



The World Bank

Procurement Policy Review Feedback Summary

Date: October 22, 2014

Location (City, Country): Montreal, Canada

Total Number of Participants:

Overview and General Reactions: Representatives of the private sector in Montreal welcomed the reforms particularly the issue of better procurement capacity building and more Bank involvement in contract management. Participants advocated for a restitution approach to the ongoing sanctions reform as well as more involvement of Task Team Leaders in the resolution of complaints. The involvement of Bank oversight over contracts that are not high value/high risk was emphasized. Participants highlighted the deficiencies of the eConsultant system and those will be relayed to GSD.

Specific Feedback from Stakeholders

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

- The Borrowers need capacity building in the area of Terms of Reference (TOR) preparation.
- The Bank needs to provide hands-on support to Borrowers in the procurement process starting with the preparation of TORs/ Request for Proposals etc. to the end of the procurement process.
- There should be better procurement planning and Borrower procurement specialists should have improved capacity. A more scientific procurement planning methodology should be developed.
- The profile of the procurement function within the World Bank Group and in Borrower countries should be elevated since the procurement function is critical to the achievement of the development objectives of the project.

<p>2. How should the Bank operationalize the potential broader use of value-for-money criteria in borrower contract award decisions?</p>
<ul style="list-style-type: none"> • The Bank should ensure that Borrowers understand the application of the methodology for value for money (VFM) and provide adequate training on VFM and new elements introduced in the new WBG procurement framework. It is also important for the bidders to understand its application at the beginning of each bidding process. • It was noted that the standard bidding documents and the standard request for proposal do include some value for money criteria.
<p>3. How should the World Bank target its procurement staff resources to get the best results?</p>
<ul style="list-style-type: none"> • Bank staff should prioritize upfront procurement planning and the profile of the procurement function in the Bank should be elevated since procurement is critical to the achievement of the developmental objectives of projects. Since procurement is core to development, it was recommended that the procurement function have its own VP. • Bank staff needs to support the executing agency throughout the procurement process as needed. For instance, support to ensure TOR and Request for Expressions of Interest are well designed and issued at the same time would be more cost effective and efficient, while providing more value to the process.
<p>4. How and when should alternative procurement arrangements be used for procurement in Bank projects and how should they be assessed?</p>
<p>5. How should sustainable procurement matters be addressed in Bank-financed contracts?</p>
<ul style="list-style-type: none"> • The inclusion of sustainability criteria in Bank funded procurement was broadly supported. • Other development agencies, such as DFID, included sustainability criteria related to environment etc. that the Bank can learn from.
<p>6. How should the World Bank manage fraud and corruption issues in the procurements it finances?</p>
<ul style="list-style-type: none"> • Fraud and corruption plays a big role in preventing bidders from bidding and should therefore be dealt with effectively.
<p>7. Consultant Services</p>

<ul style="list-style-type: none"> The period for proposal preparation should be increased to a minimum of 8 weeks to give enough time to consultants consider potential partners, form joint ventures etc. and to give firms adequate time to prepare their proposals.
<p>8. What role should the Bank have with regard to complaints monitoring?</p>
<ul style="list-style-type: none"> Task Team Leaders should be more proactive in ensuring that complaints are resolved in a timely manner. A suggestion was made to stop disbursements until the complaint is resolved as one of the ways to ensure speedy complaint resolution. In order to deal with the issue of late / lack of payment/payment in local instead of foreign currency, bidders should be informed of the payment options available to them including the foreign currency options etc. and the procedure to address payment issues.
<p>9. What should be the Bank's role in contract management, and with regard to improving performance of suppliers?</p>
<ul style="list-style-type: none"> A service standard for Borrowers should be developed and implemented, including standardized times for Requests for Expressions of Interest. Bank staff needs to help resolve payment issues and project implementation concerns as they arise. Procurement needs to have a human face and in order to cut costs a pre-bid meeting through electronic means such as Skype etc. should be made mandatory as a way for the borrower to clarify needs and increase direct engagement with potential bidders. There should be mandatory debriefing of the winner and loser(s) of each bidding process. This will help firms to improve their capacity to prepare bids/proposals. When the Borrower/Bank is evaluating a contract after its completion, the contractor/consultant should be informed of the exercise and the lessons learnt.
<p>10. General comments on other issues emanating from the Bank's proposals?</p>
<ul style="list-style-type: none"> Data on sub- contractors should be captured and included in the WBG's procurement app. There's a need for some consulting assignments to be rolled into one contract award and similar approach to roll in larger purchases for increased efficiencies. More information should be provided on how to access markets. The reform should have a widow for research products which for example allows university professors to engage students in their research without having to hire them as sub-consultants. Criteria for selecting key staff should be revised to allow the participation of the young professionals.