

# Project Administration Instructions

PAI 3.07  
Revised April 2008  
Page 1 of 2

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## ADVERTISING PROCUREMENT OF GOODS AND WORKS

### A. Advertising Locally

1. Disseminating information on procurement contracts subject to international competitive bidding (ICB) is done by advertising invitations for prequalification or bids in *adb.org* and locally through either (i) an English language newspaper of general circulation in the country of the executing agency (EA), or (ii) an internationally known and freely accessible web site in English. PAIs 3.03 and 3.04 detail minimum prequalification and bidding periods for ICB, national competitive bidding (NCB), and limited international bidding (LIB) procedures. Advertising requirements for NCB, LIB and shopping are also provided in these PAIs.

2. The EA forwards a report to ADB on local advertising of the invitation as soon as it is available. If prior review is used, a reminder is sent by ADB to the EA if the report is not received within one month of ADB approval of the prequalification or bidding documents. Advertisement on *adb.org* is arranged by ADB and so the information required for the advertising must be received by ADB in sufficient time to post the advertisement and meet minimum advertising time requirements.

### B. Publishing Notices on *adb.org* and *United Nations Development Business*

3. ADB advertises procurement opportunities that it finances on *adb.org* and *United Nations Development Business (UNDB)*, now published on-line. Advertisement in *UNDB* is, however, not mandatory as ADB has no control over its publication. *UNDB* carries public procurement notices on projects financed by international organizations. *adb.org* carries information only on ADB-financed projects, including procurement notices and contract awards.

4. *adb.org* and *UNDB* contain general procurement notices (GPNs) and specific notices (SNs).

- (i) A GPN contains general information about a project that is approved or is being considered for financing, and includes
- the name of the borrower;
  - the loan number (when available), and title and description of the project;
  - the agency responsible for procurement, its mailing address, facsimile and telephone numbers, and email addresses;
  - a description of the goods or works subject to international competitive bidding;
  - a description of the goods or works subject to national competitive bidding; and
  - sufficient other information to enable potential bidders to determine their interest.

The GPN for a project appears in *adb.org* for at least one month, but preferably three months, before the first prequalification (where prequalification is to be carried out) or bidding documents are made available for issue. In case of Advance Contracting the Advance Contracting Notice (PAI 3.01, Appendix 1) constitutes the GPN.

- (ii) An SN refers to the advertisement for prequalification (where prequalification is to be carried out) or bidding for an individual contract, and includes
- the name of the borrower;
  - the loan number, and title and description of the project;
  - the agency responsible for procurement, its mailing address, email address, facsimile and telephone numbers;
  - the EA, its address, email address, facsimile, telephone number (if different from the procurement agency);
  - a detailed description of the works or goods to be procured under the specific contract;
  - the price of the prequalification or bidding documents;
  - the deadline for submitting the prequalification applications or bids;
  - the place, complete address, date, and time for submission of prequalification applications or bids;
  - the place, complete address, date, and time for opening of prequalification applications or bids; and
  - whether the domestic preference scheme will apply.

5. Publication of the SN for an individual contract follows immediately after the publication of the invitation for prequalification or bids in a local English newspaper of general circulation or on a well-known web site.

6. In addition to the GPN and SN, advance information on proposed projects, which are in the early stages of processing, is also included on *adb.org* and is updated as processing proceeds. More detailed information on these projects, appears later in the GPN.

7. Internal procedures for handling these procurement notices are in Appendix 1. The Central Operations Services Office (COSO) coordinates ADB activities for preparing and publishing procurement notices in *adb.org* and *UNDB*.

8. To ensure that an SN is prepared for every contract subject to ICB in a timely manner, the administering department provides COSO with the completed data form (Appendix 1, page 4) using information from the prequalification or bidding documents not later than the day following receipt of the documents.

**Internal Procedures for Procurement Notices**  
(to be published in *adb.org* and *UNDB*)

**A. General Procurement Notices**

1. During processing, the borrower is advised of the need to publish, and the content of, procurement notices in *adb.org*.
2. After the management review meeting but before loan negotiations, a draft GPN is prepared by the sector division and forwarded to the EA for review and concurrence. An example of a GPN is given in Appendix 1, page 2.
3. At least one month, but preferably three months before the scheduled issuing of the first invitation for prequalification or bids, the sector division finalizes the draft GPN with any additional information from the EA and transmits it to COSO. In case of Advance Contracting the Advance Contracting Notice (PAI 3.01, Appendix 1) constitutes the GPN.
4. After reviewing the GPN, COSO publishes it in *adb.org*.

**B. Specific Notices**

5. An SN is published at the prequalification stage if prequalification is used, otherwise it is published at the stage of inviting bids.
6. After receipt by ADB of draft prequalification or bidding documents, the sector division completes the attached data form (Appendix 1, page 4) using information from the prequalification or bidding documents and forwards it to COSO not later than the day following receipt of the documents.
7. COSO prepares a draft SN (Appendix 1, page 5) using information from the data form forwarded by the sector division, and sends the draft SN to the sector division for review; the draft SN is returned to COSO with any suggested revisions, within two days of receipt.
8. COSO finalizes the SN and publishes it in *adb.org* and also sends it to *UNDB* to be published.
9. In transmitting ADB's approval of draft prequalification or bidding documents, the EA is advised that an SN will be published on *adb.org* and forwarded to *UNDB*.

**Example of General Procurement Notice**  
(to be published in *adb.org* and *UNDB on-line*)

**LOAN XXXX**  
**Environmental Improvement for Industrial Pollution Abatement**

The xxxxxxxxxxxx has received a loan from ADB to help finance the cost of the xxxxxxxxxxxx Project.

The Project will support environmental improvements and institutional reforms to correct degradation of the lake basin. An effective and sustainable environmental management program for the basin will be formulated, capacity building will be provided for the agencies involved, and polluting industrial enterprises will be assisted to convert to non polluting methods. The Project will substantially reduce wastewater, hazardous air emissions, and release of untreated solid waste in xxxx and xxxx, and promote enterprise reform.

The proceeds of the loan are intended to be used for the procurement of the following:

- (i) through international competitive bidding,
- limestone crushing system;
  - sandstone crushing system;
  - limestone preblending system;
  - sandstone, iron cinder, and coal preblending system;
  - raw material grinding system;
  - clinker burning system;
  - raw meal homogenizing and kiln feeding;
  - clinker cooler;
  - coal grinding system and main exhaust fan;
  - pulverized coal weighfeed system;
  - conditioning tower and electrostatic precipitator;
  - mechanical conveying loading and unloading equipment;
  - transport vehicles;
  - excavation equipment;
  - lifting equipment;
  - loading and unloading equipment;
  - computer control system;
  - automatic control instrument;
  - high tension and low tension electrical equipment;
  - cable, cable bridge, and accessories;
  - cement grinding and packing;
  - refractory; and

- (ii) though national competitive bidding procedures,
- civil works associated with lake basin (5 packages); and
  - dredging works (2 packages).

The first batch of bidding documents for the above items is expected to be available on or about dd/mm/yy, subject to a nominal charge.

Interested bidders from ADB member countries who wish to obtain additional information may contact

Name and Address of Agency Concerned  
Mailing Address : \_\_\_\_\_  
Telephone Number : \_\_\_\_\_  
Fax Number : \_\_\_\_\_  
email : \_\_\_\_\_

### Specific Notice<sup>1</sup>

(data form for specific notice (SN) to be published in *adb.org* and *UNDB on-line*)

1. Loan No. and project title
2. Detailed description and quantity of goods and works to be procured
3. Date bidding documents will be available
4. Name, address, email address, telephone, and facsimile numbers of the EA to obtain bidding and prequalification documents
5. Address, date, and time for receipt of prequalification applications or bids
6. Address, date, and time for opening of prequalification applications or bids
7. Price of prequalification or bidding documents in local currency and in US\$
8. Bid security (yes or no, if yes how much)
9. Domestic preference scheme (yes or no)
10. Other pertinent information on prequalification or bidding conditions and instructions that need to be included in the SN for firms to decide on their interest

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<sup>1</sup> Where prequalification is used, this form is accomplished on receipt of draft prequalification documents and is published as the invitation for prequalification. Publication of invitations for bids is not required for the same contract for which the prequalification invitation has already been published in *adb.org*.

**Publishing Procurement Notices in *adb.org* and UNDB**  
(sample of specific notice)

**Invitation For Bids**

[Date]  
[Loan No. and Title]  
[Contract No. and Title]

1. This invitation for bids follows the general procurement notice for this Project that appeared in *adb.org*, on **[insert date]**.<sup>1</sup>
2. The **[insert name of borrower]** **[has received/has applied for/intends to apply for]** a loan from the Asian Development Bank (ADB) toward the cost of **[insert name of Project]**, and it intends to apply part of the proceeds of this loan to payments under the contract for **[insert name/no. of contract]**.<sup>2</sup>
3. The **[insert name of purchaser]** now invites sealed bids from eligible bidders for **[insert description of goods and related services to be procured]**.<sup>3,4</sup>
4. International competitive bidding will be conducted in accordance with ADB's **[insert appropriate bidding procedure]**<sup>5</sup> procedure and is open to all bidders from eligible source countries.<sup>6</sup>
5. Interested eligible bidders may obtain additional information from **[insert name of purchaser]** and inspect the bidding document at the address given below, **[insert address at end of document]** from **[insert office hours]**.<sup>7</sup>
6. The bidding document, in English, may be purchased by interested bidders on the submission of a written application to the address below **[state address at the end of document]** and upon payment of a nonrefundable fee<sup>8</sup> **[insert amount in local currency]** or in **[insert amount in specified convertible currency]**. The method of payment will be **[insert method of payment]**.<sup>9</sup> The document will be sent by **[insert delivery procedure]**.<sup>10</sup> No liability will be accepted for loss or late delivery.
7. Bids must be delivered to the address below **[state address at the end of document]** at or before **[insert time and date]**. All bids must be accompanied by a bid security of **[insert amount in local currency or an equivalent amount in a freely convertible currency.]**. Late bids will be rejected. Bids will be opened in the presence of the bidders' representatives who choose to attend at the address below **[state address at end of document]** at **[insert time and date]**.<sup>12</sup>
8. The **[insert name of purchaser]** will not be responsible for any costs or expenses incurred by the bidders in connection with the preparation or delivery of bids.
9. To compare the bids, ADB's domestic preference scheme will be applied in accordance with the provisions stipulated in the instructions to bidders.<sup>13</sup>

**[Insert name of office]**  
**[Insert name of officer]**  
**[Insert postal address]** and/or **[Insert street address]**  
**[Insert telephone and facsimile number, indicate country and city code]**  
**[Insert email address]**

**Notes:**

1. Day, month, year; for example, 31 January 2006.
2. Insert if applicable: "This contract will be jointly financed by [insert name of cofinancing agency]. The eligibility rules and procedures of ADB will govern the bidding process."
3. A brief description of the type of goods and related services should be provided, including quantities, location of project, and other information necessary to enable potential bidders to decide whether to respond to the invitation. A bidding document may require bidders to have specific experience or capabilities; such restrictions should also be included in this paragraph.
4. [Insert if applicable]. The delivery/completion period is [insert no. of days/months/years or dates].
5. Insert one of the bidding procedures adopted by ADB, which are single-stage, one-envelope; single-stage, two-envelope; two-stage, two-envelope; and two-stage.
6. Occasionally contracts may be financed from special funds that would restrict eligibility to a particular group of member countries. When this is the case, mention this in this paragraph. Also indicate any margin of preference that may be granted as specified in the financing agreement and set forth in the bidding document.
7. For example: 09:00 to 12:00 hours.
8. The fee, to defray printing and mailing/shipping costs, should be nominal.
9. For example, cashier's check, direct deposit to specified account, etc.
10. The delivery procedure is usually airmail for international delivery, and surface mail or courier for local delivery. If urgency or security dictates, courier services may be required for international delivery. Documents may be distributed through downloading from a web site (see PAI 3.13).
11. The amount of bid security should be stated preferably as a fixed amount, or as a minimum percentage (approximately 2 percent) of the bid price. Alternatively, if a bid security is not required, the paragraph should state this.
12. The place for bid opening may not necessarily be the same as that for issuance of documents or for bid submission. If they differ, each address must appear at the end of para. 7 and be numbered; as, for example, (i), (ii), and (iii). The text in the paragraph would then refer to address

(i), (ii), etc. Only one place and its address may be specified for submission, and it should be near the place where bids will be opened.

13. Include only if domestic preference is provided in the loan agreement and is included in the instructions to bidders.