Date: October 21, 2014

Location (City, Country): Manila, Philippines

Total Number of Participants: 35

Overview and General Reactions:

A half day consultation session with government and development partner stakeholders was conducted on October 21, 2014 in Manila. Motoo Konishi, the Country Director made an opening speech, emphasizing the importance of constructive and candid comments and suggestions for this first ever comprehensive review of the WB procurement policy and procedures. Inputs from the Phase 1 consultations have resulted in the preparation of a Proposed New Framework on Procurement in World Bank Investment Project Financing, setting the stage for Phase 2 consultation (September – December 2014).

Christopher Browne, the Chief Procurement Officer, OPSOR made an initial presentation on the rationale of the Review, summary of feedbacks received from Clients through the first round of global consultation, the overall reform timeline, and the key proposed principles and changes to the Bank’s procurement policy. The meeting was followed by open discussions and responses to the guiding questions posted for consultation, with participation of Enzo de Laurentiis, Practice Manager, GGP and the Bank’s Manila procurement team members also joined the consultations.

Specific Feedback from Stakeholders

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

- The Philippines has a robust procurement law that needs to be considered, as exceptions may be needed in the new procurement framework. Must be mindful in terms of harmonization with national procurement regulations.
- The World Bank Group must be mindful of the procurement practitioners because they must learn the different requirements for all different governmental and international organizations.

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

- The World Bank should be specific in defining which instances it will use value for money, fixed price and other types of procurement.

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

- In the agriculture sector in the Philippines many projects are now focused at the community level, through Community Driven Development. The World Bank should address if and how resources will be factored into these types of procurement activities, and how risk will be accounted for in these activities?
- The World Bank should consider providing resources to a procuring entity that is developing specifications for a project. There should be a greater focus on the environment’s market rather than the cost in develop specifications.

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

- Even with the MDBs working on harmonization, there are still many differences in how procurement in done within each institution. A decision as to what degree the World Bank will allow other MDBs to review and give No Objections should be stated.

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 Supreme Audit Institution in the Philippines has asked for more audits made available for it, so this should be taken advantage of in the new policy.
- A concern among participants is regarding how specifications be created without bias, and how the estimate of these specifications be developed.

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

- Metrics that are formed around risk management and attainment of development outcomes need to be included.

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

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

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

- The Philippines has strict laws regarding procurement, so does the new procurement policy needs to consider allowing for the full use of this national system.
- The World Bank should consider how to make to make procurement a more enjoyable activity without losing all the necessary rules and regulations.