

the usefulness of such elements, but also their technical feasibility. After several visits to the field and many amendments, an evaluation report is written and submitted to the Board of Directors for approval. In the meantime, the Bank's loan committee negotiates and agrees with the borrowing country regarding technical and financial terms (signing of the loan agreement). During the evaluation, consideration is given to the nature of goods and services to be financed and the best method for obtaining these. The evaluation report is a very good source of information about the project schedule and the nature and quantity of supplies subject to tender.

Implementation

Once financing is arranged, the borrowing country wishes to go ahead with the project as quickly as possible, and so proceeds to selection of consultants, contractors and suppliers through an international call for tenders. The Bank personnel (in the department of country programs and in the project department) monitors the progress of the project in order to ensure that the acquisition of goods and services conforms to the Bank's guidelines as set out in the loan agreement, and that the borrower has set fair conditions for all firms submitting bids. When the loan conditions have been met and as the work progresses, the Bank makes disbursements according to the terms of the loan agreement.

Finally, it should be noted that while the principle of international calls for tender is the Bank's golden rule for awarding contracts, there are certain variations in its application, for instance:

- preference for local businesses. During the past decade, an increasing portion of ADB contracts has gone to local companies. This share is about 15 to 20 per cent of all contracts. *Thus Canadian companies absolutely must form associations with their African counterparts;*
- calls for tenders for supplies are in many small lots, effectively favouring participation by specialized manufacturers and local small and medium-sized businesses;
- in some sectors where supply is very concentrated, the companies are often contacted directly.