

The World Bank

Procurement Policy Review Feedback Summary

Date: December 11, 2014

Location (City, Country): New Delhi, India

Total Number of Participants: 49

Overview and General Reactions: A consultation session with private sector stakeholders took place on December 11, 2014 in New Delhi, India. The general response to the reform was positive, with most concerns being covered. Value for Money (VfM) and capacity building further detailed that the reform was continuing in the right direction. Some of the main concerns included worry about defining acceptable procurement standards, especially when considering the need to ensure quality and integrity, with a high importance placed on sustainable criteria, or the quality of life cycle evaluation. Overall, the consultations were successful for the parties involved.

Specific Feedback from Stakeholders

- 1. How should the Bank implement support to borrower procurement capacity building and institutional strengthening?
 - Participants noted that a successful way to monitor capacity building is to hold all accredited staff to an academic standard.
 - Some representatives noted that procurement is still not a recognized profession and tactical clerical function and suggested calling it supply management to give the profession more strategic esteem.
- 2. How should the Bank operationalize the potential broader use of value-for-money criteria in borrower contract award decisions?
 - Representatives supported the policy's move to VfM criteria, but suggested implementing a method of notice to flag abnormally low tenders as a way of avoiding less reputable competitors.

- Participants noted that the evaluation of non-price attributes requires a level of capability that still needs a clear criteria for judgment, by implementing a system of evaluation the Bank will be able to reduce the risk of corruption.
- Because many aspects of this new framework require a reevaluation of the policy, staff training on proper methods of VfM will be critical in moving forward.
- In a similar notion, participants noted that it is important for the Bank to ensure a balance between price and the inclusion of other various criteria to limit competition and encourage fair assessment.
- 3. How should the World Bank target its procurement staff resources to get the best results?
- 4. How and when should alternative procurement arrangements be used for procurement in Bank projects and how should they be assessed?
 - Participants agreed that it is important to clearly outline alternative procurement arrangements before implementing this policy, as many situations will call for variety in assessment.
- 5. How should sustainable procurement matters be addressed in Bank-financed contracts?
- 6. How should the World Bank manage fraud and corruption issues in the procurements it finances?
 - Some representatives noted that the Bank could garner the support of local governments to support local audits by supreme audit institutions as a method of curbing corruption cases.
- 7. What would be suitable procurement metrics that the Bank should use to improve performance?
 - Participants suggested that in order to improve performance the Bank will need to use and understand the differences between country-specific procurement systems and how they distinguish themselves from the Bank's methods.
- 8. What role should the Bank have with regard to complaints monitoring?
 - Participants noted that more supplier engagement by the Bank would help resolve disputes.
- 9. What should be the Bank's role in contract management, and with regard to improving performance of suppliers?
- 10. General comments on other issues emanating from the Bank's proposals?
 - Many of the participants suggested implementing a timeframe that surrounds the bidding process. Not only will this help ensure bids are met in a timely manner, it will also help ensure bids are being submitted on equal terms across companies.

- Some representatives noted that countries who are not GPA countries are at a disadvantage and suggested the Bank implement individual agency capability to ensure fair representation.
- Participants also noted their desire to see environmental sustainability elements included in the policy to support and promote wider consideration of environmental sustainability.