



The World Bank

Procurement Policy Review Feedback Summary

Date: October 14, 2014

Location (City, Country): Sydney, Australia

Total Number of Participants: 33

Overview and General Reactions:

A half day consultation session with government stakeholders was conducted on October 14, 2014 in Sydney, Australia. Enzo de Laurentiis, Practice Manager in the Governance Global Practice, 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 made a 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 the Bank's Sydney-based procurement team members joining the consultations.

Specific Feedback from Stakeholders

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

- Capacity building within a country should be decided in discussions with the country's Ministry of Finance. The discussion can then go down to other parts of the government after this initial discussion.
- Another initiative for capacity building can be through creation of procurement courses and certification through local universities.
- The World Bank should ensure that capacity building of clients extends throughout the whole procurement process, yet make sure it is not just process focused.

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

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

- The World Bank should target its staff resources to allow for assistance during the procurement process, especially when there are technical discussion and process steps underway. They should be prepared with specific tools to assist in the process.
- There should not be turnover in the World Bank procurement staff to ensure the best qualified and most knowledgeable staff provide good results to specific countries.

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

- The World Bank should work toward harmonizing its system with that of the Asia Development Bank and the UN.
- There is the belief that the use of alternative procurement systems is only focusing on those of other organizations, and not the countries themselves.

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?

- Clarification is needed to determine if the World Bank will support the supreme audit institutions as a standard practice.

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

- The World Bank did an assessment of procurement systems using the Methodology for Assessing Procurement Systems (MAPS) in certain Pacific Islands, and any continued work in procurement performance should include the results of this assessment.

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

- Complaints are difficult to handle in a small community. The Bank should ensure anonymity of complaints to ensure that there is no negative impact on those who submit a complaint.

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

- The World Bank should provide a data base to clients that contain contracting firms/suppliers in the region. This would help the clients improve their initial evaluation and selection of the suppliers, and then later in regards to monitoring performance.

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

- A specific example from the Pacific Islands is handling procurement activities in an environment where there are not many firms providing goods. It is very difficult to satisfy all requirements currently found in the procurement guidelines, leading to extended time of procurement activities and delays in the projects. It would be beneficial to link these types of situations to the 'best approach' for each situation, or the World Bank can look into ways of boost competition within these markets.
- The Pacific Islands have a range of economies and markets that often lead to exceptions and waivers needed to complete general World Bank procurement. Changes to the World Bank procurement policy is welcomed as long as it can make these common occurrences not be handled as exceptions every time.