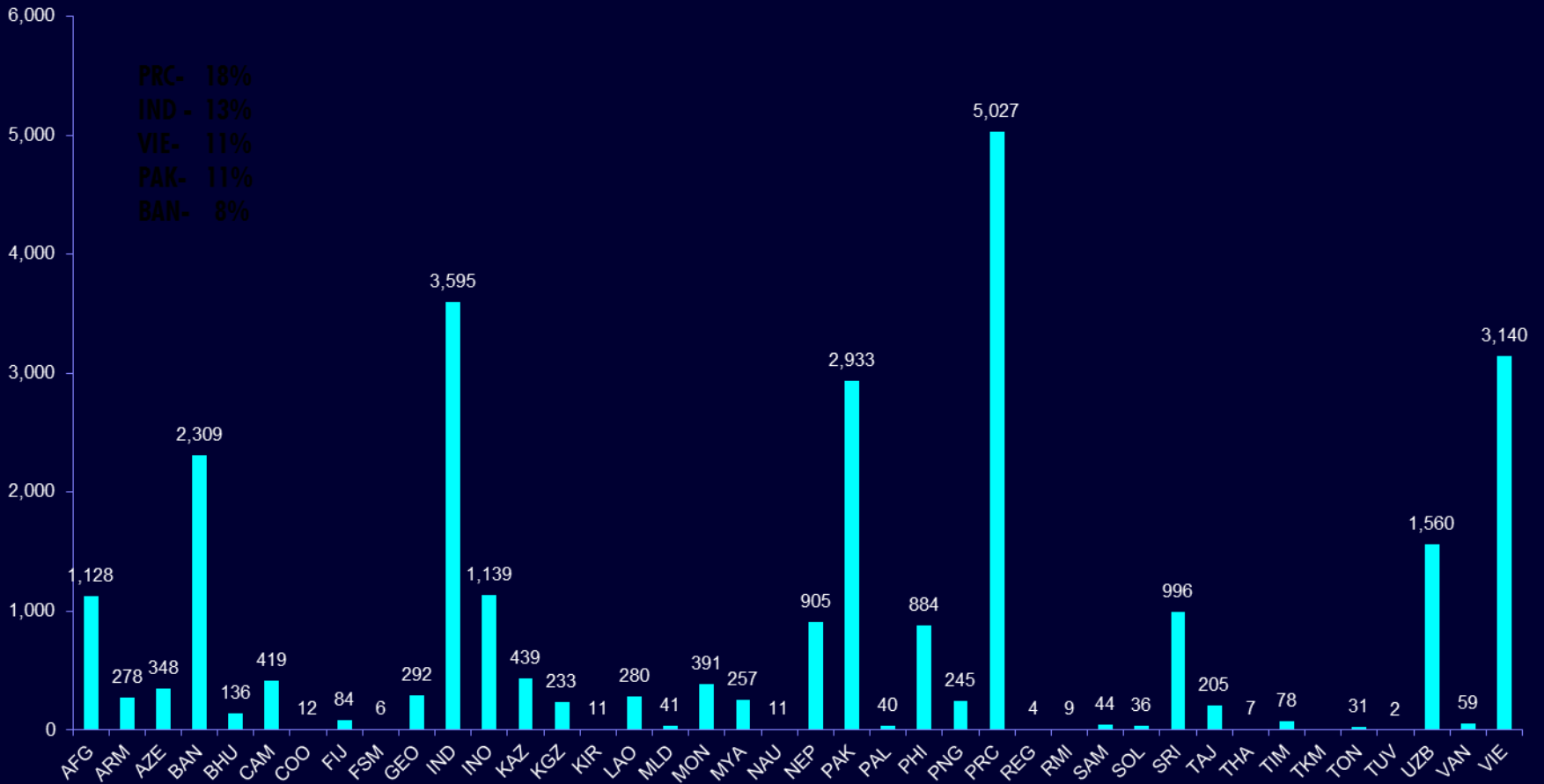
Transport -	29%
Energy -	28%
Water/Urban-	15%
Agriculture-	12%
Education-	7%





ADB Business Opportunities: By Country

Uncontracted Loan & Grant Funds - by Country
(in US\$ million at 31 Dec 2015) - Total = \$27,613M





Business Opportunities: Goods and Works

Supply of Goods:

Machinery, Equipment, Computers, Furniture

Civil Works:

Roads, Railways, Bridges, Irrigation Canals, Schools, etc.

Turnkey Contracts:

Power Plants, Pump Stations, Water Treatment Plants, Solid Waste Treatment Plants, Heating Plants, Airports, etc.



Business Opportunities: Consulting Services

Project Preparation:

Feasibility Studies, Preliminary Design, ADB Safeguard Policies, Capacity Building, Procurement

Project Implementation:

Surveys, Detailed Design, Construction Supervision, Project Management, Capacity Building, Procurement

Knowledge Products:

Studies, Capacity Building, Knowledge Sharing

Staff Consultants:

Administrative Assistance to ADB Operations



Austria's Share of ADB Financed Contracts

Top 5 Contractors/Suppliers of Goods, Works, and Related Services with Country of Origin from Austria under ADB Loan and Grant Projects, 1 January 2011–31 December 2015

Contractor/Supplier	Sector	Contract Amount (\$ million)
CRCC High-Tech and Plasser & Theurer Export	TRA	45.20
Siemens AG Oesterreich	ENE	24.30
Plasser & Theurer	TRA	10.76
Yinchuan Yichen Commerce & Trade Co. Ltd.	ANR	0.06
PT Dinamikon Inovasi Teknologi	EDU	0.02
Others		40.19
Total		120.53

ANR = Agriculture, Natural Resources, and Rural Development; EDU = Education; ENE = Energy; TRA = Transport.



Austria's Share of ADB Financed Contracts

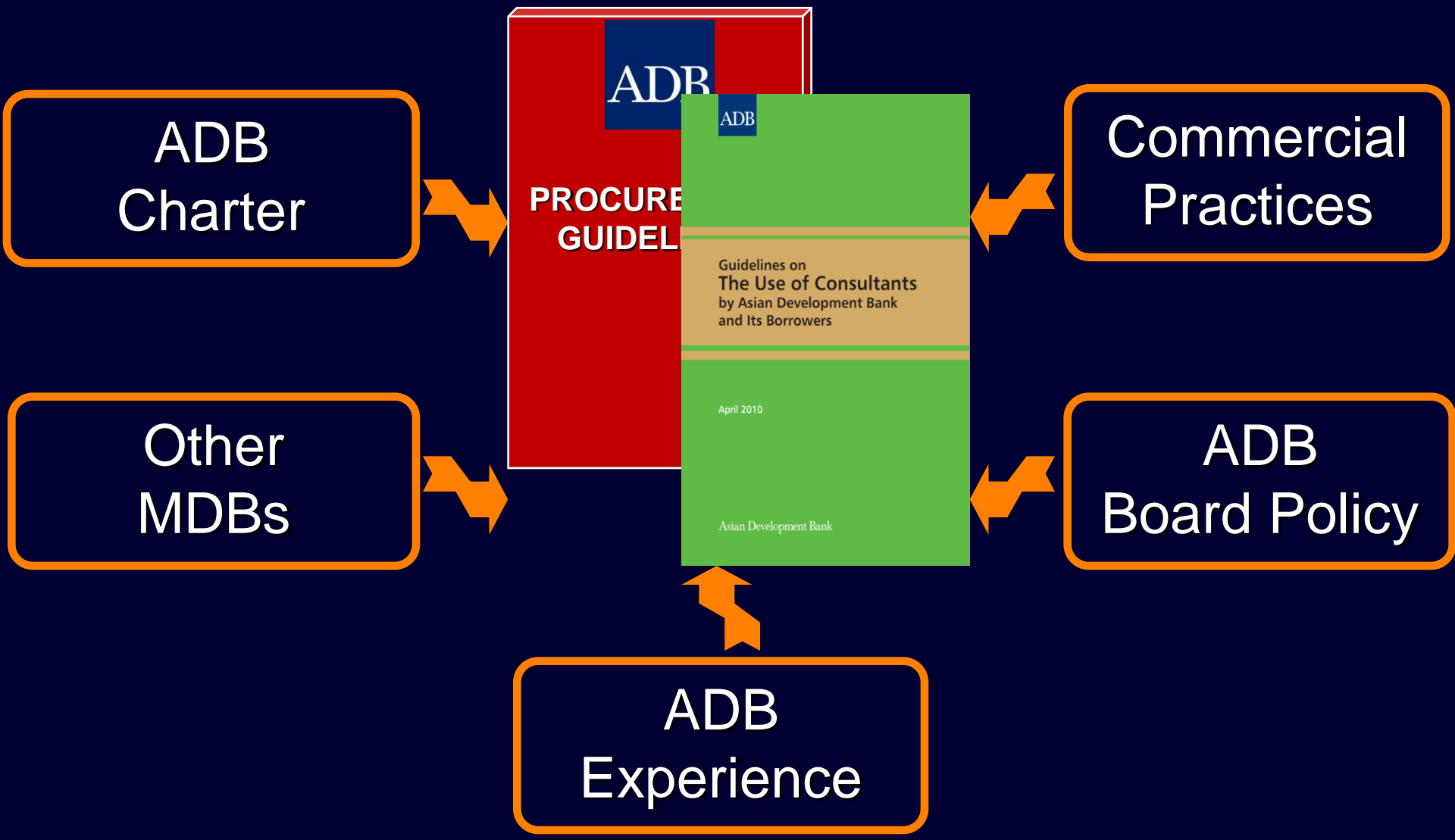
Top 5 Consultants from Austria Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2011–31 December 2015

Consultant	Sector	Contract Amount (\$ million)
MC Mobility Consultants GmbH	TRA	0.40
Intl. Institute for Applied Systems Analysis	ANR	0.35
Oesterreichische Bundesforste AG (OEBF)	ANR	0.32
Individual Consultants		0.65
Total		1.71

ANR = Agriculture, Natural Resources, and Rural Development; TRA = Transport.



ADB's Current Procurement and Consulting Policies



ADB
Charter

ADB
PROCUREMENT
GUIDELINES

Commercial
Practices

Other
MDBs

ADB
Guidelines on
The Use of Consultants
by Asian Development Bank
and Its Borrowers

ADB
Board Policy

April 2010

Asian Development Bank

ADB
Experience

ADB's Strategic Approach to its New Procurement Policy:

Key Suggestions and Way Forward

Three Pillars



Action plan includes specific time-bound measures to address each of the above.



ADB's Strategic Approach to its New Procurement Policy:

Key Suggestions and Way Forward

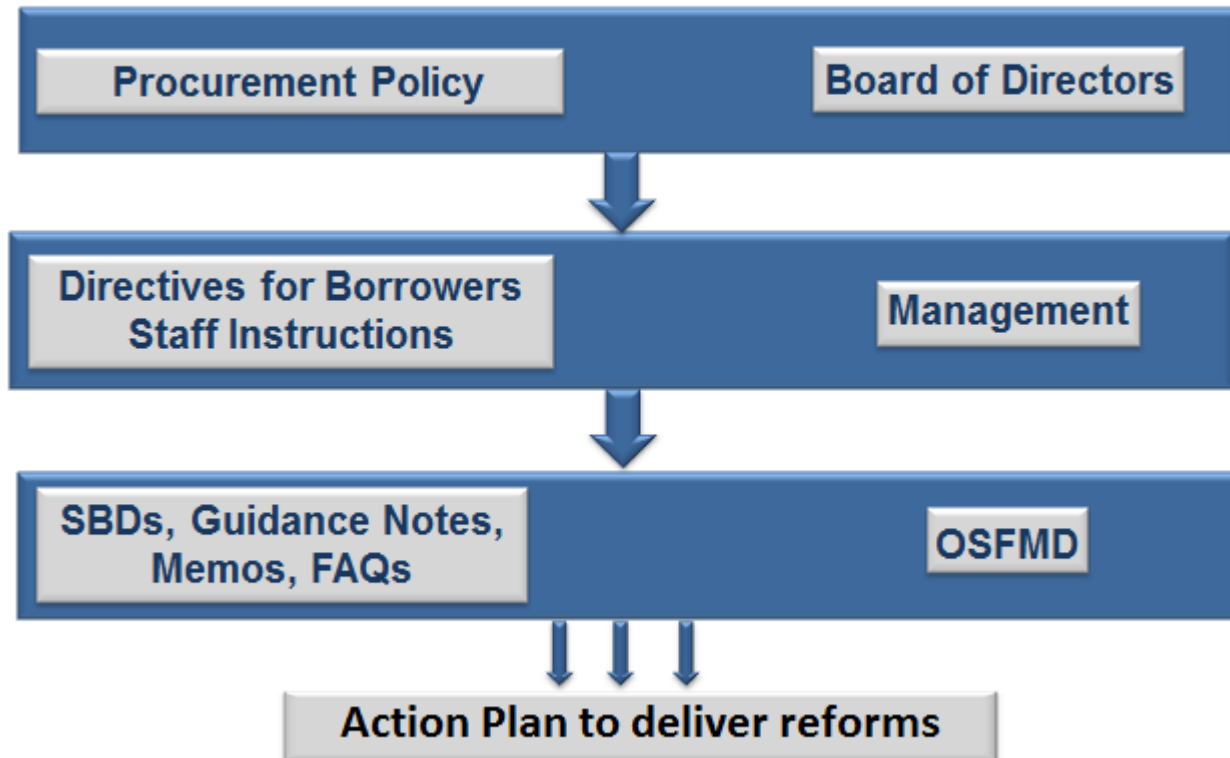
- Less prescriptive policy, principles-based
- Simplify procurement procedures and make them more flexible
- Respond to emerging needs, offer new procurement methods and modalities
- Focus on quality, engage better contractors and consultants
- Reduce end-to-end procurement time
- Decentralize procurement functions
- Enable procurement of high value technologies
- Stronger measures to prevent conflict of interest, and corruption



ADB's Strategic Approach to its New Procurement Policy:

Key Suggestions and Way Forward

Proposed Procurement Framework



Stronger focus on (i) Quality, (ii) Governance, and (iii) Responsiveness



ADB's Strategic Approach to its New Procurement Policy:

Key Suggestions and Way Forward

Core Procurement Principles





ADB's Strategic Approach to its New Procurement Policy:

Key Suggestions and Way Forward

Value for Money

- Optimal benefits
- In addition to initial cost, also consider:
 - costs over the economic life
 - fit-for-purpose
 - socio-economic and environmental development benefits
- Facilitate high technology procurement



ADB's Strategic Approach to its New Procurement Policy:

Key Suggestions and Way Forward

Quality

- Facilitate high and proprietary technology
- Covers bidding or selection criteria designed to ensure high quality of inputs
- Includes consulting services
- Encourage high quality suppliers, contractors and consultants



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