Long Form PPSD Template

1. **Project Overview**

Where relevant, the information required in this Section of the PPSD can be drawn from the Project Concept Note.

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| --- | --- |
| **Country:** |  |
| **Full Project Name:** |  |
| **Total Finance ($):** |  |
| **Project Number:** |  |

1. **Project Description:**
2. **Project Development Objectives:**
3. **Result Indicators:**
4. **Proposed Procurement Contract Summary:**
5. **Legal/Policy Requirements:**
6. **Strategic Assessment of Operating Context and Borrower Capability**
   1. **Operational Context**
7. *Governance aspects*
8. *Economic aspects*
9. *Sustainability aspects*
10. *Technological aspects*

**Conclusions on Operational context to be addressed through the procurement approach.**

* 1. **Assessment of Borrower Capability and Project Implementation Unit (PIU)**

This subsection should describe features of the PIU that need to be addressed to ensure that VfM is achieved. This subsection should address the following topics, as relevant to the Project:

1. Experience implementing similar Projects and implementing World Bank Projects;
2. Experience of use of Alternative Procurement Arrangements;
3. The need for hands-on support to undertake a fit for purpose procurement planning, contractor/consultant selection, and contract award;
4. Contract management capacity and capability;
5. Complaints management and dispute resolution systems;
6. Procurement capacity (previous experience, availability of resources and track record) to undertake successful fit for purpose procurement planning, procurement process, bid/proposal evaluation, supplier selection and contract award;
7. The reliance on, criticality of and use of professional advisors such as consultants to augment Borrower capability; and
8. Lessons learned from the implementation of other similar Projects.

At the end of the Borrower’s capability assessment, a Resourcing Plan should be created.

**Conclusions on Client Capability and PIU Assessment to be addressed.**

* 1. **Market Research and Analysis**

This subsection should identify the specific contracts to be procured and include a market analysis of each of the target market segments that is proportional in detail to the relative risk and value of the contract within the Project conducted through a Supply Positioning Model. If different markets fulfil different contracts within the Project, the market analysis should research each market.

For low-value, low-risk contracts it will generally be sufficient to detail the procurement approach in Section VII without further supporting analysis.

For all other contracts, the level of analysis to support the justification for the preferred procurement arrangement should be proportional to the procurement risk and value of the contract.

This subsection should address the following topics, as relevant to the Project:

1. Research
2. Supply Positioning Model — Identify the risk and value thresholds of the project;
3. Segmentation of the market by geography (local, national, international), specialization or differentiation;
4. Market sector dynamics — Nature and extent of competition, levels of experience, capability and innovation, external influences and factors, Supplier Preferencing;
5. Market trends — Technology, new services, ownership structures and alliances, market growth, new entrants;
6. Financial — Sources of cost and value, cost stability, pricing strategies and mechanisms, cost and financial benchmarks; and
7. Procurement trends — Procurement s of other entities procuring similar contracts, typical contract terms, common issues that inhibit or contribute to achieving value for money, typical responses and lessons learned.
8. Analysis and Action

At the end of the Market Research stage, Borrowers should develop a range of Procurement Approach Options and a Market Engagement Plan.

**Conclusions on the Market Analysis to be addressed through the procurement approach.**

1. **Procurement Risk Analysis**

This subsection analyses and prioritizes the risks identified from Section 2 that relate to the Operational Context, Market Analysis and PIU Assessment that could be mitigated through the procurement approach.

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| --- | --- | --- | --- | --- | --- | --- |
| **Risk Description** | **A** | **B** | **Overall Risk Score (A\*B)** | **Description of proposed mitigation through the procurement process** | **Risk Owner** | **Procurement Process Stage** |
| **Likelihood Rating** | **Impact Rating** |
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1. **Stakeholder Analysis**

Identify the main stakeholders who have an interest or impact on the Project and whether their interest is one of responsibility, accountability, to be consulted or informed. The identified Stakeholders will need to be engaged to understand what objectives they have from the procurement.

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| --- | --- | --- | --- |
| **Stakeholder Management Plan** | | | |
| **Stakeholder (Name and Role)** | **Interest (Responsible, Accountable, Consulted, Informed)** | **Stakeholder Objectives from the Procurement** | **Stakeholder Management Approach** |
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1. **Procurement Objectives**

Based upon the Strategic Analysis, Risk Assessment and Stakeholder Analysis, detail the key Procurement Objectives that if achieved will support the delivery of the Project’s Development Objectives and achieve value for money. The Procurement Objectives need to be SMART — Specific, Measurable, Achievable, Realistic and Time-bound. The procurement objectives should be tested with the identified Stakeholders to ensure agreement on the prioritized list of Procurement Objectives.

***Prioritized Procurement Objectives (expand as necessary):***

1.

2.

3.

4.

5.

1. **Procurement Approach Options and Recommendation**

Please detail the options and the recommended procurement arrangement for the contracts detailed in the Project description and the justification for the recommended procurement arrangements based on the analysis above. This Section should be completed for each contract required. Sections A-D below were identified in previous sections of this PPSD Long Form. After the options analysis please detail your recommended procurement approach/arrangement.

1. **Contract description:**
2. **Contract category** (Works, Goods, Consultancy Firms and Individuals, and Non-consultancy services):
3. **Estimated cost:**
4. **Contract approach** (complete table below):

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| --- | --- | --- | --- | --- | --- |
|  | | **Attribute** | | **Selected approach** | **Justification** |
| **Requirements** | | 8.3.1 Specifications | | Conformance/Performance |  |
| 8.3.2 Sustainability Requirements | | Yes/No |  |
|  | | **Attribute** | | **Selected Approach** | **Justification** |
| **8.4 Contract Strategy** | | 8.4.1 Contract Type | | 1. Traditional 2. Design and Build 3. Design, Build, Operate, Maintain 4. Design and Build – Turnkey or Prime Contractor 5. EPC and EPCM 6. Other\_\_\_\_\_\_\_\_\_ |  |
| 8.4.2 Pricing and Costing Mechanism | | 1. Lump Sum 2. Performance based contracts 3. Schedule of Rates/Admeasurement 4. Time and Materials 5. Cost Plus |  |
| 8.4.3 Selection of Cost and Price Mechanism | | Required Allocation of Risk |  |
| 8.4.4 Supplier Relationship | | Adversarial/Collaborative |  |
| 8.4.5 Price Adjustments | | 1. None, Fixed Price 2. Negotiated 3. Percentage |  |
| 8.4.6 Form of Contract (Terms and Conditions) | | State any special conditions of contract |  |
|  | | **Attribute** | | | **Selected Approach** | **Justification** |
| **8.5 Selection Methods** | | 8.5.1 Selection Method | | | 1. Request for Proposals (RFP) 2. Requests for Bids (RFB) 3. Requests for Quotations (RFQ) 4. Direct Selection |  |
| 8.5.2 Selection Arrangement | | | 1. Competitive Dialogue 2. Public Private Partnerships (PPP) 3. Commercial Practices 4. United Nations (UN) Agencies 5. e-Reverse Auctions 6. Imports 7. Commodities 8. Community Driven Development 9. Force Accounts 10. Framework Agreements 11. Cross Project Opportunities |  |
| 8.5.3 Market Approach | | | 1. Type of Competition    1. Open    2. Limited    3. International    4. National    5. No Competition – Direct Selection 2. Number of Envelopes / Stages    1. Single Envelope    2. Two Envelopes    3. Single Stage    4. Multi Stage 3. BAFO (Yes/No) 4. Negotiations (Yes/No) |  |
| 8.5.4 Qualification | | | 1. Pre-Qualification 2. Initial Selection 3. Post-Qualification |  |
|  | | | | **Attribute** | **Selected approach** | **Justification** | |
| **8.6 Evaluation Methods** | | | | 8.6.1 Evaluation Selection Method | 1. Quality Cost Based Selection (QCBS) 2. Fixed Budget Based Selection (FBS) 3. Least Cost Based Selection (LCS) 4. Quality Based Selection (QBS) 5. Consultant’s Qualifications Based Selection (CQS) 6. Direct Selection |  | |
| 8.6.2 Evaluation of Costs | 1. Adjusted Bid Price 2. Life-Cycle Costs |  | |
| 8.6.3 Domestic Preference | National/international |  | |
| 8.6.4 Rated Criteria | List the type of criteria to be used (mandatory/desired) |  | |
| **8.7 Contract Management** | | | | 8.7.1 Contract Management Approach | Outline the approach to be used |  | |
| 8.7.2 Key Performance Indicators (KPIs) – Measures | List the key measures of success for contract management: |  | |

The output of this section will be a:

* Procurement Approach stating how the Borrower is going to approach the market, select the supplier, and finalize the contract;
* Set of selection methods and market approaches;
* Procurement Plan that summarises how each contract within the Project will be procured.

1. **Preferred Arrangement for Low Value Low Risk Activities**

This Section of the PPSD is used to record the procurement approaches for contracts that were identified as part of the Supply Positioning analysis in Section 2 as not requiring a detailed assessment and justification for the selected procurement approach.

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| --- | --- | --- | --- |
| **Contract** | **Category** | **Estimated Cost** | **Procurement Approach and Method** |
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1. **Summary of PPSD to Support the Preparation of the PAD by the Bank**

The final stage of the PPSD is to provide a short summary of the recommended procurement approach, which the Bank will use as part of preparing its PAD. The summary should be a description of the recommended procurement approach and a synopsis of the justification for that approach.