



The World Bank

Procurement Policy Review Feedback Summary

Date: October 14, 2014

Location (City, Country): Sydney, Australia

Total Number of Participants: 6

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, OPSOR made an initial 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?**

- Extra support should be given to the countries within this region because some of the new methods seem too complex for the capacity that is in place.
- There most likely will not be that much change in the way procurement is handled in surrounding countries in the region. They will most likely continue using the same methods that are already available to them. The biggest change will be implementation of a procurement strategy.
- Procurement isn't recognized as a profession in many countries, so professionalization of this function should be a key aspect in capacity building.
- In determining to what degree the World Bank should focus on institutional strengthening in a country, it needs to assess the country institutions based on sector.

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

- For use in only certain instances, set the quality threshold relatively low so that the competition is there, but use non-price attributes as available.

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

- In areas where there is not the critical mass for procurement professionals the World Bank should consider allowing capacity substitution/supplementation by World Bank staff.
- It is important to have the new methods be used 'as appropriate' because there might not always be the staff support available for the Borrower to properly use the new methods.

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

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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?

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

- Too much of what is written in the new paper reads as the old World Bank procurement. This makes it difficult to fully understand where or what the improvements in tracking performance will be.
- Other country specific aspects must be taken into account when measuring performance, such as interest of CSO, royal families, private sector, etc.
- In many countries procurement isn't recognized as a profession, so this needs to be taken into account as an impact on performance.

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

- The World Bank should not become a part in the contracts, but still need to ensure that if complaints are processed by an independent entity that it is still the correct entity with the best interest for the individual making the complaint.

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

- Would like to see some guidance on how aspects of supplier performance will be used by Borrowers.
- CSOs in this region are particularly interested in procurement data, so more focus should be on how to make this available to the public.
- There should be more clarification on what exactly are panels of consultants or framework agreements.
- There should be should be a HR-type system in place for implementing agencies to select individuals that have an administrative role in projects.

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

- Certain items in the new proposal do not seem like procurement methods, such as best-and-final or competitive dialogue. Need to describe in more detail how these will be used by the Borrower.
- There should be more clarification on what will be required in annual procurement plans.
- Program for Results projects should feed into the discussions of the procurement policy review.

