Guidance Note on Preparing the Master Bidding Documents

1. As contract types are decided during the preparation of the initial procurement plan, regional departments in consultation with OSFMD shall assist borrowers and their executing agencies (EAs) in preparing Master Bidding Documents (MBDs). Depending on the project needs, separate MBDs shall be prepared for prequalification of bidders, different consulting services contracts and for procurement of Goods, Works (Large and Small), Design and Construction or Plant: Design, Supply and Install contracts with due consideration of different procurement procedures, i.e. Single Stage: One Envelope; Single Stage: Two Envelope; Two Stage: Two Envelope, Two Stage.

2. The project-specific MBDs, Invitations for Bids (IFB) and the Request for Proposals (RFP) for project implementation consultants should be finalized by the end of the Project Preparatory Technical Assistance (PPTA) by the consultants and the EA, included as linked documents to the Report and Recommendation of the President (RRP) and agreed with the EA latest at loan negotiations with covenants on their use provided in respective financing agreements. IFBs and RFPs should be ready for issuance immediately after approval of advance action by SRM/MRM. In the case of complex projects, the approved MBDs for procurement of Works, Design and Construction or Plant: Design, Supply and Install contracts, as appropriate, may require further revisions upon completion of detailed design.

3. The early preparation of MBDs will serve to focus ADB and the EAs on procurement issues that may arise, and ensure that quality guidance is provided, particularly in those cases where customized bidding documents are required for procurement of highly specialized contracts for design and construction, operation and maintenance, performance-based contracts which are not commonly used under ADB financed projects. While preparing the MBD, staff must pay attention for the preparation of comprehensive technical requirements/specifications.

4. Preparation of project-specific MBDs during the PPTA will enable regional departments and OSFMD to review major parts of the draft bidding documents, prior to Board approval of the project. The MBDs would require minimum subsequent revisions and would facilitate timely project implementation.

5. For NCB contracts, EAs having SBDs guiding NCB procedure can either use ADB’s SBDs or local NCB documents acceptable to ADB. EAs that do not have local NCB documents may develop NCB documents specific to the project needs or use ADB’s SBDs.

6. While preparation of the RFPs for engagement of project implementation consultants will remain the responsibility of the PPTA consultants, regional departments in consultation with OSFMD’s Loan Consulting Unit shall provide comments on the draft RFP and draft CSRN to expedite their finalization. PPTA consultants shall be timely informed that as part of the preparation of the RFP they will be also responsible for preparation of the terms of references for project implementation, such consultants will not be eligible to bid for the subsequent consulting services assignment for project implementation.

7. Upon completion of the preliminary cost estimates for each procurement package, the EA, to the extent possible, complete the IFBs and the following sections of the MBDs:

   (a) Section 2 (Bid Data Sheet): specify, among others, the name of the Borrower and the EA, project name, contract identification number (including lots), price adjustment provision (if applicable), the currency of bids, the exchange rates and their sources, the amount of bid security [if the cost estimate is available] and its validity, a margin of preference (if applicable);
(b) Section 3 (Evaluation and Qualification Criteria): specify, among others, requirements for financial situation, average annual [construction] turnover, financial resources, production capacity, experience in contracts of similar size and key activities;

(c) Section 5 (Eligible Countries): specify eligible countries depending on the source of ADB financing, i.e. OCR or ADF (or other bilateral sources administered by ADB), or no nationality restrictions in case of application of universal procurement;

(d) Section 7 (General Conditions of Contract [GCC]): depending on the type of contract, ADB's standard GCC or GGC from Harmonized FIDIC Conditions of Contract, or other types of GCC, as appropriate;

(e) Section 8 (Particular/Special Conditions of Contract): relevant data on contractual obligations and any additions to GCC shall be introduced and agreed to the extent possible.

9. Section 1 (Instruction to Bidders) and Section 9 (Contract Forms) shall be used from ADB’s appropriate standard bidding documents unaltered. Closer to the PPTA completion, based on preliminary design and Employer’s Requirements the PPTA consultant and the EA shall complete all the above sections and remaining two sections of MBDs, i.e. Section 4 (Bidding Forms) with Bill of Quantities and Section 6 (Employer’s Requirements). Regional departments shall review and submit the entire MBD to OSFMD and OGC for comments and shall agree on the final version of MBD with the EA at loan negotiations.

10. For contracts below Procurement Committee thresholds, no further review of final bidding documents will be required by OSFMD and OGC, however, regional departments may consult with OSFMD and OGC on specific issues. For contracts subject to approval by the Procurement Committee, final bidding documents prepared by EAs shall be reviewed by OSFMD and OGC before issuance to bidders. In reviewing master bidding documents and final bidding documents, OGC review will be limited to conditions of contract and specific legal issues raised by regional departments or OSFMD.

11. The agreed MBDs shall be mandatory for use under the subject project without any alterations. In the case of complex projects, the agreed MBDs for procurement of Works, Design and Construction or Plant: Design, Supply and Install, as appropriate, may require further revisions as a result of changes in detailed design; evolving Employer’s Requirements; or change in scope or procurement arrangements. This will normally be covenanted in the respective financing agreements.