

Annex B: Consultation Feedback 2014

Consultation Facts and Figures

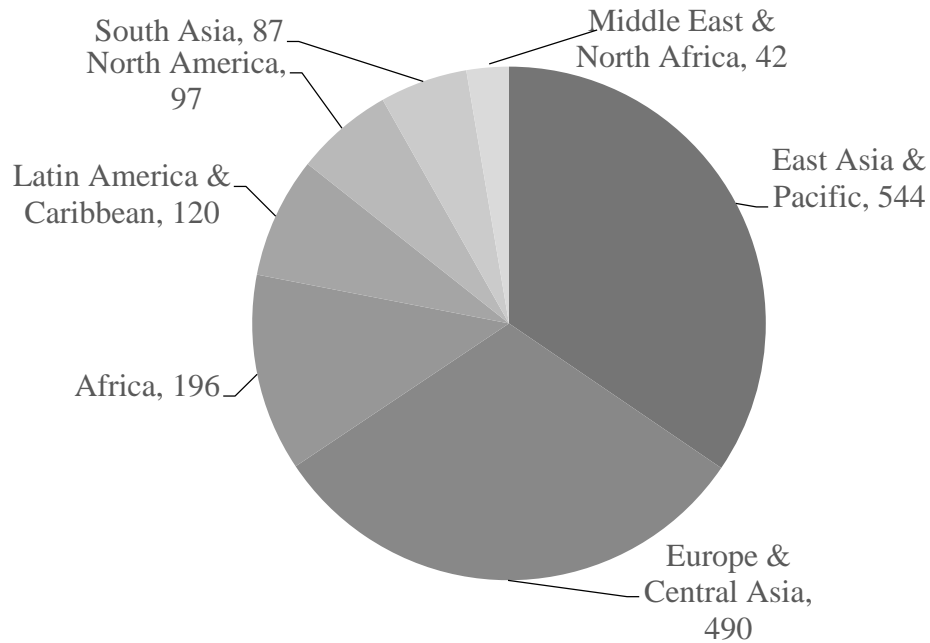
The World Bank consulted stakeholders from all sectors across all regions between August 1, 2014 and January 12, 2015 on the proposed procurement framework as endorsed by CODE in July 2014. This consultation phase included one month of pre-consultation, when the proposed procurement framework was available on a dedicated consultation website for stakeholders to familiarize themselves with.

Countries consulted

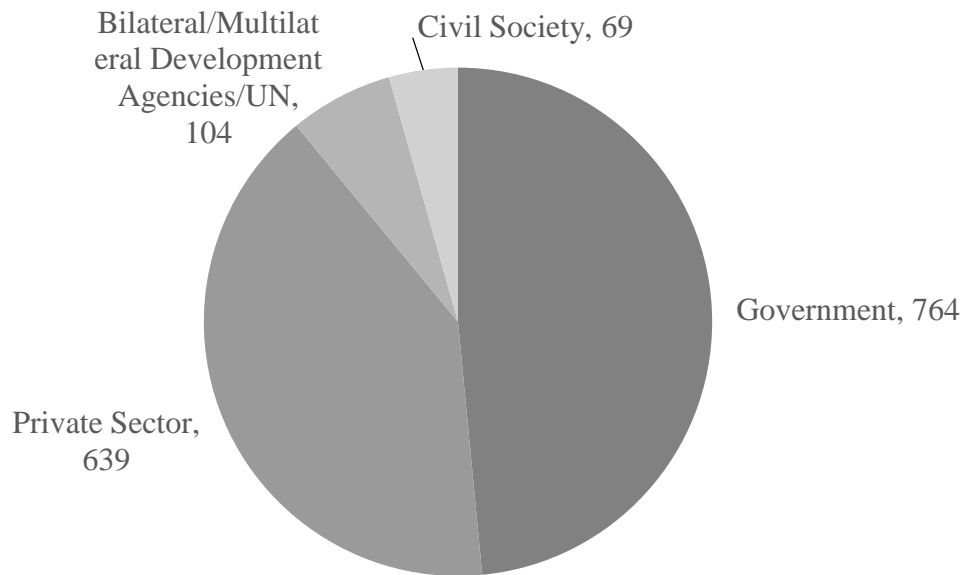
Regions	Countries	Number of countries consulted
Europe and Central Asia	Armenia, Azerbaijan, Belgium, France, Georgia, Germany, Italy, Ireland, Netherlands, Russia, Spain, Ukraine, United Kingdom	13
East Asia and Pacific	Australia, China, Indonesia, Japan, New Zealand, Philippines, Samoa, Solomon Islands, Vietnam	9
Africa	Ethiopia, Kenya, Malawi, Mali, Nigeria, Senegal	6
Latin America and Caribbean	Brazil, Mexico, Peru, St. Lucia	4
Middle East and North Africa	Egypt, Morocco	2
North America	Canada, United States	2
South Asia	India	1
Total		37 <i>Borrowers: 24</i> <i>Donors: 13</i>

The World Bank hosted a total of 61 meetings with 1,576 participants from 37 countries.

Number of participants per region (Total participants: 1,576)



Number of participants per stakeholder group (Total participants: 1,576)



In addition, nine organizations submitted written comments. Consultation meeting summaries and written submissions are available online:

<http://consultations.worldbank.org/consultation/procurement-policy-review-consultations>.

Written submissions

Submitting organization	Submission date
Bundesverband der Deutschen Industrie (BDI)	June 2014
Thomason Reuters	October 2014
The George Washington University Law School	November 2014
Medtronic, Inc.	December 2014
Canada's Medical Technology Companies (MEDEC)	December 2014
Transparency International	December 2014
Advanced Medical Technology Association (AdvaMed)	December 2014
Joint Submission from the International Federation of Consulting Engineers (FIDIC), the Confederation of International Contractors' Associations (CICA), and the European International Contractors (EIC)	December 2014
Global Diagnostic Imaging, Healthcare IT & Radiation Therapy Trade Association (DITTA)	December 2014

Summary of Consultation Feedback

The following is a general, high-level summary of the main trends of the feedback received during consultations. A more detailed feedback matrix with World Bank responses is included in the third section of this Annex. Overall, stakeholders were most interested in discussing capacity building, value-for-money, complaints monitoring, and contract management. Most stakeholders explicitly welcomed the proposed changes to the World Bank's procurement policy. There was no major criticism regarding the proposals.

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

Capacity building and strengthening institutions were among the most frequently discussed topics. Most participants agreed that the proposed shift from transaction-focused procurement to value for money could not be successful if the World Bank would not simultaneously help countries build their procurement institutions and strengthen their own procurement policies. Some of the procurement tools introduced in the proposed policy framework would require training before countries with low procurement capacity could use them. Stakeholders spoke of a "holistic approach" to procurement and capacity building, also noting that training is needed throughout all stages of a project. Stakeholders identified a number of relevant groups for capacity building efforts: Government and implementing agencies, private sector (especially small and medium enterprises), the procurement profession, and World Bank procurement staff. Stakeholders emphasized that capacity building needs to be long-term and sustainable rather than one-off trainings. Certification was seen as a major tool to improve capacity of procurement professionals.

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

The use of value-for-money criteria was welcomed by a vast majority of consultation participants and was considered to be among the most important improvements suggested by the World Bank in this reform effort. In order to use these criteria successfully, the World Bank would need to

introduce robust methodologies to measure life cycles. Subjectivity was considered to be the biggest problem for using non-price attributes and quantification was considered necessary. The weighting given to such criteria should be appropriate, i.e. not too low as to not create an outcome that would also have been achieved on a lowest-price basis. Stakeholders tied the use of value-for-money criteria to capacity building, emphasizing that training would be needed to allow clients to properly apply them. Stakeholders also asked for very specific clarifications in bidding documents on when non-price attributes would be included and when a contract award would be based on lowest price.

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

It was widely recognized that the proposed procurement framework would require a culture change among World Bank staff in order to be effectively implemented. World Bank staff would need to understand the intricacies of country contexts, legal systems, and sectoral issues. A more hands-on approach beyond providing procurement advice to Borrowers was recommended. Consultation participants also pointed out that the World Bank's procurement function would need to be adequately funded. They agreed that focusing prior reviews on high risk/high value procurements would help free up some of the necessary resources. Stakeholders pointed out that some risk was inherent in an increase in staff discretion, which would need to be mitigated through adequate training and oversight.

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

Overall, participants welcomed the proposal to implement procurement under the systems of members to the Government Procurement Agreement (GPA). However, a number of caveats were pointed out in the consultations: first and foremost, stakeholders emphasized that even in GPA member countries, an assessment of procurement capacity and practices was necessary to ensure a high level of procurement standards. This assessment should work with country-specific thresholds and include an analysis of the legal system as well as its implementation. Some borrowing countries with high procurement capacity suggested that states that are not GPA members, but are either in the process of acceding to GPA or have equivalent institutions and practices should also be allowed to use national arrangements. Consultation participants emphasized that audits and/or adequate oversight would be necessary if alternative procurement arrangements would be used.

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

Sustainable procurement was discussed mostly by stakeholders in donor countries and middle-income countries. While donor countries were highly supportive of promoting sustainability in procurement in World Bank Investment Project Finance, stakeholders in countries with low procurement capacity expressed concern about their capacity to implement sustainable procurement. A non-mandatory approach to sustainability was seen as an acceptable compromise. It was also seen as a useful approach to introducing sustainable procurement in countries that have so far not focused on these issues. As capacity for sustainable procurement

can be low in some client countries, the World Bank was asked to provide clear guidance and training.

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

Stakeholders saw fraud and corruption as one of the major problems facing procurement. They called for more transparency in the bid evaluation process and for increased accountability in procurement decision-making processes. It was suggested that Supreme Audit Institutions and third parties such as civil society organizations should have an active role in monitoring and auditing procurement processes, including on a local level. The use of innovative technologies was suggested, such as e-procurement and geotagging of procurement activities.

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

Stakeholders asked the World Bank to articulate a methodology for performance tracking. Several consultation participants called for the World Bank to publish performance data to allow external parties to understand any performance issues inside the World Bank, concerning borrowing governments, or concerning companies. Risk management aspects and measurements for intended outcomes should be included in such metrics.

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

Complaints monitoring was among the most relevant issues for stakeholders representing the private sector. It was argued that a strong World Bank involvement in complaints handling would inspire trust in companies, which would in turn be more compelled to bid on World Bank contracts. There was a near-unanimous call for a stronger involvement of the World Bank, ranging from the World Bank acting as mediator to acting as arbitrator. Consultation participants considered the existing system inadequate and inconsistent.

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

Many stakeholders also called for a stronger involvement of the World Bank in contract management. While they recognized that the World Bank is not party to a contract, it was pointed out that World Bank involvement could correct for low institutional or professional capacity when necessary.

Feedback Matrix with Management Responses

The following table represents a summary of all comments made by stakeholders during consultations on the proposed procurement framework. While all individual comments have been considered, for the purpose of this table similar comments have been combined into categories and statements. This table also provides the World Bank Management's response to stakeholder feedback.

Topic	Comment Received:	RESPONSE AND ACTIONS FOLLOWING THESE COMMENTS:
General comments	In general, full endorsement of the new Procurement Framework.	Welcome outcome of consultations.
	The World Bank should adopt a principle based approach to the Policy, similar to the EU's procurement policy.	The proposed procurement policy is based on Core Principles, including value for money and fit for purpose.
	Stakeholders pointed out that capacity building was among the most important precepts to improve procurement in Bank-financed projects.	The World Bank agrees that Borrower capacity building is key. The proposed procurement framework embraces Hands-On Expanded Procurement Implementation Support, as appropriate, to enhance project implementation.
	Fit for Purpose was welcomed as an important step to better tailor procurement to project needs.	The Fit-for-Purpose is one of the core procurement principles on which the whole procurement framework has been founded on.
	Generally, stakeholders expressed preference preferred to open international competition.	Agree. Open international competition is the preferred approach for complex, high-risk and/or high-value activities and the World Bank has set specific thresholds where this must be applied.
	The proposed Procurement Strategy for Development was seen as important tool to implement the proposed procurement approach.	Agree. The Project Procurement Strategy for Development (PPSD) will serve as a key planning tool. The Procurement Regulations devote an annex for the PPSD (Annex F, Sub Annex V).
	Stakeholders clearly expressed a preference for more Bank involvement in the handling of complaints.	Agree. The Procurement Regulations devote an annex for the Procurement Related Complaints at various stages of the procurement process including business standards (response time to complaints) for both the Bank and the Borrower. (Annex F, Sub Annex III).

General comments	Stakeholders requested the World Bank to be more active and engaged in contract management.	Agree, recognizing that contracts are between the Borrower and the contractors /consultants. Enhanced monitoring and evaluation will contribute to successful implementation of projects. The Procurement Regulations devote an annex for Contract Management. (Annex F, Sub Annex XI).
	The possibility to use Alternative Procurement Arrangements (APA) was welcomed, with the caveat that arrangements would need to be assessed before using them.	Agree. As part of the proposed framework, the Bank has developed an assessment methodology. Multilateral or bilateral agency or organization's procurement arrangement for a co-financed project would be dealt with through an MOU.
Capacity Building	Stakeholders overwhelmingly agree that the World Bank should provide more procurement capacity building.	Agree: the World Bank continues to work to enhance and accelerate capacity building. Capacity building will play a major role for the implementation phase of the new Procurement Framework.
	The private sector should benefit from the World Bank's capacity building efforts.	Agree: this would need to be considered as part of capacity building strategy.
	More capacity building for World Bank staff is required.	Agree: specific capacity building tailored to staff needs will take place during the implementation of the new framework.
	The World Bank should play a role in accreditation of the procurement profession in borrower countries.	Agree: online certification program in public procurement and contract management have already started as pilot in one Region - to be owned by the countries as part of their system
	Build capacity in Supreme Audit Institutions to enable them to perform procurement audits.	Agree: Third parties, including Supreme Audit Institutions will play an important role in the proposed procurement framework.
	The World Bank should create a capacity building trust fund.	Agree: Efforts to set up a trust fund will be part of the implementation of the new Procurement Framework.
	World Bank staff should be familiar with the national procurement legislation.	Agree.
	Capacity building in the medical technology industry is required before, during and after equipment is bought.	Agree: World Bank hands-on support should occur throughout the procurement cycle.
	More capacity building of World Bank staff is required. Stakeholders discussed inadequate levels of World Bank institutional capacity.	Agree: specific capacity building tailored to staff will take place. A skills analysis has been undertaken to identify the skills profile of World Bank procurement staff and will be used to develop a staff capacity building strategy.

Capacity Building	Assistance required in preparing selection documents.	Agree. The proposed procurement framework embraces Hands-On Expanded Procurement Implementation Support, as appropriate, to enhance project implementation.
Value for Money	While the consideration of value for money criteria in a procurement process was widely welcomed by stakeholders, most stakeholders also asked that the World Bank provide clear guidance for operationalizing and implementing value for money.	Agree. The Procurement Regulations devote an annex for Value for Money. Value for money is a core principle of the Procurement Framework and permeates throughout the procurement process. (Annex F, Sub Annex I).
	Value for money propositions in the draft framework needs some revision to define the concept more clearly and lay the groundwork for robust operationalization.	Agree. Revised.
	Borrowers will need hands on support to implement value for money	Agree.
	How will value for money evaluation be done?	Treated in the Evaluation Criteria Annex of the Procurement Regulations. Further guidance notes will be developed. (Annex F, Sub Annex X).
	The World Bank should use more value engineering for high risk and/or high value procurement.	Agree. Value engineering is introduced in the new Procurement Framework.
Innovation	The World Bank should have a clear approach to supporting innovation.	Innovation is addressed through the use of the appropriate new selection method (RFP) and the use of rated evaluation criteria.
	More functional specifications should be used to allow for innovation.	Agree: Functional requirements should set a standard that allows the respondent to propose their ideas and innovation.
Fit for Purpose	Need to have fit for purpose approach for procurement in countries with limited markets.	Agree. As mentioned above.
	Design appropriate procurement methods for medical equipment given their complexity and impact.	Agree.
Procurement Strategy for Development	Procurement should be an integral part of project preparation.	Agree: the Procurement Strategy for Development would help to better accomplish this.
	Procurement staff require training to develop PSD.	Agree: Training will be provided to procurement staff.

Procurement Strategy for Development	The PSD requirements should be clarified.	Agree.
	The World Bank should engage with the industry early in the procurement process.	Agree: Sectorial engagement will be enhanced.
Fraud and corruption/ Integrity/ Transparency	World Bank procurement should be designed to enhance borrower's own integrity frameworks.	Integrity is one of the Core Procurement Principles. The Procurement Regulations devote an annex for Fraud and Corruption. (Annex F, Sub Annex IV).
	The World Bank should have a more strategic reaction in countries with high corruption.	Agree. The PSD should help address this matter.
	Civil society and independent monitors should be involved in monitoring procurement activities.	Agree: Third parties, including Supreme Audit Institutions will play an important role for post reviews, third party probity assurance included, as needed
	Quality of selection documents is critical to enhancing transparency and fair competition.	Agree: The World Bank's Standard Selection Documents will continue to be used for international competitive procurement.
	The debarment of a firm by a country should be accepted by the World Bank.	This provision was already in the existing guidelines for National Competitive Bidding, subject to some conditions and Bank's agreement. This is proposed to be expanded in the New Procurement Framework.
	Supervision missions should be more frequent and equipped with the needed expertise.	Agree. Effective supervision missions depending on the project risk level.
	The open data platform should be updated regularly.	Agree: The World Bank is developing open data platforms such as the Procurement App and Application Programming Interfaces (APIs) for Procurement to provide regularly updated and machine readable data to the public.
	Stakeholders noted a lack of information on procurement opportunities, selection documents and contract award.	Agree: The World Bank is streamlining information sources on procurement opportunities, including Monthly Operation Summaries available in the Bank's Procurement Website, which provides information on projects in the pipeline and related contracting opportunities. It has also launched electronic Procurement Notices in the World Bank's Finances App for iOS (iPad and iPhone) and Android devices and www.worldbank.org .

Fraud and corruption/ Integrity/ Transparency	The current conflict of interest procedures are too sophisticated.	The conflict of interest has to be assessed on a case by case basis. The Procurement Regulations similar to the existing guidelines provides situations that could create conflict of interest.
	Conflict of interest with government agencies should be addressed.	Agree. The World Bank requires that those involved directly or indirectly in a procurement process under World Bank-financed projects do not have a conflict of interest.
	Confidential commercial information should be disclosed.	Disagree.
	Procurement information should be more accessible.	The World Bank is developing a new procurement Tracking System that will provide better access to procurement information. Contracting data will be in the form of open data. In addition, the Bank has developed a mobile application (app) freely accessible, with information about Bank's procurement activities subject to prior review.
Sustainable procurement	Stakeholders overall welcomed the inclusion of sustainable procurement in the new Procurement Framework, but emphasized the need for clear guidance on how to implement sustainable procurement.	Sustainable procurement is not a mandatory requirement - included at the borrower's request, and if compliant with Bank policies.
	Sustainable procurement should be mandatory in high risk and/or high value procurement.	Same above.
	Sustainable procurement provisions should be clarified.	Agree. The Procurement Regulations devote an annex for the Sustainable Procurement. (Annex F, Sub Annex VII).
	Implementation of sustainable procurement needs to be clarified.	Agree. The Procurement Regulations devote an annex for the Sustainable Procurement. (Annex F, Sub Annex VII).
	Sustainable procurement should be addressed at the design stage	Agree, but it may also be addressed through evaluation criteria.
Alternative Procurement Arrangements	Stakeholders emphasized the need to address how the use of APA would be implemented.	Agree.
	Alternative procurement arrangements should also include bilateral agencies such as USAID, DFATD.	On a case by case basis (MoU agreed with respective organization).
	Participants advised that the role of external factors, such as Supreme Audit Institutions	Agree. As part of the assessment for APA, relevant institutional capacity will be assessed.

Alternative Procurement Arrangements	needs to be considered when using APA. These institutions might need capacity building support from the World Bank.	
	APA should not be used for high risk and/or high value procurement	The proposed assessment methodology for APA will determine institutional capacity and risk.
	The assessment of APA should be based on the OECD MAPS methodology.	Agree. The proposed assessment methodology is based on OECD MAPS.
	Stakeholders were concerned that the APA assessment methodology was not ready for review.	A draft methodology has now been developed.
	Stakeholders requested more guidance and clarification on the use of APAs.	Agree. A detailed assessment methodology has been developed.
	Being a member of the GPA should not automatically qualify for APA.	Agree. Procurement arrangements of GPA members will be assessed by the World Bank before use.
	APA should be equivalent to World Bank's Procurement Framework and not "acceptable to the World Bank."	Disagree: "Acceptable to the World Bank" is a better and more realistic approach.
Fragile and Conflict Situations (FCS)	The World Bank should pay more attention to contract conditions and contract management in FCS. For instance, some FCS countries do not accept direct payments from the World Bank to international companies. Contract management capacity may be low in FCS.	Agree: The PPSD shall address this with a fit for purpose approach.
	Procurement arrangements should be designed to fit the specific circumstances of FCS.	Agree: the Procurement Strategy for Development will help address this issue.
Complaints	Participants noted a lack of effective complaints handling.	Agree: It is proposed that complaints are centrally monitored with business standards for response.
	The World Bank should play the role of referee in contractual disputes.	The World Bank cannot be a mediator/referee contractual disputes. This should be done through the contractual disputes mechanism established in the contract.
	Increase access to dispute board, experts and arbitration for companies bidding on World Bank-funded contracts.	Agree.

Complaints	Stakeholders asked the World Bank to institute a mechanism to handle complaints.	The Procurement Regulations devote an annex for enhanced procurement related complaints handling including business standards (response time). (Annex F, Sub Annex III).
	Borrowers should have business standards for responding to complaints.	Agree. See above.
	The envisaged complaint handling mechanism should be clarified.	Agree. The complaints annex has been revised. (Annex F, Sub Annex III).
	The World Bank should allow the use of local rules for Alternative Dispute Resolution.	Agree for national procurement.
	There should be complaint provisions in the standard selection documents.	Agree: Standstill periods for complaints will be incorporated in the standard selection documents.
	Handling of complaints during contract execution should be in consonance with the country's laws.	Contractual disputes shall be governed by the contract signed by the parties.
	The quality of responses to complaints should be improved.	Agree.
	More involvement from the World Bank in handling complaints	Agree.
	The World Bank should be less involved in complaints.	The Bank has a role to monitor complaints for timely resolution.
	International arbitration for international contracts should be mandatory.	Agree.
	The World Bank should be an observer and advisor to the borrower.	As appropriate.
	Provide debriefing opportunities.	Agree.
International competition	For medical technologies an international market approach is appropriate.	Based on market assessment.
	Standard Selection Documents should be used for high risk and/or high value procurement and prior review.	Agree.
	Clarifications should be communicated simultaneously to all providers that obtained the selection documents.	Addressed.

National competition	Stakeholders expressed concern about borrowers determining the approach to market.	The PPSD which is subject to Bank's review determines the approach to market based on the assessment.
Contract conditions	The World Bank should use standardized contracts wherever possible to ensure balanced conditions.	For international procurement, the Borrower shall use the applicable World Bank's Standard Selection Documents. In cases where the World Bank Standard Selection Documents are not available, Annex IX of the Regulations sets the minimum requirements.
Domestic preference	World Bank procurement should be designed to promote local markets, including SMEs.	The PPSD seeks to address the need to support the local market, through fit for purpose approaches and including the use of domestic preference
	Local content should be mandatory.	Local content is not appropriate in all cases.
	Domestic Preference hinders competition.	The World Bank has maintained the current requirements for the use of Domestic Preference. Subject to Board agreement, a more detailed review of the impact of Domestic Preferences on competition may be warranted.
Prior reviews	Clear instructions needed on how to identify high risk and/or high value.	Risk level will be identified as part of the PPSD and Procurement Plan.
	The World Bank should prior review high risk/high value contracts rather than all contracts regardless of risk.	Prior reviews are linked to both project and activity risk through the Procurement Strategy for Development.
	The World Bank must be responsible for procurement outcomes.	The World Bank has an oversight role to ensure that Bank's funds are used for the intended purpose and outcomes.
	Stakeholders supported the World Bank's suggestion to reduce the number of prior reviews and focus them on high risk and/or high value procurement.	Agree: With appropriate risk mitigation measures for subject projects.
	It was suggested that prior review should focus on ICB only.	Agree: international procurement processes would normally fall in the prior review domain.
	Stakeholders complained that in some cases, prior reviews take too long.	Agree: Prior reviews will be streamlined and apply to high risk and/or high value procurement.
	Large scale, high value and high risk should be subject to international procurement and prior review.	Agree: Prior reviews will be streamlined and apply to high risk and/or high value procurement.

Prior reviews	Thresholds for prior review should be increased.	Thresholds depend on procurement risk, complexity and nature. In some cases, this can lead to increased thresholds.
	Monetary value of a contract by itself is not a good indication of risk.	Agree.
	Prior review should not be reduced.	Prior review depends on procurement risk, complexity and nature.
Contract management	The World Bank should have an active role in contract management, ensuring World Bank participation and oversight beyond contract award. World Bank procurement staff should be involved throughout the full project cycle.	Contract management plan required for all procurement and close monitoring of Key Performance Indicators in high risk and/or high value contracts, with the recognition that the World Bank is not a party to the contract.
	Contract conditions should be fit for purpose.	Agree: Fit for purpose is a fundamental principle of the procurement framework.
	Provide capacity building on contract management.	Agree.
	The general approach to engaging with strategic key providers and their selections should be clarified.	Agree: this is clarified in the Directives for World Bank staff if the concept is approved by the Board.
	There should be more strategic dialogue with key providers.	
Contract preparation	Technical specifications should be prepared by experts in the field.	Agree.
	Functional and performance specifications are preferred.	As appropriate.
	Complete TORs should be part of the REoI.	Agree.
Bid evaluation	The issue of abnormally low bids needs to be addressed.	Agree: the Procurement Regulations for Borrowers treat this subject.
	Providers should be allowed to propose alternative bids.	Alternative bids may be permitted as appropriate, as specified in the selection documents.
	The experience of parent or sister companies of a bidder should be considered in the evaluation of the bidder	Experience is not transferable.
	Life cycle costing should be an option in the evaluation criteria	Life cycle costing shall be used as appropriate.

Bid evaluation	Direct contracting may result automatically from the rejection of all bids	Not necessarily: The approach is well presented in the Regulations.
	Evaluation criteria should include non-price attributes, be included in selection documents and permit the rejection of abnormally low bids.	Agree: the inclusion of non-price attributes and the treatment of abnormally low bids is described in the procurement regulations and procedures.
	Evaluation criteria should be clearly defined in the selection documents.	Agree: this concept is one of the pillars of evaluation criteria in the regulations.
	The use of non-price attributes in the evaluation criteria should require the World Bank's prior review.	Regardless whether or not a contract is subject to prior review by the Bank, non-price attributes could be used, as appropriate.
	Use of non-price attributes in high risk and/or high value procurement should not be optional.	The use on non-price attributes requires the prior agreement of the World Bank.
	Lowest evaluated bid should always be the basis for contract award.	Not always; value for money considerations (criteria) as defined in the selection documents applies.
	Rating criteria should be clarified.	Agree: clarified.
	Life cycle costs should be objectively evaluated.	Agree: life cycle cost will be evaluated using defined parameters on a Net Present cost basis.
Procurement methods	The use of internationally accepted procurement methods, such as competitive dialogue, should be supported and enhanced.	Competitive dialogue has been added as a new method that can be applied under the new Procurement Framework.
	Stakeholders expressed concern about the lack of borrower capacity to implement competitive dialogue. Training is needed.	Agree.
	Negotiations should only apply to the procurement of goods and avoided in the procurement of works.	Negotiations are allowed, but require the prior review of the World Bank and the presence of an independent third party.
	The selection document should specify if negotiations are allowed.	Agree.
	Best and Final Offer (BAFO) should be used only after a full evaluation and when all bidders are aligned on the well-defined scope. This would guarantee fair competition.	The benefits of BAFO are better realized when bidders differentiate themselves from other proposals.
	The selection document should specify if BAFO is allowed.	Agree.

Procurement methods	Prequalification should be used for all high risk and/or high value procurement.	Prequalification should only be used when appropriate and when it adds value for complex and/or major procurements.
	Framework agreements for consulting services should be allowed.	Agree.
	Single stage – two envelope procedures should be permitted for goods and works.	Agree: this is introduced in the proposed framework.
Standstill period	There should be a mechanism for bidders to challenge a decision before awarding the contract.	Agree: the World Bank has instituted standstill periods of 10 days for such circumstances - before opening of financial proposals in a two envelope procedure and before award of contract.
Letter of credit	The Bank should issue Commitment Letters for Letters of Credit and provide Letter of Credit template for borrowers.	The World Bank already provides Commitment Letters – the recommendation on the template is noted.
Payment terms	For high value goods, payments should correspond to the cash out requirements of contractors and their need to purchase raw materials.	Addressed in the Regulations- International Contract Conditions Annex. (Annex F, Sub Annex IX).
	The World Bank should address payment delays in FCS countries.	Agree
Consulting Services	For QCBS, technical scoring should not have a weight of less than 80%	Weighting depends on the nature of the consulting services as method may be used where technical merit is weighted at 100%.
	Allow a minimum of 8 weeks to respond to RFP.	Sufficient time shall be given depending on the nature of the consulting services.
	Require a passing grade of 80% for technical scores.	Passing grades depend on the nature of the consulting services.
	Focus should be on quality and QCBS should be used more frequently.	Agree: The procurement frameworks lists QCBS explicitly as approved selection method.
	The requirement to shortlist 6 firms with wide geographical spread is counterproductive.	Agree: Shortlisting has been increased to 8 legal entities based on merit and without restrictions on geographical spread.
State Owned Enterprises (SOE)	The Procurement Framework should clarify eligibility criteria regarding SOE.	Agreed: Eligibility criteria are clarified in the Procedures and Regulations.

State Owned Enterprises (SOE)	Affiliated companies (SOE) should be allowed to compete with private sector companies.	SOE may only compete among themselves. To compete with other private entities they need to comply with the eligibility requirements. Direct selection of SOE is now simplified and permitted if justified.
Public Private Partnership (PPP)	The Procurement Framework should clarify eligibility criteria regarding PPP.	An Annex is devoted to PPP. (Annex F, Sub Annex XIV).
Harmonization among MDBs	The World bank should work towards continuing harmonization with other MDBs.	Agree: the harmonization process with other MDBs continues.

WORKING DRAFT