

Business Opportunities

World Bank-Financed
Project Procurement



THE WORLD BANK

IBRD • IDA | WORLD BANK GROUP

Operations Policy & Country Services



Topics

1. Overview of the World Bank
2. Challenges and opportunities
3. Procurement Framework
4. How to compete
5. Tips on preparing bids / proposals

The World Bank comprises **5** institutions

IBRD

International Bank
for Reconstruction
and Development

**Provides financing
for middle-income
developing
countries**

IDA

International
Development
Association

**Provides financing
for low-income
developing
countries**

IFC

International
Finance
Corporation

**Mobilizes private
sector investment**

MIGA

Multilateral
Investment
Guarantee Agency

**Provides political
risk insurance and
credit guarantees**

ICSID

International Centre
for Settlement of
Investment Disputes

**Conducts
international
arbitration to settle
investment disputes**

IPF - Investment Project Financing

World Bank twin goals

- 1 end extreme poverty and
 - 2 promote shared prosperity
- 3 a sustainable way.

IPF WHAT DOES IT DO?

Provides IBRD loans, IDA credits and grants and guarantee financing to governments

IPF WHAT DOES IT FUND?

Activities that create the physical & social infrastructure necessary to reduce poverty and create sustainable development



\$239 billion
total value of active IPF projects at end of FY22

1,793
projects worldwide
(FY22 Q4)

146
countries

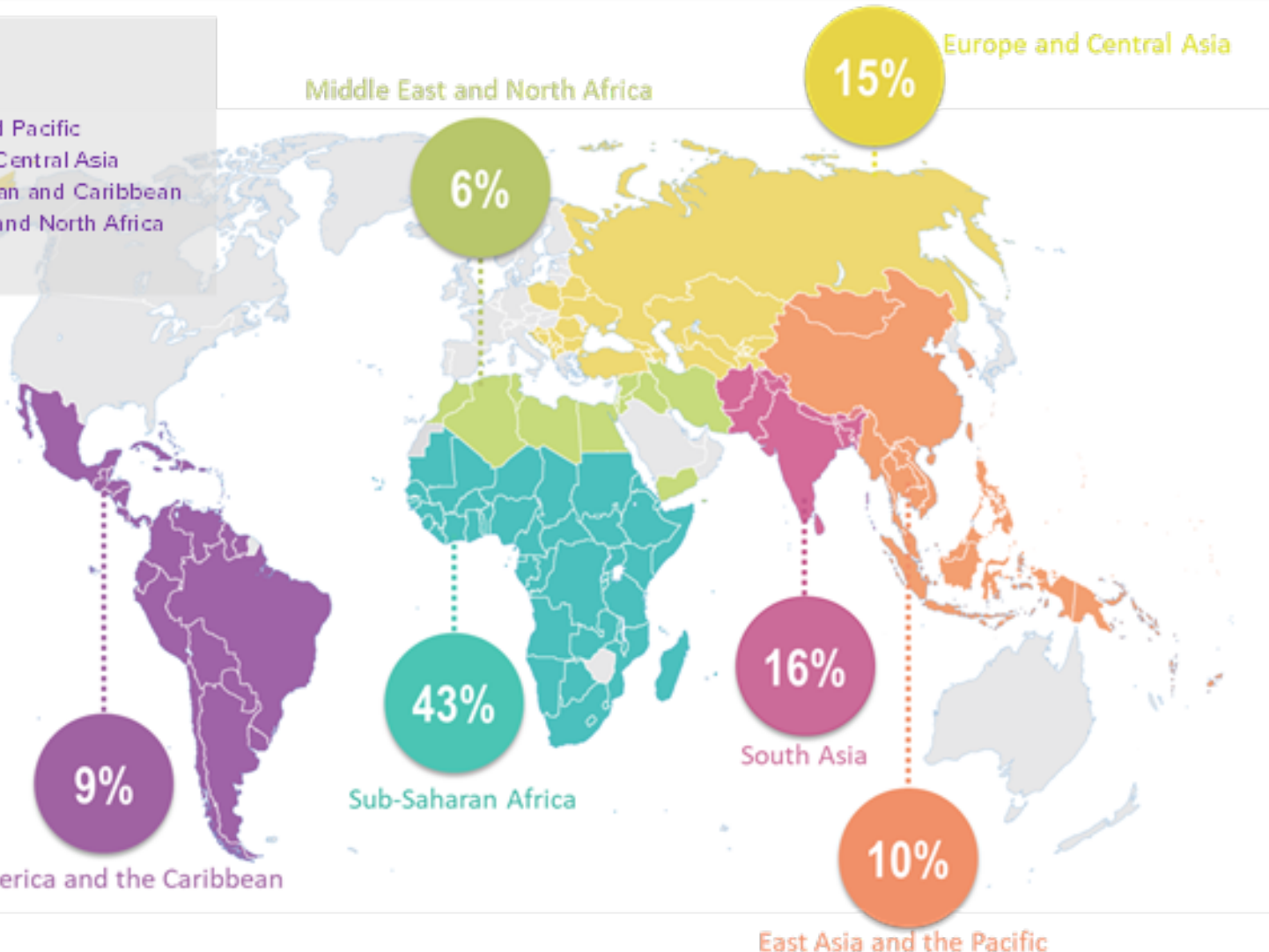
Investment Project Financing comprises • loans • credits • grants

IPF funds “eligible expenditures” for the procurement of Goods, Works, Consulting and Non-consulting Services

2023 Global commitments by region

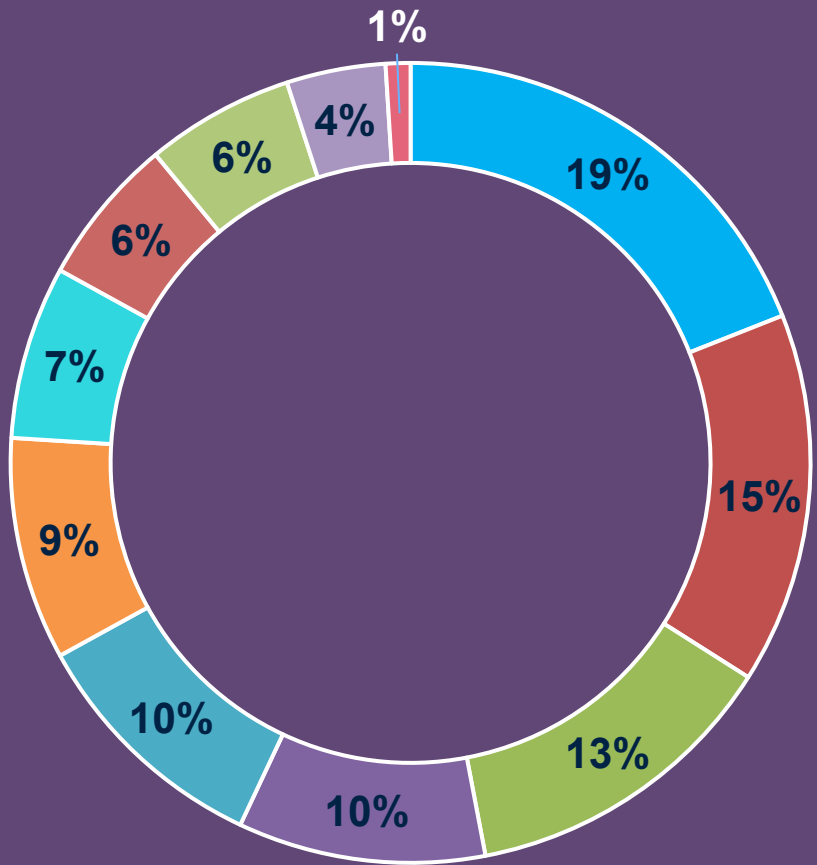
6 Regions

1. Africa
2. East Asia and Pacific
3. Europe and Central Asia
4. Latin American and Caribbean
5. Middle East and North Africa
6. South Asia



Portfolio - areas of spend worldwide FY18-23

TOTAL SPEND = US\$96.77 Bn



- Transportation
- Water Sanitation and Water Management
- Public Administration
- Energy Extractives
- Health
- Agriculture, Fishing and Forestry
- Social Protection
- Industry Trade and Services
- Education
- Information and Communications Technologies
- Financial Sector

World Bank Practices and Themes

18 GLOBAL PRACTICES

1. Agriculture
2. Education
3. Energy
4. Environment & Natural Resources
5. Extractive Industries
6. Finance, Competitiveness & Innovation
7. Governance
8. Health, Nutrition & Population
9. Human Development
10. Jobs and Development
11. Macroeconomics, Trade & Investment
12. Poverty
13. Social Protection
14. Social Sustainability and Inclusion
15. Urban Development, Disaster Risk, Resilience
16. Land Transport
17. Digital Development
18. Water

5 GLOBAL THEMES

1. Climate Change
2. Fragility, Conflict & Violence
3. Gender
4. Infrastructure

Role of the Bank

The Bank ensures that funds are used only for the purpose for which they were granted

- provide borrowers with implementation support and oversight
- oversight includes conducting reviews of the borrower's procurement activities:

Prior Review: before the procurement activity takes place

Post Review: after the procurement activity has been completed

Role of the Borrower

The borrower conducts the procurement in accordance with the loan agreement and the Bank's Procurement Regulations. Key responsibilities include:

- preparing a procurement strategy
- planning the procurement
- seeking offers from the market
- evaluating offers and determining the Most Advantageous Bid/Proposal
- awarding, signing and managing contracts

Why bid on Bank-funded contracts?



- Billions of dollars worth of business



- Opportunities to work globally
- Opportunities to enter developing markets



- Equal opportunity & fair treatment
- Certainty of process & high standards of integrity
- High certainty of payment



- Variety of contract sizes
- Opportunities suitable for SMEs to large multinationals



- Wide variety of sectors
- Demand for variety of specializations

Challenges & opportunities



Global challenges

Require a more ambitious World Bank



Convergence of global crises:

- climate change
- pandemic recovery
- fragility, conflict & violence including Ukraine
- increased incidence of natural disasters
- growing debt burden & inflation

Development outcomes are interlinked with global challenges - since 2020 there have been reverses in:

- economic growth
- poverty reduction
- human development



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World Bank Procurement Framework

World Bank Procurement Framework

Launched 2016

KEY OBJECTIVES

World Bank Procurement Framework

1 Promote fit-for-purpose procurement arrangements that are country, market and project-specific

2 Provide streamlined procurement approaches and more choices and options

3 Allow the Bank to provide Hands-on Expanded Implementation Support (HEIS) to Borrowers to run procurement processes

4 Allow the use Alternative Procurement Arrangements (APAs)

6 Encourages dialogue with suppliers to incentivize participation and resolve problems collaboratively

5 Enable flexible decision-making consistent with Core Procurement Principles



- The Bank has developed specific policies to manage Environmental & Social risks, which cascade to contractors through our Standard Procurement Documents (SPDs)
- The ESF is a cornerstone of the World Bank's approach to ensure strong protections for people and for the environment
- The ESF requires risks to be assessed and addressed through specific instruments (e.g. Environmental and Social Management Plans)

Environmental & Social risks include:

- displacement and resettlement
- labor force influx
- community health and safety
- occupational accidents
- environmental protection
- sexual exploitation and abuse (SEA) and sexual harassment (SH)



HOW TO COMPETE As a consulting company



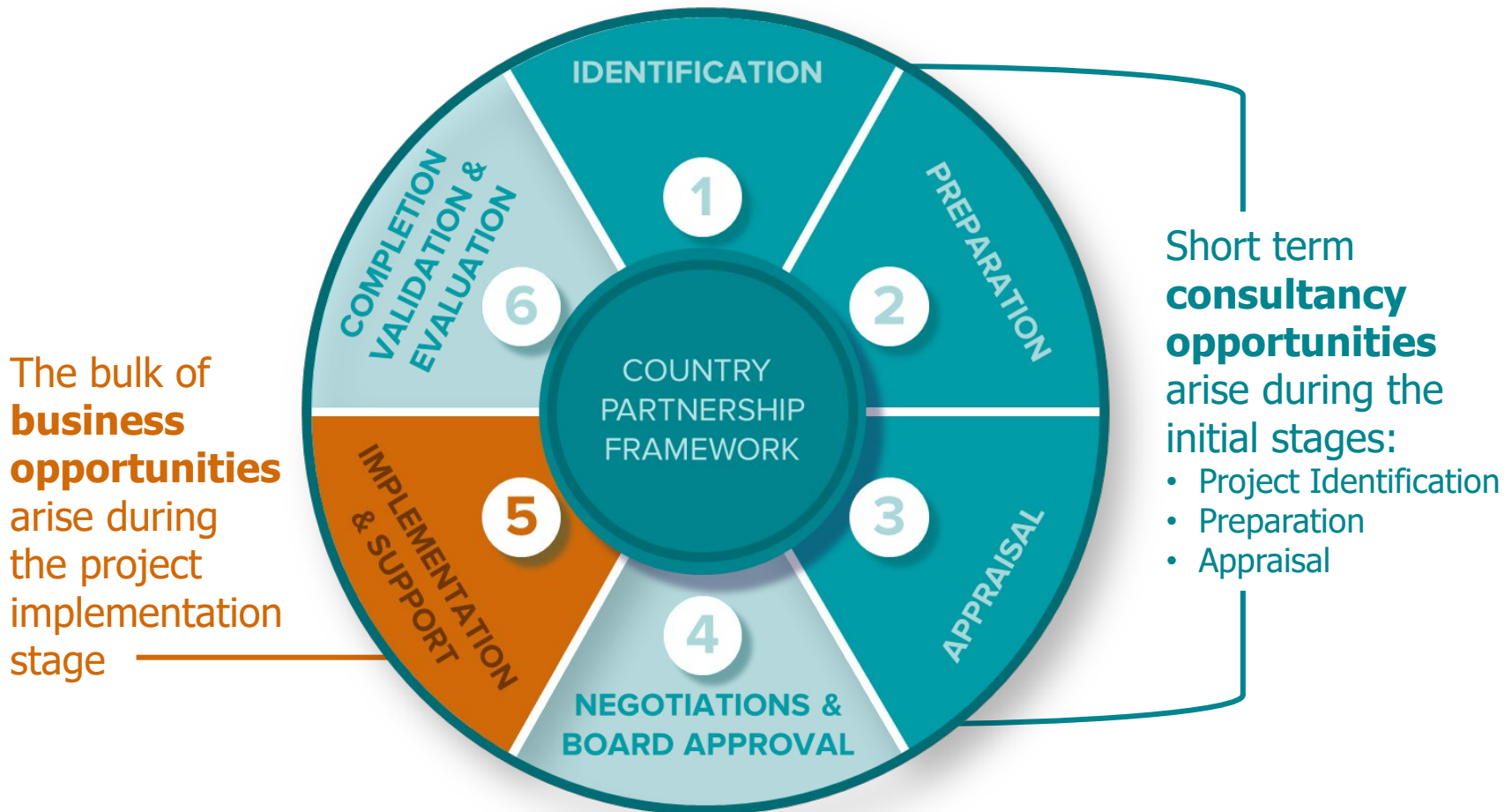
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World Bank Project Cycle

Key stages where contract opportunities arise



Where to find contract opportunities

Key steps

STEP 1: Background research

Determine areas of focus – country / region / sector
Be informed about what is in the project procurement pipeline

Where we work

Search by country or region or country group

<https://www.worldbank.org/en/where-we-work>

Country Partnership Framework

Review individual country-driven development strategies – identify current and planned projects

<https://www.worldbank.org/en/projects-operations/country-strategies>

World Bank Procurement App

Get access to real time procurement data

Android: https://play.google.com/store/apps/details?id=org.worldbank.operationsprocurement&hl=en_US&gl=US

iPhone iPad <https://apps.apple.com/us/app/world-bank-project-procurement/id911312962>

WBG FinanceOne

One destination for easy access to financial information of the World Bank Group

Webpage: <https://financesapp.worldbank.org/>

Guidance: <https://thedocs.worldbank.org/en/doc/604cffbceec8bc4bf4b5860c87182b9e1-0290032023/original/16499-WB-Finances-One-WEB-FINAL.pdf>

Where to find contract opportunities

Key steps (cont.)

Step 2: Procurement Notices

International Development Procurement Notices (UNDB)

Information on business opportunities generated through the World Bank, regional development banks, and other development agencies. Borrowers publish all WB-financed procurement notices here

United Nations - Development Business <https://devbusiness.un.org/>

World Bank Procurement Notices

Search by country, region, notice type, procurement category and procurement method

<https://projects.worldbank.org/en/projects-operations/procurement?srce=both>

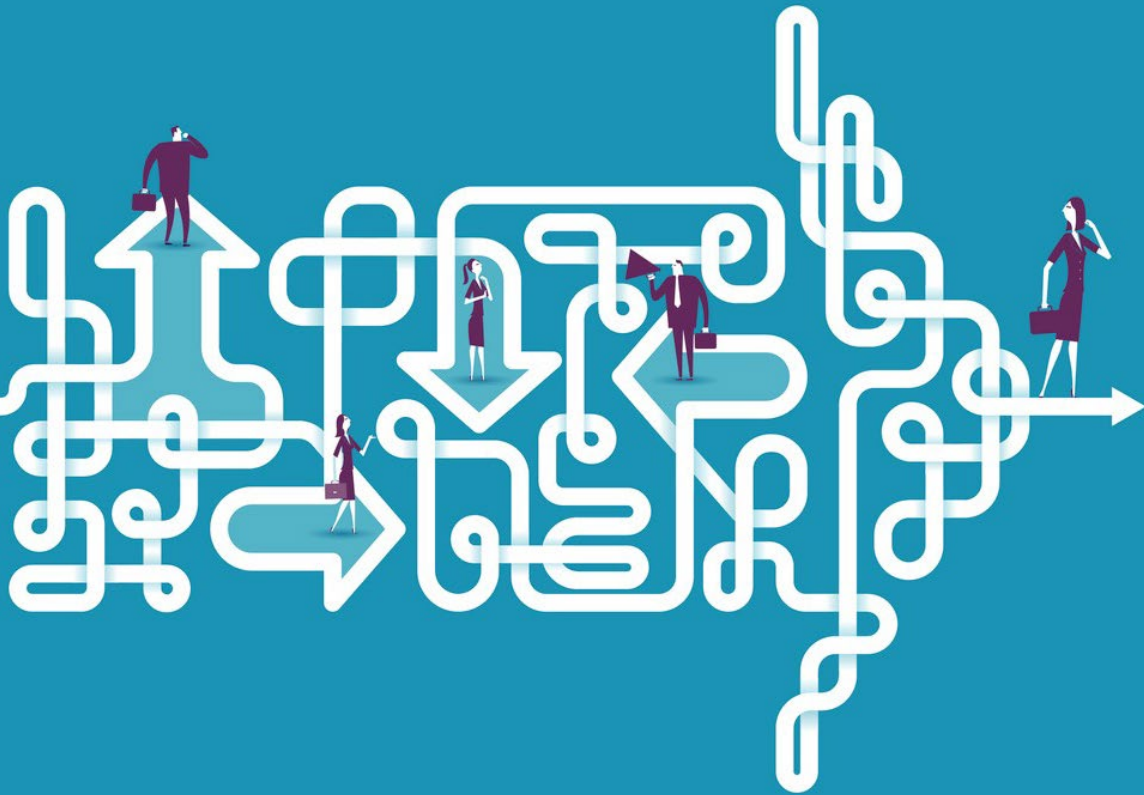
Step 3: Deep dive information

Monthly Operational Summary

Search reports on the status of individual projects in the procurement pipeline from the time the operation is identified to the signing of the loan agreement

webpage: <https://projects.worldbank.org/en/projects-operations/projects-list?os=0>

information on how to use: <https://www.worldbank.org/en/projects-operations/products-and-services/brief/monthly-operational-summary>



TIPS PREPARING BIDS & PROPOSALS



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Preparing bids & proposals

Top tips



- Get involved with early market engagement and pre-proposal briefing – if any
 - Fully address all requirements
 - Emphasize your methodology for delivery – innovate if you can
 - Propose a strong project manager and experienced experts
 - Cite relevant technical and regional experience similar to the project – the more significant and similar the better
-
- Identify and involve in-country “local partners” where possible, consider joint ventures
 - Don’t deviate from standard bidding document forms and conditions
 - Carefully review qualification and evaluation criteria and use these to help write the content and detail of your proposal
 - Failure to meet pre-qualification conditions leads to rejection

Preparing bids & proposals

Top tips (cont.)



- Check your understanding - if in doubt about anything contained in the bidding documents seek clarification from the Borrower's implementing agency undertaking the procurement
 - Use trade missions and Executive Director's team for other concerns and questions
 - Understand local laws and taxes – be aware of local customs
 - Don't change Key Personnel without consent
-
- Submit a professional proposal that is:
 - comprehensive (covers all information requested)
 - includes all supporting documents
 - signed by an authorized individual
 - submitted before the deadline
 - if joint venture, ensure all JV provisions are met
 - properly mark all envelopes enclosing the proposals
 - Be fully prepared before going into a negotiation
 - cover all bases e.g. operational, legal, financial, project-specific risks & opportunities

Avoiding calamity



Common problems with bids/proposals:

- no Bid Security
- insufficient amount of Bid Security
- lack of supporting documents
- incomplete proposals
- incomplete bills of quantities
- proposals not signed
- JV partner as proposer in another proposal
- conflict of interest