



2021

Annual Operational Procurement Report

Asian Infrastructure Investment Bank
September 2022

© Asian Infrastructure Investment Bank 2022
AIIB Headquarters, Tower A, Asia Financial Center
No. 1 Tianchen East Road, Chaoyang District, Beijing, China
100101
Tel: +86-10-8358-0000

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.

Table of Contents

I. FOREWORD	1
II. EXECUTIVE SUMMARY	2
III. AIIB PORTFOLIO PROFILE (2016-2021)	4
IV. AIIB PROCUREMENT FRAMEWORK (2016-2021)	6
V. AIIB PROCUREMENT PROFILE (2016-2021)	7
A. Overall Procurement Profile	7
B. Procurement by Investment Instrument.....	10
C. Procurement in Stand-alone and Co-financed Projects	11
D. Procurement by Sector	12
E. Procurement Value by Nationality of Suppliers/Contractors/Consultants	13
E.1 Overall Procurement.....	13
E.2 Procurement of Goods.....	13
E.3 Procurement of Works	14
E.4 Procurement of Consulting Services	15
F. Contracts Awarded to Domestic Suppliers/Contractors/Consultants.....	16
F.1 General.....	16
F.2 Statistics of Contracts Awarded to Domestic Suppliers/Contractors/Consultants in Each Recipient Member.....	17
VI. Appendixes: Procurement Statistics	20
Appendix 1: Procurement Value by Recipient Members, 2016-2021	20
Appendix 2: Procurement Value by Recipient Members in 2021.....	21
Appendix 3: Procurement Value by Suppliers/Contractors/Consultants Nationalities, 2016-2021	22
Appendix 4: Procurement Value by Suppliers/Contractors/Consultants Nationalities in 2021	24

TABLES

TABLE 1: CUMULATIVE NUMBER OF APPROVED PROJECTS, 2016-2021

TABLE 2: CUMULATIVE VALUE OF APPROVED PROJECTS, 2016-2021

TABLE 3: NUMBER OF APPROVED PROJECTS BY SECTOR, 2016-2021

TABLE 4: ANNUAL CONTRACT VALUE SUBJECT TO INTERNATIONAL COMPETITIVE TENDERING/SELECTION

TABLE 5: PERCENTAGE OF CUMULATIVE VALUE OF CONTRACTS SUBJECT TO PRIOR REVIEW

TABLE 6: PERCENTAGE OF CONTRACTS AWARDED TO DOMESTIC SUPPLIERS/CONTRACTORS/CONSULTANTS

FIGURES

FIGURE 1: AIIB OVERALL PROCUREMENT PROFILE, 2016-2021

FIGURE 2: DISTRIBUTION OF PROCUREMENT IN RECIPIENT MEMBERS, 2016-2021

FIGURE 3: ANNUAL PROCUREMENT VALUE, 2016-2021

FIGURE 4: OVERALL PROCUREMENT PROFILE BY INVESTMENT INSTRUMENT, 2016-2021

FIGURE 5: ANNUAL PROCUREMENT VALUE BY INVESTMENT INSTRUMENT, 2016-2021

FIGURE 6: ANNUAL PROCUREMENT VALUE IN STAND-ALONE AND CO-FINANCED PROJECTS

FIGURE 7: PERCENTAGE OF PROCUREMENT BY SECTOR, 2016-2021

FIGURE 8: ANNUAL PROCUREMENT VALUE BY SECTOR, 2016-2021

FIGURE 9: TOP 10 NATIONALITIES OF SUPPLIERS/CONTRACTORS/CONSULTANTS, 2016-2021

FIGURE 10: TOP 10 NATIONALITIES OF SUPPLIERS/CONTRACTORS/CONSULTANTS IN 2021

FIGURE 11: TOP 10 NATIONALITIES OF SUPPLIERS, 2016-2021

FIGURE 12: TOP 10 NATIONALITIES OF SUPPLIERS IN 2021

FIGURE 13: TOP 10 NATIONALITIES OF CONTRACTORS, 2016-2021

FIGURE 14: NATIONALITIES OF CONTRACTORS IN 2021

FIGURE 15: TOP 10 NATIONALITIES OF CONSULTANTS, 2016-2021

FIGURE 16: TOP 10 NATIONALITIES OF CONSULTANTS IN 2021

FIGURE 17: OVERALL: PERCENTAGE (%) OF CONTRACT VALUE AWARDED TO DOMESTIC SUPPLIERS/CONTRACTORS/CONSULTANTS, 2016-2021

FIGURE 18: GOODS: PERCENTAGE (%) OF CONTRACT VALUE AWARDED TO DOMESTIC SUPPLIERS, 2016- 2021

FIGURE 19: WORKS: PERCENTAGE (%) OF CONTRACT VALUE AWARDED TO DOMESTIC CONTRACTORS, 2016-2021

FIGURE 20: CONSULTING SERVICES: PERCENTAGE (%) OF CONTRACT VALUE AWARDED TO DOMESTIC CONSULTANTS, 2016-2021

ABBREVIATIONS

AIIB or the Bank	Asian Infrastructure Investment Bank
CRF	COVID-19 Crisis Recovery Facility ¹
COVID-19	Coronavirus disease
IOCS	International Open Competitive Selection
IOCT	International Open Competitive Tendering
MDB	Multilateral Development Bank
NSBF	Non-Sovereign-Backed Financing
PBF	Policy Based Financing
PPSF	Project Preparation Special Fund
SBF	Sovereign-Backed Financing
The Report	Annual Operational Procurement Report

¹ The CRF is available since 2020 to both public and private sector entities in any AIIB Member facing (or at risk of facing) serious adverse impacts, as a result of the outbreak of COVID-19.

I. FOREWORD

Asian Infrastructure Investment Bank (AIIB or “The Bank”) is a multilateral development bank (MDB), with an international membership representing about 79 percent of the global population and 65 percent of global gross domestic product (GDP).² With growing portfolio since its first operations in 2016, AIIB has embarked itself as one of the key development partners. The breakout of COVID-19 pandemic has affected the whole world, which impacts the way that AIIB operates. While infrastructure financing is the Bank’s mainstream business, it has a mandate sufficiently broad to cover other productive sectors, which diversifies the Bank’s portfolio.

With broader portfolio that AIIB currently has, it triggers more innovative way of delivering the development impact. Public procurement plays a critical role in public expenditure. Sound procurement principles³ and practices are essential to ensure that AIIB financing is used for its intended purpose and delivers successful development outcomes. During the period of 2016-2021, AIIB has financed⁴ USD12,840.4 million of procurement contracts (including USD211.3 million consulting services contracts). This 2021 Annual Operational Procurement Report (the Report) is produced by Operational Services Department as the first Operational Procurement Report since 2016. The Report provides a highlight of the procurement profile for approved projects during the period of 2016-2021, and thereafter it is expected to be published on an annual basis. The Report covers the procurement contracts signed during the period of 2016-2021, which are financed by the Bank under sovereign-backed financed projects (SBF, in both stand-alone and co-financed projects) and Project Preparation Special Fund (PPSF) grants, in accordance with AIIB Policy on Public Information (September 2018).

Urjit Patel

Vice President, Investment Operations
Region 1

Asian Infrastructure Investment Bank

Konstantin Limitovskiy

Vice President, Investment Operations
Region 2

Asian Infrastructure Investment Bank

² Data as of end-2020.

³ The Bank’s Core Procurement Principles are Economy, Efficiency, Effectiveness, Fairness/Good Governance, Value-for-Money, Fit-for-Purpose, and Transparency.

⁴ The contracts were either fully financed by the Bank or partially financed in co-financing with other development partners. The value may also include the portion of counterpart financing when applicable.

II. EXECUTIVE SUMMARY

AIIB Portfolio. Since AIIB's first operation in 2016 to the end of 2021, the Bank has approved a cumulative of 160 projects, comprising a total of USD31.92 billion financing. The sovereign-backed financing (SBF⁵) portion consists of 106 projects (66 percent of total number of projects). In addition, the Bank also approved 15 Project Preparation Special Fund (PPSF) grants with a total of USD33.64 million. Out of the abovementioned projects and grants, the statistical objects⁶ throughout this Annual Operational Procurement Report are signed contracts under 54 SBF projects and 8 PPSF grants.

AIIB Procurement Framework. During its first year of operation in 2016, AIIB issued its Procurement Policy (January 2016) and the Interim Operational Directive on Procurement Instructions for Recipients (June 2, 2016). In addition, during the period of 2017-2021, the Bank also issued the following documents:

- i. AIIB Standard Procurement Document templates for international open competitive tenders were developed for Consulting Services, Goods, Large Works (One-Envelop and Two-Envelop) and have been published on the Bank's website; and
- ii. Following the approval of the Bank's COVID-19 Crisis Recovery Facility (CRF), a draft briefing note for Bank staff was prepared on how to conduct Emergency Procurement under the CRF. It was introduced to enable a fast-track approach to the procurement of goods, works and services in accordance with the provisions of the Bank's Interim Operational Directive on Procurement Instructions for Recipients.

Procurement Profile. Overall, during the period of 2016-2021, contracts amounting to USD12,840.4 million⁷ were signed under the Bank's SBF projects and PPSF grants. The annual procurement increased by 596.3 percent from USD492.9 million in 2016 to USD3,432.1 million in 2021. Around 93.4 percent of the total contract value was procured through competitive tendering/selection, whereas 6.6 percent was procured through direct contracting/selection, which was largely in connection to the procurement of goods under CRF.

Sectoral distribution. In terms of sectoral distribution, the contract awards were mostly made in transport (37.0 percent), energy (31.3 percent), public health (12.8 percent), water (10.0 percent), and urban (8.8 percent) sectors.

Collaboration and Growth. The annual procurement value under stand-alone projects increased by 285.2 percent, from USD282.6 million in 2016 to USD1,088.7 million in 2021. AIIB has also been continuously collaborating with other MDBs in financing infrastructure

⁵ Sovereign-backed financing (SBF) is a loan to, or guaranteed by, an AIIB Member. Non-sovereign-backed financing (NSBF) means any financing extended by the Bank that is not sovereign-backed financing; it includes any financing to or for the benefit of a private enterprise or a sub-sovereign 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 the Bank. (See <https://www.aiib.org/en/about-aiib/who-we-are/financing-operations/index.html>)

⁶ The procurement under NSBF projects mostly follows market practice. Currently, there is a limitation in obtaining the proper procurement data as there is no standard comprehensive documentation yet to allow comparable analysis as it is found in SBF projects. Therefore, this procurement under NSBF is excluded from this Annual Operational Procurement Report.

⁷ The contract volume indicates the signed contract price throughout this Annual Operational Procurement Report. In view of para 8.1.4 of AIIB Policy on Public Information (September 2018), the contracts for the procurement of COVID-19 vaccine are excluded throughout this Annual Operational Procurement Report.

developments in the form of co-financed projects.⁸ The annual procurement value of co-financed projects increased from USD210.3 million in 2016 to USD2,343.4 million in 2021.

Procurement under CRF. AIIB is involved in financing COVID-19 related projects/programs through CRF, which was first introduced in early 2020. During the period of 2020-2021, the portion of total procurement value under CRF is USD1,641.1 million.⁹ The annual procurement value under CRF was USD1,439.6 million in 2020 and USD201.6 million in 2021.

Spread of Contract Award. During the period of 2016-2021, the largest proportion of contracts (USD10,932.8 million) have been made to suppliers/contractors/consultants from India, China, Türkiye and Indonesia. In 2021, USD2,776.0 million (or 80.9 percent of total contract value in 2021) was awarded to suppliers/contractors/consultants from India, China, Pakistan, and Indonesia.

Domestic contract awards. The percentage of contract value awarded to domestic firms and individuals¹⁰ is summarized below:

Year	Overall	Goods	Works	Consulting Services
2016-2021	72.5%	70.7%	72.8%	70.6%
2021	61.8%	69.7%	61.0%	92.6%

⁸ The Bank has co-financed projects with other MDBs, namely: World Bank, Asian Development Bank, European Bank for Reconstruction and Development, and European Investment Bank.

⁹ The statistics include medical supplies, and medical equipment and facilities, in response to the COVID-19 outbreak, excluding the procurement of vaccines.

¹⁰ Domestic firms and individuals are those whose nationality is the same as that of the Contracting Authority.

III. AIIB PORTFOLIO PROFILE (2016-2021)

1. During its first operation in 2016, AIIB approved USD1.69 billion in financing for nine infrastructure projects in three sectors and in seven members. As of Dec. 31, 2021, a total of 160 number of projects have been approved by the Bank, comprising a total of USD31.92 billion financing, of which a total of 106 projects are sovereign-backed financing (SBF).

Tables 1 and 2 show the cumulative approved investment during 2016-2021. As of Dec. 31, 2021, AIIB investments had spanned over 31 members. Table 3 shows the sector distribution of the Bank's financing, where energy, finance and transport sectors dominate the portfolio.

Table 1: Cumulative Number of Approved Projects, 2016-2021

Year	SBF	NSBF	Annual Approvals	Members who received AIIB financing for the first time
2016	8	1	9	7
2017	10	5	15	5
2018	8	4	12	1
2019	15	13	28	8
2020	33	12	45	7
2021	32	19	51	3
Total (as of Dec. 31, 2021)	106	54	160	31

Source: AIIB

Table 2: Cumulative Value of Approved Projects, 2016-2021

Year	Annual Approvals
2016	USD1.69 billion
2017	USD2.50 billion
2018	USD3.31 billion
2019	USD4.54 billion
2020	USD9.98 billion
2021	USD9.93 billion
Total (as of Dec. 31, 2021)	USD31.92 billion

Source: AIIB

Table 3: Number of Approved Projects by Sector, 2016-2021

	2016	2017	2018	2019	2020	2021	Total	
Energy	4	6	2	7	3	9	31	
Transport	4	3	3	4	5	6	25	
Water	0	2	3	3	3	2	13	
Finance	0	2	3	9	5	8	27	
Urban	1	1	1	2	1	6	12	
ICT	0	1	0	1	1	1	4	
Rural Infrastructure and Agricultural Development	0	0	0	1	0	-	1	
Education	-	-	-	-	-	1	1	
Others	-	-	-	1	-	-	1	
COVID-19 Crisis Recovery Facility	Public Health	-	-	-	-	8	6	14
	Finance/Liquidity	-	-	-	-	7	6	13
	Economic Resilience / Policy-Based Financing	-	-	-	-	12	6	18
Total (as of Dec. 31, 2021)	9	15	12	28	45	51	160	

Source: AIIB

2. **COVID-19 Crisis Recovery Facility (CRF).** The COVID-19 Crisis Recovery Facility, launched by AIIB in April 2020, has been effective in assisting Members (both sovereign and non-sovereign clients) address diverse emergency healthcare and economic needs. As of Dec. 31, 2021, there were 45 approved projects totaling USD11.1 billion, of which 15 projects were Policy Based Financings (co-financing with other MDBs) for USD5.4 billion. A total of 14 projects were for the public health sector, 13 projects were for the finance/liquidity sector, and 18 projects were for the economic resilience/PBF sector.

3. **Project Preparation Special Fund (PPSF).** In addition, the PPSF was established in June 2016 as a multi-donor facility created to provide technical assistance grants to support the preparation of high-quality bankable projects for the Bank's members, especially less developed members. As of the end of 2021, the PPSF has been providing project preparation support to eight AIIB Members (Bangladesh, Cambodia, Lao PDR, Nepal, Pakistan, Sri Lanka, Tajikistan, and Uzbekistan). Of the 15 PPSF grants approved, as of the end of 2021, there were four of each sector for preparing the three projects in the water, transport, and urban sectors. While the remaining three were for projects in the energy sector.

IV. AIIB PROCUREMENT FRAMEWORK (2016-2021)

4. Since the Bank's first operation in 2016, the Procurement Policy (January 2016) and the Interim Operational Directive on Procurement Instructions for Recipients (June 2, 2016) are applicable for Bank financed projects. The Bank's Core Procurement Principles are Economy, Efficiency, Effectiveness, Fairness/Good Governance, Value for Money, Fit for Purpose, and Transparency.

5. During the period 2017-2021, the following procurement policy related procurement documentation and procedures were introduced for Bank operations:

- i. AIIB Standard Procurement Document templates for international open competitive tenders were developed for Consulting Services, Goods, Large Works (One-Envelope and Two-Envelope) and have been published on the Bank's website; and
- ii. Following the approval of the Bank's CRF, a draft briefing note for Bank staff was prepared on how to conduct Emergency Procurement under the CRF. It was introduced to enable a fast-track approach to the procurement of goods, works and services in accordance with the provisions of the Bank's Interim Operational Directive on Procurement Instructions for Recipients.

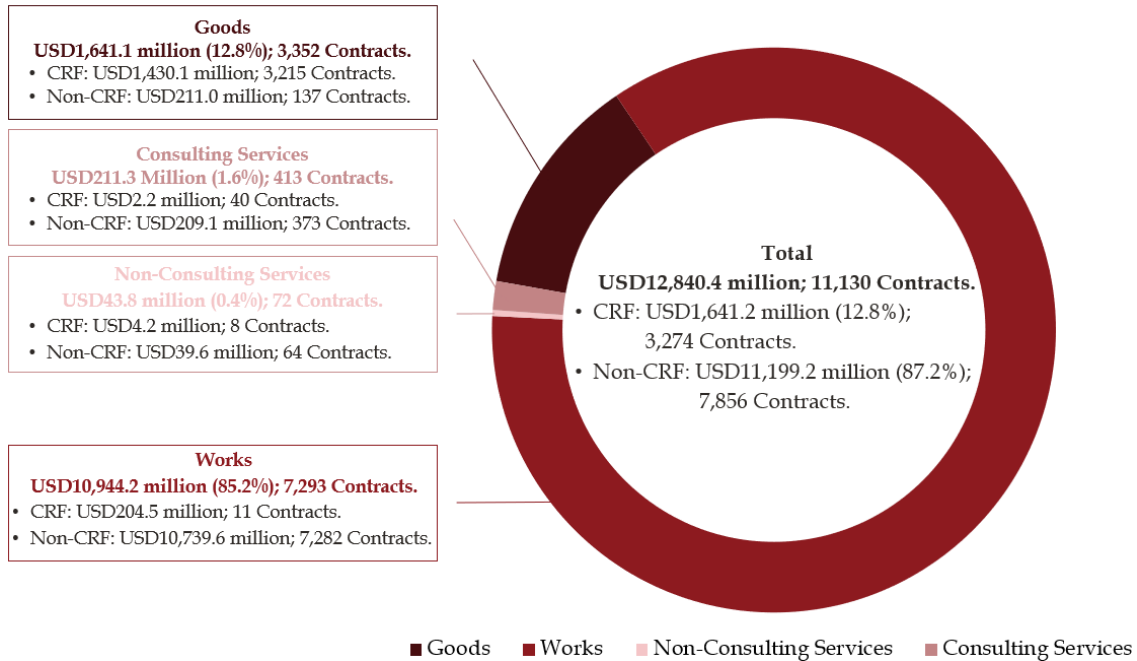
6. In order to maintain the oversight on procurement harmonization with the activities of other Multilateral Development Banks during the COVID-19 crisis procurement, representatives from the Bank have regularly attended virtual MDB Heads of Procurement meetings. The meetings were hosted by the World Bank and held on a bi-weekly basis. They are now being used as a discussion forum to discuss broader procurement issues and developments that are currently affecting global MDB procurement operations.

V. AIIB PROCUREMENT PROFILE (2016-2021)

A. Overall Procurement Profile

7. Out of the 106 SBF projects approved by the end of 2021, there are 54 SBF projects with contracts signed in both stand-alone and co-financed projects during the period of 2016-2021. In addition, there are procurement contracts signed under 8 PPSF grants. The AIIB overall Procurement Profile is presented in Figure 1, while Figure 2 shows the distribution of procurement in Recipient members.

Figure 1: AIIB Overall Procurement Profile, 2016-2021

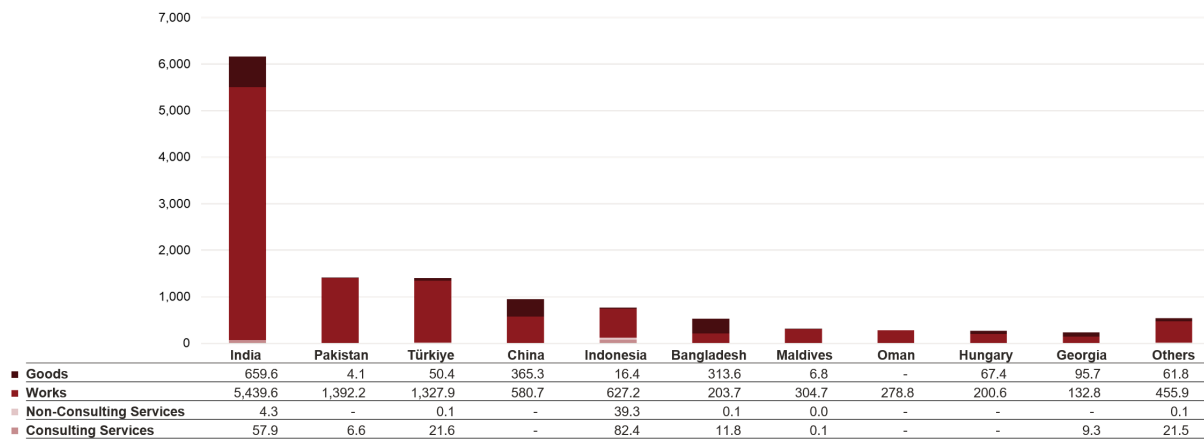


Note: Numbers may not add up due to rounding.

Source: AIIB, Co-financiers

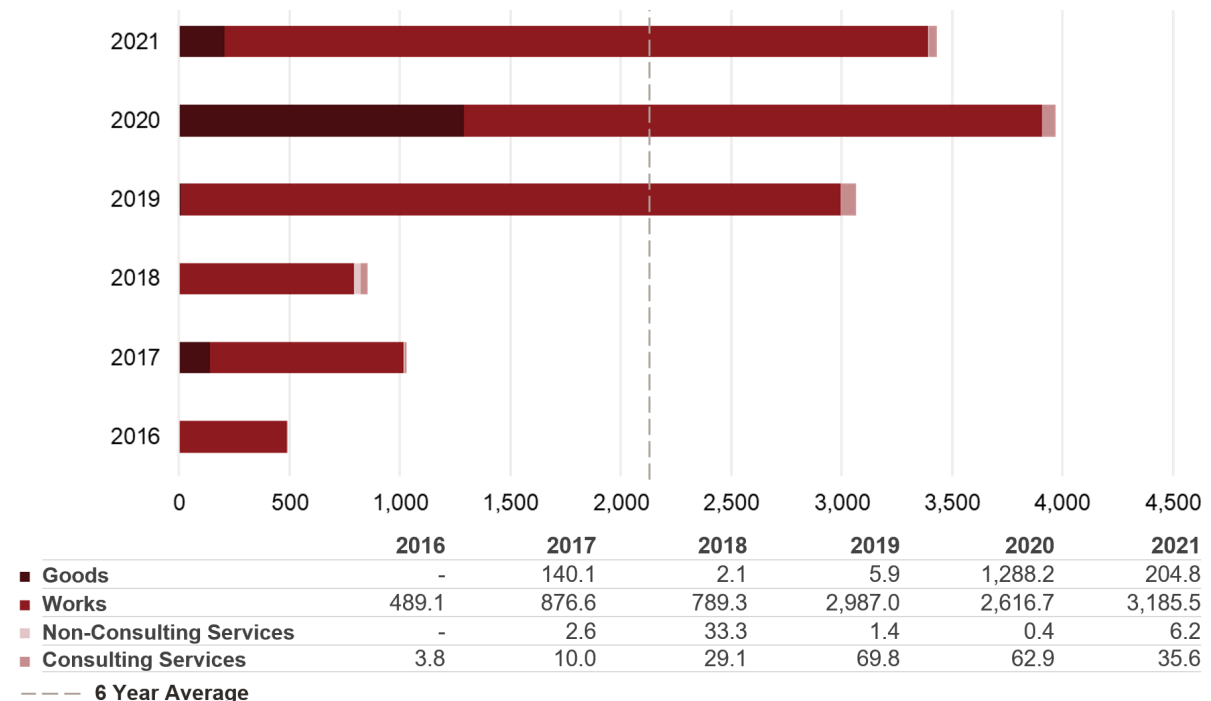
8. During the period of 2016-2021, contracts amounting to USD12,840.4 million were awarded under AIIB financing (Figure 1), where **93.4 percent of the total contract value was procured through competitive tendering/selection** and 6.6 percent was procured through direct contracting/selection. Of the total value of contracts awarded, 12.8 percent for goods, 85.2 percent was for works, 0.4 percent for non-consulting services, and 1.6 percent for consulting services. The annual procurement value increased by 596.3 percent from USD492.9 million in 2016 to USD3,432.1 million in 2021 (Figure 3). The total procurement value under CRF is USD1,641.2 million¹¹ (USD1,439.6 million in 2020 and USD201.6 million in 2021).

¹¹ Including medical supplies, and medical equipment and facilities in response to COVID-19 outbreak, excluding the procurement of vaccines.

Figure 2: Distribution of Procurement in Recipient Members, 2016-2021 (USD million)

Source: AIIB, Co-financiers

9. In terms of number of contracts, of the total 11,130 contracts signed in 2016-2021, 30.1 percent for goods, 65.5 percent was for works, 0.7 percent for non-consulting services, and 3.7 percent for consulting services. The relatively high number of goods contracts were mainly under the Bank's CRF operations, which accounts for 95.9 percent of the total number of goods contracts. Nonetheless, in non-CRF projects, the contract profile is as follows: 1.7 percent was for goods, 92.7 percent for works, 0.8 percent for non-consulting services, and 4.8 percent for consulting services.

Figure 3: Annual Procurement Value, 2016-2021 (USD million)

Source: AIIB, Co-financiers

10. The annual cumulative value of contracts which are subject to International Open Competitive Tendering (IOCT) for goods, works and non-consulting services contracts and International Open Competitive Selection (IOCS) for consulting services under sovereign-backed financings and Project Preparation Special Fund can be summarized in Table 4 below:

Table 4: Annual Contract Value Subject to International Competitive Tendering/Selection (USD million)

Year	2016	2017	2018	2019	2020	2021
Annual Contract Value	492.2	490.3	266.8	2,305.7	1,874.6	2,674.7

Note: This information includes all the contracts that were subject to both of the Bank's prior and post review.

Source: AIIB, Co-financiers

11. The percentage of contract value that was conducted through IOCT and IOCS procurement is shown below:

	Non-CRF	CRF
Stand-alone	63.8%	0
Co-financed	76.8%	0.3%

Source: AIIB, Co-financiers

12. **Prior Review Profile.** In general, less prior review is adopted in CRF projects, which streamlines the procurement arrangements in response to COVID-19 related activities. As for the non-CRF projects, during the period of 2016-2021, 51.7 percent of cumulative contract value is subject to prior review in stand-alone projects, while the percentage in co-financed projects is 84.8 percent (Table 5).

Table 5: Percentage of Cumulative Value of Contracts Subject to Prior Review

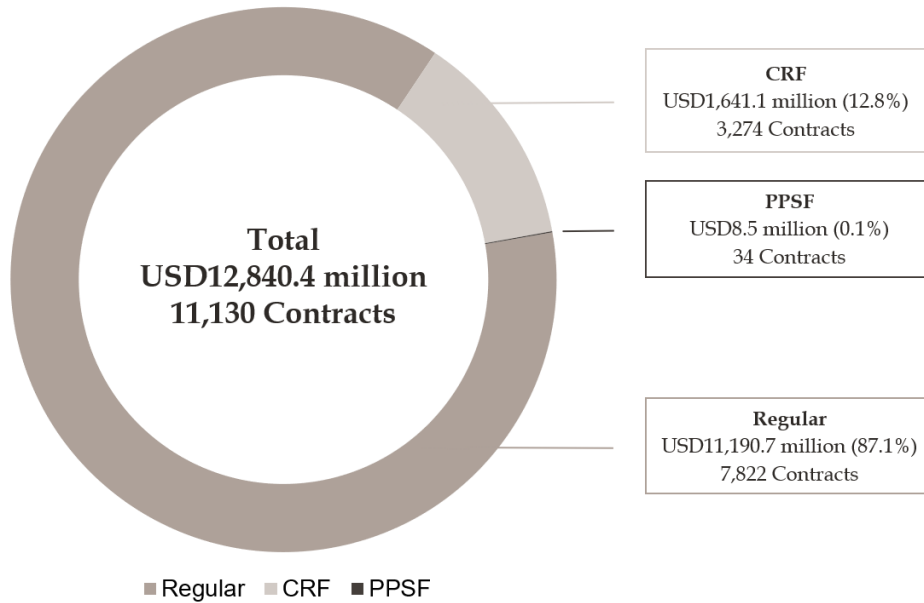
	Non-CRF	CRF
Stand-alone	51.7%	0.02%
Co-financed	84.8%	24.0%

Source: AIIB, Co-financiers

B. Procurement by Investment Instrument

13. The signed contract value comprises of USD11,190.7 million (87.1 percent) under regular projects, USD1,641.1 million (12.8 percent) under CRF projects, and USD8.5 million (0.1 percent) under PPSF grants.

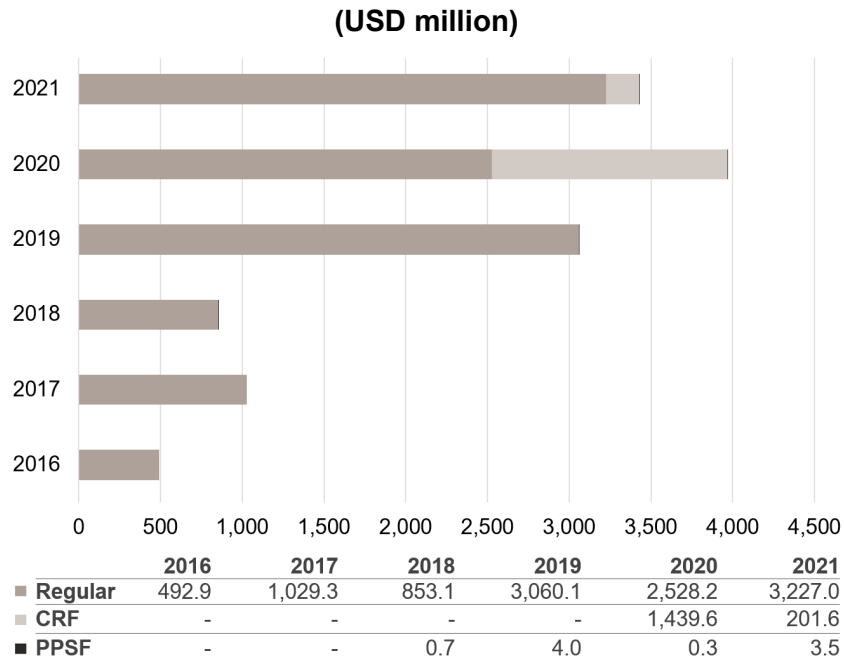
Figure 4: Overall Procurement Profile by Investment Instrument, 2016-2021



Note: Numbers may not add up due to rounding.

Source: AIIB, Co-financiers

Figure 5: Annual Procurement Value by Investment Instrument, 2016-2021



Source: AIIB, Co-financiers

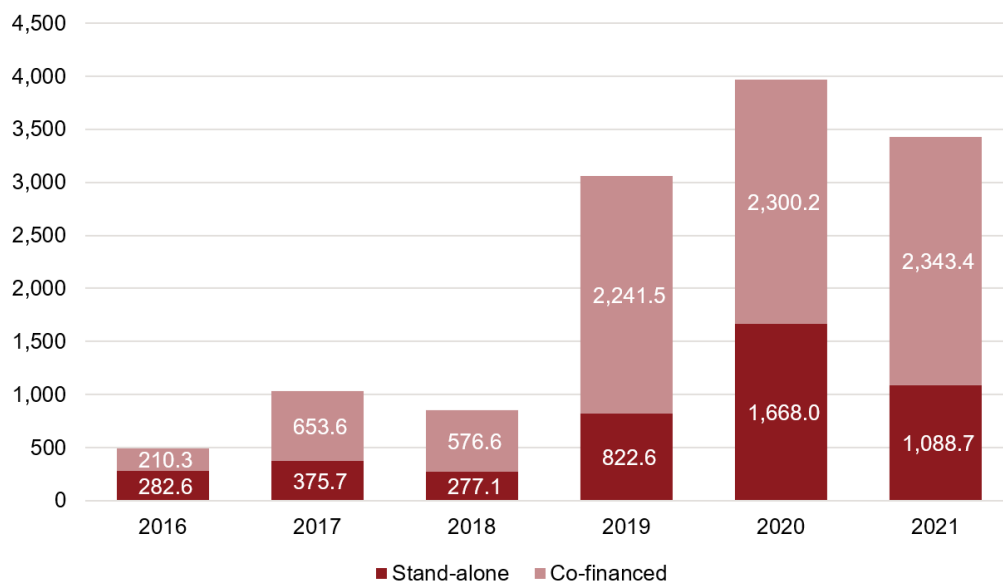
C. Procurement in Stand-alone and Co-financed Projects

14. Consistent with para. 5.11 of the Bank's Procurement Policy, AIIB seeks to increase its investment flow to its members by co-financed projects with other multilateral development banks (MDBs), national development banks, and with bilateral agencies, export credit agencies, financial intermediaries, and commercial entities, on the basis of parallel financing or joint co-financing.

15. During the period of 2016-2021, there were 2,799 contracts signed under joint co-financed projects. In co-financed projects, AIIB, either in parallel or jointly, has co-financed projects with World Bank, Asian Development Bank, European Investment Bank, and European Bank for Reconstruction and Development. When a project is jointly co-financed, such project has been supervised by the lead co-financier and its procurement policy has been complied with. The Bank's project teams work closely with the lead co-financiers to support implementation and conduct joint supervision missions.

16. During the period of 2016-2021, the annual procurement value in stand-alone projects increased by 285.2 percent from USD282.6 million in 2016 to USD1,088.7 million in 2021. In co-financed projects, the annual procurement value rose from USD210.3 million in 2016 to USD2,343.4 million in 2021.

Figure 6: Annual Procurement Value in Stand-alone and Co-financed Projects
(USD million)

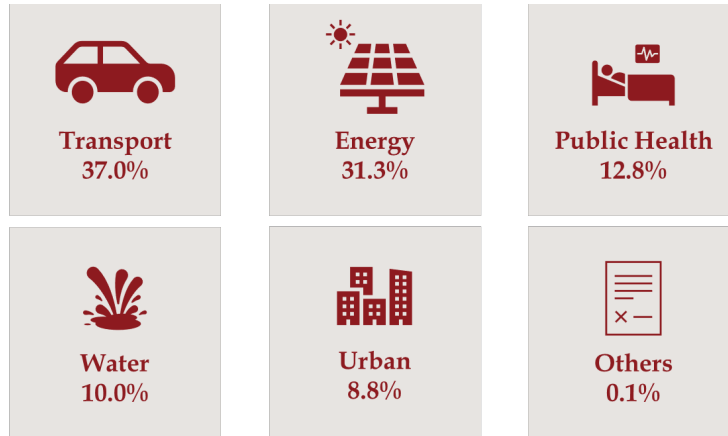


Source: AIIB, Co-financiers

D. Procurement by Sector

17. By signed contract value, the procurement in transport (37.0 percent) and energy (31.3 percent) were the highest among the sectors. This was followed by the procurement in public health, water, urban, and other sectors, which account for 12.8 percent, 10 percent, 8.8 percent and 0.1 percent respectively. It is noteworthy that the procurement in public health sector was primarily under CRF transactions.

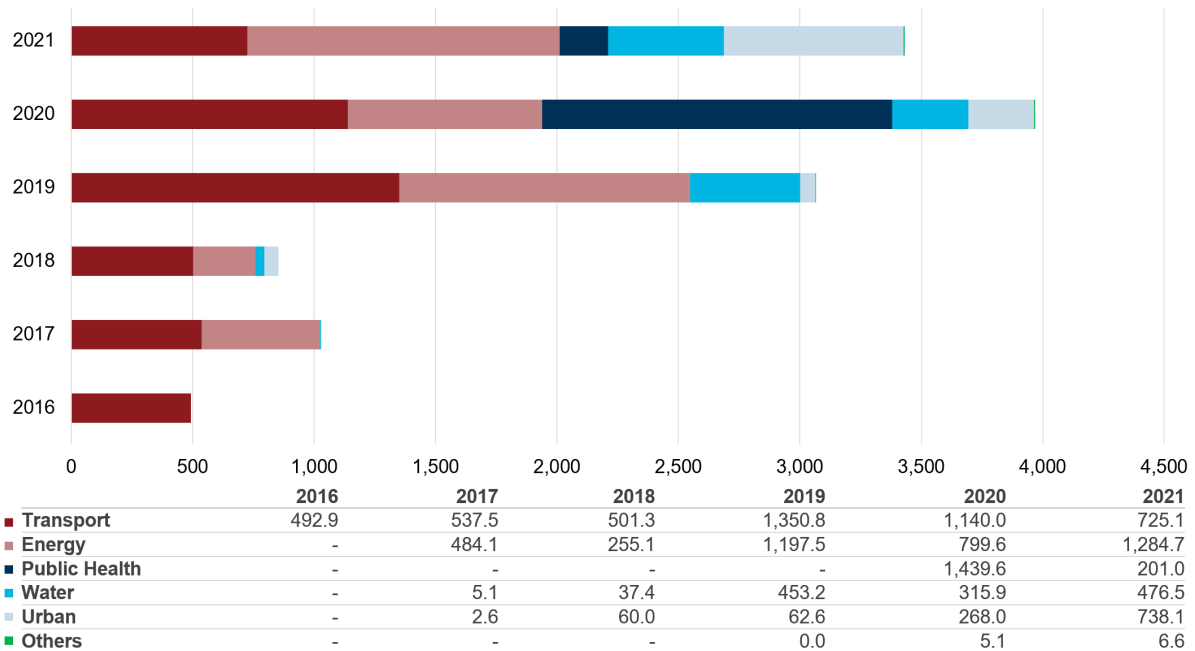
Figure 7: Percentage of Procurement by Sector, 2016-2021



Note: Others include the following sectors: (i) Economic Resilience/PBF, (ii) Rural Infrastructure and Agriculture Development, and (iii) Others.

Source: AIIB, Co-financiers

Figure 8: Annual Procurement Value by Sector, 2016-2021 (USD million)



Note: Others include the following sectors: (i) Economic Resilience/PBF, (ii) Rural Infrastructure and Agriculture Development, and (iii) Others.

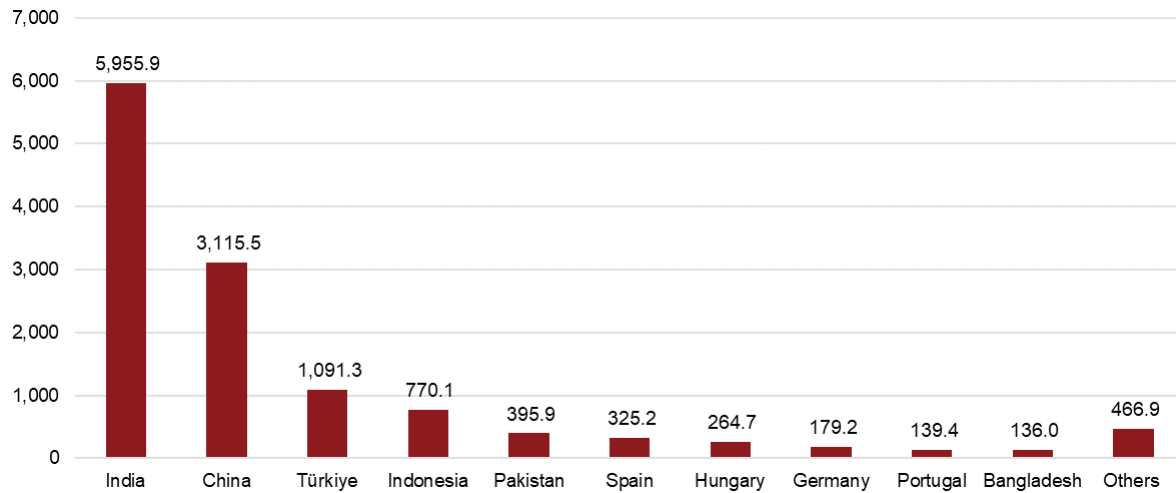
Source: AIIB, Co-financiers

E. Procurement Value by Nationality of Suppliers/Contractors/Consultants

E.1 Overall Procurement

18. During the period of 2016-2021, the largest proportion of contracts have been awarded to suppliers/contractors/consultants from India (USD5,955.9 million), China (USD3,115.5 million), Türkiye (USD1,091.3 million), and Indonesia (USD770.1 million), as shown in Figure 9.

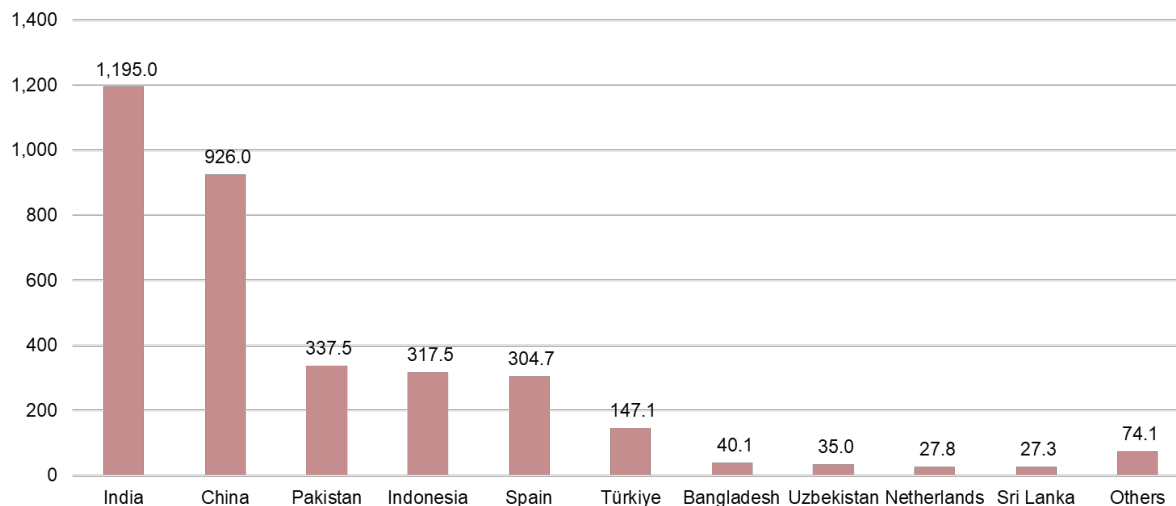
Figure 9: Top 10 Nationalities of Suppliers/Contractors/Consultants, 2016-2021
(USD million)



Source: AIIB, Co-financiers

19. In 2021, 80.9% of all contracts were awarded to contractors, suppliers, and consultants from India (USD1,195.0 million, 34.8 percent), China (USD926.0 million, 27.0 percent), Pakistan (USD337.5 million, 9.8 percent), and Indonesia (USD317.5 million, 9.3 percent).

Figure 10: Top 10 Nationalities of Suppliers/Contractors/Consultants in 2021
(USD million)



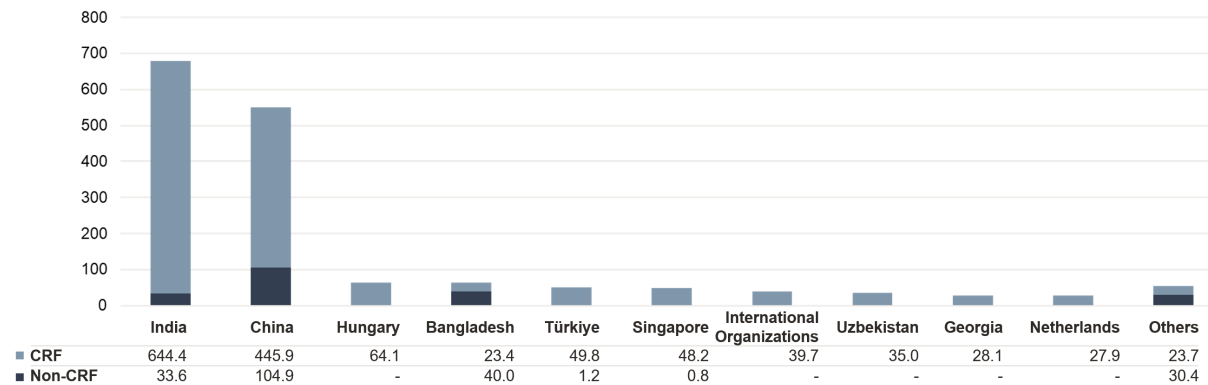
Source: AIIB, Co-financiers

E.2 Procurement of Goods

20. Up to 87.1 percent of goods contracts within 2016-2021 was funded under CRF projects. This was mainly for the procurement of medical supplies related contracts. India was

the largest supplier¹² for Bank financed goods contracts with a total contract value of USD678.1 million (41.3 percent of the total), and their awarded contracts spread in the following recipient members: India (USD527.5 million), Bangladesh (USD144.2 million), Georgia (USD6.3 million) and Nepal (USD0.1 million). This was followed by suppliers from China with a contract value of USD550.8 million (33.6 percent of the total), and the signed contracts spread in the following recipient members: China (USD365.3 million), India (USD83.9 million), Bangladesh (USD76.2 million), Tajikistan (USD20.0 million), Georgia (USD4.2 million) and Hungary (USD1.2 million).

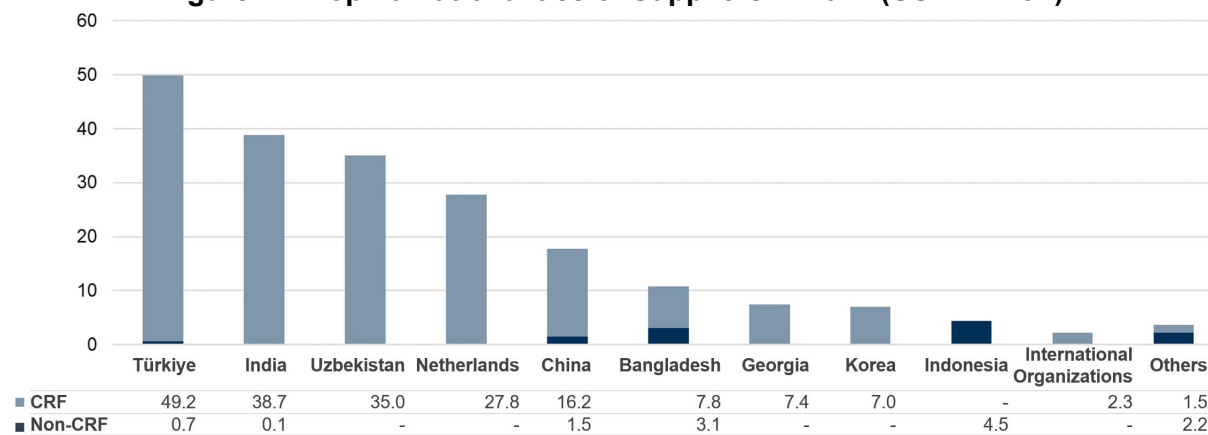
Figure 11: Top 10 Nationalities of Suppliers, 2016-2021 (USD million)



Source: AIIB, Co-financiers

21. In 2021, the procurement of goods represents 6.0 percent of total procurement value within the year, amounting to USD204.8 million. 94.1 percent of the total goods contracts was signed under the Bank's CRF operations (Figure 12).

Figure 12: Top 10 Nationalities of Suppliers in 2021 (USD million)

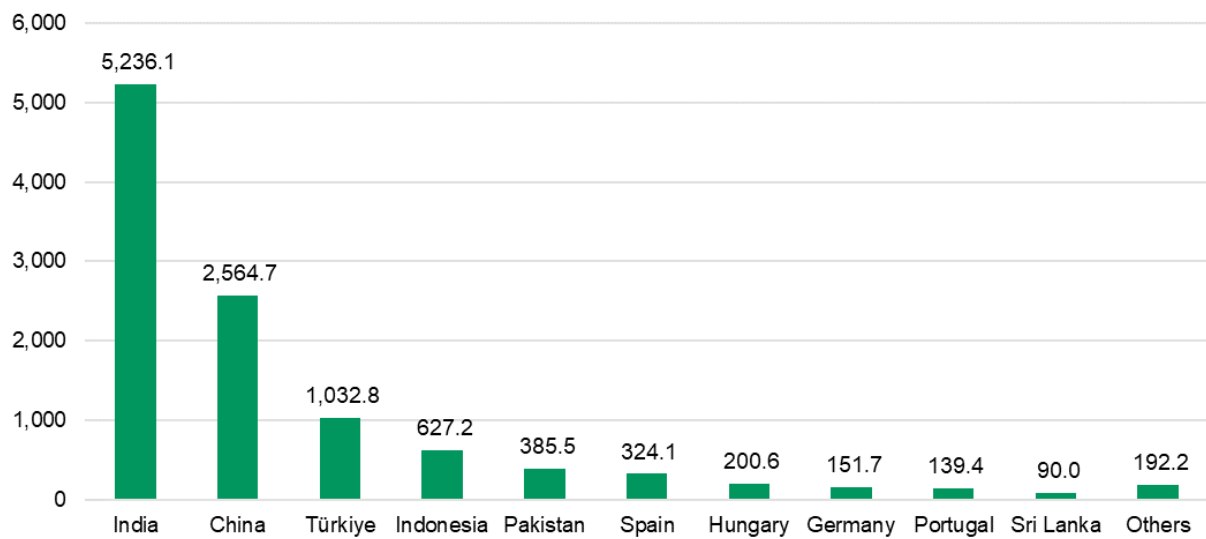


Source: AIIB, Co-financiers

E.3 Procurement of Works

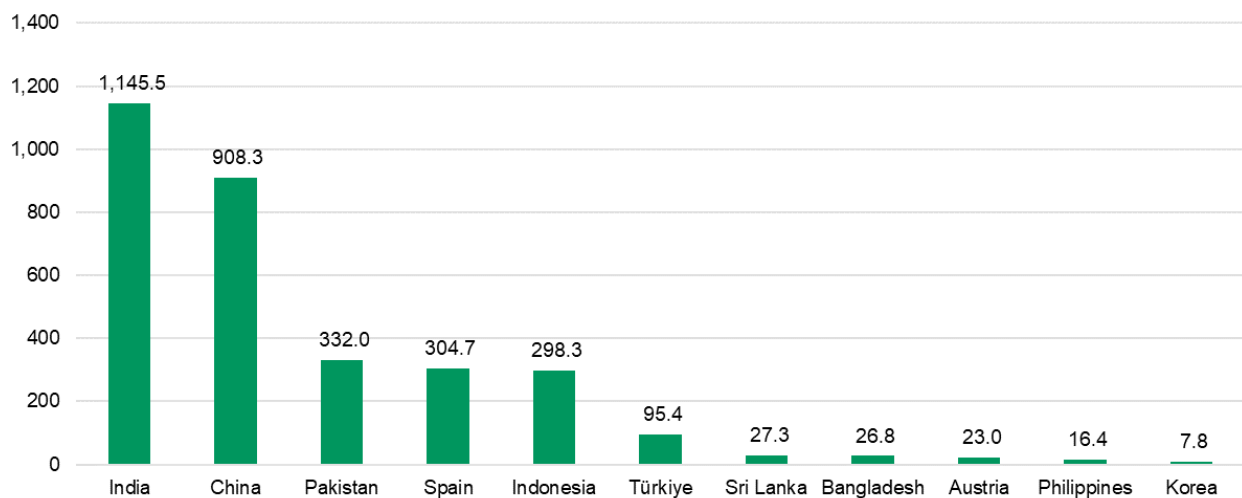
22. As shown in Figure 13, during the period of 2016-2021, contractors from India were awarded contracts valued at USD5,236.1 million (47.8 percent of total procurement value of works contracts), followed by China (USD2,564.7 million, 23.4 percent), Türkiye (USD1,032.8 million, 9.4 percent) and Indonesia (USD627.2 million, 5.7 percent).

¹² The nationalities of the suppliers of goods contracts represent the nationalities of the suppliers throughout this Annual Operational Procurement Report, instead of the origin of goods.

Figure 13: Top 10 Nationalities of Contractors, 2016-2021 (USD million)

Source: AIIB, Co-financiers

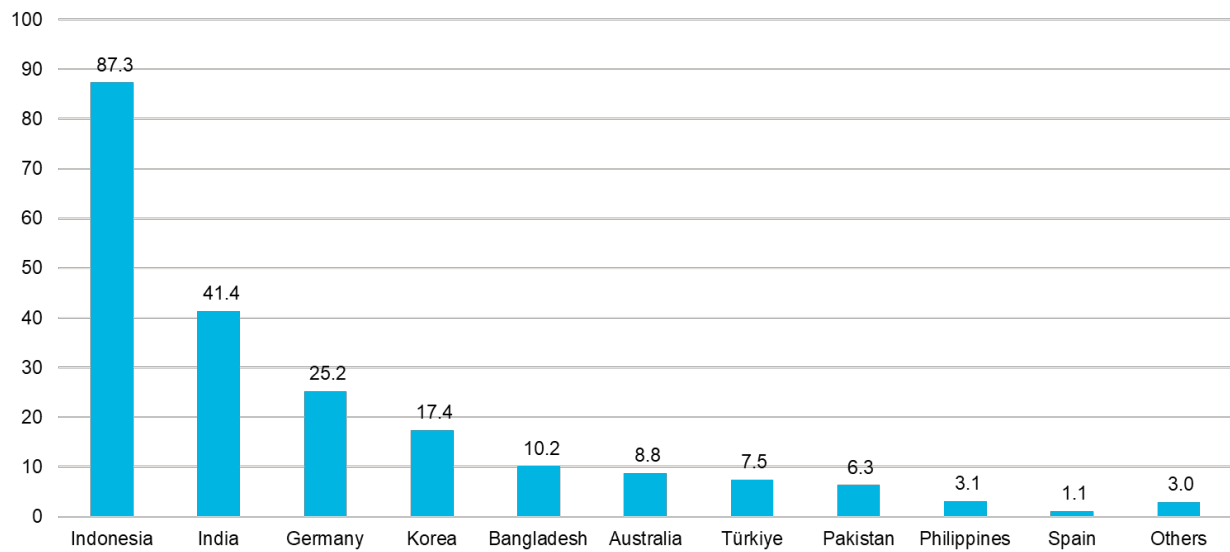
23. In 2021, contractors from a total of 11 nationalities shared a total contract of USD3,185.5 million (Figure 14). 64.5 percent of contracts was awarded to contractors from India (USD1,145.5 million, 36.0 percent of total value of the procurement of works) and China (USD908.3 million, 28.5 percent). They were followed by Pakistan, Spain, and Indonesia when each account for roughly 10 percent of total procurement value of works.

Figure 14: Nationalities of Contractors in 2021 (USD million)

Source: AIIB, Co-financiers

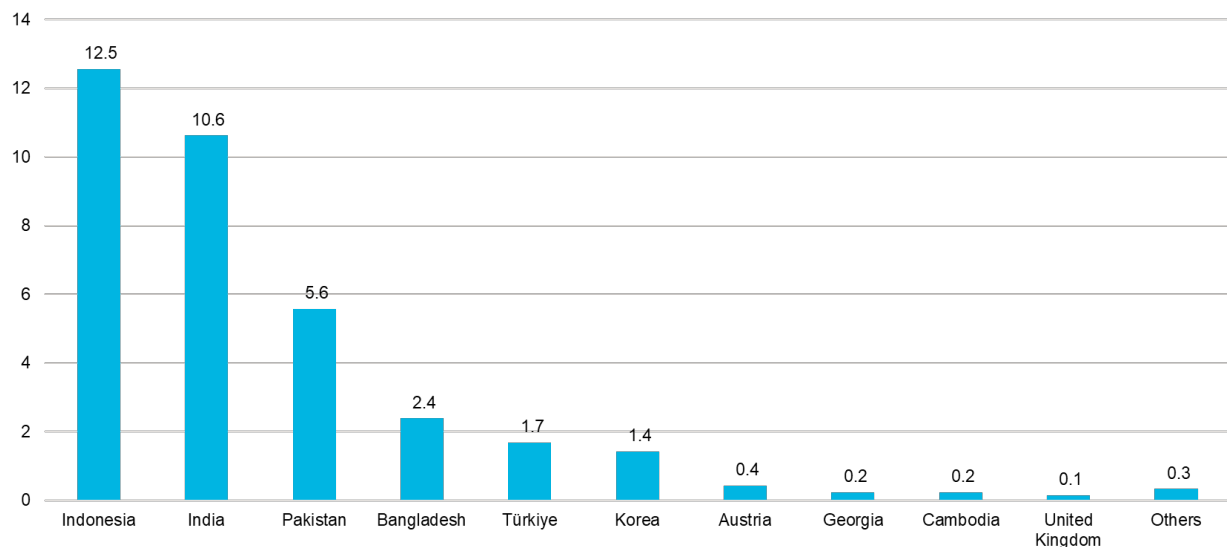
E.4 Procurement of Consulting Services

24. During the period of 2016-2021, consultants, both firms and individuals from Indonesia were awarded contracts worth of USD87.3 million (41.3 percent of total signed contract value of consulting services), followed by India (USD41.4 million, 19.6 percent) and Germany (USD25.2 million, 11.9 percent).

Figure 15: Top 10 Nationalities of Consultants, 2016-2021 (USD million)

Source: AIIB, Co-financiers

25. In 2021, the procurement of consulting services amounted to USD 35.6 million, which only accounts for 1.0 percent of total procurement value within the year. The majority of the contracts was awarded to consultants from Indonesia (USD12.5 million, 35.3 percent), India (USD10.6 million, 29.8 percent), and Pakistan (USD5.6 million, 15.7 percent).

Figure 16: Top 10 Nationalities of Consultants in 2021 (USD million)

Source: AIIB, Co-financiers

F. Contracts Awarded to Domestic Suppliers/Contractors/Consultants¹³

F.1 General

26. Overall, during the period of 2016-2021, 72.5 percent of Bank financed contracts have been awarded to domestic suppliers/contractors/consultants. As for contracts signed in year 2021, generally less percentage of contracts (61.8 percent) were awarded to domestic

¹³ Domestic suppliers/contractors/consultants mean those firms and individuals from the same members as the members of contracting authority.

suppliers/contractors/consultants, with 92.6 percent of 2021 consulting services contracts went to domestic consultants.

Table 6: Percentage of Contracts Awarded to Domestic Suppliers/Contractors/Consultants

Year	Overall	Goods	Works	Consulting Services
2016-2021	72.5%	70.7%	72.8%	70.6%
2021	61.8%	69.7%	61.0%	92.6%

F.2 Statistics of Contracts Awarded to Domestic Suppliers/Contractors/Consultants in Each Recipient Member

27. **Overall.** Statistics are based on factual percentage of total signed contract value during 2016-2021 that went to domestic firms and individuals, which does not necessarily reflect their procurement value. The procurement value in each recipient member may greatly vary, as shown in Figure 2 and Appendix 1. Referring to Figure 17, during the period of 2016-2021, domestic suppliers/contractors/consultants dominate contract awards in 9 recipient members. The following five recipient members show a pattern of more than 90 percent of contracts having been awarded to domestic suppliers/contractors/consultants: China, Hungary, India, Indonesia, and Uzbekistan.

28. **Goods.** During 2016-2021, in goods contracts (Figure 18), the patterns are more significant. All goods contracts in eight recipient members have been awarded to domestic suppliers, namely: Cambodia, China, Indonesia, Pakistan, Philippines, Sri Lanka, Türkiye and Uzbekistan.

29. **Works.** During the period of 2016-2021, in works contracts (Figure 19), more than 90 percent of contracts have been awarded to domestic contractors in the following four recipients: China, Hungary, India, and Indonesia. On the other hand, in other recipient members, foreign contractors have been awarded a significant portion of works contracts.

30. **Consulting Services.** During the period of 2016-2021, foreign consultants, both firms and individuals, have secured more consulting services opportunities. As shown in Figure 20, during the period of 2016-2021, almost 100% of contracts in the following recipient members were awarded to foreign consultants: Georgia, Nepal, Sri Lanka, and Tajikistan. On the contrary, domestic consultants have been awarded 98.6 percent (USD81.2 million) of the contracts in Indonesia and 91.2 percent (USD6.0 million) in Pakistan. It is also noted that a large majority of contracts in Lao PDR, Philippines, and Türkiye were awarded to foreign consultants.

Figure 17: Overall: Percentage (%) of Contract Value Awarded to Domestic Suppliers/Contractors/Consultants, 2016-2021

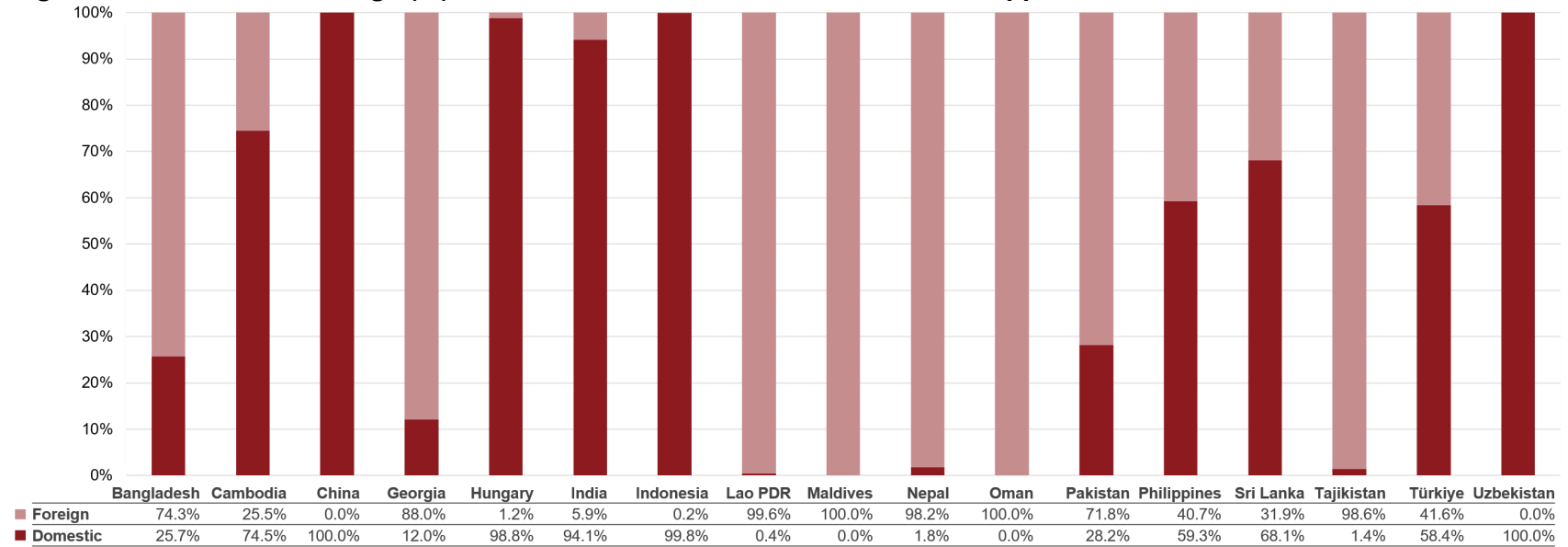


Figure 18: Goods: Percentage (%) of Contract Value Awarded to Domestic Suppliers, 2016-2021

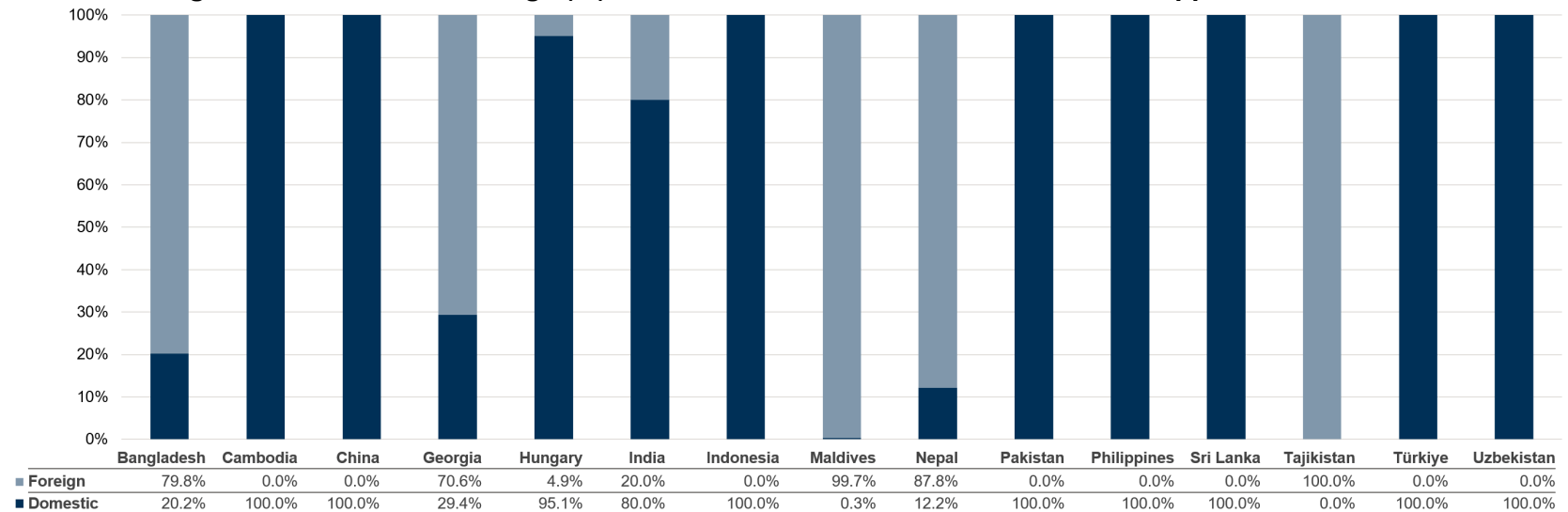


Figure 19: Works: Percentage (%) of Contract Value Awarded to Domestic Contractors, 2016-2021

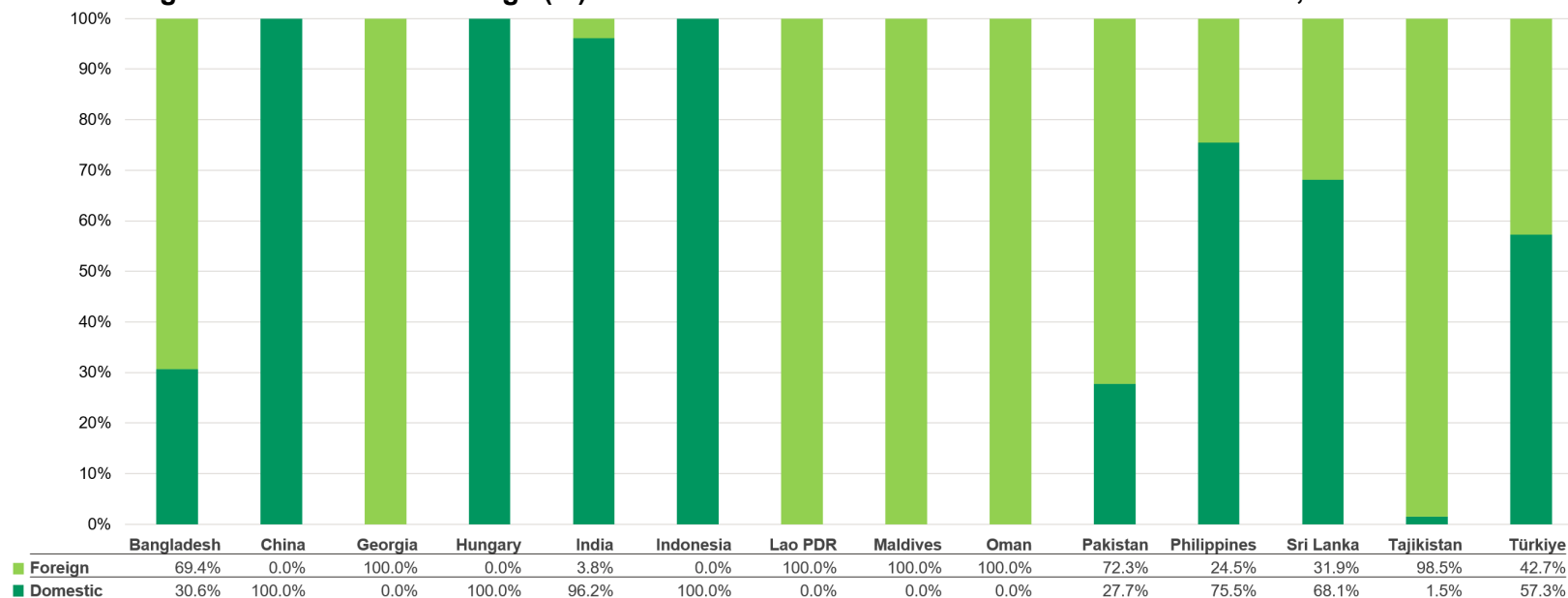
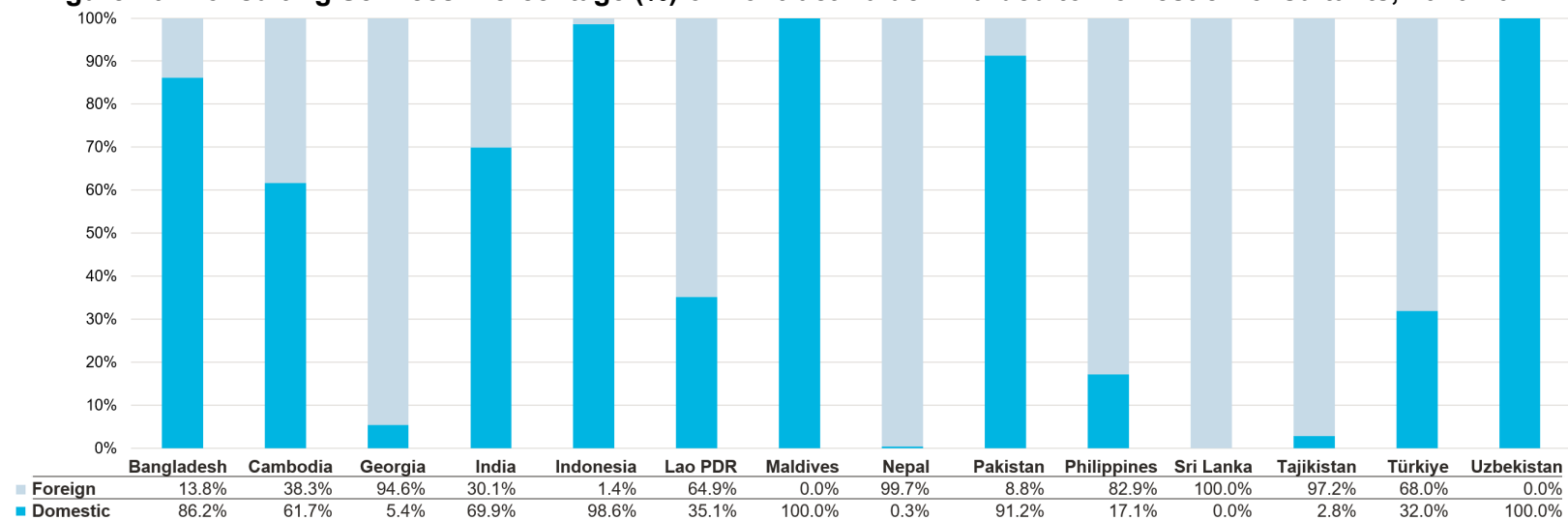


Figure 20: Consulting Services: Percentage (%) of Contract Value Awarded to Domestic Consultants, 2016-2021



VI. Appendixes: Procurement Statistics

Appendix 1: Procurement Value by Recipient Members, 2016-2021

Recipients	Goods		Works		Non-Consulting Services		Consulting Services		Total Procurement Volume	
	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 CRF
Bangladesh	313.6	19.1%	203.7	1.9%	0.1	0.1%	11.8	5.6%	529.2	32.9%
Cambodia	0.2	0.0%	-	-	-	-	0.4	0.2%	0.6	100.0%
China	365.3	22.3%	580.7	5.3%	-	-	-	-	946.0	38.6%
Georgia	95.7	5.8%	132.8	1.2%	-	-	9.3	4.4%	237.8	40.5%
Hungary	67.4	4.1%	200.6	1.8%	-	-	-	-	268.0	100.0%
India	659.6	40.2%	5,439.6	49.7%	4.3	9.8%	57.9	27.4%	6,161.4	10.5%
Indonesia	16.4	1.0%	627.2	5.7%	39.3	89.6%	82.4	39.0%	765.2	-
Lao PDR	-	-	98.3	0.9%	-	-	1.0	0.5%	99.3	-
Maldives	6.8	0.4%	304.7	2.8%	0.0	0.1%	0.1	0.0%	311.7	2.2%
Nepal	0.1	0.0%	-	-	-	-	0.6	0.3%	0.7	-
Oman	-	-	278.8	2.5%	-	-	-	-	278.8	-
Pakistan	4.1	0.3%	1,392.2	12.7%	-	-	6.6	3.1%	1,402.9	-
Philippines	6.0	0.4%	31.8	0.3%	0.1	0.1%	18.0	8.5%	55.8	-
Sri Lanka	0.6	0.0%	132.2	1.2%	-	-	0.3	0.1%	133.1	-
Tajikistan	20.0	1.2%	193.7	1.8%	-	-	1.2	0.6%	214.9	-
Türkiye	50.4	3.1%	1,327.9	12.1%	0.1	0.2%	21.6	10.2%	1,400.1	3.5%
Uzbekistan	35.0	2.1%	-	-	-	-	0.0	0.0%	35.0	99.9%
Grand Total	1,641.1	100.0%	10,944.2	100.0%	43.8	100.0%	211.3	100.0%	12,840.4	12.8%

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

Note: Numbers may not add up due to rounding.

Source: AIIB, Co-financiers

Appendix 2: Procurement Value by Recipient Members in 2021

Recipients	Goods		Works		Non-Consulting Services		Consulting Services		Total Procurement Volume	
	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 CRF
Bangladesh	14.6	7.1%	34.3	1.1%	0.0	0.4%	2.8	7.8%	51.7	27.4%
Cambodia	0.2	0.1%	-	-	-	-	0.4	1.0%	0.6	100.0%
China	0.1	0.1%	-	-	-	-	-	-	0.1	100.0%
Georgia	49.7	24.2%	-	-	-	-	0.2	0.7%	49.9	100.0%
India	48.7	23.8%	1,168.4	36.7%	3.9	62.6%	10.1	28.5%	1,231.1	4.3%
Indonesia	4.5	2.2%	298.3	9.4%	2.2	34.8%	13.7	38.5%	318.6	-
Lao PDR	-	-	29.7	0.9%	-	-	-	-	29.7	-
Maldives	0.0	0.0%	304.7	9.6%	0.0	0.7%	0.0	0.1%	304.8	0.0%
Nepal	-	-	-	-	-	-	0.0	0.0%	0.0	-
Pakistan	-	-	1,182.0	37.1%	-	-	6.1	17.1%	1,188.0	-
Philippines	2.2	1.1%	24.2	0.8%	-	-	0.1	0.2%	26.5	-
Sri Lanka	-	-	48.5	1.5%	-	-	0.3	0.8%	48.8	-
Tajikistan	-	-	-	-	-	-	0.1	0.3%	0.1	-
Türkiye	49.9	24.4%	95.4	3.0%	0.1	1.6%	1.8	4.9%	147.2	33.5%
Uzbekistan	35.0	17.1%	-	-	-	-	0.0	0.1%	35.0	99.9%
Grand Total	204.8	100.0%	3,185.5	100.0%	6.2	100.0%	35.6	100.0%	3,432.1	5.9%

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

Note: Numbers may not add up due to rounding.

Source: AIIB, Co-financiers

Appendix 3: Procurement Value by Suppliers/Contractors/Consultants Nationalities, 2016-2021

Suppliers/ Contractors/ Consultants Nationalities	Goods		Works		Non-consulting Services		Consulting Services		Grand 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 Grand Total
Australia	-	-	-	-	-	-	8.8	4.1%	8.8	0.1%
Austria	-	-	23.0	0.2%	-	-	0.5	0.2%	23.5	0.2%
Bangladesh	63.4	3.9%	62.4	0.6%	0.1	0.1%	10.2	4.8%	136.0	1.1%
Cambodia	0.2	0.0%	-	-	-	-	0.2	0.1%	0.4	0.0%
Canada	0.4	0.0%	-	-	-	-	0.1	0.0%	0.4	0.0%
China	550.8	33.6%	2,564.7	23.4%	-	-	-	-	3,115.5	24.3%
Georgia	28.1	1.7%	-	-	-	-	0.5	0.2%	28.6	0.2%
Germany	2.3	0.1%	151.7	1.4%	-	-	25.2	11.9%	179.2	1.4%
Greece	-	-	-	-	-	-	0.0	0.0%	0.0	0.0%
Hungary	64.1	3.9%	200.6	1.8%	-	-	-	0.0%	264.7	2.1%
India	678.1	41.3%	5,236.1	47.8%	0.4	1.0%	41.4	19.6%	5,955.9	46.4%
Indonesia	16.4	1.0%	627.2	5.7%	39.3	89.6%	87.3	41.3%	770.1	6.0%
International Organizations	39.7	2.4%	-	-	-	-	-	-	39.7	0.3%
Israel	-	-	-	-	-	-	0.6	0.3%	0.6	0.0%
Italy	-	-	10.9	0.1%	-	-	-	-	10.9	0.1%
Japan	2.1	0.1%	-	-	-	-	0.2	0.1%	2.2	0.0%
Korea	19.4	1.2%	56.1	0.5%	-	-	17.4	8.2%	92.9	0.7%
Lao PDR	-	-	-	-	-	-	0.3	0.2%	0.3	0.0%
Maldives	0.0	0.0%	0.0	0.0%	0.0	0.1%	0.1	0.0%	0.1	0.0%
Nepal	0.0	0.0%	-	-	-	-	0.0	0.0%	0.0	0.0%
Netherlands	27.9	1.7%	-	-	-	-	-	-	27.9	0.2%
Pakistan	4.1	0.3%	385.5	3.5%	-	-	6.3	3.0%	395.9	3.1%
Philippines	6.0	0.4%	24.0	0.2%	0.1	0.1%	3.1	1.5%	33.1	0.3%
Portugal	-	-	139.4	1.3%	-	-	-	-	139.4	1.1%
Singapore	49.0	3.0%	-	-	-	-	-	-	49.0	0.4%

Suppliers/ Contractors/ Consultants Nationalities	Goods		Works		Non-consulting Services		Consulting Services		Grand 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 Grand Total
Slovakia	-	-	-	-	-	-	0.1	0.0%	0.1	0.0%
Spain	-	-	324.1	3.0%	-	-	1.1	0.5%	325.2	2.5%
Sri Lanka	0.6	0.0%	90.0	0.8%	-	-	-	-	90.6	0.7%
Switzerland	1.3	0.1%	13.0	0.1%	-	-	0.0	0.0%	14.3	0.1%
Tajikistan	-	-	2.9	0.0%	-	-	0.0	0.0%	2.9	0.0%
Türkiye	51.0	3.1%	1,032.8	9.4%	0.1	0.2%	7.5	3.5%	1,091.3	8.5%
United Kingdom	-	-	-	-	-	-	0.2	0.1%	0.2	0.0%
United States	1.4	0.1%	-	-	3.9	8.8%	0.1	0.1%	5.3	0.0%
Uzbekistan	35.0	2.1%	-	-	-	-	0.0	0.0%	35.0	0.3%
Grand Total	1,641.1	100.0%	10,944.2	100.0%	43.8	100.0%	211.3	100.0%	12,840.4	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, Co-financiers

Appendix 4: Procurement Value by Suppliers/Contractors/Consultants Nationalities in 2021

Suppliers/Contractors/ Consultants Nationalities	Goods		Works		Non-Consulting Services		Consulting Services		Grand 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 Grand Total
Australia	-	-	-	-	-	-	0.1	0.2%	0.1	0.0%
Austria	-	-	23.0	0.7%	-	-	0.4	1.2%	23.4	0.7%
Bangladesh	10.8	5.3%	26.8	0.8%	0.0	0.4%	2.4	6.7%	40.1	1.2%
Cambodia	0.2	0.1%	-	-	-	-	0.2	0.6%	0.4	0.0%
China	17.7	8.6%	908.3	28.5%	-	-	-	-	926.0	27.0%
Georgia	7.4	3.6%	-	-	-	-	0.2	0.7%	7.6	0.2%
India	38.9	19.0%	1,145.5	36.0%	0.0	0.1%	10.6	29.8%	1,195.0	34.8%
Indonesia	4.5	2.2%	298.3	9.4%	2.2	34.8%	12.5	35.3%	317.5	9.3%
International Organizations	2.3	1.1%	-	-	-	-	-	-	2.3	0.1%
Korea	7.0	3.4%	7.8	0.2%	-	-	1.4	4.0%	16.2	0.5%
Maldives	0.0	0.0%	0.0	0.0%	0.0	0.7%	0.0	0.1%	0.1	0.0%
Netherlands	27.8	13.6%	-	-	-	-	-	-	27.8	0.8%
Pakistan	-	-	332.0	10.4%	-	-	5.6	15.7%	337.5	9.8%
Philippines	2.2	1.1%	16.4	0.5%	-	-	0.1	0.2%	18.7	0.5%
Slovakia	-	-	-	-	-	-	0.1	0.2%	0.1	0.0%
Spain	-	-	304.7	9.6%	-	-	-	-	304.7	8.9%
Sri Lanka	-	-	27.3	0.9%	-	-	-	-	27.3	0.8%
Switzerland	1.3	0.6%	-	-	-	-	-	-	1.3	0.0%
Tajikistan	-	-	-	-	-	-	0.0	0.1%	0.0	0.0%
Türkiye	49.9	24.4%	95.4	3.0%	0.1	1.6%	1.7	4.7%	147.1	4.3%
United Kingdom	-	-	-	-	-	-	0.1	0.4%	0.1	0.0%
United States	-	-	-	-	3.9	62.4%	-	-	3.9	0.1%
Uzbekistan	35.0	17.1%	-	-	-	-	0.0	0.1%	35.0	1.0%
Grand Total	204.8	100.0%	3,185.5	100.0%	6.2	100.0%	35.6	100.0%	3,432.1	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, Co-financiers