



Trade mission of the Luxembourg Chamber of Commerce

02 October 2018

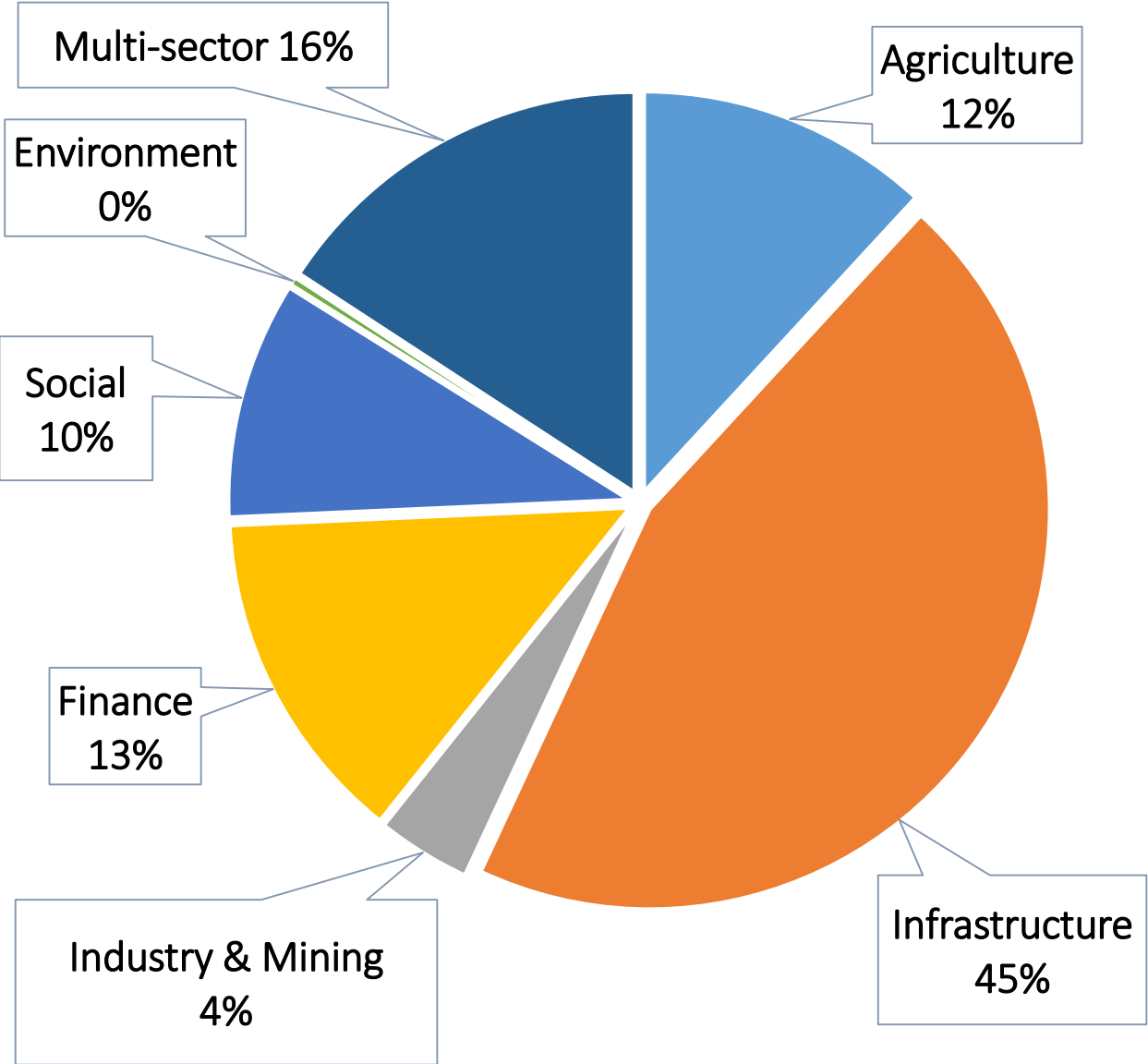
Procurement Under Bank-Financed Interventions



GRUPE DE LA BANQUE AFRICAINE
DE DEVELOPPEMENT
AFRICAN DEVELOPMENT BANK GROUP

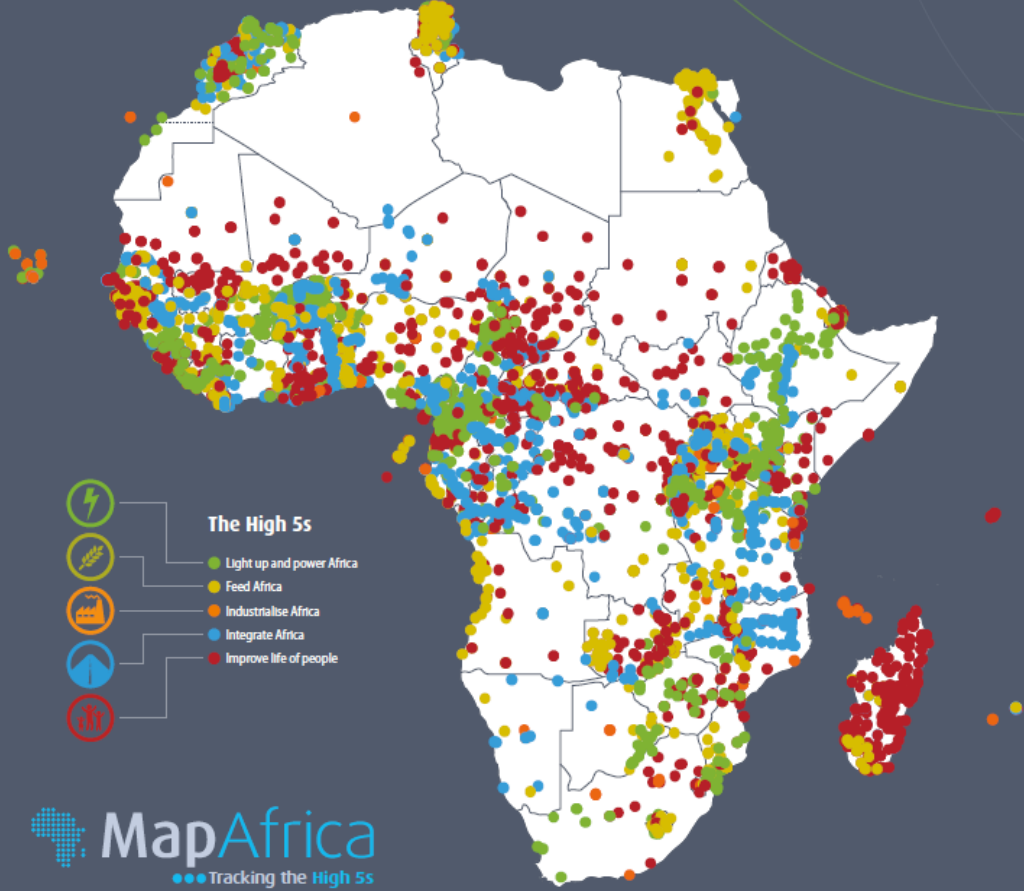
Fiduciary Services & Inspection Department (SNFI)

Our Projects



Delivering impact in the Bank's five priority areas

This map plots the geographic location of the 745 Bank operations that were approved between 2002 and 2015 in each of the High 5s.

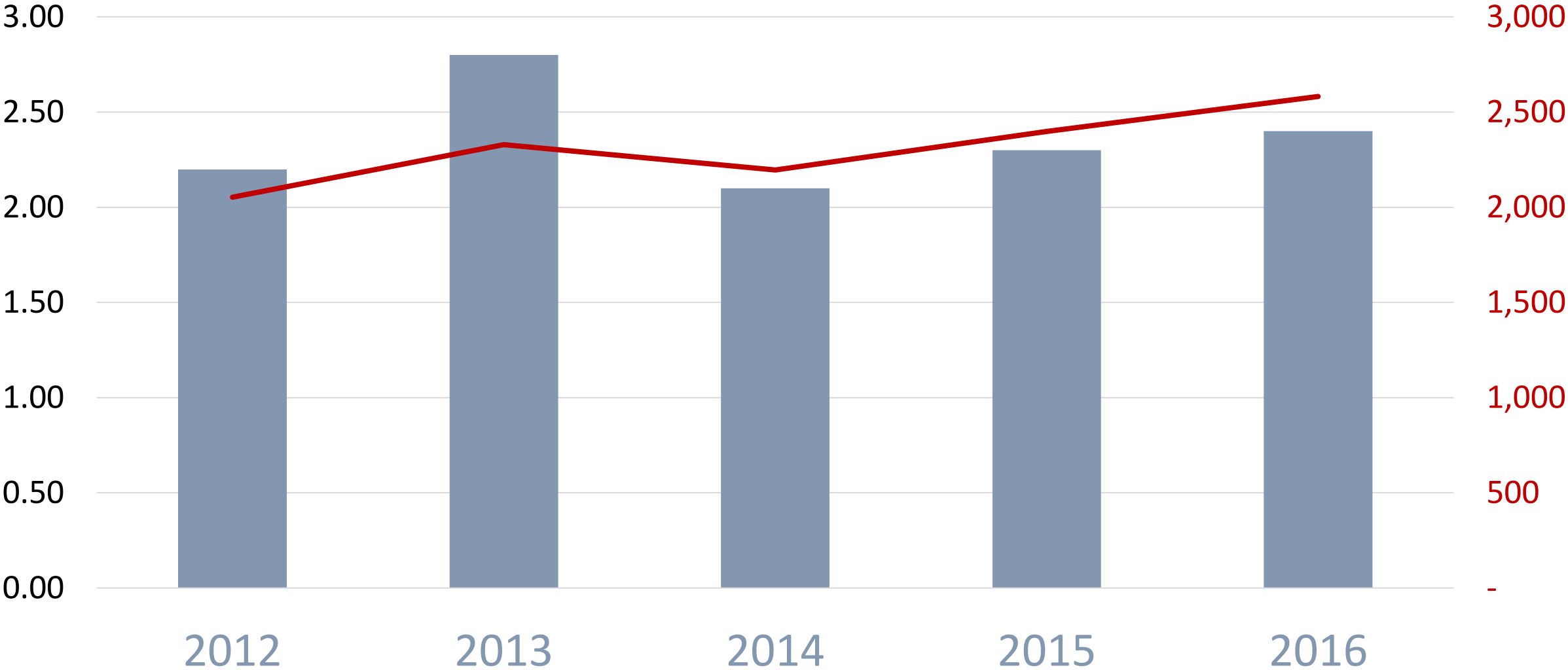


Total Cumulative Approvals
(1967-2016) amounts to
131 billion USD

Size of Operations

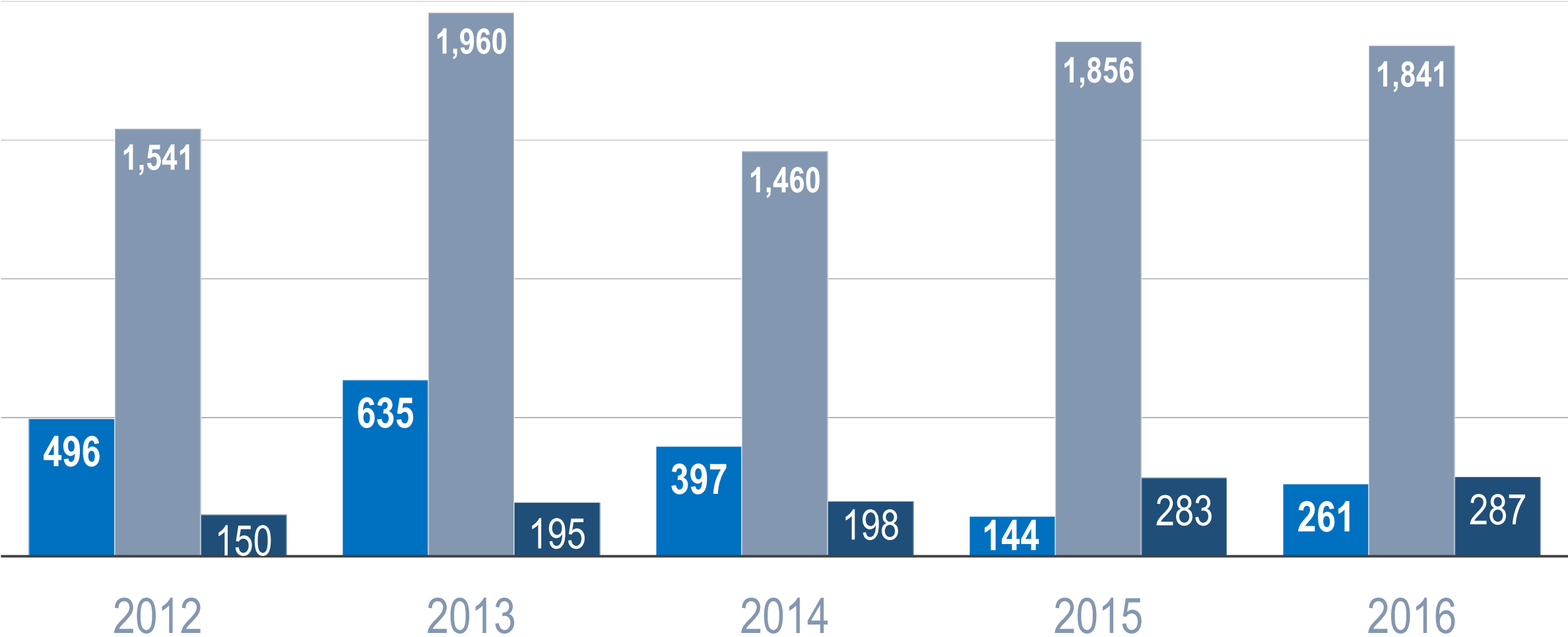
Value Number

Billion USD



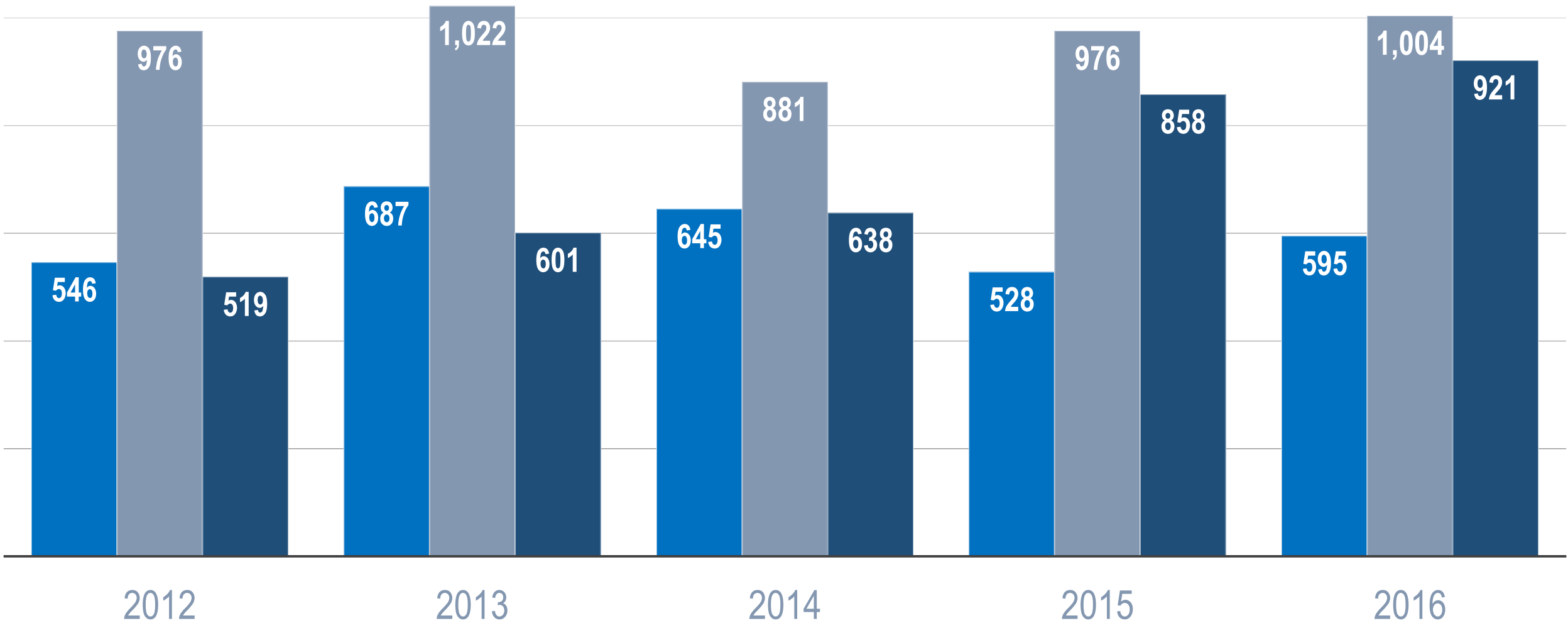
Distribution of Contracts By Value (Million USD)

■ Goods ■ Works ■ Services

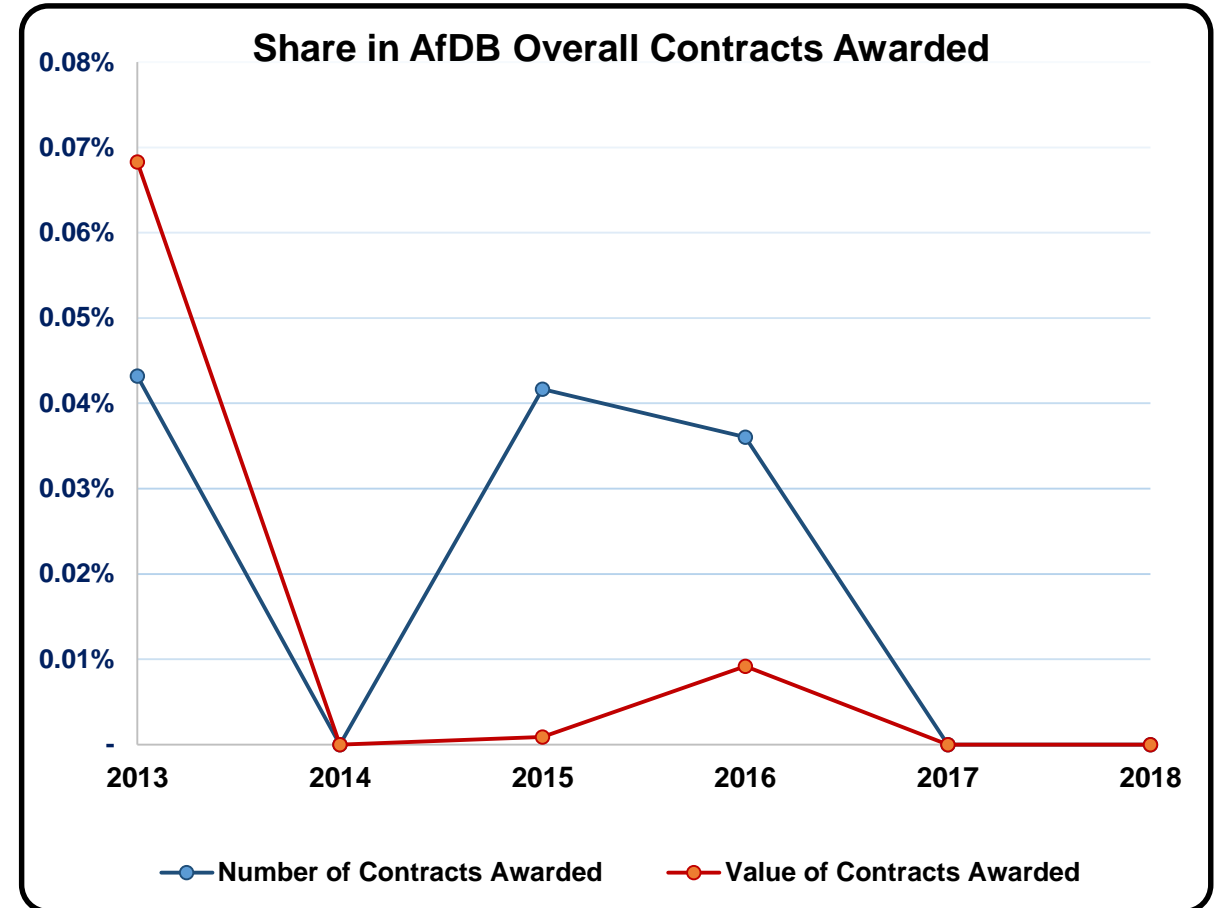
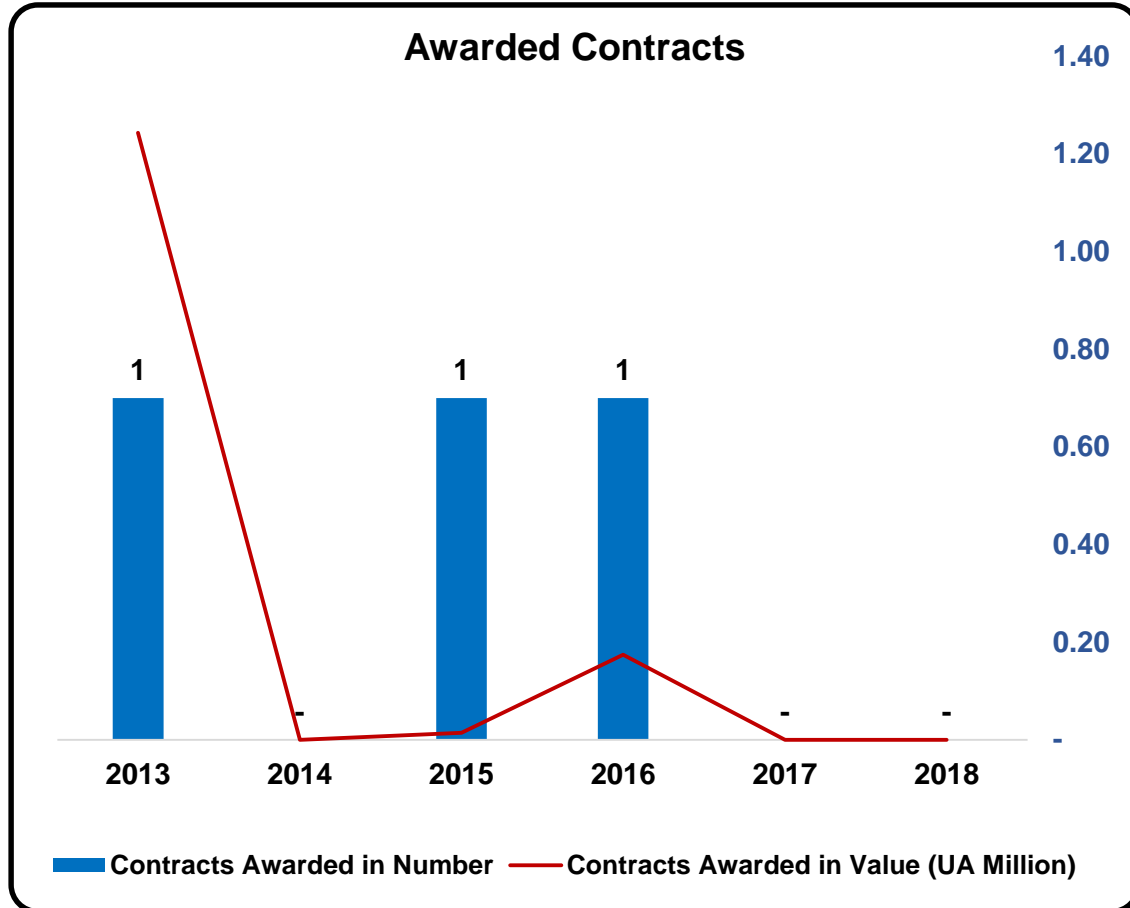


Distribution of Contracts By Number

■ Goods ■ Works ■ Services

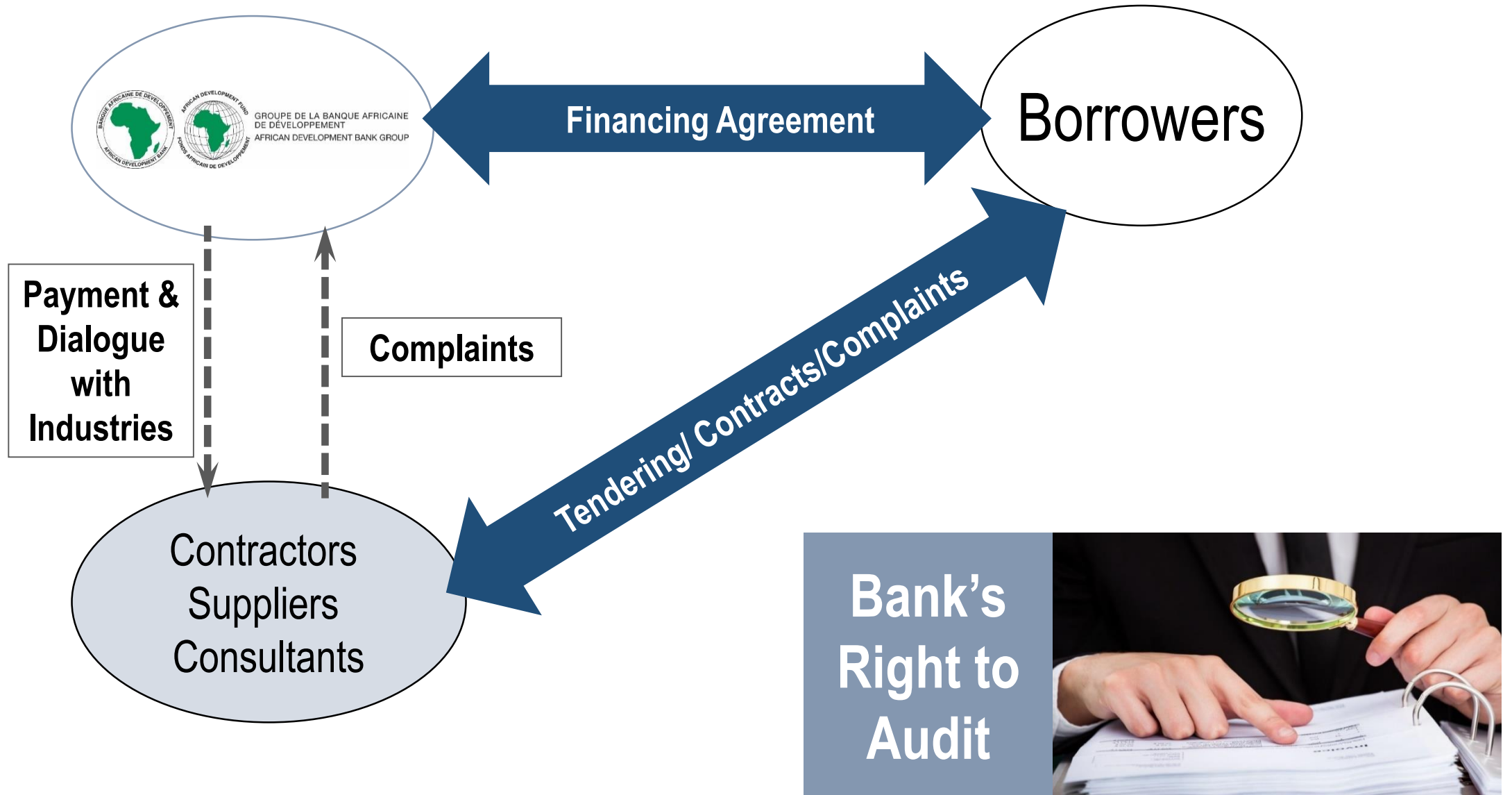


Contracts Awarded To Luxembourg Firms



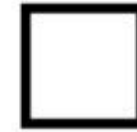
All contracts awarded were for Consulting Services

Procurement Relationships



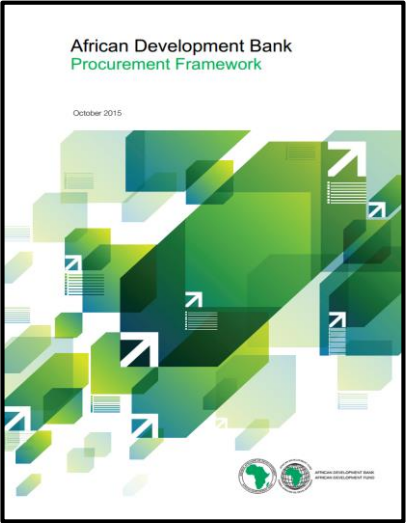
Handling Complaints

- Central registry for complaints
- Included dedicated mail address in all Solicitation Documents
- PRC deliberations may be put on the website in redacted form
- When complaints are received under BPS, the Bank will make sure that the country process has been followed



The Procurement Framework

Board Approval	Policy	Largely a principles' based document, however it sets undisputable standards
	Methodology	Articulate the different concepts and gives guidance on how these terms will need to be implemented in practice



Management Approval	Operations Proc. Manual	Details the procedures including, the assessment of country systems and the various procurement methods
	Toolkit	Includes SBDs, Contract Forms, Guidance Notes, Case Studies, Sample Forms...etc.



Main Features of the Bank's Procurement Framework

- ✓ Value for money
- ✓ Risk based fit for purpose approach
- ✓ Use of Borrower procurement system
- ✓ Capacity building at country level
- ✓ E-Procurement
- ✓ Complaints
- ✓ ERSP



Main Features of the Bank's Procurement Framework

- ✓ Beneficial ownership
- ✓ Development of national industries
- ✓ Fragile situations
- ✓ Co-financing
- ✓ Contract monitoring



Procurement Methods

Goods & Works

Open Competition

Detailed specs

Price major factor

No negotiation

One envelope / Multistage

Consultancy Services

Shortlisting

TOR's

Price can be a minor

Negotiation usual

Two envelope

Approach To Private Sector Operations

- ✓ Accepted commercial practices
- ✓ Conformity with the Procurement Plan
- ✓ Fair market price
- ✓ Adapting to various business models (PPP, etc.)
- ✓ Post review
- ✓ Ensuring Economy, Efficiency, Transparency and Open Competition for large contracts
- ✓ Performance and contract management
- ✓ Eligibility



Important General Information

- Project information:

<http://www.afdb.org/en/projects-and-operations/project-portfolio/>

- Quarterly Operations Summary:

<https://www.afdb.org/en/documents/project-related-procurement/quarterly-operational-summary-qos/>

- Procurement Statistics:

<https://www.afdb.org/en/projects-and-operations/procurement/tools-reports/procurement-statistics/>

Important General Information

- AfDB Procurement Policy and Procedures:
<http://www.afdb.org/en/projects-and-operations/procurement/new-procurement-policy/>
- AfDB Standard Bidding Documents:
<http://www.afdb.org/en/projects-and-operations/procurement/resources-for-borrowers/standard-bidding-documents/>

Specific Information

- General Procurement Notice (GPN):
<http://www.afdb.org/en/projects-and-operations/procurement/resources-for-businesses/general-procurement-notices-gpns/>
- Specific Procurement Notice (SPN):
<http://www.afdb.org/en/projects-and-operations/procurement/resources-for-businesses/specific-procurement-notices-spns/>
- UNDB journal
<https://www.devbusiness.com/>

Wining Contracts Under Bank Financed Projects

Anticipation

- Know your strengths, target your sector(s) and country(ies)
- Study the Bank CSP, Identify projects under preparation and appraisal
- Subscribe to updates and alerts on the Bank's project portfolio and Tender Notice
- Study national market, establish partnerships with other firms at national level
- Identify executing agencies in countries beware of conflict of interest
- Study the Bank Procurement Policy Framework, Bank and Borrower SBDs

Bidding Period

- Seek clarifications from contracting agency
- Prepare proposals/bids in accordance with ToRs and specifications
- Demonstrate technical and financial strengths and track record in specific fields
- Don't contact the Bank
- Avoid underbidding
- Demonstrate compliance with the Bank fraud/corruption Policy requirements

Winning Contracts Under Bank Financed Projects

Contract Execution

- Perform as per the contract terms
- Control and avoid unfounded contract variations
- Variations above certain thresholds are not accepted by the Bank





Thank You



AFRICAN DEVELOPMENT BANK GROUP

Building today a better tomorrow