

Project Administration Instructions

PAI 2.01, Part B
Revised on February 2008
Page 1 of 3

TYPES OF CONSULTANTS AND CONSULTING ASSIGNMENTS

A. Definition of Consultants

1. The Asian Development Bank (ADB) defines consultants as individuals or entities who/that provide, on a commercial basis, special expertise in one or more technical fields.¹ ADB's consulting assignments normally involve working without direct supervision, conducting independent research and analysis, and providing reports or other intellectual property with advice or recommendations.

2. Assignments to undertake routine administrative tasks, provide secretarial support, assist project staff, or provide any other type of administrative assistance are defined as assignments for administrative assistants and are not consulting assignments. The Human Resources Division (BPHR) recruits administrative assistants for assignments in ADB's headquarters, and the resident missions (RMs) recruit administrative assistants for assignments in their offices.

B. Types of Consultants

3. ADB classifies consultants as firms or individuals:

- ADB and its borrowers engage consulting firms for many assignments to provide a wide range of services. These include research studies, policy studies, feasibility studies, project design, and project implementation supervision. Consulting firms usually provide teams of experts. ADB uses the term "consulting firm" broadly to include a wide variety of private and public entities that can provide consulting services, including international and national consulting firms, engineering firms, construction firms, management firms, procurement agents, organizations, universities, research institutions, government agencies, and nongovernment organizations. Project administration instruction (PAI) 2.02 provides information on recruiting consulting firms.
- Individual consultants are more appropriate and cost effective for some assignments. ADB and borrowers engage individual consultants directly if they are independent and self-employed, or through firms and other organizations if they are staff members of the firms or have been located by the firms or other specialized agencies. PAI 2.03 provides additional information on recruiting individual consultants.

C. Types of Assignments

4. ADB commonly classifies consulting assignments based on the funding source and type of work:

- Loan assignments are financed by loans from ordinary capital resources, the Asian Development Fund, or funds managed on behalf of cofinanciers. They normally entail assisting the borrower to implement the loan project. The borrowers normally recruit loan-financed consultants. PAIs 2.02, Part E, and 2.03, Part B, provide more information.
- Technical assistance (TA) assignments are financed by ADB's TA Special Fund, the Japan Special Fund, and similar funds. They normally entail designing loan projects and

¹ See also paragraph 1.3 of the *Guidelines on the Use of Consultants by Asian Development Bank and Its Borrowers*.

Project Administration Instructions

PAI 2.01, Part B
Revised on February 2008
Page 2 of 3

- implementing TA and regional cooperation activities among developing member countries (DMCs). PAIs 2.02, Part D, and 2.03, Part A, provide more information.
 - Staff consulting assignments are financed by ADB's administrative budget. They are normally used to supplement ADB's staff by providing specialized expert knowledge and advice for various activities. ADB recruits the consultants. PAIs 2.02, Part F, and 2.03, Part C, provide more information.
 - Training assignments are financed by ADB's administrative budget and entail delivering training and development programs to ADB staff. BPHR recruits the consultants. PAIs 2.02, Part G, and 2.03, Part D, provide more information.
 - Resource person assignments are short, inexpensive assignments for individual consultants. They are usually financed under TA operations but may also be financed by ADB's administrative budget. Many are to facilitate conferences, workshops, seminars, and similar activities. ADB recruits the consultants. PAI 2.03, Part E, provides more information.
5. ADB also classifies consulting assignments according to eligibility:
- International assignments are open to consulting firms and individual consultants from all ADB member countries.
 - National assignments are staffed by experts who are citizens of the project country, and payments are made at locally competitive rates payable in the local currency or its United States dollar equivalent. They are open only to consulting firms (including international firms if they have expressed interest) or to individual consultants who are citizens of the project country.

D. National Consultants from DMCs

6. ADB's policy is to develop and engage consultants from DMCs and to engage them when they are qualified to perform the work.
7. ADB considers consulting firms to be nationals of a DMC if they are established or incorporated in the borrower's country.² ADB considers individual consultants to be nationals if they are citizens of the country. ADB may require evidence of citizenship to recognize a consultant as a national consultant.
8. Appraisal missions for TA operations and loan projects discuss the proposed consulting assignments with executing agencies (EAs) to identify assignments appropriate for national consultants and to incorporate these in the procurement plan. More information on the responsibilities of appraisal missions for engaging consultants can be found in PAI 2.02, Parts D and E, and PAI 2.03, Parts A and B.
9. When selecting consultants for international assignments, ADB encourages national consultants from DMCs to participate, and international consultants to associate with consultants from DMCs.

² To establish nationality requirements in ADB's DACON (data on consulting firms), consulting firms are required to employ a designated number of permanent full-time professional staff who are nationals of the country in which the firm is incorporated or legally established. For more information, see <http://adb.org/Consulting/dacon.asp>. Note: DACON will be replaced by Consultant Management System in the first quarter of 2008.

Project Administration Instructions

PAI 2.01, Part B
Revised on February 2008
Page 3 of 3

10. ADB promotes the development of the consulting profession in DMCs. The Central Operations Services Office conducts seminars for consultants in DMCs and occasionally implements TA to help organize and develop DMC consulting industries.