



Technical Assistance Report

Project Number: 40107
September 2006

Seminars on Business Opportunities in 2006–2009

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
COSO	–	Central Operations Services Office
RETA	–	regional technical assistance

TECHNICAL ASSISTANCE CLASSIFICATION

Targeting Classification	–	General intervention
Sector	–	Law, economic management, and public policy
Subsector	–	Economic management
Themes	–	Sustainable economic growth, capacity development
Subthemes	–	Promoting economic efficiency and enabling markets; client relations, network, and partnership development

NOTE

In this report, "\$" refers to US dollars.

Vice President	C. Lawrence Greenwood, Jr., Operations Group 2
Principal Director	P. Daltrop, Central Operations Services Office (COSO)
Directors	R. Marshall, Central Operations Services Division 1, COSO R. Robertson, Central Operations Services Division 2, COS2
Team leader	B. Zentgraf, Senior Procurement Specialist, COS2

I. INTRODUCTION

1. Seminars on business opportunities are conducted by the Asian Development Bank (ADB) to inform the business community in ADB member countries of opportunities for involvement in ADB-financed projects. ADB's Central Operations Services Office (COSO) also provides regional technical assistance (RETA) for seminars on capacity building for project implementation and administration and for developing national consultants in developing member countries. ADB has conducted 199 seminars in 33 member countries on business opportunities since 1985 under RETA grants. The seminars familiarize prospective suppliers, manufacturers, and contractors with ADB procedures for procurement of goods and works and prospective consultants with ADB procedures for recruitment of consultants. This RETA¹ supports further seminars on business opportunities over a 3-year period from late 2006 to the end of 2009, including the development of web-based training materials to enhance ADB's outreach effort beyond those physically involved in the seminars. Concept clearance for this RETA was sought and approved on 24 March 2006.

II. ISSUES

2. The key procurement principles in ADB's *Procurement Guidelines* and *Guidelines on the Use of Consultants* are (i) economy and efficiency, (ii) transparency, and (iii) equal opportunity. These principles are in accordance with ADB's *Anticorruption Policy* which aims to (i) support competitive markets and effective public administration, (ii) support explicit anticorruption efforts, and (iii) ensure that all individuals and firms involved in ADB-financed projects adhere to the highest ethical standards. The seminars on business opportunities under this RETA are part of a systematic approach in support of the above principles to enhance competition in ADB-financed procurement and recruitment of consultants, promote cost-effectiveness, and combat fraud and corruption.

3. Significant portions of the loan, grant, and TA proceeds of ADB-financed projects are used to fund procurement of goods, works, and consultant services. Consultants are required for most of ADB's TA and loan operations. To be eligible for financing, all contracts must be awarded following ADB procedures. ADB procedures for procurement of goods and works and recruitment of consultants have been developed following international best practices and experience and have been harmonized with those of other multilateral development banks to a significant extent. However, in some aspects they differ from procedures used by donor countries and it is, therefore, necessary for potential bidders and consultants to become familiar with ADB procedures to maximize their opportunities in competing for contracts financed by ADB.

4. Requests for these seminars usually originate from interested host organizations such as chambers of commerce, consulting associations, contractors associations, federations of industries, and ministries of trade. Such requests are channeled through ADB's Board of Directors. The demand for these seminars is increasing, especially in borrowing countries, where national industries strive to increase their participation in ADB-financed procurement opportunities. The structure and content of the seminars have been improved over time to reflect changes in ADB policies and procedures as well as lessons learned from the past.

5. Favorable feedback on the seminars has been received via offices of the Board of Directors. The agencies and government bodies that have hosted the seminars have indicated

¹ The TA first appeared in *ADB Business Opportunities* on 19 May 2006.

that they were very useful in communicating the importance of ADB's operational activities to participants. From ADB's perspective, the success of the seminars is evidenced by increased competition for procurement opportunities.

6. In addition, the seminars have proved useful as public relations and information-sharing activities. They create greater business community awareness, in donor and borrowing countries, of ADB's (i) commitment to economy and efficiency, and (ii) dedication to transparency in the procurement process. They highlight the role the anticorruption policy plays in the procurement of goods and works and the recruitment of consultants. The TA framework is presented in Appendix 1.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

7. The seminars aim to make interested parties in the business communities in ADB member countries aware of (i) how to identify ADB business opportunities, (ii) how to pursue these opportunities, (iii) ADB's procurement policies and procedures, (iv) methods of payment under ADB-financed contracts, (v) procedures for evaluating bids, and (vi) redress procedures.

B. Methodology and Key Activities

8. The seminars will be conducted in donor and borrowing countries.² If requested, they may be held in more than one location in a host country. The seminars will be held from late 2006 to December 2009. It is intended that the seminars be equitably distributed among ADB's member countries; because of this, normally a seminar will not be held more than once every 12 months in any member country. The possibility of holding seminars and/or consecutive seminars in two or more countries back-to-back will be pursued to use resources efficiently.

9. The seminars will cover the following topics:

- (i) ADB's mission, organization, and operations;
- (ii) ADB's project cycle, and the opportunities that exist at each stage of the cycle;
- (iii) the provision of advance information about forthcoming business opportunities as contained in the ADB website, news releases, bid invitations in local newspapers and websites, and procurement notices in United Nations Development Business;³
- (iv) aspects associated with the recruitment of consultants, including registration, expressions of interest, short-listing procedures, requests for proposals, preparation of a competitive technical proposal, preparation of a financial proposal, contract negotiations, and contract administration;
- (v) aspects associated with the procurement of goods and works by the borrower, including prequalification, use of standard bidding documents, procurement methods and procedures, preparation of responsive bids, public bid opening, bid evaluation, and application of domestic preference;
- (vi) ADB's anticorruption policy, the investigative process and sanctions;
- (vii) redress procedures; and

² A list of countries will be developed during implementation.

³ Available: <http://www.devbusiness.com/>

- (viii) procedures for the disbursement of funds to suppliers of goods, works, and services.

10. The target audience will be personnel from manufacturers, suppliers, exporters, trading houses, contractors and consultants, including staff from universities and nongovernment organizations who prepare bids and proposals for submission to ADB and its borrowers.

C. Cost and Financing

11. The total cost of the RETA is estimated at \$400,000 equivalent. It will be financed on a grant basis by ADB's TA funding program. It will support approximately 40 seminars in interested member countries over a period of 3 years. The cost estimate is attached as Appendix 2.

D. Implementation Arrangements

12. A request for a seminar on business opportunities usually originates from an interested host organization and is channeled through the Board. In response to such a request, COSO communicates with the host organization and designs and plans the seminar in close cooperation with the organizers to suit their particular needs and preferences. The seminars are conducted in English. The standard format recommended by COSO spans 2 days, the first of which is the seminar and the second individual interviews with the resource speakers. On the first day, there is usually a morning plenary session, after which the participants divide into two groups: an industry group (contractors, suppliers, and manufacturers) and a consultants group. A typical program is contained in Appendix 3. Typical requests to amend this standard format to suit the needs of a particular organization include (i) conducting condensed presentations in consecutive sessions rather than concurrently; (ii) including presentations on ADB's private sector and/or cofinancing operations; (iii) emphasizing particular sectors, countries, and topics during the presentations; and (iv) having abbreviated presentations but more and/or longer individual meetings or round table discussions.

13. The RETA is scheduled to cover a period from September 2006 to December 2009. COSO will organize the resource speakers and the RETA will cover their travel and accommodation expenses. COSO will also make available seminar documentation for all participants. In coordination with resident missions and offices, where applicable, host organizers will be responsible for all local arrangements, such as providing conference rooms, audiovisual equipment, and secretarial assistance, and the issuing of advertisements and invitations to interested participants. The host organizers may charge a nominal attendance fee to cover these costs, including rental of conference rooms and lunch. Participants will be responsible for their own travel and accommodation costs.

14. Recently, COSO has conducted several seminars on business opportunities where requesting host organizers offered cost-sharing or total cost coverage. This approach will be encouraged, particularly for countries requesting frequent seminars.

IV. THE PRESIDENT'S DECISION

15. The President, acting under the authority delegated by the Board, has approved the provision of the technical assistance not exceeding the equivalent of \$400,000 on a grant basis for Seminars on Business Opportunities in 2006-2009, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/ Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks
<p>Impact</p> <p>Economic and efficient delivery of quality goods, works, and consulting services meeting international standards to DMCs</p>	<p>Projects implemented economically and efficiently</p>	<ul style="list-style-type: none"> • Project completion reports • Quarterly procurement statistics prepared by COSO • Bid evaluation reports prepared by EAs and consultants • Performance evaluation reports of consultants on completion of services 	<p>Assumptions</p> <ul style="list-style-type: none"> • Application and enforcement of fair and transparent procedures • Effective project monitoring
<p>Outcome</p> <p>Suppliers, manufacturers, contractors, and consultants are aware of ADB business opportunities and how to pursue them</p>	<ul style="list-style-type: none"> • Quality of bids and proposals enhanced • Number of nonresponsive bids declining 	<ul style="list-style-type: none"> • Quarterly procurement statistics prepared by COSO • Bid evaluation reports prepared by executing agencies and project implementation consultants • Evaluation reports on selection of consultants 	<p>Assumptions</p> <ul style="list-style-type: none"> • ADB-financed contracts are attractive to the international business community
<p>Outputs</p> <ol style="list-style-type: none"> 1. Business opportunity seminars implemented 2. Web-based training materials posted 	<ul style="list-style-type: none"> • Up to 40 seminars delivered • On average 50 or more participants trained per seminar • Business opportunities website visited by business community 	<ul style="list-style-type: none"> • Seminar attendance records • Post-seminar evaluations by participants and host organizers 	<p>Assumptions</p> <ul style="list-style-type: none"> • Adequate number of requests for seminars by suitable host organizations • Adequate number of participants • Participants are involved in the preparation of bids and proposals
<p>Activities with Milestones</p> <ol style="list-style-type: none"> 1.1 Coordinate each seminar with Board members 1.2 Update the Schedule of Business Opportunity Seminars on ADB's website 1.3 Plan and design each seminar with the host organizers 1.4 Implement each seminar 1.5 Post evaluate seminars <ol style="list-style-type: none"> 2.1 Design BOS website and upload training materials to ADB's website 			<p>Inputs</p> <ul style="list-style-type: none"> • ADB Resource persons; Travel-related costs of resource persons and seminar materials. • Host Organizations Seminar arrangements involving advertisements, venues, equipment • Participants Travel and accommodation for their own account

ADB = Asian Development Bank, COSO = Central Operations Services Office, DMC = developing member country, EA = executing agency.

COST ESTIMATES AND FINANCING PLAN^a
(\$'000)

Item	Cost
Asian Development Bank (ADB) Financing^a	
1. Airfares and Local Transportation of ADB Staff	150.0
2. Accommodation and Per Diem of ADB Staff	100.0
3. Seminar Materials, Printing, and Reproduction	50.0
4. Shipment of Seminar Materials and Communications	50.0
5. Web-Based Training Material	30.0
Subtotal	380.0
6. Contingencies	20.0
Total	400.0

^a Financed by ADB's technical assistance funding program.
Source: ADB estimates.

TYPICAL BUSINESS OPPORTUNITIES SEMINAR PROGRAM

Plenary Session	
Opening Remarks	
Presentations by the Host Organization	
Introducing ADB (20–60 minutes)	
Mission; organization; country offices; financial resources; operational activities; procurement statistics; business opportunities	
Concurrent Sessions (1–4 hours)	
Industry Group	Consultant Group
<ul style="list-style-type: none"> • The project cycle • ADB procurement business opportunities • ADB on-line: using the ADB website • ADB procurement procedures • ADB’s anticorruption policy • Preparation of responsive bids • Pre- and post-qualification • Domestic preference • Bid evaluation • Payment procedures • Redress procedures 	<ul style="list-style-type: none"> • The project cycle • ADB consulting business opportunities • ADB’s TA operations • ADB on-line: using the ADB website • DACON and DICON registration systems • ADB’s anticorruption policy • Preparation of expressions of interest • Short-listing procedures • Preparation of proposals • Evaluation and ranking of proposals • Contract negotiation and administration • Redress procedures

ADB = Asian Development Bank, DACON = data on consulting firms, DICON = data on individual consultants, TA = technical assistance.