Explore business opportunities at the World Bank

November 2016
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World Bank Procurement Video: How to bid, finding opportunities, what makes a successful bid

March 30, 2016
In 2016, we will begin...

275 operations

$ 45.86 bi
# Active Portfolio Net Commitments

**Billions of Dollars, as of June 30, 2016**

<table>
<thead>
<tr>
<th>Region</th>
<th>IBRD</th>
<th>IDA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>5.5</td>
<td>50.5</td>
<td>56.1</td>
</tr>
<tr>
<td>East Asia and Pacific</td>
<td>21.8</td>
<td>10.6</td>
<td>32.3</td>
</tr>
<tr>
<td>Europe and Central Asia</td>
<td>24.8</td>
<td>2.4</td>
<td>27.2</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>26.9</td>
<td>1.9</td>
<td>28.8</td>
</tr>
<tr>
<td>Middle East and North Africa</td>
<td>13.7</td>
<td>0.8</td>
<td>14.5</td>
</tr>
<tr>
<td>South Asia</td>
<td>17.6</td>
<td>30.9</td>
<td>48.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>110.2</strong></td>
<td><strong>97.1</strong></td>
<td><strong>207.3</strong></td>
</tr>
</tbody>
</table>

*Note: Numbers may not add to totals because of rounding.*
**FY16 Top Ten Country Borrowers**

<table>
<thead>
<tr>
<th>IBRD COUNTRY</th>
<th>COMMITMENT</th>
<th>IDA COUNTRY</th>
<th>COMMITMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peru</td>
<td>2,850</td>
<td>Ethiopia</td>
<td>1,862</td>
</tr>
<tr>
<td>India</td>
<td>2,820</td>
<td>Vietnam</td>
<td>1,670</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>2,058</td>
<td>Bangladesh</td>
<td>1,557</td>
</tr>
<tr>
<td>China</td>
<td>1,982</td>
<td>Pakistan</td>
<td>1,460</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1,700</td>
<td>Nigeria</td>
<td>1,075</td>
</tr>
<tr>
<td>Ukraine</td>
<td>1,560</td>
<td>India</td>
<td>1,025</td>
</tr>
<tr>
<td>Egypt, Arab Rep.</td>
<td>1,550</td>
<td>Tanzania</td>
<td>864</td>
</tr>
<tr>
<td>Iraq</td>
<td>1,550</td>
<td>Kenya</td>
<td>646</td>
</tr>
<tr>
<td>Poland</td>
<td>1,504</td>
<td>Congo, Dem. Rep.</td>
<td>600</td>
</tr>
<tr>
<td>Colombia</td>
<td>1,400</td>
<td>Ghana</td>
<td>500</td>
</tr>
</tbody>
</table>

*Note: Amounts for multicountry operations are allocated across borrowers.*
Pacific Overview
Working in partnership with 13 countries across the Pacific region. There are 68 projects underway, totaling a US$ 1.13 billion commitment through a combination of IBRD, IDA and Recipient Executed Trust Funds. All details correct as of 30 September 2016.
The current portfolio: the lending portfolio has tripled over the past five years

1 The active lending portfolio only includes IBRD/IDA and large RETFs (over US$5 million)
Significant scale-up of the portfolio in the North and South Pacific²

Commitments at End of FY10: US$ 235 million | Commitments at End of FY16: US$ 1,056 million

² The active portfolio only includes IBRD/IDA and large RETFs (over US$5 million).
Diversification of the portfolio

Commitments per Sector 2010: US$ 232m | Commitments per Sector 2016: US$ 1,056m

The active portfolio only includes IBRD/IDA and large RETFs (over US$5 million).
Planning for the IDA18 Scale Up

For FY18 (the first year of IDA18) we are prioritizing preparation of new projects in:

• Water and sanitation
• Regional maritime
• Public financial management
• Energy
• Fisheries
• Youth skills
• Macroeconomic and fiscal management
• Health/non communicable diseases
Total Projected Pacific Portfolio (FY17 to FY20)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Comm ($m)</th>
<th>No of Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>1,088</td>
<td>57</td>
</tr>
<tr>
<td>FY17</td>
<td>1,362</td>
<td>72</td>
</tr>
<tr>
<td>FY18</td>
<td>1,614</td>
<td>82</td>
</tr>
<tr>
<td>FY19</td>
<td>1,458</td>
<td>84</td>
</tr>
<tr>
<td>FY20</td>
<td>1,618</td>
<td>102</td>
</tr>
</tbody>
</table>

Portfolio Size (US$ million)

Total Projected Active Portfolio (FY17 to FY20)
Contract Awards to Australian companies
2004-2017

The World Bank Group
What does the Bank do on procurement?
Preparation of an investment project goes through a cycle of joint work between the Bank and governments.
1. Risk and capacity assessment
2. Advise and help
3. Oversight
We design an **oversight strategy** specific for each project based on risks and capacity

- Prior review
- Post-review
- Independent procurement reviews
Prior review is the Bank’s no objection before a decision is taken.
Processes subject to prior review are identified in the **procurement plan** based on risk assessment.
What does the Government do in Bank-financed procurement?
The Government is on the driver’s seat...
World Bank

Government

Legal Agreement / Guidelines

Suppliers, contractors, consultants

Bidding docs / RFP / Contract
The New Procurement Framework
A Long Journey

100 Countries visited

Consultation with almost 5,000 People

It became effective on July 1, 2016
Benefits for Suppliers and Contractors

- Much more focus on suppliers and contractors:
  - How best to engage with you, how to motivate you, how to persuade you to bid on procurements
  - Allowed the use of value-for-money criteria for contract award decisions based on the most advantageous bid/proposal
- Opportunities for more dialogue and engagement
- Ability to offer innovative solutions to meet needs
- More efficient procurement approaches
  - In general due to use of fit for purpose procurement approaches and methods
  - By appropriate Borrowers receiving hands on implementation support from Bank staff, to fix any problems before they start
- Prompt handling of complaints and issues
- Standstill periods to fix any problems, before award
- Stronger involvement of the World Bank in contract management
Best Practice in Planning and Making a Bid

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

- Be informed about the country, project, processes, and competition
- Determine areas of focus, countries/procurement type etc.
- Identify local partners and others for any joint ventures
- Previous technical and country experience is usually critical
- Understand local customs, laws, markets
- Respond substantially to technical specifications
- Submit timely and high-quality bids
- Contact the Implementing Agency to address any need for clarifications or other concerns
Preparing Proposals

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

- No Bid Security
- Insufficient Amount of Bid Security
- Lack of Supporting Documents
- Incomplete Bids
- Expiration and Extension of Bid Validity
- Partial Quantities
- Absence of test reports if required
- Bids not signed
- JV partner as bidder in another bid
- Conflict of interest
“How do I find bidding opportunities?”
How to Track Opportunities?

World Bank website
www.worldbank.org

- Country Partnership framework
- Monthly Operational Summary
- Project Information Document
- Project Appraisal Document
- Contract Awards
- United Nations Development Business
- REOI for consultants hired by World Bank
Selection of Consultants
Consultants’ Strategy

1. Target assignments based on regional experience and technical qualifications

2. Obtain background information on project:

3. Understand roles of Borrower and Bank

4. Target marketing at appropriate time

- Country Partnership Framework
- Sector Strategies
- Project Appraisal Document (PAD)
- Project Information Document (PID)
Making the Short List

• Identify national partner firm, sub-consultants.
• Monitor advertisements systematically.
• Express interest promptly, selectively.
• Expression of Interest (EOI):
  • Brief information on firm’s qualifications
  • Relevant technical and regional experience
  • Reference to previous similar assignments.
• Conduct a pre-proposal visit (if indicated in RFP).
• Fully address the Terms of Reference (TOR).
• Emphasize innovative methodology.
• Offer qualified key expert staff positions.
• Assign a strong project manager.
Preparation Steps (Part 2)

- Cite directly relevant technical and regional experience and prior experience with similar assignments.
- Involve national partner consulting firm or individual consultants.
- Avoid deviation from standard RFP forms.
- Pay attention to presentation by using charts, diagrams, color, etc. where possible.
Thank You!

Any Questions?