

PROJECT STATUS REPORT

JULY 2011 - DECEMBER 2011

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Regional Integration of Public Procurement

Project Number: RG-M1162 - Operation Number: ATN/ME-11510-RG

Purpose: To facilitate the completion and agreement on a regional procurement policy and associated Protocol to achieve common policies in government procurement consistent with the CARICOM Single Market Economy (CSME).

Country Administrator
GUYANA

Beneficiary Country
BARBADOS, BAHAMAS, GUYANA,
JAMAICA, TRINIDAD AND TOBAGO

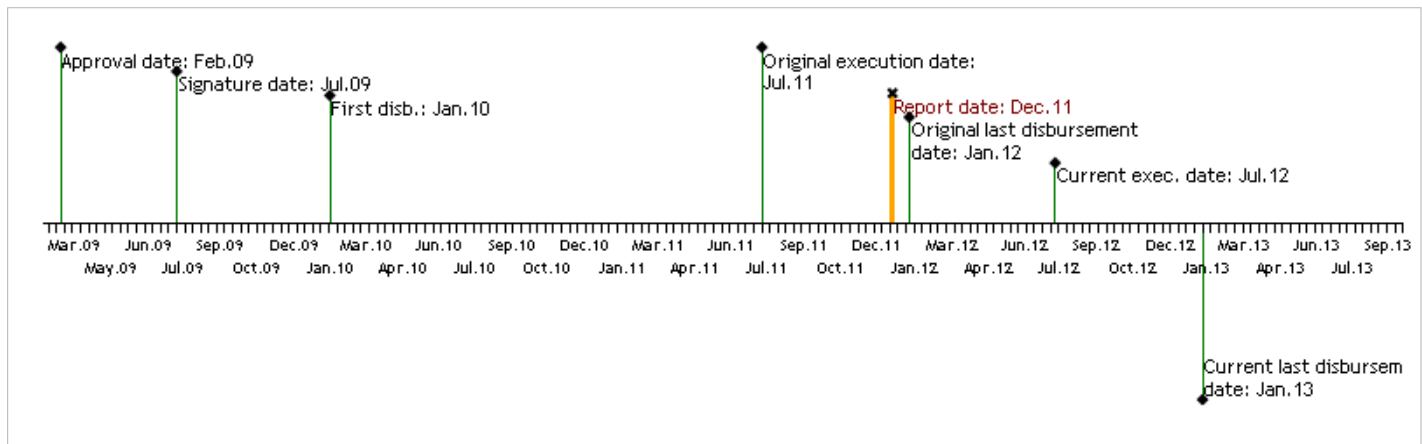
Group
MDF - Market Development and
Functioning

Subgroup
PROC - Public Sector Procurement

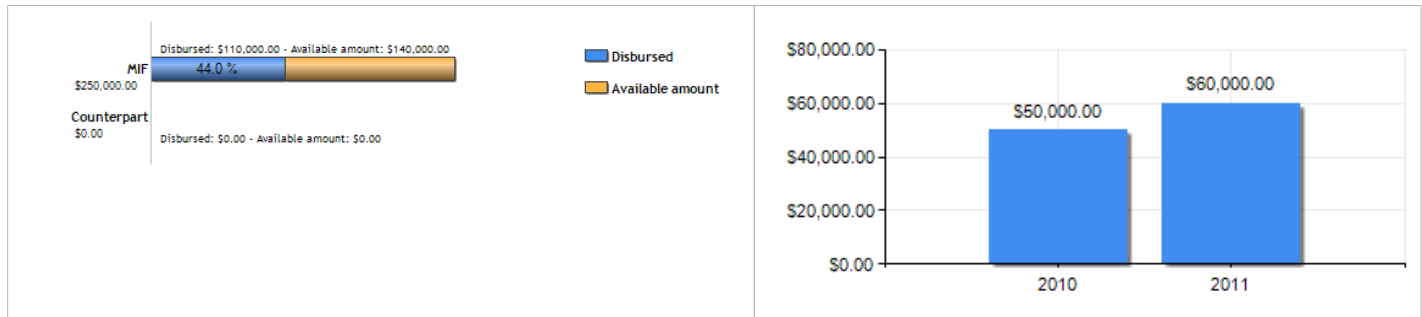
Executing Agency: CARIBBEAN COMMUNITY SECRETARIAT

Design Team Leader: Korn, Joel
Supervision Team Leader: Korn, Joel

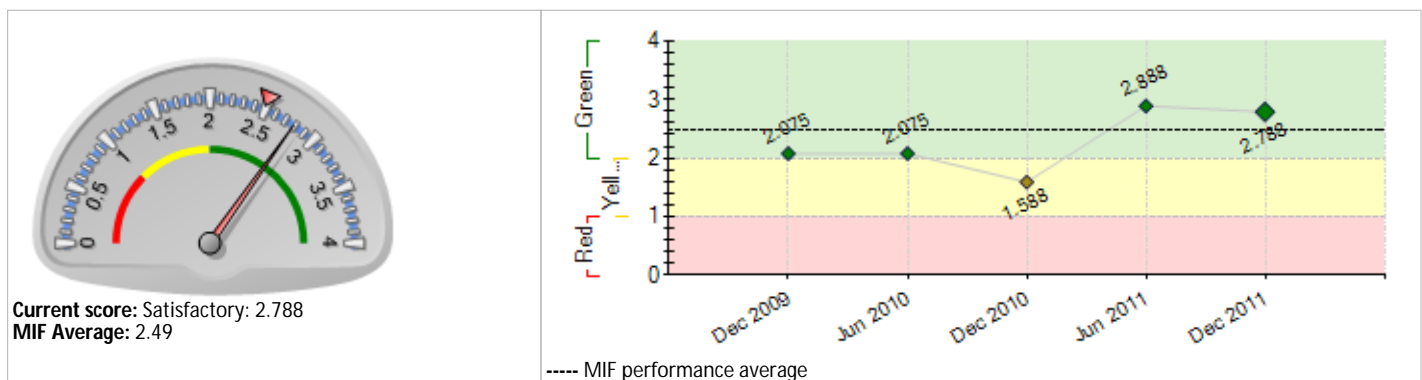
TIMELINE



FUNDS



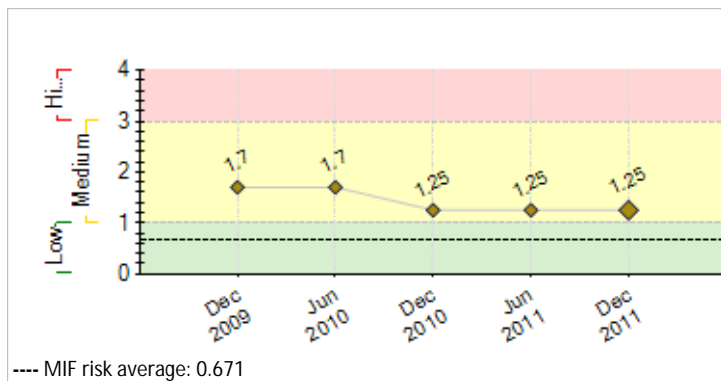
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

Risk
Financial Management: Low
Procurement: Low
Technical Capacity: Low



SECTION 2: PERFORMANCE

Summary of project performance since inception

With the completion of national consultations July to October 2011, Component I is complete.

Component II has commenced as the CARICOM Secretariat in Georgetown, Guyana has engaged a Legal consultant to draft the Public Procurement Protocol. This work is ongoing. Completion of the draft Protocol is a key activity which is expected to trigger completion of the last two milestones.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Summary of project performance in the last six months

From July to October 2011, 356 persons from the public and private sector in Jamaica, Belize, Antigua and Barbuda, Montserrat, St. Lucia, and St. Kitts and Nevis have been exposed to the Framework Regional Integration Policy on Public Procurement (FRIP), including its background, development, scope and substantive provisions.

There was general satisfaction with the progress of the reform and modernization of public procurement within CARICOM specifically with the approval of the Framework Regional Integration Policy on Public Procurement (FRIP). Stakeholders expressed satisfaction with the policy approval and are eager for the next steps to commence including the Protocol to amend the Revised Treaty of Chaguaramas (RTC) and ratification by Member States.

Despite the foregoing, stakeholders in every Member Country from both the private and public sectors have expressed some uncertainty as to whether governments will in fact implement the substantive provisions of the policy and protocol.

Both groups of stakeholders are eagerly anticipating:

1. Substantive provisions in a set of legally binding and clearly defined rules and procedures
2. Registry of suppliers
3. Electronic advertising
4. Capacity Building opportunities
5. Monitoring body
6. Increased transparency and procedural fairness
7. Decreased political interference
8. Forum for supplier challenge and review
9. Dispute resolution
10. CSME Free movement of labour to enable accessing non national contracts

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

SECTION 3: INDICATORS AND MILESTONES

Indicators	Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
P.11 Final Protocol ratified by the Community Council and signed by the Heads of Government amending the revised Treaty of Chaguaramas	0				1 Jul 2012	0	

Purpose:

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CARICOM Single Market Economy (CSME).

Component 1: Development of Policy Document on public procurement**Weight:** 40%**Classification:** Satisfactory

C1.11	Agreement on Public Procurement Policy, including Thresholds, by Joint Meeting of the Council of Trade and Development, comprising CARICOM ministers responsible for trade and economic development (COTED)	0				1	1	Finished
						Jul 2010	May 2011	
C1.12	Public Procurement Policy Document consulted nationally	0				1	1	Finished
						Jul 2010	Oct 2011	

Component 2: Complete drafting and consultations on Final Protocol**Weight:** 60%**Classification:** Satisfactory

C2.11	2nd Draft Protocol by the Chief Parliamentary Councils reviewed	0				1		Delayed
						Jul 2011		
C2.12	Final Draft Protocol prepared and consulted nationally	0				1	1	On Course
						Jul 2011	Oct 2011	

Milestones	Planned	Due Date	Achieved	Date achieved	Status
M0 Procurement expert prepares recommendations on thresholds for Final Policy Document	1	Oct 2009	1	Apr 2010	Achieved late
M1 Regional meeting of Member States to determine threshold methodology: Joint Meeting of COTED and COFAP to review draft Final Policy Document	1	Jan 2010	1	Jun 2010	Achieved late
M2 Conditions Prior - Mobilize project	6	Jan 2010	6	Jan 2010	Achieved
M3 [*] National consultations on Final Policy Document	1	Dec 2011	1	Oct 2011	Achieved
M4 [*] Procurement legal expert prepares draft text and Final Protocol	1	Mar 2012			
M5 [*] Meeting of the Chief Parliamentary Councils to review the Draft Protocol	1	May 2012			
M6 [*] National consultations on Final Draft Protocol	1	Jul 2012			

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

- [X] Executing agency institutional capacity
- [X] Borrower/executing agency commitments
- [X] Community/political opposition

SECTION 4: RISKS**MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. Opposition of domestic private sector in the respective countries to lower thresholds (market access level of entry by non-host country companies for Community companies' participation in individual country procurement)	Medium	Involvement of key private sector stakeholders throughout the process, especially in the stakeholder consultations.	CCS Project Coordinator
2. Continued political commitment of CARICOM member states to common public procurement policy.	Medium	Active effort to inform and involve key actors in the process through a series of national and regional meetings.	CSME Unit
3. Lack of leadership, government buy-in to achieve common policies in government procurement consistent with the CSME.	Medium	Include key stakeholders in the process and widely disseminate the results of the stakeholder consultations.	CCS Project Coordinator
4. Many factors influence economic growth and in a more significant than increased efficiency in public procurement - i.e. global economic recession, natural disasters	Low	Nothing can be done through the project to mitigate such factors.	CCS Project Coordinator

PROJECT RISK LEVEL: Medium **TOTAL NUMBER OF RISKS:** 4 **IN EFFECT RISKS:** 4 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 0**SECTION 5: SUSTAINABILITY****Likelihood of project sustainability after project completion:** P - Probable**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY****Issue****Comments**[X] Lack of **commitment** from the executing agency to continue or expand the project's services and/or activities[X] Relevant actor's **opposition or lack of interest** to continue with the project's activities or services[X] Lack of organizational, managerial and financial management capacity to **continue** and sustain the program once the execution phase is finalized.**Actions related to sustainability which will be or have been implemented:**

356 persons from the public and private sector in Jamaica, Belize, Antigua and Barbuda, Montserrat, St. Lucia, and St. Kitts and Nevis have been exposed to the Framework Regional Integration Policy on Public Procurement (FRIP), including its background, development, scope and substantive provisions.

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Both the public and private sector stakeholders who participated in the consultations have expressed clear expectations and we can expect to see them holding governments accountable and pushing for completion of the reform process.

The consultations have increased the visibility of the project and the Regional effort at reforming procurement in CARICOM. This increased visibility and public relations will contribute to project completion.

SECTION 6: PRACTICAL LESSONS

[No lessons learned added yet.]