



The World Bank

## Procurement Policy Review Feedback Summary

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**Date:** December 16, 2014

**Location (City, Country):** Washington, DC, United States

**Total Number of Participants:** 23

**Overview and General Reactions:** A consultation session with multiple stakeholders took place on December 16, 2014 at the World Bank (IBRD) in Washington DC, United States. The general response to the reform was highly positive, with participants describing the policy revision as innovative, allowing for more opportunities, and moving in the right direction. While most concerns were addressed during the consultation, many of the issues that arose related to managing capacity building, open compliance, and communication. Subjects of the policy such as Value for Money (VfM) and sustainable results further detailed that the reform was continuing in the right direction. Overall, the consultations were successful for the parties involved, with participants leaving anticipating the next phase of the review.

### Specific Feedback from Stakeholders

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

- Participants expressed concern with procurement projects giving preference to locally manufactured goods, suggesting that this is an issue that needs to be monitored closely as it has the potential to reduce the efficiency of a procurement project.
- Further, participants expressed concern with the selection of a country, noting that in many cases countries will impose forced localization requirements, requiring as a condition of contract that manufacture takes place within the country, this is an issue that can limit the progress and effectiveness of procurement projects.

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

<ul style="list-style-type: none"> <li>Participants supported the transition to VfM, and noted that this transition places more emphasis on prequalification's, however, suggested more fully reviewing the policy's prequalification standards prior to implementation.</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>Because the Bank is proposing to increase the number of tools, and noted that Bank staff among others will be helping evaluate the process of procurement review, participants suggested adding more specialized staff to be able to manage the increase of responsibility.</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>
<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>
<ul style="list-style-type: none"> <li>Participants noted that if the Bank is allowing procurement in a country where they are building capacity, it would be beneficial to employ a monitoring system to further ensure the Bank is in keeping with open compliance.</li> <li>Participants expressed support in the Bank's refocusing of complaints monitoring to an online mechanism, but suggested maintaining active involvement in complaints to avoid any gaps that online monitoring may present.</li> </ul>
<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>Regarding RFPs and RFTs, participants were interested in whether the availability of this information would be made available to the public (and if so, to what degree); noting that by releasing this information to the public the Bank will be able to seek help to more fully define the best method to approach project procurement.</li> </ul>
<b>10. General comments on other issues emanating from the Bank's proposals?</b>