

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**BARBADOS**

**MODERNIZATION OF THE BARBADOS NATIONAL PROCUREMENT SYSTEM**

**(BA-L1004)**

**LOAN PROPOSAL**

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## ABBREVIATIONS

CPD	Central Purchasing Department
CS	Country Strategy
CSME	CARICOM Single Market and Economy
GOB	Government of Barbados
ICB	International Competitive Bidding
ICT	Information and Communication Technology
IDSF	Institutional Development Sector Facility
MFEE	Ministry of Finance, Economic Affairs and Energy
NCB	National Competitive Bidding
OC	Ordinary Capital
PO	Purchase Orders
PPU	Procurement Policy Unit
PSC	Project Steering Committee
PTI	Poverty-Targeted Investment
SPU	Special Projects Unit

<b>Annexes and Electronic References</b>
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<b><u>ANNEXES</u></b>
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Annex I - Results Framework
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Annex II - Procurement Plan
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Annex III - Safeguard and Screening Form
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<b><u>MANDATORY ELECTRONIC LINKS</u></b>
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#1 - Annual Operating Plan
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<a href="http://ops/idbdocs/docsMain/getdoc.asp?docnumber=1411573">http://ops/idbdocs/docsMain/getdoc.asp?docnumber=1411573</a>
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#2 - Monitoring & Evaluation Arrangements
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<a href="http://ops/idbdocs/docsMain/getdoc.asp?docnumber=1411531">http://ops/idbdocs/docsMain/getdoc.asp?docnumber=1411531</a>
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<b><u>DISCRETIONARY ELECTRONIC LINKS</u></b>
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# 3 -- Procurement Project Operating Manual
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## PROJECT SUMMARY

### BARBADOS

#### INSTITUTIONAL DEVELOPMENT SECTOR FACILITY

#### MODERNIZATION OF THE BARBADOS NATIONAL PROCUREMENT SYSTEM (BA-L1004)

<b>Borrower:</b>	Government of Barbados (GOB)		
<b>Executing Agency:</b>	Ministry of Finance, Economic Affairs and Energy (MFEE)		
<b>Bank Financing amount and Conditions:</b>	IDB: (OC)	US\$	5,000,000
	Local counterpart:	US\$	950,000
	Total:	US\$	5,950,000
<b>Terms and conditions:</b>	Amortization Period:	20	years
	Disbursement Period:	5	years
	Grace Period:	5	years
	Interest Rate:	LIBOR	*
	Credit Fee:		*
	Inspection and Supervision:		*
	Currency:	US\$ Single Currency Facility	
<b>Objectives:</b>	The project's general goal is to support the Government of Barbados in modernizing its national procurement system. Its specific goal is to improve the effectiveness of public procurement, saving time and money through competitive prices and reduced process time, while ensuring the transparency and integrity of the system.		
<b>Description and Components:</b>	The project includes four components: (i) strengthening the public procurement legal framework which will support the preparation of a public procurement policy, regulations, standard documentation and, eventually, new procurement legislation, based on lessons learned from the project's implementation; (ii) improving procurement operations and marketplace, including the establishment of the Procurement Policy Unit, a normative, regulatory body, and institutional strengthening of key players in the public procurement arena especially the Central Purchasing Department, the Office of the Solicitor General, the Office of the Auditor General and the Tenders and Special Tenders Committees; (iii) strengthening procurement institutional capacity by implementing a		

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\* The credit fee and inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with the applicable provisions of the Bank's policy on lending rate methodology for ordinary capital loans. In no case will the credit fee exceed 0.75% or the inspection and supervision fee exceed, in a given six month period, the amount that would result from applying 1% to the loan amount, divided by the number of six-month periods included in the original disbursement period.

**Special  
Contractual  
Conditions:**

career stream in public procurement and establishing a training program for entities involved in public procurement; and (iv) modernizing and updating procurement technological infrastructure, focusing on the establishment of an e-tendering system to disseminate procurement opportunities and the results of tenders and procurement processes.

Prior to first disbursement: (i) the Project Steering Committee (PSC) has been established; (ii) the Project Coordinator appointed; (iii) the Annual Operating Plan and the Procurement Plan have been updated and presented for the Bank's non-objection; and (iv) the Project Operating Manual has entered in effect (See pars. 3.1, 3.2, and 3.4)

**Relationship to  
Bank strategy:**

Retroactive financing and recognition of local counterpart will be permitted for up to the equivalent of US\$500,000 for expenses incurred related to the project's implementation. These expenses will be approved provided that: (i) they were incurred after January 1, 2008; (ii) any activities are aligned with the project components; and (iii) the procurement is consistent with the Bank's procurement policies. (See par. 3.3)

The focus of the Country Strategy (CS) is on addressing institutional and capacity weaknesses that inhibit the efficient and competitive functioning of the public and private sectors. Consequently, it proposes a project that concentrates on targeted operations and facilities aimed at addressing such weaknesses through interventions in areas such as customs and tax administration, standards, strengthening of statistical services and modernization of public procurement. As the Bank has worked in procurement modernization internally, with other multilateral organizations (harmonization) and through regional and country specific programs, it brings a rich experience to the design and implementation of projects in this area.

**Coordination with  
Other multilateral  
Development  
Institutions:**

The project takes into account previous joint efforts by CARICOM and the Bank and current efforts by CARICOM to move toward a harmonized regional procurement system in the CARICOM Single Market and Economy (CSME). No other donor is currently involved in this field.

**Environmental/  
Social  
classification:**

It is not anticipated that the activities to be financed will have negative direct social or environmental effects; however, the development of the legal and procedural framework will comprise efforts towards the adoption of environmentally responsible procurement practices. Based on the aforementioned, and according to the ESR Safeguard Screening form, the operation has been classified as "C".

**Potential Benefits:**

The main benefits of this project through the implementation of best international practices in public procurement will be maximization in the use of public resources and promotion of greater agility and transparency in their utilization. Beneficiaries will include government ministries, departments and statutory bodies as well as suppliers to the public sector and the Barbadian population, in general.

<b>Potential Risks:</b>	Risks include: (i) resistance to change by key actors in the public procurement system; (ii) stakeholders not adapting to the use of a new procurement framework and systems and not having access to the necessary hardware, software, and connectivity; (iii) difficulties in coordination among the different stakeholders in the project, assuring their participation; (iv) Procurement Policy Unit (PPU) not given the necessary authority, viewed as an additional bottleneck in the public procurement process; (v) baseline, monitoring and evaluation systems not put in place, producing difficulties in demonstrating results; and (vi) insufficient commitment to take necessary steps toward e-government, including systemization of procurement (e-tendering).
<b>Poverty-targeting and social sector classification:</b>	This operation does not qualify as a social equity enhancing project, as described in the indicative targets mandated by the Bank's Eighth Replenishment (document AB-1704). Furthermore, this operation does not qualify as a poverty-targeted investment (PTI), although the project may contribute to improvements in the efficiency of public sector spending which might especially benefit low income citizens.
<b>Procurement plan and timeframe, threshold amounts for ICB:</b>	<p><b>Goods.</b> The procurement of goods and related services different from consulting services will be carried out pursuant to the provisions set forth in document GN-2349-7, Policies for the Procurement of Works and Goods Financed by the Inter-American Development Bank. International Competitive Bidding (ICB) will be compulsory for procurement of goods for more than US\$150,000. National Competitive Bidding (NCB) may be used for goods whose cost is equal to or more than US\$50,000 and less than US\$150,000. The shopping procedure will be used for goods which cost less than US\$50,000.</p> <p><b>Consultants.</b> The selection and contracting of consulting services will be carried out pursuant to the provisions set forth in Document GN-2350-7, Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank. The Executing Agency will be able to use the methods of selection set forth in Section II and in paragraphs 3.2 to 3.8 of Section III of Document GN-2350-7. For purposes of paragraph 2.7 of Document GN-2350-7, the short list of consultants for contracts estimated to be below the equivalent of US\$200,000 can be composed in its entirety by national consultants if a sufficient number of local consultants are available to make up a short list.</p> <p>Based on the result of the institutional analysis, project procurement and contracting will be subject at least during the first year of implementation to ex-ante review by the Bank. Based on an assessment by the Bank of the experience with project management by the Special Project Unit (SPU) on behalf of the MFEE during the first year, the Bank will determine whether to continue with ex-ante review or apply ex-post reviews to certain types of contracting.</p>

**Key performance indicators and monitoring benchmarks:**

The following key indicators will be used to measure the achievement of project outputs and outcomes. See the project's Results Matrix for details on baselines, intermediate and end of project targets, means of verification and assumptions.

**Outcomes:** (i) Average number of bidders for public procurement is increased; (ii) public bid opportunities above US\$100,000 threshold as well as results of tenders/procurement processes are announced electronically through the e-tendering system; (iii) the average unit price of a selected index of goods, works and services procured decreases; (iv) public procurement in Barbados aligned with international procurement best practices, as applicable, while taking into account developments within the CARICOM Single Market and Economy (CSME) and; (v) users (public procurement entities and suppliers) of the public procurement system assign it a satisfactory or higher rating in terms of efficiency, transparency and ease of use.

**Outputs:** (i) Public procurement entities using standard bidding documents and uniform contracts; (ii) procurement awards achieved within bid validity period; (iii) contracts prepared and signed within 60 days after award announcement; and (iv) strategic plan for training procurement personnel is developed and made operational.

**Reporting arrangements jointly with Bank and executing agency:**

The system for monitoring and evaluation will include: (i) review of technical and financial reports; (ii) annual project review meetings; and (iii) independent mid-term and final evaluations.

## **I. DESCRIPTION AND RESULTS MONITORING**

### **A. Economic and Policy Challenges**

- 1.1 Barbados, an island of 431 square kilometres with a population of 274,000, ranks high among Latin America and the Caribbean countries on social and economic indicators. Its Human Development Index is the highest (31st) of all countries in the region and per capita GDP, at US\$12,523, is more than double the average. Less than 13% of the population lives under the poverty line. The service sector (particularly tourism and financial services) accounts for almost 75% of GDP.
- 1.2 Barbados's recent economic performance has been highly encouraging. Since an externally-induced recession in 2001-02, production has made a solid recovery, and over the last four years average annual GDP growth has been estimated at 4.3%. Nonetheless, this positive performance masks some underlying vulnerabilities. It has been driven to a significant extent by expansionary fiscal policies (initially aimed at reactivating the economy), while the traded sectors (particularly tourism) have languished. Public expenditure has been very high, averaging almost 46% of GDP over the last five fiscal years, while the fiscal deficit has averaged 3.5% of GDP. The predominantly domestic public debt has risen to almost 90% of GDP. International reserves (as a proportion of imports) have declined steadily, reducing the buffer available for adjustment in the event of an external shock.
- 1.3 Given this context, the Barbadian authorities have recognised the need to place the public accounts upon a sounder footing through the achievement of fiscal savings in a variety of areas. The high level of spending, likewise, underlines the need to ensure maximum efficiency in public service delivery.

### **B. Background**

- 1.4 Government procurement in Barbados is conducted under two sub-systems, central government and statutory bodies. The central government sub-system includes: (i) the centralized purchasing system of what are classified as common goods; (ii) the centralized tendering system; (iii) the Barbados Drug Service; and (iv) the more specialized procurement conducted by the Central Purchasing Department in coordination with line ministries and departments. The central government system is subject to the following rules and regulations: (i) the Financial Administration and Audit (Financial) Rules, 1971; (ii) the Financial Administration and Audit (Supplies) Rules, 1971; and (iii) the Financial Administration and Audit (Drug Service) Rules, 1980. Government procurement in its present stage of regulation is considered a subset of financial management rather than a separate function with specific purposes and needs.
- 1.5 The existing procurement rules allow the system to function but fail to address key aspects of modern procurement. They are inherently biased towards financial management and funds control, providing only a framework for the conduct of

procurement activities. They lack detailed procedural guidelines, and thus, the system is dependent on the practical experience and knowledge of its key operatives. The rules and regulations do not provide for a regulatory body or for a mechanism for the settlement of disputes that is independent of those ministries or departments directly involved in the procurement. There is no monitoring or feedback mechanism to support the development of procurement policy, legislation and regulations. Consolidated statistics on public procurement are not readily available nor are they utilized in formulating procurement strategy and little information related to government purchasing is made accessible to the general public. Rather than being organized around the procurement process, stressing essential stages such as planning, contract management, and oversight, the existing regulation more closely resembles a manual. Modern forms of procurement, such as framework contracts (indefinite delivery agreements), are not considered. There is little consideration concerning the use of electronic means, though there have been some limited advances in this regard in recent years.

- 1.6 As for the statutory bodies, they are regulated by their respective statutes and regulations. In cases where these are silent about procurement, it is unclear whether the provisions of the Financial Administration Audit (Financial) Rules, 1971, are always applied.

### **C. Institutional Aspects**

- 1.7 Government procurement is organized on the basis of a centralized model with the Central Purchasing Department (CPD) at the core of the system. There are also the Tenders and Special Tenders Committees and the Barbados Drug Service, which has its own Tenders Committee. The Chief Supply Officer heads the CPD and is the chairperson of the Tenders and Special Tenders Committees. Members of the Tenders and Special Tenders Committees are named by their ministries and departments, assuming additional responsibilities beyond those of their regular positions. These Committees have no dedicated technical staff. The CPD, with a staff of 52, many with extensive years of experience, is the government's principal purchasing agent; it is responsible for the procurement of common goods and services (i.e. stationery, domestic hardware and cleaning materials) which are maintained in the CPD warehouse and distributed to Government entities according to their demands throughout the year. Suppliers of these stock items are selected annually and they make deliveries to the warehouse at different times based on need. Though they commit to maintaining a price during the fiscal year, suppliers may change prices by prior notification to the CPD.
- 1.8 The CPD also does more specialized procurement (i.e. furniture, computer equipment, spare parts) frequently simply following the instructions of the ministries/departments which have already identified preferred suppliers. The CPD uses the Government payment system, Smart Stream, to encumber funds of the ministry/department before commencing a tendering process or delivering goods maintained in its warehouse.

- 1.9 Regulations provide that up to Barbadian \$20,000 (US\$10,000) purchases are made through Purchase Orders (PO) without formal contracts. For procurement between Barbadian \$20,000 (US\$10,000) and Barbadian \$100,000 (US\$50,000), purchases are made through shopping with the use of a formal contract. According to Part XII of the Financial Administration and Audit (Financial) Rules, 1971, procurement for works, goods or services above BD\$100,000 (US\$50,000) is to be made through the tendering process administered by the Tenders or Special Tenders Committee. Notwithstanding, according to Rule 137 of such Rules, Cabinet may authorize that procurement be performed through methods other than by invitation to tender, such as direct open negotiations or under such arrangements as the Cabinet may determine, in the following circumstances: (i) that the goods or services are of a specialized nature, (ii) that they are not normally available in Barbados; or (iii) as a matter of extreme urgency. Due to the deficiency in gathering procurement statistics, it is difficult to provide reliable quantitative information on the volume of purchasing that takes place, especially within the statutory bodies that do not register their contracts within the Smart Stream payments system.
- 1.10 Procurement of drugs is carried out by the Barbados Drug Service, based on the Drug Service rules which stipulate the terms, conditions and manner in which drugs and related supplies are procured. This procurement function is managed within the Ministry of Health by the Drug Tenders Committee, chaired by the Director of the Barbados Drug Service. Four staff work on procurement related activities within the Barbados Drugs Service. Drugs are procured on the basis of a tendering process or through reimbursements to public pharmacies. The Barbados Drug Service annually issues to potential suppliers a CD (or diskette) with a complete list of products that it intends to purchase. When the bidding process takes place, tenders are invited from approved suppliers for a one-year period and bids must be submitted via the tenders box at the Ministry of Health. To be approved, suppliers must have local representation.
- 1.11 Concerning the procurement done by the many statutory bodies in Barbados, as indicated above, they generally have their own procurement procedures included in their respective statutes. The volume and the complexity of their procurement vary significantly. The statutory bodies generally appreciate their autonomy from the rules that apply to the ministries/departments, though they recognize the potential benefits from efforts at modernization and standardization in this area.
- 1.12 According to Rule 126 of the Financial Administration and Audit (Financial) Rules, 1971, a written agreement is required for all purchases above B\$20,000, drawn up in a form approved by the Office of the Solicitor General (SG) or another legal officer in the public service nominated by that Office to be entered into between the accounting officer and the contractor or the successful tenderer before any work under such agreement is commenced. Due to the volume of contracts, large and small, and the lack of uniformity and systems in requesting and in the preparation of contracts, there are frequently important delays in the issuance of contracts by the SG. The Office of the Solicitor General is also

responsible for other tasks in its function as the government's lawyer, including serving as a member of the Tenders and Special Tenders Committees. Compounded by shortages in staffing due to difficulty maintaining attorneys in Civil Service positions and inadequate physical infrastructure, the issuance of contracts by the SG has been identified as one of several serious bottlenecks in the public procurement process.

#### **D. Justification for the project**

- 1.13 The national procurement system in Barbados presents inefficiencies that result in a lack of maximization of the use of government resources and less transparency than desirable in public expenditures. This situation is the consequence of the following: (i) the legal framework lacks some of the essential elements of a well-functioning procurement system; (ii) insufficient procurement operations framework; (iii) lack of institutional framework and capacity; and (iv) inadequate technological infrastructure.
- 1.14 The procurement legal framework lacks: (i) clarity regarding the responsibility of different actors and special procurement procedures that may be granted by Cabinet<sup>2</sup>; (ii) an independent appeals mechanism; (iii) consideration regarding regional and international trade obligations; (iv) specific penalties/sanctions for non-compliance with procurement rules; (v) support for the decentralization of specific (non-general) procurement activities; (vi) the use of standard bidding documents and contracts; (vii) public accessibility to procurement information, including qualification requirements for suppliers and contractors, methods of procurement, and conditions for their use; and, lastly, (viii) green procurement considerations.
- 1.15 The procurement operations framework and marketplace present insufficiencies in that: (i) there is no functional and normative unit to monitor and propose policy regarding public procurement in the country; (ii) there is no established framework for the collection and maintenance of procurement statistics; (iii) the CPD and the Tenders and Special Tenders Committees operations and methods are costly in terms of staff time and lack appropriate modern tools and methodologies; (iv) the ministries and departments periodically procure goods and services directly from suppliers, bypassing the CPD; (v) in general, ministries and departments present limited procurement capacity; and (vi) some enabling statutes for statutory bodies seek to broadly govern the procurement function and others do not address this issue, consequently, there is a variance of practice across these bodies.
- 1.16 The procurement institutional framework is deficient in that: (i) organizational structure and job descriptions to carry out the procurement functions are inadequate; (ii) there do not exist specific career streams in procurement; (iii) regular civil servants execute the functions, most of them without a

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<sup>2</sup> Financial Administration and Audit (Financial Rules), 1971, Clause 137A.

background in procurement; (iv) there is no professional code of conduct specific to public procurement staff and activities; and (v) there is very limited focus on training and development of procurement professionals.

- 1.17 The technological infrastructure is inadequate because of the absence of: (i) an IT procurement strategic plan, instruments to process, report and disseminate information, and obsolete and insufficient computer equipment to support the procurement functions and procedures; (ii) a plan providing guidance on how to deal with transitioning of personnel into new functions and the establishment of new procedures; (iii) public information about procurement opportunities, the name of the winning bidder and the amount of the contract award; and (iv) standardization and automation of many aspects of the purchasing process.
- 1.18 The actions proposed under the project would result in the introduction of international best practices, as applicable, to public procurement activities in Barbados, while taking into account developments within the CSME regime. The project seeks to simplify public procurement with greater clarity in procedures and more uniformity through the use of standard bidding documents and contracts. The project will create a Public Procurement Unit (PPU) within the MFEE, a small technical, regulatory body to provide oversight and generate information for more strategic, well-informed decision-making. The project will also promote the establishment of an independent appeals mechanism. The project will address the bottlenecks that produce exaggerated delays in procurement processes and in the issuance and review of contracts. It will offer training for the individuals responsible for procurement so that the country develops a cadre of well-prepared professionals aware of the varied aspects of the procurement function. Finally, by making much better use of electronic systems, the project will contribute to greater availability of information regarding procurement opportunities, contributing potentially to more vendors participating in tenders and greater transparency in the purchasing activities of the public sector.
- 1.19 The public sector will benefit from the proposed actions, as well as potential government suppliers, multilateral development banks, and civil society, in general, as opportunity, transparency, and competitiveness surrounding government procurement will increase.

#### **E. Objectives, components and cost**

- 1.20 **Objectives.** The project's general goal is to support the Government of Barbados in modernizing its national procurement system. Its specific goal is to improve the effectiveness of public procurement, saving time and money through competitive prices and reduced process time, while ensuring the transparency and integrity of the system.
- 1.21 In response to the identified problems, the project will support activities in four strategic areas: (i) creation of a central regulatory and normative body within the

MFEE to monitor and assess procurement activities in accordance with international best practices, as applicable, while taking into account developments within the Caribbean Single Market Economy (CSME) Government Procurement regime; (ii) more efficient management of the common goods and services procurement through the Central Purchasing Department, which will generate greater economy of scale; (iii) decentralization of specialized goods and services procurement carried out by ministries and departments (i.e. Barbados Drug Service, defense/security); and (iv) standardization of various aspects of the procurement process carried out by all public entities, which will increase transparency, accountability and utilization of the system. The project's strategic areas are reflected in four components that will be implemented over a five year period.

**Component I – Public procurement legal framework strengthened  
(US\$660,000)**

- 1.22 This component would support the adoption of a public procurement policy that will provide clear guidance to all procuring entities in Barbados, capturing both conventional and innovative types of procurement. The policy will be supported by relevant regulations, under the existing legislative framework, which will be tested and fine tuned during project implementation. Dedicated legislation in public procurement will be drafted towards the end of the project to reflect the experiences acquired throughout the implementation of the regulations. Enactment of a new procurement law useful to strengthen the legal framework is not a condition for advancing any of the components of this operation. This component would, therefore, have an iterative self-directing design. There would be two sub-components:
- 1.23 System-wide procurement regulations drafted and promulgated, supported by a manual, standard bid documents covering goods and works, standard request for proposal documents covering traditional services and innovative investments with the private sector, simplification of contract requests and expanded use of standard contracts, as well as various other procurement tools that would increase the internal efficiency of the procurement operations. In addition, development and implementation of a policy to promote greater participation by small and medium size national enterprises in government procurement.
- 1.24 Procurement legislation drafted, discussed and agreed with main stakeholders, based on the experiences drawn from the implementation of the project, submitted for consideration of Cabinet and Parliament. The new legislation should incorporate international best practices applicable to the circumstances of Barbados given its market size and level of development as well as future developments in public procurement policies and practices in CARICOM Single Market and Economy. Such legislation should also reflect the lessons learned during the application of the policy and regulations developed during the first years of the project.

- 1.25 This component will finance: (i) consultancy expertise in procurement to draft the aforementioned regulations, policies, procedures, manual and law; and (ii) seminars and training in procurement subjects for public and private procurement stakeholders, including associated procurement logistics.

**Component II – Procurement operations and marketplace improved (US\$1,790,000)**

- 1.26 This component would provide on-going support to stakeholders handling public procurement, particularly to key institutions in the procurement system. This component is structured in the following manner:
- 1.27 Create and staff a Procurement Policy Unit (PPU) within the authority of the Ministry of Finance, Economic Affairs and Energy as a normative and functional body with oversight responsibilities in public procurement. The PPU will also be responsible for monitoring procurement activities as they relate to the national budget. The PPU shall address a defined set of functions which will include, but not be limited to: (i) the provision of advice to all procuring entities; (ii) advise on amendments to the legislative and regulatory framework and implementing regulations; (iii) harmonization and consolidation in one place of all public procurement statistical information; (iv) monitoring of public procurement; (v) reporting on procurement activities; (vi) developing and supporting implementation of initiatives for improvements of the public procurement system, such as e-tendering; (vii) and support capacity development for those involved in public procurement.
- 1.28 Strengthen Central Purchasing Department (CPD) by supporting rationalization and improvements in CPD operations, especially with regard to expanded application of supply chain management and the provision of other modern techniques in public procurement, in addition to improvements in Information and Communication Technology (ICT) and general physical accommodation of the CPD.
- 1.29 Strengthen the Office of the Solicitor General, including support for the implementation of more efficient contract preparation, expanded use of ICT systems, professional and technical support and training.
- 1.30 Provide training in procurement, in general, and more specifically in complex contractual arrangements, such as Public Private Partnerships, to the Office of the Auditor General.
- 1.31 Improve capacity of the Tenders and Special Tenders Committees by analyzing how these bodies currently operate and recommending improvements in their structures and functions. Training will be provided in procurement matters, including more innovative contracting methods.
- 1.32 Strengthen the ministries, departments, statutory bodies, supplier community and other related entities by providing support on the implementation of the instituted regulations and related tools. Some directed assistance would be provided to

entities dealing at arm's length with public procurement such as the Accountant General, the Judiciary and Members of the Parliament.

- 1.33 This component will finance the following: (i) equipment and furniture for the Special Projects Unit (SPU)/PPU; (ii) specialized training for the staff of the SPU/PPU (the Bank will recognize the salaries of most of the staff of the SPU/PPU during project execution as the financial counterpart); (iii) a consultancy and training in supply chain planning and procurement management; (iv) furniture, equipment, and renovations to the warehouse of the CPD; (v) training and required support for the Office of the Solicitor General, Office of the Auditor General, and Tenders and Special Tenders Committees; and (vi) training for other public and private procurement professionals, including material, location, and subsistence.

**Component III – Procurement institutional capacity strengthened (US\$635,000)**

- 1.34 This component will assist the GOB to initiate and implement a career stream in public procurement within the civil service and to establish a sustainable, on-going training program in public procurement. The component is to have three sub-components:
- 1.35 Development of PPU and CPD organizational structures and job descriptions with specific attention to the staffing of PPU in accordance with the profiles developed, and strengthening of CPD with the rationalized structure and newly developed profiles.
- 1.36 Development of strategic plan in career-stream and relevant human resource manual through which personnel handling public procurement shall be accredited and identified as procurement specialists within the civil service.
- 1.37 Implementation of continuous professional development programs, including the preparation of related materials to train public officials at all levels in public procurement.
- 1.38 This component will finance the following: (i) consultancy in strategic planning and human resource career path development; (ii) customized training program tools, including equipment; and (iii) consultancy in preparation and implementation of a change management strategy.

**Component IV - Technological infrastructure modernized and updated (US\$1,585,000)**

- 1.39 The component will focus on the establishment of an e-tendering system (dissemination of procurement opportunities and results of tenders/procurement processes) throughout all procurement sub-systems in Barbados and will comprise three sub-components:
- a. Development and implementation of a Technological Infrastructure Plan, which will map the requirements in terms of procurement related hardware and software throughout the public service. Any new systems to be developed shall take into account the existing ICT based financial management systems.
  - b. Development and implementation of an E-Tendering System, inclusive of training of procuring entity personnel for the full use of the system.
  - c. Automation of the procurement tendering process, which will contribute to more efficient implementation of the procurement function.
- 1.40 This component will finance the following resources: (i) consultancy to develop ICT strategic plan; (ii) IT equipment to modernize the entities involved in the procurement system; (iii) acquisition of an E-tendering and purchasing application software package and (iv) associated training and logistics.
- 1.41 **Cost.** The following table summarizes project costs, classified by component and source of funding:

**Table 1.1. Project Budget (all amounts in US\$)**

Categories	IDB	Local	Total	% of Total
<b>1. Supervision and Administration<sup>3</sup></b>	<b>100,000</b>	<b>950,000</b>	<b>1,050,000</b>	<b>17.6</b>
1.1 SPU/PPU	100,000	950,000	1,050,000	17.6
<b>2. Direct costs</b>	<b>4,670,000</b>	<b>0</b>	<b>4,670,000</b>	<b>78.5</b>
2.1 Public procurement regulatory framework strengthened	660,000	0	660,000	11.1
2.2 Procurement operations and marketplace improved	1,790,000	0	1,790,000	30.1
2.3 Procurement institutional capacity strengthened	635,000	0	635,000	10.7
2.4 Technological infrastructure modernized and updated	1,585,000	0	1,585,000	26.6
<b>Subtotal</b>	<b>4,770,000</b>	<b>950,000</b>	<b>5,720,000</b>	<b>96.1</b>
<b>3. Concurrent Costs</b>	<b>150,000</b>	<b>0</b>	<b>150,000</b>	<b>2.5</b>
3.1 Evaluations	50,000	0	50,000	0.8
3.2 External Auditing	100,000	0	100,000	1.7
<b>4. Contingencies</b>	<b>80,000</b>	<b>0</b>	<b>80,000</b>	<b>1.3</b>
<b>TOTAL</b>	<b>5,000,000</b>	<b>950,000</b>	<b>5,950,000</b>	<b>100%</b>

<sup>3</sup> Budget resources included under Supervision and Administration will also cover the cost of the Procurement Policy Unit described earlier during the program implementation period.

## F. Results framework and key indicators

1.42 In the following table, the key indicators selected for the project are presented:

**Table 1.2. Results Framework and Key Indicators**

Key indicators	Period measured	Reason for selecting the indicator
Average number of bidders for public procurement is increased	During project execution	These are key indicators to confirm that project activities are being accepted by those responsible for public procurement and are having their intended consequences.
Procurement awards achieved within bid validity period		
Public procurement entities using standard bidding documents, uniform contracts		
Public bid opportunities above B\$100,000 threshold as well as results of tenders/procurement processes announced electronically	End of project	This is a key piece of the project that will promote both efficiency and transparency in public procurement.
Public procurement in Barbados aligned with international procurement best practices, as applicable, taking into account developments within the CSME government procurement regime.	Within one year after project completion	The strategy of the project is to apply international best practices, as applicable, to the procurement field in Barbados, taking in account actions taking place in the CSME related to government procurement.

## II. FINANCIAL STRUCTURE AND MAIN RISKS

### A. Financing Instruments

2.1 The proposed project qualifies as an Institutional Development Sector Facility (IDSF) as it fully complies with the criteria for this type of instrument.<sup>4</sup> The activities financed under this operation fall into the institutional development and organizational support and restructuring areas described in the IDSF document.

### B. Environmental and social mitigation measures

2.2 It is not anticipated that the activities to be financed will have negative direct social or environmental effects; however, the development of the legal and procedural framework will comprise efforts towards the adoption of environmentally responsible procurement practices. Based on the aforementioned, and according to the ESR Safeguard Screening form, the operation has been classified as “C”.

<sup>4</sup> According to IDSF document (GN-2223) approved in November 2002 by the Board of Executive Directors.

## C. Fiduciary risk

- 2.3 The fiduciary risk of the project is moderate. As the MFEE has limited direct experience implementing Bank funded projects, it will require training and regular assistance during at least the first year of implementation. Despite this, by its very nature, the MFEE, as guarantor and counterpart, is familiar with Bank procedures as well as the national financial and procurement systems in place. Management of the project by a strong team of professionals and the support of the MFEE, the PIU and CPD, which have been actively involved in the project's conceptualization and development, should allow for satisfactory implementation.

## D. Other special considerations

- 2.4 In the table below, the principal risks associated with the project are identified along with measures to manage those risks.<sup>5</sup>

**Table 11.1 - Key Project Risks and Risk Management Plan**

<b>Risks</b>	<b>Risk Management Actions</b>
<b>1. Resistance to change</b> by different stakeholders in the public procurement system	Involve the project's diverse stakeholders in finalizing project details. Change management training to demonstrate potential benefits to the stakeholders of the activities promoted under the project
<b>2. Stakeholders do not adapt to use of new procurement framework and systems</b> , do not have access to the necessary hardware, software, connectivity	Assure that the project's systems design reflects the country's level of ICT development. Put in place a comprehensive training program for stakeholders.
<b>3. Difficulties in coordination among the different stakeholders</b> in the project, assuring their participation	Upon approval of the loan, promptly secure Cabinet approval to create Project Steering Committee (PSC), involving members of the PSC in project start up decisions. Special Projects Unit (SPU) should generate useful quarterly or semi-annual reports for the members of the PSC to assist with decision-making.
<b>4. PPU is not given the necessary authority</b> , is viewed as an additional bottleneck in the public procurement process	Assure selection of highly qualified staff for the PPU with confidence of and access to the PS MFEE. Clearly define the composition and role of the SPU in the project manual. Make resources available to the SPU to function effectively and to resolve problems that arise during implementation.
<b>5. Baseline, monitoring and evaluation systems not put in place</b> , producing difficulties in demonstrating results	Resolve problem of lack of availability of statistical data on public procurement to formulate the project's baseline. Finalize the Results Framework, assuring that the necessary mechanisms are put in place to gather the required data.
<b>6. Insufficient commitment to take necessary steps toward e-government</b> , including systemization of procurement (e-tendering)	Closely coordinate with Government authorities, (Accountant General) plans to establish web sites across the Barbadian public sector.

<sup>5</sup> The Risk Matrix is the result of interviews with a wide range of project stakeholders and the risk management actions reflect a consensus of participants from the MFEE, Public Investment Unit and Central Purchasing Department.

### III. IMPLEMENTATION AND MANAGEMENT PLAN

- 3.1 **Summary of implementation measures.** The borrower will be the Government of Barbados and the executing agency the Ministry of Finance, Economic Affairs, and Energy. The project will be based within the Special Projects Unit of the MFEE, which is managed by the Permanent Secretary, Special Assignments. A full-time project coordinator (PC) will be assigned to the project and will be responsible for day-to-day project management and technical leadership, monitoring and evaluation, and who will serve as the focal point for communication between the executing agency, the Bank and other participating institutions. The PC will receive technical support from a pool of specialists and support staff from within the SPU. As required, the SPU may outsource technical and professional support in areas such as ICT and legal services. The individual functions will be specified in the Project Operating Manual. **The appointment of the Project Coordinator will be a condition prior to first disbursement. Evidence of acceptance by the Project Steering Committee of the Project Operating Manual will be a condition prior to first disbursement.**
- 3.2 A Project Steering Committee (PSC), comprising representatives from key government stakeholder institutions as well as representatives of the private sector, will provide strategic direction, coordination and support for project execution. The PSC will be responsible for monitoring progress against agreed benchmarks, assessing the continued viability of the project, facilitating inter-agency coordination, promoting high-level *buy-in* to the project by participating agencies, and channeling to the appropriate authority policy and organizational issues requiring government decision-making or international involvement. Detailed terms of reference, composition and meeting protocols for the PSC are included in the Project Operating Manual. **The establishment of the PSC will be a condition prior to first disbursement.**
- 3.3 The disbursement period will be 60 months. Retroactive financing and recognition of local counterpart will be possible up to the equivalent of US\$500,000 for expenses incurred related to the project's implementation. These expenses will be approved provided that: (i) they were incurred after January 1, 2008; (ii) any activities are consistent with the components of the project; and (iii) the procurement is consistent with the Bank's procurement policies.
- 3.4 Works, goods and consulting services will be procured in accordance with Bank policy (documents GN-2349-7 and GN-2350-7). Project procurement and contracting will be subject at least during the first year of implementation to ex-ante review by the Bank. Based on an assessment by the Bank of the experience with project management by the SPU during the first year, the Bank will determine whether to continue with ex-ante review or apply ex-post reviews to certain types of contracting. **The presentation for the Bank's non-objection of the updated versions of the Annual Operating Plan for the first year of**

**project execution and the Project Procurement Plan for the first 18 months of implementation will be a condition prior to first disbursement.**

- 3.5 **Summary of results-monitoring measures.** An administration mission will be conducted annually to monitor relevant technical, operational and financial aspects of the project. The SPU will be responsible for developing the system for gathering and maintaining the data related to the different indicators included in the Results Framework. An evaluation consultant may be hired, if necessary, during the first semester of execution to assist in determining the methodology and gathering the data for the baselines of certain project indicators. Progress toward meeting the different targets will be evaluated and communicated to the Bank in semi-annual progress reports.
- 3.6 At the end of 24 months from the date of the loan contract or after 50% commitment of the resources, whichever comes first, a **mid-term review** is to take place with the help of an external consultant who will focus on, among other things: (i) level of progress in attaining the project's objectives stated in the Results Matrix; (ii) level of acceptance of procedures developed under the project; and (iii) degree of effectiveness of the internal and the Bank's monitoring and supervision system.
- 3.7 The **final evaluation**, to be carried out also with the help of an external consultant, is to take place after 90% of loan resources have been committed. The evaluation will assess: (i) degree of attainment of project objectives in relation to plans and reasons for any variances; (ii) the organization established for project execution; (iii) implementation and acceptance of procedures and systems developed through the project; (iv) sustainability of the activities funded under the project; and (v) lessons learned that could be applied to future public sector reform projects. The result of this final evaluation will be used as input for the project completion report to be prepared by the Bank.
- 3.8 **Important activities subsequent to approval.** The MFEE has already commenced the process of seeking approval within the Government to staff the SPU. Once the positions have been established and the professionals selected—the vast majority of whom will already be civil servants—these individuals should review the Annual Operating Plan and Procurement Plan for the first 18 months and finalize the terms of reference prepared for the different activities.

## BARBADOS

### MODERNIZATION OF THE BARBADOS NATIONAL PROCUREMENT SYSTEM (BA-L1004)

#### ANNEX I - Results Framework

<b>Project Objective</b>	<p>The Project's goal is to support the Government of Barbados in modernizing its national procurement system.</p> <p>Its purpose is to improve the effectiveness of the procurement system, saving time and money through competitive prices and reduced process time, while ensuring the transparency and integrity of the system.</p>		
Outcome Indicators	Base Level 2008	Target Level 2015	Comments
Public procurement in Barbados aligned with international procurement best practices, as applicable, while taking into account developments within the Caribbean Single Market Economy (CSME) government procurement regime.	CPAR 2004 and project diagnostic.	Within 2 years after project completion, independent evaluation concludes that public procurement system in Barbados is aligned with international procurement best practices, as applicable.	<p>Independent procurement expert's analysis based on OECD-DAC Methodology for the Assessment of National Procurement Systems</p> <p>Procurement Policy Unit (PPU)</p> <p>Government provides strong support to the Project, assuring sustainability of Project funded activities.</p>
The average unit price in real terms of selected index of goods, works and services procured decreases.	X (represents price index of representative sample of selected goods, works and services procured in 2008) <sup>1</sup>	After 5 years – X decreases by 15% in real terms	<p>Special Projects Unit (SPU)/Procurement Policy Unit (PPU) report.</p> <p>Limited market size and Government policy of promoting greater participation by small and medium size national enterprises do not unduly restrict competition. Expectation: greater awareness of</p>

<sup>1</sup> To be determined during the first months of program implementation.

Outcome Indicators	Base Level 2008	Target Level 2015	Comments
Users (public procurement entities and suppliers) of public procurement system assign it a <i>satisfactory</i> or higher rating in terms of efficiency, transparency and ease of use.	X% represents % of users assigning a satisfactory or higher rating in 2008 <sup>2</sup> .	After 5 years, at least 90% of users give a satisfactory or higher rating.	procurement opportunities and standardization of documentation leads to increase in the number of bidders.  Bi-annual survey of public procurement entities and private sector suppliers administered by the SPU/PPU, possibly with the support of an independent 3 <sup>rd</sup> party.  Willingness of public procurement entities and private sector suppliers to objectively complete survey.
Statistical information on public procurement entities is captured in the system.	Very limited statistical information available through Smart Stream - not currently accessed by stakeholders.	End of project -- at least 90% of public procurement, including statutory bodies, captured in the statistical system and accessed by stakeholders.	Annual SPU/PPU reports.  Willingness on the part of public procurement entities to comply with requirement to register procurement data or submit requested information.

<sup>2</sup> To be determined during the first months of program implementation.

Component	Base	Year 1	Year 2	Year 3	Year 5	Target	Comments (Means of Verification, and Party Responsible, and Assumptions)
<b>Component 1 - Public procurement regulatory framework strengthened</b>							
<b>Outputs</b>							
Issuance of procurement policy statement, amended procurement regulations and procedures, manual consistent with existing legislation	Currently does not exist.	Within 12 months of disbursement of the Project.				Compliance with policy statement, amended procurement regulations.	Documentation provided by the SPU/PPU  SPU/PPU and Office of the Solicitor General (SG)  Support of Ministry of Finance, Economic Affairs and Energy (MFEE) and collaboration between SPU/PPU, MFEE and SG.
Standard bidding documents and contracts prepared, disseminated, use of which made mandatory.	Currently do not exist.		Within 18 months of disbursement eligibility of the Project.			Standard bidding documents used in at least 90% of public procurement	Documentation provided by the SPU/PPU  SPU/PPU and SG  Collaboration between SPU/PPU, MFEE and SG.

Intermediate Outcomes						
Public procurement entities using standard bidding documents and contracts	0%, currently no standard bidding documents and contracts exist	At least 50% compliance	At least 90% compliance	At least 90% compliance	Reports of SPU/PPU, SG, and the Office of the Auditor General	
					SPU/PPU / SG / Office of the Auditor General	
					Standard bidding documents and contracts are drafted and issued to the public procurement entities. Training in their use is provided.	
Independent procurement appeals mechanism determined and made operative	Currently does not exist	Appeals mechanism determined within 24 months of disbursement eligibility of the Project	Independent procurement appeals mechanism functioning		Documentation provided by the SPU/PPU	
					SPU/PPU / SG	
					Support of MFEE and compliance of government procuring entities	
Procuring ministries and departments comply with amended procurement regulations	0%, revised regulations not yet promulgated	At least 50% compliance	At least 90% compliance	At least 90% compliance	Reports of SPU/PPU and the Office of the Auditor General	
					SPU/PPU	
					Amended procurement regulations promulgated	

<b>Outcomes</b>						
Comprehensive procurement legislation drafted, derived from project experience and international best practices	Currently does not exist			Procurement legislation drafted within 36 months of disbursement eligibility of the Project	Comprehensive procurement legislation submitted to Cabinet and Parliament	Documentation provided by the SPU/PPU  SPU/PPU / SG  Interest of MFEE, Cabinet, collaboration of SG
<b>Component 2 – Procurement operations and marketplace improved</b>						
<b>Outputs</b>						
Standardized requirements for contracting ministries to request contract preparation from Office of Solicitor General in place.	Currently do not exist	Standardized requirements in place within 12 months of disbursement eligibility of the Project	50% of contracting ministries and departments follow standard requirements to request contract preparation.		Contracting ministries and departments follow standard requirements to request contract preparation	Documentation provided by the SPU/PPU  SPU / SG  Support of SG, compliance of procuring ministries and departments
System to gather procurement statistical information operative	Currently no centralized gathering and analysis of statistical information takes place	System to gather procurement statistical information established within 12 months of disbursement eligibility of the Project			Procurement statistical information available to stakeholders as well as general public	Documentation provided by the SPU/PPU  SPU/PPU / Accountant General  Strong leadership of SPU and compliance of procuring ministries and departments

Intermediate Outcomes						
Comprehensive procurement training implemented in phases	Currently does not exist	First phase of procurement training completed within 18 months of disbursement eligibility of the Project		Personnel responsible for public procurement receiving continuous training	Documentation provided by the SPU/PPU  SPU/PPU  Support of procurement entities and their respective personnel	
PPU fully staffed under the MFEE	Currently does not exist		PPU fully staffed within 36 months of disbursement eligibility of the Project	PPU functioning as normative, regulatory body for procurement matters in Barbados	Documentation provided by the SPU  SPU / PPU  Support of MFEE	
Training and software, if necessary, for evaluation of new types of public sector contracting (ex. public private partnerships - ppp) for the Office of the Auditor General	Currently does not exist	Training provided for evaluation of new types of public sector contracting within 24 months of disbursement eligibility of the Project		Office of the Auditor General performing audits of new types of contracting	Documentation provided by the SPU/PPU  SPU/PPU / Office of the Auditor General  Participation of the staff of the Office of the Auditor General	

<b>Component 3 - Procurement institutional capacity strengthened</b>						
<b><u>Outputs</u></b>						
Strategic plan for developing procurement professionals for public procurement entities, including statutory bodies.	Currently does not exist	Strategic plan prepared within 18 months of disbursement eligibility of the Project		Plan for continuous training program for procurement professionals	Documentation provided by the SPU  SPU/PPU, Civil Service  Support and good coordination between SPU and Ministry of Civil Service	
<b><u>Intermediate Outcomes</u></b>						
Organizational structure and job descriptions developed for PPU, Central Purchasing Department (CPD) and other public procurement entities	Organizational structures or proposals for revised structures do not yet exist	Organizational structures drafted within 18 months of disbursement eligibility of the Project		Job descriptions for public procurement professionals and new organizational structures in place	Documentation provided by the SPU/PPU  MFEE / Ministry of Civil Service / CPD  Support of key stakeholder institutions	
<b>Component 4 - Technological infrastructure modernized and updated</b>						
<b><u>Intermediate Outcomes</u></b>						
E-tendering system and public procurement opportunities webpage established and running.	Currently do not exist		Within 30 months of disbursement eligibility of the Project	E-tendering system and public procurement opportunities web page operative	Documentation provided by the SPU/PPU  SPU/PPU  Coordination between SPU/PPU, Accountant General, and public procurement entities	

Web based contract preparation system put in place by the Office of the Solicitor General	Currently does not exist			Within 30 months of disbursement eligibility of the Project	Web based contract preparation system functioning for SG with all ministries and departments	Documentation provided by the SPU/PPU  SPU/PPU/SG  Support of SG, compliance of procuring ministries and departments
<b>Outcomes</b>						
Public bid opportunities and the names of winners above BS100,000 threshold (or revised threshold of BS200,000 for international and national competitive bidding) announced electronically	0% (very limited use of electronic means to disseminate requests for bids, currently used in a partial manner by the Barbados Drug Service and CPD; no current dissemination of the names of the winners)			At least 90% of bid opportunities above BS100,000 (or revised threshold of BS200,000 for international and national competitive bidding) announced electronically	At least 90% of bid opportunities above BS100,000 (or revised threshold of BS200,000 for international and national competitive bidding) announced electronically	Reports of SPU/PPU and Office of the Auditor General  SPU/PPU / Office of the Auditor General  E-tendering system made operative without the need for any significant legislative changes

Combination of Components					
Outputs					
Procurement awards achieved within bid validity period	X (represents % of representative sample of contracts formalized within bid validity period in 2008) <sup>3</sup>	at least 33% of procurement awards achieved within bid validity period	at least 90% of contracts achieved within bid validity period	at least 90% of contracts achieved within bid validity period	Annual SPU/PPU reports SPU/PPU  Staff involved in procurement at the different institutions utilize standard documentation (bidding documents and contracts) and avail themselves of training opportunities.
Intermediate Outcomes					
Average number of bidders for public procurement is increased	X (represents average number of bidders in a representative sample of procurement processes in 2008) <sup>4</sup>	Average number of bidders for public procurement increases by 50%	Average number of bidders for public procurement increases by 100%	Average number of bidders for public procurement increases by 100%	Annual SPU/PPU reports SPU/PPU  Small market size and implementation of a policy to promote greater participation by small and medium size national enterprises in government procurement do not unduly restrict the number of bidders.  Expectation: greater awareness of procurement opportunities leads to increase in the number of bidders.

<sup>3</sup> To be determined during the first months of program implementation.

<sup>4</sup> To be determined during the first months of program implementation.

Project number: **BA-L1004** and Loan Contract number: \_\_\_\_\_ *[when available]*  
Period included in this Procurement Plan: From: 12/2008 until 06/2010 (Est. 1<sup>st</sup> 18 months of project)

Ref. No. <sup>1</sup>	Description and type of the procurement contract	Estimated Contract Cost (US\$000)	Procurement method <sup>2</sup>	Review (ex-ante or ex-post)	Source of financing		Pre-qualification <sup>3</sup> (Yes/No)	Estimated dates		Status <sup>4</sup> (pending, in process, awarded, cancelled)	Comments/ Recommendations
					IDB %	Local/ Other %		Publication of specific procurement notice	Completion of contract		
	<b>I. Goods</b> <b>Technological Infrastructure Moderniz.</b>			<b>Ex Ante</b>	100		NO				
	(a) <b>Good 1</b> Acquisition IT equipment	750K	ICB (good 1&2)								Year 3 for good 1&2
	(b) <b>Good 2</b> software package e-Tendering (to include information on opportunities/awards)	300K									
	(c) <b>Good 3</b> Software for contract preparation to improve workflow at <b>Office of the Solicitor General</b>	100K	NCB								Year 1 for good 3
	(d) <b>Good 4</b> Furniture	250K	PC								(500K sec 2.3.1.2 from budget)

<sup>1</sup> If a number of similar individual contracts were to be executed in different places or at different times, these can be grouped together under a single heading, with an explanation in the comments column indicating the average individual contract amount and the period during which they would be executed. For example, an education project that includes school construction might include an item "school construction" for a total of US\$20 million, and an explanation in the comments column such as: "This encompasses some 200 contracts for school construction averaging US\$100,000 each, to be awarded individually by participating municipal governments over a three-year period between January 2006 and December 2008."

<sup>2</sup> **Goods and Works**: **ICB**: International competitive bidding; **LIB**: limited international bidding; **NCB**: national competitive bidding; **PC**: price comparison; **DC**: direct contracting; **FA**: force account; **PSA**: Procurement through Specialized Agencies; **PA**: Procurement Agents; **IA**: Inspection Agents; **PLFI**: Procurement in Loans to Financial Intermediaries; **BOO/BOT/BOOT**: Build, Own, Operate/Build, Operate, Transfer/Build, Own, Operate; **PBP**: Performance-Based Procurement; **PLGB**: Procurement under Loans Guaranteed by the Bank; **PCP**: Community participation procurement; **Consulting Firms**: **QCBS**: Quality- and Cost-Based Selection **QBS**: Quality-Based Selection **FBS**: Selection under a Fixed Budget; **LCS**: Least-Cost Selection; **CQS**: Selection based on the Consultants' Qualifications; **SSS**: Single-Source Selection; **Individual Consultants**: **NICQ**: National Individual Consultant selection based on Qualifications; **IFCC**: International Individual Consultant selection based on Qualifications

<sup>3</sup> In the case of new Policies it applies only for Goods and Works. In the case Old Procurement Policies it applies for Goods, Works and Consulting Services.

<sup>4</sup> This column "Status" should be used for retroactive procurement and for procurement plan updates.



Ref. No. <sup>1</sup>	Description and type of the procurement contract	Estimated Contract Cost (US\$000)	Procurement method <sup>2</sup>	Review (ex-ante or ex-post)	Source of financing		Pre-qualification <sup>3</sup> (Yes/No)	Estimated dates		Status <sup>4</sup> (pending, in process, awarded, cancelled)	Comments/ Recommendations
					IDB %	Local/ Other %		Publication of specific procurement notice	Completion of contract		
1.	<u>Consulting services</u> <ul style="list-style-type: none"> <li>Technological Infrastructure Modernized</li> </ul> 1) Preparation strategic plan Procurement IT  <ul style="list-style-type: none"> <li>Strengthen public procurement regulatory framework</li> </ul>				100		NO				
		85K	ICQS	Ex Ante							
		45K	ICQS	Ex Ante							
		45K									
2.	<u>Consulting services</u> <ul style="list-style-type: none"> <li>Strengthen public procurement regulatory framework</li> </ul> -1) Consulting firm to draft changes to existing procedures/policy, manuals, standard documentation and evaluation reports -2) Seminars, including logistics -3) Implementation training on new instruments, manuals, standard bidding docs, including logistics -4) Consulting firm to draft new procurement law, taking into account intl. agreements	150K	QCBS	Ex Ante							
		90K									
		300K									
		75K									
											Year 1 – Intl. consultation <b>Strengthen public procurement regulatory framework</b> Consulting firm contracts Sub Tot 615K

[illegible]

	<b>Civil works</b> <b>Work 1</b> Logistics support: general physical accommodation of the CPD	250K	NCB	Ex Ante							(500K sec 2.3.1.2 from budget)
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