



ASIAN INFRASTRUCTURE
INVESTMENT BANK

2023 ANNUAL OPERATIONAL PROCUREMENT REPORT

June 2024



© Asian Infrastructure Investment Bank 2024
AIIB Headquarters, Tower A, Asia Financial Center
No. 1 Tianchen East Road, Chaoyang District, Beijing, China 100101
Tel: +86-10-8358-0000
Email: information@aiib.org

CC BY-NC-ND 3.0 IGO. Some rights reserved.

The Asian Infrastructure Investment Bank (AIIB) uses a Creative Commons license for all intellectual property contained in this work except where specified. Copyright designations may or may not apply to third-party content found herein. AIIB does not necessarily own each component of the content contained in or linked from this work and will not be held accountable for any such third-party content. AIIB does not guarantee the accuracy of the data contained in or linked from this work and accepts no responsibility for any consequences of their use. The mention of companies or any trademarked entity or object in this work does not imply that they are being endorsed or recommended by AIIB in preference to others that are not mentioned. The contents of this work do not necessarily represent the views or policies of AIIB, its Board of Directors or its members. Any designation of or reference to a specific territory or geographic area, or the use of the term "country" in this work does not constitute and shall not be construed as constituting an express or implied position, endorsement, acceptance, or expression of opinion by AIIB as to the legal or other status of any territory or area.

Front cover photos @ Uzbekistan Bukhara Region Water Supply (*top and bottom left*),
Haryana Orbital Rail Corridor - India (*top and bottom right*).



ASIAN INFRASTRUCTURE
INVESTMENT BANK

2023

ANNUAL OPERATIONAL PROCUREMENT REPORT

June 2024

CONTENTS

TABLES AND FIGURES	iv
ABBREVIATIONS	v
FOREWORD	vi
EXECUTIVE SUMMARY	vii
I. AIIB PROCUREMENT FRAMEWORK (2016-2023)	1
II. AIIB PROCUREMENT PROFILE (2016-2023)	2
A. Overall Procurement Profile	2
B. Procurement by Investment Instrument	4
C. Procurement in Standalone and Cofinanced Projects	5
D. Procurement by Sector	6
E. Procurement by Origin of Suppliers/Contractors/Consultants	7
E.1 Overall Procurement	7
E.2 Procurement of Goods	9
E.3 Procurement of Works	10
E.4 Procurement of Consulting Services	11
F. Contracts Awarded to Domestic Suppliers/Contractors/Consultants	13
F.1 General	13
F.2 Data on Contracts Awarded to Domestic Suppliers/Contractors/Consultants in Each Recipient Member	13
III. BUSINESS OUTREACH	16
IV. PROJECT PROCUREMENT MANAGEMENT SYSTEM	17
V. APPENDICES: PROCUREMENT STATISTICS	18
1: Procurement Value by Recipients, 2016-2023	19
2: Procurement Value by Recipients in 2023	21
3: Procurement Value by Origins of Suppliers/Contractors/ Consultants, 2016-2023	22
4: Procurement Value by Origins of Suppliers/Contractors/ Consultants in 2023	25

TABLES AND FIGURES

TABLES

1	Annual Contract Value Subject to International Open Competitive Tendering/Selection	3
2	Percentage of the Cumulative Value of Contracts Subject to Prior Review	5
3	Percentage of the Cumulative Value of Contracts Subject to International Open Competitive Tendering and International Open Competitive Selection	6
4	Percentage of Contracts Awarded to Domestic Suppliers/Contractors/Consultants	13
5	Business Outreach Activities in 2023	16

FIGURES

1	Annual Procurement Value, 2016-2023	2
2	AIB Overall Procurement Profile, 2023	3
3	Annual Procurement Value by Investment Instrument, 2016-2023	4
4	Annual Procurement Value in Standalone and Cofinanced Projects	5
5	Percentage of Procurement by Sector, 2016-2023	6
6	Annual Procurement Value by Sector, 2016-2023	7
7	Top 10 Origins of Suppliers/Contractors/Consultants, 2016-2023	8
8	Top 10 Origins of Suppliers/Contractors/Consultants in 2023	8
9	Top 10 Origins of Suppliers, 2016-2023	9
10	Top 10 Origins of Suppliers in 2023	10
11	Top 10 Origins of Contractors, 2016-2023	10
12	Top 10 Origins of Contractors in 2023	11
13	Top 10 Origins of Consultants, 2016-2023	12
14	Top 10 Origins of Consultants in 2023	12
15	Overall: Percentage of Contract Value Awarded to Domestic Suppliers/Contractors/Consultants, 2016-2023	14
16	Goods: Percentage of Contract Value Awarded to Domestic Suppliers, 2016-2023	14
17	Works: Percentage of Contract Value Awarded to Domestic Contractors, 2016-2023	15
18	Consulting Services: Percentage of Contract Value Awarded to Domestic Consultants, 2016-2023	15

ABBREVIATIONS

AIIB	Asian Infrastructure Investment Bank
CRF	COVID-19 Crisis Recovery Facility
COVID-19	coronavirus disease
NSBF	Nonsovereign-backed Financing
PPSF	Project Preparation Special Fund
PPMS	Project Procurement Management System
SBF	Sovereign-backed Financing

FOREWORD

The 2023 Annual Operational Procurement Report (“the Report”) is produced by the Sustainability and Fiduciary Solutions Department, Asian Infrastructure Investment Bank (AIIB or “The Bank”). This is the third annual operational procurement report since 2016. All the Reports are published on the [Bank’s website](#).

The Report covers contracts signed in 2023 which are financed by the Bank under Sovereign-backed Financing (SBF) operations (both standalone and cofinanced projects) and Project Preparation Special Fund (PPSF) grants.

In 2023, the Bank continued its commitment to delivering high-quality procurement results by ensuring that the funds are used for its intended purpose and with the concepts of value-for-money and fit-for-purpose as paramount considerations. The total value of signed contracts for 2023 was USD4,436.9 million (including USD84.4 million for consulting services).

AIIB has also introduced initiatives to improve client outreach and support in 2023. The Bank, through the Sustainability and Fiduciary Solutions Department (formerly the Operational Services Department), participated in or organized events that provided information on AIIB’s Procurement Policy, Principles and Procedures, as well as disseminated procurement opportunities in AIIB-financed Projects. These events will likely be expanded and improved in the coming years to increase participation of qualified contractors, suppliers, and consultants in AIIB-financed projects for better procurement outcomes.

Additionally, the Bank initiated the piloting phase of the Project Procurement Management System. The system is expected to enhance the project procurement management and provide more solid and integrated procurement data on AIIB-financed projects, allowing both the Bank and recipients to monitor and enhance project procurement performance, which contributes to achieving project development objectives and impacts.

AIIB is committed to upholding high procurement quality and standards and will continue adopting best international practices in its policy and practices, to enhance the delivery of value for money.

Hun Kim
Acting Vice President, Investment Solutions
Asian Infrastructure Investment Bank

EXECUTIVE SUMMARY

AIIB Portfolio.¹ Since the approval of the first project of the Asian Infrastructure Investment Bank (AIIB or the Bank) in 2016, until the end of 2023, the Bank approved 252 projects, amounting to a total of USD50,468 million in financing. The Sovereign-backed Financing (SBF)² operations consist of 152 projects (USD39,914 million, 60.3% of total number of approved projects). In addition, the Bank also approved 24 Project Preparation Special Fund (PPSF) grants worth USD68.5 million.

Report Coverage.³ This report covers contracts signed in 2023 under projects financed by the Bank's SBF⁴ operations and grants financed by the Bank's PPSF.

AIIB Procurement Framework. In 2023, the Bank issued an update on the Directive on the Procurement Policy. The issuance of this new Directive is expected to provide guidance in handling of the procurement-related aspects in a Results-based Project.

Procurement Profile. Overall, during 2016-2023, contracts amounting to USD21,091.5 million⁵ were signed under the Bank's SBF projects and PPSF grants. Around 95.2% of the total contract value was procured through competitive tendering/selection, whereas 4.8% was procured through direct contracting/selection, which was largely in connection to the procurement of goods under the COVID-19 Crisis Recovery Facility (CRF).

Sectoral Distribution. During 2016-2023, transport (44.3%) remains the leading sector in terms of contracts awarded, followed by energy (24.3%), water (14.7%), public health (8.7%), and urban (7.5%) sectors.

¹ AIIB data.

² Sovereign-backed financing (SBF) is a loan to, or guaranteed by, an AIIB Member. Nonsovereign-backed financing (NSBF) refers to any financing extended by the Bank that is not SBF; it includes any financing to or for the benefit of a private enterprise or a subsovereign entity (such as a political or administrative subdivision of a Member or a public sector entity) that is not backed by a guarantee or counter-guarantee and indemnity provided by the Member to AIIB. (See <https://www.aiib.org/en/about-aiib/who-we-are/financing-operations/index.html>)

³ Procurement under NSBF operations mostly follows market practice. Unlike SBF operations, procurement data for NSBF operations is limited due to the usually confidential nature. Therefore, procurement under NSBF operations is excluded from this Report.

⁴ The report excludes SBF projects and PPSF grants (i) which are Policy-based Loans, Result-based Loans, loans to Financial Intermediaries, and Program-for-Results financing; and (ii) wherein no procurement has been initiated or the procurement is ongoing but not yet completed by the end of 2023.

⁵ Throughout this Report, the contract value refers to the signed contract price including the portion financed by other partners. In view of para 8.1.4 of AIIB's [Policy on Public Information](#) (September 2018), the contracts for the procurement of COVID-19 vaccines are excluded from this Report.

Collaboration and Growth. The volume of signed contracts has increased proportionally with project approvals. Over the years, the Bank has expanded its operations to cover more standalone projects. The annual value of signed contracts for standalone projects increased from USD1,668.0 million in 2020 to USD2,388.2 million in 2023. On the other hand, AIIB continuously collaborates with other development partners such as multilateral development banks in financing infrastructure development through cofinanced projects. The annual value of contracts signed for cofinanced projects has remained consistent at more than USD2,000 million annually since 2020. In 2023, a total of USD2,048.7 million contracts were signed under cofinanced projects.

Procurement under the CRF. During 2020-2023, the portion of total contracts signed under CRF was USD1,866.0 million.⁶ The annual procurement value under CRF was USD1,439.6 million in 2020, USD201.8 million in 2021, USD189.2 million in 2022, and USD35.5 million in 2023.

Spread of Contract Awards. During 2016-2023, the largest proportion of contracts (81.7% of total) were awarded to suppliers/contractors/consultants from India, China, Türkiye, Indonesia, and Pakistan.

Domestic Contract Awards. The percentage of contracts awarded to domestic firms and individuals⁷ is summarized in the table below:

Year	Overall	Goods	Works	Consulting Services
2016-2023	74.1%	74.3%	74.9%	62.0%
2023	71.2%	94.5%	71.2%	45.5%

⁶ This includes medical supplies, medical equipment, and facilities in response to the COVID-19 outbreak, excluding the procurement of vaccines.

⁷ Domestic firms and individuals are those whose origin is the same as that of the Contracting Authority.

AIIB PROCUREMENT FRAMEWORK (2016-2023)

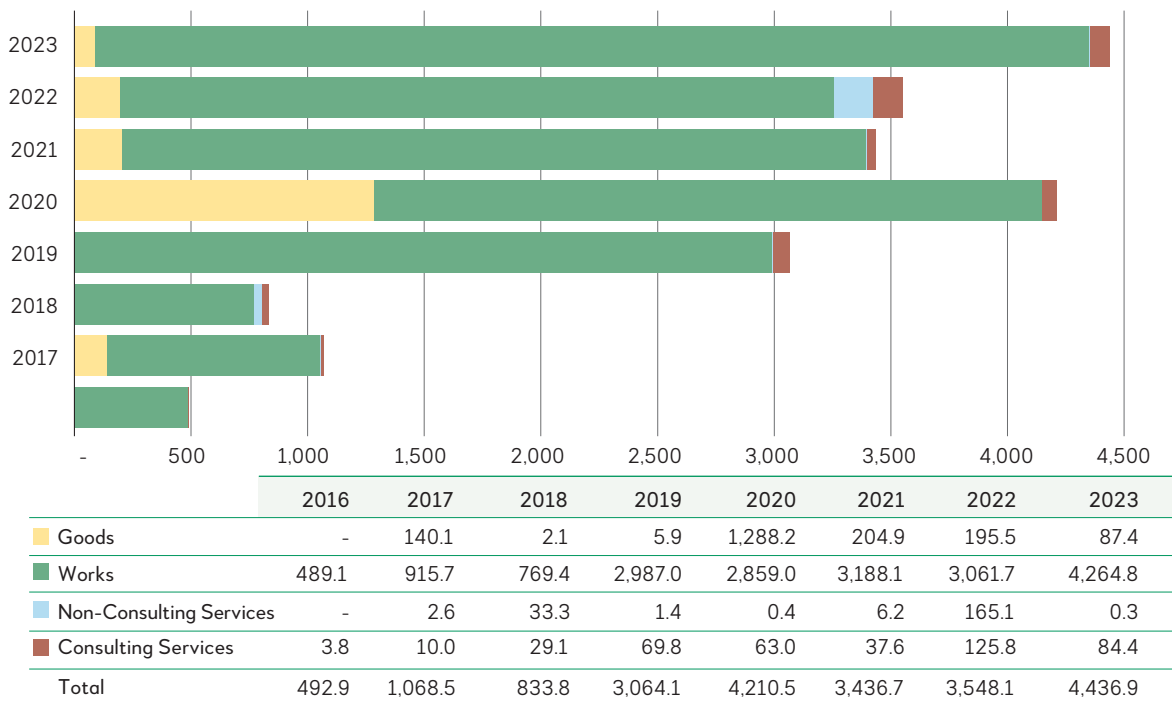
1. The AIIB Procurement Framework comprises the following:
 - [Procurement Policy](#), updated on Nov. 22, 2022, which added, among others the introduction of the procurement requirements for Results-based projects.
 - [Interim Operational Directive on Procurement Instructions for Recipients](#) (June 2, 2016).
 - [Directive on the Procurement Policy](#) (Oct. 17, 2023).
 - [Standard Procurement Documents](#):
 - Procurement of Goods, for One-Envelope Tendering Process (June 2021).
 - Procurement of Works, for One-Envelope Tendering Process without Prequalification (June 2021).
 - Procurement of Works, for Two-Envelope Tendering Process without Prequalification (June 2021).
 - Request for Proposal for Consulting Services (June 2021).

AIIB PROCUREMENT PROFILE (2016-2023)

A. Overall Procurement Profile

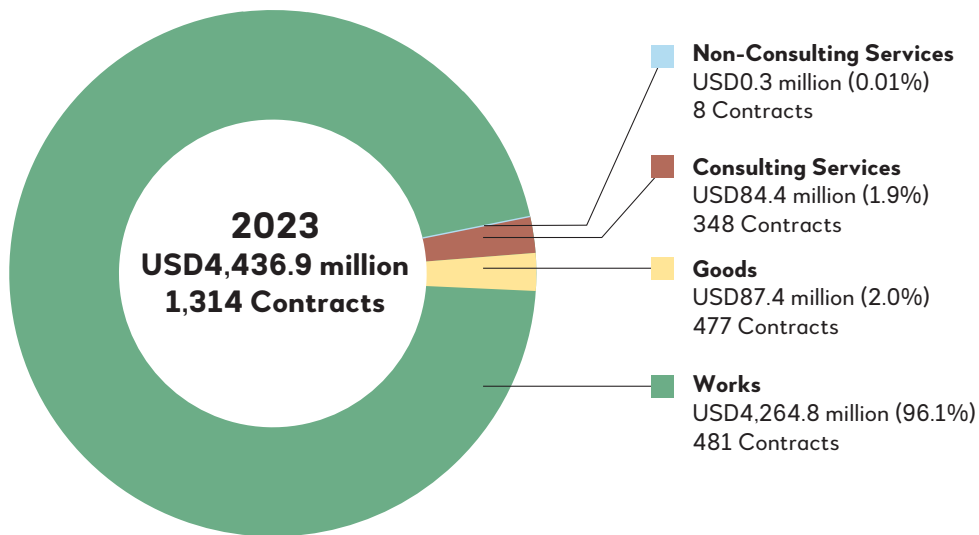
2. During 2016-2023, contracts valued at USD21,091.5 million were awarded under projects financed by AIIB. The annual procurement value is indicated in Figure 1. In terms of volume, a total of 14,618 contracts were signed (27.8% for goods, 64.1% for works, 0.7% for non-consulting services, and 7.3% for consulting services).

Figure 1: Annual Procurement Value, 2016-2023
(USD million)



Source: AIIB, Cofinanciers.

3. In 2023, the Bank awarded a total value of USD4,436.9 million in contracts, representing 21.0% of total contracts awarded since 2016. The AIIB overall procurement profile for 2023 is presented in Figure 2. In terms of volume, a total of 1,314 contracts were awarded (36.3% for goods, 36.6% for works, 0.6% for non-consulting services, and 26.5% for consulting services).

Figure 2: AIIB Overall Procurement Profile, 2023^a

^a Contracts that were signed prior to loan approval (i.e., advance contracting) are recorded in the year when the loan is approved.

Note: Numbers may not add up due to rounding.

Source: AIIB, Cofinanciers.

4. Open competition remains the Bank's preferred procurement method for its operations. Between 2016 and 2023, 95.2% of the contracts awarded were procured through competitive tendering/selection, and the remaining 4.8% were procured through direct contracting/selection. The annual cumulative value of contracts subject to International Open Competitive Tendering for goods, works, and non-consulting services contracts, and International Open Competitive Selection for consulting services, is summarized in Table 1.

Table 1: Annual Contract Value Subject to International Open Competitive Tendering/Selection (USD million)

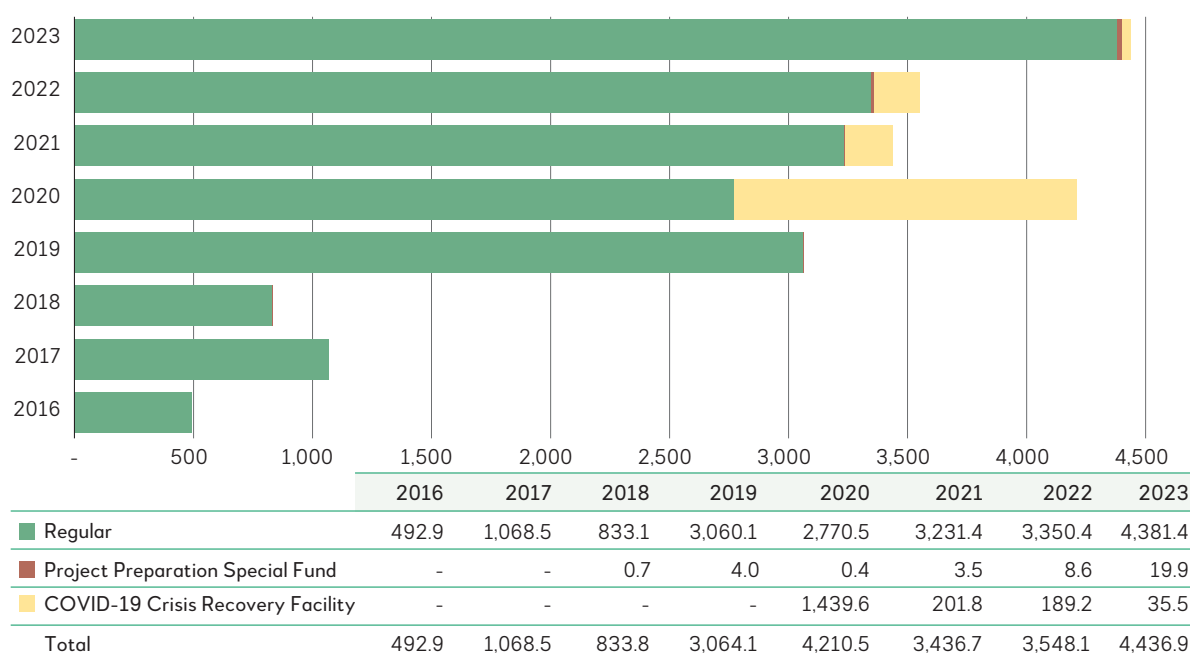
Year	Annual Contract Value
2016	489.0
2017	396.0
2018	165.5
2019	1,410.4
2020	1,336.8
2021	2,621.1
2022	1,429.8
2023	3,484.4

Source: AIIB, Cofinanciers.

B. Procurement by Investment Instrument

5. During 2016-2023, of the USD21,091.5 million in contracts awarded, the distribution of contracts by investment instrument is as follows: USD19,188.4 million (91.0%) contracts signed were under regular projects, USD1,866.0 million (8.8%) under projects financed by COVID-19 Crisis Recovery Facility (CRF), and USD37.1 million (0.2%) under PPSF grants. Figure 3 indicates the annual procurement value by investment instrument. The data reflects significant changes in 2023, namely: (i) for PPSF grants, the contract awards increased by more than double compared to 2022, which demonstrates the Bank's commitment to developing high-quality projects for its Members; and (ii) for CRF, the contract awards have significantly decreased due to the shift in focus to post-pandemic recovery through policy-based financing.

Figure 3: Annual Procurement Value by Investment Instrument, 2016-2023
(USD million)



Source: AIIB, Cofinanciers.

6. In 2020, the Bank launched the CRF⁸ to assist AIIB's Members and clients in alleviating and mitigating economic, financial, and public health challenges arising from the COVID-19 pandemic. Through this Facility, a total of USD1,866.0 million⁹ contracts have been awarded. The CRF was made available to clients until Dec. 31, 2023. With the closing of the Facility, the remaining projects financed by CRF will close in 2024-2025.

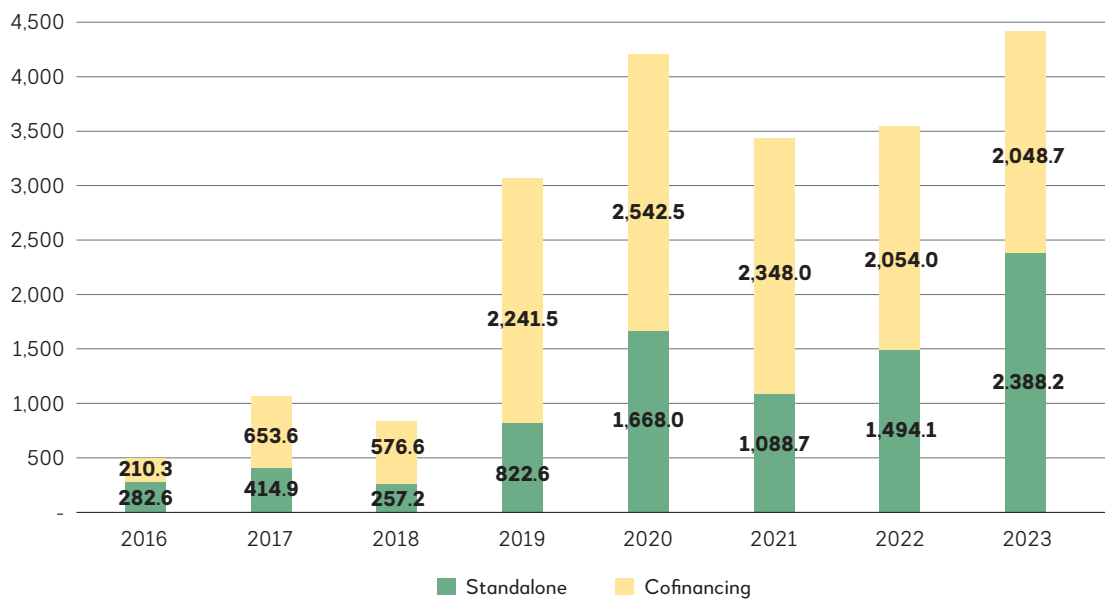
⁸ CRF supports the following areas: (i) public health – support emergency public health responses, including the development of health system capacity, and provision of essential medical equipment and supplies to address COVID-19, as well as long-term sustainable development of the health sector; (ii) economic resilience – financing is provided to supplement government productive expenditures to support social and economic response and recovery; and (iii) liquidity restraints for clients in infrastructure and other productive areas – this provides support to clients by assisting them in overcoming liquidity constraints and maintaining critical long-term investments that may have been curtailed, delayed or suspended in the absence of AIIB financing.

⁹ Including medical supplies, medical equipment, and facilities in response to COVID-19 pandemic, excluding the procurement of vaccines.

C. Procurement in Standalone and Cofinanced Projects

7. During 2016-2023, there were 9,829 contracts signed, totaling USD8,416.3 million, under the Bank’s standalone projects; and 4,789 contracts signed, totaling USD12,675.2 million, under projects jointly cofinanced with other partners. In 2023, the breakdown of contract awards in terms of value is: 46.2% from cofinanced projects and 53.8% from standalone projects. For the first time since 2017, the share of contracts from standalone projects exceeded that from cofinanced projects.

Figure 4: Annual Procurement Value in Standalone and Cofinanced Projects (USD million)



Source: AIIB, Cofinanciers.

8. During 2016-2023, the average contract size under cofinanced projects (USD2.6 million) was notably higher than that of standalone projects (USD0.9 million). Consequently, as a percentage of total contracts, there are more contracts subject to prior review under cofinanced projects compared to standalone projects as shown in Table 2. Based on the data, it could be noted that contracts cofinanced by the Bank with other partners require prior review because they are generally complex and high-value.

Table 2: Percentage of the Cumulative Value of Contracts Subject to Prior Review

	Non-CRF	CRF
Standalone	66.7%	4.1%
Cofinanced	83.7%	34.2%

CRF = COVID-19 Crisis Recovery Facility

Source: AIIB, Cofinanciers.

9. Since cofinanced projects include more high-value contracts compared to standalone projects, these contracts are generally also procured using open competition as shown in Table 3.

Table 3: Percentage of the Cumulative Value of Contracts Subject to International Open Competitive Tendering and International Open Competitive Selection

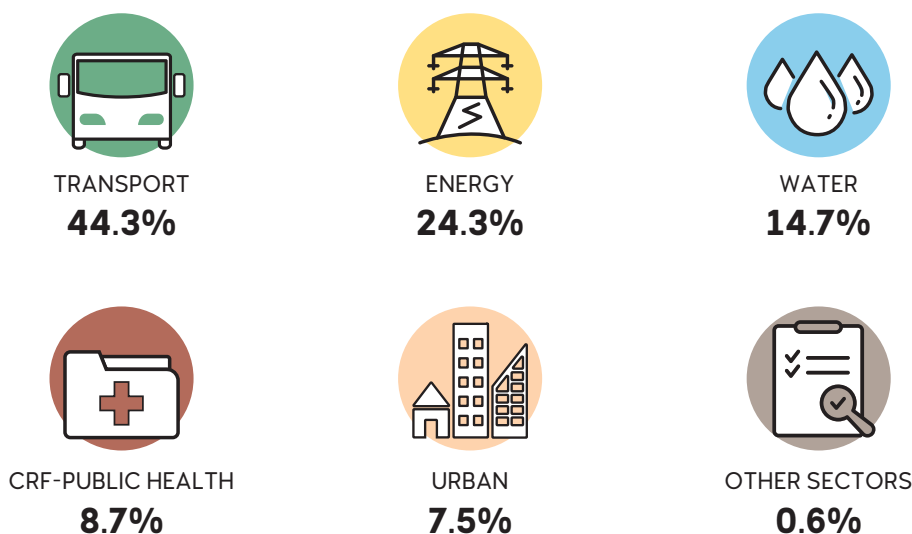
	Non-CRF	CRF
Standalone	60.1%	0
Cofinanced	75.0%	1.5%

CRF = COVID-19 Crisis Recovery Facility
Source: AIB, Cofinanciers.

D. Procurement by Sector

10. Reflecting the Bank's commitment to financing Infrastructure for Tomorrow, the transport (44.3%), energy (24.3%), and water (14.7%) sectors have accounted for 83.2% of all contracts awarded since 2016. This trend has remained consistent over the years. In 2023, projects in the transport sector were awarded 72.9% of the contracts, followed by the water sector with 16.7%, and the energy sector with 6.2%. The rest of the contracts were awarded in the urban (2.4%), other (1.4%), and CRF-public health (0.3%) sectors.

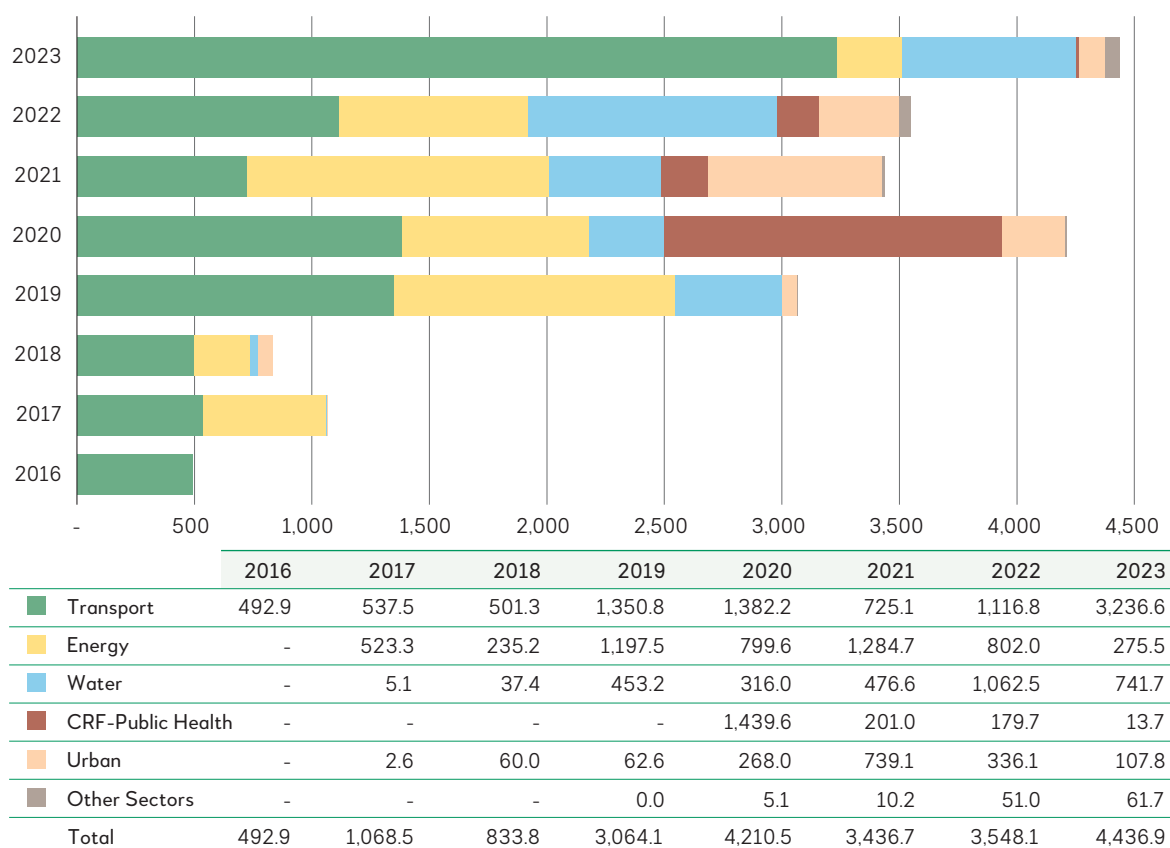
Figure 5: Percentage of Procurement by Sector, 2016-2023



Note: Others include the following sectors: (i) CRF-Economic Resilience/Policy-based Financing, (ii) Rural Infrastructure and Agriculture Development and (iii) Other.

Source: AIB, Cofinanciers.

Figure 6: Annual Procurement Value by Sector, 2016-2023
(USD million)



Note: Other Sectors include the following: (i) CRF-Economic Resilience/PBF, (ii) Rural Infrastructure and Agriculture Development and (iii) Other.

Source: AIIB, Cofinanciers.

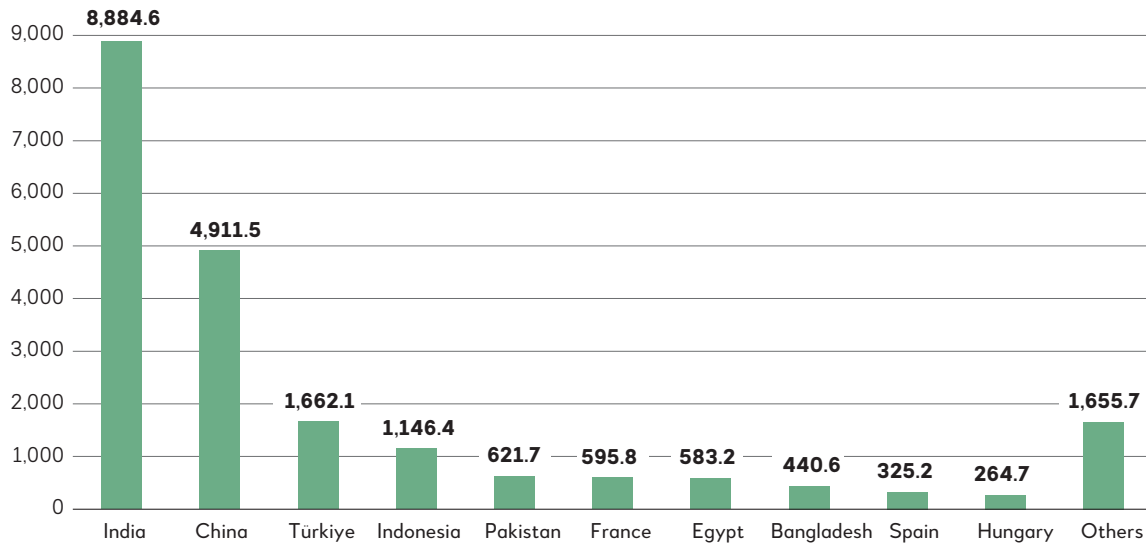
E. Procurement by Origin¹⁰ of Suppliers/Contractors/Consultants

E.1 Overall Procurement

11. During 2016-2023, the largest share of contracts was awarded to suppliers/contractors/consultants from India (USD8,884.6 million, 42.1%), China (USD4,911.5 million, 23.3%), Türkiye (USD1,662.1 million, 7.9%), Indonesia (USD1,146.4 million, 5.4%), and Pakistan (USD621.7 million, 2.9%), as shown in Figure 7.

¹⁰ In the case of a joint venture between a national firm(s) and foreign firm(s), the amount of contract value is split evenly among the joint venture members.

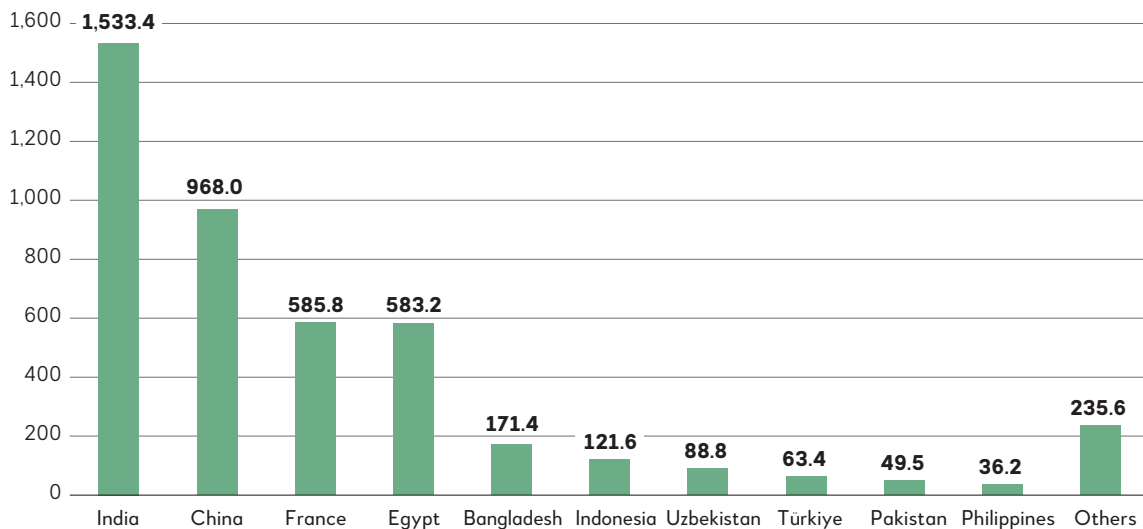
Figure 7: Top 10 Origins of Suppliers/Contractors/Consultants, 2016-2023
(USD million)



Source: AIIB, Cofinanciers.

12. In 2023, 86.6% of all contracts were awarded to contractors, suppliers, and consultants from India (USD1,533.4 million, 34.6%), China (USD968.0 million, 21.8%), France (USD585.8 million, 13.2%), Egypt (USD583.2 million, 13.1%), and Bangladesh (USD171.4 million, 3.9%).

Figure 8: Top 10 Origins of Suppliers/Contractors/Consultants in 2023
(USD million)

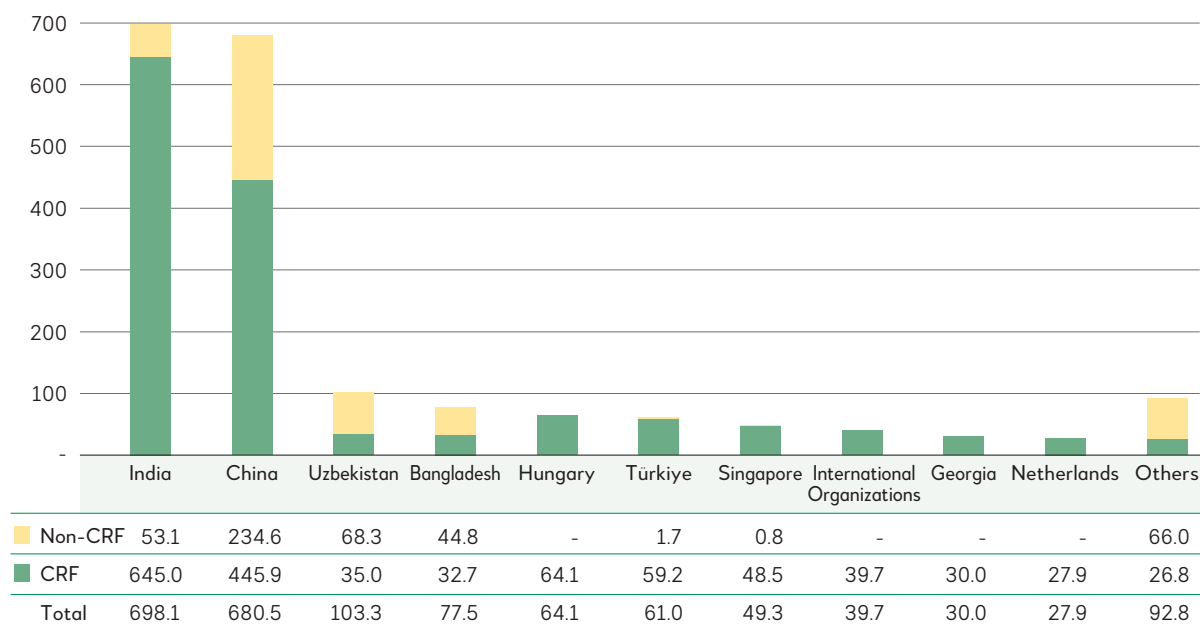


Source: AIIB, Cofinanciers.

E.2 Procurement of Goods

13. India was the largest supplier¹¹ for AIIB-financed goods contracts with a total contract value of USD698.1 million (36.3% of the total). This is distributed across various Bank-financed projects in the following recipients: India (USD546.9 million), Bangladesh (USD144.2 million), Georgia (USD6.9 million), and Nepal (USD0.1 million). This was followed by suppliers from China with a total contract value of USD680.5 million (35.4% of the total), which is spread among the Bank-financed projects in the following recipient Members: China (USD490.9 million), India (USD83.9 million), Bangladesh (USD76.2 million), Tajikistan (USD20.0 million), Georgia (USD4.2 million), Uzbekistan (USD4.1 million), and Hungary (USD1.2 million).

Figure 9: Top 10 Origins of Suppliers, 2016-2023
(USD million)



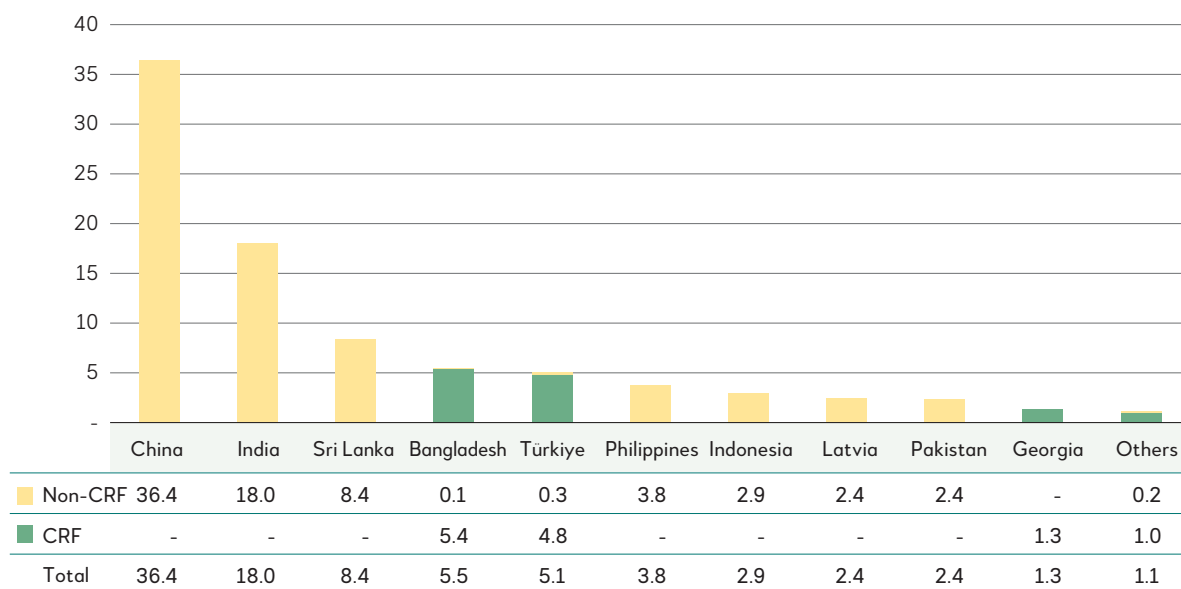
CRF = COVID-19 Crisis Recovery Facility

Source: AIIB, Cofinanciers.

14. In 2023, the procurement of goods represents 2.0% of total procurement value for the year, amounting to USD87.4 million (Figure 10). Suppliers from China were awarded a total of USD36.4 million contracts (41.7% of total procurement value of goods contracts), followed by India (USD18.0 million, 20.6%), Sri Lanka (USD8.4 million, 9.6%), Bangladesh (USD5.5 million, 6.3%), and Türkiye (USD5.1 million, 5.8%).

¹¹ Throughout this Annual Operational Procurement Report, the origins of the suppliers of goods contracts (i.e., the origins where the firms are registered, incorporated, or established) are monitored, rather than the origins of goods.

Figure 10: Top 10 Origins of Suppliers in 2023
(USD million)



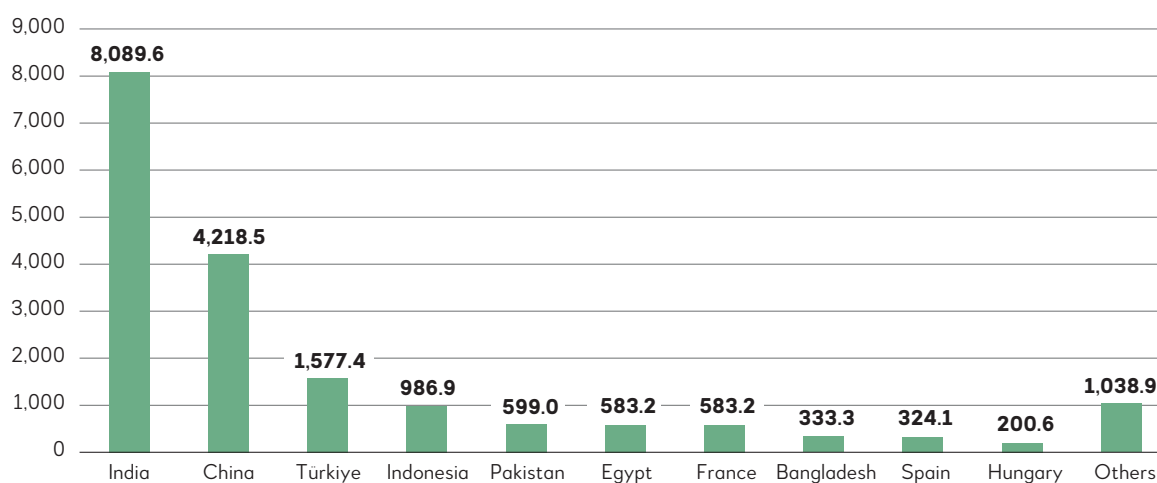
CRF = COVID-19 Crisis Recovery Facility

Source: AIIB, Cofinanciers.

E.3 Procurement of Works

15. As shown in Figure 11, during 2016-2023, contractors from India were awarded contracts worth a total of USD8,089.6 million (43.6% of total procurement value of works contracts), followed by China (USD4,218.5 million, 22.8%), Türkiye (USD1,577.4 million, 8.5%), Indonesia (USD986.9 million, 5.3%), and Pakistan (USD599.0 million, 3.2%).

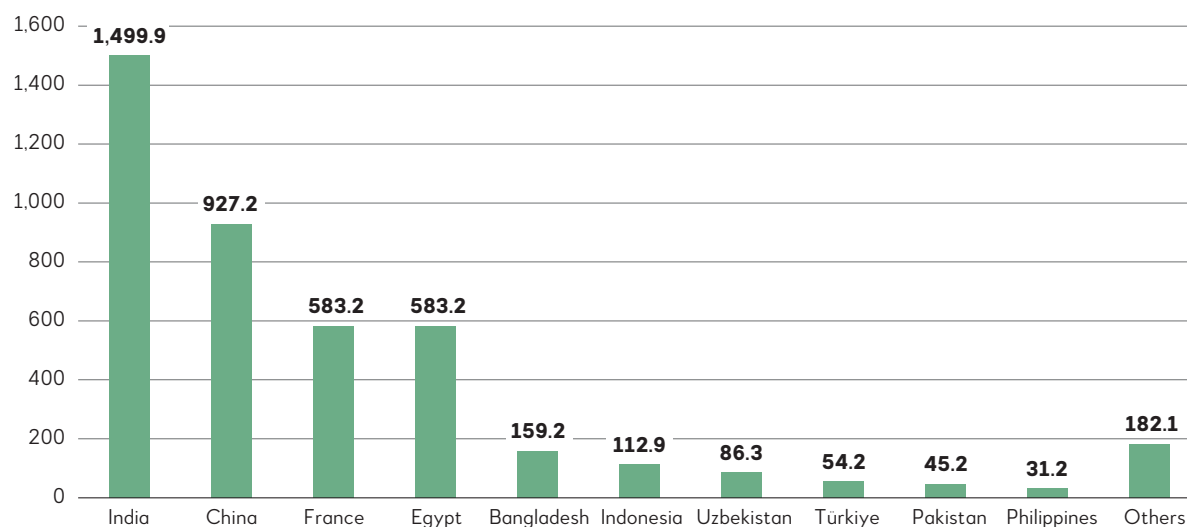
Figure 11: Top 10 Origins of Contractors, 2016-2023
(USD million)



Source: AIIB, Cofinanciers.

16. In 2023, the total contract value of works contracts was USD4,264.8 million (Figure 12), and contracts were awarded to contractors from India (USD1,499.9 million, 35.2% of total value of the procurement of works), China (USD927.2 million, 21.7%), France and Egypt¹² (USD583.2 million, 13.7% for each), and Bangladesh (USD159.2 million, 3.7%).

Figure 12: Top 10 Origins of Contractors in 2023
(USD million)



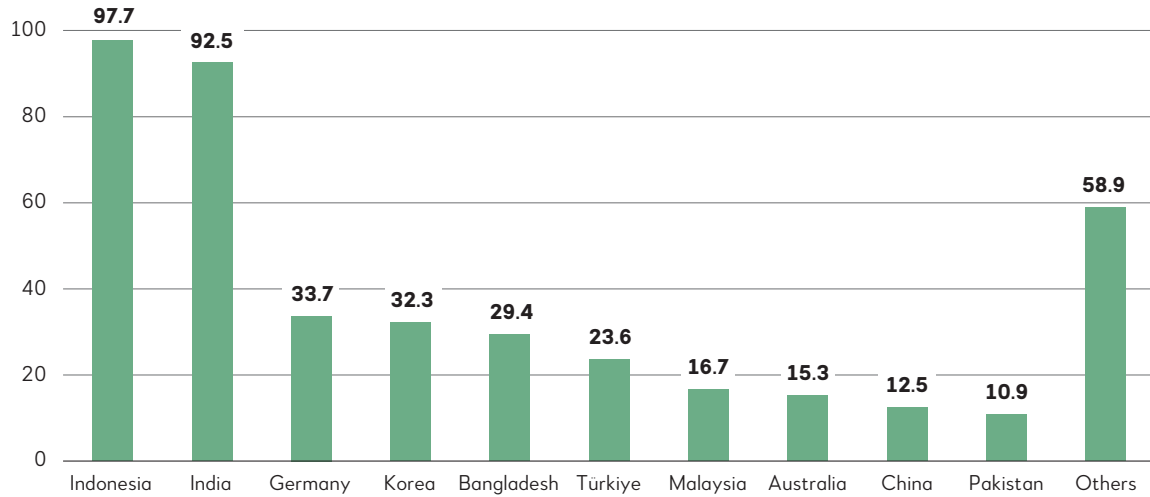
Source: AIIB, Cofinanciers.

E.4 Procurement of Consulting Services

17. During 2016-2023, consultants, both firms and individuals, from Indonesia were awarded contracts worth USD97.7 million (23.1% of the total signed contract value of consulting services), followed by India (USD92.5 million, 21.8%), Germany (USD33.7 million, 8.0%), Korea (USD32.3 million, 7.6%), and Bangladesh (USD29.4 million, 6.9%).

¹² Under P000207 Egypt: Alexandria Abu Qir Metro Line Project, the Bank awarded its largest contract to date in 2023 (Contract Value: EUR765,927,021 plus EGP10,668,350,250). This contract, cofinanced with other partners—European Bank for Reconstruction and Development, European Investment Bank and Agence Française de Développement—is for the civil works, electrical, mechanical, signaling, centralized control, telecommunication, automated fare collection, power supply, workshop equipment, track works, and tracks diversion of the Egyptian National Railways. The Bank's financing percentage for this contract amounts to 14% of the total financing.

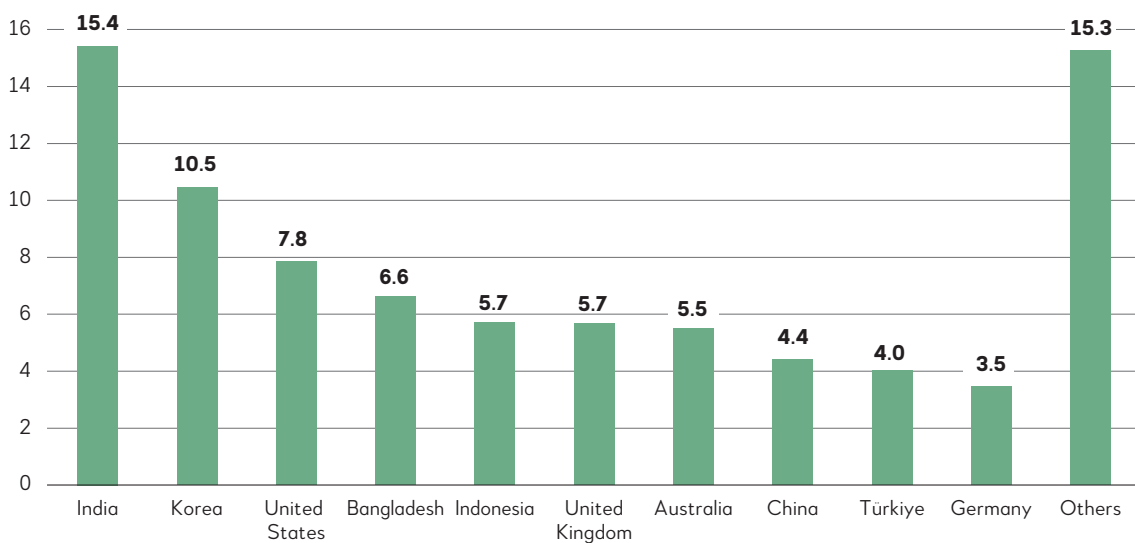
Figure 13: Top 10 Origins of Consultants, 2016-2023
(USD million)



Source: AIIB, Cofinanciers.

18. In 2023, the procurement of consulting services amounted to USD84.4 million and accounts for 1.9% of the total contracts signed within the year. Higher diversity was observed in terms of the origins of consultants as shown in Figure 14.

Figure 14: Top 10 Origins of Consultants in 2023
(USD million)



Source: AIIB, Cofinanciers.

F. Contracts Awarded to Domestic Suppliers/Contractors/Consultants¹³

F.1 General

19. Overall, during 2016-2023, 74.1% of AIB-financed contracts were awarded to domestic suppliers/contractors/consultants. As for the contracts signed in 2023, majority of contracts were awarded to domestic suppliers/contractors for goods and works, whereas more than half of the consulting services contracts were awarded to foreign firms and individuals.

Table 4: Percentage of Contracts Awarded to Domestic Suppliers/Contractors/Consultants

Year	Overall ^o	Goods	Works	Consulting Services
2016-2023	74.1%	74.3%	74.9%	62.0%
2023	71.2%	94.5%	71.2%	45.5%

^o Through International Open Competitive Tendering and International Open Competitive Selection, domestic suppliers/contractors/consultants were awarded 63.0% during 2016-2023 and 64.1% of contracts value in 2023.

Source: AIB, Cofinanciers.

F.2 Data on Contracts Awarded to Domestic Suppliers/Contractors/Consultants in Each Recipient Member

20. **Overall.** The data in this report is based on the factual percentage of total signed contracts during 2016-2023 that went to domestic contractors, suppliers, and consultants (firms and individuals). With reference to Figure 15, during 2016-2023, more than 90% of contract awards for projects in the five recipients – Cambodia, China, Hungary, Indonesia, and India went to domestic suppliers/contractors/consultants. Since the Bank applies universal procurement and there is no restriction on the participation of foreign contractors, suppliers, and consultants in Bank-financed contracts, the high percentage of contracts awarded to domestic suppliers/contractors/consultants in these countries demonstrates a robust domestic market. The details of the distribution of contracts awarded to domestic suppliers/contractors/consultants for goods, works, and consulting services are presented in Figures 16, 17, and 18, respectively.

¹³ "Domestic suppliers/contractors/consultants" are those firms and individuals who are from the same Member as that of the contracting authority.

Figure 15: Overall: Percentage of Contract Value Awarded to Domestic Suppliers/Contractors/Consultants, 2016-2023

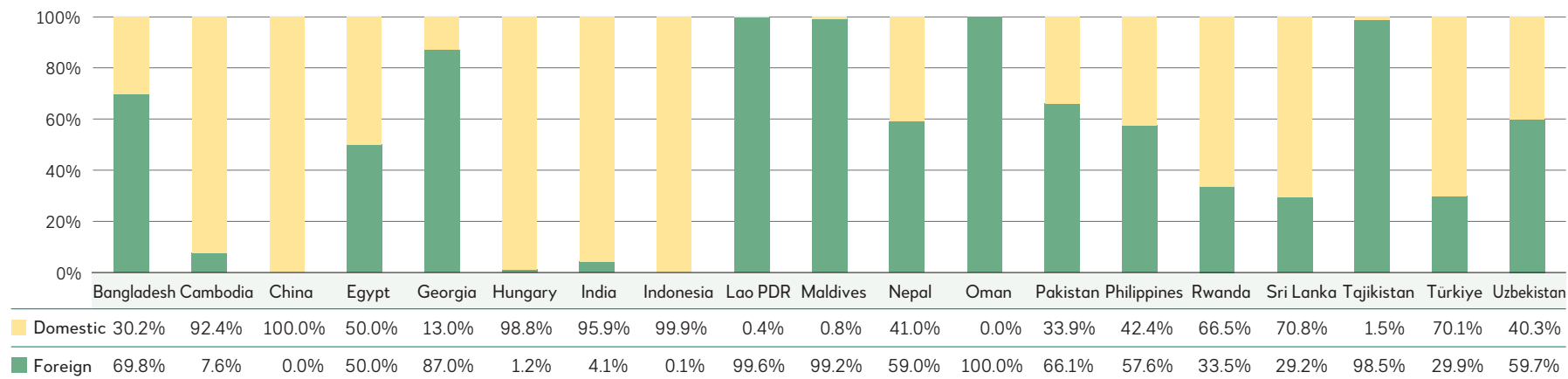


Figure 16: Goods: Percentage of Contract Value Awarded to Domestic Suppliers, 2016-2023

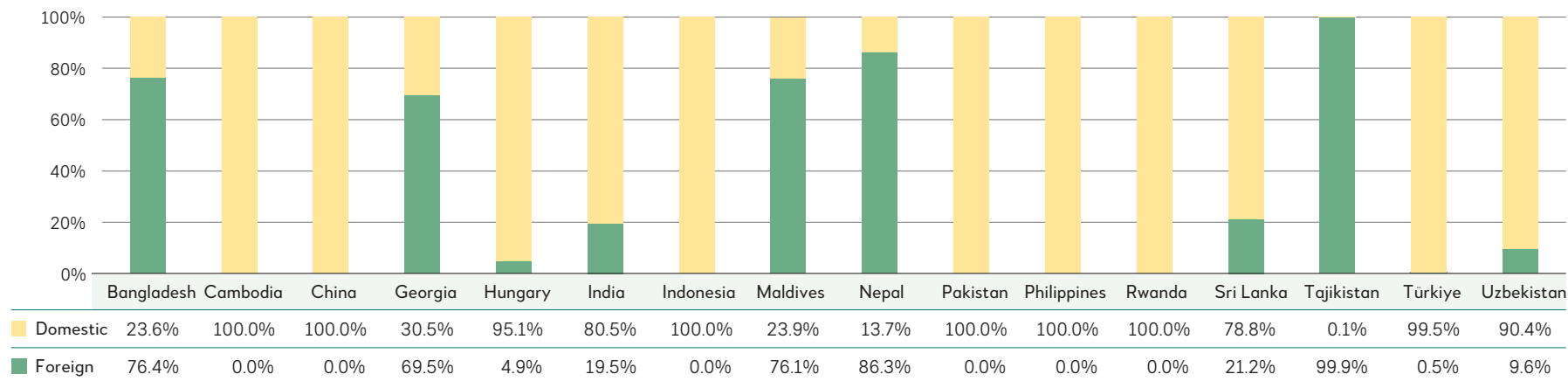


Figure 17: Works: Percentage of Contract Value Awarded to Domestic Contractors, 2016-2023

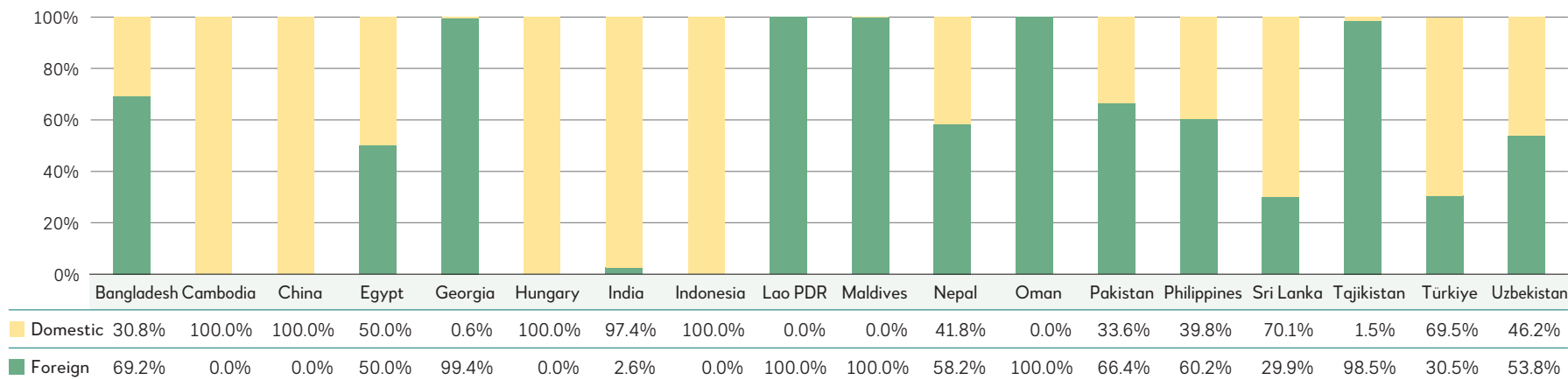
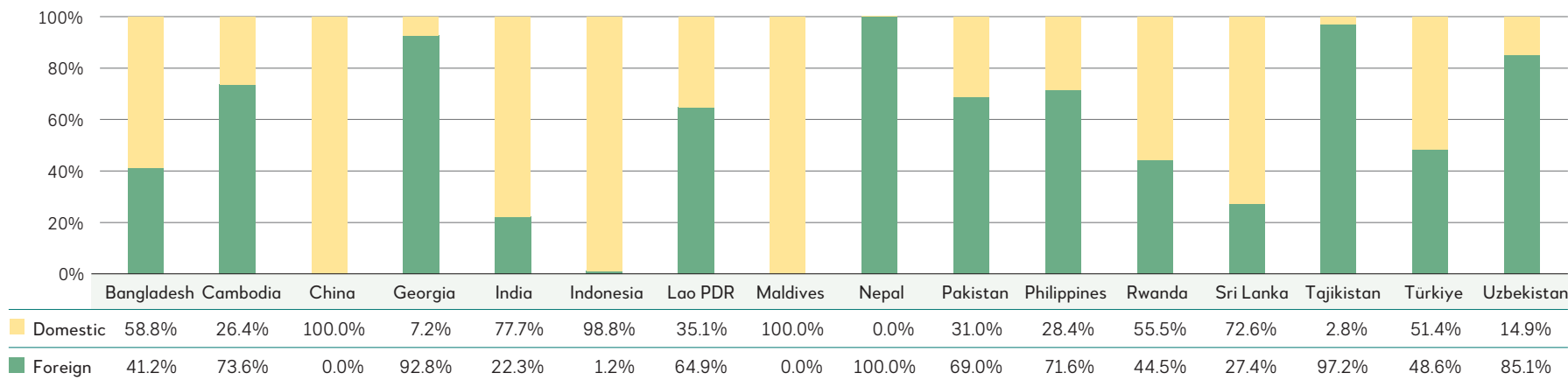


Figure 18: Consulting Services: Percentage of Contract Value Awarded to Domestic Consultants, 2016-2023





BUSINESS OUTREACH

21. In alignment with its commitment to promoting opportunities and facilitating private sector engagement in AIIB-financed projects, the Bank convened or participated in business outreach activities in 2023 (Table 5). Feedback gathered from participants underscored the importance of these seminars, notably in the dissemination of information pertaining to AIIB's Procurement Policy, Principles, and Procedures, alongside procurement opportunities in AIIB-financed projects.

Table 5: Business Outreach Activities in 2023

Event	Location	Topic	Date
Presentation to the State Secretariat for Economic Affairs (SECO), Switzerland	Beijing, China	Modalities for Blending with SECO – Environmental & Social, Procurement, Financial Management, and Disbursements	March 1, 2023
Presentation to Uzbekistan-based Contractors on Procurement under AIIB-financed Projects	Tashkent, Uzbekistan	Project Procurement Opportunities of AIIB-financed Projects and Common Pitfalls to Avoid	March 10, 2023
AIIB Project Procurement Policy and Business Opportunities	Beijing, China	AIIB Project Procurement Policy and Business Opportunities Organized by the Bank's Corporate Secretariat	June 28, 2023
2023 International Development Opportunities Seminar Series	Melbourne, Brisbane, and Sydney, Australia	AIIB Project Procurement and Procedures Overview	Aug. 14-16, 2023
2023 AIIB Annual Meeting	Sharm El Sheikh, Egypt	AIIB Project Procurement Opportunities – Strengthening Our Business Partnerships to Deliver Sustainable Infrastructure for Tomorrow	Sep. 25-26, 2023
“Multilaterals Days” organized by Ministry of Finance of Portugal Government	Lisbon, Portugal	AIIB Project Procurement Policy and Business Opportunities	Oct. 30, 2023
The Third Beijing International Engineering Procurement Conference and Exposition, Organized by the China International Engineering Consultants Association	Beijing, China	AIIB Project Procurement Policy and Business Opportunities	Nov. 15, 2023

Source: AIIB

IV

PROJECT PROCUREMENT MANAGEMENT SYSTEM

22. Recognizing the importance of procurement in AIIB's sovereign operations, the Project Procurement Management System (PPMS) was developed as an innovative way to improve the documentation and efficiency of procurement processes in Bank-financed projects. The Operational Services Department (now the Sustainability and Fiduciary Solutions Department, effective from June 3, 2024) and the Information and Technology Department embarked on the development of PPMS with the primary objective of supporting sovereign investment operations by providing a digital platform for the Bank and its recipients to plan, track and record procurement transactions throughout the project lifecycle, from preparation to closing.

23. In July 2023, the piloting phase of the PPMS commenced with five projects on board. By the end of 2023, the pilot program expanded to encompass 11 projects. By the fourth quarter of 2024, the PPMS is expected to officially launch and all Bank-client interactions on procurement will be done through this system.

24. With the full rollout of the PPMS, it is expected that the Bank and its clients will benefit from the system through improved procurement planning, increased efficiency of procurement transactions, and better procurement results. The system is expected to enhance project procurement management and provide more solid and integrated Bank-financed project procurement data, allowing both the Bank and Recipients to monitor and enhance project procurement performance, which contributes to achieving the project development objectives and impacts.



APPENDICES

PROCUREMENT STATISTICS

Appendix 1: Procurement Value by Recipients, 2016-2023	19
Appendix 2: Procurement Value by Recipients in 2023	21
Appendix 3: Procurement Value by Origins of Suppliers/Contractors/ Consultants, 2016-2023	22
Appendix 4: Procurement Value by Origins of Suppliers/Contractors/ Consultants in 2023	25

Appendix 1: Procurement Value by Recipients, 2016-2023

	Goods		Works		Non-Consulting Services		Consulting Services		Total	
	Value (USD million)	% of Total Goods	Value (USD million)	% of Total Works	Value (USD million)	% of Total Non-Consulting Services	Value (USD million)	% of Total Consulting Services	Value (USD million)	CRF (%)
Bangladesh	327.7	17.0%	1,082.3	5.8%	0.4	0.2%	49.9	11.8%	1,460.3	12.9%
Cambodia	0.3	0.0%	26.5	0.1%	-	-	3.1	0.7%	29.9	93.6%
China	490.9	25.5%	1,661.0	9.0%	-	-	12.5	3.0%	2,164.4	16.9%
Egypt	-	-	1,166.4	6.3%	-	-	-	-	1,166.4	-
Georgia	98.2	5.1%	133.5	0.7%	0.0	0.0%	9.5	2.2%	241.2	41.4%
Hungary	67.4	3.5%	200.6	1.1%	-	-	-	-	268.0	100.0%
India	679.0	35.3%	8,086.2	43.6%	8.3	4.0%	110.1	26.0%	8,883.6	7.3%
Indonesia	22.5	1.2%	974.5	5.3%	39.4	18.8%	92.8	21.9%	1,129.1	-
Lao PDR	-	-	98.3	0.5%	-	-	1.0	0.2%	99.3	-
Maldives	8.9	0.5%	307.4	1.7%	0.0	0.0%	0.3	0.1%	316.7	3.8%
Nepal	0.1	0.0%	101.5	0.5%	-	-	1.9	0.5%	103.5	-
Oman	-	-	278.8	1.5%	-	-	-	-	278.8	-
Pakistan	9.4	0.5%	1,782.0	9.6%	-	-	34.0	8.0%	1,825.4	-
Philippines	12.5	0.6%	163.3	0.9%	0.1	0.0%	20.9	4.9%	196.7	-
Rwanda	0.9	0.0%	-	-	0.2	0.1%	3.1	0.7%	4.1	100.0%
Sri Lanka	11.3	0.6%	141.1	0.8%	-	-	1.1	0.3%	153.5	-

continued on next page

Table continued

	Goods		Works		Non-Consulting Services		Consulting Services		Total	
	Value (USD million)	% of Total Goods	Value (USD million)	% of Total Works	Value (USD million)	% of Total Non- Consulting Services	Value (USD million)	% of Total Consulting Services	Value (USD million)	CRF (%)
Tajikistan	20.0	1.0%	194.1	1.0%	-	-	14.8	3.5%	228.9	-
Türkiye	60.7	3.2%	1,859.2	10.0%	0.1	0.1%	32.3	7.6%	1,952.4	3.0%
Uzbekistan	114.3	5.9%	278.1	1.5%	160.8	76.8%	36.2	8.6%	589.4	33.2%
Total	1,924.1	100.0%	18,534.7	100.0%	209.2	100.0%	423.5	100.0%	21,091.5	8.8%

- = nil, 0.0 = less than 0.05, 0.0% = less than 0.05%

Note: Numbers may not add up due to rounding.

Source: AIIB, Cofinanciers.

Appendix 2: Procurement Value by Recipients in 2023

	Goods		Works		Non-Consulting Services		Consulting Services		Total	
	Value (USD million)	% of Total Goods	Value (USD million)	% of Total Works	Value (USD million)	% of Total Non-Consulting Services	Value (USD million)	% of Total Consulting Services	Value (USD million)	CRF (%)
Bangladesh	5.5	6.3%	486.9	11.4%	-	-	25.1	29.8%	517.5	1.4%
Cambodia	-	-	19.9	0.5%	-	-	1.1	1.2%	20.9	95.4%
China	36.4	41.7%	594.6	13.9%	-	-	4.4	5.2%	635.5	-
Egypt	-	-	1,166.4	27.4%	-	-	-	-	1,166.4	-
Georgia	1.3	1.5%	-	-	-	-	0.1	0.1%	1.4	100.0%
India	18.0	20.6%	1,334.8	31.3%	0.0	11.2%	11.9	14.1%	1,364.8	-
Indonesia	2.9	3.3%	112.9	2.6%	0.1	23.9%	5.7	6.8%	121.6	-
Maldives	0.1	0.1%	-	-	-	-	0.0	0.0%	0.1	100.0%
Nepal	-	-	80.1	1.9%	-	-	1.3	1.5%	81.4	-
Pakistan	0.2	0.2%	73.6	1.7%	-	-	6.9	8.2%	80.7	-
Philippines	3.8	4.3%	109.3	2.6%	-	-	1.1	1.3%	114.2	-
Rwanda	0.9	1.0%	-	-	0.2	64.8%	0.8	1.0%	1.8	100.0%
Sri Lanka	10.8	12.3%	8.9	0.2%	-	-	0.8	0.9%	20.5	-
Tajikistan	0.0	0.0%	0.4	0.0%	-	-	11.6	13.7%	12.0	-
Türkiye	5.1	5.8%	41.0	1.0%	-	-	3.9	4.6%	50.0	9.7%
Uzbekistan	2.4	2.8%	235.8	5.5%	-	-	9.7	11.5%	248.0	-
Total	87.4	100.0%	4,264.8	100.0%	0.3	100.0%	84.4	100.0%	4,436.9	0.8%

- = nil, 0.0 = less than 0.05, 0.0% = less than 0.05%

Note: Numbers may not add up due to rounding.

Source: AIB, Cofinanciers.

Appendix 3: Procurement Value by Origins of Suppliers/Contractors/Consultants, 2016-2023

	Goods		Works		Non-Consulting Services		Consulting Services		Total	
	Value (USD million)	% of Total Goods	Value (USD million)	% of Total Works	Value (USD million)	% of Total Non-Consulting Services	Value (USD million)	% of Total Consulting Services	Value (USD million)	% of the Total
Afghanistan	-	-	11.4	0.1%	-	-	-	-	11.4	0.1%
Australia	-	-	-	-	-	-	15.3	3.6%	15.3	0.1%
Austria	-	-	23.0	0.1%	-	-	0.5	0.1%	23.5	0.1%
Azerbaijan	-	-	99.0	0.5%	-	-	-	-	99.0	0.5%
Bangladesh	77.5	4.0%	333.3	1.8%	0.4	0.2%	29.4	6.9%	440.6	2.1%
Brazil	-	-	-	-	-	-	0.3	0.1%	0.3	0.0%
Cambodia	0.3	0.0%	26.5	0.1%	-	-	0.8	0.2%	27.6	0.1%
Canada	0.4	0.0%	-	-	-	-	0.2	0.0%	0.5	0.0%
China	680.5	35.4%	4,218.5	22.8%	-	-	12.5	3.0%	4,911.5	23.3%
Denmark	-	-	-	-	-	-	0.1	0.0%	0.1	0.0%
Egypt	-	-	583.2	3.1%	-	-	-	-	583.2	2.8%
France	4.5	0.2%	583.2	3.1%	-	-	8.0	1.9%	595.8	2.8%
Georgia	30.0	1.6%	0.8	0.0%	0.0	0.0%	0.7	0.2%	31.5	0.1%
Germany	2.3	0.1%	151.7	0.8%	-	-	33.7	8.0%	187.7	0.9%
Greece	-	-	-	-	-	-	0.4	0.1%	0.4	0.0%
Hungary	64.1	3.3%	200.6	1.1%	-	-	-	-	264.7	1.3%
India	698.1	36.3%	8,089.6	43.6%	4.4	2.1%	92.5	21.8%	8,884.6	42.1%

continued on next page

Table continued

	Goods		Works		Non-Consulting Services		Consulting Services		Total	
	Value (USD million)	% of Total Goods	Value (USD million)	% of Total Works	Value (USD million)	% of Total Non-Consulting Services	Value (USD million)	% of Total Consulting Services	Value (USD million)	% of the Total
Indonesia	22.5	1.2%	986.9	5.3%	39.4	18.8%	97.7	23.1%	1,146.4	5.4%
International Organizations	39.7	2.1%	2.6	0.0%	160.8	76.8%	-	-	203.0	1.0%
Ireland	-	-	-	-	-	-	6.0	1.4%	6.0	0.0%
Israel	-	-	-	-	-	-	0.8	0.2%	0.8	0.0%
Italy	-	-	10.9	0.1%	-	-	3.1	0.7%	13.9	0.1%
Japan	2.1	0.1%	30.3	0.2%	-	-	1.1	0.3%	33.5	0.2%
Kenya	-	-	-	-	-	-	0.2	0.1%	0.2	0.0%
Korea	19.4	1.0%	95.5	0.5%	-	-	32.3	7.6%	147.2	0.7%
Kuwait	-	-	0.4	0.0%	-	-	-	-	0.4	0.0%
Lao PDR	-	-	-	-	-	-	0.3	0.1%	0.3	0.0%
Latvia	2.4	0.1%	-	-	-	-	-	-	2.4	0.0%
Lebanon	-	-	-	-	-	-	3.8	0.9%	3.8	0.0%
Malaysia	-	-	27.6	0.1%	-	-	16.7	3.9%	44.3	0.2%
Maldives	2.1	0.1%	0.0	0.0%	0.0	0.0%	0.3	0.1%	2.5	0.0%
Nepal	0.0	0.0%	42.4	0.2%	-	-	0.0	0.0%	42.4	0.2%
Netherlands	27.9	1.5%	-	-	-	-	0.1	0.0%	28.0	0.1%
Oman	-	-	41.9	0.2%	-	-	-	-	41.9	0.2%

continued on next page

Table continued

	Goods		Works		Non-Consulting Services		Consulting Services		Total	
	Value (USD million)	% of Total Goods	Value (USD million)	% of Total Works	Value (USD million)	% of Total Non- Consulting Services	Value (USD million)	% of Total Consulting Services	Value (USD million)	% of the Total
Pakistan	11.8	0.6%	599.0	3.2%	-	-	10.9	2.6%	621.7	2.9%
Philippines	12.5	0.6%	65.0	0.4%	0.1	0.0%	6.0	1.4%	83.6	0.4%
Portugal	-	-	139.4	0.8%	-	-	-	-	139.4	0.7%
Rwanda	0.9	0.0%	-	-	0.2	0.1%	1.7	0.4%	2.8	0.0%
Singapore	49.3	2.6%	-	-	-	-	-	-	49.3	0.2%
Slovakia	-	-	-	-	-	-	0.1	0.0%	0.1	0.0%
Spain	-	-	324.1	1.7%	-	-	1.1	0.3%	325.2	1.5%
Sri Lanka	8.9	0.5%	98.9	0.5%	-	-	1.4	0.3%	109.2	0.5%
Switzerland	1.3	0.1%	13.0	0.1%	-	-	0.3	0.1%	14.6	0.1%
Tajikistan	0.0	0.0%	30.2	0.2%	-	-	0.4	0.1%	30.6	0.1%
Türkiye	61.0	3.2%	1,577.4	8.5%	0.1	0.1%	23.6	5.6%	1,662.1	7.9%
UAE	-	-	-	-	-	-	0.7	0.2%	0.7	0.0%
United Kingdom	-	-	-	-	-	-	5.8	1.4%	5.8	0.0%
United States	1.4	0.1%	-	-	3.9	1.8%	8.9	2.1%	14.1	0.1%
Uzbekistan	103.3	5.4%	128.5	0.7%	-	-	5.4	1.3%	237.2	1.1%
Viet Nam	-	-	-	-	-	-	0.1	0.0%	0.1	0.0%
Total	1,924.1	100.0%	18,534.7	100.0%	209.2	100.0%	423.5	100.0%	21,091.5	100.0%

- = nil, 0.0 = less than 0.05, 0.0% = less than 0.05%

Note: Numbers may not add up due to rounding.

Source: AIIB, Cofinanciers.

Appendix 4: Procurement Value by Origins of Suppliers/Contractors/Consultants in 2023

	Goods		Works		Non-Consulting Services		Consulting Services		Total	
	Value (USD million)	% of Total Goods	Value (USD million)	% of Total Works	Value (USD million)	% of Total Non-Consulting Services	Value (USD million)	% of Total Consulting Services	Value (USD million)	% of the Total
Afghanistan	-	-	11.4	0.3%	-	-	-	-	11.4	0.3%
Australia	-	-	-	-	-	-	5.5	6.5%	5.5	0.1%
Azerbaijan	-	-	15.1	0.4%	-	-	-	-	15.1	0.3%
Bangladesh	5.5	6.3%	159.2	3.7%	-	-	6.6	7.9%	171.4	3.9%
Brazil	-	-	-	-	-	-	0.3	0.3%	0.3	0.0%
Cambodia	-	-	19.9	0.5%	-	-	0.5	0.6%	20.4	0.5%
Canada	-	-	-	-	-	-	0.1	0.1%	0.1	0.0%
China	36.4	41.7%	927.2	21.7%	-	-	4.4	5.2%	968.0	21.8%
Denmark	-	-	-	-	-	-	0.1	0.1%	0.1	0.0%
Egypt	-	-	583.2	13.7%	-	-	-	-	583.2	13.1%
France	-	-	583.2	13.7%	-	-	2.6	3.1%	585.8	13.2%
Georgia	1.3	1.5%	-	-	-	-	0.1	0.1%	1.4	0.0%
Germany	-	-	-	-	-	-	3.5	4.1%	3.5	0.1%
Greece	-	-	-	-	-	-	0.4	0.5%	0.4	0.0%
India	18.0	20.6%	1,499.9	35.2%	0.0	11.2%	15.4	18.3%	1,533.4	34.6%

continued on next page

Table continued

	Goods		Works		Non-Consulting Services		Consulting Services		Total	
	Value (USD million)	% of Total Goods	Value (USD million)	% of Total Works	Value (USD million)	% of Total Non-Consulting Services	Value (USD million)	% of Total Consulting Services	Value (USD million)	% of the Total
Indonesia	2.9	3.3%	112.9	2.6%	0.1	23.9%	5.7	6.8%	121.6	2.7%
Israel	-	-	-	-	-	-	0.2	0.2%	0.2	0.0%
Italy	-	-	-	-	-	-	2.1	2.5%	2.1	0.0%
Japan	-	-	30.3	0.7%	-	-	-	-	30.3	0.7%
Korea	-	-	20.2	0.5%	-	-	10.5	12.4%	30.6	0.7%
Kuwait	-	-	0.4	0.0%	-	-	-	-	0.4	0.0%
Latvia	2.4	2.8%	-	-	-	-	-	-	2.4	0.1%
Lebanon	-	-	-	-	-	-	1.7	2.0%	1.7	0.0%
Malaysia	-	-	27.6	0.6%	-	-	-	-	27.6	0.6%
Maldives	0.1	0.1%	-	-	-	-	0.0	0.0%	0.1	0.0%
Nepal	-	-	21.0	0.5%	-	-	-	-	21.0	0.5%
Netherlands	-	-	-	-	-	-	0.1	0.1%	0.1	0.0%
Pakistan	2.6	2.9%	45.2	1.1%	-	-	1.7	2.0%	49.5	1.1%
Philippines	3.8	4.3%	31.2	0.7%	-	-	1.2	1.4%	36.2	0.8%
Rwanda	0.9	1.0%	-	-	0.2	64.8%	0.1	0.2%	1.2	0.0%
Sri Lanka	8.4	9.6%	8.9	0.2%	-	-	0.8	0.9%	18.1	0.4%
Tajikistan	0.0	0.0%	27.3	0.6%	-	-	0.1	0.1%	27.4	0.6%
Türkiye	5.1	5.8%	54.2	1.3%	-	-	4.0	4.8%	63.4	1.4%

continued on next page

Table continued

	Goods		Works		Non-Consulting Services		Consulting Services		Total	
	Value (USD million)	% of Total Goods	Value (USD million)	% of Total Works	Value (USD million)	% of Total Non- Consulting Services	Value (USD million)	% of Total Consulting Services	Value (USD million)	% of the Total
UAE	-	-	-	-	-	-	0.7	0.9%	0.7	0.0%
United Kingdom	-	-	-	-	-	-	5.7	6.7%	5.7	0.1%
United States	-	-	-	-	-	-	7.8	9.3%	7.8	0.2%
Uzbekistan	-	-	86.3	2.0%	-	-	2.5	3.0%	88.8	2.0%
Viet Nam	-	-	-	-	-	-	0.1	0.1%	0.1	0.0%
2023 Total	87.4	100.0%	4,264.8	100.0%	0.3	100.0%	84.4	100.0%	4,436.9	100.0%

- = nil, 0.0 = less than 0.05, 0.0% = less than 0.05%

Note: Numbers may not add up due to rounding.

Source: AIB, Cofinanciers.

For more information about

AIB Project Procurement Opportunities

Please visit aiib.org.



2023 ANNUAL OPERATIONAL PROCUREMENT REPORT

Produced by the Sustainability and Fiduciary Solutions Department of the Asian Infrastructure Investment Bank (AIIB), this 2023 Annual Operational Procurement Report marks the Bank's third operational procurement report since the inaugural edition in 2022.

The Report provides statistics and analysis of procurement contracts signed between 2016 and 2023, which are financed by AIIB through Sovereign-backed Financings, including both standalone and cofinanced projects, as well as Project Preparation Special Fund grants.

AIIB consistently delivers high-quality procurement, ensuring funds are used for their intended purposes. The AIIB Procurement Policy upholds the Bank's procurement principles, including value-for-money and fit-for-purpose.



AIIB Headquarters, Tower A, Asia Financial Center
No. 1 Tianchen East Road, Chaoyang District, Beijing 100101 China

aiib.org