



European Bank
for Reconstruction and Development

Meeting of the Portuguese Water Partnership with the European Bank for Reconstruction and Development

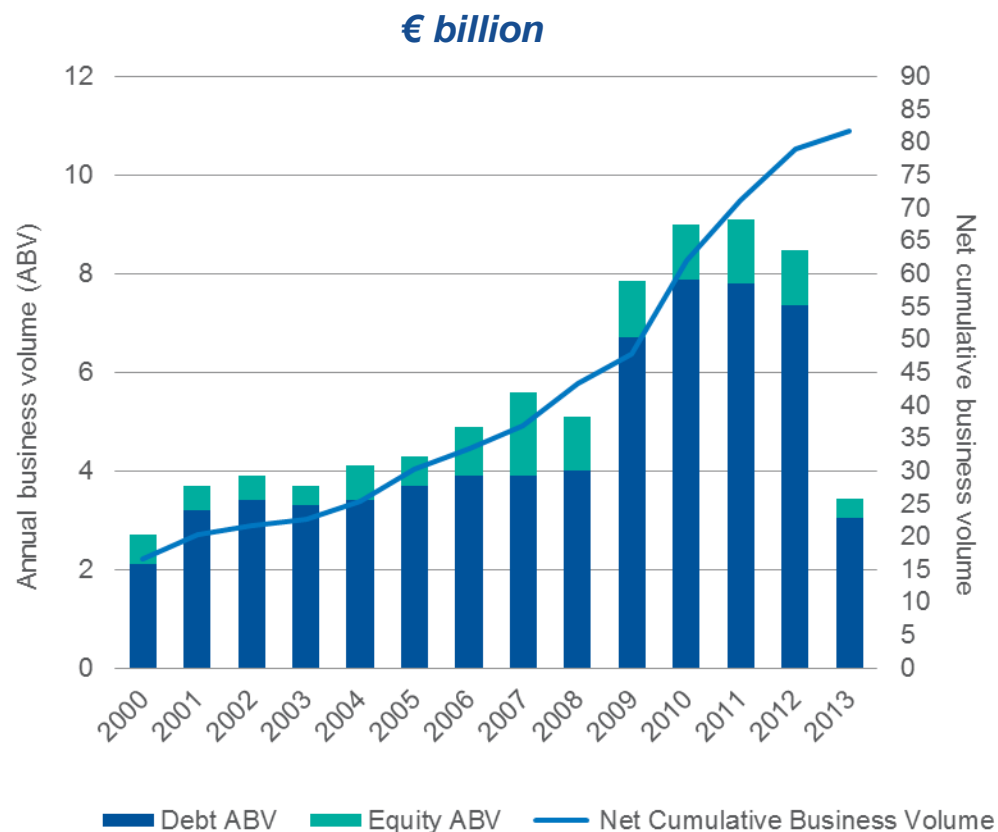
- EBRD and Procurement -

DIRK PLUTZ

Senior Procurement Specialist

EBRD Procurement Department

- Invested over €81.7 billion in more than 3,791 projects since 1991
- As at end July 2013:
 - €3.6 billion invested in 187 projects
 - Private sector accounted for 72% share
 - Debt 76%, Equity 22% & Guarantee 2%



Note: Provisional data as at 31 July 2013

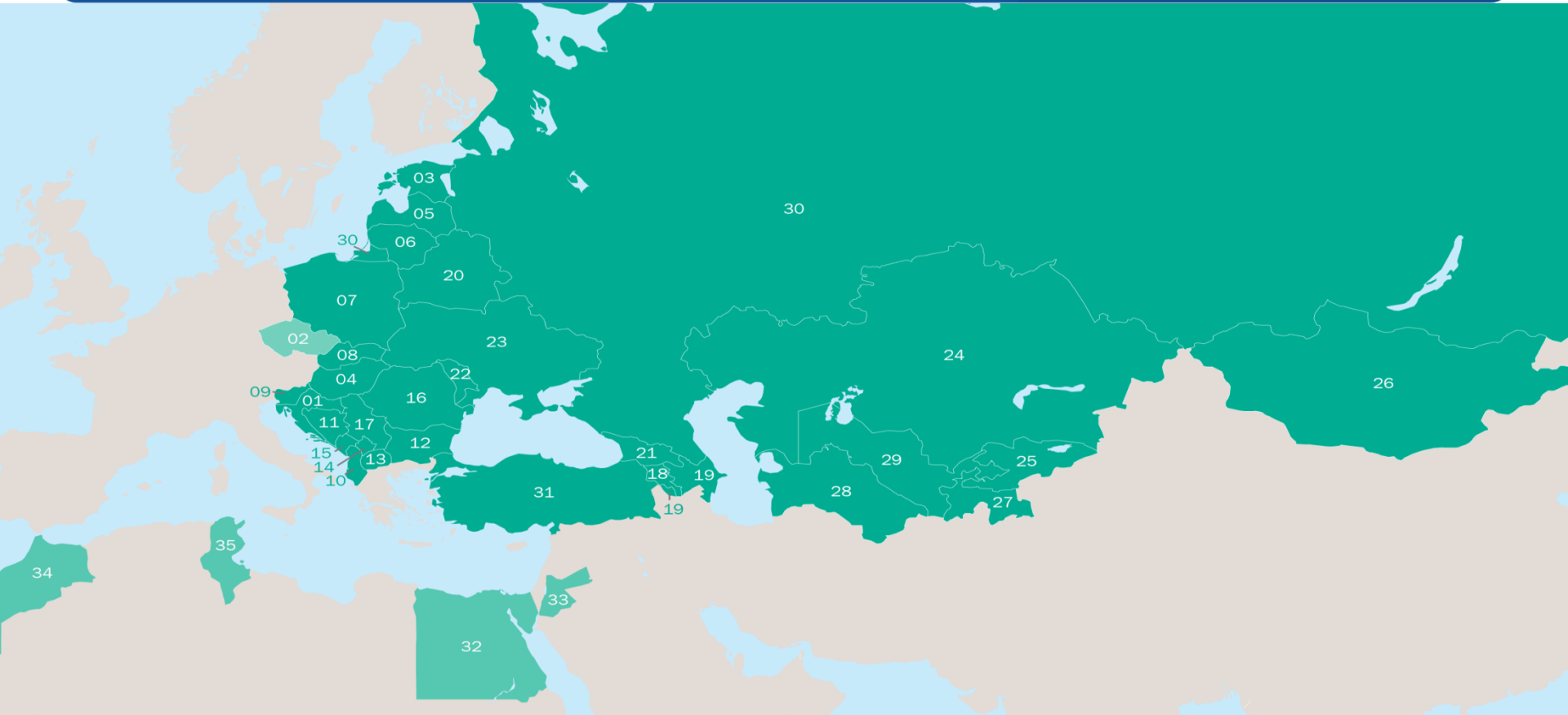
Where we operate

A network of 38 offices in 30 countries

More than half of our bankers based in the region



European Bank
for Reconstruction and Development



Countries of prospective EBRD operations

Southern and eastern Mediterranean

- 32 Egypt
- 33 Jordan
- 34 Morocco
- 35 Tunisia

In 2011 the EBRD launched donor-funded activities in the southern and eastern Mediterranean (SEMED) region, in support of the countries which are undergoing important political and economic reforms.

EBRD countries of operations

Central Europe and the Baltic states

- 01 Croatia
- 02 Czech Republic*
- 03 Estonia
- 04 Hungary
- 05 Latvia
- 06 Lithuania
- 07 Poland
- 08 Slovak Republic
- 09 Slovenia

South-eastern Europe

- 10 Albania
- 11 Bosnia and Herzegovina
- 12 Bulgaria
- 13 FYR Macedonia
- 14 Kosovo
- 15 Montenegro
- 16 Romania
- 17 Serbia

Eastern Europe and the Caucasus

- 18 Armenia
- 19 Azerbaijan
- 20 Belarus
- 21 Georgia
- 22 Moldova
- 23 Ukraine

Central Asia

- 24 Kazakhstan
- 25 Kyrgyz Republic
- 26 Mongolia
- 27 Tajikistan
- 28 Turkmenistan
- 29 Uzbekistan

- 30 Russia
- 31 Turkey

*as of the end of 2007, the EBRD no longer makes investments in the Czech Republic.



- **Municipal Infrastructure**
 - Waste water treatment plants, pipes, meters, pumping stations, sewage plants, process plants, incinerators
- **Transportation**
 - Rail track maintenance equipment, locomotives, signal systems, trams, buses, air traffic control and navigation equipment, motorway construction, management information systems



- **Power and Energy Efficiency**
 - Power transmission lines and substations, distribution control systems, power stations and sub-components, meters, energy efficiency equipment, refurbishment of plants, management information systems



- **Detailed rules for public sector**
 - Open tendering is the norm
- **Policies and objectives for private sector**
 - Follow normal acceptable commercial practices
- **Consultant services**
- **Guidance to Tenderers**



- **The Bank shares the same principles as other IFIs but....**
 - Aligned to principles of WTO Government Procurement Agreement
 - Eligibility to participate is open to firms from all countries including non-shareholder countries (except countries subject to UN Chapter VII sanctions or for contracts financed by grant funds like Nuclear Safety)
 - Specific rules for sub-sovereign clients
 - Only restriction is capability to fulfil the contract
 - No domestic preference



- **The client is responsible for all aspects of the procurement of contracts. It invites, receives and evaluates tenders and awards contracts which in all cases are concluded between the client and the supplier or contractor**



- **Public Sector Operations**

- The Bank reviews and monitors the client's tender process and contract administration to ensure that procurement is carried out in accordance with agreed procedures. The Bank reviews complaints when addressed to the Bank

- **Private Sector Operations**

- The Bank undertakes due diligence and monitors contract administration for larger projects to ensure that fair market prices are obtained



- **Open tendering**
 - all interested firms may submit tenders
 - pre-qualification
 - two-stage tendering for complex requirements
 - 86% by value of all EBRD financed contracts
- **All other methods are *exceptions* to be justified to the Bank's Board of Directors**
 - Direct Contracting, Local Competitive Tendering, Shopping, etc.

- **Where to find information on opportunities:**

- www.ebrd.com
- National press
- Know your market i.e. client



- **What to look for on ebrd.com:**

- Project Pipeline
- General Procurement Notices (GPN)
- Invitation for Prequalification or for Tender



- Be focussed and selective
- Explore sub-contracting or joint venture (JV) opportunities
- Respond to the GPN and build your knowledge
- Read “Annex 1 - Guidance to Tenderers” of the Procurement Policies and Rules



- Don't be too clever when preparing your tender (comply with the requirements) !!!
- Does your company meet the qualification criteria? Form JV
- Make sure to provide answers to all questions and submit all required documentation
- Review documents early and submit questions or issues in writing, if necessary copy the Bank



Year 2008

Number of contracts placed = 124

Value of contracts placed = € 1,197 million

Number of tenders submitted by Portuguese firms = 6

Number of contracts won by Portuguese firms = 0

Value of contracts won by Portuguese firms = 0

Rate of success = 0



Year 2009

Number of contracts placed = 75

Value of contracts placed = € 375 million

Number of tenders submitted by Portuguese firms = 1

Number of contracts won by Portuguese firms = 0

Value of contracts won by Portuguese firms = 0

Rate of success = 0



Year 2010

Number of contracts placed = 113

Value of contracts placed = €1,028 million

Number of tenders submitted by Portuguese firms = 2

Number of contracts won by Portuguese firms = 0

Value of contracts won by Portuguese firms = 0

Rate of success = 0



Year 2011

Number of contracts placed = 219

Value of contracts placed = €1,645 million

Number of tenders submitted by Portuguese firms = 4

Number of contracts won by Portuguese firms = 0

Value of contracts won by Portuguese firms = 0

Rate of success = 0



Year 2012

Number of contracts placed = 207

Value of contracts placed = €1,276 million

Number of tenders submitted by Portuguese firms = 3

Number of contracts won by Portuguese firms = 0

Value of contracts won by Portuguese firms = 0

Rate of success = 0



Thank You!

DIRK PLUTZ
Senior Procurement Specialist
EBRD Procurement Department