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| **Section** | **Paragraph** | **Proposed Change** | **Comments** |
| **Acronyms Abbreviations and Defined Terms** |  | See table |  |
| **General Considerations** | 1.4 | The Borrower is responsible for preparing and implementing the project, and therefore for selecting the consultant, and awarding and subsequently administering the contract. While the specific rules and procedures to be followed for contracting consultants depend on the circumstances of the particular case, the following Bank’s Core Procurement Principles guide the Bank’s policy on the selection process:   1. Value for Money: The principle of VfM means the effective, efficient, and economic use of resources, which 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. Price alone may not necessarily represent VfM. 2. the need for high-quality services, 3. Economy and Efficiency in the implementation of the project, including the procurement of the services involved; 4. the need to give all qualified consultants an opportunity to compete in providing the services financed by the Bank, 5. the Bank’s interest in encouraging the development and use of national consultants in its borrowing member countries, 6. Fit for Purpose: The principle of fit for purpose applies both to the intended outcomes and the procurement arrangements in determining the most appropriate approach to meet the project development objectives and outcomes, considering the context and the risk, value, nature, and complexity of the procurement, and 7. Integrity: The principle of integrity refers to Bank’s financing being used for its intended purposes and good governance practices, and requires that all parties involved in the procurement process observe the highest standard of ethics during the procurement process of Bank’s financed contracts and execution of the project, and refrain from Prohibited Practices, in accordance with paragraph 1.23 |  |
|  | 1.5 | The Bank considers that, in the majority of cases, these considerations can best be addressed through competition among qualified short-listed firms in which the selection is based on the quality of the proposal and, where appropriate, the cost of the services to be provided. Sections II and III of these Policies describe the different methods for the selection of consultants accepted by the Bank and the circumstances in which they are appropriate to develop procurement procedures that are fit-for-purpose, reflect the optimal Value for Money throughout the procurement cycle and the Bank’s core procurement principles are respected. Since Quality- and Cost-Based Selection (QCBS) is the most commonly recommended method, Section II of these Policies describes in detail the procedures for QCBS. However, QCBS is not the most appropriate method of selection for all cases; therefore, Section III describes other methods of selection and the circumstances in which they are more appropriate. |  |
| **Alternative Procurement Arrangements** | 1.9 | At the Borrower’s request, the Bank may, subject to its policies, rules and applicable operational requirements, agree to rely on and apply the procurement rules and procedures of another multilateral or bilateral agency or organization and may agree to such a party taking a leading role in providing the implementation support and monitoring of procurement activities through mutual reliance agreements. Such agreements shall be consistent with the Bank’s Core Procurement Principles and the provisions set forth in paragraph 1.4 and ensure that the Bank’s Prohibited Practices and Sanctions Procedures, and contractual remedies set forth in its legal agreements with the Borrower, permit reliance on those policies of the designated lead institution. |  |
| **Use of Country System** | 1.10 | At the Borrower´s request, the Bank may rely on and apply the procurement rules, procedures and systems of the Borrower at national or subnational level, or agency of the Borrower when meeting international standards according to the Bank’s assessments[[1]](#footnote-1) and is acceptable for the Bank. |  |
| **Advance Contracting and Retroactive Financing** | 1.14 | In certain circumstances, such as to accelerate project implementation, the Borrower may, with the Bank’s approval, wish to proceed with the selection of consultants before the related Loan Contract is signed. This process is referred to as advance contracting. In such cases, the selection procedures, including advertisement, shall be in accordance with Bank’s Core Procurement Principles and the Bank shall review the process used by the Borrower. A Borrower undertakes such advance contracting at its own risk and any “no objection” issued by the Bank with regard to the procedures, documentation, or proposal for award does not commit the Bank to make a loan for the project in question. If the contract is signed, reimbursement by the Bank of any payments made by the Borrower under the contract prior to loan signing is referred to as retroactive financing and is only permitted within the limits specified in the Loan Contract |  |
| **Bank Review, Assistance, and Monitoring** | 1.16 | The Bank reviews the Borrower’s hiring of consultants to determine to its satisfaction that the selection process is carried out in accordance with the provisions of Bank’s Core Procurement Principles. The review procedures are described in Appendix 1 |  |
| **Misprocurement** | 1.19 | The Bank does not finance expenditures for consulting services if the consultants have not been selected or the services have not been contracted in accordance with the agreed provisions of the Loan Contract and the Procurement Plan[[2]](#footnote-2) approved by the Bank. In such cases, the Bank may exercise other remedies provided for under the Loan Contract, take other appropriate actions, including declaring misprocurement. Even once the contract is awarded after obtaining a “no objection” from the Bank, the Bank may still declare misprocurement if it concludes that the “no objection” was issued on the basis of incomplete, inaccurate, or misleading information furnished by the Borrower or that the terms and conditions of the contract had been modified without the Bank’s approval. |  |
| **Prohibited Practices** | 1.24 | With the specific agreement of the Bank, a Borrower may introduce into the RFP for large contracts financed by the Bank, a requirement that the consultant include in the proposal an undertaking of the consultant to observe, in competing for and executing a contract, the country's laws against Prohibited Practices (including bribery), and the regulations of a Multilateral Development Bank or International Development Agency related to Prohibited Practices as applicable, as listed in the RFP.[[3]](#footnote-3) The Bank will accept the introduction of such a requirement at the request of the Borrowing country, provided the arrangements governing such undertaking are satisfactory to the Bank. |  |
| **Procurement Complementary Support** | 1.26 | The Bank may agree to provide the Borrower with Procurement Complementary Support (PCS) where the Borrower, or as, appropriate, the member country, and when as deemed by the Bank:  (a) weaknesses in the execution capacity of the borrower have been identified; or  (b) in cases of complex or innovative procurement and contracting processes. |  |
|  | 1.27 | PCS shall not result in the Bank’s executing procurement on behalf of the Borrower, and project execution remains the Borrower’s responsibility. The scope and nature of such support is determined by the Bank on a case-by-case basis. |  |
| **Electronic Procurement Systems** | 1.28 | Bank encourages Borrowers’ to continually modernize their procurement systems, including, incorporating electronic procurement elements that ensure Bank’s Core Procurement Principles. Borrowers may use electronic procurement systems (e-Procurement) for aspects of the procurement process, including: issuing SDB, and addenda, receiving proposals, quotations, and carrying out other procurement actions or methods, such an electronic reverse auction, provided the Bank is satisfied with the adequacy of the system, including its accessibility, security and integrity, confidentiality, and audit trail features. |  |
| **Sustainable Procurement** | 1.29 | If agreed with the Bank, the Borrower may include additional sustainability requirements in the procurement process, including their own sustainable procurement policy requirements, if they are applied in a manner that is consistent with the Bank’s Core Procurement Principles. |  |
| **Limited Competition** | 2.9 | Limited competition selection in which the Borrowers prepares a Shortlist without advertisement. It may be appropriate when there are limited number of qualified Consultants that carry out the subject assignment, or other justifiable exceptional reasons. Borrowers shall seek EOIs from a list of potential Consultants that is broad enough to ensure adequate competition. |  |
| **Evaluation of Proposals: Consideration of Quality and Cost** | 2.15 | Evaluation criteria and methodology shall be specified in the detail in the RFP. The evaluation criteria and methodology shall be appropriate for the type, nature, market conditions, and complexity of what is being procured. The evaluation of the proposals shall be carried out in two stages: first the quality, and then the cost. Evaluators of technical proposals shall not have access to the price proposals until the technical evaluation, including any Bank reviews and “no objection,” is concluded. Price proposals shall be opened only after the evaluation of technical proposals has concluded and the results have been notified to the participating consultants. The evaluation shall be carried out in full conformity with the provisions of the RFP. |  |
| **Evaluation of the Quality** | 2.16 | The Borrower shall evaluate each technical proposal (using an evaluation committee of three or more specialists in the sector), taking into account several criteria: (a) the consultant’s relevant experience for the assignment; (b) the quality of the methodology proposed, including innovation, sustainable criteria; (c) the qualifications of the key staff proposed; (d) transfer of knowledge, if required in the TOR; and (e) the extent of participation by nationals among key staff in the performance of the assignment. Each criterion shall be marked on a scale of 1 to 100. Then the marks shall be weighted to become scores. The following weights are indicative. The actual percentage figures to be used shall fit the specific assignment, nature, market conditions, innovation and complexity, and shall be within the ranges indicated below, except with the approval of the Bank. The proposed weights shall be disclosed in the RFP. |  |
| **Best and Final Offer** | 2.25 | In international competitive procurement subject to prior review, the Bank may agree to the Borrower’s use of Best and Final Offer (BAFO). BAFO is an option under which the Borrower invites Bidders that have submitted substantially responsive Bids to submit their best and final offer. Such a process may be appropriate when the procurement process would benefit from Bidders’ having a final opportunity to improve their Bids, including by reducing prices, clarifying or modifying their Bid, or providing additional information. The Borrower shall inform bidders in the bidding documents whether:   1. if a BAFO is to be used 2. that Bidders are not obliged to submit a BAFO; and 3. that there will be no negotiation after the BAFO. |  |
| **Negotiations and Award of Contract** | 2.26 | Negotiations shall include discussions of the TOR, the methodology, staffing, the Borrower’s inputs, and special conditions of the contract, to award the contract to the most advantageous proposal, which means the best evaluated proposal. These discussions shall not substantially alter the original TOR or the terms of the contract, lest the quality of the final product, its cost, and the relevance of the initial evaluation be affected. Major reductions in work inputs should not be made solely to meet the budget. For complex consulting services and innovative solutions, where the Borrower may not know the best solution available in the market, the Bank may agree to discuss on the original TORs or the terms of the contract, the final product, its cost to get the most advantageous proposal. The final TOR and the agreed methodology shall be incorporated in “Description of Services,” which shall form part of the contract. |  |
| **Standstill Period** | 2.31 | At the Borrowers request, the Bank may agree to adopt this mechanism in order to give bidders time to examine the award and to assess whether it is appropriate to submit a complaint |  |
|  | 2.32 | The standstill period shall begin when the Borrower’s Notification of Intention to Award[[4]](#footnote-4) is sent to the bidders. The standstill period shall last ten (10) Business Days after such transmission date, unless otherwise extended. The contract shall not be awarded either before or during the standstill period |  |
|  | 2.33 | Notwithstanding the above, there shall not be a requirement for a standstill period in the following situations:   1. only one Bid/Proposal was submitted in an open competitive process; 2. direct contracting; and 3. Emergency Situations recognized by the Bank |  |
|  | 2.34 | At the end of the standstill period, if the Borrower has not received any complaint from an unsuccessful bidder, the Borrower shall proceed to award the contract in accordance with its decision to award, as previously communicated through the Notification of Intention to Award |  |
|  | 2.35 | For contracts subject to prior review, when no complaints are received by the Borrower within the standstill period, the Borrower shall proceed to award the contract in accordance with the award recommendation that had previously received the Bank’s no objection. Borrower shall inform the abovementioned situation to the Bank within three (3) Business Days of such award |  |
|  | 2.36 | The Borrower shall transmit the notification of award to the successful bidder along with other documents as specified in the bidding documents for the contract |  |
|  | 2.37 | If the Borrower does receive a complaint from an unsuccessful Bidder within the standstill period, the Borrower shall not proceed with the contract award until the complaint has been addressed, as set forth under Appendix 3 |  |
|  | 2.38 | For contracts subject to prior review by the Bank, the Borrower shall not proceed with contract award without receiving the Bank’s confirmation of satisfactory resolution of complaint. For contracts subject to prior review by the Bank, the Borrower shall not proceed with contract award without receiving the Bank’s confirmation of satisfactory resolution of complaint. For contracts subject to ex post review by the Bank, the Borrower shall proceed in accordance with Appendix 3 |  |
| **Debriefing by the Borrower** | 2.39 | In Notification of Intention to Award referred to in paragraph 2.32 or the publication of the contract award referred to in paragraph 2.30, the Borrower shall specify that any consultant who wishes to ascertain the grounds on which its proposal was not selected, should request an explanation from the Borrower. The Borrower shall promptly provide the explanation as to why such proposal was not selected, either in writing and/or in a debriefing meeting, at the option of the consultant. The requesting consultant shall bear all the costs of attending such a debriefing |  |
| **Confidentiality** | 2.41 | Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the consultants who submitted the proposals or to other persons not officially concerned with the process, until the publication of the award of contract notification of intention of contract award or publication of contract award, as applicable or agreed with the Bank for the process, except as provided in paragraphs 2.21 and 2.29 |  |
| **Single-Source Selection (SSS)** | 3.10 | Single-source selection may be appropriate only if it presents a clear advantage over competition: (a) for tasks that represent a natural continuation of previous work carried out by the firm within the last 12 months (see next paragraph); b) when there is a justifiable requirement to reengage a firm that has previously completed a contract with the Borrower to perform a similar type of Consulting Service. The justification shows that the firm performed satisfactorily under the previous contract, no advantage may be obtained by competition and the prices are reasonable; (c) in emergency cases, such as in response to disasters and for consulting services required during the period of time immediately following the emergency; (d) for verysmall and low risk[[5]](#footnote-5) assignments; or (e) when only one firm is qualified or has experience of exceptional worth for the assignment |  |
| **Selection of Particular Types of Consultants** | 3.21 | *Service Delivery Contractors.* Projects in the social sectors in particular may involve hiring of large numbers of individuals who deliver services on a contract basis (for example, social workers, such as nurses and paramedics, pollsters, among others). The job descriptions, minimum qualifications, terms of employment, selection procedures, and the extent of Bank review of these procedures and documents shall be described in the project documentation and the contract shall be included in the Procurement Plan approved by the Bank |  |
| **Types of Contracts and Important Provisions**  **Types of Contracts** | 4.6 | *Framework agreement.* A Framework Agreement (FA) is an agreement established with firms or individual consultants (panel of consultants), as required over a specific period of time. The FA sets out the terms and conditions under which specific Consulting Services, can be provided directly or competitively throughout the term of agreement. FAs may be appropriate for the recurring selection of Consulting Services or to consolidate requirements when different entities of the Borrower procure the same types of Consulting Services |  |
| **Appendix 1: Review by the Bank of the Selection of Consultants**  **Procurement Strategy** | 1 | The Borrower shall prepare a procurement strategy justifying the arrangements proposed for its conformity with the Loan Contract and these Policies. The Bank shall review the procurement strategy and arrangements proposed by the Borrower as set forth in the Procurement Plan. The Procurement Plan shall be prepared on the basis of the market analysis conducted during the preparation of the procurement strategy and any fit-for-purpose considerations of the selected methods and shall cover an initial period of at least 18 months. The Borrower shall update the Procurement Plan on an annual basis or as needed always covering the next 18- month period of project implementation. Any revisions proposed to the Procurement Plan shall be furnished to the Bank for its prior approval |  |
| **Ex-Ante Review** | 2 | With respect to all contracts that are subject to the Bank’s ex-ante review:   1. If after the notification of the intention of the contract award or the publication of the results of evaluation, as agreed with the Bank, the Borrower receives complaints from consultants, a copy of the complaint and a copy of the Borrower’s response shall be sent to the Bank for “no-objection”. |  |
| **Appendix 3: Guidance to Consultants**  **Purpose** | 1 | This appendix provides guidance to consultants wishing to provide consulting and professional services financed by the Bank or through the funds it administers. Where the Loan Contract includes provisions regarding a standstill period[[6]](#footnote-6) allowing for complaints before the notification of award to bidders, the Bank’s, Bidder’s and Borrower’s roles for reviewing and handling complaints shall be defined in the Loan Contract or the agreed procurement procedures between the Bank and the Borrower. |  |
| **Confidentiality** | 10 | As stated in paragraph 2.41,the process of proposal evaluation shall be confidential until notification of the intention of contract award or the publication or contract award, as applicable, except for the disclosure of the technical points as indicated in paragraphs 2.21 and 2.29. Confidentiality enables the Borrower and the Bank’s reviewers to avoid either the reality or perception of improper interference. If, during the evaluation process, consultants wish to bring additional information to the notice of the Borrower, the Bank, or both, they should do so in writing |  |
| **Debriefing by the Bank** | 15 | If, after notification of intention of award or publication of contract award, as applicable, a consultant wishes to ascertain the grounds on which its proposal was not selected, it should address its request to the Borrower as indicated in paragraph 2.39. If the consultant is not satisfied with the explanation given and wishes to seek a meeting with the Bank, it may address the Country Representative for the borrowing country with a copy to the Project Procurement Division of the Bank at its Washington, D.C. Headquarters, who will arrange a meeting at the appropriate level and with the relevant staff. In this discussion, only the consultant’s proposal can be discussed and not the proposals of competitors |  |

1. Normally, the Bank applies the Methodology for Assessment Procurement Systems (MAPS) developed by IFIs and OECD. [↑](#footnote-ref-1)
2. See paragraph 1.25. [↑](#footnote-ref-2)
3. As an example, such an undertaking might read as follows: “We undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will observe the laws against fraud and corruption in force in the country of the Borrower, as such laws have been listed by the Borrower in the RFP for this contract and, without prejudice to the Bank’s procedures to deal with cases of Prohibited Practices, adhere to the administrative norms set by the [local authority] to receive and resolve all complaints regarding bidding procedures.” [↑](#footnote-ref-3)
4. Notification of Intention to Award (NIA) is a written notice transmitted to each bidder that submitted a bid, informing them of the intention to award the contract to the successful bidder. [↑](#footnote-ref-4)
5. Dollar thresholds defining “very small” shall be determined in each case, taking into account the nature and complexity of the assignment, but shall not exceed US$200.000. [↑](#footnote-ref-5)
6. Following the decision to award the contract, the Borrower shall promptly and simultaneously provide written notification of the Borrowers intention to award the contract to the successful bidder (the Notification of Intention to Award) to all the bidders. This notification initiates the standstill period. The Borrower shall publish the Contract award notice following the expiry of the standstill period. If the Borrower receives a complaint from an unsuccessful bidder within the standstill period, the Borrower shall not proceed with the contract award until the complaint has been addressed in consultation with the Bank for ex ante review processes. [↑](#footnote-ref-6)