

The World Bank

# **Feedback Summary**

Date: November 13, 2014

Location (City, Country): Rabat, Morocco

**Total Number of Participants: 21** 

#### **Overview and General Reactions:**

Participants were supportive of the proposed elements of the procurement framework, and on the whole the consultation was a positive success. Participants from public and private sectors and from civil society requested information on Small and Medium Enterprises (SMEs) as Morocco has recently enacted a new regulation promoting the participation of SMEs. Participants indicated the current Bank procurement system does not support the promotion of local market since non-price attributions cannot be taken into consideration for the procurement of goods, works, and non-consulting services. They asked if the Bank will take into consideration the promotion of local markets when drafting the final documents. In this context, the proposal of market assessments and the selection of the best procurement approaches as part of the procurement strategy for development were welcome. Stakeholders mentioned that the majority of project problems are related to the execution; thus, suggesting Bank's involvement through project execution. Participants from public and private sector, and civil society suggested holding consultations with other Mulilateral Development Banks (MDBs) in order to harmonize the policies and procedures, especially regarding eligibility. Stakeholders shared their experience with the OECD Permanent Establishment country contract system. It has been used and put into practice. They expressed that there is a need for the end users to adapt to the system and work with the Bank guidelines. In conclusion of the event, it was found that participants particularly advocated for: VfM; fit-for-purpose, integrity (being focused as a pro-governance approach); alternative procurement arrangements, with a strong emphasis in agencies procurement arrangements; proactive participation of the Bank in contract management and compliants; sustainable procurement; and the proposal to strengthen local capacities, covering all key actors, including implementing agencies, private sector and controllers.

#### **Specific Feedback from Stakeholders**

- 1. How should the Bank implement support to borrower procurement capacity building and institutional strengthening?
  - Participants from private and public sector considered capacity building in the countries and to Bank staff important for the success of the reform.
  - Stakeholders suggested considering a system in which firms could be ranked taking into account their capacity and productivity.
- 2. How should the Bank operationalize the potential broader use of value-for-money criteria in borrower contract award decisions?
  - Stakeholders mentioned that the use of Value for Money (VfM) could be linked with the country's objective.
  - Participants questioned if Morocco is ready to use VfM in their evaluation criteria and suggested that training would be required to start implementing VfM. Especially training regarding market analysis. They also suggested knowledge sharing from other countries' experiences.
  - Participants from the public sector suggested a careful implementation and to start with a pilot sharing the results with the other countries. Moreover, it was adviced that the Bank should closely monitor the implementation of VfM
  - There was consensus that the new framework should consider other evaluation criteria approaches, beyond the lowest evaluated bidder.
- 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?
  - Stakeholders suggested being coherent with the international efforts and commitments for development related to procurement country systems already in place and in current development. Paris Declaration on Aid Effectiveness.
  - Although at the beginning participants were concerned that the Use of Country Systems (UCS) was not part of the new policy, they understood and supported the proposed strategy where the Bank (i) will continue supporting countries' institutional capacities (Country Systems/ Paris declaration); and (ii) could consider the use of agencies procurement arrangements. One of the participants advised that the concept of country system should be clearer in the framework.
- 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?
  - More information about the changes in the prevention of fraud and corruption policy was requested
  - Integrity should be exercised as a pro-governance proposal. They supported the structure of the policy where Governance also demands aspects other than Anti-corruption/reaction measures.

- Participants are interested in supporting accountability.
- Participants from Civil Society requested support from the Bank to enhance the integrity framework, in particular with regard to access to information.
- Stakeholders also suggested that it was timely to set up a whole integrity system for governance, not only focused on anticorruption also in: Prevention, Information, Awareness, Control, Simplification of procedures (which was identified to be often problem with the Bank and institutions due to the complex nature of operations), Signing of integrity agreements and Execution.

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

 Participants suggested to state clear and reliable criteria for sustainability procurement that is in line with Value for Money evaluation criteria.

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

• Stakeholders questioned if the tools provided by the Bank are allowing civil society to play a role of control in the same way as government does.

### 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?

- Stakeholders requested more information and clarity regarding Public Private Partnerships (PPP); especially about documentation and contract management.
- Related to SMEs, which was a big topic throughout the consultation, participants were concerned about the possibility of increasing the amount of funding options and adjusting the payment deadlines for SMEs. Also, there was a concern of how the Bank could manage the competitive disadvantage for SMEs when bidding for a contract.
- Stakeholders mentioned the importance of databases that are publicly available to promote integrity and help suppliers and contractors to achieve better results. They shared the existence of a decree for Ministries to publish reverse electronic auctions supply databases.