



**ASIAN INFRASTRUCTURE  
INVESTMENT BANK**

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**2020 Corporate Procurement Annual Report**

Corporate Procurement Unit  
Facilities and Administration Services Department  
April 2021

## Executive Summary

### Contract Value

- The total value of corporate procurement contracts in 2020 is USD63,062,832, which is 24 percent lower than in 2019. A total of 568 contracts were awarded compared to 492 contracts in 2019.
- The procurement category with the largest spend is General Services accounting for 56 percent of the total contract value followed by Consulting Services for 31 percent, Goods for 11 percent and Works for two percent.

### Procurement Approach

- AIIB procures goods, works and services, including consulting services, through competition or direct selection. Competitive procurement represents 60 percent of the total contract value compared to 62 percent in 2019.
- Aside from regular one-off and multiyear contracts, AIIB executed 18 framework agreements for the long-term supply of strategic goods and services.

### 2020 Corporate Procurement Activities

- Procured 568 contracts to support AIIB's investment operations projects and meet the Bank's corporate requirements for goods, works and services using the Bank's administrative and capital budget.
- Procured Personal Protective Equipment (PPE) donated by AIIB to support the government of China's emergency response against COVID-19.
- Established a procedure for corporate procurements using special funds administrated by AIIB, including the Finance Facility of the Multilateral Cooperation Center for Development Finance (MCDF) and the Project Preparation Special Fund (PPSF).
- Implemented Know-Your-Counterparty (KYC) due diligence checks for corporate suppliers and individual consultants.
- Continued to optimize AIIB's eProcurement systems for the procurement of goods, works, services and consulting firm services (SAP Ariba) and individual consulting services (SAP Fieldglass) to improve efficiency and compliance with AIIB's Corporate rules.

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## Introduction

The Annual Corporate Procurement Report provides an overview of AIIB's procurement of goods, works and services, including consulting services required by AIIB to fulfill its institutional requirements using the Bank's administrative budget, capital expenditure budget and other funding sources administered by AIIB.

In the height of the pandemic in 2020, AIIB's Corporate Procurement relied heavily on virtual meeting platforms and the Bank's eProcurement systems to ensure that work with internal requesting departments and suppliers continue without interruption. A digital signature tool was implemented in March, achieving full digitalization of the corporate procurement process in AIIB.

This report was prepared by the Corporate Procurement Unit (CPU) of the Facilities and Administration Services Department. CPU exercises AIIB's corporate procurement functions and ensures compliance with the Bank's Policy on Corporate Procurement.

This report includes statistics on (i) AIIB's Corporate Procurement contract value by categories, (ii) top 10 contracts by value (iii) procurement methods, (iv) global procurement and (v) engagement of Individual Consultants.

### 1. Corporate Procurement Contract Value

Based on AIIB's administration and operational requirements, the total corporate procurement contract value in 2020 is USD63,062,832, decreased by 24 percent from USD82,804,543 in 2019.

**Table 1: 2020 Contract Value by Procurement Category**

<b>Procurement Category</b>	<b>No. of Contracts</b>	<b>Total Value (USD)</b>
Consulting Services (Firm)	102	6,701,119
Consulting Service (Individual)	243	12,836,601
General Services	150	35,176,233
Goods	70	6,758,226
Works	3	1,590,653
<b>Total:</b>	<b>568</b>	<b>63,062,832</b>

Notes:

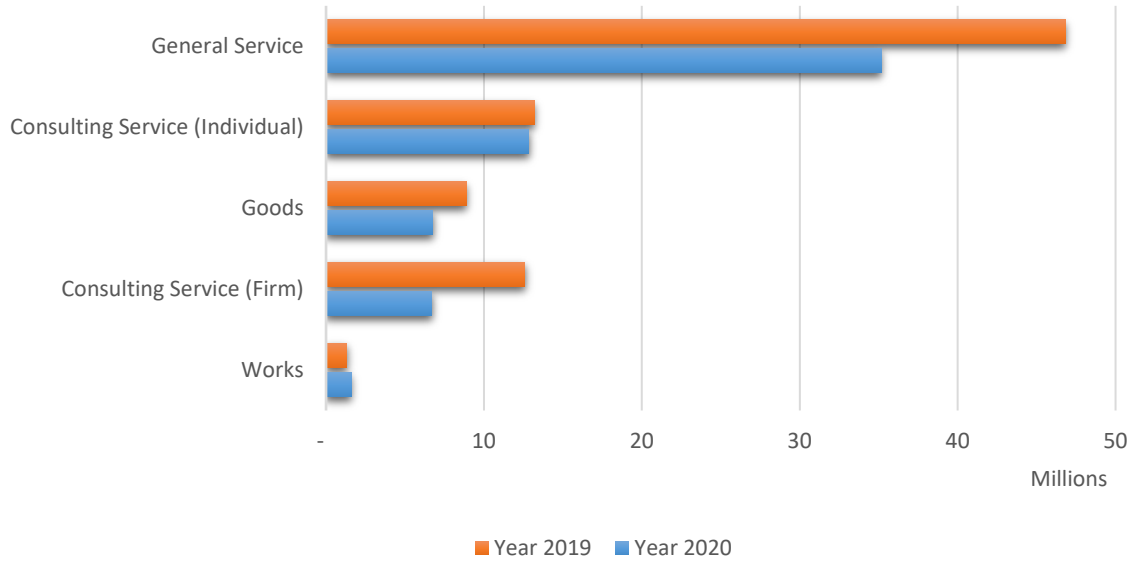
2020 contract value reflects the total value of contracts and purchase orders issued by Corporate Procurement Unit, excluding

a) Payment under open contracts: USD479,882.

- b) Low value purchase (less than USD10,000): USD891,413.
- c) COVID-19 PPE Donation: USD901,907.

The value of contracts for General Services accounted for 56 percent of the total contract value. Contracts for Consulting Services by firms (11 percent) and individuals (20 percent) constitute 31 percent of the total contract value. The remainder consists of contracts for Goods and Works.

**Chart 1: Contract Value by Category in 2020 and 2019 (in USD)**



**2. Top 10 Contracts by Value**

The top 10 contracts accounted for 38 percent of the total contract value (excluding Individual Consultant contracts).

**Table 2: Top 10 Contracts by Value**

Rank	Procurement Category	Contract/PO	Contract Period (year)	Total Value (USD)
1	General Services	Property Management and Corporate Service for AIB Permanent Headquarters Building-PO5	1	3,521,258
2	General Services	Facilities Management Services Year 2	1	3,191,648
3	General Services	Personnel Outsourcing services – Year 2020	1	3,183,085
4	Goods	Microsoft 365 Licenses	3	2,281,230
5	General Services	New Financial Accounting System	4	1,534,763
6	General Services	Property Management and Corporate Services for AIB Temporary Headquarters Building-PO3	1	1,286,836
7	General Services	Fitness Service for AIB Permanent Headquarters Building	3	1,078,030
8	General Services	Property Management and Corporate Service for AIB Permanent Headquarters Building-PO4	1	1,065,940
9	Works	Retrofit Works of AIB Permanent Headquarters	1	1,061,869
10	General Services	AIB Security Service Fee (2020.1–5)	1	929,203
<b>Total Value</b>				<b>19,133,861</b>

**Table 3: Framework Agreements**

No.	Contract Name	Procurement Category	Period (Year)
1	SWIFT MOU	Goods	5
2	HR Recruitment Services	General Services	2
3	Framework Contract for Consulting Services on Development Finance	Consulting Services	2
4	Video Conference Tools Subscription	Goods	3
5	Official Event Planning and Organizing Service	General Services	3
6	Pre-employment Screening Agreements for HR Services (Two agreements)	General Services	3
7	Outsourcing Service to AIB Individual Consultant Portfolio	General Services	3
8	Co-sourcing partners for Internal Audit (Two agreements)	Consulting Services	3
9	Contingency Headhunting Services (Five agreements)	General Services	3
10	LinkedIn Subscription and Services	General Services	5
11	Photography, Videography and Storytelling Services	General Services	3
12	Translation Services	General Services	3

### 3. Procurement Methods

A total of 237 contracts representing 60 percent of the total value of contracts were procured competitively, while 331 contracts representing 40 percent of the total contract value were procured through direct selection. Contracts awarded in 2020 through direct selection increased slightly. These consist of contract renewals and/or extensions needed to ensure the continuous and uninterrupted supply of goods and services.

**Table 4:** Procurement Methods (in USD)

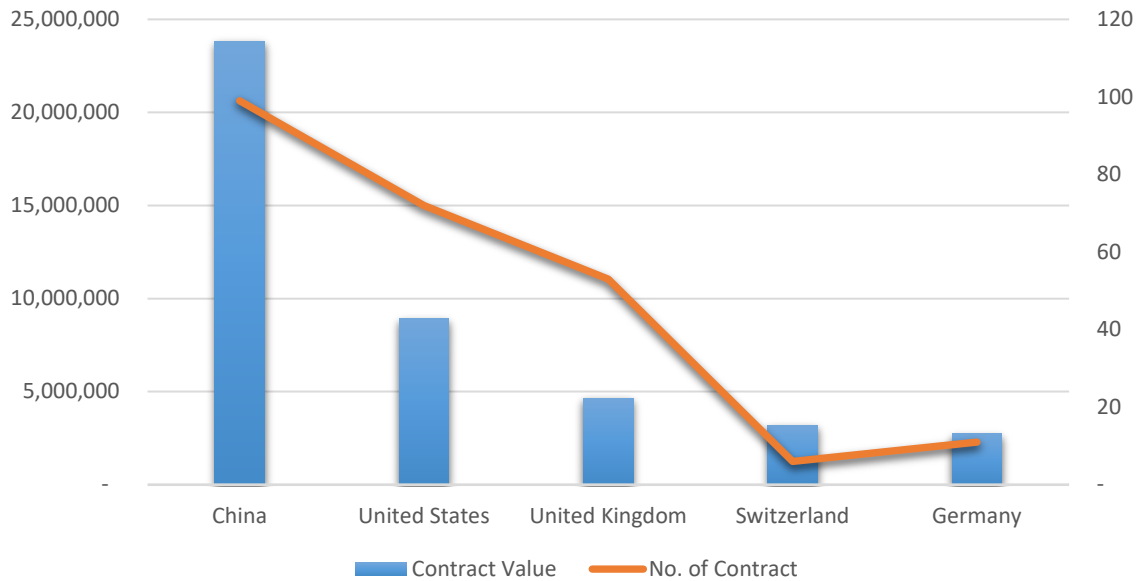
Procurement Method	No. of Contracts	Total Contract Value (USD)	Percentage (by value)
Direct Selection	331	24,928,418	40%
Competition	237	38,134,415	60%
<b>Grand Total</b>	<b>568</b>	<b>63,062,832</b>	<b>100%</b>

### 4. Global Procurement

The Procurement Policy of AIIB allows the Bank to procure goods, works, general services and consulting services from any country unless AIIB's Board of Directors decides otherwise. To implement these policies, AIIB provides an online facility for advertising business opportunities for goods and services including consulting services.

The top five supplier countries (where their global head offices are registered) are China, (47 percent), the United States (18 percent), United Kingdom (9 percent), Switzerland (6 percent) and Germany (5 percent). The top five represent 86 percent of the total contract value of suppliers.

**Chart 2:** Top Five Supplier Countries (contract value in USD)



Note: Data excludes nationalities of Individual Consultants.

International companies (including foreign companies outside China, wholly owned foreign enterprises registered in China) mainly provided consulting services and international subscription products and services, while local suppliers provided mainly general services, including administration and facility management related services, IT equipment and software, telecommunications, catering and local event management and staff relocation settlement services.

## 5. Engagement of Individual Consultants

In 2020, Individual Consultants continued to play an important role in supporting the Bank's operations in the areas of policy, legal, and investment project preparation and implementation.

The total number of individual consultant contracts and consultants input days increased by approximately nine percent and 23 percent, respectively, compared with 2019 data.

Compared to 2019, the total value of individual consultant contracts in 2020 decreased by three percent (USD354,530) mainly due to international travel restrictions.

**Table 5:** Total Number of Contracts, Contract Value and Input Days

Year	Total No. of Contracts	Total Contract Value (USD)	Total Input Days
2020	243	12,836,601	19,512
2019	221	13,191,131	15,131



**Table 6:** Total Number of Contracts, Contract Value and Input Days by Procurement Method (Year 2020)

Procurement Method	No. of Contracts	% of Total Number	Contract Value (USD)	% of Total Value	Input Days
Open Competition	103	42%	7,520,474	59%	12,161
Direct Selection (>USD 50K)	21	9%	2,432,848	19%	7,351
Direct Selection (<USD 50K)	119	49%	2,883,279	22%	5,089
<b>Grand Total</b>	<b>243</b>	<b>100%</b>	<b>12,836,601</b>	<b>100%</b>	<b>19,512</b>

In 2020, approximately 200 individual consultants from 40 nationalities were engaged by AIIB. The top five nationalities are listed below.

**Table 7:** Total Five Nationalities

Rank	Nationality	Contract Value (USD)	Percentage
1	China	3,416,841	24%
2	USA	1,867,252	13%
3	UK	1,088,989	7%
4	India	1,058,770	7%
5	France	876,620	6%

Local consultants (China) are mainly consultants to provide IT consultancy, implementation, operation and maintenance services of the Bank. International consultants mainly focus on the following areas,

- a. Environmental and Social Development
- b. Investment Operations
- c. Financial Management
- d. Treasury Functions
- d. Project Procurement

## 6. Annex: 2020 Major Contracts/POs (value ≥ 200k)

<b>General Services (56%)</b>			
<b>No.</b>	<b>Description</b>	<b>Contract/PO Period (year)</b>	<b>Contract/PO Value (USD)</b>
1	Property Management and Corporate Service for Permanent Headquarters Building	1	4,587,198
2	Facilities Management Services - Year 2020	1	3,191,648
3	Personnel Outsourcing services - Year 2020	1	3,183,085
4	New Financial Accounting System	3	1,534,763
5	Property Management and Corporate Service for Temporary Headquarters Building	1	1,286,836
6	Fitness Service (Three Years)	3	1,078,030
7	Security and Safety Service Contract for New HQ Building	1	929,203
8	Printing Equipment, Software and Service	4	813,020
9	ISOS Security Outsourcing Services (two orders)	4	766,402
10	Internet Lease Line Renewal and Services	2	722,100
11	IPM Workflow Maintenance and Optimization Service	1	693,799
12	AZURE Resources Subscription	3	643,140
13	Security Operation Center (SOC)	3	640,917
14	HR Outsourcing Services - Year 2020	1	632,044
15	Order Management System (OMS) Support	3	600,000
16	Intranet Optimization and Operation	3	555,658
17	Virtual Desktops and Applications	3	521,943
18	Security Management Services for HQ	1	515,094
19	Event Management Services	1	505,501
20	External Website Optimization and Operation 2020-2021	1	459,162
21	Unified Data Backup Platform	3	435,524
22	Property Management Service and Parking Space Management Service	1	399,315
23	Telephone Line Service for Tianjin Office	2	343,756
24	Adobe Subscription	3	338,787
25	Fundamental Microsoft Licenses for IT Infrastructure	3	332,928
26	Bloomberg Terminal and Market Data Subscription	2	320,683
27	Office 365 license amendment	3	294,756
28	Network Management Solution	3	278,363
29	Cost Accounting System Implementation Services	1	274,262
30	SAP System Integration	2	272,106
31	SWIFT Toolkits Implementation	1	270,000
32	Corporate Health and Wellness Services	3	249,221
33	Video Conference Service Support	3	245,981
34	Security Survey of the Network and Communication Infrastructure	1	238,708
35	Learning and Development Platform Services	1	224,001
36	Cyber Security On-Site Monitoring Service	1	209,876
37	IT Helpdesk Services	2	206,892

38	Management fees of retirement plan and post-retirement medical plan	5	201,944
39	Job Advertisements and Talent Sourcing Tool	2	200,000
<b>Consulting Services (Firm) (11%)</b>			
No.	Description	Contract/PO Period (year)	Contract/PO Value (USD)
1	Geospatial Infrastructure Analysis	1	512,343
2	Consulting Services for the Financial and Equity Analysis Project	1	304,530
3	Outsourcing Risk Assessment and ICFR Support Services	1	284,400
4	Measuring Asia's Vulnerability to Global Trade Disruption and Implications for Infrastructure Investment	1	274,619
5	KYC Implementation and Ongoing KYC Services	1	254,400
6	Internal Control Over Financial Reporting (ICFR) Testing and Design of Key Controls for 2020	1	245,718
7	2020 Interim Figures Review name to be adjusted	1	200,000
<b>Consulting Services (Individual) (20%)</b>			
No.	Description		Contract Value (USD)
1	Individual Consultants		12,836,601
<b>Goods (including Publications and Subscriptions) (11%)</b>			
No.	Description	Contract/PO Period (year)	Contract/PO Value (USD)
1	Microsoft 365 Licenses	3	2,281,230
2	Car Leasing	5	675,748
3	IT Network Equipment for Permanent HQ	5	323,100
4	Network Security Reinforcement Project	3	293,509
5	Hyper-Converged Virtualization Platform	3	289,268
6	GlobalData Construction IC and Power IC (Subscription Renewal)	3	234,100
7	Security Inspection Equipment	1	219,619
<b>Works (2%)</b>			
No.	Description	Contract/PO Period (year)	Contract/PO Value (USD)
1	Retrofit Works of AIB Headquarters	1	1,061,869
2	Office Building Art Works Design and Display Project	1	276,453
3	Structured Cabling Service	1	252,331

Note: Contract value include combined value under the same categories.