



Winning EBRD Contracts: Strategies for US Consultants

Winning contracts at the European Bank for Reconstruction and Development (EBRD) is “not just for Europeans.” Since the EBRD was set up in 1991 to help the countries of the former Soviet bloc move towards market economies, US consulting firms have successfully participated in hundreds of contracts to advise the Bank and its clients on EBRD projects. This fact sheet contains information about working as a consultant on EBRD projects, including tips on how to increase your chances of success.

Know how the EBRD works

There are two types of EBRD consultancy projects: consultancies for the Bank itself or consultancies for EBRD clients in Central and Eastern Europe, Russia, CIS and Central Asia. On average, over 75% of EBRD consultancy projects are in the private sector and 25% in the public sector, although in some sectors the proportion of public sector projects is higher.

TIP: Find out more information about the EBRD and its projects from the following sources on the EBRD website, <http://www.ebrd.com>:

- Look at the EBRD's **overall mandate** – for example, to promote economic transition, strengthen the private sector, and promote sustainable environmental policies: <http://www.ebrd.com/about/main.htm>

- Read the EBRD's **country strategies** for the countries where you would like to work: <http://www.ebrd.com/about/strategy/main.htm>
- Read the EBRD's **sector strategies** for the industries and business areas in which you have expertise: <http://www.ebrd.com/about/strategy/main.htm>
- Check out the EBRD's **factsheets**: <http://www.ebrd.com/pubs/factsh/main.htm>
- Look at the **list of signed projects** in each sector up to the date of the last published EBRD Annual Report: <http://www.ebrd.com/country/main.htm> (Select the required sector from the drop down menu).

Know how the EBRD uses consultants

EBRD consultancy assignments can be funded from the following sources:

- The EBRD's own budget (e.g., projects for the Bank itself);
- The EBRD client's total project budget, which will come from a range of other sources as well as the Bank; or
- Consulting services for the EBRD's client, funded by Technical Cooperation (TC) funds.

Most consultancy projects are funded from TC funds. Under the TC funds program, donor countries provide money for consultancy work linked with a specific project. This can include consultancy at any stage of the project cycle, for example, from advice required by the EBRD before it decides to invest, to project management services needed during the course of a project implementation.

TIP: Find out more information about how the EBRD hires consultants from the EBRD website:

- Ensure you understand the EBRD Technical Cooperation Funds program
<http://www.ebrd.com/oppo/te/main.htm>
- Read the EBRD's procurement rules (especially Chapter 5 on Consultancy Services)
<http://www.ebrd.com/about/policies/procure/main.htm>
- Look at the EBRD's Guidelines for Selection and Engagement of Consultants
<http://www.ebrd.com/oppo/te/consult/main.htm>

Some important points to note:

- **Determine which part of the project you want to bid for**

To avoid conflict of interest, a firm cannot work both for the Bank and the Bank's clients on a project (even if the work is at different stages of the project cycle, and no matter how long the project lasts). For example, if a firm prepared a due diligence report for the Bank before the project was signed, the same firm would not be able to advise the Bank's client on the project implementation.

With a few exceptions, a firm usually cannot work for a client on more than one stage of the same project. For example, a company cannot advise a client on the procurement plan and then subsequently bid on the goods tender.

- **Confirm that US firms are eligible to bid**

If the EBRD is the source of funds for a project, consultants of all nationalities are eligible to bid. However, for consultancy projects funded by Technical Cooperation funds, eligibility is often limited to nationals from the donor country. Eligibility restrictions should always be stated under the heading "Eligibility" in the relevant procurement notice.

TIP: You may be able to bid together with a locally based partner or through an affiliate company provided that the bidding company (or consortium) can meet the tender requirements. In the case of a bidding consortium, the nationality of the lead partner is the one that is taken into account. US Commercial Service posts in the EBRD countries of operations can help consultants to find local partners. For their contact details, see <http://www.buyusa.gov> (select exports, then click on "International Offices").

Understand how consultants are selected

All consultancy contracts of over €50,000 (approximately \$65,000) are published on the EBRD website at:
<http://www.ebrd.com/oppo/procure/oppo/index.htm>.

There are three types of selection method:

- For consultancy assignments estimated to cost **less than €50,000 (approx \$65,000)**, consultants are selected directly.

TIP: In order to be considered for assignments under €50,000, consultants must market themselves directly to the Bank and its clients, in order to make them aware of their services and experience. The Bank (or its client) is not obliged to use open tendering for consulting contracts under €50,000. Note: the Bank does not keep a permanent database of consultant CVs (this may change in 2005). However, often

EBRD industry sector banking teams keep records of experts in their field, so it would make sense to target the sectors that match your firm's capabilities. Details of the EBRD's sector teams and a management organization chart are publicly available on the EBRD website under the section "About the EBRD."

- For contracts valued **between €50,000 and €200,000 (approx \$65,000-\$265,000)** the EBRD invites Expressions of Interest (EOIs) and the Bank (or its client) draws up a shortlist of consultants from which to select the winner. The shortlist normally must contain a minimum of three and a maximum of six firms or individuals. Other than in exceptional cases, the EBRD also applies a general guideline that the shortlist should contain no more than two consultants from the same country.

TIP: Request an acknowledgment of your submission from the EBRD and track its progress with the Bank and/or the Bank's client during the short-listing procedure. Currently, the EBRD does not provide status updates automatically. However, the EBRD's Consultancy Services Unit (CSU) can provide this information upon request by telephone (+44 20 7338 6000) or by email to the contact person listed in the relevant Procurement Notice.

- For contracts with a value of **over €200,000 (approx \$265,000)** the EBRD also uses the Expression of Interest (EOI) and short-listing procedure. However, rather than selecting a consultant directly from the shortlist, the Bank (or the client) will ask each short-listed firm to provide a more comprehensive proposal, from which it will select the firm which submitted the most technically qualified response.

TIP: In this case short-listing is used as a pre-qualification stage before full tendering. Remember that an Expression of Interest is exactly that. In the first stage, you may not need to provide the maximum level of detail about all aspects of your firm and how you normally operate, for example, you do not need to include pricing rates unless these are specifically requested. Your sole aim is to respond to the request for EOI and reach the shortlist, and so move to the next stage of the process.

Some important information about deadlines:

EBRD consultancy opportunities have an average deadline of only **ten business days** after the request for EOIs is published. Some projects

funded by Technical Cooperation funds may have a deadline of **only 5 working days after publication**. The deadline will vary depending on the complexity of the project.

TIP: In order to meet tight deadlines, prepare your material in advance:

- **Have consultant CVs pre-prepared**, highlighting the aspects of experience that match with the general requirements of the EBRD, such as prior experience in EBRD countries of operations, other emerging markets, and relevant industry sectors; or work on past EBRD projects or those of other multilateral development banks and funding institutions (e.g. USAID, the EU, OPIC, US Export-Import Bank);
- Do the same to highlight your firm's project experience – **prepare short paragraphs which describe your firm's most interesting and successful projects in these areas;**
- **Prepare submission templates in advance:** e.g., a cover letter, an introductory outline of your firm's business; and
- **Understand your VAT (Value Added Tax) position** with regard to the supply of services in foreign jurisdictions. The EBRD now has a policy of asking consultants to state their VAT position in the EOI. Be ready to respond to this question. Note: US Commercial Service Offices in the EBRD's countries of operation may be able to provide this information. Visit <http://www.buyusa.gov> for CS office contact details.

Understand what makes a winning bid

The principal criterion used by the EBRD to select consultants is that of quality. Your aim is to demonstrate in your response that you are the most qualified and experienced consultant for the particular assignment. Some of the tips below may seem obvious, but it is surprising how many consultants fail to address these points:

- Read the Procurement Notice thoroughly and highlight, or make a list of, all the requirements. **Ensure your response clearly provides**

information on every single one of the tender requirements.

- **Do not ignore any requirements** that you think you may not have enough experience to deal with. Depending on the size of the "gap," either **address the requirements as best possible, or find a partner to fill the gap.**

TIP: The Bank does not award partial-projects or pair up consultants with other firms –

consultants must find their own partners. If you wish to find a partner with local experience in a particular country, the US Commercial Service can assist you (find the country contact details at <http://www.buyusa.gov>).

- **Follow all instructions carefully.** Stick to the required page limit for submissions. Include a price proposal only if asked.
- List and/or describe your previous experience of **directly similar projects**, previous experience in the **same industry sector**, and previous experience **in the country or region** (or in emerging markets with very similar issues). **Give dates and locations for this experience.**

- **Mention technical and professional qualifications and awards**, and any positions that demonstrate a reputation in a particular field (e.g., chairperson of an industry group).

- Remember that no consultant may be the perfect fit, so **use the cover letter to highlight your strengths and reduce the impact of any weaknesses.** For example, local language skills are important, but sometimes are not expressly asked for. If it appears likely that they will be needed, and you do not have them, explaining how you will address this in practice will reduce the impact of this potential weak point in your bid.

Use all available resources

Use all the available resources to improve your knowledge of the specific project and tender requirements.

TIP: Do not hesitate to contact the Bank directly to ask questions (+44 20 7338 6000).

Each project will have an Operations Leader from the relevant group in the EBRD, who is usually pleased to answer questions from external callers. Also, some Banking sector teams have a Procurement Specialist, who may be able to help. The EBRD's Consultancy Services Unit (CSU) is very helpful. For general project enquiries not related to procurement, speak with the Project Enquiries team or email: projectenquiries@ebrd.com.

TIP: Normally the EBRD's client is the contact point for a consultancy tender (unless the project is for the Bank itself). If you are seeking information about a project or the tendering opportunities, contact the client at

the project announcement stage rather than after tendering has actually started – they will be more likely to provide information. After tendering starts, questions and answers are usually limited to clarification of the tender, or issues of procedure, so as to ensure a level playing field.

TIP: US Companies can also seek guidance from the US Commercial Service Liaison Office to the EBRD (CS-EBRD).

CS-EBRD provides information to US businesses on how US companies can participate in EBRD projects. CS-EBRD can offer guidance to US companies throughout the project cycle, including reviewing draft proposals and suggesting improvements. CS-EBRD is part of the US Trade Advocacy Center of the US Department of Commerce. Contact details for CS-EBRD, based in London, are set forth below.

CS-EBRD Contact Details

CS-EBRD
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