

Project Administration Instructions

PAI 2.02, Part A
Revised on January 2009
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RECRUITING CONSULTING FIRMS PART A: SELECTION METHODS

A. Introduction

1. This part of project administration instruction (PAI) 2.02 outlines how the Asian Development Bank (ADB) and executing agencies (EAs) use the six approved methods to select consulting firms for ADB-financed projects. Also read PAI 2.01, which provides general guidelines on recruiting consultants, and the other parts of PAI 2.02, which provide further guidelines on recruiting consulting firms.

2. ADB's preferred method of selecting consulting firms is quality- and cost-based selection (QCBS). With appropriate justification, ADB and EAs may also use the other selection methods.

3. The selection method that will be used must be agreed upon between the user division officer and the EA and clearly stated in (i) the concept paper (CP)¹/technical assistance (TA) paper; (ii) the procurement plan annexed to the CP/TA paper for delegated TAs, or (iii) the report and recommendation of the President (RRP) for loan/grant projects. If the user division officer proposes to use a method other than QCBS, he/she should discuss the selection method with the Central Operations Services Office (COSO) and should provide adequate reasons for using it in the CP/TA paper or RRP. Any subsequent changes in selection method proposed by the user division should be approved by COSO through the submission of a memo (paras 50-53 below).

B. Quality- and Cost-Based Selection

4. QCBS is a method of selecting a consulting firm based on both the quality of the technical proposals and the costs of the proposed services in the financial proposals. This selection method consists of four steps: (i) an evaluation of the technical score of each firm's proposal based on 1,000 points, (ii) the elimination of firms scoring below 750 points, (iii) the opening and evaluation of financial bids for firms scoring 750 points and above, and (iv) the weighting and combining of the technical and financial scores to reach a final score and a ranking among firms.

5. To calculate the firms' total scores, the technical proposals will normally be given a weight of 80% and the financial proposals a weight of 20%. This is the standard approach for QCBS and reflects the primary focus on quality but with some appreciation for cost factors in selection.

6. In special cases, if justified, ADB or the EA may opt for one of two alternative weightings:

- For assignments of relatively low levels of complexity and with minimum downstream impact, the technical proposal may be given a weight of 70% and the financial proposal a weight of 30%.
- Where more priority for quality is needed to take into account risks associated with project complexity, or where the impact of the consultant's assignment will be major, the technical proposal may be given a weight of 90% and the financial proposal a weight of 10%.

¹ Applicable to project preparatory technical assistance.

7. A table of illustrative situations for applications of QCBS weightings is provided below, with a few typical examples. However, the appropriate QCBS weighting for a particular assignment will depend on the specific circumstances of each case. In deciding which percentage breakdown to employ, the user division may refer to the levels of complexity, risk, and processing readiness for projects outlined in Operations Manual Section D11/OP.

| Specific QCBS Weightings | Complexity of the Project | Impact of the Project | Examples |
|--------------------------|---|--|--|
| 90%:10% | Conceptually complex, often multidisciplinary assignments requiring innovation and creativity, where inputs and outputs are often ill defined | High impact, where the consequences of failure could be high, leading to catastrophic economic, financial, social, or environmental loss | <ul style="list-style-type: none"> ▪ Detailed design study , e.g., for a highway, bridge or dam ▪ Complex energy sector study ▪ AIDS prevention or avian flu study |
| 80%:20% | Quality – Cost Ratio Norm: average complexity and impact | | |
| 70%:30% | Low complexity, simple, straightforward, routine work using standardized approaches where inputs are relatively well known and outputs easily defined | Low impact, where consequences of failure are low, with minimal potential economic, financial, social, and environmental loss | <ul style="list-style-type: none"> ▪ Simple baseline surveys ▪ Routine auditing and accounting ▪ Standardized training ▪ Follow-on-project (where Phase II replicates Phase I) |

8. When ADB or the EA will use QCBS, the terms of reference (TOR) must be detailed, specific, and should incorporate position-based TOR since during the evaluation procedure it will be necessary to evaluate and determine a score for each individual expert. The scope of work must be defined, and all the factors affecting the assignment cost, including all the required inputs, must be stated. The user division officer must be able to estimate the consulting inputs required reasonably accurately.

9. The specific weightings to be applied must be spelled out in the relevant CP/TA paper or procurement plan. Justification must be supplied for weightings of 90%:10% or 70%:30%, highlighting the specific factors relating to degree of complexity and/or impact, as relevant, to substantiate why an alternative weighting is proposed.

10. If a user division or the EA wishes to change the ratio used after approval of the CP/TA paper or RRP, clearance must be sought from the Principal Director, COSO through the relevant COSO director.

11. PAI 2.02, Part D, Appendix 1 provides an outline of the procedures for using QCBS for the recruitment of firms for TA; and PAI 2.02, Part E, Appendix 2 provides an outline of the procedures for using QCBS for the recruitment of firms for loans.

1. Requests for Proposals

12. The request for proposals (RFP) that ADB or the EA sends to short-listed consultants asks them to submit technical and financial proposals at the same time in separate sealed envelopes. The RFP explains the following:

- ADB or the EA will select a firm based first on the firm's qualifications to perform the work, and second on the cost of the firm's services.
- ADB or the EA will accept only one candidate expert for each position. If more than one *curriculum vitae* is provided for any one position, the rating of the weakest candidate will be applied in computation of the relevant score.
- In the absence of compelling circumstances, ADB or the EA will accept only one proposal per firm except for national firms associated with and providing national consultants for international firms.
- ADB will publicly open the financial proposals received from the technically qualified firms and will return unopened the financial proposals received from the firms that do not qualify after completion of contract negotiations.
- ADB will review the firms' financial proposals to make sure that they include the costs of all the services mentioned in their technical proposals. To compare and rank the proposals, ADB will correct and adjust them as necessary, and then convert other currencies to US dollars using the specified source for the exchange rates. The RFP will include a data sheet showing, among other items, the budget for the consulting services assignment. The data sheet will indicate if the budget is a **maximum** budget or an **estimated** budget. If a **maximum** budget is stated in the data sheet, the gross evaluated financial proposal (GEFP) (inclusive of provisional sum and contingency) proposals should not exceed the budget for the contract. If after evaluation the financial proposal exceeds the maximum budget outlined in the data sheet, the financial proposal will receive a score of zero. In a case where such a proposal still gets the highest combined score, the winning firm will be asked to bring down the financial bid to the budget stated in the data sheet without compromising the TOR. If the data sheet indicates an **estimated** budget consultants will not be penalized for exceeding it. (A decision whether to use a maximum or estimated budget is taken at the time of RFP preparation and depends on the level of contingency available and the degree of certainty about the cost of the consulting assignment).

2. Evaluating Technical Proposals

13. When COSO or the EA receives the consultants' proposals, it first securely stores the unopened financial proposals. Then it opens and evaluates the technical proposals. Technical proposals are then assessed on the basis of evaluation criteria prepared by ADB or EA staff during the short-listing process. (See PAI 2.02, Parts E, F, and G for details on this procedure.) A variable weighting is given to a firm's experience, methodology, and personnel, depending on the type of proposal requested (see PAI 2.02, Part B). For TA grant-funded assignments² expected to cost \$600,000 or less, technical evaluation is undertaken by the ADB user division. For TA grant-funded assignments expected to cost more than \$600,000, technical evaluation is undertaken by a consultant selection committee (CSC) chaired by COSO. For loan/grant-funded assignments, technical evaluation is undertaken by a CSC established by

² Except for delegated TA, for which the procedures for loan projects are followed.

the borrower. This is subsequently reviewed by ADB's supervising user division. Detailed procedures for TA grant-funded assignments, loan-funded assignments, and staff consultancies are given in PAI 2.02, Parts E, F, and G, respectively.

14. The minimum technical score is 750 points out of 1,000. After the technical evaluation, COSO (for TA grants) or the EA (for loan/grant projects) advises any consultants whose technical proposals score less than 750 points that they were unsuccessful and that COSO or the EA will return their financial proposals unopened at the end of the selection process.

3. Publicly Opening Financial Proposals

15. COSO or the EA next advises the firms of the time and place where the financial proposals of firms whose technical proposal scored 750 points or more will be publicly opened. COSO conducts all public openings for TA, including those with assigned budgets of \$600,000 or less. COSO conducts the openings at ADB headquarters in Manila. For loan/grant projects, the EA also advises ADB when and where it will conduct the opening.

16. At the opening, COSO or the EA

- has the people attending sign an attendance sheet,
- reads aloud the technical scores of the qualified firms,
- opens the financial proposals and reads aloud the total prices, and
- indicates the likely schedule for contract negotiations and commencement of the assignment.

COSO or the EA keeps all the other information in the financial proposals confidential.

17. After the opening, COSO or the EA sends a letter advising the qualified firms, whether or not they attended, of the technical scores and total prices for each qualified firm.

4. Evaluating Financial Proposals

18. COSO or the EA next evaluates the financial proposals and records the results on standard forms to be provided to the EA by the user division officer. COSO evaluates the financial proposals for all TA (except delegated TA) using QCBS, including those with assignment budgets of \$600,000 or less.

19. COSO or the EA verifies the price of each proposal using the procedure specified in the RFP. In doing so, it

- checks that the commercial terms in the proposal comply with the requirements in the RFP;
- corrects any mathematical errors and makes sure that the proposal includes the cost of all the services that the firm described in its technical proposal and for which the cost can be fairly estimated;
- makes sure that the provisional sums and the contingency amount are clearly and separately identified in the proposal in the same amounts as indicated in the data sheet;
- makes sure that the proposal excludes any separately identified local income tax on the international (and, as the case may be, on national) consultants, and converts any prices

- in other currencies to United States dollars using the source for the exchange rates that was identified in the RFP; and
- checks that the gross evaluated financial proposal (GEFP) (the proposal corrected for errors but including provisional sums and contingency) is within the assigned budget. When the data sheet specifies a maximum available budget, the financial proposal will be considered financially nonresponsive and will be allocated a score of zero if the GEFP exceeds such amount.

20. COSO or the EA then calculates the financial score for each financial proposal. Calculations are done only on the basis of variable cost items such as remuneration and out-of-pocket expenditures. Fixed-cost items such as provisional sums and contingencies are not included in the calculations. They are subtracted from the GEFP resulting in a net evaluated financial proposal (NEFP). COSO or the EA then gives the lowest NEFP a financial score of 1,000. To calculate the financial scores of the other proposals, COSO or the EA divides the lowest NEFP by the NEFP being considered and multiplies the result by 1,000.

21. Evaluations of financial proposals are confidential, and COSO or the EA discloses the details only to the ADB or EA staff directly involved in the evaluations. Any attempt to influence an evaluation will be dealt with according to ADB's anticorruption policy.

5. Completing the Evaluations

22. COSO or the EA calculates the final score for each consultant by adding the agreed upon weighting of the technical score to the agreed upon weighting of the financial score. COSO or the EA ranks the consultants based on their final scores and prepares an evaluation report.

23. Any member who wishes to discuss the evaluation may request a CSC meeting. The user division informs the government and the EA of the name of the consultant ranked first.

24. For loan/grant projects, if the EA's procurement plan requires it to submit its financial evaluation and final ranking documents to ADB for approval, the EA submits the documents in ADB's standard format provided by the user division officer. The documents include the minutes of the public opening, the financial evaluation report, the ranking, and the minutes of the financial evaluation meeting(s). The user division reviews and approves the documents. The division may request a CSC meeting to review the documents if it wishes. The user division advises the EA of ADB's decision. ADB's approval is final, and it does not consider any revised rankings submitted later. If the EA has not followed the agreed upon selection procedures, ADB reserves the right not to finance the assignment.

6. Contract Negotiations

25. During the contract negotiations, COSO or the EA may make only minor changes in the TOR, the consultant's inputs, and the quantities of expenses. COSO or the EA normally cannot change the consultant's proposed rates for remuneration and expenses.

26. After completing the negotiations, COSO or the EA returns the unopened financial proposals of the consultants whose technical proposals scored less than 750 points.

C. Quality-Based Selection

27. Quality-based selection (QBS) is a method of selecting consulting firms based on the quality of their technical proposals.

28. QBS is used only occasionally, when it is appropriate for the assignment. QBS may be appropriate for assignments that are very complex or specialized, and will have a high impact and/or a high cost if they fail, so that the quality of the consulting services is more important than the cost, and it is appropriate to select the best experts available. QBS may be appropriate for major engineering projects where poor design or failure could have a major impact on human life or livelihoods as well as in economic or financial terms. Examples of such high risk assignments are multisector feasibility studies; the detailed design of large infrastructure projects such as large dams, ports, or expressways; and financial sector reforms for which failure would significantly impact communities, the environment, and government finances.

29. When QBS is being considered, the officer should discuss the selection method with COSO and should provide reasons for QBS in the CP/TA paper or RRP. Where COSO and the user division do not agree on the selection method, COSO may request that the proposed selection be discussed and endorsed by either the MRM (for loans/grants) or by an SRC meeting (for TA). The proposed selection may alternatively be jointly approved by the relevant department head and the Principal Director, COSO through the submission of a memo.

30. PAI 2.02, Part D, Appendix 1 and PAI 2.02, Part E, Appendix 2 outline the procedures for using QBS for TA and loans, respectively. Some are similar to those for using QCBS (paragraphs 4-26). The main differences are as follows:

- The short-listed firms submit only technical proposals initially.
- ADB or the EA evaluates the technical proposals.
- For loan/grant projects, if the EA's procurement plan requires it to submit its technical evaluation documents to ADB for approval, the EA submits its documents, including an evaluation report.
- COSO or the EA asks the first-ranked consultant to submit a financial proposal before the contract negotiations start. COSO or the EA asks the consultant to provide documents to support all the costs shown. COSO or the EA opens the financial proposal privately rather than publicly, and reviews the proposal but does not evaluate it.
- During the contract negotiations, COSO or the EA discusses any technical issues with the consultant, changes the TOR if appropriate, and may negotiate any of the prices shown in the financial proposal. The contract provides that ADB may audit the consultant's accounts and receipts concerning the engagement, including the remuneration the consultant pays to the experts engaged for the assignment. The contract is usually a time-based one.
- For loan/grant projects, if the EA's procurement plan requires it to submit its contract negotiation documents to ADB for approval, the EA submits the draft negotiated contract and the minutes of the negotiations.

D. Fixed-Budget Selection

31. Fixed-budget selection (FBS) is similar to QCBS except that there is no weighting of the financial bids in the final score, and firms are thus ranked only on their technical bids. The highest ranked technical proposal meeting the minimum qualifying mark (normally 750 points out of 1,000) and within the indicated budget is chosen as the first-ranked firm. FBS may be appropriate for assignments for which the budget is limited and the required outputs are well defined. It is often used with lump-sum contracts.

32. Examples of assignments for which FBS may be appropriate include

- sector studies, market studies, and surveys with limited scope;
- field surveys during project preparation;
- simple prefeasibility studies and reviews of existing feasibility studies;
- social, land acquisition, and environmental surveys;
- reviews of technical designs and bidding documents;
- design of simple infrastructure projects such as small-scale irrigation systems or rural roads; and
- project benefit monitoring surveys and studies.

33. PAI 2.02, Part D, Appendix 1 and PAI 2.02, Part E, Appendix 2 provide outlines of the procedures for using FBS for the recruitment of firms for TA, and loans, respectively. Many are similar to those for using QCBS (see paragraphs 4-26). The main similarities and differences are as follows:

- As with QCBS, the short-listed consulting firms submit technical and financial proposals at the same time in separate envelopes. The financial proposals must be within the budget.
- ADB or the EA evaluates the technical proposals and rejects any that score less than 750 points out of 1,000 (the minimum qualifying mark).
- COSO or the EA publicly opens the financial proposals of all the consulting firms meeting the minimum qualifying mark.
- COSO rejects proposals that exceed the indicated budget.
- COSO or the EA evaluates the financial proposal submitted by the remaining consultant with the highest technical score. If the proposal omits a minor activity or other item from the consultant's technical proposal or the TOR, COSO or the EA may load the price in the financial proposal to cover the cost of the missing item. If an adjustment during the financial evaluation results in a financial proposal exceeding the budget shown in the data sheet, the proposal will be considered nonresponsive and will be rejected.
- Unlike with QCBS, COSO or the EA negotiates a contract with the consultant having the highest technical score. COSO or the EA does not normally negotiate the price, and may use a lump-sum contract, because the assignment is well defined and fixed, and to simplify contract administration.
- Should negotiations fail, COSO or the EA negotiates with the next technically ranked firm within the indicated budget.

34. In practice, when FBS is used, the short-listed consultants tend to bid the fixed maximum price or close to it. Therefore, FBS is a method for obtaining the best technical quality for a given price. Since COSO or the EA does not negotiate the first-ranked consultant's price (except to ensure that it is in compliance with the data sheet), the contract negotiations are simpler than with QBS. Contract

administration and project implementation are relatively simple, because COSO or the EA normally uses a lump-sum contract.

E. Least-Cost Selection

35. Least-cost selection (LCS) is a method of selecting a consulting firm by first determining if the short-listed firms are technically qualified and then choosing the firm that bids the lowest price.

36. LCS may be suitable for assignments that

- are small, with budgets usually \$100,000 or less;
- are standard or routine;
- have well-established practices and standards;
- have defined outcomes; and
- have low risk of failure.

37. Examples of assignments for which LCS may be appropriate include audits, simple surveys, engineering design and supervision of simple construction projects, maintaining equipment, and inspecting routes. Most of the assignments for which LCS is appropriate are under loan/grant projects.

38. PAI 2.02, Part D, Appendix 1 and PAI 2.02, Part E, Appendix 2 provide outlines of the procedures for using LCS for the recruitment of firms for TA and loans, respectively. Many are similar to those for using QCBS (see paragraphs 4-26). The main similarities and differences are the following:

- As with QCBS, the short-listed consultants submit technical and financial proposals at the same time in separate envelopes.
- ADB or the EA evaluates the technical proposal and rejects any that score less than 750 out of 1,000 (the minimum qualifying mark).
- COSO or the EA publicly opens the financial proposals of the remaining consultants.
- Unlike with QCBS, COSO or the EA evaluates the financial proposal with the lowest price. If the proposal omits a minor activity or other item from the consultant's technical proposal or the TOR, COSO or the EA may load the price in the proposal to cover the cost of the missing item. If the consultant's price is no longer the lowest after the financial evaluation, COSO or the EA evaluates the financial proposal that is now the lowest.
- COSO or the EA negotiates a contract with the consultant whose price is lowest after the evaluation.
- Should negotiations fail, COSO or the EA negotiates with the consultant with the next lowest price.

39. In practice, when ADB or the EA uses LCS, it is assumed that all the short-listed consultants will offer similar services. Therefore, LCS is a method of selecting a standard service for the lowest price. LCS is usually used by EAs for small and standard assignments. The selection process is simplified and shortened, because the EA usually needs only to evaluate one financial proposal and normally does not negotiate the financial terms. Contract administration and project implementation are also simplified, because the EA usually uses a lump-sum contract.

F. Consultants' Qualifications Selection

40. Consultants' qualifications selection (CQS) is a method for selecting a consulting firm by asking for amplified and detailed expressions of interest (EOIs) submitted in a standard template* and selecting the consultant best qualified for the assignment based on an evaluation of EOIs received.

41. CQS may be suitable for assignments that

- are small, generally not exceeding \$200,000, and the cost of a full competitive process is not justified;
- are short;
- require a "boutique" consulting firm that specializes in one specific area of expertise, for which only a small number of qualified consultants are available; and/or
- are urgent, and a full competition would take too long.

42. Examples of assignments for which CQS may be appropriate include

- brief evaluation studies,
- participation in expert panels to review projects,
- advisory assignments that are highly specialized and narrow in scope,
- those that require the best available qualifications,
- those for national nongovernment organizations,
- environmental impact assessments, and
- land acquisition and resettlement studies.

43. PAI 2.02, Part D, Appendix 1 and PAI 2.02, Part E, Appendix 2 provide outlines of the procedures for using CQS for the recruitment of firms for TA and loans, respectively. PAI 2.02, Part D, Appendix 4 and PAI 2.02 Part E, Appendix 7 provide processing checklists for TA and loan assignments, respectively. Many are similar to those for using QBS. The main differences are as follows:

- To avoid EOIs being submitted by unqualified firms, associations or joint ventures, the consulting services recruitment notice emphasizes the specialist nature of the assignment and defines the format for EOIs, requiring detailed information on the consultants' experience and qualifications relevant to the assignment. The recruitment notice may also ask for references.
- The recruitment notice may state the criteria for evaluating the EOIs. Typical weights are
 - Management Competence 20%
 - Technical Competence 60%
 - Geographic Competence 20%
- ADB or the EA evaluates the EOIs received, ranks the top three, and asks the firm with the highest ranked EOI to submit a biodata technical proposal and a financial proposal.
- If ADB or the EA finds the technical proposal acceptable, it negotiates a contract with the firm. COSO or the EA may negotiate any of the prices in the financial proposal. COSO or the EA uses either a time-based or lump-sum contract depending on the circumstances and the type of work involved.

* <http://www.adb.org/Consulting/toolkit-template.asp>

44. Using QQS allows ADB or the EA to select a consulting firm quickly, focusing on the technical and financial proposal of the firm that submits the most responsive EOI without the need to evaluate other technical or financial proposals. The selection process is shortened, because ADB or the EA evaluates only one set of proposals, the technical proposal is biodata, and the negotiations are usually by email and facsimile. If ADB or the EA uses a lump-sum contract, administration and project implementation are simplified.

G. Single-Source Selection

45. Single-source selection (SSS) is a method for selecting a consulting firm without conducting a competition. ADB or the EA invites only one consultant to submit a technical and a financial proposal. This method is the fastest way to select a consulting firm but does not provide the benefits of competition and is less transparent.

46. ADB or the EA uses SSS only in special cases in which not using a competitive selection method can be justified. SSS may be appropriate when

- a consultant is clearly more qualified than any other for the assignment, for example, because it successfully completed an earlier part of the work or a similar assignment, or because the consultant's qualifications are unique;
- the user division officer or EA can identify only one consultant that is qualified for the assignment;
- the assignment is very small;³
- it represents a natural continuation of previous work carried out by the consultant; or
- a consultant must be engaged quickly because of an emergency.

47. When a user division officer proposes that ADB or the EA use SSS, the officer should discuss the selection method with COSO and should provide adequate reasons for it in the CP/TA paper or RRP. The proposed selection is then discussed and endorsed by either the MRM (for loans/grants) or by an SRC meeting (for TA) for Management/Board approval.

48. PAI 2.02, Part D, Appendix 1 and PAI 2.02, Part E, Appendix 2 provide outlines of the procedures for using SSS for the recruitment of firms for TA and loans, respectively. Some are similar to those for using QBS. The main points to note are as follows:

- The user division officer states the name of the selected consultant in the CP/TA paper or in the EA's procurement plan and in the RRP. In the case of SSS for very small consulting contracts, if the user division officer has not selected a consultant before the CP/TA paper is approved, the officer submits a memo afterwards to the head of the user division department or office to approve the selected consultant(s).
- ADB or the EA normally asks the consultant to submit a biodata technical proposal and a financial proposal at the same time. ADB or the EA reviews the technical proposal to make sure it is adequate and then invites the consultant to negotiate a contract.
- During the contract negotiations, ADB or the EA may negotiate any of the prices in the financial proposal. ADB or the EA asks the consultant to provide documents to support all the prices shown. The contract provides that ADB can audit the firm's accounts and

³ See *Guidelines*, footnote 22.

receipts concerning the engagement, including the remuneration the firm pays to the experts engaged for the assignment. The contract format may be time based or lump sum.

49. ADB and EAs sometimes use SSS to reselect consultants for follow-up assignments that require continuity. In these cases, the RFP for the initial assignment states that ADB or the EA expects to reselect the consultant if it performs satisfactorily. When ADB or the EA starts the selection for the follow-up assignment, the consultant is given the new TOR and asked for new technical and financial proposals. Note that ADB and EAs generally use a competitive selection method rather than SSS if the original selection was by SSS and the follow-up assignment is substantially larger than the original one. In these cases, the original consultant may compete for the follow-up assignment as long as it has not prepared the TOR for the follow-up assignment.

H. Change in Selection Method

50. A change of consultant selection method may sometimes be justified due to various reasons after a TA or loan has been approved. In cases where the original procedure is QCBS and a noncommercial entity such as a nongovernment organization, university, or research institute is short-listed along with commercial consulting firms, the selection method will automatically be changed to QBS. In other cases, the procedures below will be followed:

1. TA or Projects Administered Following TA Procedures

51. If the cost estimate for the consulting services in question is \$1,000,000 or less, the director of the user division prepares a recommendation and justification, and submits it to the relevant COSO director for approval. If the cost estimate is above \$1,000,000, the recommendation is submitted by the director of the user division through the head of the user department to the Principal Director, COSO for approval.

2. Loans or Projects Administered Following Loan Procedures

52. When an EA proposes to change the consultant selection method after ADB has approved the project, it submits a proposal and justification to ADB for approval. The user division officer prepares a recommendation in consultation with COSO and the Office of the General Counsel and submits it following the relevant procedures as indicated in paragraph 51.

53. COSO informs the Board of the changes in the quarterly portfolio update.