World Bank Procurement Framework & Business Opportunities
Agenda

- World Bank – Facts and Figures
- Objectives of the new framework
- The Journey
- Modernized Procurement Framework (WBPF)
  - Core principles
  - Sustainable procurement
  - Alternative Procurement Arrangements
  - Contract Management
  - Complaints Handling
- Finding bidding opportunities
  - Overview of Lending Portfolio/Procurements
- Best practice in planning and making a bid
- Procurements awarded in your country
- Conclusions
World Bank – Facts and Figures

- Multilateral Development Bank
- Most Government’s represented
- Bank funds over 1,800 investment projects in 172 countries
- Procurement portfolio worth about US$44 Billion in total
- Annual procurement’s circa US$15 to $20 Billion
- Bank’s procurement system started over 50 years ago
- New modernized Procurement Framework based on feedback from 5,000 people around the World
- Great Apps for finding bidding opportunities/information
- 250 procurement staff in 72 countries support projects
Objective of the new Framework

- Modernize how the Bank engages with borrowers, NGOs and the private sector in project activities
  - Enables key participants (borrowers/suppliers) to collaborate and deliver value for money outcomes
- Introduce flexibility in the design of procurement processes to ensure that they are fit for purpose and appropriate to the size, value and risk of the project
- Provide modern and efficient procurement approaches and methods
  - Allows innovation in the solutions that the Bank finances
- Increase transparency by providing access to procurement information
The Journey

Initiating Discussion Paper 2012
- Check that the Bank’s approach is modern, meets new needs & future proof
- Global consultations (round 1)

Proposed New Framework 2013
- What we heard in consultations
- Board debate & direction given

Developing the New Framework 2014
- Proposals to resolve complex issues
- Global consultations (Round 2)

Finalizing the New Framework 2015
- Finalized Policy and approaches to complex issues
- Board approval to implement in FY16
# You Said - We Did

<table>
<thead>
<tr>
<th>What you said:</th>
<th>What we did:</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Take a more strategic approach informed by up-front analysis of markets,</td>
<td>➢ Introduced the Project Procurement Strategy for Development which facilitates more strategic</td>
</tr>
<tr>
<td>industry practices, and competition</td>
<td>procurement approach informed by up-front analysis of markets, industry practices, and competition.</td>
</tr>
<tr>
<td>➢ Apply value-for-money (VfM) decision making for award of contract</td>
<td>➢ Allowed the use of value-for-money criteria for contract award decisions based on the most advantageous bid/proposal</td>
</tr>
<tr>
<td>➢ Define parameters for use of other MBDs and borrower’s procurement</td>
<td>➢ Provided clearly defined circumstances for use of alternative procurement arrangements in Bank projects</td>
</tr>
<tr>
<td>arrangements and institutions</td>
<td>➢ Allowed Bank staff to provide hands on support to borrowers, particularly in low-capacity environments and in use of complex procurement methods</td>
</tr>
<tr>
<td>➢ Bank staff to provide hands-on implementation support to procurement,</td>
<td></td>
</tr>
<tr>
<td>particularly in low-capacity environments and to support the optimal</td>
<td></td>
</tr>
<tr>
<td>use of complex procurement methods</td>
<td></td>
</tr>
</tbody>
</table>
### You Said - We Did

<table>
<thead>
<tr>
<th>What you said:</th>
<th>What we did:</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ More Bank involvement in dealing with complaints</td>
<td>➢ Enhanced the Bank’s approach to procurement-related complaints</td>
</tr>
<tr>
<td>➢ More Bank support to contract management in the most significant procurements</td>
<td>➢ Provided stronger involvement of the World Bank in contract management</td>
</tr>
<tr>
<td>➢ New thinking needed about the Bank’s approach to fraud and corruption</td>
<td>➢ Expanded the management of fraud and corruption issues in the Bank funded procurements</td>
</tr>
<tr>
<td>➢ Provide procurement methods that are context-specific, proportional, and best fit for purpose</td>
<td>➢ Inclusion of procurement methods that will be determined through the PPSD to be context-specific, proportional, and best fit for purpose</td>
</tr>
</tbody>
</table>
### You Said - We Did

<table>
<thead>
<tr>
<th>What you said:</th>
<th>What we did:</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Promote sustainable procurement</td>
<td>➢ Allowed the use of additional sustainable procurement criteria in Bank funded evaluation of bids/proposals if borrower requests</td>
</tr>
<tr>
<td>➢ Set metrics to measure results on the ground and use e-procurement to provide procurement data</td>
<td>➢ Enabled better access to procurement data and metrics through electronic systems</td>
</tr>
<tr>
<td>➢ Initiate external sectoral engagement to investigate opportunities to improve procurement arrangements</td>
<td>➢ Establishment of an external sectoral engagement program approved</td>
</tr>
</tbody>
</table>
Modernized World Bank Procurement Framework (goes live in 2016)
Core Procurement Principles

➢ Value for money
  ➢ is the effective, efficient, and economic use of resources
  ➢ requires an evaluation of relevant costs and benefits, along with an assessment of risks, and non-price attributes and/or life cycle costs, as appropriate

➢ Economy
  ➢ takes into consideration factors such as sustainability, quality, and non-price attributes and/or life cycle cost as appropriate, that support value for money
  ➢ permits integrating into the Procurement Process economic, environmental, and social considerations
  ➢ permits augmenting identified sustainability criteria with specific criteria in support of the borrower’s own sustainable procurement policy
Core Procurement Principles

- **Integrity**
  - refers to the use of funds, resources, assets and authority, according to the intended purposes
  - Bank requires that all parties involved in the Procurement Process, observe the highest standard of ethics during the Procurement Process of Bank-financed contracts, and refrain from fraud and corruption

- **Fit for purpose**
  - applies both to the intended outcomes and the procurement arrangements in determining the most appropriate approach

- **Efficiency**
  - requires Procurement Processes to be proportional to the value and risks of the underlying project activities
Core Procurement Principles

- **Transparency**
  - The Borrower and the Bank enable appropriate review of the procurement activities, supported by appropriate documentation and disclosure.
  - That relevant procurement information be made publicly available to all interested parties, consistently and in a timely manner, through readily accessible and widely available sources at reasonable or no cost.
  - Appropriate reporting of procurement activity.
  - The use of confidentiality provisions in contracts only where justified.

- **Fairness**
  - Equal opportunity and treatment for bidders and consultants.
  - Equitable distribution of rights and obligations between borrowers and suppliers, bidders, consultants and contractors.
  - Credible mechanisms for addressing procurement related complaints and providing recourse.
Key Features Based on Business Feedback

- Project Procurement Strategy for Development (PPSD)
  - Fit for purpose, proportional procurement, to reflect market dynamics

- Modern procurement methods
  - VfM, market engagement, competitive dialogue, negotiation, BAFO’s, ALT

- More hands on support from the Bank
  - Low capacity/critical situations, Bank staff can provide more help

- Contract management
  - KPI setting, regular review by Bank, focus on most complex procurements

- Enhanced complaints management
  - Business standards, standstill periods/pauses, reporting/expediting
Key Features Based on Business Feedback

- Integrity and transparency
  - More tailored integrity management, new IT system to track procurements and report progress/provide more information to bidders

- Sustainable procurement
  - At the Borrower’s request, applied during procurement process

- Alternative procurement arrangements
  - Other development partners and Borrower implementing agencies, assessment methodology that needs testing/refining

- Strategic private sector engagement
  - Target key sectors to identify specific actions to improve procurement
Fit for Purpose Procurement - Project Procurement Strategy for Development (PPSD)

- Development objectives
- Task team
- Borrower team
- Project Concept Note

- Current approach - strengths and weaknesses
- Operating context i.e. Fragile Conflict States
- Market analysis
  - Capability, capacity & practice (resilience)
  - Competitive tension
  - Suppliers / Contractors
  - Supply chain
  - Market management

- Strategy options
- Evaluation against organizational requirements
- Comparative risk assessment & SWOT
- Preferred option

- Detailed description of preferred option
- Implementation risk assessment
- Procurement route to market
- Contract management provisions
Generating and Evaluating Strategy Options for the Procurement

**Existing Procurements**
- Strengths & Weaknesses
- Opportunities & Threats

**Organization’s Needs**
- Development Objectives
- Stakeholder Objectives
- Procurement Objectives

**Strategy Options:**
- In-house or Buy
- Service or asset
- Work packaging
- Collaboration
- Cross project opportunity
- Value chain integration
- Supply chain integration
- Risk allocation
- Type & terms of contract
- Type of specification
- VFM & Whole life cost
- Incentive mechanisms
- Relationship Conditioning

**Market**
- Capability, capacity & practice
- Competitive tension
- Suppliers/Contractors
- Supply chain
- Market management

Input

Test
Thinking about your market dynamics

Goal: To gain a common understanding of the current supply market in order to be able to clearly:

- Identify the type of market and the nature of the competition
- Know the factors influencing the market and how they may change it
- Describe the nature of competition
- Assess Borrowers previous experience in getting VfM and their impact on the market
- Know who the key players are and their plans for the future
- Define current best practice pricing methods and benchmarks

Output:

- A clear understanding of the target market and its dynamics
- A set of ideas for how value for money will be achieved
- How opportunities/risk will be managed at different procurement stages (Prequalification through to Contract Management)
- How suppliers/contractors will be motivated to bid/innovate
- How the Borrower will incentivize suppliers/contractors to perform
Why we think about markets in designing procurement

- Identify, assess and manage risk
- Influence supply markets positively
- Assess impacts from changes in demand and supply
- Assess available capacity
- Identify how competition really works
- Anticipate potential changes
- Identify new sources
- Identify costs, pricing and changes
- Identify expected levels of performance
- Improve the Borrower’s position as a procurer
- Motivate businesses to participate
How do you think about the procurement?

The Supplier’s view of the Borrower/World Bank:

- **Nuisance**
  Supplier gives minimum attention and seeks to withdraw

- **Develop**
  Supplier nurtures relationship, performs very well and provides incentives for growth

- **Exploit**
  Supplier seeks short term advantage, no long term potential

- **Core**
  Supplier seeks strategic, long term customer relationship
What we discuss with the Borrower to improve the procurement approach

What things may make this procurement/you more attractive:

✓ Profitable
✓ Stable/predictable requirements
✓ Good forward planning
✓ Manageable risks
✓ Opportunity for growth
✓ Sharing information
✓ Association with high profile name
✓ Long life expectancy
✓ Trusting relationship
✓ Stable and reliable payment (on time)
✓ Simple, straightforward systems
✓ Easy to service
✓ Support from the World Bank
Use of Sustainable Procurement Criteria

- Use of sustainable procurement criteria introduced to enhance sustainable development
- Non-mandatory to be used if borrower requests
- Procurement approach with sustainable procurement criteria to be consistent with Core Procurement Principles
- Use risk assessment to identify opportunities:
  - Criteria for selection
  - Specification
  - Bid evaluation
- Whole life cost assessment/rated criteria
Appropriate Use of Alternative Procurement Arrangements (APA)

- Use of APA is the delegation of procurement leadership on Bank financed projects to: multilateral or bilateral agency or organization; or an agency, or entity of the Borrower
- The Bank assesses the procurement arrangements of another party before accepting to delegate procurement leadership in a project to it
- Use of APA is subject to Core Procurement Principles, Governance (such universal eligibility) and Bank’s sanctions and Anticorruption regimes
- Use of APA will increase country ownership; strengthen management capacity; bring greater alignment of donor funds; and reduce transaction costs
Contract Management and Complaints Handling System
Bank Involvement in Contract Management

- Contract management approach detailed in PPSD
- Key Performance Indicators (KPIs) to be set that include regular review by Bank procurement staff
- Contract management reviews will involve discussion with clients and contractors/suppliers – discussing KPIs
- For high value /high risk procurements subject to the Operational Procurement Review Committee (OPRC) review, progress will be reported periodically to the OPRC
Contract Management Planning

- Contract management plan covers:
  - Risk management
  - Roles and responsibilities
  - Relationship management (communication and reporting procedures)
  - Key terms and conditions
  - Key milestones and payment provisions
  - Deliverables and KPIs
  - Contract administration (Variation and change control, record keeping)
Enhanced Complaints Handling

- Bank will be more involved in complaints handling through:
  - Centrally monitoring procurement related complaints
  - More support to Task Teams on complaints handling
  - Borrowers required to copy all complaints to the Bank and to resolve them appropriately and in a timely manner
  - Business standards and measures for tracking complaints established – with non-compliance actions available

- More streamlined complaints submission by bidders/consultants through provision of:
  - A standstill period to submit their complaint before the borrower proceeds to signing the contract in all cases;
  - A standstill period following the notification of the results of technical evaluation for consultants to complain before opening of the financial proposals
  - Debriefings by borrowers within standstill period
Standstill Period (SP)

- Period within which to complain (and still be able to influence the award decision)

SP commences on the day following the transmission of the Notice of Intention to Award to all Bidders (i.e. 1 minute past midnight)

SP expires at midnight on the last day

<table>
<thead>
<tr>
<th>Transmit Notices of Intention to Award</th>
<th>Standstill Period (minimum 10 Business Days)</th>
<th>Award the contract (sometime after this day)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUMBER OF BUSINESS DAYS</td>
<td>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15</td>
<td></td>
</tr>
</tbody>
</table>
Standstill Period

- Late debrief and extended SP

Original Standstill Period (minimum 10 Business Days)

1. Period within which Bidder can request a debrief

2. Period within which Borrower must provide debrief

3. Late debrief (say 4 days late)

4. Extended end date for the SP

Extended Standstill Period
Benefits of the new Procurement Framework for suppliers and contractors

- Much more focus on suppliers and contractors:
  - How best to engage with you, how to motivate you, how to persuade you to bid on procurements

- Opportunities for more dialogue and engagement

- Ability to offer innovative solutions to meet needs

- More efficient procurement approaches
  - In general due to use of fit for purpose procurement approaches and methods
  - By appropriate Borrowers receiving hands on implementation support from Bank staff, to fix any problems before they start

- Prompt handling of complaints and issues

- Standstill periods to fix any problems, before award

- Supports modern, collaborative procurement practices
Investment Project Cycle

- Country Partnership Framework
- Project Identification
- Project Preparation
- Project Appraisal
- Loan Negotiations
- Loan Approval & Signing
- Implementation
- Project Supervision
- Evaluation

Legend:
- Joint activity
- World Bank activity
- Borrower activity
Top areas of spend in FY15

- Transport & ICT 33%
- Water 19%
- Energy & Extractives 18%

Source: AO: BI – Information as of November 10, 2015
## FY15 Top Ten Borrowers

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Country</th>
<th>IBRD</th>
<th># of Projects</th>
<th>% of Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>India</td>
<td>1,956,497,240</td>
<td>55</td>
<td>31.2%</td>
</tr>
<tr>
<td>2</td>
<td>China</td>
<td>818,316,068</td>
<td>72</td>
<td>13.0%</td>
</tr>
<tr>
<td>3</td>
<td>Egypt, Arab Rep</td>
<td>775,022,496</td>
<td>12</td>
<td>12.3%</td>
</tr>
<tr>
<td>4</td>
<td>Brazil</td>
<td>335,617,861</td>
<td>42</td>
<td>5.3%</td>
</tr>
<tr>
<td>5</td>
<td>Serbia</td>
<td>275,134,354</td>
<td>10</td>
<td>4.4%</td>
</tr>
<tr>
<td>6</td>
<td>Lebanon</td>
<td>251,887,723</td>
<td>9</td>
<td>4.0%</td>
</tr>
<tr>
<td>7</td>
<td>Indonesia</td>
<td>245,881,734</td>
<td>14</td>
<td>3.9%</td>
</tr>
<tr>
<td>8</td>
<td>Argentina</td>
<td>180,938,894</td>
<td>13</td>
<td>2.9%</td>
</tr>
<tr>
<td>9</td>
<td>Philippines</td>
<td>167,297,788</td>
<td>11</td>
<td>2.7%</td>
</tr>
<tr>
<td>10</td>
<td>Azerbaijan</td>
<td>144,989,729</td>
<td>14</td>
<td>2.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>6,277,254,345</strong></td>
<td><strong>533</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: OA: Procurement Contract Detail - Additional Selections 11/12/2015
## FY15 Top Ten Supplier Countries

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Supplier Country</th>
<th>Amount US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>India</td>
<td>2,093,095,579</td>
</tr>
<tr>
<td>2</td>
<td>China</td>
<td>1,741,852,054</td>
</tr>
<tr>
<td>3</td>
<td>Italy</td>
<td>892,831,913</td>
</tr>
<tr>
<td>4</td>
<td>Vietnam</td>
<td>382,559,285</td>
</tr>
<tr>
<td>5</td>
<td>Spain</td>
<td>373,661,429</td>
</tr>
<tr>
<td>6</td>
<td>Nigeria</td>
<td>352,845,233</td>
</tr>
<tr>
<td>7</td>
<td>Brazil</td>
<td>341,242,330</td>
</tr>
<tr>
<td>8</td>
<td>France</td>
<td>276,324,775</td>
</tr>
<tr>
<td>9</td>
<td>Afghanistan</td>
<td>265,142,319</td>
</tr>
<tr>
<td>10</td>
<td>Serbia</td>
<td>205,743,894</td>
</tr>
</tbody>
</table>
## FY15 Top Ten Suppliers

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Supplier Name</th>
<th>Supplier Country</th>
<th>Amount US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sew Infrastructure</td>
<td>India</td>
<td>412,099,222</td>
</tr>
<tr>
<td>2</td>
<td>GMR Infrastructure Limited (GMR)</td>
<td>India</td>
<td>412,099,222</td>
</tr>
<tr>
<td>3</td>
<td>Ansaldo Caldaie S.P.A.</td>
<td>Italy</td>
<td>370,165,874</td>
</tr>
<tr>
<td>4</td>
<td>Alstom Ferroviaria S.P.A.</td>
<td>Italy</td>
<td>245,982,272</td>
</tr>
<tr>
<td>5</td>
<td>China Civil Engineering Construction Corporation (CCECC)</td>
<td>China</td>
<td>216,927,793</td>
</tr>
<tr>
<td>6</td>
<td>Cooperativa Muratori &amp; Cementisti</td>
<td>Italy</td>
<td>196,989,701</td>
</tr>
<tr>
<td>7</td>
<td>Corsan Corviam Construccion S.A</td>
<td>Spain</td>
<td>135,997,026</td>
</tr>
<tr>
<td>8</td>
<td>United Nations Children's Fund - UNICEF</td>
<td>UN Agency</td>
<td>123,000,000</td>
</tr>
<tr>
<td>9</td>
<td>KNR Constructions Ltd</td>
<td>India</td>
<td>117,096,891</td>
</tr>
<tr>
<td>10</td>
<td>Oberthur Technologies</td>
<td>France</td>
<td>96,574,589</td>
</tr>
</tbody>
</table>
## FY15 Top Ten Active Projects

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Project ID</th>
<th>Project Name</th>
<th>Country</th>
<th>Amount US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>P131765</td>
<td>Eastern Dedicated Freight Corridor</td>
<td>India</td>
<td>824,697,889</td>
</tr>
<tr>
<td>2</td>
<td>P117407</td>
<td>EG - Helwan South Power Project</td>
<td>Egypt, Arab Republic of</td>
<td>370,165,874</td>
</tr>
<tr>
<td>3</td>
<td>P143751</td>
<td>Second Tamil Nadu Road Sector Project</td>
<td>India</td>
<td>266,479,905</td>
</tr>
<tr>
<td>4</td>
<td>P152359</td>
<td>Ebola Emergency Response Project</td>
<td>Western Africa</td>
<td>252,491,599</td>
</tr>
<tr>
<td>5</td>
<td>P121507</td>
<td>Dasu Hydropower Stage I Project</td>
<td>Pakistan</td>
<td>248,274,632</td>
</tr>
<tr>
<td>6</td>
<td>P101103</td>
<td>Egypt National Railways Restructuring Project</td>
<td>Egypt, Arab Republic of</td>
<td>247,987,061</td>
</tr>
<tr>
<td>7</td>
<td>P103063</td>
<td>LB- Greater Beirut Water Supply</td>
<td>Lebanon</td>
<td>238,865,320</td>
</tr>
<tr>
<td>8</td>
<td>P129663</td>
<td>System Enhancement for Health (SEHAT)</td>
<td>Afghanistan</td>
<td>214,905,059</td>
</tr>
<tr>
<td>9</td>
<td>P130865</td>
<td>NG-Polio Eradication Support</td>
<td>Nigeria</td>
<td>190,610,799</td>
</tr>
<tr>
<td>10</td>
<td>P121185</td>
<td>National Highways Interconnectivity Improvement Project</td>
<td>India</td>
<td>179,895,224</td>
</tr>
</tbody>
</table>
Finding Business Opportunities
World Bank Procurement App

- The App provides:
  - Procurement data on major contract awards
  - Allows the public to explore complex datasets
  - The App enables the public to look at:
    - Ratios
    - Trends
    - Supplier Rankings
  - Easily accessible menus and filters make it easy to mix and match at many levels of aggregation
  - Enables the public to easily explore large amounts of data
  - Includes an email feature that imports charts, figures, and tables into email messages
  - The App is available for iPad and is being developed for iPhone/Android
  - The App can be downloaded at the Apple Store for free
World Bank Group Finances App

- Allows users to quickly access Bank portfolio of projects, finances, and procurement data:
  - Access in one of nine different languages (Arabic, Bahasa Indonesia, Chinese, English, French, Hindi, Portuguese, Russian, and Spanish) from any place in the world
  - Locate the projects in your neighborhood financed by the Bank, including the major awarded contracts
  - Receive Procurement/Tender Notices and follow business opportunities in more than 100 countries
  - Get updates on pending projects in the pipeline, as well as latest approved projects
  - Check the disbursements data, updated monthly, and the contributions to Trust Funds
  - Engage with the Bank by sharing, following its projects and investments, or reporting back
World Bank Group Finances App

<table>
<thead>
<tr>
<th>Financials</th>
<th>Beneficiary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor</td>
<td>Beneficiary</td>
</tr>
<tr>
<td>9.36 million contributed</td>
<td>1,119.41 million disbursed</td>
</tr>
<tr>
<td></td>
<td>612.79 million undisbursed</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Projects</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Projects</td>
<td>32</td>
</tr>
<tr>
<td>Projects in Pipeline</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Procurement</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts</td>
<td>1900</td>
</tr>
<tr>
<td>Procurement Notices</td>
<td>15</td>
</tr>
</tbody>
</table>

* In millions of US$ equivalent, rounded to 2 decimal places. Less than US$ equivalent 5,000 displayed as 0.00.
* Based on unaudited data
* The fiscal year begins on July 1st of the previous year and runs through June 30th of the designated year.
More data available in 2016 - STEP

System

Systematic Tracking of Exchanges in Procurement

Framework

• Performance
• Risk
• Approach to market
• System Integration
• Open Contracting

Function

• Portfolio Monitoring
• Procurement Planning
• Activity Tracking
• Reporting and Analytics
• Transparency
STEP helping to procure better

- **Efficiency**: STEP speeds up the procurement process.
- **Effectiveness**: STEP is about value for money.

- STEP is knowing how many hospitals were built.
- STEP is knowing how long school children had to wait for their textbooks.
- STEP is knowing how much it cost to design and build a power plant.

STEP drives results for better development.
More information on:

- **Life cycle tracking**
  - Records all contracts
  - Tracks all performance

- **Risk identification**
  - Identifies risks at activity level
  - Helps inform risk assessment

- **Integrity scanning**
  - Verifies supplier eligibility
  - Reduces risk of ineligible payments

- **Bidding information**
  - Captures competition data
  - Facilitates market analysis

- **Transparency**
  - Automates publication of data
  - Enables open contracting

- **Legacy integration**
  - Migrates existing data
  - Staging area for client systems

- **Monitoring & reporting**
  - Simplifies access to data
  - Enhances analytics
New reporting will be available:

- **Performance Data**
  - Process delays by the Client
  - Review delays by the Bank
  - Contract delays by Party

- **Task Management**
  - Portfolio: All Projects
  - Project: All Procurement Plans
  - Activity: All bid activities

- **Risk Identification**
  - Activity level risk
  - Dynamic recording
  - Supplier risk alerts

- **Market Intelligence**
  - Bidding data for all activities
  - Information on all bidders
    * (Name, country, bid amounts, ranking etc.)
General Considerations

- Huge and diverse portfolio, so target efforts
- We drive a structured approach to procurement
- Procurement is led by the Borrower, NOT the Bank
- Four broad procurement systems:
  - International Competitive Bidding
  - National Competitive Bidding
  - Procurement systems of another MDB/bilateral
  - Borrowers arrangements, in full if assessed and acceptable
- Tailor procurement approaches to countries, projects and markets
- Contract is with the Borrower, not the Bank, under their legal framework (international arbitration if ICB)
- Zero tolerance for Fraud and Corruption (public debarment)
Role of Bank Staff Role in Procurement

- Assess Borrower’s public procurement system, procurement capacity of project implementing agency, and mitigate potential procurement risks
- Support improving overall procurement system (capacity)
- For specific projects, set the procurement rules, and processes
- Assist borrower in preparing the PPSD and the Procurement Plan
- Provide procurement training, knowledge, and share best practice
- Supervise project/program (on a prior, and/or post review basis)
- Provide implementation support where appropriate (hands-on support to help in low capacity situations)
- Support contract management by reviewing KPIs
- Monitor compliance with Loan/Credit Agreement and Procurement Plan
Borrower’s Role in Procurement

- Lead the procurement using the Banks rules or other system agreed
- Prepare PPSD and Procurement Plans
- Advertise upcoming bidding opportunities
- Prepare and issue bidding/proposal documents
- Receive and evaluate bids/proposals
- Award contracts
- Implement contract; pay supplier/contractors/consultants
- Monitor compliance with Legal Agreement and Procurement Plan
- Arrange for project/program audit
Good Advice

- Be informed about the country, project, processes, and competition:
  - Determine areas of focus, countries/procurement type etc.

- Consider how you will respond to project needs

- Identify local partners and others for any joint ventures

- Previous technical and country experience is usually critical

- Understand local customs, laws, markets

- Respond substantially to technical specifications

- Submit timely and high-quality bids

- Contact the Implementing Agency to address any need for clarifications or other concerns

- Make use of country trade missions/Executive Director team
Preparing the Proposals

- Make a pre-proposal visit (if indicated in RFP)
- For consultant services - address Terms of Reference fully
- For Goods, Works, Services etc. respond substantially to technical specifications
- Emphasize methodology for delivery – innovate if you can
- Propose a strong Project Manager and qualified experts
- Cite relevant technical and regional experience similar to the assignment – more significant and similar the better
- Involve national partner consulting firms or individual consultants, consider joint ventures
- Don’t deviate from standard RFP forms/conditions
Preparing the Proposals

- No conditionalities: conditionalities or qualifications will lead to rejection

- Get official clarification: If any provisions of the bidding/proposal document are unclear or unacceptable, submit an official inquiry in writing to the borrower cc the Bank before the bid closing date or such date as may be specified

- Submit a professional, proposal ensuring all supporting documents included, signed by authorized individual

- Carefully review qualification and evaluation criteria:
  Failure to satisfy qualification criteria (including SOE eligibility criteria) results in high bid rejection rate
Final checks before submission

- Amount, validity and text of Bid Security
- Signatures and power of attorney
- Joint venture agreement enclose
- References enclosed
- Discounts in covering letter or appropriate place as specified in the bidding/proposal document
- Marking of envelopes as appropriate
Pay attention to “Don’ts”

- No Bid Security
- Insufficient Amount of Bid Security
- Lack of Supporting Documents
- Incomplete Bids
- Expiration and Extension of Bid Validity
- Partial Quantities
- Absence of test reports if required
- Bids not signed
- JV partner as bidder in another bid
- Conflict of interest
At bid/proposal opening

➢ Be on time: Submit bid/proposal within the stipulated deadline. Late bids/proposals will not be accepted.

➢ During bid opening, ensure that:
  ➢ All relevant prices are read out
  ➢ All discounts are read out
  ➢ Presence and amount of bid security is read out
  ➢ No envelope remains unopened
  ➢ All the above is recorded correctly
  ➢ The record is signed by all bidders present and by the purchaser

➢ Be aware of possible extension: There may be a request to extend the bid validity and bid security periods by several months, as in certain cases the evaluation of bids requires more time than originally expected.
Conclusion

- Large and diverse procurement portfolio
- Support some of the World’s most complex procurements
- Examine our rich information system to identify potential opportunities
- Modernizing approach/parallel running of old system
- Support change in some challenging places/projects
- Great business opportunities available
- Strategy for geographic diversification, Bank projects provide a safety net/opportunity to build new markets
- Need great supplier and contractors to help us deliver the development results the World needs – help us out