



ASIAN INFRASTRUCTURE  
INVESTMENT BANK

# ABOUT AIIB

May 28, 2021



# Who We Are and What We Do

We are a multilateral development bank with a mission to finance the **Infrastructure for Tomorrow (I4T)**. We enable clients to build I4T—green infrastructure with sustainability, innovation and connectivity at its core. We do this by unlocking finance that brings this vision to fruition. As our clients succeed in building I4T, society shares in that success.



## How We Do It

We adapt and innovate constantly to deliver customized investment solutions that overcome the challenges our clients face. Clients count on our responsiveness and resilience to help them meet their objective even during the most difficult times.



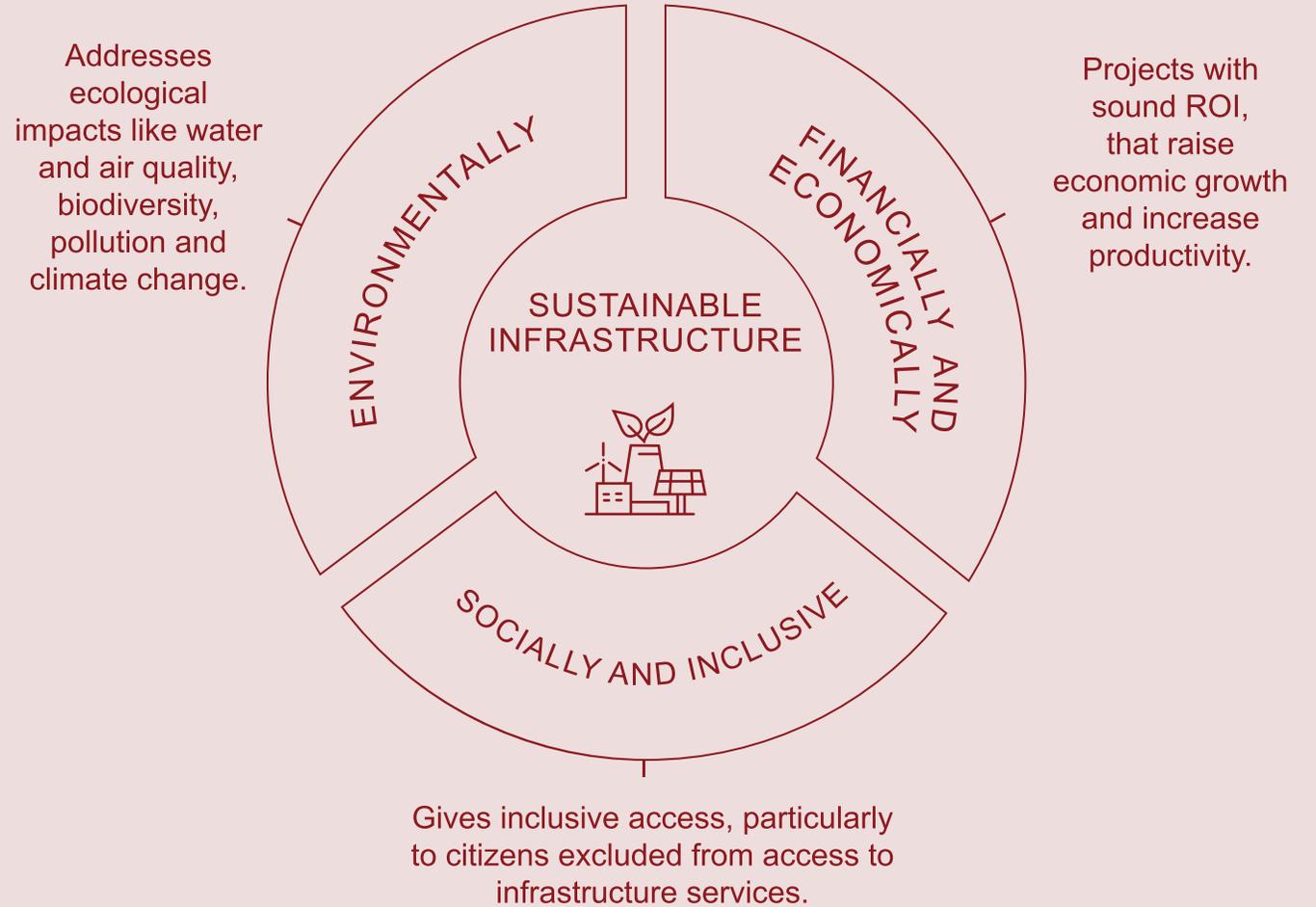
## Why We Do It

Prosperity and economic development for Asia is our goal. To realize this, we facilitate the I4T that empowers regions and their people with access to physical, digital and social services. This in turn contributes to local, regional and global sustainability.

# AIIB Invests in I4T

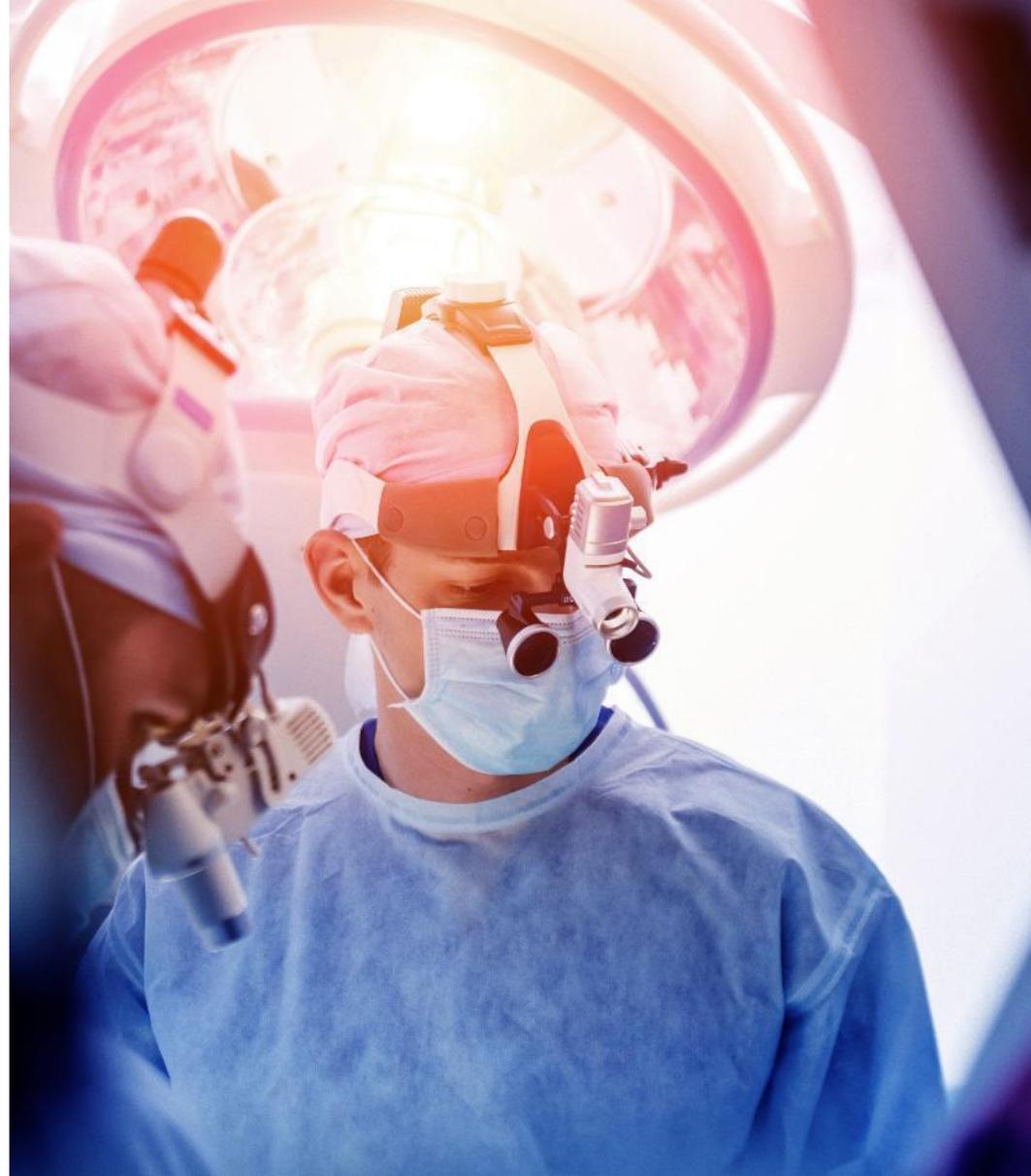
The **Infrastructure for Tomorrow (I4T)** reflects AIIB's firm commitment to sustainability. I4T unlocks new capital, new technologies and new ways to address climate change and to connect Asia, and the world.

## AIIB Invests in I4T, the Infrastructure for Tomorrow:



# Macroeconomic Shifts Reshaping Our World

- Climate Change.
- Aging population.
- Digital and information age.
- COVID-19.
- Infrastructure gap.



# The Role and Opportunity of Infrastructure

Generating short-term income, long-term growth and environmental sustainability.



Enabling cost-effective multisector resilience planning.



Closing the health and education gap in developing economies.



Mobilizing investments from the private sector through innovative and flexible financing models.



Integrating technology and connectivity to avoid being left behind.



# AIIB's Strategic Priorities in a Post-COVID World

1. Green infrastructure.
2. Expanding into social infrastructure.
3. Private capital mobilization.
4. Connectivity and regional cooperation.
5. Technology-enabled infrastructure.



# Why AIIB?

## Our value-add to clients and partners

- Sound banking principles to ensure financial sustainability in our operations and projects.
- Multilateral governance and a diversified, global shareholder base to ensure accountability.
- High project standards to ensure transparency and environmental and social stewardship.
- A responsive and agile culture that helps clients achieve investment outcomes.

# Strong Fundamentals

## Triple-A-Rated

Ratings	Long-term	Short-term	Outlook
<b>S&amp;P Global Ratings</b>	AAA	A-1+	Stable
<b>Moody's Investor Service</b>	Aaa	Prime-1	Stable
<b>Fitch Ratings</b>	AAA	F1+	Stable

## Global Shareholder Base: 103 Approved Members

	Capital Contributions (% of bank total)	Share of votes held (% of votes)
<b>China</b>	30.77	26.58
<b>India</b>	8.64	7.61
<b>Russia</b>	6.75	5.98
<b>Germany</b>	4.63	4.16
<b>Korea</b>	3.86	3.50



# Self-Governing, Rules-Based Institution

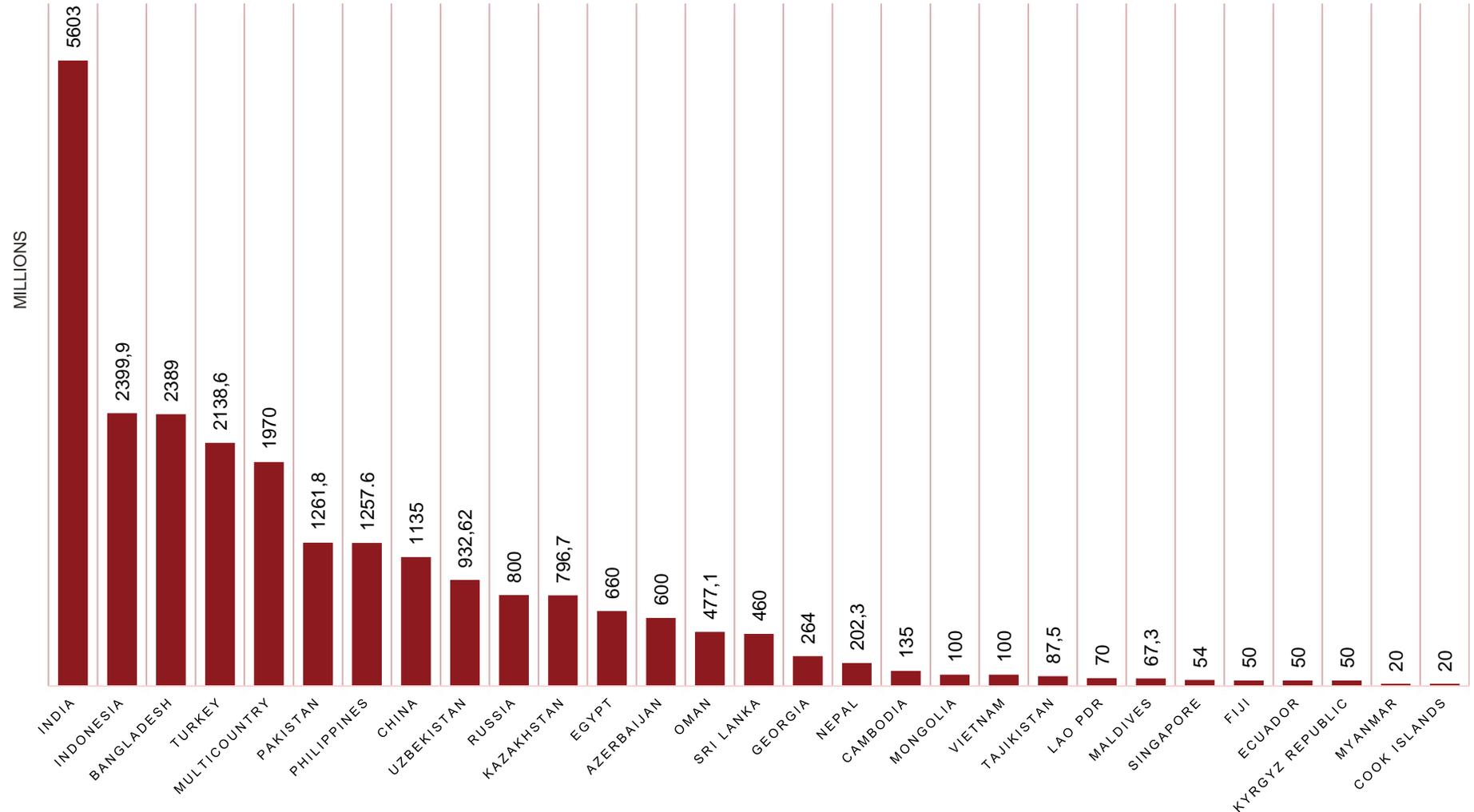
- Treaty-based organization with permanent observer status at the United Nations.
- Member of a community of Multilateral Development Banks with preferred creditor status.

# Investment Operations

Loans approved since inception: **USD24.15 billion**.  
Number of projects approved: **119**.

Investments in energy, transport, digital, water, sanitation and connectivity.

AIIB will leverage its balance sheet to mobilize financing for the private sector.



## Zhanatas 100 MW Wind Power Plant

# Kazakhstan



AIB is helping Kazakhstan generate clean electricity by mobilizing private capital and investing in a 100-megawatt wind power plant that will become central Asia's largest.

We're investing USD34.3 million out of the total project cost of USD139.9 million (the rest being funded by sponsors and other financial institutions) to enable the client, Zhanatas Wind-Power Station LLP, develop a wind farm infrastructure for tomorrow. The project promotes the use of renewable energy, generates approximately 319 GWh per annum (0.3 percent of total electricity generation in Kazakhstan) and avoids about 260,623 tons of carbon dioxide equivalent per year.



## Sylhet to Tamabil Road Upgrade Project

# Bangladesh



We're helping Bangladesh build Infrastructure for Tomorrow through a USD404-million loan to improve cross-border connectivity between Bangladesh and India via a safe and efficient road between Sylhet and Tamabil.

The project is expected to have positive social impact in terms of substantial travel time and associated cost savings. The road can lead to improved connectivity to health, education, employment and other social services and opportunities.





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ASIAN INFRASTRUCTURE  
INVESTMENT BANK

# "LA AIIB & L'ITALIA OPPORTUNITA' PER IL PROCUREMENT".

May 28, 2021



# PROCUREMENT POLICY– INTRODUCTION

- Aims to support recipients of Bank financing to achieve successful implementation of projects through **efficient, fair, ethical** and **transparent** processes that optimize both value for money and social and environmental sustainability.
- Fundamentally aligned to other **multilateral development bank** procurement guidelines and rules including the World Bank Procurement Policy in Investment Project Financing (IPF).
- International open competitive tendering is the preferred method of procurement to be followed under a Bank-financed project.
- Other methods may be applied provided the Recipient demonstrates to the Bank's satisfaction that the proposed procurement method adequately reflects the requirements of the Bank's Core Procurement Principles.
- Policy can be found at [aiib.org/opportunities](https://aiib.org/opportunities)



# PROCUREMENT POLICY–INTRODUCTION

- Procurement Policy, Procurement Instructions for Recipients, the Directive the Administrative Guidance (internal only), procurement documents templates are Bank's Procurement Framework.
- Permits firms and individuals from all countries to offer goods, works and services for Bank financed-projects regardless of whether the country is a Member of the Bank.
- Bank reviews the recipient's strategy for procurement delivery to establish whether it demonstrates economy and efficiency, is fit for purpose and delivers value for money.
- Procurement documents, RFP, are aligned to major MDBs.

## **New Provisions:**

- Stand Still Period prior to contract award and intention to award a contract.
- Abnormally Low Tenders (ALT).
- Strengthened provisions to enforce environmental, social and safety requirements.
- Project Delivery Strategy (Procurement Plan and Contract Management Plan)



# PROCUREMENT POLICY—CORE PROCUREMENT PRINCIPLES AND STANDARDS

## Core Procurement Principles:

- Economy.
- Efficiency.
- Effectiveness.
- Fairness: Good Governance.
- Value for Money.
- Fit for Purpose.
- Transparency.

## Procurement Standards:

- Strategic procurement.
- Transparent, open international competitive processes.
- Optimal balance between price and quality to generate sustainable desired outcomes.
- Credible recourse and impartial, equitable dispute resolution.
- Quality assurance compliance checks and third-party verification.
- Credible mechanism to address complaints of tenderers (works, goods and consulting services).

# PROJECT DELIVERY STRATEGY

- Recipient is required to develop a Project Delivery Strategy (PDS) for successfully delivering the project and is part of the project preparation process.
- The PDS should address how procurement activities support the project's development objectives and will deliver the best VFM under a risk managed approach.
- The level of detail and analysis in the PDS is proportional to the risk, value and complexity of the project.
- An outcome of the PDS is a Procurement Plan on which the financing of the project is based and the Bank' review requirements are identified (prior, post, selective).

# PROCUREMENT METHODS

- Goods, works, supply and installation and non-consulting services.
- Default: International open competitive procedures (depending on contract estimated value, risks).
- Universal eligibility, notification, standard tender documents, international model forms of contracts, public tender opening and open data.
- Multi-stage tendering.

## Other options:

- Selective tendering (pre-qualification), limited tenders, direct contracting, national competitive tendering, recipient's regulations
- Request for quotations (low value off-the-shelf items).
- E-procurement.

## SELECTION METHODS – CONSULTANCY SERVICES

Selection Methods for Firms – to be determined in PDS.

**International open selection method** preferred option (use of other methods to be agreed in the PDS).

**Limited Competition**, based on an acceptable short-list prepared by the recipient (exceptional and rare situations).

**National Competitive Selection**; no restriction in participation, advertisement only in the national media applicable when it is deemed unlikely to attract international Open Selection.

**Direct Selection**; FFP and VFM may require a direct selection either single source or sole source.

Selection Procedure for Individuals:

**Open Competitive Selection**, an REOI to be published encouraged default.

**Limited Competitive Selection**: based on known to recipient list of experienced and qualified individuals, selection based on qualifications (typically for low value contracts).

**Direct Selection**: single or sole selection maybe used with prior consent of the Bank.

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## PARTICULAR SELECTION METHODS - FIRMS

**Quality Cost Based Selection (QCBS):** following REOI a competitive process among short-listed firms where (i) quality of the proposal and (ii) the cost of the services are used in the selection of the successful firm. The relative weight to be given to the quality and cost is determined for each assignment and depends on the nature of the assignment.(normally is 70-30 or 80-20)

**b) Fixed Budget Based Selection (FBS):** following REOI a competitive process among short-listed firms in which the RFP indicates the available budget firms provide technical and financial proposals in separate envelopes. Technical proposals are opened and evaluated first; financial proposals are opened second, and the firm with the highest ranked technical. Proposal and whose financial proposal is within the indicated budget is selected.

**Least Cost Based Selection (LCS):** a competitive process among short-listed firms, in which the RFP specifies a minimum qualifying mark for quality and requests the firms to submit their technical and financial proposals in separate envelopes. Technical proposals are opened first and evaluated; only the financial proposals of those firms with at least the minimum qualifying mark are evaluated, and the evaluation is based exclusively on cost.

## PARTICULAR SELECTION METHODS - FIRMS

**Least Cost Based Selection (LCS):** this involves a competitive process among short-listed firms, in which the RFP specifies a minimum qualifying mark for quality and requests the firms to submit their technical and financial proposals in separate envelopes. Technical proposals are opened first and evaluated; the financial proposals of those firms with at least the minimum qualifying mark are evaluated, and the evaluation is based exclusively on cost.

**Quality Based Selection (QBS):** this involves a competitive process among short-listed firms, in which only the technical proposal is evaluated; the firm with the best technical proposal is invited to negotiate the financial terms.

**Consultant's Qualifications Based Selection (CQS):** a limited competition process, in which the Recipient obtains EoI from at least three firms and selects the best qualified and experienced firm to submit a combined technical and financial proposal

# PARTICULAR SELECTION METHODS – SHORTLIST

Short list of firms is required for all selection methods except **CQS** and **Direct Selection**, Following **REOI** firms with relevant past experience, managerial and organizational capabilities for the assignment.

Short-lists of consultants normally include no less than three and no more than six qualified and experienced consultants (individuals or firms, as the case may be).

## **Short-lists may not include:**

any affiliate of the Recipient unless (i) there is not a significant degree of common ownership, influence or control between the Recipient and the affiliate; and (b) the affiliate would not be placed in a conflict of interest position or other position in which its judgment in the execution of the assignment could be biased; or

firms who have submitted more than one EoI for the same contract, or have participated or intend to participate as a joint venture partner or consortium member in more than one EoI or proposal for the same contract.

**SOEs** and not-for-profit entities (such as NGOs and public universities) and UN

Agencies, are not normally included in the same short list with Private Entity firms, otherwise the selection should normally be made using the QBS A short-list may comprise entirely national consultants if estimate is below the threshold agreed with the Bank.

# PARTICULAR SELECTION METHODS – INDIVIDUALS

**Individual consultants** are selected for an assignment for which (i) a team of experts is not required, (ii) no additional backstopping professional support is required, and (iii) the experience and qualifications of the individual are of paramount importance.

**Open Competitive Selection** following REOI, if no knowledge of experienced and qualified individuals or of their availability, the services are complex, or there is potential benefit from wider advertising, or if advertising is mandatory under national law.

Selection from those who expressed interest and REOIs include complete TOR.

The evaluation is based on the relevant qualifications and experience of the individual consultant

**Limited Competitive Selection** when experienced and qualified individuals and their availability is known may be invited to express interest instead of issuing an REOI;

Consultan(s) selected from among those who expressed interest in response to the invitation.

The evaluation is based on the relevant qualifications and experience of the individual consultant

## PARTICULAR SELECTION METHODS – INDIVIDUALS

**Direct Selection** may be agreed with Bank's prior agreement on a **single-source** or **sole-source** basis in the following circumstances,

**Single-source** (a preferred individual consultant among several) tasks that are a continuation of previous work that the individual consultant has carried out and the individual consultant was **selected competitively**; or assignments with a total expected duration of less than six months; and iii. urgent situations;

**Sole-source**: when the individual is the only consultant qualified for the assignment

**Contract Negotiations** selected consultant's proposal may be modified by mutual agreement between the Recipient (**proposal**) and the consultant;

Changes in the scope of services and in the staffing originally proposed by the consultant, and appropriate adjustments in the price of services may then be agreed.

QBS and CQS selection, in addition to contract negotiations on scope of services and the staffing proposed, negotiations are permitted on consultant fee rates and contract implementation costs.

Final Contract Agreement is reviewed by the Bank and a no objection is issued.

# Key Considerations and tips for the preparation of a responsive offer - 1

- Eligibility and no conflict of interest, in doubt – ask a clarification !
- Qualifications, past experience, professional capacity and financial capacity; do I need to form a JV? **Do I need a local partner?**
- Evaluation criteria QCBS Considerations – quality and costs are taken into account Draft ToR maybe available at early stages – understand the scope well!
- Search for additional information – in many instances enhanced understanding can be achieved
- The quality of the proposed **key** experts – verify if key experts can be included in more than one proposal – if not make sure you have exclusivity.
- Very important to prepare a technical proposal that demonstrates your understanding and possibly reflects your core competencies and past experience
- Duly sign the submission forms – by authorized person
- Price it in a ‘sustainable manner’ – propose known experts and confirm availability!

## Key Considerations and tips for the preparation of a responsive offer that can be delivered – 2

- Be well prepared for implementation – it is increasingly essential KPI – implementation readiness vs. Employers’ financial arrangements – resources are scarce !
- Be prepared to deal with ‘non-standard forms of contract’ – MDBs may face increasingly requests to use national procedures – the focus is to ensure balanced risk allocation and equitable provisions!
- India is an example : Liquidated Damages – ‘Make in India’ – hybrid contracts and recourse to EPC strategy for large infrastructure;
- The role of MDBs financing and role to ‘mitigate’ risks of recourse to suboptimal national/local practices
- Post evaluation especially if the selection allows for a Stand Still Period – if unsuccessful ask for a debrief
- If you intend to complain do it when you have a clear and strong case! Keep financiers informed – always!

# PROCUREMENT OPPORTUNITIES

- Procurement opportunities are published on the AIIB website at [aiib.org/opportunities](http://aiib.org/opportunities) and on the UN Development Business online portal [devbusiness.com](http://devbusiness.com)



## Project Procurement Opportunities

Date	Economy	Project/Notice	Sector	Type
ISSUE DATE: Jun 19, 2020	INDIA	Chennai Peripheral Ring Road Project, Sections II and III <a href="#">DOWNLOAD</a>	TRANSPORT	REQUEST FOR EXPRESSION OF INTEREST (REOI)
ISSUE DATE: Jun 02, 2020	UZBEKISTAN	Bukhara-Miskin-Urgench-Khiva Railway Electrification Project <a href="#">DOWNLOAD</a>	TRANSPORT	INVITATION TO TENDER

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**Procurement Notice**  
**India**  
**Asian Infrastructure Investment Bank**

**SECTOR:** Transportation

**DEADLINE:** 18 April 2019  
**POSTED:** 1 March 2019  
**STATUS:** Updated  
**DB REFERENCE N°:** AIIB20-03/19  
**LOAN N°/FINANCING:**

**PROJECT:**  
UPDATE - Mumbai Urban Transport Project –III  
**TITLE:**  
Construction of Major bridges, Minor Bridges, ROB, Drains, Retaining wall, Boundary wall and Earthwork for the Quadrupling of Railway Track

**NOTICE:**  
Borrower/Bid No: MRVCW/101 UPDATED ON 5 APRIL 2019 (ORIGINALLY PUBLISHED ON 1 MARCH 2019): The document "Minutes of prebid meeting with amendments.pdf" has been attached (which can be accessed by selecting the link at the bottom notice). ...  
Please login to see the full notice.  
If you haven't subscribed yet, please click [here](#) to subscribe.

# PROCUREMENT OPPORTUNITIES

- How do you build structured intelligence for opportunities?
  - By sector, by country...
- Project Summary Information documents, posted on our list of Proposed Projects are the first indication of projects that may have procurement needs:



## Our Projects

Showing 1 - 10 of 46 results

APPROVAL YEAR	ECONOMY	SECTOR	FINANCING TYPE	PROJECT TYPE	PROJECT NAME	FINANCING AMOUNT	STATUS
–	Fiji	Other	Cofinanced	Sovereign	Fiji: Sustained Private Sector-Led Growth Reform Program	Proposed Funding: USD50 million	Proposed
<input type="button" value="VIEW DETAILS"/>							
–	Uzbekistan	Water	Stand-alone	Sovereign	Uzbekistan: Karakalpakstan and Khorezm Water Supply and Sanitation Project	Proposed Funding: USD430.1 million	Proposed
<input type="button" value="VIEW DETAILS"/>							

# WHAT'S NEXT

## Proposed Projects:

- Search by economy, sector, financing type and project type.
- Project Team Leaders listed on each project page.

### Fiji: Sustained Private Sector-Led Growth Reform Program

#### SUMMARY

STATUS	ECONOMY	SECTOR	E&S CATEGORY
Proposed	Fiji	Other	Category C

#### FINANCING

PROJECT TYPE	PROPOSED FUNDING AMOUNT	FINANCING TYPE
Sovereign	USD50 million	Cofinanced

#### TIMELINE

CONCEPT REVIEW
June 9, 2020

#### PROJECT TEAM LEADER

Asian Infrastructure Investment Bank

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Project Team Leader

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Asian Development Bank

**Pamela Wyatt**

Team Leader

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Ministry of Economy

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# Conclusions...

- AIIB embraced the new course in the MDBs procurement approach – principle based vs. compliance
- Focus on Project Delivery and Contract Management!
- The procurement framework is continuously developed !
- The procurement team is growing as well as the Bank is finding its way
- We listen to our partners, clients and economic operators!
- More often than not early engagement is required
- The opportunities through AIIB will become more regular and predictable to facilitate participation – Project Procurement Management System live in Q3 2021!

# QUESTIONS ABOUT PROCUREMENT OR PROJECTS

- Email [information@aiib.org](mailto:information@aiib.org)
- Review [aiib.org/opportunities](http://aiib.org/opportunities)
- Review our Procurement Policy:

