



Central Operations Services Office

Presentation by

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What does COSO do?

- Procurement of Goods and Works
- Consulting Services
- Project Coordination, Reporting
- Project Performance Management System (PPMS)
- Training, Capacity Building

All focused on project execution

Working with regional departments and executing agencies

- TA processing: designing consulting inputs
- Loan processing: designing procurement and consulting inputs
- TA/Loan administration: hiring consultants
- TA/Loan administration: reviewing procurement by EAs
- COS1/COS2: realignment of COSO



Consultant recruitment by ADB

- Consulting contracts for TA projects (firms and individuals)
 - In 2006, 1,650 contracts worth \$135 million
- Staff consultants (individuals)
 - In 2006, 912 consultants, \$20 million

Consultant recruitment by borrowers

- Consulting contracts for loan projects
 - Average > \$200 million per annum, upward trend

Contract awards and disbursements

In 2004

- \$3.6 billion for contract awards
- \$3.5 billion for disbursements

In 2005

- \$5.7 billion for contract awards
- \$4.7 billion for disbursements

In 2006

- \$6.6 billion for contract awards
- \$6.0 billion for disbursements

2007 Projections:

- \$6.8 billion for contract awards
- \$7.8 billion for disbursements

COSO's strategic priorities

- Helping to restore ADB's relevance and competitiveness as development partner
- Improving project administration outcomes by improving business processes

Helping to restore ADB's relevance and competitiveness by

- Improving procurement and consulting policies and procedures: thresholds, approval processes
- Reducing internal transaction costs
- Enhancing operational flexibility and responsiveness to DMCs while upholding fiduciary standards – anticorruption efforts

Improving project administration outcomes by

- Modifying business processes
- Leading the introduction of an effective Project Performance Management System (PPMS)
- Monitoring and applying service delivery targets for key project preparation and administration outcomes: CRAM

Components of PPMS

Programs, Projects, TAs

Development

Outcome

Design and Monitoring Framework

Design

Implementation

Reporting

Evaluation

Post Evaluation

**RRP
TA paper**

PAM

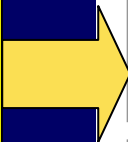
**PPR/
TPR**

**PCR/
TCR**

**PPAR/
TPAR**

Design and Monitoring Framework

- Design**
- Alternatives**
- Objectives**
- Problem analysis**



Design Summary	Performance Targets	Data Sources	Assumptions & Risks
IMPACT			A & R
OUTCOME			A & R
OUTPUT			A & R
ACTIVITIES & MILESTONES			INPUTS

Procurement

- Supporting Executing Agencies and regional departments by pro-active procurement planning
- Participating in high priority loan processing and project administration missions
- Conducting thorough and timely reviews of draft bidding documents and prequalification documents

Consulting Services

- Ensuring high quality consulting inputs on a timely and economic basis by
 - Quality and Cost Based Selection (QCBS) method, and QBS and DS where justified; note new selection methods
 - Reducing the time to recruit TA and staff consultants by ICS and CRAM
 - Assisting EAs to reduce the time taken to recruit and to mobilize loan

New Guidelines

- Revised and modernized Procurement and Consultants Guidelines, effective 1 April 2006
 - MDB harmonization efforts
 - Best practices from other MDBs and development agencies
 - Transparency
 - New methods to recruit and contract with consultants

Innovation and Efficiency Initiative

- Improving procurement and consulting policies and procedures
- Reducing internal transaction costs
- Enhancing operational flexibility and responsiveness to DMCs while upholding fiduciary standards

Training

- Delivering tailored training, principally to ADB and EA staff to equip them to design and implement results-focused projects with sound project administration frameworks
 - Developing national consulting industries
 - Project implementation
 - PPMS
 - Business opportunities