

This lending will translate into demands for goods, equipment, civil works, and consulting services by borrowers in order to carry out their projects. Furthermore, this lending, enhanced by sweeping political, economic and trade reforms underway in most of the region, has resulted in a substantial increase in business opportunities for suppliers and consultants.

Since its creation, the IDB has financed over 1500 major projects, representing over \$63 billion in IDB commitments, and \$170 billion in total investment. This is due to the fact that IDB participation in any individual project is generally supplemented by counter-part financing from the local government or co-financing from outside organizations.

### **IDB Business Opportunities**

Companies from the Bank's borrowing countries receive slightly more than 50% of all contract awards. The remainder is won by firms from the 20 non-borrowing member countries in Europe, Asia, the Middle East, as well as Canada and the United States.

### **International Competitive Bidding (ICB)**

In the procurement process, borrowing countries must follow the IDB's procurement guidelines and procedures which specify that the procurement of goods and equipment for projects must be effected through International Competitive Bidding (ICB) when the value of a tender exceeds \$350,000. For the procurement of civil works, the ICB threshold is \$5,000,000. Above these amounts, borrowers must advertise upcoming bidding opportunities in international publications.

### **The Retention of Consultants**

Under IDB projects, the borrower is responsible for the hiring of consultants. Selection and contracting of a qualified firm or individual is based on demonstrated competence and qualification for the types of professional services required, not on the basis of price. A maximum of six firms are prequalified for any consulting contract. After a proposal has been selected, a contract with the winning firm is negotiated at a fair and reasonable price. Information on upcoming bidding opportunities for contracts exceeding \$200,000 must be publicized in the UN publication, Development Business.

When a project is awarded, the contract is between the firm and the executing agency, and the disbursement of funds is almost always from the agency. The IDB however, does