



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

Date: September 29, 2014

Location (City, Country): Brasilia, Brasil

Total Number of Participants: 30

Overview and General Reactions:

Participants welcomed the Bank Procurement Reform and appreciated the intention of introducing more flexibility to the public procurement process when using Bank funds. Participants mentioned that the success of strengthening the procurement process requires work from the Bank, the suppliers, and the Government. It was mentioned that sometimes, in the environmental sector, quality of the national bidders' proposals in innovations is very low and has been a reflection of the Terms of Reference. Participants mentioned that there is resistance in the country everytime the national laws are subject to change; however, the changes proposed by the Procurement Policy Framework were welcomed and participants acknowledged and are very pleased that the Bank has widened the procurement possibilities and methods which give more flexibility to work and to achieve the goals.

Specific Feedback from Stakeholders
1. How should the Bank implement support to borrower procurement capacity building and institutional strengthening?
<ul style="list-style-type: none">Participants from the public sector suggested training on Bank procurement policy and procedures for agencies or clients that will use Bank funding for the first time. Moreover, participants found that training for clients on procurement best practices according to the World Bank's criteria would be very useful for Brasil's public procurement development. Furthermore, participants suggested creating a learning online platform in which clients could be trained in WB procedures.

- Participants from the public sector mentioned a positive experience with Minas Gerais Government in which staff involved in the procurement process was advised by World Bank staff. They pointed that frequent training for procurement staff from the ministries would help speeding up the procurement process and guaranteeing higher quality.
- Participants from the public sector suggested developing guidelines for Bank staff that has relationship with the government as part of his/her job.
- Participants from the public sector emphasized on the need to train the client and give clear directives as to the skills and positions that are required to strengthen the country's procurement process as a tool to choose the best offer. More specifically, they asked if the client need a supervisor, or the judiciary system need trained staff; or if the country requires more effective controls.
- Participants from the private sector emphasized that the Bank could help in building capacity with the world wide expertise that it posseses and help filling the gaps of the process knowledge specifically in the technical structure and more so for complex procurements and when the staff is not familiar with a new procurement or situation.
- Participants from the public sector mentioned that the Bank needed to improve the quality and detail of the Terms of Reference.
- Participants from the public sector suggested that the Bank should coordinate trainings about specific topics of the procurement process in which the Bank has exertise; such as cost estimation.
- Participants from the public sector suggested to conduct the trainings about Bank procurement procedures and directives in modules: an overall training and a training with small groups that gives more specific material.

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

- Participants from the public sector shared that the National Department of Transport Infrastructure is working hard on introducing Value for Money instead of using lower price evaluation criteria.

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

- Participants from the public sector supported the proposal of concentrating resources towards high risk/high value contracts.

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

- Participants from the public sector asked if it would be mandatory to use the Alternative Procurement Arrangement (APA) after being approved by the Bank. They wanted to know if under certain circumstances the Bank the Bank procurement system could be used even APA was cleared . It was requested to develop clear guidelines explaining APA.
- Participants from the public sector supported the use of APA because using agencies procurement system could speed up the procurement process.
- Participants from the public sector mentioned that implementing the use of Country Systems would be desirable. However, there may be conflicts with the Federal Law.

5. How should sustainable procurement matters be addressed in Bank-financed contracts?
<ul style="list-style-type: none"> • Participants from the public sector asked if sustainable procurement included regional development; would sustainable procurement be taken into account when referring to procurement policies that benefit small and medium enterprises (SME's).
6. How should the World Bank manage fraud and corruption issues in the procurements it finances?
7. What would be suitable procurement metrics that the Bank should use to improve performance?
8. What role should the Bank have with regard to complaints monitoring
<ul style="list-style-type: none"> • Participants from the public sector suggested that the Bank could give support in the monitoring process of contract management as it could serve as a friendly party for conflict resolution. More so during contract renegotiation in the contracts for financial economic rebalancing. Moreover, the Bank could be more involved in the process of renegotiation even before any conflict is presented.
9. What should be the Bank's role in contract management, and with regard to improving performance of suppliers?
<ul style="list-style-type: none"> • Participants recognized that in public procurement in general there is more focus in the contract award process than in contract management and execution • Participants from the public sector mentioned that there are no problems with contract management in Sao Paulo and that they use Support from the Bank with complex procurement. However, it was questioned if support from the Bank in contract management could be considered as an intusion. They asked for more information/claification regarding the proposal on support from the Bank in contract management. • Participants from the public sector suggested to develop measures or measurements that would indicate how the Bank staff is supporting contact management from th beginning to the end. They also suggested that the Bank should perform an analysis in which it is stated specifically how the support to the contract was conducted. • Participants from the pubic sector suggested that the Bank considers doing some partnerships with the Control institutions to do contract management. Control mechanisms have been improved in Brasil and Value for Money has been incorporated too and triangulation between organisms is in place and could teach some lessons learned throughout the process.
10. General comments on other issues emanating from the Bank's proposals?
<ul style="list-style-type: none"> • Participants supported the idea of developing a supplier performance assessment. • Participants from the public sector shared that Brasil is trying to implement pre-qualification according to the size of the procurement. • Participants from the public sector mentioned that the government in Minas Gerais had to develop training for the Court of Auditors on Bank's procedures to concile internal audits with audits from the Bank. This improved audit activities. • Participants suggested that the Bank should consider developing guidelines not only for procurement but also for project execution and management.

- Participants from the private sector suggested that the Bank should have a more proactive involvement during project execution. They also asked for the Bank to improve the communication with clients and suppliers and to involve more the suppliers in projects that have missions. It was mentioned that sometimes the suppliers are not aware that the Bank is doing a midterm mission to support the project directly.
- Participants from the public sector suggested the Bank considering changing the objective of the missions in project execution from supervising the deliverables to supporting the execution plan before all the actions are completed.
- New procurement methods, such as competitive dialogue were welcomed by the private and public sector.
- Participants from the private sector asked what would be the process under the new proposal if a better option to fit the purpose of the procurement and project is detected after doing the market study, the procurement is in process and the contract is being executed
- Participants mentioned that one of the problems that Brasil has to phase is the transation of documents into English when most of the companies are Spanish, Portuguese or Brazilian. They asked for more information about incrementing the short list to 8 and if it would have any effect on the publishing language.