



The World Bank

## Procurement Policy Review Feedback Summary

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**Date:** July 31, 2012

**Venue:** Abuja, Nigeria

**Country/es connected by video conference:** Ghana, Liberia, Sierra Leone

**Total Number of Participants:** 66

### Overview and General Reactions

The first round of the World Bank Procurement Review Consultations was held in Abuja, Nigeria, on July 31, 2012 with Video Conference connections to Accra, Ghana; Monrovia, Liberia; and Freetown, Sierra Leone. Participants included representatives of government agencies, procurement regulatory bodies, donor agencies, a regional organization, World Bank-funded projects, the academia, organized private sector, professional bodies, the media and the civil society. The Bank was represented by the Regional Procurement Manager, V. S. Krishnakumar, who coordinated the proceedings, and the Procurement staff of the Ghana, Liberia, Nigeria and Sierra Leone Country Offices.

The overview of the review was presented by V. S. Krishnakumar.

The key issues raised by the participants included:

- There should be strong support for the development of national systems. It is not helpful to the cause of public procurement development when the national systems are ignored. Also, procurement Policies and bidding document of development partners should be harmonized with the country systems of recipient countries.

- Country context should be taken into consideration in the use of World Bank procurement policies and procedures. The Bank should no longer use the policy of “one-size-fits-all”.
- There is need to approach public procurement development in the context of a broader public sector management development. This is because public procurement efficiency cannot be achieved in the absence of a well-functioning public sector management system.
- World Bank’s role in procurement implementation should be extended to include contract administration, where most of the unethical practices take place.
- Task Team Leaders (TTLs) should be demystified by giving opportunity to the borrower to suggest alternative causes of action. Also, implementing agencies should be allowed to comment on the performance of TTLs and other World Bank staff concerning project implementation.
- The World Bank needs to deal urgently with the public perception that the Bank feels that “even if a project does not meet its development objectives, the loan would be recovered”.

<b>Specific Feedback from Stakeholders</b>	
<b>1. The analysis presented in the Initiating Discussion Paper captures the key issues and concerns that should be addressed in the review. Are there other challenges which the review should try to address?</b>	
	<ul style="list-style-type: none"> <li>• There should be better coordination in donor approach to development.</li> <li>• The procurement policy should be fashioned in a way that assures that the quality of life of the targeted community is impacted positively by ensuring that equal attention is paid by the Bank to upstream and downstream procurements.</li> <li>• Clarify if goods produced by children or as a result of human rights abuses are eligible for funding using World Bank resources.</li> <li>• The use of sole source needs to be reviewed as the selection method is grossly abused for personal gains.</li> </ul>
<b>2. Taking into account the new concepts of public procurement and the broader context of public sector management best practices, what type of changes should the Bank take into consideration in modernizing its procurement policies?</b>	
	<ul style="list-style-type: none"> <li>• The review should take a holistic view of the public sector management system as procurement cannot be efficient in the absence of a well-functioning public sector management system.</li> <li>• The insistence to use Bank procurement procedures hinders growth of country systems.</li> </ul>

	<ul style="list-style-type: none"> <li>• Oversight institutions should be strongly supported to play their roles effectively.</li> <li>• Procurement should be integrated from the conceptual stage of the project cycle rather than only at the implementation stage, in order to minimize upstream costs. Most often, government officials and consultants with little or no knowledge of Project objectives.</li> </ul>
<p><b>3. In light of various levels of risks and capacity among borrower agencies, how can the Bank best ensure that funds provided by the Bank are used for the purpose intended?</b></p>	
	<ul style="list-style-type: none"> <li>• Build the capacity of and provide resources for civil societies to monitor procurement implementation. Include meeting with civil society as part of Project supervisión missions.</li> <li>• Build the capacity of implementing agencies throughout the Project cycle, especially at appraisal stage in order to mitigate the risks at implementation stage. The focus of PPF is on foreign consultants and not development of local capacities.</li> <li>• Establish interactive website for both the public and civil society to report on procurement implementation.</li> <li>• Procurement Officers of World Bank-financed projects should be mainstreamed into the national procurement cadre and managed by the procurement regulatory agency.</li> <li>• The Bank needs to work on its public perception that “even if a project does not meet its development objectives, the loan would be recovered”.</li> <li>• A strong M&amp;E framework, with clear input and output indicators, should be included in the project agreement. The performance of the project should be measured against these indicators. Measure success of Project objectives through the eye of the beneficiary.</li> <li>• The Bank should leverage its political will to deal with identified systemic issues.</li> <li>• Where posible, use private sector model to deliver on specific objectives.</li> <li>• Promote rewards and incentive for good conduct and punish wrongdoing.</li> <li>• Ensure that trained Project staff are not removed for flimsy reasons.</li> </ul>

**4. The Initiating Discussion paper highlights the multiplicity of demands and contexts procurement is serving today –diverse sectors, instruments, delivery mechanisms and clients with varying institutional frameworks and governance conditions. What recommendations could help the Bank best tailor its procurement requirements to meet these diverse and varying demands and needs?**

- Strengthen country systems to make them complimentary to the World Bank procurement system.
- National contexts should be taken into consideration when establishing eligibility/qualification and postqualification criteria.
- The policy of “one-size-fits-all” should be discarded. There should be flexibility and pragmatism in applying procurement policies and procedures.
- The review should take cognizance of conflict and fragile States. Specific set of procurement procedures should be adopted for those States.
- Use framework contract for common items required by several projects within a given period.
- Country systems that substantially meet international standard should be used for all procurements.

**5. What could the Bank do to simplify and streamline its current policies and to take advantage of the potential gains offered by e-procurement and IT-based tools?**

- The adoption of e-procurement should take into consideration several countries whose IT infrastructure is not up to speed.
- There is low human capacity to handle the process.
- Guide against blind side whenever e-procurement is introduced.
- Explore the possibility of using cloud computing.

**6. International consensus calls for use of country systems and harmonization among development partners. What can the Bank do to advance the use of country systems and harmonization among partners?**

- Procurement policies of borrower countries and those of donor agencies should be reviewed on a proactive basis in order to synchronize their evolving policies with those of the Bank.
- There should better coordination of donor interventions to avoid reinventing the wheel and to avoid the present situation where “harmonization” is considered as mere lip service.
- The use of country systems should be improved with the Bank interacting more closely with the public procurement regulatory agency in each country.

**7. What suggestions do you have to monitor and evaluate the Bank's Procurement policies and assess their impact and effectiveness?**

- Social accountability should be incorporated in the procurement monitoring.
- Task Team Leaders should be demystified. Borrowers should be allowed to suggest alternative causes of action in project implementation instead of policies being forced down on them.
- Implementing agencies should be given the opportunity to make comments on the performance of Task Team Leaders and other Bank staff concerning project implementation.
- Work with borrower countries to ensure that the policy on "whistle blower" is administered by independent bodies.
- Develop a matrix to measure critical factors for success.

**8. Do you have other suggestions to help the Bank develop a proposal for a new policy framework and guiding principles for revisions to the Bank's procurement policies?**

There were no specific suggestions.