



The World Bank  
**Procurement Policy Review  
 Feedback Summary**

**Date: September 25, 2014**

**Location (City, Country): Tbilisi, Georgia**

**Total Number of Participants: 23**

**Overview and General Reactions:** A consultation session with government stakeholders took place on September 25, 2014 in Tbilisi, Georgia. The general response to the reform was positive, with most concerns addressing issues of flexibility and consistency between cases, and capacity building. Overall, the consultations were successful for the parties involved, though it was expressed that stakeholders would like to see more sustainability, and more transparency as we continue forward.

<b>Specific Feedback from Stakeholders</b>	
<b>1. How should the Bank implement support to borrower procurement capacity building and institutional strengthening?</b>	
<ul style="list-style-type: none"> <li>• Participants noted that in Georgia there are over 4,000 procuring entities and applauded the policy reform as a change that will greatly benefit from capacity building in the region.</li> <li>• Representatives suggested coupling regular training with some private/specialized training to continue to improve the capabilities of procurement specialists.</li> </ul>	
<b>2. How should the Bank operationalize the potential broader use of value-for-money criteria in borrower contract award decisions?</b>	
<ul style="list-style-type: none"> <li>• Participants noted that low prices from Asia applies pressure to reduce quality in order to compete, under the new policy, a focus on quality aspects will play a very important role in selecting the appropriate candidate.</li> </ul>	

<b>3. How should the World Bank target its procurement staff resources to get the best results?</b>
<ul style="list-style-type: none"> <li>Some participants noted that in contracts contesting for specific areas (notably medical and IT) larger, more established companies are generally selected; under this new policy a focus on diversification would be beneficial to the overall success of the reform.</li> </ul>
<b>4. How and when should alternative procurement arrangements be used for procurement in Bank projects and how should they be assessed?</b>
<b>5. How should sustainable procurement matters be addressed in Bank-financed contracts?</b>
<b>6. How should the World Bank manage fraud and corruption issues in the procurements it finances?</b>
<ul style="list-style-type: none"> <li>Participants commented on streamlining prior review, noting that it may cause problems related to integrity and transparency in countries with poor governance; clearly outlining strategies to combat corruption will play a significant role in its prevention.</li> </ul>
<b>7. What would be suitable procurement metrics that the Bank should use to improve performance?</b>
<b>8. What role should the Bank have with regard to complaints monitoring?</b>
<b>9. What should be the Bank's role in contract management, and with regard to improving performance of suppliers?</b>
<ul style="list-style-type: none"> <li>Representatives noted that the previous procurement system could take longer, and suggested sharing the Georgian platform for e-procurement under the new model to help encourage both speed and growth of the new procurement system.</li> </ul>
<b>10. General comments on other issues emanating from the Bank's proposals?</b>
<ul style="list-style-type: none"> <li>Participants applauded the new procurement system, stating that the new organization provides a more comprehensive layout/understanding of the Bank's process; some suggested revealing the estimated cost under new guidelines to further improve transparency.</li> <li>Some representatives stated that though the policy's new flexibility is a major improvement, it may cause issues down-the-line when it becomes difficult to maintain consistency contract-by-contract; outlining methods to combat this issue of consistency will be necessary if the policy is to have this level of flexibility.</li> </ul>