



The World Bank

Procurement Policy Review Feedback Summary

Date: July 23, 2012

Venue: London, United Kingdom

Total Number of Participants: 24

Overview and General Reactions

Following the consultations on the Procurement Policy Review with a range of stakeholders, held in London on June 28th, an additional round of discussion took place with an expanded number of representatives of UK private sector at the offices of British Expertise on July 23rd 2012. Representing the Bank was Ian Nightingale, Lead Procurement Specialist from the Bank's Operational Risk Management Department. The list of participants is provided.

A brief overview to the review, provided on the Bank's Procurement consultations webpage, was presented by the Bank. The meeting then proceeded with a series of questions, observations and suggestions offered by participants on what the Bank might take into consideration under the review.

Key Points Raised

- Clarification was requested on the extent of the scope of the review specifically with respect to IFC involvement and MDTF operations. The participants were advised that the review would take into account procurement under MDTF operations, but with regards to IFC the review would be limited to IBRD financed procurement under PPPs.
- Need for capacity building in member countries that have little or no procurement capability. The current capacity building initiatives being conducted by the Bank in many developing countries were considered to be somewhat less than effective.

Excessive public sector procurement bureaucracy and corrupt influences often prejudiced the successful outcome of Bank financed projects.

- It was suggested that there is a need for the Bank to undertake the role of the contracting agency for the procurement of all technical assistance consultancy contracts on projects in countries with weak procurement capacity (similar in principle to other MDBs such as the ADB). It was felt that this would help minimize implementation delays and speed up payment to consultants.
- Consideration should be given to more outsourcing of procurement to procurement agents.
- Greater intervention by the Bank is required during the procurement process, from preparation through to contract supervision, particularly for the larger value and more complex projects.
- There is a need for greater access to information on the progress of the project procurement process, perhaps through a dedicated project portal (e.g., publication of procurement process timelines, publication of notices for invitation to tender/EOIs, contract budgets, shortlisted consultants and prequalified companies).
- For consultancy contracts it was suggested that there should be greater use of output (rather than input) based contracting. It was felt that this would encourage greater innovation from consultancy firms.
- Procurement conducted under the Bank's procurement procedures was considered to be somewhat less than satisfactory particularly from the perspective of the time taken to complete the procurement, timely payment and corrupt influences.
- The Bank prior review process often leads to excessive delays in contract award.
- More use of Framework contracting should be encouraged.
- Greater clarity is required at the tendering stage on the application of local Tax obligations under a contract.
- The Bank should encourage clients to make greater use of the QBS selection procedure, rather than QCBS, for the procurement of consultants. This would discourage lower quality firms submitting bid prices that undercut the market price for the services required in order to be awarded the contract.