



# **Procurement of AFD-financed Contracts in Foreign Countries**

**24 March 2021**

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#MondeEnCommun  
AGENCE FRANÇAISE DE DÉVELOPPEMENT

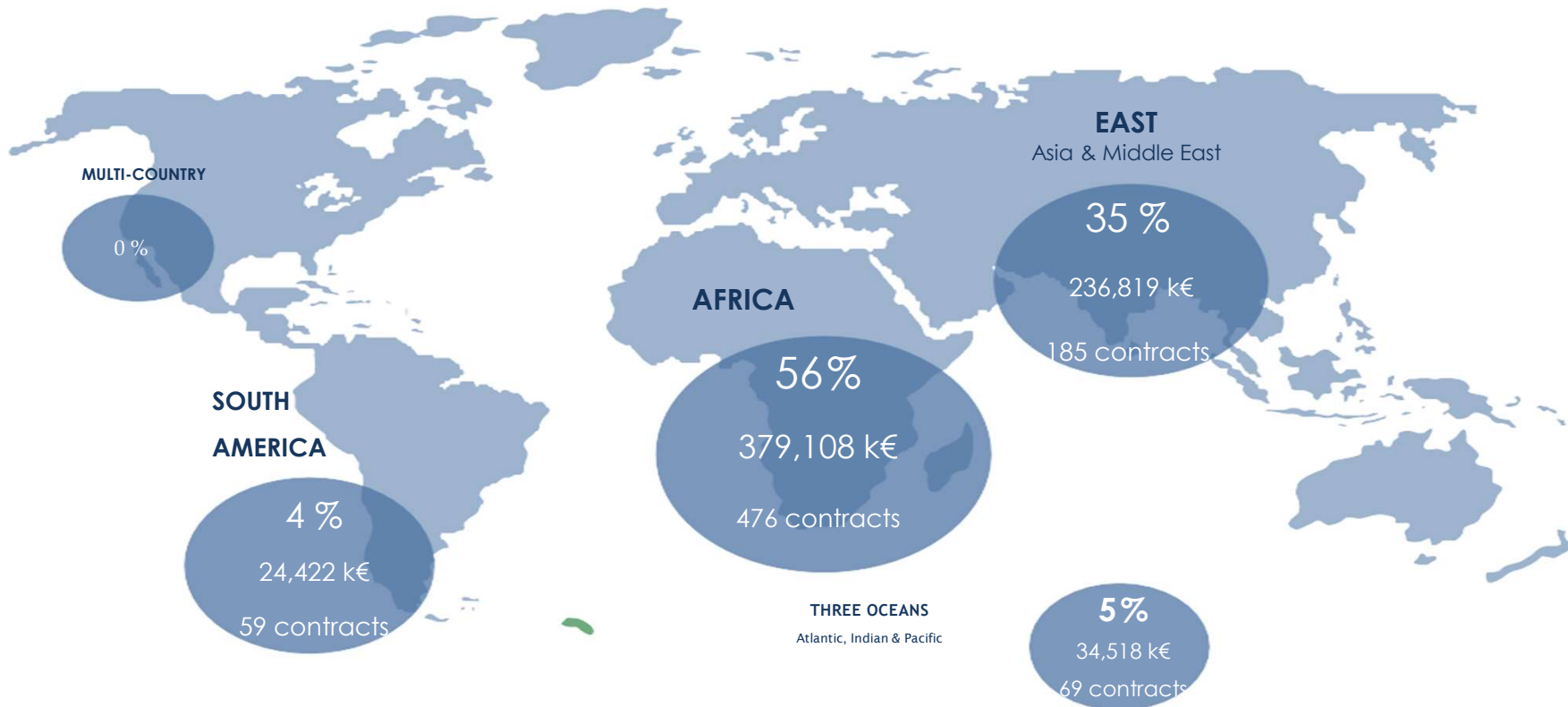
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# OVERVIEW OF CONSULTING SERVICES CONTRACTS FINANCED BY AFD

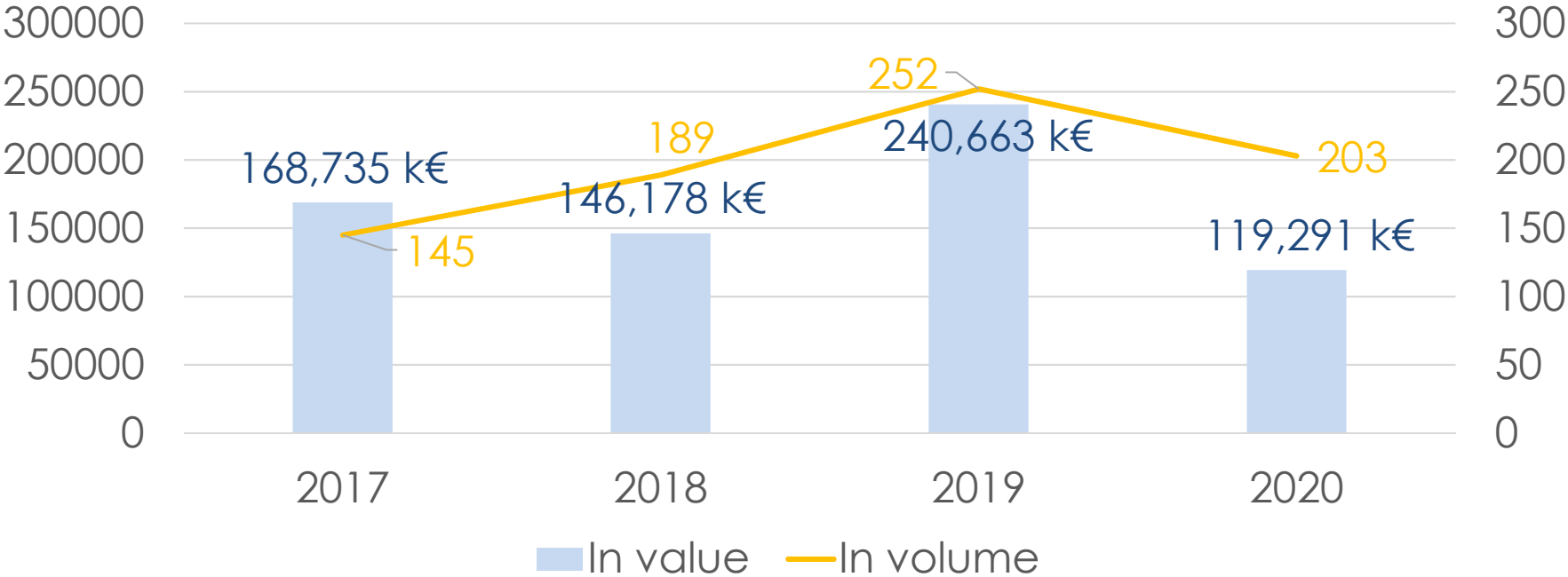


# Distribution of Consulting Services contracts – aggregated amount by region (2017-2020)

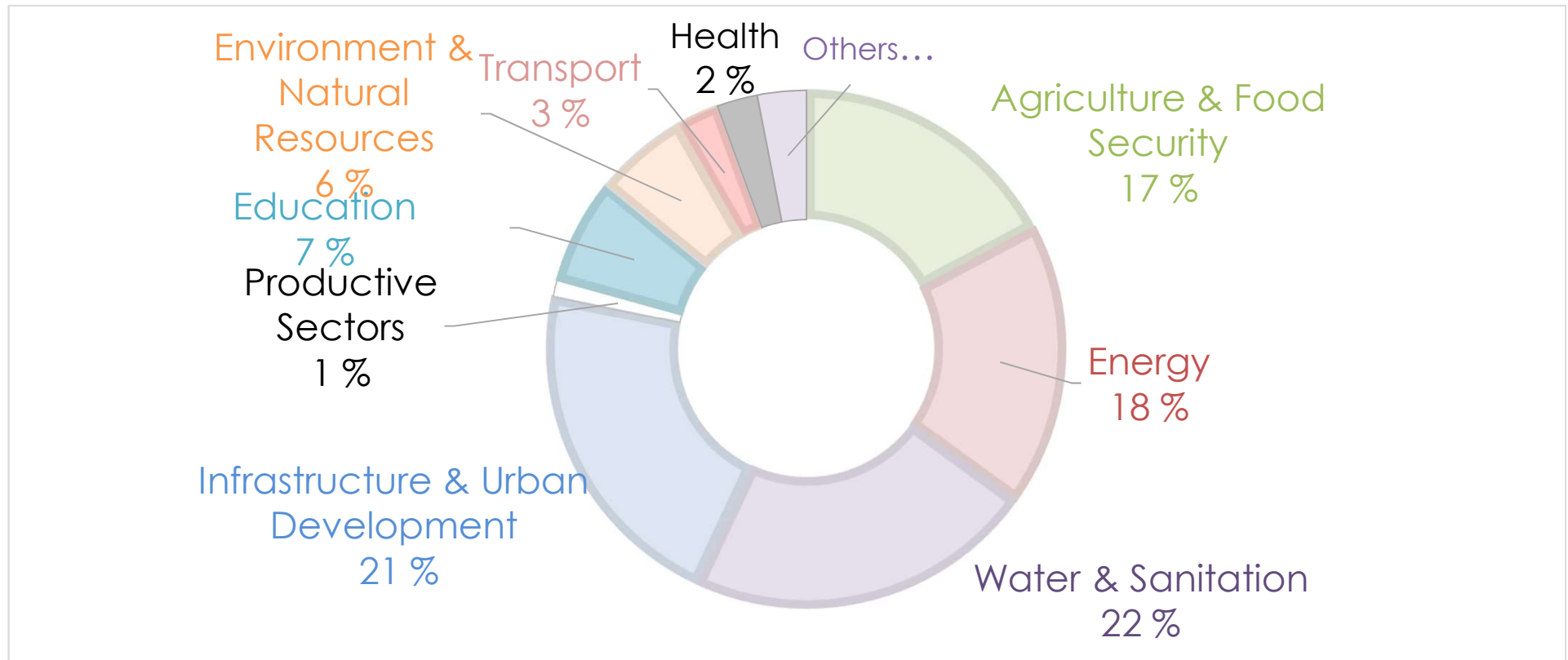
**Total amount 2017-2020 : 674,867 k€**



Evolution of consulting services contracts financed by AFD  
(number & aggregated amounts, 2017-2020)



Distribution of Consulting Services contracts by sector (% of total amount, 2017-2020)

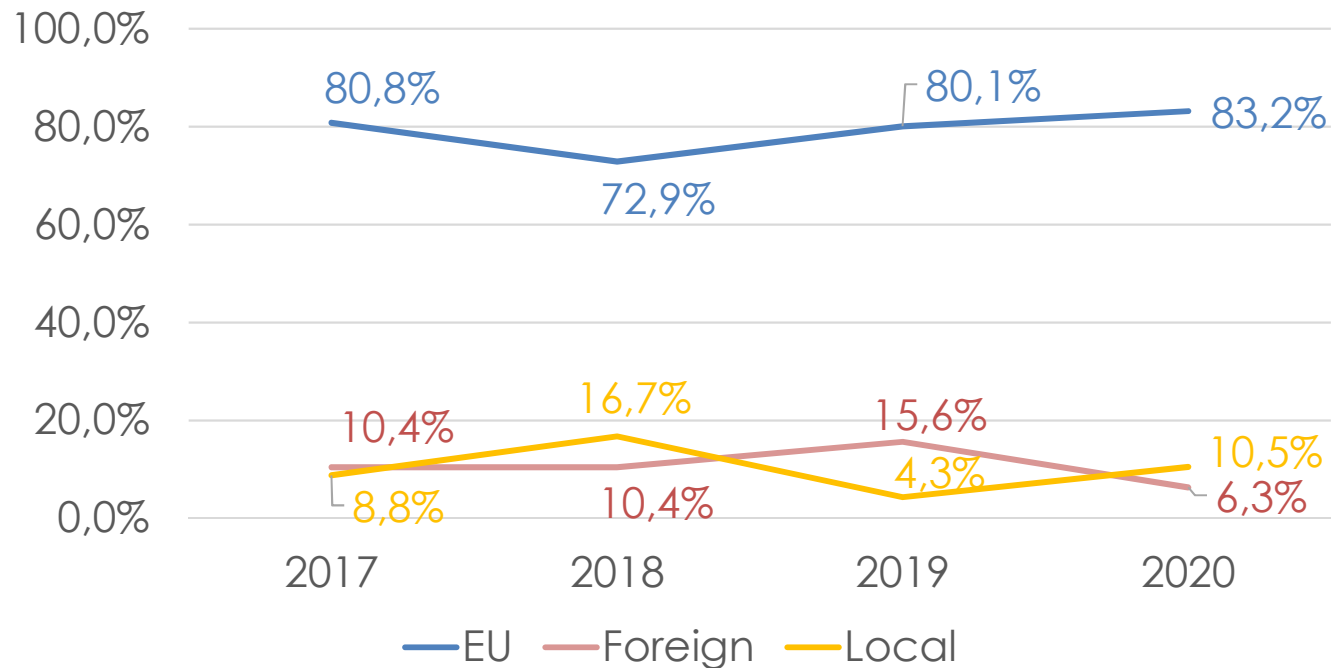


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**CONSULTING SERVICES  
CONTRACTS  
-  
EUROPEAN FIRMS**



Evolution of market share based on firm's nationality  
(% of total amount per year, 2017-2020)

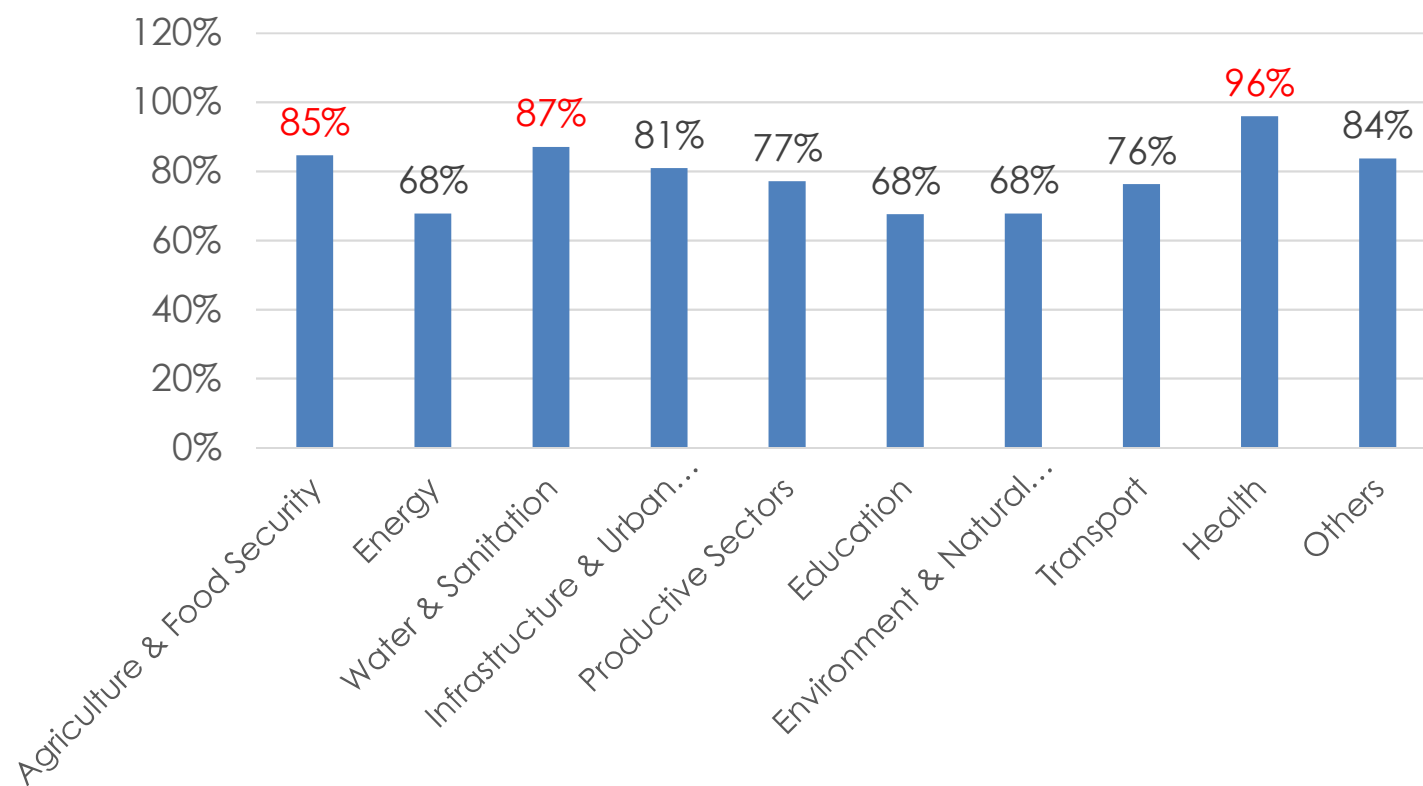


European firms are awarded most international consulting services contracts, by far

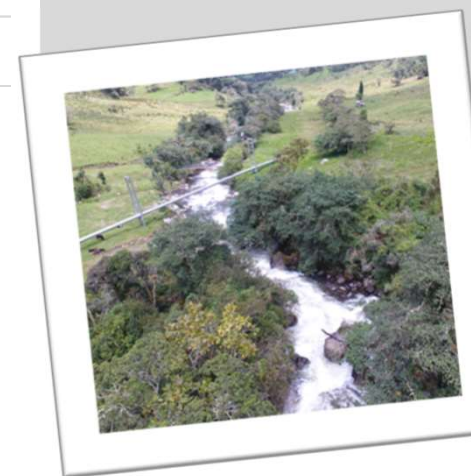
Average market share: 79,2 %

High quality of European firms largely recognized

## Market shares of European firms by sector (2017 - 2020)



A valuable European expertise particularly in health, water and sanitation, agriculture and food security sectors.



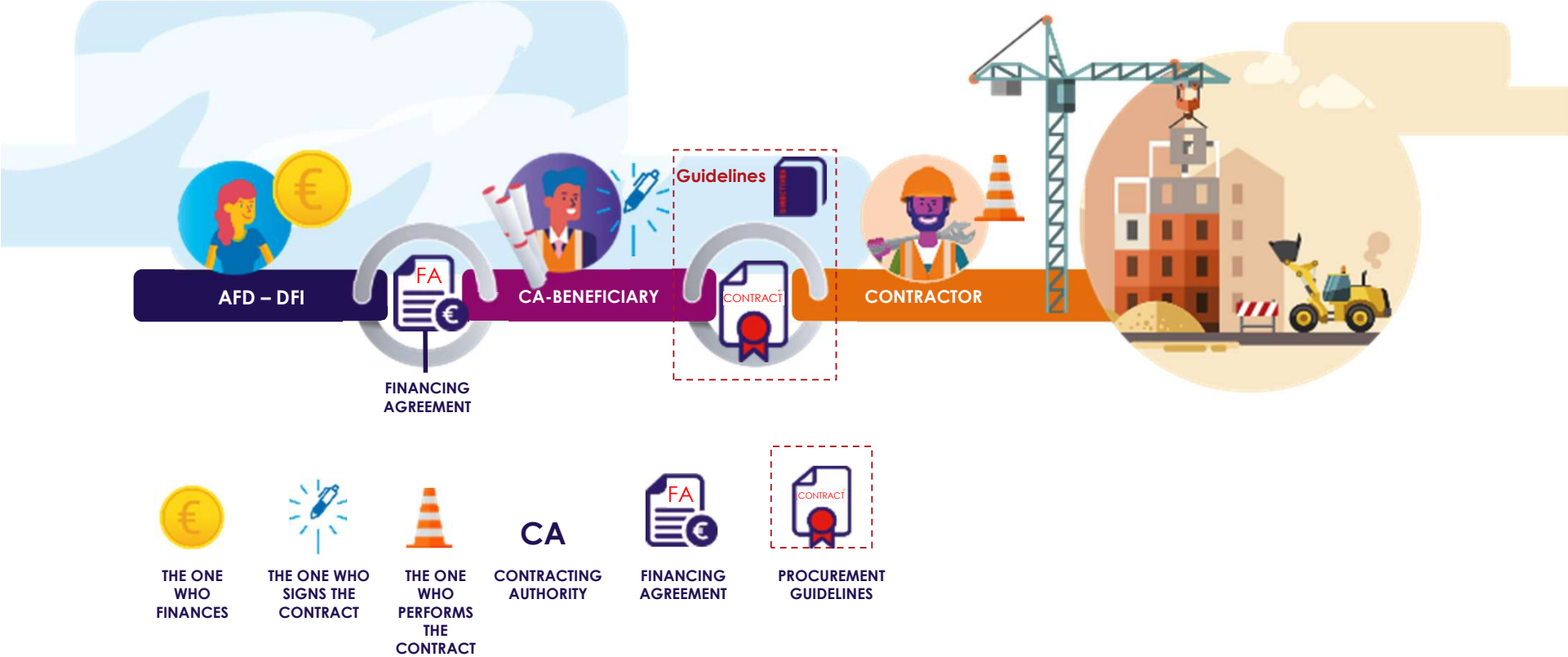


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## PROCUREMENT OF AFD- FINANCED CONTRACTS - GENERAL PRINCIPLES



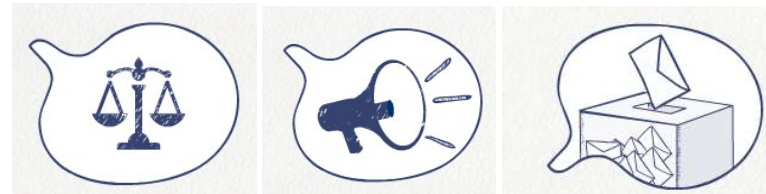
# PROCUREMENT / THE STANDARD SCENARIO



## GENERAL PRINCIPLES

- **Procurement processes must follow International Good Practices:**

- Equity
- Openness
- Transparency



- **AFD is accountable for:**

- The efficient use of its funds
- Its reputation (no Prohibited Practices)

- **AFD provides untied aid since 2002**

## AFD's PROCUREMENT GUIDELINES

- Procurement processes must comply with the Beneficiary's **applicable laws and regulations**, as well as **AFD's Guidelines**.
- There is a number of **eligibility criteria** (Prohibited Practices – conflict of interest, fraud/corruption..., Sanctions Lists, debarment by the World Bank, embargos...)
- A **competitive process** is the rule

<https://www.afd.fr/en/ressources/procurement-guidelines-afd-financed-contracts-foreign-countries>

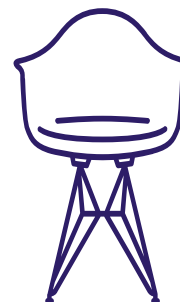


## THE SELECTION PROCESS

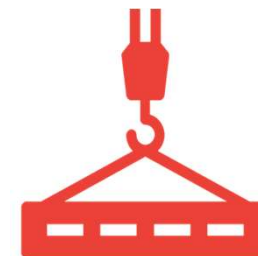


### CONSULTING SERVICES

- **Direct Shortlist**, or **Request for Expressions of Interest (REoI)**
- **Request for Proposals (RFP)**
- Award of the contract to the **highest scored Consultant** (combined technical and financial score)
- Technical score > Financial Score (e.g. 80%-20%)



### GOODS



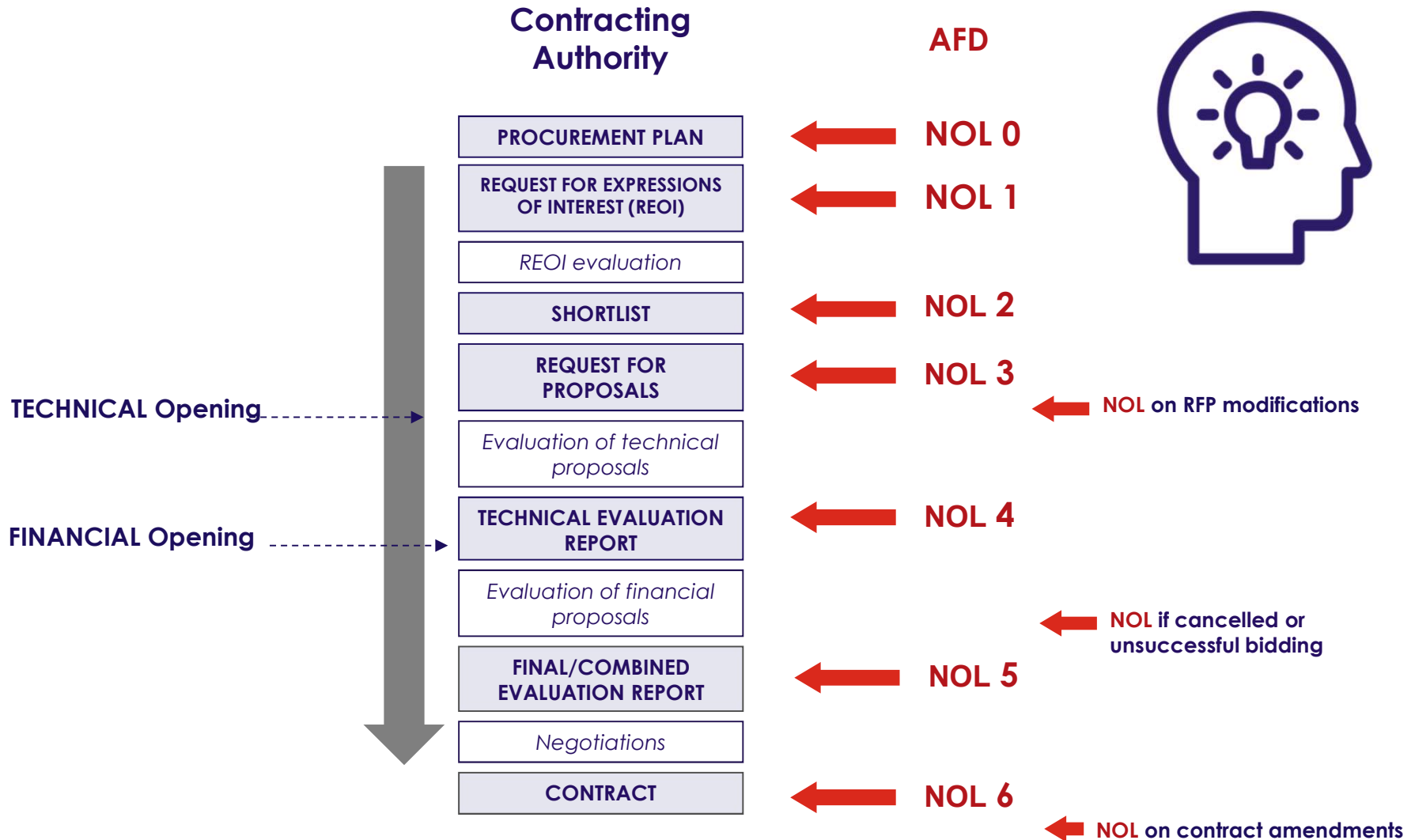
### WORKS

- Large competition through an **Open Tender** (including Prequalification or not)
- Award to the **lowest-evaluated, substantially compliant technically, and qualified bidder**

**Specific case: Design-Build(-Operate) contracts**

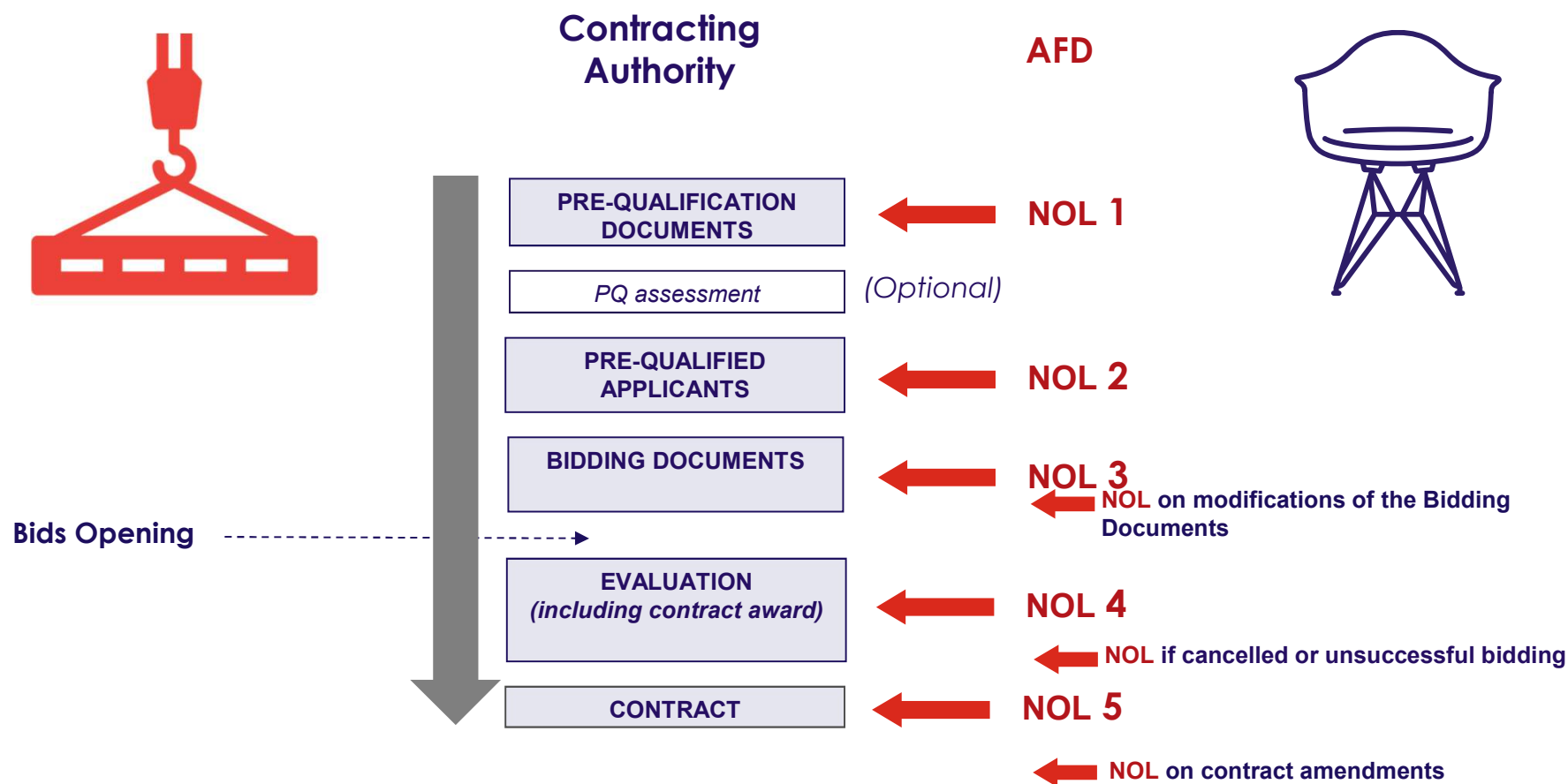
# NON OBJECTION LETTERS (NOL)

## AFD Controls // Consulting Services contracts



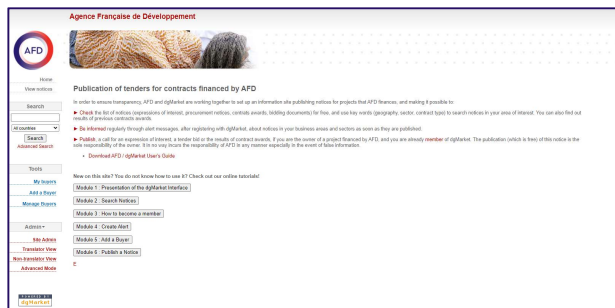
# NON OBJECTION LETTERS (NOL)

## AFD Controls // Works and Goods contracts



## MORE INFORMATION

**AFD  
Website**



[www.afd.fr/en](http://www.afd.fr/en)

Menu → Responding to a Bid Invitation → Bid Invitations and procurement → Know more about

MORE INFORMATION ON THE AFD GUIDELINES:  
**8 short online tutorials on the Guidelines**

DOWNLOAD MODEL DOCUMENTS  
**Guidelines, Standard Bidding Documents,  
Procurement Plan**

WEBSITE FOR PUBLICATION OF CALLS FOR  
TENDERS

<http://afd.dgmarket.com>



## AND TO GO EVEN FURTHER

# ONLINE TRAINING

E-LEARNING ON THE PROCUREMENT OF AFD-FINANCED CONTRACTS:

<https://www.procurement-elearning.afd.fr>



### FREQUENTLY ASKED QUESTIONS

ONLY 1 PROPOSAL WAS RECEIVED. CAN I STILL OPEN IT?

WHAT IF A CONSULTANT SUBMITTED ONLY ONE ENVELOPE CONTAINING BOTH ITS TECHNICAL AND FINANCIAL PROPOSALS?

CAN THE OPENING COMMITTEE REJECT PROPOSALS?

WHICH KEY DOCUMENTS COULD LEAD TO REJECTING THE PROPOSAL?

CAN WE PROCEED IF FINANCIAL PROPOSALS WERE PRICED IN DIFFERENT CURRENCIES?

SHOULD YOU SHARE THE TECHNICAL SCORE OF A CONSULTANT WHO DID NOT PASS THE MINIMUM THRESHOLD?

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## PROCUREMENT OF AFD-FINANCED CONTRACTS - WHAT IS NEW IN AFD'S STANDARD BIDDING DOCUMENTS



# ESHS CLAUSES

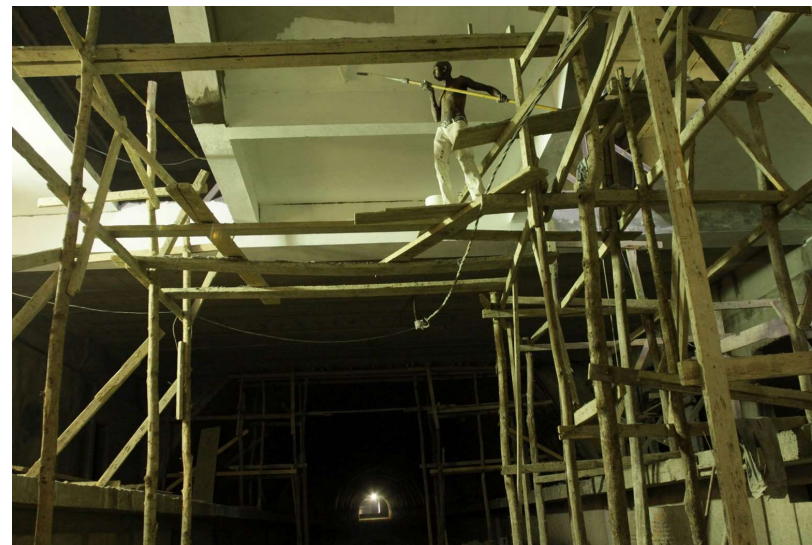
In the Works and DBO SBDs

## WHY?

- To avoid negative impacts on the environment, and on people; to limit delays and overcosts
- To award the contracts with a strong ESHS impact to skilled and responsible contractors
- To ensure a level-playing field

## During works execution

- Financing of ESHS measures
- Ensuring implementation of ESHS clauses
- Sanctions to be applied in case ESHS measures are not correctly implemented



# CLAUSES ON SECURITY

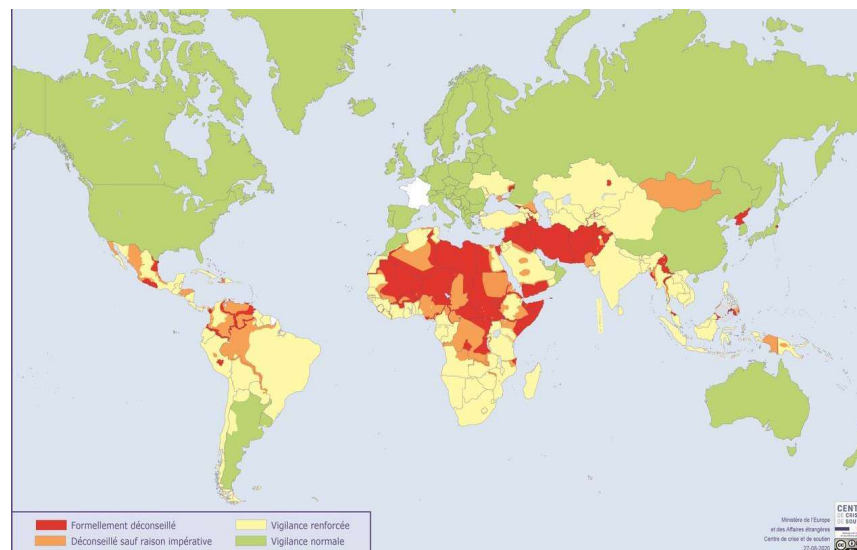
For Works and Consulting Services contracts

## WHY?

- To ensure firms take security risks into account (for both people and goods) in orange and red zones (French Ministry of Foreign Affairs)
- To award contracts to skilled and responsible firms
- To encourage firms to submit bids even in these zones

## During works execution

- Security Plan required to be implemented
- Financing of security measures
- The firm has the option to suspend the services in case of imminent danger



# TAXES

For Consulting Services – Request for Proposals and Contract

## Why?

- To clarify which taxes exactly shall be excluded in the financial evaluation
- To identify applicable taxes locally, and which Party shall be liable for their payment:
  - VAT
  - Withholding Tax
  - Contract Registration Fees
  - Customs duties (if applicable)





**THANK YOU**

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