



The World Bank

Procurement Policy Review Feedback Summary

Date: October 24, 2014

Location (City, Country): Jakarta, Indonesia

Total Number of Participants: 55

Overview and General Reactions:

The World Bank hosted a half day consultation session in the context of the procurement policy review in Jakarta, Indonesia. Participants came from the civil society and the private sector. The consultation began with opening remarks by Rodrigo Chaves, Country Director for Indonesia, emphasizing the importance of the procurement policy review and the need to gain insightful feedback from the participants. Enzo De Laurentiis, Regional Procurement Manager for East Asia and the Pacific, initiated the discussion with a brief presentation on the rationale of the review. Christopher Browne, Chief Procurement Officer, presented the overall reform timeline and the key proposed principles and changes to the Bank's procurement policy. Mr. Browne led an open discussion around the proposed changes to the Bank's procurement policy. Feedback from stakeholders is summarized below.

Specific Feedback from Stakeholders

- 1. How should the Bank implement support to borrower procurement capacity building and institutional strengthening?**

- Much more support needs to be given to the clients to increase their own procurement system development.
- Capacity building and support should also be given to vendors that do not have the experience in business with the World Bank.

2. How should the Bank operationalize the potential broader use of value-for-money criteria in borrower contract award decisions?

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3. How should the World Bank target its procurement staff resources to get the best results?

- The process for completing a bid for a procurement activity has become very tedious. Potential suppliers have been denied because of incorrectly filling in forms even though they have high technical and financial scoring. The World Bank staff should focus on the overall bid content and not on disqualifying bidders based on administrative tasks.

4. How and when should alternative procurement arrangements be used for procurement in Bank projects and how should they be assessed?

- The organizations handling procurement must follow World Bank guidelines, but undergo national audits that focus on national regulation. These regulations do not match with the World Bank guidelines and the organizations do not pass the audits. National regulations should be addressed during the loan negotiation of each project.
- Organizations that work on Community Driven Development projects use their own procurement guidelines. These should be reviewed by the World Bank to ensure the function efficiently.

5. How should sustainable procurement matters be addressed in Bank-financed contracts?

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6. How should the World Bank manage fraud and corruption issues in the procurements it finances?

- The World Bank should use the assistant of Civil Society Organizations to monitor the procurement activities within World Bank financed projects.
- Suppliers still sense unfair treatment of bids occurring in public procurement. The World Bank needs to ensure better governance to

minimize bad procurement practices.

7. What would be suitable procurement metrics that the Bank should use to improve performance?

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8. What role should the Bank have with regard to complaints monitoring?

- Many bidders are afraid to submit complaints because they are concerned that this can have a negative impact of their future bids. Participants raise the concern that there should be a clearly defined way to submit complaints anonymously.
- It is not clear for bidders how they can properly file complaints either publically or anonymously.

9. What should be the Bank's role in contract management, and with regard to improving performance of suppliers?

- Many contracts can take years to award and then complete. The original aspects in the awarded bid (team, price, etc.) can change within this timespan. The overall procurement timeline needs to be shortened to realistically implement an activity with the aspects in the original bid.

10. General comments on other issues emanating from the Bank's proposals?

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