

**Annex J**

**Draft Guidance**

**Methodology to assess Alternative Procurement Arrangements in Borrower Implementing Agencies for Procurements financed under IPF**



**The World Bank**

**OPERATIONS RISK MANAGEMENT - OPSOR**

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**Contents**

**Abbreviations .....1**

**Introduction .....3**

**Assessment of Alternative Procurement Arrangements Framework .....5**

**Methodology.....9**

**Stage One – Identify & Agree .....9**

**Stage Two - Engage / Plan.....13**

**Stage Three – Assess.....17**

    The Assessment..... 21

        Pillar I – Legislative, Regulatory and Policy Framework ..... 21

        Pillar II. Institutional Framework and Management Capacity ..... 23

        Pillar III. Procurement Administration and Market Practices ..... 27

        Pillar IV. Integrity & Transparency of the Public Procurement Arrangement ..... 29

        Pillar V. Procurement Operations ..... 35

    APA Assessment Methodology..... 41

        Pillar I – Legislative, Regulatory and Policy Framework ..... 41

        Pillar II. Institutional Framework and Management Capacity ..... 45

        Pillar III. Procurement Administration and Market Practices ..... 51

        Pillar IV. Integrity & Transparency of the Public Procurement Arrangement ..... 53

        Pillar V. Procurement Operations ..... 63

    Optional Capacity and Capability Assessment..... 73

        Pillar I – Legislative, Regulatory and Policy Framework ..... 73

        Pillar II. Institutional Framework and Management Capacity ..... 77

        Pillar III. Procurement Administration and Market Practices ..... 81

        Pillar IV. Integrity & Transparency of the Public Procurement Arrangement ..... 83

        Pillar V. Procurement Operations ..... 91

    Stage Four - Action Plan / Assessment Report..... 99

    Stage Five – Decide and implement ..... 101

    Stage Six – Evaluate (Ongoing Oversight & Performance)..... 103

**Glossary of Terms .....105**

<b>Annex A – Parties to the GPA: Full, Acceding and observing WTO Members .....</b>	<b>109</b>
<b>Annex B – Pillars and Dimensions Content .....</b>	<b>111</b>
<b>Annex C – Data Minimum Data Requirement .....</b>	<b>117</b>
<b>Annex D – Evidence Based Data Analysis .....</b>	<b>119</b>
<b>Annex E - Questionnaire .....</b>	<b>121</b>
<b>Annex F – Bank Guidance .....</b>	<b>133</b>
Section I – Purpose and Application .....	137
Section II – Definitions .....	137
Section III – Scope .....	137
Section IV –Effective Date.....	143
Section V – Issuer .....	143
Section VI – Sponsor .....	143
Section VII – Related Documents.....	143
[Annex(es)].....	143

## Abbreviations

AC	Audit Committee
ADM	Accountability and Decision Making Framework
APA	Alternative Procurement Arrangement
APM	Accredited Practice Manager
Bank	The World Bank
CPF	Country Partnership Framework
CMU	Country Management Unit
CODE	Committee on Development Effectiveness
CPO	Chief Procurement Officer
CSO	Civil Society Organizations
FIDIC	International Federation of Consulting Engineers
FM	Financial Management
GGP	Governance Global Practice
GPA	Government Procurement Agreement
GP	Global Practice
INT	Integrity Vice-Presidency
IPF	Investment Project Financing
MAPS	Methodology for Assessing Procurement Systems
MDB	Multilateral Development Bank
MOP	Memorandum of the President
MOU	Memorandum of Understanding
OECD	Organization for Economic Co-operation and Development
OPRC	Operational Procurement Review Committee
OPSOR	Operations Risk Management
PAD	Project Appraisal Document
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PPSD	Project Procurement Strategy for Development
SCD	Systemic Country Diagnostic
UNCITRAL	United Nations Commission on International Trade Law
WTO	World Trade Organization

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## Introduction

Alternative Procurement Arrangements (APAs) are permitted procurement procedures that could be used instead of applying the Regulations and Procedures for Borrowers. APAs apply to procurements funded under the World Bank's (Bank) Investment Project Financing (IPF). This guidance describes the process for identifying and agreeing acceptable APAs.

The Bank submitted proposals to the Committee on Development Effectiveness (CODE) and Audit Committee (AC) on September 30 2013 to reform the current procurement policies for Bank Investment Project Financing (IPF). One proposal was to utilize APAs in Investment Projects Financed by the Bank, where appropriate, at all levels of procurement (beyond current National Competitive Bidding provisions).

In recent years, it has been increasingly recognized that strengthening and using national procurement arrangements is a key factor in achieving more effective development outcomes. The Paris Declaration and the Accra Agenda for Action have reaffirmed commitments to carry out diagnostics, develop sustainable reforms and monitor implementation, as well as commit sufficient resources to support and sustain medium and long-term procurement reforms and promote capacity development. In addition, the Busan Partnership for Effective Development (2011) called on donors to initiate a process that would eventually lead to the full use of a national procurement system.

The assessment of an agency's APAs will enable the agency to use its own arrangements for procurements financed by the Bank. It also helps the agency to identify strengths and weaknesses in its procurement arrangements that can then be addressed to improve performance.

The use of agency procurement arrangements can bring potential benefits which can include but are not limited to:

- Increased country ownership;
- Strengthened management capacity;
- Greater alignment of donor funds; and
- The reduction of transaction costs.

The principles governing APAs consider whether agency procurement arrangements, including procurement performance and governance framework provides reasonable assurance that the Bank's financing will be used for the intended purpose(s), and in accordance with the Bank's Core Procurement Principles;

- value for money;
- economy;
- efficiency;
- integrity;
- fit for purpose; and
- transparency and fairness.

The assessment tool to evaluate acceptable procurement arrangements shall:

- **Evaluate the agency's procurement capacity and capability**, the adequacy of procurement procedures and related arrangements that will be used for Bank financed projects;
- **Assess the risks** (institutional, financial, legal, organizational, procedural, market, supply chain etc.) that may impact the ability of the agency to successfully carry out the procurement process;
- Develop an **action plan**, including suitable Bank **procurement support and supervision**, to address any deficiencies detected during the assessment of the APA by the Bank; and
- Collect information on the agency to make an **informed decision** about the use of the appropriate APA for Bank financed projects

The structure of the assessment involves a background and explanation of the assessment followed by the assessment methodology. The methodology has six stages:

1. Identify and Agree;
2. Engage / Plan;
3. Assess;
4. Action Plan / Assessment Report;
5. Decide and Implement; and
6. Evaluate (Ongoing Oversight and Performance).

Updates and revisions of the methodology are to be expected once it has been tested.



## Assessment of Alternative Procurement Arrangements Framework

The assessment of APAs Framework (assessment framework) is a methodology that assesses the procurement capacity and capability, and the performance of the procurement arrangement at a Borrower's implementing agency level. It takes into account the overarching public procurement framework at the national level. The assessment framework will assist Bank staff to determine if the agency meets the minimum criteria acceptable to the Bank and whether their procurement arrangement is robust enough to be used for Bank Financed Projects.

As an international, multi-lateral development organization the Bank must be able to justify its decisions to permit the use of an APA in investment projects it finances. The assessment framework takes into consideration that public procurement has multiple stakeholders and is characterized by many variables including institutional capacity, legal/administrative system, political economy, market conditions and budget.

There are no internationally agreed common standards for public procurement performance measurement; however, there are some existing methodologies, assessments, benchmarks and indicators that can be used to determine good procurement practices. Taking into consideration the specific capacities and issues that exist in the country and agency, the APA assessment framework identifies the strengths and weaknesses of the procurement arrangement at an agency level, in conjunction with the country's national governing procurement and legislative/regulatory/policy framework which will be referred to as 'Regulatory Framework'.

The Regulatory Framework is defined as all public procurement laws, regulations and policy, legal texts of general application, judicial decisions and administrative rulings in connection with public procurement. If, after the completion of the assessment, an agency's procurement arrangement is not approved for Bank financed projects, the assessment report which includes the identified areas of improvement, will be shared with the agency to assist it in addressing the capacity and capability gaps identified to strengthen the procurement arrangement.

After being successfully assessed as an APA an agency's procurement arrangement is approved for use for Bank financed projects. The approval continues until it is revoked by the Bank. The agency procurement arrangement will then be considered for all future Bank financed projects, if it is the most appropriate approach. Its use for a particular project will be incorporated in the Procurement Strategy for Development (PPSD), defined in the Project Appraisal Document (PAD) and communicated to the board through the Memorandum of the President (MOP).

The Bank will then rely on and apply the procurement rules and procedures of the implementing agency whilst retaining oversight at critical stages of the procurement. The procurement will be subject to post review/audit to determine performance and the future ongoing use of the agency's arrangement.

This assessment framework will be used by the Bank to:

- a) Identify any gaps and possible improvements that should be made in policy and procedures to improve the performance of the APA;

- b) Identify bottlenecks and weaknesses in the APA that require further study through surveys and data analysis;
- c) Assist the Bank to draw overall conclusions regarding the APA, bearing in mind that each indicator alone only provides a partial picture and is not sufficient on its own;
- d) Justify the delegation of procurement leadership and authority regarding procurement activities; and
- e) Provide an optional more detailed capacity and capability assessment that can be conducted to support the broader issue of agency capacity development.

The justification for an APA, including risks and benefits, will be identified and assessed as early as possible during project preparation, and shall be reviewed and agreed to before completion of loan negotiations with the Bank. The APA justification describes, among other things:

- a) Why the APA would be the most appropriate procurement arrangement to support the Borrower in achieving the project's development objectives; and
- b) How the APA would:
  - i. Provide adequate assurance that the proceeds of Bank financing will be used only for the purposes for which the financing would be granted; and
  - ii. Meet the requirements set out in Section III.F.2 of the Policy, "Procurement in Investment Project Financing."

The following will apply when an APA is used:

- a) The procurement and governance arrangements, including oversight mechanisms, provide assurance to the Bank that its proceeds will be used for the intended purposes, with due attention to the Core Procurement Principles<sup>1</sup>.
- b) The arrangement maintains the Bank's eligibility criteria:
  - i. The eligibility of firms and individuals from all countries to offer goods, works, and services to be financed under the operation; and
  - ii. The ineligibility of firms and individuals to participate and to be awarded, or to benefit from, a Bank-financed contract for goods, works, or services financed under the operation if they have been temporarily suspended or debarred by the World Bank Group.
- c) The Bank's sanctions procedures and Anti-Corruption Guidelines apply and will be operationalized by requiring that bidders present a signed acceptance, at the time of bidding, - to be incorporated in any resulting contract, confirming application of the Bank's Anti-Corruption Guidelines, including the Bank's right to sanction, and the Bank's inspection and audit rights. (Annex E, sub-annex IX).
- d) The Bank has an unrestricted right to exercise its contractual remedies under its financing agreement with the Borrower.
- e) When approved by the Bank, the terms and conditions of the APA are set out in the legal agreements with the Borrower and other relevant parties; and
- f) Procurement related complaints and communications related to contractual matters may be brought at any stage of the Procurement Process to the attention of the Borrower or

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<sup>1</sup> Internationally advertising the procurement above specified thresholds.

the Bank, who will make every effort to address such complaints and other communications objectively and in a timely manner, with transparency and fairness.

This assessment framework is **not intended** to be used to assess another multilateral or bilateral agency or organizations. The use of another multilateral or bilateral agency or organization's procurement arrangement for a co-financed project will be dealt with through a Memorandum of Understanding (MOU) mutually agreed between both organizations. When negotiating bilateral/co-financing agreements with another multilateral or bilateral agency or organization, the Bank will seek to reflect its Core Procurement Principles, the Bank's Sanctions Policies, and its Anti-Corruption Guidelines.

This assessment framework uses, as its core, the Organization for Economic Co-Operation and Development (OECD) Methodology for Assessing Procurement Systems (MAPS) structure. It augments this appraisal with additional pillars and indicators, performance review and a revised methodology to provide appropriate assurance to the Bank in its decision making on the use of an APA. In summary, the MAPS assessment tool has been modified to include five pillars instead of the traditional four pillars, reflecting the Bank's focus on performance in determining the right procurement arrangement to be used for investment projects it finances. The methodology has also been updated to include a more detailed assessment at the agency level a measure of performance.

The assessment framework includes aspects under each of the five pillars, outlined in figure 1. The five pillars cover all elements of a good procurement arrangement from the regulatory framework, complaints handling, dispute resolution, anti-corruption measures through to the procurement processes and procedures and subsequent contract administration/management. Under each of the pillars there are dimensions and indicators. The assessment team gathers the information to determine if the agency's arrangement meets the minimum criteria for each dimension. This helps determine the agency's overall operating environment and answers agency level questions. The results of the assessment will be used to inform a decision on the effectiveness of the procurement arrangement at the agency level.

Each pillar covers certain aspects of a procurement arrangement and procurement operation. The main aspects covered by each pillar are the following:

- **Pillar 1 - Legislative, Regulatory and Policy Framework** – This aspect of the review covers the legal and regulatory instruments from the highest level (national law, act, regulations, decrees, etc.) down to detailed policy framework, regulation, procedures and procurement documents in use at the agency level.
- **Pillar 2 - Institutional Framework and Management Capacity** – This aspect of the review looks at how the procurement arrangement as defined by the governance framework operates in practice.
- **Pillar 3 - Procurement Administration and Market Practices** – This aspect of the review examines procurement administration and the market as one means of judging the quality and effectiveness of the procurement arrangement when putting procurement procedures

into practice. This Pillar is distinguished from Pillars I and II in that it is not looking at the regulatory framework or institutional systems at the national level, rather how they operate at an agency level.

- Pillar 4 - Integrity and Transparency** – This Pillar takes aspects of the procurement arrangement and governance environment and seeks to ensure that they are defined and structured to contribute to integrity and transparency. It covers four indicators that are considered necessary to provide for a procurement arrangement that operates with integrity, has appropriate controls that support the implementation of the arrangement in accordance with the regulatory framework and has appropriate measures in place to address the potential for corruption in the arrangement. It also covers important aspects of the procurement arrangement that include stakeholders as part of the control system.
- Pillar 5 - Procurement Operations** – This Pillar analyses the procurement framework and arrangement at a national and agency level to see how they actually operate and perform. It looks at the operational effectiveness and efficiency of the procurement arrangement at the national level and of the agency / implementing entity responsible for issuing individual procurement actions. It looks at the procurement cycle as one means of judging the quality and effectiveness of the arrangement when putting procurement procedures into practice.

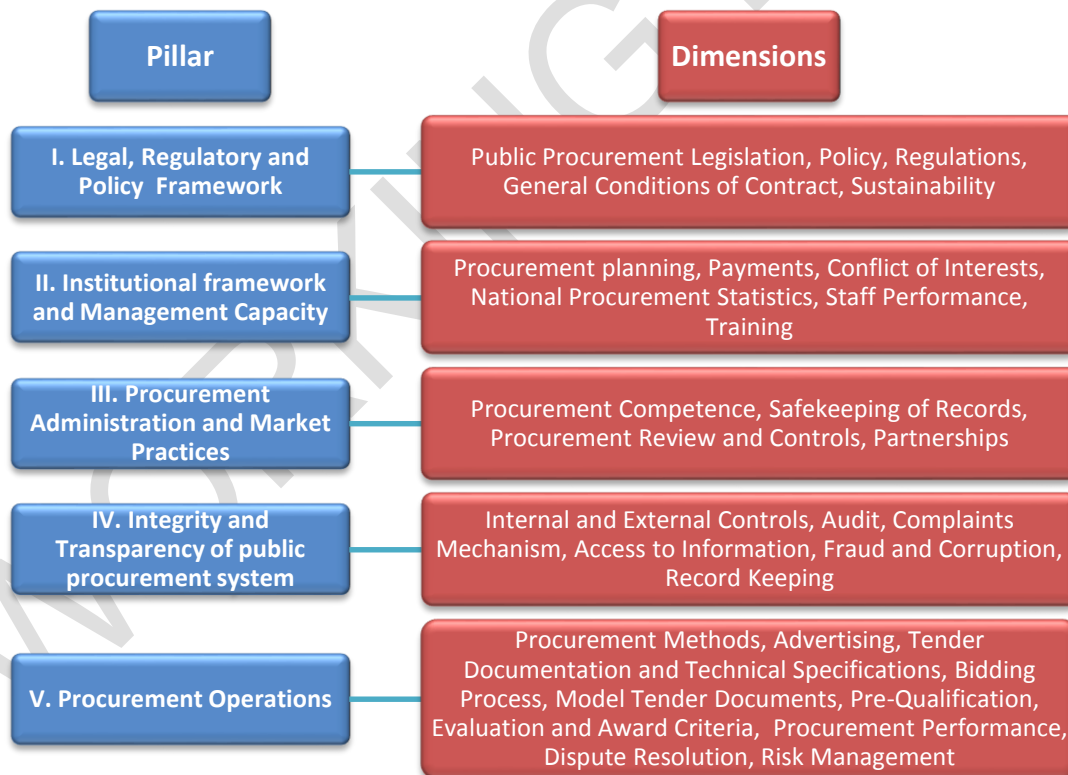


Figure 1: Pillars and Dimensions

## Methodology

The assessment framework has six stages:

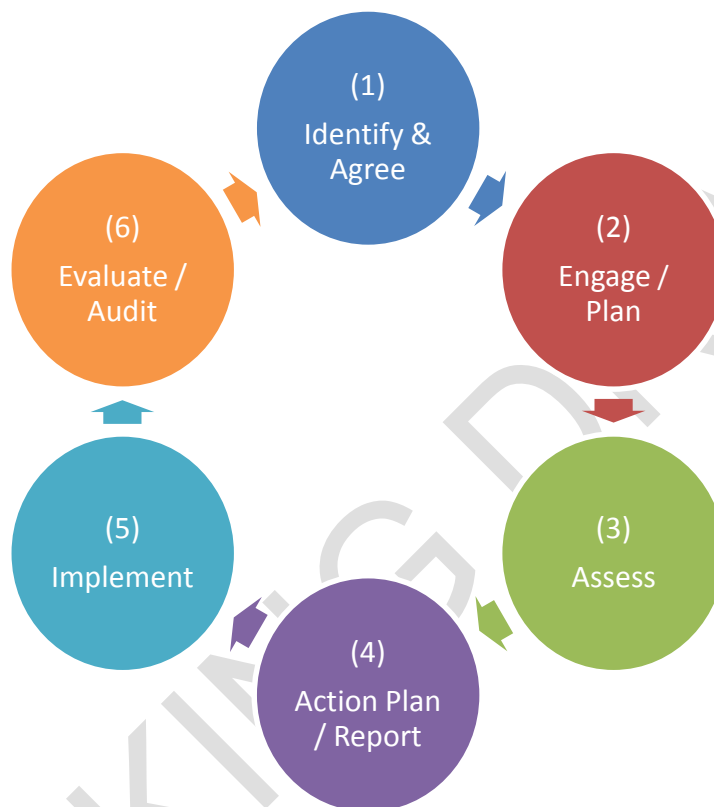


Figure 2: Methodology Cycle

### Stage One – Identify & Agree

The first stage of the assessment is the identification of agencies that should be assessed by the Bank. Potential agencies will be identified using the Country Partnership Framework (CPF)<sup>2</sup> & Systemic Country Diagnostic (SCD), knowledge of previous performance on Bank projects and the agencies' capacity and capability. Of paramount importance is the need to select agencies for APA assessment that are most likely to be successful, i.e. high performing agencies.

The Bank and the Borrower will carry out an initial feasibility study of the national environment which the agencies operate in to determine if each agency has the potential capacity and capability to be delegated Bank's procurement leadership. The feasibility study is a desk based

<sup>2</sup> Country Partnership Framework-World Bank. Available in <http://www.worldbank.org/en/projects-operations/country-strategies#1>

analysis that consists of a review of the national environment and the track record of the agency's performance in delivering procurement investment projects including, if available, Bank financed projects. This assessment shall include a review of the complaint and contract disputes system, and if available, a review of Transparency International's Corruption Perception Index, the Bank's Benchmarking Public Procurement surveys and a preliminary assessment of the minimum criteria required for APA.

The Bank's Integrity Vice-presidency (INT) will be consulted to ensure that the agency doesn't have outstanding Fraud and Corruption issues that may impact the APA and other relevant stakeholders. Member countries that are bound to the World Trade Organization (WTO) agreement on Government Procurement (GPA) will be assessed taking into account the aspects that have already been assessed during the accession process which may not need to be assessed again (refer to Annex A for a list of parties to the GPA). When considering agencies from countries that have implemented the United Nations Commission on International Trade Law (UNCITRAL) Model Law, the Bank will engage with UNCITRAL to determine which aspects of the model law have been implemented in the country of the agency being assessed to determine if they need to be assessed further using the APA Framework.

Once the initial feasibility study is complete a report will be produced and shared with the Chief Procurement Officer (CPO) for each agency justifying the recommendation to carry out a full assessment (see figure 3) including:

- a. Why the proposed APA could be an appropriate procurement approach for Bank financed projects;
- b. The timeframe to complete the full assessment;
- c. The resource requirement (skills and funds) to complete the full assessment;
- d. The key sectors of procurement this agency is likely to procure, e.g. rail, hydro power, medical equipment etc.; and
- e. Any anticipated risks or weaknesses.

More detailed information on this process and the roles and responsibilities of the Bank are detailed in Annex F - Guidance Note for APA.

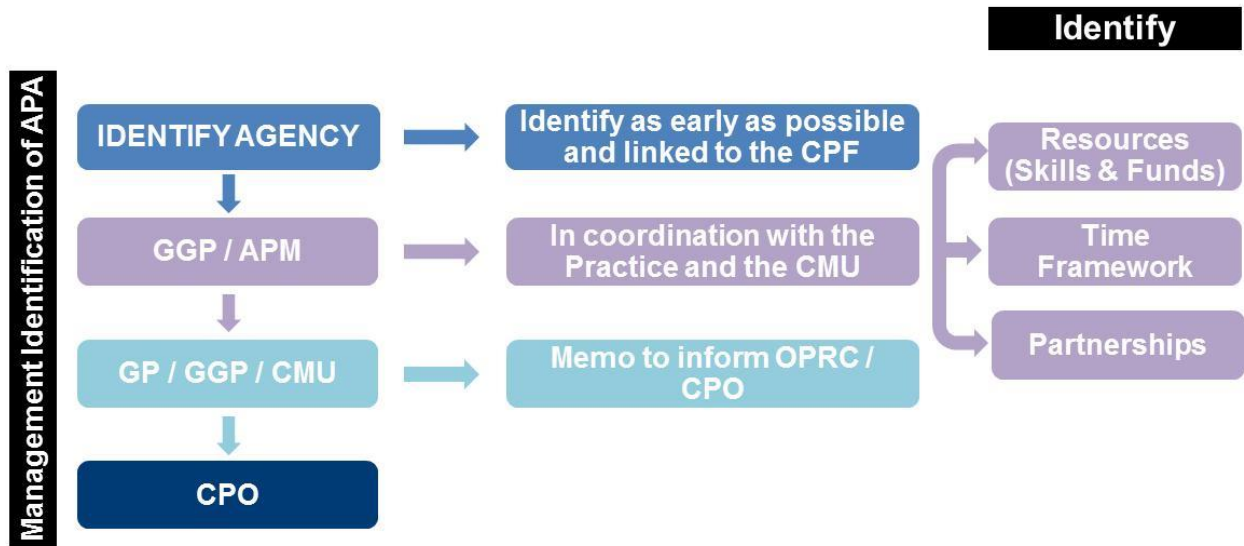


Figure 3: Identifying agencies to be assessed for APA

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## Stage Two - Engage / Plan

The second stage is to engage the identified agency to plan the assessment of their procurement arrangements. Following engagement and the agency's agreement to proceed with the assessment, the Bank would start the necessary detailed engagement with key agency and country/government stakeholders to plan the work. Various external stakeholders will have different levels of interest and input on the assessment of the APA. Stakeholders will vary from situation to situation including, but not limited to:

- National Institutions (Public Procurement Oversight Organizations);
- Ministries;
- Civil Service Commission;
- Private Sector Trade Bodies (such as Chambers of Commerce, FIDIC);
- Private Sector Organizations (such as contractors, suppliers, consultants, NGO's (Transparency International);
- Audit Commission;
- The Procuring Agency;
- Donors; and
- Multilateral Development Banks (MDB's).

As appropriate, key stakeholders will be taken through the assessment process and informed as to what is required from them and the agency being assessed. Agreement will need to be reached with key stakeholders on the timing of the assessment and the make-up of the core team undertaking the assessment.

Advanced planning is needed to arrange for the collection of the information required and to identify external stakeholders and companies to be surveyed or interviewed. Information gathered from previous surveys, such as 'The Benchmarking Public Procurement' will also be used.

Identifying a qualified assessment team is critical to the credibility and reliability of the assessment. Assessment teams should preferably be seasoned accredited professionals from the Governance Global Practice (GGP) with ample knowledge of the institutional and operational aspects of the subject and of internationally accepted procurement and financial management practices supported by representatives from the agency being assessed. The assessment could also be conducted by an independent procurement consultant appointed on behalf of the Bank the GGP.

The availability, reliability and integrity of records and data needs careful consideration during the planning phase as it may impede a full assessment of the procurement arrangement. It will be challenging for the assessment to take place if such information is not available.

The agency would confirm the likelihood of the assessment success for the use of APA. To determine the likelihood, the agency needs to verify that they believe that they meet the minimum criteria and the data required to complete the Evidence Based Analysis (Annex D).

Two core types of data are needed to measure the performance dimension (Annex C):

1. Selection process data; and
2. Contract execution data.

The data required may be classified as essential or desirable. There are 13 data fields that are essential to measure the performance of the procurement arrangement. There are 10 additional data fields that are desirable. The 13 essential data fields are highlighted and underlined below. To the extent possible, the collected data should cover procurements over a period of time, around four years, prior to the assessment or as agreed with the Bank, to ensure robust results.

### Selection Process Data

- **Type of procurement (goods, works, consultant services and general services) - Essential**
- Brief description of the goods, works, general services or consulting services to be procured
- **Selection method - Essential**
- Selection process identification number
- **Date of publication of the specific procurement notice or delivery of invitations for:**
  - **Prequalification, if applicable - Essential**
  - **Expression of interest - Essential**
  - **Bids/proposal - Essential**
- Date of publication of prequalification or shortlisting results, if applicable
- Date of bid/proposal opening
- Number of bids/proposal received and names of providers that submitted bids/proposals
- **Date of complaint filing, if any - Essential**
- **Date of response to complaints, if any - Essential**
- Type of complaint (bidding documents, pre-bid conference, award)
- **Date of notification of contract award - Essential**
- Date of contract signature
- Official estimated cost
- **Contract award price - Essential**

### Contract Management Data

- Contract identification code or number
- **Final contract price - Essential**
- **Original contract completion date - Essential**
- **Actual contract completion date - Essential**
- Price amendments, if any
- Contract extensions, if any
- Contract Termination

Typically, these two sets of data are collected by different information systems: procurement systems usually gather selection process data; whereas contract management systems gather contract related data.

The challenge to collect this data cannot be overstated, at an agency level this information is often more readily available so as part of the planning stage, a quick appraisal of the likely success of gathering this information must be made. Generally, well performing agencies have effective IT systems and can monitor and report on the data required by the Bank.

The assessment includes indicators that cover policies and procedures that need to meet a minimum criteria acceptable to the Bank. These indicators will also need to be discussed and communicated at the engagement stage so that the agency can quickly determine the likelihood of success. If these minimum criteria are not present, then the agency would not be assessed as they would not meet the requirements of the Bank. It is suggested that Bank staff provide to the agency proposed for assessment, the details of the minimum criteria in order for a quick determination of likely success can be made to minimize nugatory work.

Each pillar has dimensions and indicators that explore different parts of an effective procurement arrangement and procurement operation. The assessment team will gather information by assessing the specific, detailed indicators identified in the assessment section of this document. The results of the assessment will be used to inform a decision on the effectiveness of the procurement arrangement at the agency level. Some indicators, as mentioned earlier, will be assessed against a minimum criterion and others are assessed against a desirable criterion.

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## Stage Three – Assess

The purpose of Stage Three is to enable an objective assessment of the comprehensiveness of the regulatory framework and the effectiveness of the agency's procurement arrangement<sup>3</sup>.

The assessment process comprises two levels of assessment. Each of these levels applies the five pillars, including dimensions and indicators. Each of the five pillars is evaluated by using a three step assessment methodology.

### Assessment process – Two Levels

The two level of assessment are:

**i. APA Assessment Methodology (refer to page 45)**

This phase covers the organizational and regulatory framework aspects of procurement, and the performance of the procurement arrangement at a national and agency level. This phase looks at the minimum and desirable requirements.

**ii. Optional Capacity and Capability Assessment (refer to page 77)**

This optional Capacity and Capability Assessment phase provides a more detailed assessment of the procurement arrangement at a national and agency level.

### Assessment Methodology – Three Steps

The assessment methodology comprises three steps. Step A assesses the regulatory and operating environment. Actual results achieved by the agency are then assessed in Steps B and C<sup>4</sup>.

#### Step A – National and Agency Assessment

Step A assesses the regulatory framework and operating environment at both national and agency levels. This step focuses on identifying key legislation, regulation, policies, procedures and standard procurement documents. This information is examined to determine how comprehensive the regulatory framework is. The effectiveness of the regulatory framework is then examined by data analysis (Step B) and perceptions (Step C).

During Step A, once the assessment of the regulatory framework is complete at a national level, the assessment may progress to the agency level, but only if the critical elements (minimum criteria) needed for a highly functioning procurement arrangement are present or appear to be mitigated at an agency level. Each indicator details the minimum standards expected for the policy or procedure to be effective. Where an agency does not meet one of the minimum criteria,

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<sup>3</sup> It is estimated that Stage 3 assessment will take up to 80 days to complete. This includes the 'Results Analysis Stage'.

<sup>4</sup> Actual results can be straightforward to measure e.g. using quantitative evidence such as timeliness. Step B is based on quantitative data. Others, like the fairness of the process, have to be evaluated differently based on the perceptions of stakeholders. Step C is based on qualitative data.

but does meet the desirable criteria, this may mitigate the noncompliance and the agency may still be approved.

The agency level assessment is complementary to the national level assessment. It focuses on how the agency interprets and implements the regulatory framework and how procurements are run in practice, using the agency's own policies and procedures. Information on each indicator will be assessed against the minimum criteria. This helps identify areas of relevant strength and weakness.

### **Step B – Evidence Based Assessment (Quantitative)**

Step B gathers quantitative data to evidence the effectiveness of the agency's procurement performance within the regulatory framework. Quantitative data includes specific, measurable, numerical or statistical data such as spend data, or a measure of the frequency of an occurrence. Data about the agency's selection processes and contract management is examined to determine if the procurement arrangement performs as intended. For more information refer to Annex D – Evidence Based Data Analysis.

### **Step C – Perception Assessment (Qualitative)**

Step C gathers qualitative data on the perceptions of the effectiveness of the agency's procurement performance within the regulatory framework. Qualitative data is descriptive and provides breadth and depth and allows the underlying reasons and root causes of capacity and capability deficits or constraints to be explored. Data is gathered through examining complaints and undertaking surveys and interviews with a variety of stakeholders. Stakeholders range from private sector companies to NGO's.

Stakeholders that are invited to complete the survey are selected from providers, both international and national:

- that have responded to a procurement run by the agency over the last four years and includes both successful or unsuccessful providers;
- that have registered on the UN Development Business website to provide goods, works, general services and consulting services for the particular agency; and
- that have been identified following engagement with CSO's, i.e. Transparency international.

The survey may be through an online medium. Example questions for factual experience interviews are found in Annex E – Questionnaire. If the results of the survey indicate areas of concern further analysis may be required.

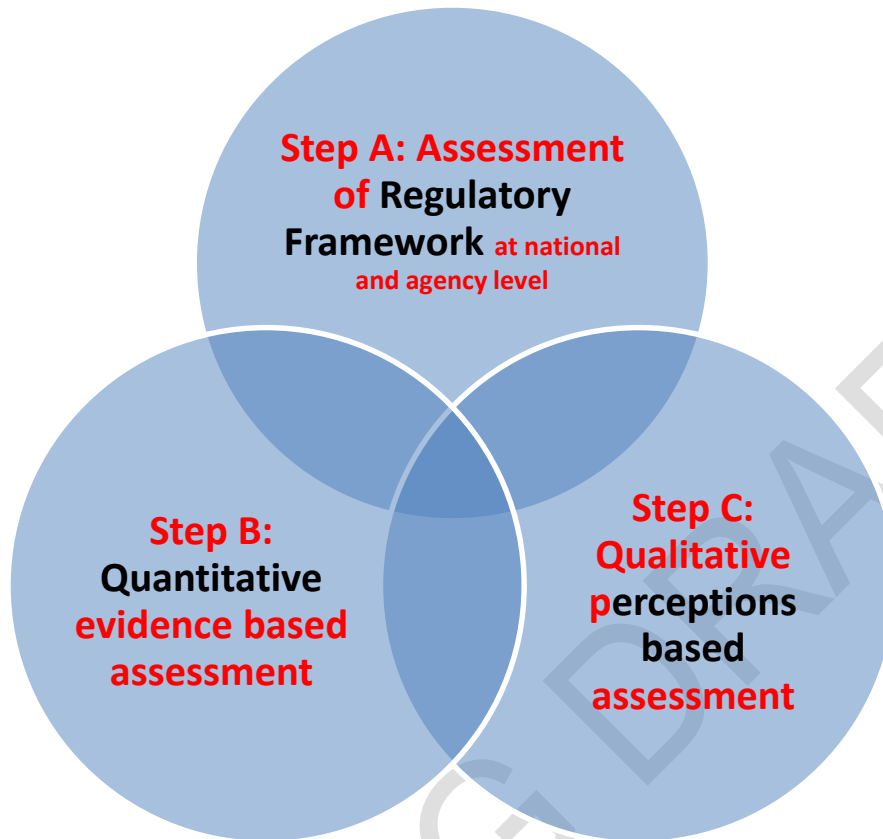


Figure 4 – The three step Assessment Methodology Triangulation

#### **Analysis against the five pillars**

Each level of assessment applies the five pillars, including dimensions and indicators. Each of the five pillars is evaluated by using a three step assessment methodology (Steps A to C).

The diagram (Figure 5) outlines an example of this analysis based on one of the pillars. It shows the flow from the national level and agency level analysis through to quantitative and qualitative based analysis.

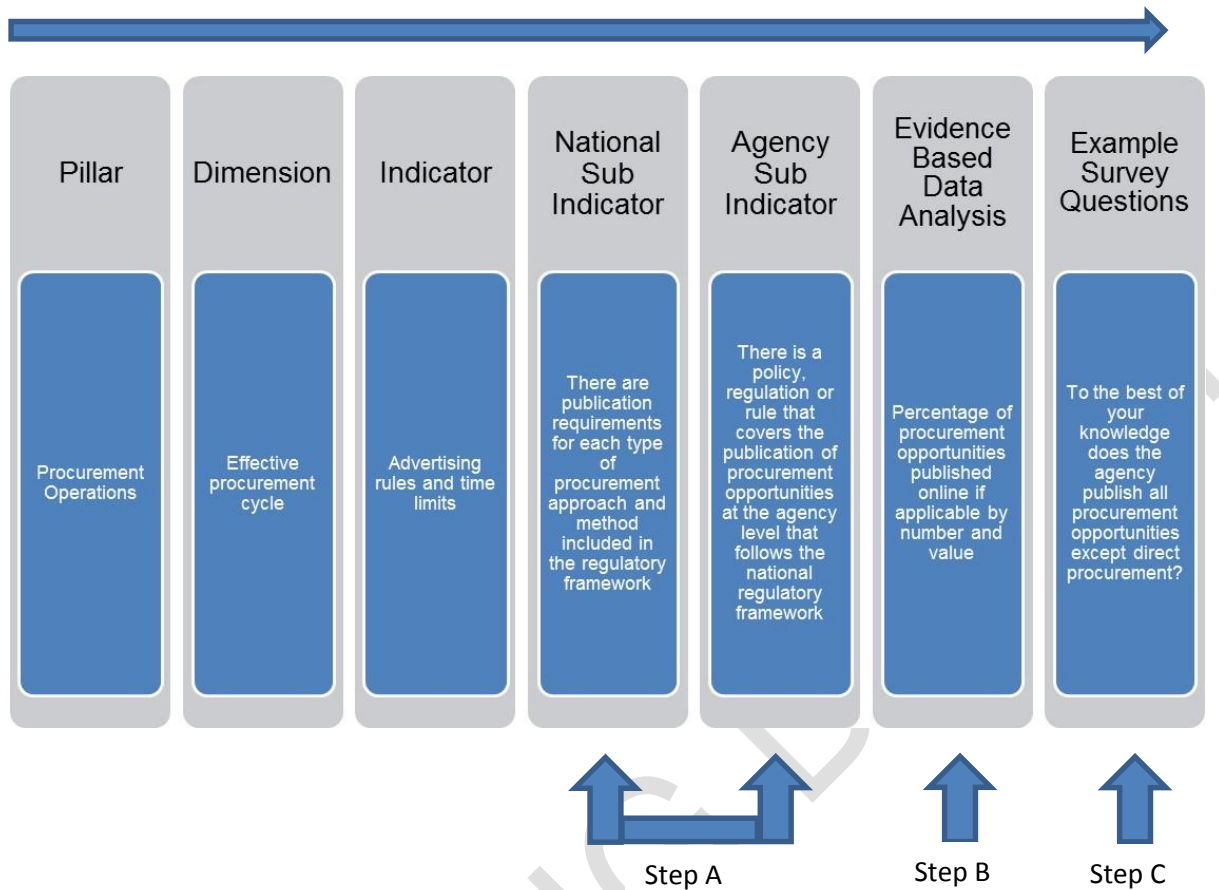


Figure 5: Example - Procurement Administration and Market Practices



## The Assessment

This section outlines the pillars, dimensions and the indicators that cover the organizational and regulatory framework aspects of procurement, and the procurement arrangement performance. It first explains the objective and intention behind each pillar, dimension and indicator and then lists the specific aspects that need to be assessed to get a good understanding of how the procurement arrangement operates at a national and agency level.

The Assessment has a two-fold purpose: assess the agency's procurement arrangement for the use of an APA for Bank financed projects and an optional capacity and capability assessment. Annex B lists the structure of the Assessment and specifies if the dimension is covered by one or both of the two purposes.

### Pillar I – Legislative, Regulatory and Policy Framework

#### **Dimension 1 - Public procurement legislative, regulatory and policy framework (regulatory framework) achieves the agreed standards and complies with applicable obligations**

The dimension covers the legal, regulatory and policy instruments from the highest level (national law, regulations, decrees, etc.) down to detailed regulation and procedures formally in use. This dimension is broken down into two individually assessed indicators (a-b).

##### **Indicator 1(a) – Scope of application and coverage of the regulatory framework**

The purpose of this indicator is to determine:

- a) The structure of the regulatory framework governing public procurement;
- b) The public access to the regulatory framework and policies; and
- c) The extent of its coverage.

##### **Indicator 1(b) – Rule on Participation**

This indicator assesses the selection methods and eligibility criteria. It explores whether the regulatory framework includes Open competitive selection as the preferred method of procurement. The regulatory framework should define the situations in which other methods can be used and ensure that acceptable justification and approval levels are clearly specified.

The hierarchy of the legal and policy instruments where acceptable selection methods are established should be such that the discretion of individual agencies or procurement officials is reasonably controlled to minimize the use of methods that limit competition.

#### **Dimension 2 - Existence of Implementing Regulations, Policy and Documentation**

This dimension assesses the existence, availability and quality of implementing regulations and procurement documents. Ideally the higher level legislation and or policy provide the framework of principles and policies that govern public procurement. Lower level regulations and more

detailed instruments supplement the law and or policy, make it operational, and indicate how to apply the law to specific circumstances.

**Indicator 2(a) – Implementing regulation and or policy that provide defined processes and procedures not included in higher-level legislation**

This indicator aims at verifying the existence, clarity, accessibility and comprehensiveness of regulations to the law and or policy that further detail and clarify its application. Regulations and or policy are an important aspect of a procurement arrangement as they provide the detail that explains and enables the application of the regulatory framework in a variety of applications.

**Indicator 2(b) – General Conditions of Contracts (CC) for public sector contracts covering goods, works, general services and consulting services consistent with national requirements and, when applicable, international requirements**

This indicator deals with CC that set forth the basic provisions which will be included in a contract with the government. The CC are based on the laws in the country and generally reflect the commercial codes that deal with contracts between parties. The CC provides information that enables participants to understand the allocation of risk between parties to a contract as well as other obligations that the signatories to the contract will incur. It is important to participants in a procurement that they know the specific contract conditions before they submit a bid/proposal for performing the contract since contract conditions will often have an impact on risk and pricing.

It is important that the government establish CC that are consistent, applicable to the requirement, and are reflective of laws that impact on contracts and their performance. CC need to be mandatory in their use and not subject to negotiations.

**Dimension 3 - Sustainable Procurement**

This dimension assesses the policies and procedures that cover sustainable procurement at the national and agency level. Sustainable procurement is a process whereby organizations meet their needs for goods, works, general services and consulting services ensuring economic, environmental and social considerations are achieved in a way that achieves value for money. This part of the assessment is non-mandatory.

**Indicator 3(a) – Sustainable procurement policies and procedures**

This indicator looks at what policies and procedures are present at a national and agency level covering sustainable procurement.

## Pillar II. Institutional Framework and Management Capacity

This aspect of the review looks at how the procurement arrangement is defined by the governance framework in the country and how it is operating in practice through the institutions and management systems that are part of the overall public sector governance in the country.

### **Dimension 4 - The public procurement arrangement is integrated into the public sector governance system**

This dimension looks at the procurement arrangement to:

- a. Determine its suitability to discharge the obligations prescribed in the law;
- b. Whether the necessary links with other sectors of government affecting procurement exist;
- c. Whether procurement operations are constrained by other external institutional factors; and
- d. Whether the managerial and technical capacity of the arrangement are adequate to do procurement without unnecessary cost or delay.

This dimension deals with the degree of integration of the procurement arrangement with other parts of government, the agency and particularly with the financial management system given the direct interaction between the two, from budget preparation and planning to treasury operations for payments.

#### **Indicator 4(a) – Procurement planning and associated expenditures are part of the budget formulation process and contribute to multiyear planning**

Formulation of annual or multi-annual budgets is based on the outcomes or outputs that the government as a whole and its agencies expect to achieve in a particular period. Overall government or agency strategies are the basis for the exercise. These determine the multi-year corporate plans, the associated operating plans for each fiscal period and the procurement of goods, works, general services and consulting services necessary to implement the plans. Proper preparation of budgets needs reliable cost data and timetables for planned procurement.

Procurement plans should be periodically updated as the budget may be updated and revised to reflect changes that take place in timing of contracts. Experience based on the actual cost of goods, works, general services and consulting services provide excellent information to predict the cost of similar activities in future budget years. Understanding the timing of major contracts can also help to predict cash flow needs within government and agencies to make timely payments and reduce the extra costs associated with delaying contract completion and not having adequate funds to finance full performance.

#### **Indicator 4(b) – Budget law and financial procedures support timely procurement, contract execution, and payment**

This indicator assesses the degree to which budget law and financial management procedures are adequate to meet procurement needs. The processes in place should not constrain the timely processing of procurement or the implementation of contracts. The procurement, budget and financial management systems should interact in a way that once procurement decisions are made they trigger the corresponding actions on the budget and financial side.

#### **Indicator 4(c) – Systematic completion reports are prepared for certification of budget execution and for reconciliation of delivery with budget programming**

This indicator is a measurement of the feedback mechanism needed to ensure that information on contracts covering major budget expenditures is provided to the budgetary and financial management systems in a timely manner to support the overall public financial management system.

### **Dimension 5 - Existence of a functional normative/regulatory body**

Although this dimension refers to a normative/regulatory body, what matters most is not the existence of a body, but the existence of the functions within the public sector and the proper discharge and coordination of them (i.e. one agency may be responsible for policy while another can be doing the staff training and another might be taking care of the statistics). The assessment of the dimension focuses on the existence of the functions, the independence of the regulatory function, the effectiveness of performance and the degree of coordination between responsible organizations.

#### **Indicator 5(a) – The responsibilities should provide for separation and clarity so as to avoid conflict of interest and direct involvement in the execution of procurement transactions**

The normative/regulatory body is not responsible for direct procurement operations and is free from other possible conflicts (e.g. by being member of evaluation committees, etc.).

#### **Indicator 5(b) – The status and basis for the normative/regulatory body is covered in the regulatory framework**

The body and its responsibilities are created by the regulatory framework to ensure that the body assigned functional responsibilities has an appropriate level of authority to enable it to function effectively.

### **Dimension 6 - Existence of institutional development capacity**

The objective of this dimension is to assess the extent to which the country or agency has systems to support and monitor the performance of the entire procurement arrangement, and to formulate and implement improvement plans. This requires among other things the availability of information systems, a capacity for analysis, feedback mechanisms and planning capacity for

implementation of improvements. It is very important that responsibilities are clearly assigned and are being performed.

**Indicator 6(a) – There is a system for collecting and disseminating procurement information, including invitation for bids/proposals, requests for expression of interest, requests for bid/proposals, and contract award information**

The objective of this national indicator is to determine:

- a. The existence and capacity of the procurement information system in the country;
- b. The accessibility of the information system;
- c. The coverage of the information system; and
- d. Whether the system provides one stop service (to the extent feasible) where those interested can find information on procurement opportunities and outcomes.

The system should include annual or multi-annual procurement plans, specific advertisements or notices of procurement opportunities, publication of contract awards, linkages to rules and regulations and other information that is relevant to promote competition and transparency.

**Indicator 6(b) – There are systems and procedures for collecting and monitoring procurement statistics**

Statistical information on procurement is essential to evaluate the policies and the operation of the system. Statistics also provide a means for monitoring performance and determining if the statistic demonstrates compliance with other aspects of the system that are defined in the regulatory framework. Statistical information can also be a tool for procurement planning and market analysis

**Indicator 6(c) – A strategy and training capacity exists to provide training, advice and assistance to develop the capacity of agencies and private sector participants to understand the rules and regulations and how they should be implemented**

The purpose of this indicator is to verify existence of permanent and relevant training programs for new and existing staff in government procurement. These programs are essential to maintain qualified procurement staff.

The assessment team should look at the existing programs and judge their relevance, nature and scope. A well-functioning arrangement should provide for evaluation of the training program and monitoring of progress in addressing capacity issues. The assessment should include verification of advisory services or help desks for public or private sector parties where they can get advice on application and interpretation of policy and rules.

**Indicator 6(d) – There is a clear management structure with policies on delegation**

The purpose of this indicator is to look at the management structure of the agency to make sure that the procurement function is at the appropriate level within the agency. If the procurement

function is not at an appropriate level it can indicate that the function is not seen as a core function. It is also important that there is a policy on delegation.

**Indicator 6(e) – Quality control standards are disseminated and used to evaluate staff performance and address capacity development issues**

The purpose of this indicator is to verify existence, relevance and comprehensiveness of the quality assurance and standards for processing procurement actions and to ensure their systematic application to provide for monitoring of performance. Examples of such standards might include response times to reply to enquiries, or length of time to prepare selection documents after receipt of a requirement.

WORKING DRAFT

## **Pillar III. Procurement Administration and Market Practices**

This aspect of the review looks at procurement administration and the market as one means of judging the quality and effectiveness of the procurement arrangement when putting procurement procedures into practice. This Pillar is distinguished from Pillars I and II in that it is not looking at the regulatory framework or institutional arrangements at the national level, but actually how they operate.

### **Dimension 7 - Effective procurement operations and practices**

This dimension looks at the effectiveness of the operations and operational practices as implemented by the procuring agencies. Effectiveness is considered to mean that the operational practices result in timely award of contracts at competitive market prices as determined by efficient and fair implementation of procurement procedures.

#### **Indicator 7(a) – The level of procurement competence among government officials within the entity is consistent with their procurement responsibilities**

The purpose of this indicator is to assess the degree of professionalism and knowledge of those responsible for implementation of procurement activities.

#### **Indicator 7(b) – Are there established norms for the safekeeping of records and documents related to procurement transactions and contract management**

The ability to look at implementation performance is dependent upon the availability of information and records that track each procurement action. This information is also important to the functioning of control systems both internal and external as it provides the basis for review.

#### **Indicator 7(c) – There are provisions for delegating authority to others who have the capacity to exercise that authority**

Delegation of authority is key to having a well-functioning procurement arrangement especially when procurement is decentralized. When delegation is not provided, the arrangement tends to function inefficiently and it can lead to excessive concentration of decision making under a few individuals who have neither the training nor knowledge to make timely procurement decisions.

### **Dimension 8 - Functionality of the public procurement market**

The objective of this indicator is to primarily assess the market response to public procurement opportunities. This response may be influenced by many factors such as the general economic climate, the private sector development environment and policies, the existence of strong financial institutions, the attractiveness of the public system as a good reliable client, the kind of goods, works, general services or consulting services required.

**Indicator 8(a) – There are no major systemic constraints (such as inadequate access to credit, contracting practices) inhibiting the private sector’s capacity to access the public sector procurement market**

Participation in competition for public contracts depends on many conditions, including some that are controlled or within the control of the government. Access to credit, reasonable contracting provisions that are seen to fairly distribute risks associated with performance of contracts and fair payment provisions that help offset the cost of doing business with the government are examples which can improve access by the private sector to the government marketplace. Alternatively, when the conditions are difficult for the private sector, the degree of competition will suffer.

**Indicator 8(b) – There are effective mechanisms for partnerships between the public and private sector**

Public procurement depends on the partnership that must exist between the government and the private sector. This partnership creates the public procurement marketplace wherein the government is the buyer and the private sector is the provider of the needed goods, works, general services and consulting services. Accordingly, dialogue between the government and the private sector needs to exist and the voice of the private sector needs to be heard with regard to practices by the government that may undermine the competitive effectiveness of the private sector. This indicator must look to see if there are forums for dialogue between the government and the private sector. The assessment team should also consider whether the government relies on the private sector through public/private partnership arrangements such as concession contracts or private public joint ventures for the provision of goods and works.

In order to be effective, the contract not only must provide for fair and efficient dispute resolution procedures, it must also provide for enforcement of the outcome of the dispute resolution process.



## Pillar IV. Integrity & Transparency of the Public Procurement Arrangement

This aspect of the review covers four dimensions that are considered necessary to provide for an arrangement that operates with integrity, has appropriate controls that support the implementation of the arrangement in accordance with the regulatory framework and has appropriate measures in place to address the potential for corruption in the arrangement. It also covers important aspects of the procurement arrangement that include stakeholders as part of the control system. This Pillar takes aspects of the procurement arrangement and governance environment and seeks to ensure that they are defined and structured to contribute to integrity and transparency.

### **Dimension 9 - Effective control and audit systems**

The objective of this dimension is to determine the quality, reliability and timeliness of the internal and external controls preferably based on risk assessment and mitigation. Equally, the effectiveness of controls needs to be reviewed in terms of expediency and thoroughness of the implementation of auditors' recommendations. The assessment team should rely, in addition to their own findings, on the most current Country Financial Accountability Assessment (CFAA) or other analysis including Public Expenditure and Financial Accountability (PEFA) and Public Financial Management (PFM) assessments that may be available.

#### **Indicator 9(a) – There is a legal framework, organization, policy, and procedures for internal and external control and audit of public procurement operations in place that provide a functioning control framework**

National legislation normally establishes which agencies are responsible for oversight of the procurement function. Control and oversight normally start with the legislative bodies that must review and act on the findings of the national auditing agency and legal watch dog agencies (such as reports by the comptroller general and the attorney general).

There should also be provisions for the establishment of internal controls such as internal audit organizations that periodically produce recommendations to the authorities of the individual agencies based on their findings. Internal audits should be complemented by internal control and management procedures that provide for checks and balances within an agency for processing of procurement actions. Internal audits and internal control procedures can assist external auditors and enable performance audit techniques to be used that look at the effectiveness and application of internal control procedures instead of looking at individual procurement actions.

Even though no single model exists, it is important that the basic principles of oversight and control exist in the regulatory framework of the country and that they are of universal application.

#### **Indicator 9(b) – Enforcement and follow-up on findings and recommendations of the control framework provide an environment that fosters compliance**

The purpose of this indicator is to review the extent to which internal and external audit recommendations are implemented within a reasonable time.

**Indicator 9(c) – Auditors sufficiently informed about procurement requirements and control systems to conduct quality audits that contribute to compliance**

The objective of this indicator is to confirm that there is a system in place to ensure that auditors working on procurement audits receive adequate training or are selected following criteria that explicitly requires that they demonstrate sufficient knowledge of the subject. Auditors should normally receive formal training on procurement requirements, operations, laws and regulations and processes. Alternatively, they should have extensive experience in public procurement or be supported by procurement specialists or consultants.

**Indicator 9(d) – The internal control system provides timely information on compliance to enable management action**

The purpose of this indicator is to review the internal control system to see if it provides timely information that is useful to management.

**Indicator 9(e) – The internal control systems sufficiently defined to allow performance audits to be conducted.**

There are written internal control routines and procedures. Ideally there would be an internal audit and control manual. Finally, there should be sufficient information retained to enable auditors to verify that the written internal control procedures are adhered to.

**Dimension 10 - Effective and efficient complaints Mechanisms**

The objective of this dimension is to determine the effectiveness and efficiency of the complaints mechanisms. The assessment team should assess all aspects of the complaints system to determine its effectiveness.

**Indicator 10(a) – Complaints are effectively managed**

The purpose of this indicator is to assess whether the regulatory framework establishes;

- a) The right to review,
- b) The matters that are subject to review;
- c) The timeframe for such reviews; and,
- d) The different steps in the review process.

Confidence in a procurement arrangement is a powerful incentive to competition. A fundamental part of this is the establishment of the right to review procurement decisions by an efficient and functionally independent process.

Even though the first review is normally carried out by the procurement entity, there should be an administrative review body that is independent from the procuring agency. That is, has no direct interest in the procurement process and does not report to the procurement agency and ideally is a separate agency.

**Indicator 10(b) – Decisions are deliberated on the basis of available information, and the final decision can be reviewed and ruled upon by a body (or authority) with enforcement capacity.**

This indicator looks at the process that is defined for dealing with complaints.

**Indicator 10(c) – Decisions are published and made available to all interested parties and to the public**

Decisions are public by law and posted in easily accessible places (preferably posted at a dedicated government procurement website on the Internet). Publication of decisions enables interested parties to be better informed as to the consistency and fairness of the process.

**Indicator 10(d) – The procurement arrangement ensures that the complaint review body has full authority and independence for resolution of complaints**

This indicator assesses the degree of autonomy that the complaint decision body has from the rest of the procurement arrangement to ensure that its decisions are free from interference or conflict of interest.

### **Dimension 11 - Degree of access to information**

This indicator deals with the quality, relevance, ease of access and comprehensiveness of information on the public procurement system.

**Indicator 11(a) – Information is published and distributed through available media with support from information technology when feasible**

Public access to procurement information is essential to transparency and creates a basis for social audit by interested stakeholders. Public information should be easy to find, comprehensive and user friendly providing information of relevance. The assessment team should be able to verify easy access and the content of information made available to the public.

The system should also include provisions to protect the disclosure of proprietary, commercial, personal or financial information of a confidential or sensitive nature.

Information should be consolidated into a single place and when the technology is available in the country, a dedicated website should be created for this purpose. Commitment, backed by requirements in the regulatory framework should ensure that agencies duly post the information required on a timely basis.

### **Dimension 12 - Existence of ethics and anticorruption measures**

This indicator assesses the nature and scope of the anticorruption provisions in the procurement arrangement. This dimension consists of seven parts (a-g).

**Indicator 12(a) – The regulatory framework for procurement, including selection and contract documents, includes provisions addressing corruption, fraud, conflict of interest**

**and sets out (either directly or by reference to other laws) the actions that can be taken with regard to such conduct**

This indicator assesses the extent to which the law and the regulations compel procuring agencies to include fraud and corruption and conflict of interest references in the procurement documents.

The assessment should verify the existence of the provisions and enforceability of such provision through the regulatory framework. The provisions should include the definitions of what is considered conflict of interest and fraud and corruption and the consequences of committing such acts.

**Indicator 12(b) – The regulatory framework defines responsibilities, accountabilities, and penalties for individuals and legal entities found to have engaged in fraudulent or corrupt practices**

This indicator assesses the existence of legal provisions that define fraudulent and corrupt practices and set out the responsibilities and sanctions for individuals or legal entities indulging in such practices. These provisions should also address issues concerning conflict of interest and incompatibility situations. The law should prohibit the intervention of active public officials and former public officials for a reasonable period of time after leaving office in procurement matters in ways that benefit them, their relatives, and business or political associates financially or otherwise. There may be cases where there is a separate anticorruption law (e.g. anticorruption legislation) that contains the provisions.

**Indicator 12(c) – Evidence of enforcement of rulings and penalties exists**

This indicator is about the enforcement of the law and the ability to demonstrate this by actions taken. Evidence of enforcement is necessary to demonstrate to the citizens and other stakeholders that the country is serious about fighting corruption. This is not an easy indicator to assess but the assessment team should be able to obtain at least some evidence of prosecution and punishment for corrupt practices. The assessment team should get figures on the number of cases of corruption reported through the arrangement, number of cases prosecuted and if possible the kind of penalty imposed.

**Indicator 12(d) – Special measures exist to prevent and detect fraud and corruption in public procurement**

This indicator looks to verify the existence of an anticorruption program, its extent and nature or other special measures which can help prevent and/or detect fraud and corruption specifically associated with public procurement.

A comprehensive anticorruption program normally includes all the stakeholders in the procurement arrangement, assigns clear responsibilities to all of them, and assigns a high level body or organization with sufficient standing and authority to be responsible for coordinating and monitoring the program. The procurement authorities are responsible for running and monitoring a transparent and efficient arrangement and for providing public information to promote accountability and transparency. The control organizations (supreme audit authority) and the

legislative oversight bodies (e.g. the parliament or congress), are responsible for detecting and denouncing irregularities or corruption. The CSO's are responsible for social audits and for monitoring of procurement to protect the public interest. These may include NGOs, the academia, the unions, the chambers of commerce, professional associations and the press. The judiciary also participates, often in the form of special anticorruption courts and dedicated investigative bodies that are responsible for investigating and prosecuting cases of corruption. There are normally government public education and awareness campaigns as part of efforts to change social behavior in respect to corrupt practices. Anticorruption strategies usually include the use of modern technology to promote e-procurement and e-government services to minimize the opportunities for fraud and corruption.

The assessment team should assess the extent to which all or some of this actions are organized as a coordinated effort with sufficient resources and commitment by the government and the public or the extent to which they are mostly isolated and left to the initiative of individual agencies or organizations.

**Indicator 12(e) – There is a secure mechanism for reporting fraudulent and corrupt practices**

The country provides a system for reporting fraudulent and corrupt practices that provides for confidentiality. The system must be seen to react to reports as verified by subsequent actions taken to address the issues reported.

**Indicator 12(f) – Existence of Codes of Conduct/Codes of Ethics for participants that are involved in aspects of the public financial management systems that also provide for disclosure for those in decision making positions**

The country should have in place a Code of Conduct/Ethics that applies to all public officials. In addition, special provisions should be in place for those involved in public procurement. In particular, financial disclosure requirements have proven to be very useful in helping to prevent unethical or corrupt practices.

**Indicator 12(g) – Stakeholders (private sector, civil society, and ultimate beneficiaries of procurement/end-users) support the creation of a procurement market known for its integrity**

This indicator assesses the strength of the public in maintaining a sound procurement environment. This may manifest in the existence of respected and credible civil society groups that provide oversight and can exercise social control. The welcoming and respectful attitude of the government and the quality of the debate and the contributions of all interested stakeholders are an important part of creating an environment where integrity is expected and deviations are not tolerated.

WORKING DRAFT

## Pillar V. Procurement Operations

This aspect of the review looks at the operational effectiveness and efficiency of the procurement arrangement at the national level and of the implementing agency responsible for implementing individual procurement activities. It assesses the procurement cycle as one means of judging the quality and effectiveness of the arrangement when putting procurement procedures into practice. This Pillar looks at the procurement framework and arrangements at a national and agency to see how they operate.

### **Dimension 13 - Effective procurement cycle**

The objective of this dimension is to determine the effectiveness of the procurement cycle. The assessment team should evaluate the critical aspects of the procurement cycle to determine if it is effective and follows good international practice with clearly defined processes and procedures. This dimension consists of ten parts (a-j).

#### **Indicator 13(a) – Market research and procurement strategy**

This indicator assesses whether market research is conducted to determine the right engagement approach is used and fits the market. It also assesses if this information is used to produce a detailed procurement strategy document that includes:

- A detailed market research;
- Benchmarking process;
- The approach to market; and
- Potential risks and issues.

#### **Indicator 13(b) – Procurement Approaches and Methods**

This indicator assesses whether the regulatory framework includes:

A clear definition of the permissible procurement approaches and methods; and

The circumstances under which each approach and method is appropriate.

The regulatory framework should make open competition preferred approach to procurement. The law, regulations and/or policy should define the situations in which other approaches may be used and ensure that acceptable justification and approval levels are clearly specified.

The hierarchy of the regulatory framework instruments where acceptable procurement approaches and methods are established should be such that the discretion of individual agencies or procurement officials is reasonably controlled to minimize the use of approaches or methods that limit competition.

### **Indicator 13(c) – Advertising rules and time limits**

This indicator assesses whether:

The regulatory framework includes requirements to publish contract award information as a matter of public interest and to promote transparency;

There is wide and easily accessible publication of procurement opportunities; and

There is adequate time provided between publication of opportunities and submission date, consistent with the method and complexity of the procurement, to prepare and submit proposals.

Time between publication of the invitation for prequalification applications, or for an open competition and the submission of proposals relates to the complexity of the procurement and the level of competition expected. If foreign providers are expected to compete, this is a factor to consider. The law and regulations should establish the criteria for setting the minimum time between advertisement and submission of proposals.

### **Indicator 13(d) – Tender documentation and technical specifications**

This indicator assesses the degree to which the regulatory framework specifies the content of selection documents to enable providers to understand clearly what is requested from them and how the procurement process is to be carried out.

Selection documents should contain sufficient information to enable the submission of responsive bids/proposals and to establish the basis for a transparent evaluation and award process. Specifications included in the selection documents must be neutral and refer to international standards where possible or other officially recognized standards that are essentially equivalent to the ones specified.

It is important that the content requirements for selection documents are relevant to making an award decision. Information not needed for the process should not be required as part of the submission. Excessive information and documentation requirements are considered to cost money and can reduce competition or lead to disqualification of potential providers on the basis of unnecessary requirements.

### **Indicator 13(e) – Selection Process**

This indicator assesses the effectiveness of the selection process to make sure it is fair and transparent and as effective and efficient as possible.

### **Indicator 13(f) – Model selection documents for goods, works, and general services**

Model selection documents of good quality, that are reasonably balance the risk between parties promote competition and increase confidence in the arrangement. Potential providers are more willing to participate when they are familiar with the documents and their interpretation. Model selection documents should contain the selection process procedures and rules and a draft



contract to enable the providers to value the cost and risk of performing a contract for the government. If model selection documents are not available, there should be, as a minimum, a set of standard and mandatory clauses and templates that will help in the formulation of the tender documents.

### **Indicator 13(g) – Procedures for pre-qualification**

This indicator covers the existence of procedures for pre-qualification of providers in a particular procurement. Pre-qualification is normally used in procurement opportunities with a high level of complexity where it is possible to determine, primarily using pass/fail criteria, if the interested providers possess the qualification (such as experience and financial situation) to perform satisfactorily. Assessment of qualifications can be combined with the selection documents as part of a specific procurement or it can be initiated as a separate exercise that is conducted before bids/proposals are requested. In highly complex procurement, use of pre-qualification as a separate process can make the procurement more efficient by ensuring only qualified providers are included and it can save providers money and time by not having to incur the expense of preparing a bid/proposal if they are not qualified.

Pre-qualification should be defined by procedures in order to ensure that it is not abused and used as a method for limiting competition by overstating the qualification requirements.

### **Indicator 13(h) – Submission, receipt and opening of bids/proposals**

This indicator assesses how the regulatory framework regulates the process of receipt and opening of bids/proposals. Public opening of bids/proposals is a means of increasing transparency to a procurement opportunity. The public, including providers or their representatives, must be permitted to attend. Opening bids/proposals immediately after the deadline for submission of bids/proposals diminishes the possibility of loss or alteration of bids/proposals.

The exception to this rule may be opening of prequalification submissions or opening of technical proposals for consulting services (that are not priced) in which cases they may be opened privately followed by a simple notification to all providers that submitted applications or bids/proposal participants of the list of submissions.

The law or regulations should establish that in public procurement, the names and addresses of the providers and the bid/proposal prices and any and all discounts (and any withdrawals or modifications to bids/proposals duly submitted), and those of any alternative offers permitted are read aloud and recorded. Records should be retained and available for review and audit purposes.

For appropriate security, bids/proposals should be submitted in sealed envelopes and maintained in a safe place with access controlled. In the case of electronic procurement, the e-procurement should be secure and able to be audited and online submissions must be received into an electronic bid/proposal box and maintained to high standards of security for long term record-keeping and audit.

Clarity on how bids/proposals are submitted is critical in minimizing rejection of otherwise compliant bids/proposals. The law and the regulations must give clear provisions in this respect. For example, the number of copies, the sealing and marking of envelopes and in the case of electronic bidding, the security and auditing requirements should all be specified.

### **Indicator 13(i) – Bid/proposal evaluation and award criteria**

This indicator assesses:

- a. The quality and sufficiency of the regulatory framework provisions in respect to the objectivity and transparency of the evaluation process; and
- b. The degree of confidentiality kept during the process to minimize the risk of undue influences or abuse.

Pre disclosed and objective criteria are essential for efficiency, fairness and transparency in the evaluation of bids/proposals. Objectivity means that there is little room for interpretation of the criteria by the evaluator. For this reason, it is desirable that evaluation criteria be clear and quantifiable as far as possible. Exceptions include higher value, more complex requirements where scoring of a proposal may be warranted.

The decision criteria for award should be based on a value for money assessment. The regulatory framework should prohibit the use of evaluation criteria different from those set out in the selection documents.

Confidentiality and regulated communications with the providers during the evaluation period are necessary to avoid abuse and undue interference in the process. The evaluation period comprises from the conclusion of the bid/proposal opening to the point at which the award of the intention to award the contract is decided and announced.

Information related to the evaluation process and results can be disclosed to interested parties after the evaluation is complete. There should be rules of disclosure that protects information provided by respondents that is of proprietary nature, commercially or financially sensitive.

### **Indicator 13(j) – Are procedures clearly defined for undertaking contract administration responsibilities that include inspection and acceptance procedures, quality control procedures, and methods to review and issue contract amendments in a timely manner**

All of the above procedures are important aspects of contract administration. These procedures will help ensure quality performance of the contract requirements and will facilitate prompt payment of invoices including final acceptance and final payments.

## **Dimension 14 - Existence of dispute resolution provisions**

This dimension's objective is to assess the quality of contract administration practices which begin with the contract award and continue throughout contract execution and completion. This is an area that many procurement arrangements fail to consider. It is also a procurement stage where many issues arise that can affect the performance of the contract and impact on service delivery.

**Indicator 14(a) – Contracts include dispute resolution procedures that provide for an efficient and fair process to resolve disputes arising during the performance of the contract**

Disputes during the performance of a contract are a common occurrence. In order to avoid long delays while resolving disputes, a good resolution process should be defined in the contract that provides for fair and timely resolution.

**Indicator 14(b) – Procedures exist to enforce the outcomes of the dispute resolution process**

In order to be effective, the contract not only must provide for fair and efficient dispute resolution procedures, it must also provide for enforcement of the outcome of the dispute resolution process.

**Dimension 15 - Data, Metrics and Reporting**

The objective of this dimension is to determine how data and reporting is utilized to inform procurement decisions and management. A high performing agency should take strategic and contract management decisions informed by detailed spend analysis. The production of metrics and reporting enables management to make more informed decisions based on factual information.

**Indicator 15(a) – Spend Data, Metrics and Reporting**

The purpose of this indicator is to assess whether the agency manages spend data to enable it to identify key areas of spend, key suppliers and top contracts. A good performing procurement function needs to fully understand what's been spent on what to be able to put in effective procurement strategies.

**Dimension 16 - Risk Management**

The objective of this dimension is to determine how risks are identified and managed through the procurement process and if risk management systems are utilized.

**Indicator 16(a) – Procurement Risk Management**

The purpose of this indicator is to assess how procurement risks are identified as part of the procurement process, how risks are assessed, mitigated, allocated and monitored. A good performing procurement function has good risk management processes in place to ensure that any potential issues and risks are appropriately managed.

WORKING DRAFT

## APA Assessment Methodology

This section outlines the pillars, dimensions and the indicators at a national and agency level to be used for the APA assessment. Each dimension outlines if the indicator is a minimum or desirable requirement. For minimum requirements the baseline when appropriate is outlined. Evidence based questions and analysis (using data information and surveys) are also outlined.

Agencies from GPA (Government Procurement Agreement) countries will not be assessed for those elements that the GPA accession process goes through. Those indicators are marked with an asterisk (\*) and means that at least one item from the indicator will not be considered for GPA country agencies.

### Pillar I – Legislative, Regulatory and Policy Framework

#### **Dimension 1 - Public procurement legislative, regulatory and policy framework (regulatory framework) achieves the agreed standards and complies with applicable obligations**

##### **Indicator 1(a) – Scope of application and coverage of the regulatory framework**

###### **National Level**

Ref	Indicator	Minimum/ Desirable	Baseline
<b>N1</b>	All laws and regulations must be published and easily available *	Minimum	Yes - Evidence on the web or freely available upon request
<b>N2</b>	The regulatory framework covers all types of procurement (Goods, Works, Consulting Services and Non-Consulting Services) *	Minimum	Yes – Each type of procurement is clearly defined in the regulatory framework

##### **Indicator 1(b) – Rule on Participation**

###### **National Level**

Ref	Indicator	Minimum/ Desirable	Baseline
<b>N3</b>	The regulatory framework details the selection methods that should be used and under what circumstances *	Minimum	Yes – The regulatory framework fully details all selection methods and clearly defines when each should be used
<b>N4</b>	The regulatory frameworks details the eligibility requirements of providers *	Minimum	Yes – The conditions for eligibility are clearly defined in the regulatory framework

<b>N5</b>	Potential providers are excluded eligibility for conviction of specified criminal or corrupt activities	Minimum	Yes - Providers are excluded who have been the subject of a conviction by final judgment for one of the following reasons: i. Participation in a criminal organization ii. Corruption as defined in the national law of the contracting authority or the economic operator iii. Fraud iv. Terrorist offences or offences linked to terrorist activities or inciting or aiding or abetting or attempting to commit an offence v. Money laundering or terrorist financing vi. Child labor and other forms of trafficking in human beings
<b>N6</b>	If SOE's (State Owned Enterprises) are allowed to bid for Government contracts they do not receive any preferential treatment	Minimum	Yes - Evidenced in any of the regulatory framework and review evaluation documents

### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>A1</b>	The agency doesn't limit competition more than permitted by the regulatory framework	Minimum	Yes – Review of agency practice to check it meets the regulatory framework

### Example Survey Question to Private Sector / CSO's

- a) Do you feel that you have adequate opportunity to be eligible for procurement opportunities managed by the agency?

### Dimension 2 - Existence of Implementing Regulations, Policy and Documentation

#### Indicator 2(a) – Implementing regulation and or policy that provide defined processes and procedures not included in higher-level legislation

#### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>N7</b>	Procurement regulations and or policies are consolidated in one single place *	Desirable	Yes - Evidenced in any of the regulatory framework

**Indicator 2(b) – General Conditions of Contracts (CC) for public sector contracts covering goods, works, general services and consulting services consistent with national requirements and, when applicable, international requirements**

**National Level**

Ref	Indicator	Minimum/ Desirable	Baseline
<b>N8</b>	There are general CC's for the most common types of contracts	Desirable	Yes – For goods, works and consulting services
<b>N9</b>	The use of general CC's is mandatory	Desirable	Yes
<b>N10</b>	The general CC's are generally fair, balanced and consistent with internationally accepted practice	Desirable	Yes – Review of general CC's assessed against international practice

**Agency Level**

Ref	Indicator	Minimum/ Desirable	Baseline
<b>A2</b>	If there are national CC's, they are utilized by the agency	Desirable	Yes – Sample review of contracts
<b>A3</b>	The agency uses either national CC's or their own CC's	Minimum	Yes - Sample review of contracts

**Example Survey Question to Private Sector / CSO's**

- a) Do you feel that general CC's are generally fair, balanced and consistent with internationally accepted practice?

WORKING DRAFT



## Pillar II. Institutional Framework and Management Capacity

### Dimension 4 - The public procurement arrangement is integrated into the public sector governance system

**Indicator 4(a) – Procurement planning and associated expenditures are part of the budget formulation process and contribute to multiyear planning**

#### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A4	Policies and procedures exist at the agency level for procurement planning	Minimum	Yes – Policies and procedures exist and procurement plans are produced. Procurement plans include: <ol style="list-style-type: none"> <li>i. Items to be procured</li> <li>ii. Type of contract to be used</li> <li>iii. Risk Identification</li> <li>iv. Approach to market</li> </ol>
A5	The agency completes detailed market analysis prior to going to market for major procurements	Desirable	Yes – Evidence of market analysis being completed as part of procurement planning for major procurements
A6	Standard templates are used for completing annual procurement plans	Desirable	Yes – Review of procurement plans
A7	Strategic procurement plans are produced to a suitable standard for higher risk/value procurement	Minimum	Yes – Strategic procurement plans include as a minimum <ol style="list-style-type: none"> <li>i. Market Structure</li> <li>ii. Suppliers in the Market</li> <li>iii. Approach to Market</li> <li>iv. International / National</li> <li>v. Risk Identification</li> </ol>

#### Evidence Based Data Analysis

- a) Number of failed or annulled procurements due to funding not being agreed prior to going to market
- b) Percentage of failed or annulled procurement out of total procurements

#### Example Survey Questions to Private Sector / CSO's

- a) How often does your company consult annual procurement plans for this agency to prepare for procurement opportunities with the government?

## Indicator 4(b) – Budget law and financial procedures support timely procurement, contract execution, and payment

### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N11	There are national business regulations for processing of invoices by government agencies	Minimum	Yes – National regulations are publically

### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A8	Majority of invoices are processed by the government agency as per the national business regulations in the country and meet obligations for timely payment as stated in the contract	Minimum	Yes – Payment management system analyzed

### Evidence Based Data Analysis

- Average number of days to pay a non-disputed invoice once it is received
- Number of payments outstanding 90 days or more in dispute vs not in dispute
- Percentage of invoices in dispute by number and value, compared with total invoices successfully processed

### Example Survey Questions to Private Sector / CSO's

- How long after an invoice has been submitted is payment usually received by your company?
- Has your company ever decided not to submit a bid/proposal for a government/agency contract because the time taken by the government/agency to pay an invoice is too long?
- Does the time taken by the agency to pay an invoice affect the cash flow of your company?
- How often has the agency refused to pay an invoice for your company because they unfairly claimed the quality of goods, works, general services or consulting services delivered were poor?
- What is your overall view on payment reputation for the agency?

## **Dimension 5 – Existence of a functional normative/regulatory body**

**Indicator 5(a) – The regulatory body should provide for separation and clarity so as to avoid conflict of interest and direct involvement in the execution of procurement transactions**

### **National Level**

<b>Ref</b>	<b>Indicator</b>	<b>Minimum/ Desirable</b>	<b>Baseline</b>
<b>N12</b>	The regulatory framework covers conflicts of interest *	Minimum	Yes – Conflicts of Interest are covered in the regulatory framework

### **Agency Level**

<b>Ref</b>	<b>Indicator</b>	<b>Minimum/ Desirable</b>	<b>Baseline</b>
<b>A09</b>	The agency has a policy on conflicts of interest that includes what's covered in the regulatory framework	Minimum	Yes – Conflicts of interest as covered in the regulatory framework reviewed and should include as a minimum: i. Employees must not procure goods or services from a business in which the employee or their family has a financial interest, or may directly benefit from such procurement. Such situations should be disclosed and should not be involved in the procurement process. ii. Conflicts of Interest are declared, recorded and managed
<b>A10</b>	A conflict of interest declaration is completed before each procurement	Minimum	Yes – Sample review of procurement files

### **Example Survey Questions to Private Sector / CSO's**

- a) Overall, do you feel that the agency deals with any potential conflict of interest adequately such as personal relations, personal investments with providers and contractors?

## **Dimension 6 - Existence of institutional development capacity**

**Indicator 6(a) – There is a system for collecting and disseminating procurement information, including invitation for bids/proposals, requests for expression of interest, requests for bid/proposals, and contract award information**

## National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N13	There is an information system that provides timely and up-to-date procurement information	Desirable	Yes – Information system provides as a minimum, timely and up-to-date information such as procurement plans and procurement opportunities that are easily accessible to all interested parties at no cost

## Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A11	If not at a national level, there is an information system at the agency that provides timely and up-to-date procurement information	Minimum	Yes – Information system provides as a minimum, timely and up-to-date information such as procurement plans and procurement opportunities that are easily accessible to all interested parties at no cost

## Evidence Based Data Analysis

- a) Percentage of requests for bids/proposals and contract award notices that are loaded into the system

## Example Survey Question to Private Sector / CSO's

- a) Do you feel that the agency's key procurement information, such as requests for bid/proposal and contract award notices are available to the public?

## Indicator 6(b) – There are systems and procedures for collecting and monitoring procurement statistics

### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N14	There is a system in operation to collect national procurement data *	Desirable	Yes – System analyzed

## Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A12	There is a procedure for collecting and monitoring procurement statistics at an agency level	Minimum	Yes – Review of the procedure and statistics
A13	The agency's procurement statistics are collated and publicly available	Desirable	Yes

**Indicator 6(c) – A strategy and training capacity exists to provide training, advice and assistance to develop the capacity of agencies and private sector participants to understand the rules and regulations and how they should be implemented**

## National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N15	There is an advisory service or help desk for public or private sector parties where they can get advice on the application and interpretation of the regulatory framework	Desirable	Yes

## Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A14	The agency offers procurement related training to their procurement professionals	Desirable	Yes – Review of training offered by the agency

## Evidence Based Data Analysis

- a) Average number of training days attended per staff member

## Example Survey Questions to Private Sector / CSO's

- a) Do you feel that agency procurement staff have good knowledge and understanding of national and agency procurement policies and practices?

**Indicator 6(d) – There is a clear management structure with policies on delegation**

**Agency Level**

Ref	Indicator	Minimum/ Desirable	Baseline
A15	It is clearly defined who has authority to sign contracts financed by the Bank	Minimum	Yes

WORKING DRAFT

## Pillar III. Procurement Administration and Market Practices

### Dimension 7 – Effective procurement operations and practices

**Indicator 7(a) – The level of procurement competence among government officials within the entity is consistent with their procurement responsibilities**

#### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>A16</b>	There are job descriptions for procurement staff members, including qualifications required	Desirable	Yes – Review of job descriptions for procurement

**Indicator 7(b) – Are there established norms for the safekeeping of records and documents related to procurement transactions and contract management**

#### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>N16</b>	The regulatory framework establishes a list of the procurement records that must be kept at the operational level *	Desirable	Yes – The list of procurement records should include as a minimum <ol style="list-style-type: none"> <li>i. Public notices of procurement opportunities (Minimum)</li> <li>ii. Selection documents and any amendments (Desirable)</li> <li>iii. Bid/proposal opening records (Minimum)</li> <li>iv. Bid/proposal evaluation reports (Minimum)</li> <li>v. Final signed contract documents and amendments (Minimum)</li> <li>vi. Complaints and dispute resolutions (Minimum)</li> <li>vii. Disbursement data (as required by the country's financial management system) (Desirable)</li> </ol>
<b>N17</b>	There is a document retention policy that is compatible with the statute of limitations in the country for investigating and prosecuting cases of fraud and corruption *	Minimum	Yes – Review of the retention policy against the statute of limitations in the country

## Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A17	The agency has a policy that covers the safekeeping of records and documents in line with the country's regulatory framework	Minimum	Yes – The list of procurement records should include as a minimum <ol style="list-style-type: none"> <li>i. Public notices of procurement opportunities (Minimum)</li> <li>ii. Selection documents and any amendments (Desirable)</li> <li>iii. Bid/proposal opening records (Minimum)</li> <li>iv. Bid/proposal evaluation reports (Minimum)</li> <li>v. Final signed contract documents and amendments (Minimum)</li> <li>vi. Complaints and dispute resolutions (Minimum)</li> <li>vii. Disbursement data (as required by the country's financial management system) (Desirable)</li> <li>viii. Contract Variations (Minimum)</li> </ol>
A18	The rules on record keeping are fully adhered to by the agency	Minimum	Yes – Random sampling of procurement records

## Evidence Based Data Analysis

- a) Percentage of procurements found with incomplete records being retained (identify a random sample of at least 10 procurements processes and check records)



## Pillar IV. Integrity & Transparency of the Public Procurement Arrangement

### Dimension 9 - Effective control and audit systems

**Indicator 9(a) – There is a legal framework, organization, policy, and procedures for internal and external control and audit of public procurement operations in place that provide a functioning control framework**

#### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>A19</b>	There is a policy on what should be included in the procurement record for auditing	Minimum	Yes – The list of procurement records should include as a minimum <ol style="list-style-type: none"> <li>i. Public notices of procurement opportunities (Minimum)</li> <li>ii. Selection documents and any amendments (Desirable)</li> <li>iii. Bid/proposal opening records (Minimum)</li> <li>iv. Bid/proposal evaluation reports (Minimum)</li> <li>v. Final signed contract documents and amendments (Minimum)</li> <li>vi. Complaints and dispute resolutions (Minimum)</li> <li>vii. Disbursement data (as required by the country's financial management system) (Desirable)</li> </ol>

**Indicator 9(b) – Enforcement and follow-up on findings and recommendations of the control framework provide an environment that fosters compliance**

#### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>N18</b>	The procurement arrangement is open to internal or external audits	Minimum	Yes – Review of policy and evidence of audit reports and follow up actions

#### Example Survey Question to Private Sector / CSO's

- a) Do you feel that the agency acts on the finding of audit reports in a timely manner?

**Indicator 9(c) – Auditors sufficiently informed about procurement requirements and control systems to conduct quality audits that contribute to compliance**

**National Level**

Ref	Indicator	Minimum/Desirable	Baseline
<b>N19</b>	Auditors are selected in a fair and transparent way and are fully independent	Minimum	Yes – Review of auditor selection and their independence

**Agency Level**

Ref	Indicator	Minimum/Desirable	Baseline
<b>A20</b>	If the agency conducts its own internal audits, auditors are selected in a fair and transparent way and are fully independent	Minimum	Yes

**Example Survey Questions to Private Sector / CSO's**

- a) Do you feel that auditors are appropriately selected with the right knowledge and trained accordingly? (Question to be asked to CSO's i.e. Transparency international)
- b) Do you feel that audits are fully independent? (Question to be asked to CSO's i.e. Transparency international)

**Dimension 10 – Effective and efficient complaints Mechanisms**

**Indicator 10(a) – Complaints are effectively managed**

**National Level**

Ref	Indicator	Minimum/Desirable	Baseline
<b>N20</b>	The regulatory framework provides participants the opportunity to present complaints *	Minimum	Yes – Review of the regulatory framework
<b>N21</b>	There is a defined timeframe for the submission of complaints	Minimum	Yes – Minimum of 10 days to file the complaint
<b>N22</b>	There is a defined timeframe for responding to complaints *	Desirable	Yes – Timeframe clearly defined and transparent
<b>N23</b>	There is a stand still period before contract award to allow for complaints	Minimum	Yes – Minimum of 10 days to file the complaint

## Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A21	There is a policy for complaints handling and management at the agency level	Minimum	Yes – Review of policy framework, policy should include: <ol style="list-style-type: none"> <li>i. Roles and Responsibilities</li> <li>ii. Business Standards</li> <li>iii. Appeals Mechanisms</li> </ol>
A22	The policy includes benchmark response times	Desirable	Yes
A23	If not at the national level, there is a defined timeframe for the submission of complaints	Minimum	Yes – Minimum of 10 days to file the complaint
A24	If not at the national level, there is a defined timeframe for responding to complaints	Minimum	Yes - Timeframe clearly defined and transparent
A25	The complaint system is used by aggrieved providers and bidders	Desirable	Yes
A26	The agency tracks appeals and results	Desirable	Yes

### Evidence Based Data Analysis

- a) Percentage of cases that had complaints that were resolved
- b) Percentage of complaints resulting in modification of procurement documents or evaluation decisions

### Example Survey Questions to Private Sector / CSO's

- a) Is the complaint handling process available upon request?
- b) Do you feel that complaints are handled appropriately and taken seriously?
- c) On average, how long does it take for the agency/government to issue a decision about a complaint?
- d) How often were your company's complaints successful?
- e) How often has your company's bid/proposals been affected by complaints submitted by competitors?
- f) How often has your company submitted a complaint to the agency before the conclusion of a procurement process?
- g) Does your company trust the process to address complaints during a procurement process?

**Indicator 10(b) – Decisions are deliberated on the basis of available information, and the final decision can be reviewed and ruled upon by a body (or authority) with enforcement capacity**

This indicator looks at the process that is defined for dealing with complaints.

## National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N24	There is an authority in charge of reviewing procurement complaints *	Minimum	Yes – Identification of the authority
N25	Providers, bidders or contractors can appeal a final decision *	Minimum	Yes - Evidence of process

### Example Survey Question to Private Sector / CSO's

- a) If you weren't happy with the outcome of the complaints, would you be prepared to escalate the complaint to the review body?
- b) Do you feel that decisions regarding complaints are deliberated on the basis of available information, and that a decision can be reviewed? (Question to be asked to CSO's i.e. Transparency international)

### Indicator 10(c) – Decisions are published and made available to all interested parties and to the public

#### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N26	Decisions are publically posted	Desirable	Yes

#### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A27	If not at a national level, decisions are publically posted	Minimum	Yes

### Example Survey Question to Private Sector / CSO's

- a) Do you feel that decisions are published and made available to all interested parties and to the public?

**Indicator 10(d) – The procurement arrangement ensures that the complaint review body has full authority and independence for resolution of complaints**

**National Level**

Ref	Indicator	Minimum/ Desirable	Baseline
N27	The complaint review body has full authority and independence for the resolution of complaints *	Minimum	Yes

**Agency Level**

Ref	Indicator	Minimum/ Desirable	Baseline
A28	Complaints are sent to the independent review body when appropriate	Desirable	Yes

**Evidence Based Data Analysis**

- a) Number of cases sent for independent review
- b) Percentage of total complaints sent to the independent review body
- c) Percentage of cases review panel's decision upheld

**Example Survey Questions to Private Sector / CSO's**

- a) Do you feel that the independent review body is fully independent and fair and transparent?
- b) How often has your company appealed a decision issued by the agency regarding a complaint your company filed?
- c) On average, how long does it take to issue a decision about an appeal your company has made?

**Dimension 11 - Degree of access to information**

**Indicator 11(a) – Information is published and distributed through available media with support from information technology when feasible**

## Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A29	The publication and advertisement of procurement plans, requests for bid/proposals and contract awards decisions are clearly defined	Minimum	Yes – Review of policy and published information
A30	Providers can find procurement opportunities online and in one central place	Minimum	Yes
A31	Procurement opportunities, request for bid/proposals, contract awards, contract decisions and implementation data are published in accordance with the regulations	Minimum	Yes – Review of published information

## Evidence Based Data Analysis

- a) Number and value of procurement opportunities and contract awards that are published and disclosed to the public (as opposed to those that are not published, like results of request for quotations for instance)

## Example Survey Questions to Private Sector / CSO's

- a) Do you feel that all procurement opportunities are publically advertised?
- b) Are procurement opportunities, procurement plans, and contract awards published and made available to the public in a timely manner?
- c) Do you feel providers have equal access to information and are treated fairly?
- d) Do you have to register to receive selection documents?

## Dimension 12 – Existence of ethics and anticorruption measures

**Indicator 12(a) – The regulatory framework for procurement, including selection and contract documents, includes provisions addressing corruption, fraud, conflict of interest and sets out (either directly or by reference to other laws) the actions that can be taken with regard to such conduct**

## National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N28	The regulatory framework covers fraud and corruption	Minimum	Yes – Review of the regulatory framework

<b>N29</b>	There is a policy that states that employees are prohibited from accepting items of value for example gifts, entertainment, meals or travel from potential or current suppliers cover the acceptance of items of value	Desirable	Yes – Review of policy
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### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>A32</b>	There are fraud and corruption provisions on standard selection documents and included in contract conditions	Minimum	Yes – Sample review of standard selection documents and contract conditions
<b>A33</b>	There is a policy at the agency level that covers conflict of interests and fraud and corruption	Minimum	Yes – Review of policy
<b>A34</b>	If not at the national level there is a policy that states that employees are prohibited from accepting items of value for example gifts, entertainment, meals or travel from potential or current suppliers cover the acceptance of items of value	Minimum	Yes – Review of policy

### Example Survey Questions to Private Sector / CSO's

- a) How many cases of conflict of interest or fraud and corruption has the government investigated in the past 5 years?
- b) How many companies have been debarred by the government for issues of fraud and corruption?
- c) How often do you hear on the news about the government prosecuting cases of fraud and corruption in procurement?
- d) Has your company ever had to make payments to be able to get a contract with the government or agency?
- e) Has anyone suggested to your company to make payments in exchange for advantages on government or agency procurement processes?
- f) Does your company know of other companies who made payments to get a contract with the agency or government?
- g) Do you feel that the agency has an adequate policy and practice that covers the acceptance of gifts, entertainment, hospitality and meals?

**Indicator 12(b) – The regulatory framework defines responsibilities, accountabilities, and penalties for individuals and legal entities found to have engaged in fraudulent or corrupt practices**

**National Level**

Ref	Indicator	Minimum/ Desirable	Baseline
N30	There are sanctions in the regulatory framework for fraud and corruption	Minimum	Yes
N31	The regulatory framework defines the responsibilities, accountabilities and penalties for fraudulent or corrupt practices	Minimum	Yes
N32	The regulatory framework prohibits the intervention of active public officials and former public officials for a reasonable period of time after leaving office in procurement matters (Cool off Period)	Minimum	Yes

**Agency Level**

Ref	Indicator	Minimum/ Desirable	Baseline
A35	There are sanctions for fraud and corruption at the agency level	Desirable	Yes – Review of sanctions

**Indicator 12(c) – Evidence of enforcement of rulings and penalties exists**

**Agency Level**

Ref	Indicator	Minimum/ Desirable	Baseline
A36	There is evidence of fraud and corruption enforcement	Minimum	Yes – Review of documents

**Example Survey Questions to Private Sector / CSO's**

- a) Do you feel that the agency's anticorruption measures are efficient and effective?
- b) Is there evidence of fraud and corruption enforcement?
- c) When was the last case of fraud and corruption enforcement?



**Indicator 12(d) – Special measures exist to prevent and detect fraud and corruption in public procurement**

**Agency Level**

Ref	Indicator	Minimum/ Desirable	Baseline
A37	There are special measures to prevent and detect fraud and corruption	Minimum	Yes

**Evidence Based Data Analysis**

- a) Number of fraud and corruption cases detected & number of fraud and corruption cases prevented as a percentage of total procurements number and value

**Indicator 12(e) – There is a secure mechanism for reporting fraudulent and corrupt practices**

**Agency Level**

Ref	Indicator	Minimum/ Desirable	Baseline
A38	There is a secure mechanism for reporting fraudulent and corrupt practices to the agency	Minimum	Yes

**Example Survey Question to Private Sector / CSO's**

- a) Do you feel that there is a secure mechanism for reporting fraudulent, corrupt, or unethical behavior? (Question to be asked to CSO's i.e. Transparency international)

**Indicator 12(f) – Existence of Codes of Conduct/Codes of Ethics for participants that are involved in aspects of the public financial management systems that also provide for disclosure for those in decision making positions**

**National Level**

Ref	Indicator	Minimum/ Desirable	Baseline
N33	There is a code of conduct or ethics for government officials	Minimum	Yes – Review of the code of conduct
N34	There are provisions for government officials involved in public financial management, including procurement	Minimum	Yes

## Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A39	The agency follows the national code of conduct or ethics for government officials	Minimum	Yes

WORKING DRAFT

## Pillar V. Procurement Operations

### Dimension 13 - Effective procurement cycle

#### Indicator 13(a) – Market research and procurement strategy

##### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A40	Procurement strategy documents are produced for major procurements	Desirable	Yes – Review of documentation

##### Example Survey Question to Private Sector / CSO's

- a) To the best of your knowledge does the agency develop a procurement strategy document for major procurements prior to starting the procurement process?

#### Indicator 13(b) – Procurement Approaches and Methods

##### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N35	There are different procurement approaches allowed in the regulatory framework and their conditions of use (such as open or limited competition, direct procurement, national or international) are clearly stated *	Minimum	Yes – Review of approaches defined in the regulatory framework
N36	Competitive procurement is the preferred approach *	Minimum	Yes

##### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A41	There are policies and procedures in place at the agency level that fully detail what procurement approaches and methods may be used and under which circumstances	Minimum	Yes
A42	There are different thresholds for each procurement approach and method	Minimum	Yes

## Evidence Based Data Analysis

- a) Percentage of single sourced contracts (number) excluding low value items under the value stated in the policy by total number and value of all procurements
- b) Percentage of single sourced contracts (value) excluding shopping items under the value stated in the policy by total number and value of all procurements
- c) How many contracts were procured without competition in the last year out of the total number of contracts awarded and what was the total value

## Example Survey Question to Private Sector / CSO's

- a) How often does the agency procure without competition?

## Indicator 13(c) – Advertising rules and time limits

### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N37	There are publication requirements for each type of procurement approach and method included in the regulatory framework*	Minimum	Yes
N38	There are minimum timeframes for submission of bids/proposals for each procurement method *	Minimum	Yes

### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A43	There is a policy, regulation or rule that covers the publication of procurement opportunities at the agency level that follows the national regulatory framework	Minimum	Yes
A44	The policy includes rules on the publication of advanced notice of procurement opportunities	Desirable	Yes
A45	There is an online system for procurement adverts to be published online	Minimum	Yes
A46	All advertisements are published and accessible as per the regulatory framework	Minimum	Yes – Sample review of procurements and what was advertised

## Evidence Based Data Analysis

- a) Percentage of procurement opportunities published online if applicable by number and value
- b) Percentage of contract awarded through a competitive process publicly advertised; and, percentage of those contracts advertised for the required days as per the policy by number and value

## Example Survey Questions to Private Sector / CSO's

- a) How many competitors does your company have on a typical procurement process for a government or agency contract?
- b) Does the agency publish advanced notices of procurement opportunities?
- c) To the best of your knowledge does the agency publish all procurement opportunities except direct procurement?
- d) How easy it is for your company to find out about procurement opportunities for government and agency contracts?
- e) Are all contracts to be awarded by competitive procurement publicly advertised for (INSERT TIME DEPENDING ON AGENCY POLICY)?
- f) How often does your company rely on information systems operated by the government to find out about procurement opportunities in your area?
- g) Do you feel that the advertising rules and time limits are fully transparent? (Question to be asked to CSO's i.e. Transparency international)

## Indicator 13(d) – Tender documentation and technical specifications

### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>N39</b>	The regulatory framework defines the minimum content required to be included in the selection documents *	Minimum	Yes – Minimum content must include: <ol style="list-style-type: none"> <li>i. Terms of Reference or Statement of Works or Technical Specification</li> <li>ii. Evaluation Criteria</li> <li>iii. The Terms and Conditions</li> </ol>

### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>A47</b>	There is an agency policy on the time allowed for the preparation of bids/proposals	Desirable	Yes – Specified number of days linked to complexity of the procurement

<b>A48</b>	Providers are afforded sufficient time to revise their bids/proposals following amendments to the selection documents	Desirable	Yes
<b>A49</b>	Requests for clarifications are answered promptly and completely in a written form as detailed in the selection document	Minimum	Yes – Review of selection documents and clarifications
<b>A50</b>	Selection documents contain the relevant information needed for providers to respond	Minimum	Yes

### Evidence Based Data Analysis

- a) Average number of days to respond to written requests for clarification

### Example Survey Questions to Private Sector / CSO's

- a) How long are you given to prepare bids/proposals from the issuance of the selection documents to the deadline for submission of bids/proposals?
- b) Is the time allowed in the selection documents adequate for your company to prepare a competitive and responsive bid/proposal?
- c) How often has your company decided not to submit a bid/proposal for a procurement opportunity because the time allowed for preparation of bids/proposal was too short?
- d) On average, how many days does it typically take to prepare a bid/proposal for a procurement opportunity?
- e) How long are you given to revise bids/proposals following an amendment to the selection documents?
- f) How long does it take to respond to requests for clarifications?

### Indicator 13(e) – Selection Process

#### Agency Level

Ref	Indicator	Minimum/Desirable	Baseline
<b>A51</b>	Procurement opportunities are open to competition	Minimum	Yes – Sample review of procurement awards
<b>A52</b>	Procurement processes are successfully awarded	Desirable	Yes – Review of procurement files

### Evidence Based Data Analysis

- a) Percentage number of transactions (bids) according to procurement method (degree of competition)
- b) Percentage contract value according to procurement method (degree of competition)

- c) Number of procurement processes that are successfully awarded as opposed to failed or cancelled over total number of procurement procedures conducted: Control by: Procurement methods and contract value/size using country specific thresholds and/or implementing agency level, clearance requirements

### Indicator 13(f) – Model selection documents for goods, works, and general services

#### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>N40</b>	There are model standard procurement documents, such as invitation to bid and selection documents for goods, works, general services and consulting services	Desirable	Yes

#### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
<b>A53</b>	Standard selection documents exist for the procurement of goods, works, general services and consulting services	Minimum	Yes
<b>A54</b>	Selection documents contain the appropriate information (such as the evaluation and award criteria)	Minimum	Yes - Selection documents detail evaluation and award criteria, sample of contract evaluations to verify consistency

#### Example Survey Questions to Private Sector / CSO's

- Does the agency use standard selection documents for the procurement of goods, works, general services and consulting services?
- How often has your company decided not to submit a bid/proposal for an agency/government contract because selection documents were unclear?
- How often has your company found selection documents for agency/government contracts with biased specifications?
- On average, how many administrative or agency/government-issued documents does your company have to obtain to prepare a responsive bid/proposal?
- How often was your company compelled to increase prices on a bid/proposal for an agency/government contract because selection documents placed too much risk on you as an eventual contractor?

## Indicator 13(g) – Procedures for pre-qualification

### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N41	The regulatory framework allows for the use of pre-qualification *	Minimum	Yes

### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A55	There is a policy at the agency level that covers pre-qualification	Desirable	Yes
A56	Non-domestic providers are allowed to apply without any prejudice or impediment	Minimum	Yes
A57	The pre-qualification process is fair and transparent	Minimum	Yes

### Example Survey Questions to Private Sector / CSO's

- Do you feel that when pre-qualification of providers is used, its use is appropriate, fair and transparent?
- How often has your company been unable to bid for an agency/government procurement because of prior registration requirements?
- How often does the agency/government use prequalification of providers with the only purpose of restricting competition?
- Do you feel that all providers are treated equally? (Aimed at, domestic, small businesses and foreign businesses)
- When preparing bids/proposals for this agency's contracts, how often does your company spend more time preparing prequalification applications, bid/proposals, registration and bureaucratic requirements than in preparing the technical solution and price?

## Indicator 13(h) – Submission, receipt and opening of bids/proposals

### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N42	The regulatory framework covers bid/proposal opening	Minimum	Yes - Must be at a set time and publicly recorded



## Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A58	There is a policy that covers bid/proposal opening	Minimum	Yes – Must be at a set time and publicly recorded

## Indicator 13(i) – Bid/proposal evaluation and award criteria

### National Level

Ref	Indicator	Minimum/ Desirable	Baseline
N43	The regulatory framework defines clearly what can be used as part of the evaluation*	Minimum	Yes

### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A59	The bid/proposal evaluation criteria is transparent, objective, pre-disclosed to all providers and applied in practice as stipulated in the selection documents	Minimum	Yes
A60	The award decision is made solely on the basis of the award criteria stated in the selection documents	Minimum	Yes – Evidenced by sample review of evaluation report and selection documents
A61	The evaluation is properly documented	Minimum	Yes
A62	The evaluation plans are completed to a suitable standard	Desirable	Yes
A63	There is a procedure that covers bid/proposal evaluation and bid/proposal evaluation timelines	Desirable	Yes
A64	The successful and unsuccessful bidders are informed about the award decision as required by the regulatory framework	Minimum	Yes – Review of procurement files
A65	Unsuccessful bidders/respondents can request a debrief	Minimum	Yes
A66	Contract award notices are published	Minimum	Yes – Review of contracts and published notices

## Evidence Based Data Analysis

- a) Average number of days between bid/proposal opening and completion of evaluation

- b) Average number of days taken between submission of bid/proposal evaluation report and approval of contract (contract signing date)
- c) Percentage of cases bid/proposal evaluation has been completed within the specified timeline

**Example Survey Questions to Private Sector / CSO’s**

- a) Is the bid/proposal evaluation criteria transparent, objective and pre-disclosed to you?
- b) How often has your company seen selection documents for agency/government contracts with subjective or unclear evaluation criteria?
- c) How often has your company had a bid rejected for missing bureaucratic agency/government-issued documentation or license in the past 12 months?
- d) How often has your company had a bid/proposal rejected for minor, non-substantial non-material deviations or shortcomings in the past 12 months?
- e) Do you feel that the evaluation process is carried out in a way that ensures fair and efficient outcomes?
- f) How often have your company had a bid/proposal unfairly rejected for an agency/government contract in the past 12 months?
- g) On average, how many days does a typical selection process for an agency/government contract take to be completed from the day your company submits a bid/proposal until an award decision is made?
- h) Are you informed about the award decision?
- i) Are you offered debriefs when you have been unsuccessful in a selection process?

**Indicator 13(j) – Are procedures clearly defined for undertaking contract administration responsibilities that include inspection and acceptance procedures, quality control procedures, and methods to review and issue contract amendments in a timely manner**

**Agency Level**

Ref	Indicator	Minimum/Desirable	Baseline
A67	Procedures are clearly defined for undertaking contract administration responsibilities in line with the regulatory framework	Minimum	Yes – The policy should include the setting and recording of KPI’s, roles and responsibilities and risk management
A68	Contract management plans are required	Desirable	Yes
A69	There are inspection and acceptance procedures, quality control procedures, and methods to review and issue contract amendments	Minimum	Yes – Review of procedures
A70	Contracts are generally completed on schedule and within the originally approved contract price	Desirable	Yes – Analysis of contract data, part of the evidence based data analysis

## Evidence Based Data Analysis

- a) Percentage of contracts by number completed on schedule and within the original approved contract price
- b) Percentage of contracts by number with schedule overruns
- c) Percentage of contracts by number with price increases above original approved contract price
- d) Percentage of contracts by number with schedule and price overruns
- e) Average delay in number of days, as % of original schedule
- f) Frequency of cost overruns

## Example Survey Questions to Private Sector / CSO's

- a) Do you feel that the agency has clearly defined procedures for undertaking contract administration responsibilities?
- b) Do you feel that the agency undertakes effective contract administration?
- c) Do you feel that contract amendments are issued in a timely manner?
- d) If your company had to modify a contract during execution, how long did it take for the agency to approve a contract amendment?
- e) How often has your company had to adjust the original delivery schedule for a contract with the agency?
- f) How often has your company had to adjust the original contract price for a contract with the agency?

## Dimension 14 - Existence of dispute resolution provisions

**Indicator 14(a) – Contracts include dispute resolution procedures that provide for an efficient and fair process to resolve disputes arising during the performance of the contract**

### Agency Level

Ref	Indicator	Minimum/ Desirable	Baseline
A71	Dispute resolution procedures are clearly defined in the agency contracts	Minimum	Yes – Sample review of contracts

## Evidence Based Data Analysis

- a) Number of dispute resolution outcomes fully enforced
- b) Percentage resulting in sanctions/penalties to the contractor

## Example Survey Questions to Private Sector / CSO's

- a) Do you feel that the contract dispute resolution procedures for the agency are effective?

- b) Do you utilize the dispute resolution mechanism included in the contract when appropriate?
- c) Do you feel that decisions are fair?

**Indicator 14(b) – Procedures exist to enforce the outcomes of the dispute resolution process**

**Agency Level**

Ref	Indicator	Minimum/Desirable	Baseline
A72	There is a policy for the resolution of disputes at the agency level	Desirable	Yes – Review of the policy which should include as a minimum: <ul style="list-style-type: none"> <li>i. Roles and Responsibilities</li> <li>ii. Business Standards</li> <li>iii. Appeals Mechanisms</li> </ul>
A73	Disputes are handled in accordance with the contract conditions	Minimum	Yes

**Evidence Based Data Analysis**

- a) Percentage of contracts with unresolved disputes
- b) Percentage of contracts that include Alternative Dispute Resolution provisions

**Example Survey Questions to Private Sector / CSO's**

- a) Do you feel that the agency normally makes a good faith attempt to resolve disagreements through informal negotiations?
- b) Are disputes handled in accordance with the contract conditions?
- c) How often has your company had disputes with the agency during contract execution?
- d) If your company had a dispute with the agency during contract execution, was the process fair?

## Optional Capacity and Capability Assessment

The optional Capacity and Capability section outlines the pillars, dimensions and the indicators at a national and agency level. Each dimension outlines the questions that need to be answered to get a good understanding of how the procurement arrangement. Evidence based questions and analysis (using data information and surveys) are also outlined.

Agencies from GPA countries will not be assessed for those elements that the GPA accession process goes through. Those indicators are marked with an asterisk (\*) and means that at least one item from the indicator will not be considered for GPA country agencies.

### Pillar I – Legislative, Regulatory and Policy Framework

#### **Dimension 1 - Public procurement legislative, regulatory and policy framework (regulatory framework) achieves the agreed standards and complies with applicable obligations**

##### **Indicator 1(a) – Scope of application and coverage of the regulatory framework**

###### **National Level**

Ref	Indicator
NC1	How are laws, regulations and policies organized hierarchically?

##### **Indicator 1(b) – Rule on Participation**

###### **National Level**

Ref	Indicator
NC2	Are there procedures for administrative debarment? Describe how they are implemented?

###### **Agency Level**

Ref	Indicator
AC1	How are the requirements measured? (Pass, Fail, Scoring)
AC2	Are providers required to register as a condition of eligibility? If yes, what is the registration process?

## **Dimension 2 - Existence of Implementing Regulations, Policy and Documentation**

**Indicator 2(a) – Implementing regulation and or policy that provide defined processes and procedures not included in higher-level legislation**

### **National Level**

Ref	Indicator
NC3	When was the last update to the regulations and or policies? *
NC4	Who is responsible for maintaining and updating procurement regulations and policies?

**Indicator 2(b) – Conditions of Contracts (CC) for public sector contracts covering goods, works, general services and consulting services consistent with national requirements and, when applicable, international requirements**

### **National Level**

Ref	Indicator
NC5	If there are no CC for the most common types of contracts, what do they use?

### **Agency Level**

Ref	Indicator
AC3	Include something similar to national?

## **Dimension 3 - Sustainable Procurement**

**Indicator 3(a) – Sustainable procurement policies and procedures**

### **National Level**

Ref	Indicator
NC6	Does the policy cover the three (3) aspects of sustainable procurement, economic, environmental and social considerations?
NC7	Is there a policy or procedure that covers sustainable procurement?

### **Agency Level**

Ref	Indicator
AC4	If there is a policy at the national level, does the agency apply the national policy on sustainable procurement?

<b>AC5</b>	If there is no national policy, is there a policy or procedure at the agency level that covers sustainable procurement and are the three (3) aspects of sustainable procurement that is economic, environmental and social considerations included in the policy?
<b>AC6</b>	If not at the national level, is there a policy or procedure that covers sustainable procurement?

**Example Survey Questions to Private Sector / CSO's**

- a) Does the agency apply sustainable procurement principles?
- b) Do you see contracts being awarded to more sustainable solutions?

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## Pillar II. Institutional Framework and Management Capacity

### Dimension 4 - The public procurement arrangement is integrated into the public sector governance system

**Indicator 4(a) – Procurement planning and associated expenditures are part of the budget formulation process and contribute to multiyear planning**

#### National Level

Ref	Indicator
NC8	Does the country have established procedures for the preparation of procurement plans for the fiscal year?
NC9	Are procedures for the preparation of procurement plans part of the budget formulation process?

#### Agency Level

Ref	Indicator
AC7	Is there early technical and financial planning that is well-coordinated so that funding is assured when procurement begins?
AC8	Is there a policy at the agency level on how to complete market analysis which states what analysis should be conducted?
AC9	Is there a well-defined recurring process in place to ensure that annual procurement plans are prepared and approved on time?
AC10	Are the plans approved by the correct authority as per the policy and regulatory framework requirements?

#### Example Survey Question to Private Sector / CSO's

- What is your overall view on payment reputation for the agency?
- Does the agency regularly annul a procurement for no apparent reason?

**Indicator 4(b) – Budget law and financial procedures support timely procurement, contract execution, and payment**

#### National Level

Ref	Indicator
NC10	Is there a regulation that requires the certification of funds prior to the procurement process? If so how is it enforced in practice?

## Agency Level

Ref	Indicator
AC11	Is there a system in place (e.g. paper or electronic interface between the financial management and the procurement arrangement) that ensures enforcement of the regulatory framework?

## Indicator 4(c) – Systematic completion reports are prepared for certification of budget execution and for reconciliation of delivery with budget programming

### Agency Level

Ref	Indicator
AC12	Is the procurement arrangement integrated with the financial management and budgetary systems and it provides information on completion of all major contracts?

## Dimension 5 - Existence of a functional normative/regulatory body

### Indicator 5(a) – The regulatory body should provide for separation and clarity so as to avoid conflict of interest and direct involvement in the execution of procurement transactions

#### National Level

Ref	Indicator
NC11	How is the body structured and does it have responsibility for direct procurement operations?
NC12	Is the body ever part of evaluation committees?

#### Agency Level

Ref	Indicator
AC13	How are conflicts managed and are they managed effectively?

### Indicator 5(b) – The status and basis for the normative/regulatory body is covered in the regulatory framework

#### National Level

Ref	Indicator
NC13	Is there a procurement regulatory agency or unit in the government and what is the hierarchical level within the government?
NC14	If yes, what are their responsibilities?

## **Dimension 6 - Existence of institutional development capacity**

**Indicator 6(a) – There is a system for collecting and disseminating procurement information, including invitation for bids/proposals, requests for expression of interest, requests for bid/proposals, and contract award information**

### **Agency Level**

<b>Ref</b>	<b>Indicator</b>
<b>AC14</b>	Is the integrated information system fully utilized by the agency?

**Indicator 6(b) – There are systems and procedures for collecting and monitoring procurement statistics**

### **National Level**

<b>Ref</b>	<b>Indicator</b>
<b>NC15</b>	Does the system collect data on procurements by method, duration of different stages of the procurement cycle, awards of contracts, unit prices for most common types of goods, works, general services and consulting services and other information that allows analysis of trends, levels of participation, efficiency and economy of the procurement and compliance with requirements?
<b>NC16</b>	Is the information analyzed routinely, published and fed back into the system?

**Indicator 6(c) – A strategy and training capacity exists to provide training, advice and assistance to develop the capacity of agencies and private sector participants to understand the rules and regulations and how they should be implemented**

### **National Level**

<b>Ref</b>	<b>Indicator</b>
<b>NC17</b>	Is there a training and capacity building strategy that agencies can utilize?

### **Agency Level**

<b>Ref</b>	<b>Indicator</b>
<b>AC15</b>	Does the agency utilize procurement training offered centrally?

## Indicator 6(d) – There is a clear management structure with policies on delegation

### Agency Level

Ref	Indicator
AC16	What is the position and seniority of the chief of procurement within the agency and at what level is it?
AC17	Is the process designed for structured decision-making and approvals?

## Indicator 6(e) – Quality control standards are disseminated and used to evaluate staff performance and address capacity development issues

### National Level

Ref	Indicator
NC18	Are there quality control systems that: i. Provide quality assurance standards and a monitoring system for procurement processes and products? ii. Provide for a staff performance evaluation process based on outcomes and professional behaviors?
NC19	Are there quality control systems that ensure that operational audits are carried out regularly?

### Agency Level

Ref	Indicator
AC18	Are there quality control systems at the agency that: i. Provide quality assurance standards and a monitoring system for procurement processes and products? ii. Provide for a staff performance evaluation process based on outcomes and professional behaviors?

## Pillar III. Procurement Administration and Market Practices

### Dimension 7 - Effective procurement operations and practices

**Indicator 7(a) – The level of procurement competence among government officials within the entity is consistent with their procurement responsibilities**

#### National Level

Ref	Indicator
NC20	Is there a minimum level of qualifications needed to work in a government procurement or procurement related role?
NC21	Is there a policy that clearly defines the roles and responsibilities of public officials?

#### Agency Level

Ref	Indicator
AC19	Is there is a policy that clearly defines the roles and responsibilities of public officials?
AC20	Do adequate formal and on-the-job training programs exist for entry and higher-level procurement staff, which contribute to proper professional career development?

**Indicator 7(b) – Are there established norms for the safekeeping of records and documents related to procurement transactions and contract management**

#### National Level

Ref	Indicator
NC22	Is the list of procurement records available for public inspection, including conditions for access?
NC23	Are there defined security protocols for physical or electronic records?

**Indicator 7(c) – There are provisions for delegating authority to others who have the capacity to exercise that authority**

#### Agency Level

Ref	Indicator
AC21	Can procurement decisions be delegated? If yes, how does it happen, how is quality control managed and who is accountable for the decision?

## **Dimension 8 - Functionality of the public procurement market**

**Indicator 8(a) – There are no major systemic constraints (such as inadequate access to credit, contracting practices) inhibiting the private sector’s capacity to access the public sector procurement market**

### **National Level**

<b>Ref</b>	<b>Indicator</b>
<b>NC24</b>	Are there aren’t any constraints that inhabit private sectors access to public procurement?

**Indicator 8(b) – There are effective mechanisms for partnerships between the public and private sector**

### **National Level**

<b>Ref</b>	<b>Indicator</b>
<b>NC25</b>	How does the government encourage open dialogue with the private sector and does it have established and formal mechanisms for open dialogue through associations or other means?
<b>NC26</b>	Does the government have programs to help build capacity in the private sector, including for small businesses and training to help new entries into the public procurement marketplace?
<b>NC27</b>	How does the government encourage public/private partnerships and are there mechanisms in the regulatory framework to make possible such arrangements?

### **Agency Level**

<b>Ref</b>	<b>Indicator</b>
<b>AC22</b>	Does the agency have open dialogue with the private sector and established mechanisms?
<b>AC23</b>	Does the agency have programs to help build capacity in the private sector, including for small businesses and training to help new entries into the public procurement marketplace?

### **Example Survey Questions to Private Sector / CSO’s**

- a) Does the agency have open dialogue with the private sector on procurement matters?
- b) Does the agency listen to the opinions of the private sector and address agreed issues?
- c) Have you or has anybody in your company ever attended training offered on how to respond to procurement opportunities in the public sector for government contracts or how to identify opportunities to work with the government?
- d) Have you or has anybody in your company ever attended training programs on procurement offered by the government or agency?

## Pillar IV. Integrity & Transparency of the Public Procurement Arrangement

### Dimension 9 - Effective and efficient complaints Mechanisms

**Indicator 9(a) – There is a legal framework, organization, policy, and procedures for internal and external control and audit of public procurement operations in place that provide a functioning control framework**

#### National Level

Ref	Indicator
NC28	Does the system in the country provides for: <ul style="list-style-type: none"><li>i. Adequate independent control and audit mechanisms and institutions to oversee the procurement function?</li><li>ii. Implementation of internal control mechanisms in individual agencies with clearly defined procedures?</li><li>iii. Proper balance between timely and efficient decision making and adequate risk mitigation?</li><li>iv. Specific periodic risk assessment and controls tailored to risk management?</li></ul>

#### Agency Level

If not at the national level, the questions at the national level could be asked at the agency level.

#### Example Survey Question to Private Sector / CSO's

- a) Do you feel that audits are fully independent? (Question to be asked to CSO's i.e. Transparency international)

**Indicator 9(b) – Enforcement and follow-up on findings and recommendations of the control framework provide an environment that fosters compliance**

#### National Level

Ref	Indicator
NC29	How often are the internal or external audits of the procurement arrangement carried out?

#### Agency Level

Ref	Indicator
AC24	Does the agency support and act on the findings of audit reports within a timely manner?
AC25	How does management enforce recommendations?
AC26	What is the frequency of internal and external audits?

**Indicator 9(c) – Auditors sufficiently informed about procurement requirements and control systems to conduct quality audits that contribute to compliance**

**National Level**

Ref	Indicator
NC30	How often is this knowledge (auditors trained on procurement related matters) updated?
NC31	Are auditors are trained on procurement related matters?

**Agency Level**

Ref	Indicator
AC27	How often is this knowledge on procurement related matters updated?
AC28	Are auditors are trained on procurement related matters?

**Indicator 9(d) – The internal control system provides timely information on compliance to enable management action**

**Agency Level**

Ref	Indicator
AC29	Is there an effective compliance process and policy?
AC30	Are there written standards for the internal control unit to convey issues to management?
AC31	Are there established regular periodic reporting to management throughout the year, if so what is the frequency?

**Example Survey Question to Private Sector / CSO's**

- a) Do you feel that the agency has an effective compliance process and policy? (Question to be asked to CSO's i.e. Transparency international)

**Indicator 9(e) – The internal control systems are sufficiently defined to allow performance audits to be conducted**

**National Level**

Ref	Indicator
NC32	Are the internal control procedures sufficiently defined and included in a manual that allow for performance audits to be conducted?



## Agency Level

Ref	Indicator
AC32	Are there internal control procedures sufficiently defined and included in a manual that allow for performance audits to be conducted?

### Example Survey Question

- a) Do you feel that there are sufficiently defined internal control procedures that allow for performance audits to be conducted? (Question to be asked to CSO's i.e. Transparency international)

## Dimension 10 – Effective and efficient complaints Mechanisms

### Indicator 10(a) – Complaints are effectively managed

#### National Level

Ref	Indicator
NC33	Does the framework include provisions to respond to a request for review by a body independent from the procuring agency? *
NC34	Are there established timeframes for issuance of decisions by the procuring agency and the administrative review body, if so what are they? *
NC35	How are decisions related to complaints enforced?

#### Agency Level

Ref	Indicator
AC33	Is the framework utilized and available to bidders?
AC34	How are complaints enforced?
AC35	Is there a policy for dealing with complaints at different stages of the procurement process?

### Example Survey Question to Private Sector / CSO's

- a) Do you feel that complaints are enforced when found to be valid?

**Indicator 10(b) – Decisions are deliberated on the basis of available information, and the final decision can be reviewed and ruled upon by a body (or authority) with enforcement capacity**

**National Level**

Ref	Indicator
NC36	To whom can providers, bidders or contractors appeal a final decision?
NC37	To whom does the appeals body report to?
NC38	To whom does the authority in charge of reviewing procurement complaints report?
NC39	If there is a review body, what are the procedures that govern the decision making process of the review body? Are decisions: * <ul style="list-style-type: none"> <li>i. Based on information relevant to the case? *</li> <li>ii. Balanced and unbiased in consideration of the relevant information? *</li> <li>iii. Can be subject to higher level review? *</li> <li>iv. Result in remedies that are relevant to correcting the implementation of the process or procedures? *</li> </ul>

**Agency Level**

Ref	Indicator
AC36	Is the national policy of complaints incorporated into the agency's policies and procedures?
AC37	If no national policy is there an agency policy?
AC38	Can providers, bidders or contractors appeal a decision? To whom?

**Indicator 10(c) – Decisions are published and made available to all interested parties and to the public**

**National Level**

Ref	Indicator
NC40	Where are decisions publicly posted? Are they posted on a government web site or another easily accessible place? *

**Agency Level**

Ref	Indicator
AC39	Do agencies follow the national policy?
AC40	What is the quality of the information published?

## **Dimension 11 - Degree of access to information**

**Indicator 11(a) – Information is published and distributed through available media with support from information technology when feasible**

### **National Level**

Ref	Indicator
NC41	How is information on procurement accessible? What media is used and is it covered by wide circulation and availability? *
NC42	Is the information helpful to interested parties to understand the procurement processes and requirements and to monitor outcomes?

### **Agency Level**

Ref	Indicator
AC41	Do providers have to register to access selection documents?

## **Dimension 12 - Existence of ethics and anticorruption measures**

**Indicator 12(a) – The regulatory framework for procurement, including selection and contract documents, includes provisions addressing corruption, fraud, conflict of interest and sets out (either directly or by reference to other laws) the actions that can be taken with regard to such conduct**

### **Agency Level**

Ref	Indicator
AC42	What are the fraud and corruption provisions on standard selection documents and contract conditions at the agency level?

**Indicator 12(b) – The regulatory framework defines responsibilities, accountabilities, and penalties for individuals and legal entities found to have engaged in fraudulent or corrupt practices**

### **National Level**

Ref	Indicator
NC43	Is there an annual ethics complaint report that covers fraud and corruption?

## Indicator 12(c) – Evidence of enforcement of rulings and penalties exists

### National Level

Ref	Indicator
NC44	When was the last case of fraud and corruption enforcement?
NC45	Is there evidence of fraud and corruption sanctions enforcement?

### Agency Level

Ref	Indicator
AC43	When was the last case of fraud and corruption enforcement?

## Indicator 12(d) – Special measures exist to prevent and detect fraud and corruption in public procurement

### Agency Level

Ref	Indicator
AC44	Do providers have to declare that they are eligible to bid?

## Indicator 12(e) – The country should have in place a secure mechanism for reporting fraudulent and corrupt practices

### National Level

Ref	Indicator
NC46	How does the public report cases of fraudulent and corrupt practices and is it secure and confidential?

## Indicator 12(f) – Existence of Codes of Conduct/Codes of Ethics for participants that are involved in aspects of the public financial management systems that also provide for disclosure for those in decision making positions

### National Level

Ref	Indicator
NC47	Does the code define accountabilities for decision making, if so what are they?

## Agency Level

Ref	Indicator
AC45	If not at the national level, does the code at the agency level define accountabilities for decision making, if so what are they?

**Indicator 12(g) – Stakeholders (private sector, civil society, and ultimate beneficiaries of procurement/end-users) support the creation of a procurement market known for its integrity**

## National Level

Ref	Indicator
NC48	Are there strong and credible CSO's that exercise social audit and control?
NC49	What evidence is there that civil society contributes to shape and improve the integrity of public procurement?

## Example Survey Questions to Private Sector / CSO's

- a) Do you feel that there are strong and creditable CSO's that exercise social audit and control? (Question to be asked to Private Sector and Transparency international)
- b) Do you feel that civil society contributes to shape and improve the integrity of public procurement? (Question to be asked to Private Sector and Transparency international)

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## Pillar V. Procurement Operations

### Dimension 13 - Effective procurement cycle

#### Indicator 13(a) – Market research and procurement strategy

##### National Level

Ref	Indicator
NC50	Is there a policy that covers market research and analysis?
NC51	Is there a policy that covers the development of a procurement strategy document?

##### Agency Level

Ref	Indicator
AC46	Does the agency have a policy that covers market research and analysis?
AC47	Does the agency have a policy that covers the development of a procurement strategy document?
AC48	Does the agency conduct detailed market research and analysis before each procurement? (Evidence of research and analysis required)
AC49	Does the agency produce a procurement strategy document at the start of the procurement cycle?

#### Example Survey Question to Private Sector / CSO's

- a) Do you feel that the agency understands how markets operate?

#### Indicator 13(b) – Procurement Approaches and Methods

##### National Level

Ref	Indicator
NC52	Are circumstances for the use of each procurement method defined in the procurement regulations or procedures?

##### Agency Level

Ref	Indicator
AC50	Are thresholds regularly reviewed and updated?
AC51	What procurement methods are used to improve process efficiency and to leverage spend (such as Framework Agreements)?

### Example Survey Question to Private Sector / CSO's

- a) Does the agency successfully use framework agreements?

### Indicator 13(c) – Advertising rules and time limits

*NOT ASSESSED AS PART OF CAPACITY AND CAPABILITY ASSESSMENT*

### Indicator 13(d) – Tender documentation and technical specifications

#### National Level

Ref	Indicator
NC53	How does the regulatory framework address biased specifications in the selection documents? *
NC54	Does the regulatory framework require recognition of standards which are equivalent when neutral specifications are not available? *

#### Agency Level

Ref	Indicator
AC52	How does the agency address biased specifications in the selection documents?
AC53	How does the agency require recognition of standards which are equivalent when neutral specifications are not available?
AC54	Are clarifications, minutes of the pre-bid conference, if any, and amendments of the documents promptly communicated to all providers who obtained the selection documents from the agency?

### Example Survey Question to Private Sector / CSO's

- a) Are clarifications, minutes of the pre-bid conference, if any, and amendments of the selection documents communicated to providers that obtained the selection documents from the buyer?

### Indicator 13(e) – Selection Process

#### Agency Level

Ref	Indicator
AC55	What are the procurement approaches/methods for recurrent procurement of items or services (regular, common procurements repeated regularly)? i.e. are framework agreements used?
AC56	How long on average does it take to complete each stage of the procurement process?



## Evidence Based Data Analysis

- a) Average number of days to complete selection process stages/procedures from issue to award. Control by: Contract value (<\$1mil, >\$1mil/ according to country specific thresholds for international advertising), procurement method, implementing agency, volume of bidding processes by agency (this is not explicitly used), clearance requirements
- b) Average number of days in the past 5 years (or period where data is available) to complete each stage of the procurement process (identify trends)
- c) Number of bids/proposals received for individual procurement processes. Control results for procurement method, contract value, implementing agency, type of procurement

### Indicator 13(f) – Model selection documents for goods, works, and general services

#### National Level

Ref	Indicator
NC55	Is there a set of standard and mandatory clauses and templates that help in the formulation of the selection documents?

#### Agency Level

Ref	Indicator
AC57	Are the appropriate standard selection documents used?
AC58	Are selection documents readily available to interested providers?

### Example Survey Question to Private Sector / CSO's

- a) Are Standard selection Documents available online or on request from the agency?

### Indicator 13(g) – Procedures for pre-qualification

#### Agency Level

Ref	Indicator
AC59	Does the agency maintain updated lists of qualified providers that are available to all procurement professionals at the agency and are they regularly updated?
AC60	Does the agency inform applicants in writing of the reasons for the rejection of prequalification application?
AC61	Does the agency publish the results of the prequalification process including the reasons for an application rejection?

## Example Survey Question to Private Sector / CSO's

- a) Are you informed by the agency in writing of the reasons for being rejected as part of the prequalification process?

## Indicator 13(h) – Submission, receipt and opening of bids/proposals

### National Level

Ref	Indicator
NC56	Does the regulatory framework state that the opening of bids/proposals is public?
NC57	Does the regulatory framework require that records of public bid/proposal openings are retained and available for review by providers? *
NC58	Are bids/proposals allowed to be rejected at bid/proposal opening or during the public bid/proposal opening? If yes, under what circumstances?
NC59	Are the records kept for a minimum period, what is the minimum period? *
NC60	How are evaluation committees composed and when are they selected?

### Agency Level

Ref	Indicator
AC62	If not at the national level, does the agency state that the opening of bids/proposals is public?
AC63	If not at the national level, does the agency require that records of public bid/proposal openings are retained and available for review by providers?
AC64	If not at the national level, does the agency allow bids/proposals to be rejected at bid/proposal opening or during the public bid/proposal opening? If yes under what circumstances?
AC65	Are bid/proposal opening minutes and other required formalities properly completed and documented?
AC66	Are public bid/proposal openings held within the required time limit by the bid/proposal opening committee according to the rules and who is invited to attend?
AC67	Is the Chairperson of the Bid/Proposal Opening Committee qualified and conducts Bid/Proposal Openings according to the rules and regulations?
AC68	Is the Chairperson and other members serving on Bid/Proposal Opening Committees conversant with the rules and regulations regarding bid/proposal opening?
AC69	Are minutes kept?

## Indicator 13(i) – Bid/proposal evaluation and award criteria

### Agency Level

Ref	Indicator
AC70	Is the bid/proposal evaluation process confidential? If not, explain.

<b>AC71</b>	Is the evaluation process carried out in a way that ensures fair and efficient outcomes and according to the selection documents?
<b>AC72</b>	Are bid/proposal evaluation reports prepared containing all essential information and approved by appropriate approval authority?
<b>AC73</b>	Are tenders awarded within the bid/proposal validity period?

### Evidence Based Data Analysis

- a) Percentage of bids/proposals awarded within the bid/proposal validity period

**Indicator 13(j) – Are procedures clearly defined for undertaking contract administration responsibilities that include inspection and acceptance procedures, quality control procedures, and methods to review and issue contract amendments in a timely manner**

#### Agency Level

Ref	Indicator
<b>AC74</b>	Do contract managers adequately document all actions of contractual importance taken by the purchaser/employer during implementation?
<b>AC75</b>	Are there quality control procedures and are they defined in the model contracts/documents?
<b>AC76</b>	How does the agency monitor contract administration and performance issues?

### Dimension 14 - Existence of dispute resolution provisions

**Indicator 14(a) – Contracts include dispute resolution procedures that provide for an efficient and fair process to resolve disputes arising during the performance of the contract**

#### National Level

Ref	Indicator
<b>NC61</b>	Are there procedures for escalation and resolution of contract disputes in the regulatory framework?

#### Agency Level

Ref	Indicator
<b>AC77</b>	Are the national procedures for the escalation and resolution of contract disputes included in agency contracts?
<b>AC78</b>	What are the procedures for fair resolution of disputes during contract execution?
<b>AC79</b>	How are the decisions enforced?

**Indicator 14(b) – Procedures exist to enforce the outcomes of the dispute resolution process**

**National Level**

Ref	Indicator
NC62	Are there procedures that ensure that decisions in a dispute are enforced?

**Agency Level**

Ref	Indicator
AC80	Do contracts provide for fair and efficient dispute resolution procedures and also provide for enforcement of the outcome of disputes?
AC81	Do procuring entities normally make a good faith attempt to resolve disagreements through informal negotiations?
AC82	Are the dispute resolution procedures effective?
AC83	Do contract dispute resolutions include arbitration?
AC84	Do contracts include Alternative Dispute Resolution provisions?

**Dimension 15 - Data, Metrics and Reporting**

**Indicator 15(a) – Spend Data, Metrics and Reporting**

**Agency Level**

Ref	Indicator
AC85	Does the agency produce metrics on procurement performance which includes: (Evidence of the metrics must be provided) <ol style="list-style-type: none"> <li>i. Procurement completed on time and on budget</li> <li>ii. Amount Saved</li> <li>iii. Risks Mitigated</li> <li>iv. Added Value</li> </ol>
AC86	Does the agency produce regular reporting on procurement performance that is reviewed by senior management and is it a balanced scorecard approach? (Evidence must be provided)
AC87	Does the agency conduct detailed spend analysis that enables them to know: (Evidence must be provided) <ol style="list-style-type: none"> <li>i. Key spend areas</li> <li>ii. Top 20 contracts</li> <li>iii. Top 20 providers</li> </ol>
AC88	Does the agency know their top 20 contracts by value and by risk and do they closely monitor performance, KPI's etc? (Evidence must be provided)

<b>AC89</b>	Does the agency know their top 20 providers by value and by risk and have plans to improve performance/delivery? (Evidence must be provided)
<b>AC90</b>	Does the agency know their key spend areas and do they have them adequately controlled under contract? (Evidence must be provided)
<b>AC91</b>	Does the agency segment expenditure by risk and value and have appropriate procurement strategies in place for different provider positioning quadrants (in particular a focus on high value/high risk, frameworks for high value, low risk and simplified processes for low value/low risk etc) basic supply positioning theory applied? (Evidence must be provided)

### Evidence Based Data Analysis

- a) Percentage of spend on and off contract

### Example Survey Questions to Private Sector / CSO's

- a) Do you feel that the agency manages its spend effectively?
- b) Do you feel that the agency understands needs from a supplier perspective as procurements are designed to optimize performance?

### Dimension 16 - Risk Management

#### Indicator 16(a) – Procurement Risk Management

##### National Level

Ref	Indicator
<b>NC67</b>	Is there a policy that covers procurement risk management procedures, if so what is included?

##### Agency Level

Ref	Indicator
<b>AC92</b>	Is there a policy at the agency that covers procurement risk management procedures, if so what is included?
<b>AC93</b>	Does the procurement risk management procedures include: <ul style="list-style-type: none"> <li>i. Risk Identification (identifying risks associated with the project)</li> <li>ii. Risk Assessment (the likelihood and magnitude of the risks)</li> <li>iii. Risk Mitigation (strategies for pre-empting and treating the occurrence of a risk)</li> <li>iv. Risk Allocation (detailing responsibility for managing a risk)</li> <li>v. Monitoring and Control (identifying new risks as they emerge)</li> </ul>
<b>AC94</b>	Is there a risk management system for recording and monitoring risks?

### Example Survey Question to Private Sector / CSO's

- a) Do you feel that the agency identifies and manages risks appropriately?

WORKING DRAFT

## Stage Four - Action Plan / Assessment Report

On completion of the Stage Three assessment a detailed report will be produced by the assessment team. The report will contain, where appropriate, recommendations and follow up action.

The report will cover the following:

- **Executive Summary**
  - Provides a high level summary of the assessment findings
  - Highlights the strengths and weaknesses of the procurement arrangement and their relative importance
  - Identifies the major risks and their likely consequences and impacts
  - Lists recommendations and/or further action.
- **Introduction**
  - Presents the background of the assessment
  - Sets out the objective/s, scope and nature of the assessment
  - Describes any limitations encountered
  - Identifies key stakeholders and their roles in the arrangement's operation
  - Explains any other matters that are essential to understand the context and circumstances of the assessment.
- **Findings**
  - Describes the findings of the assessment in relation to:
    - The organizational and regulatory framework assessment
    - The assessment of procurement at a national and agency level
    - If appropriate, the assessment of capacity and capability
    - The findings of the three step analysis in relation to each of the pillars.
- **Strengths**
  - Assessment of the strengths of the procurement arrangement.
- **Weaknesses**
  - Assessment of any significant weakness/s or risks in the procurement arrangement
  - Classifies weaknesses as high, medium and low with regard to the risk they pose to the arrangement and to Bank financed projects
  - Suggests how to mitigate weaknesses and risks. Such suggestions may form the basis for a prioritized reform strategy.
- **Conclusions**
  - Conclusions as to the effectiveness of the procurement arrangement
  - Any proposed supervisory/follow up actions and timeline.

- **Recommendation**
  - Recommendation that the arrangement is suitable, or not, for Bank financed projects.
  - If the arrangement is not suitable, clearly identify the areas that need to be addressed
  - Any recommendation as to a proposed action plan to address strengths and weaknesses.
- **Appendix**
  - Complete assessments at each level
  - Summary of survey/interview results.

WORKING DRAFT



## Stage Five – Decide and implement

Following completion of the assessment report by the assessment team, the Bank will review the report and will make a recommendation for the use of APA for each agency (See Figures 6).

If the recommendation is for the use of APA the agency's procurement arrangement would be approved for possible future use for Bank financed projects. The agency own arrangement would then be considered for all future Bank financed projects, if it is the most appropriate approach its use would be recommended in the PAD.

The Bank Executive Board will then approve the use of the agency's own procurement arrangement as part of the PAD) through the MoP. Hence, the use of an agency's own procurement arrangement for a project will be determined case by case. For more detail on the internal Accountability and Decision Making Framework (ADM) refer to the Bank Procurement Procedures. The validity of the APA clearance for future projects will be subject to periodic evaluations to ensure adherence.

When approved by the Bank, the terms and conditions of the APA are set out in the Legal Agreements with the Borrower and other relevant parties.

Clearance will be given to:

- i) Allow **in full** the use of the agency's procurement arrangement for Bank financed projects. Bank to rely on and apply the alternative procurement rules and procedures with the relevant level of review and oversight from the Bank.

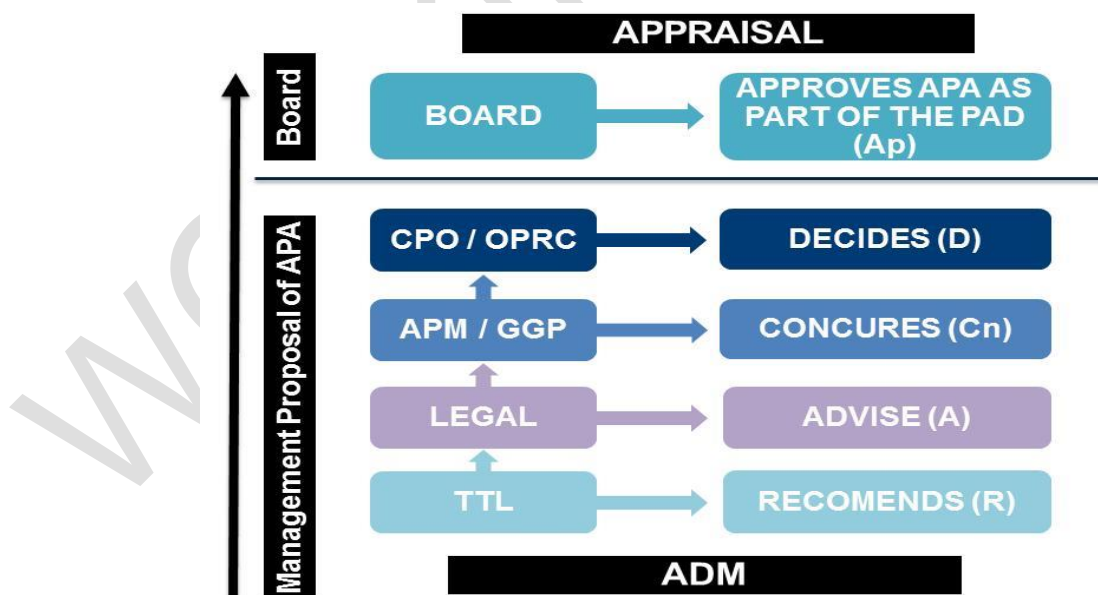


Figure 6 – Request APA (Led by GP) – Before Negotiation

If the assessment includes the optional capacity and capability assessment of the agency's procurement arrangement, the assessment team will work with the agency to develop an improvement plan according to the identified areas of weakness or capacity and capability gaps stated in the assessment report. The improvement plan should include what areas need to be addressed and a timeframe to conduct these improvements. It is suggested to develop baseline indicators for the specific objectives of the improvement plan in order to measure the development process against the indicator.

The CPO will update the Board, as necessary, with the assessed agency's attaching supporting documentation.

WORKING DRAFT

## Stage Six – Evaluate (Ongoing Oversight & Performance)

The final stage of the assessment is the audit / oversight of the agencies that have been cleared to use their own procurement arrangements. The Bank shall identify the appropriate oversight mechanism, which will depend on the project and the capacity and capability of the agency. As a minimum, the Bank will review and approve the PPSD and the Procurement Plan.

It will also be the responsibility of the Bank to regularly review the Procurement Plan to ensure that material changes do not adversely affect the original developmental objectives. If the Bank has concerns about how procurements are being run, the Bank or an arranged third party would engage with the Borrower to review the identified concerns to determine a suitable remedy. The first course of action will be for the implementing agency to correct the issue with support from the Bank. If the issue cannot be resolved by providing extra support, then the Bank reserves the right to run the procurement under the Bank Procurement processes.

Procurement process oversight will be performed by the supreme audit commission in the country if it has been previously approved by Financial Management (FM) or has a MOU with the Bank. Oversight could also be performed by an agreed third party auditing organization.

All procurements under an APA will be subject to post procurement review. The Bank may use a third party to carry out post reviews such as a supreme audit institution and other auditors, acceptable to the Bank. In addition to post reviews, the Bank may rely on independent procurement reviews and third-party assurances as agreed in the legal documents. If the post procurement review identifies irregularities in the procurement process then the Bank reserves the right to apply remedies including misprocurement. Remedies may be applied at any point during the procurement process or after conclusion or termination of a contract, regardless of whether the financing agreement has closed or not.

If the terms and conditions of the APA are not complied with, the Bank has the right (in addition to its other contractual rights) to revoke or modify its agreement allowing the use of the APA. The Bank always reserves the right to revoke the use of an APA on a case by case basis either following the result of the post procurement review or following complaints or any other matter of concern to the Bank.

Complaints may be brought at any time to the Borrower and/or the Bank about any aspect of the procurement process being run through an APA. To promote an open, fair, and transparent procurement process, complaints shall be resolved objectively and in a timely manner. Care shall be exercised that the complaints process is itself not exploited for improper purposes.

WORKING DRAFT

## Glossary of Terms

### **Borrower**

A borrower or recipient of Investment Project Financing , and any other entity involved in the implementation of a project financed by the Investment Project Financing.

### **Bid**

A bid is an offer to provide goods, works or non-consulting services for a particular amount of money (price).

### **Bidder**

For the purpose of the APAs, bidder refers to a firm (acting either in its individual capacity or as part of a joint venture) that submits a bid or proposal in a procurement process.

### **Business Standards**

Business standards are defined as the standards that are defined and publically available, for example the number of days to pay and invoice from the date received.

### **Consultant**

A consultant may be firm (acting either in its individual capacity or as part of a joint venture) or an individual that provides specialized advice or services for limited amounts of time without any obligation of permanent employment.

### **Consulting services**

Consulting services refers to services of a professional nature provided by consultants using their skills to study, design, organize, and manage projects; advise Borrowers; and, when required, build Borrowers' capacity.

### **Fit for purpose**

The principle of fitness for purpose applies both to the intended outcomes and the procurement arrangements in determining the most appropriate procurement approach and selection method (within those envisaged in the Bank's Procurement Regulations and Procedures for Borrowers) to meet the development objectives and project outcomes. The proposed procurement approach should take into account the context and the risk, value, and complexity of the procurement.

### **Goods, Works, and Non-Consulting Services**

In the APAs Framework, goods include commodities, raw material, machinery, equipment, vehicles, articles and industrial plant, and works includes construction, and in both cases they include related services such as transportation, insurance, installation, commissioning, training, and initial maintenance. Non-consulting services are activities for which the physical aspects predominate, which are bid and contracted on the basis of performance of a measurable physical output, and for which performance standards can be clearly identified and consistently applied, such as drilling, aerial photography, satellite imagery, mapping, and similar operations.

## **Investment projects**

Investment projects includes loans, credits, and grants, and other lending or non-lending instruments through which the Bank provides financing for a wide range of activities aimed at creating the physical and social infrastructure necessary to reduce poverty and create sustainable development.

## **Investment Project Financing (IPF)**

Investment project financing (“Investment Project Financing”) by the Bank aims to promote poverty reduction and sustainable development of member countries by providing financial and related operational support to specific projects (“Projects”) that promote broad-based economic growth, contribute to social and environmental sustainability, enhance the effectiveness of the public or private sectors, or otherwise contribute to the overall development of member states. Investment Project Financing is comprised of Bank Loans and Bank Guarantees. Investment Project Financing supports Projects with defined development objectives, activities, and results. The Bank disburses the proceeds of Bank Loans against specific eligible expenditures.

## **Legal Agreement**

A Legal Agreement between (a) IBRD and the IBRD loan (including PPF Advance) Borrower, (b) IDA and the IDA credit/grant recipient, (c) the Bank and IDF grant recipient or (d) the Bank, acting as the administrator of TF funds, and the recipient of the TF grant/loan.

## **Life cycle cost**

Life cycle costing is applicable at activity level as evaluation criteria for the procurement of an asset once the best specifications to achieve value for money and fit for purpose have been determined. It includes the cost of an asset throughout its useful life such as initial purchase price, installation, operation and maintenance costs over the life of the asset, and residual value at the end of its useful life. It is calculated on a Net Present Value (NPV) basis and it is only used for comparison of bids.

## **Procurement**

Procurement is the act of obtaining or buying goods, works, non-consulting services or consulting services.

## **Procurement Documents**

For the purposes of the APAs, procurement Documents includes general and specific procurement notices, request for expressions of interest, evaluation reports and forms of contracts issued by the Borrower.

## **Procurement Plan**

Is a plan prepared by the Borrower for the project to procure goods, works, non-consulting services and consulting services, which should include (i) a brief description of the activity/contract, (ii) the selection method, (iii) cost estimates, (iv) time schedules, (v) prior or post review requirements, (vi) any other relevant information as a result of the Project Procurement Strategy for Development (PPSD).

### **Procurement process**

The procurement process or procurement cycle starts with the identification of a need and continues through planning and market research, functional or specification requirements writing, budget considerations, selection, contract award, and contract management. It ends on the last day of the last warranty.

### **Project Procurement Strategy for Development**

Is a procurement strategy at the project level that addresses how procurement will support the development objectives of the project and deliver best value for money.

### **Proposal**

A proposal is an offer, which may or may not include price, by one party to provide goods, works, non-consulting services or consulting services to another party to accept or reject.

### **Provider**

For the purposes of the APAs, provider means any individual or legal entity that provides goods, works, general services or consulting services.

### **Regulations**

For the purposes of the APAs, Regulatory Framework is defined as all public procurement laws and regulations, legal texts of general application, binding judicial decisions and administrative ruling in connection with public procurement.

### **Regulatory Framework**

Is defined as all public procurement laws, regulations and policy, legal texts of general application, judicial decisions and administrative rulings in connection with public procurement.

### **Review**

For the purpose of the APAs, review is a formal examination that includes audits, inspections or other forms of assessment of the procurement cycle.

### **Selection Documents**

For the purposes of the APAs, Selection Documents are documents issued by Borrower including prequalification, bidding and RfP documents.

### **Sustainable procurement**

To deliver sustainable results, the strategic procurement approach should be on a life cycle basis which generates benefits to the procuring entity and the economy, but also to society whilst minimizing damage to the environment (reflecting the confines of the Borrower's procurement policy). Sustainability is especially relevant in such areas as construction, maintenance, and power generation, and applies to the use of scarce resources and to environmental and socioeconomic factors. As necessary, these sustainability factors are turned into procurement-related criteria to be applied at appropriate stages of the procurement cycle.

**Whole life costs**

Whole life costing is applicable at project level at the start of a project to determine the best functional and detailed specifications for an asset in terms of value for money, fit for purpose, sustainability, value engineering and other factors. It considers all costs arising, and benefits accrued from purchasing, installing, owning, operating, maintaining, and ultimately disposing of a project, that are considered to be potentially important to that decision. It includes life cycle costs plus benefits accrued from income generated by the project, non-construction or non-manufacturing costs and other factors that impact the feasibility of the project.

WORKING DRAFT



## Annex A – Parties to the GPA: Full, Acceding and observing WTO Members<sup>5</sup>

Full members of the GPA are:

- Armenia
- Aruba (the Netherlands with respect to Aruba)
- Canada
- European Union (including its 28 member states)
- Hong Kong SAR, China
- Iceland
- Israel
- Japan
- Korea
- Liechtenstein
- Norway
- Singapore
- Switzerland
- Taiwan, China
- United States of America

All WTO Members are eligible to accede to the GPA. At present, eleven WTO Members are in the process of acceding. These are:

- Albania
- China
- Georgia
- Jordan
- Kyrgyz Republic
- Moldova
- Montenegro
- New Zealand
- Oman
- Tajikistan
- Ukraine

Five other WTO Members have undertaken commitments, in their WTO accession protocols, to initiate accession to the Agreement. They are:

- Mongolia
- the Russian Federation

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<sup>5</sup> GPA information correct as at May 2015 – Latest information can be found at [https://www.wto.org/english/tratop\\_e/gproc\\_e/memobs\\_e.htm](https://www.wto.org/english/tratop_e/gproc_e/memobs_e.htm)

- Saudi Arabia
- Seychelles
- the former Yugoslav Republic of Macedonia

WORKING DRAFT

## Annex B – Pillars and Dimensions Content

The Assessment has a two-fold purpose: assess the agency’s procurement arrangement for the use of an APA for Bank financed projects and an optional capacity and capability assessment. This Annex lists the structure of the Assessment and specifies if the dimension is covered by one or both of the two purposes. Agencies from GPA countries will not be assessed for those elements that the GPA accession process goes through. Those indicators are marked with an asterisk (\*) and mean that at least one item from the indicator will not be considered for GPA country agencies.

Pillar I. Legislative, Regulatory and Policy Framework		APA	APA (GPA countries)	Capacity and Capability
<b>Dimension 1</b>	<b>Public procurement legislative, regulatory and policy framework (regulatory framework) achieves the agreed standards and complies with applicable obligations</b>			
Indicator 1(a)	Scope of application and coverage of the regulatory framework	X	X	X
Indicator 1(b)	Rule on Participation	X	X	X
<b>Dimension 2</b>	<b>Existence of Implementing Regulations, Policy and Documentation</b>			
Indicator 2(a)	Implementing regulation and or policy that provide defined processes and procedures not included in higher-level legislation	X	X	X
Indicator 2(b)	Conditions of Contracts (CC) for public sector contracts covering goods, works, general services and consulting services consistent with national requirements and, when applicable, international requirements	X		X
<b>Dimension 3</b>	<b>Sustainable Procurement</b>			
Indicator 3(a)	Sustainable procurement policies and procedures			X

Pillar II. Institutional Framework and Management Capacity		APA	APA (GPA countries)	Capacity and Capability
<b>Dimension 4</b>	<b>The public procurement arrangement is integrated into the public sector governance system</b>			
Indicator 4(a)	Procurement planning and associated expenditures are part of the budget formulation process and contribute to multiyear planning	X		X
Indicator 4(b)	Budget law and financial procedures support timely procurement, contract execution, and payment	X		X
Indicator 4(c)	Systematic completion reports are prepared for certification of budget execution and for reconciliation of delivery with budget programming			X
<b>Dimension 5</b>	<b>Existence of a functional normative/regulatory body</b>			
Indicator 5(a)	The regulatory body should provide for separation and clarity so as to avoid conflict of interest and direct involvement in the execution of procurement transactions	X	X	X
Indicator 5(b)	The status and basis for the normative/regulatory body is covered in the regulatory framework			X
<b>Dimension 6</b>	<b>Existence of institutional development capacity</b>			
Indicator 6(a)	There is a system for collecting and disseminating procurement information, including invitation for bids/proposals, requests for expression of interest, requests for bid/proposals, and contract award information	X		X
Indicator 6(b)	There are systems and procedures for collecting and monitoring procurement statistics	X	X	X
Indicator 6(c)	A strategy and training capacity exists to provide training, advice and assistance to develop the capacity of agencies and private sector participants to understand the rules and regulations and how they should be implemented	X		X
Indicator 6(d)	There is a clear management structure with policies on delegation	X		X
Indicator 6(e)	Quality control standards are disseminated and used to evaluate staff performance and address capacity development issues			X

Pillar III. Procurement Administration and Market Practices		APA	APA (GPA countries)	Capacity and Capability
<b>Dimension 7</b>	<b>Effective procurement operations and practices</b>			
Indicator 7(a)	The level of procurement competence among government officials within the entity is consistent with their procurement responsibilities	X		X
Indicator 7(b)	Are there established norms for the safekeeping of records and documents related to procurement transactions and contract management	X	X	X
Indicator 7(c)	There are provisions for delegating authority to others who have the capacity to exercise that authority			X
<b>Dimension 8</b>	<b>Functionality of the public procurement market</b>			
Indicator 8(a)	There are no major systemic constraints (such as inadequate access to credit, contracting practices) inhibiting the private sector's capacity to access the public sector procurement market			X
Indicator 8(b)	There are effective mechanisms for partnerships between the public and private sector			X

Pillar IV. Integrity and Transparency of the Public Procurement Arrangement		APA	APA (GPA countries)	Capacity and Capability
<b>Dimension 9</b>	<b>Effective control and audit systems</b>			
Indicator 9(a)	There is a legal framework, organization, policy, and procedures for internal and external control and audit of public procurement operations in place that provide a functioning control framework	X		X
Indicator 9(b)	Enforcement and follow-up on findings and recommendations of the control framework provide an environment that fosters compliance	X		X
Indicator 9(c)	Auditors sufficiently informed about procurement requirements and control systems to conduct quality audits that contribute to compliance	X		X
Indicator 9(d)	The internal control system provides timely information on compliance to enable management action			X
Indicator 9(e)	The internal control systems sufficiently defined to allow performance audits to be conducted			X
<b>Dimension 10</b>	<b>Effective and efficient complaints mechanisms</b>			
Indicator 10(a)	Complaints are effectively managed	X	X	X
Indicator 10(b)	Decisions are deliberated on the basis of available information, and the final decision can be reviewed and ruled upon by a body (or authority) with enforcement capacity	X	X	X
Indicator 10(c)	Decisions are published and made available to all interested parties and to the public	X		X
Indicator 10(d)	The procurement arrangement ensures that the complaint review body has full authority and independence for resolution of complaints	X	X	
<b>Dimension 11</b>	<b>Degree of access to information</b>			
Indicator 11(a)	Information is published and distributed through available media with support from information technology when feasible	X		X
<b>Dimension 12</b>	<b>Existence of ethics and anticorruption measures</b>			
Indicator 12(a)	The regulatory framework for procurement, including selection and contract documents, includes provisions addressing corruption, fraud, conflict of interest and sets out (either directly or by reference to other laws) the actions that can be taken with regard to such conduct	X		X

Indicator 12(b)	The regulatory framework defines responsibilities, accountabilities, and penalties for individuals and legal entities found to have engaged in fraudulent or corrupt practices	X	X
Indicator 12(c)	Evidence of enforcement of rulings and penalties exists	X	X
Indicator 12(d)	Special measures exist to prevent and detect fraud and corruption in public procurement	X	X
Indicator 12(e)	There is a secure mechanism for reporting fraudulent and corrupt practices	X	X
Indicator 12(f)	Existence of Codes of Conduct/Codes of Ethics for participants that are involved in aspects of the public financial management systems that also provide for disclosure for those in decision making positions	X	X
Indicator 12(g)	Stakeholders (private sector, civil society, and ultimate beneficiaries of procurement/end-users) support the creation of a procurement market known for its integrity		X

WORKING DRAFT

Pillar V. Procurement Operations		APA	APA (GPA countries)	Capacity and Capability
<b>Dimension 13</b>	<b>Effective procurement cycle</b>			
Indicator 13(a)	Market research and procurement strategy	X		X
Indicator 13(b)	Procurement Approaches and Methods	X	X	X
Indicator 13(c)	Advertising rules and time limits	X	X	
Indicator 13(d)	Tender documentation and technical specifications	X	X	X
Indicator 13(e)	Selection Process	X		X
Indicator 13(f)	Model selection documents for goods, works, and general services	X		X
Indicator 13(g)	Procedures for pre-qualification	X	X	X
Indicator 13(h)	Submission, receipt and opening of bids/proposals	X		X
Indicator 13(i)	Bid/proposal evaluation and award criteria	X	X	X
Indicator 13(j)	Are procedures clearly defined for undertaking contract administration responsibilities that include inspection and acceptance procedures, quality control procedures, and methods to review and issue contract amendments in a timely manner	X		X
<b>Dimension 14</b>	<b>Existence of dispute resolution provisions</b>			
Indicator 14(a)	Contracts include dispute resolution procedures that provide for an efficient and fair process to resolve disputes arising during the performance of the contract	X		X
Indicator 14(b)	Procedures exist to enforce the outcomes of the dispute resolution process	X		X
<b>Dimension 15</b>	<b>Data, Metrics and Reporting</b>			
Indicator 15(a)	Spend Data, Metrics and Reporting			X
<b>Dimension 16</b>	<b>Risk Management</b>			
Indicator 16(a)	Procurement Risk Management			X



## Annex C – Data Minimum Data Requirement

<b>Selection Process Data</b>	Type of procurement (goods, works, consultant services and general services)
	Selection method
	Date of publication of the specific procurement notice or delivery of invitations for: <ul style="list-style-type: none"> <li>• Prequalification, if applicable</li> <li>• Expression of interest</li> <li>• Bids/proposal</li> </ul>
	Date of complaint filing, if any
	Date of response to complaints, if any
	Date of notification of contract award
	Contract award price
	<b>Contract Execution Data</b>
Final contract price	
Original contract completion date	
Actual contract completion date	

WORKING DRAFT

## Annex D – Evidence Based Data Analysis

Evidence Base	Indicator	APA	C & C
Number of failed or annulled procurements due to funding not being agreed prior to going to market	4a	X	
Percentage of failed or annulled procurement out of total procurements	4a	X	
Average number of days to pay a non-disputed invoice once it is received	4b	X	
Number of payments outstanding 90 days or more in dispute vs not in dispute	4b	X	
Percentage of invoices in dispute by number and value, compared with total invoices successfully processed	4b	X	
Percentage of requests for bids/proposals and contract award notices that are loaded into the system	6a	X	
Average number of training days attended per staff member	6c	X	
Percentage of procurements found with incomplete records being retained (identify a random sample of at least 10 procurements processes and check records)	7b	X	
Percentage of cases that had complaints that were resolved	10a	X	
Percentage of complaints resulting in modification of procurement documents or evaluation decisions	10a	X	
Number of cases sent for independent review	10d	X	
Percentage of total complaints sent to the independent review body	10d	X	
Percentage of cases review panel's decision upheld	10d	X	
Number and value of procurement opportunities and contract awards that are published and disclosed to the public (as opposed to those that are not published, like results of request for quotations for instance)	11a	X	
Number of fraud and corruption cases detected & number of fraud and corruption cases prevented as a percentage of total procurements number and value	12d	X	
Percentage of single sourced contracts (number) excluding low value items under the value stated in the policy by total number and value of all procurements	13b	X	
Percentage of single sourced contracts (value) excluding shopping items under the value stated in the policy by total number and value of all procurements	13b	X	
How many contracts were procured without competition in the last year out of the total number of contracts awarded and what was the total value	13b	X	
Percentage of procurement opportunities published online if applicable by number and value	13c	X	

Percentage of contract awarded through a competitive process publicly advertised; and, percentage of those contracts advertised for the required days as per the policy by number and value	13c	X	
Average number of days to respond to written requests for clarification	13d	X	
Percentage number of transactions (bids) according to procurement method (degree of competition)	13e	X	
Percentage contract value according to procurement method (degree of competition)	13e	X	
Number of procurement processes that are successfully awarded as opposed to failed or cancelled over total number of procurement procedures conducted: Control by: Procurement methods and contract value/size using country specific thresholds and/or implementing agency level, clearance requirements	13e	X	
Average number of days between bid/proposal opening and completion of evaluation	13i	X	
Average number of days taken between submission of bid/proposal evaluation report and approval of contract (contract signing date)	13i	X	
Percentage of cases bid/proposal evaluation has been completed within the specified timeline	13i	X	
Percentage of bids/proposals awarded within the bid/proposal validity period	13i		X
Percentage of contracts by number completed on schedule and within the original approved contract price	13j	X	
Percentage of contracts by number with schedule overruns	13j	X	
Percentage of contracts by number with price increases above original approved contract price	13j	X	
Percentage of contracts by number with schedule and price overruns	13j	X	
Average delay in number of days, as % of original schedule	13j	X	
Frequency of cost overruns	13j	X	
Number of dispute resolution outcomes fully enforced	14a	X	
Percentage resulting in sanctions/penalties to the contractor	14a	X	
Percentage of contracts with unresolved disputes	14b	X	
Percentage of contracts that include Alternative Dispute Resolution provisions	14b	X	
Percentage of spend on and off contract	16a		X

## Annex E - Questionnaire

### Part 1: Profile of interviewee

Question	Answers
Name of interviewee	
Email address	
Sex	<ul style="list-style-type: none"> <li>▪ Female</li> <li>▪ Male</li> </ul>
What is your position in the company?	<ul style="list-style-type: none"> <li>▪ Partner/owner</li> <li>▪ Director</li> <li>▪ Manager</li> <li>▪ Specialist, analyst, assistant</li> <li>▪ Other. What?</li> </ul>
Country of the company	<ul style="list-style-type: none"> <li>▪</li> </ul>
Size of the company	<ul style="list-style-type: none"> <li>▪ Micro or small</li> <li>▪ Medium</li> <li>▪ Large</li> </ul>
Main business area	<ul style="list-style-type: none"> <li>▪ Agriculture</li> <li>▪ Extractive</li> <li>▪ Manufacturing</li> <li>▪ Construction</li> <li>▪ Transport</li> <li>▪ Consulting</li> <li>▪ Other. What?</li> </ul>
Where are your clients?	<ul style="list-style-type: none"> <li>▪ Local markets</li> <li>▪ Metropolitan regions</li> <li>▪ State/Province/Regional level</li> <li>▪ National</li> <li>▪ Abroad</li> </ul>
What is the participation of public sector contracts in your company's revenues?	<ul style="list-style-type: none"> <li>▪ Small</li> <li>▪ Medium</li> <li>▪ Large</li> <li>▪ None</li> </ul>
Does your company have a team in charge only of preparing bids for government contracts?	<ul style="list-style-type: none"> <li>▪ Yes</li> <li>▪ No</li> </ul>
Has your company ever been consulted by the government ahead of substantial policy or procedural changes in government procurement?	<ul style="list-style-type: none"> <li>▪ Yes</li> <li>▪ No</li> </ul>
How often does your company bid for a government contract in a year?	<ul style="list-style-type: none"> <li>▪ 1-5 times</li> <li>▪ 6-10</li> <li>▪ 11-20 times</li> <li>▪ More than 21 times</li> <li>▪ Never bid for government contracts</li> </ul>

## Part 2: Factual experiences

#	Question	Answers	Indicator	APA	C&C
1.	Do you feel that you have adequate opportunity to be eligible for procurement opportunities managed by the agency?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	1b	X	
2.	Do you feel that general CC's are generally fair, balanced and consistent with internationally accepted practice?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	2b	X	
3.	Does the agency apply sustainable procurement principles?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	3a		X
4.	Do you see contracts being awarded to more sustainable solutions?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	3a		X
5.	How often does your company consult annual procurement plans for this agency to prepare for procurement opportunities with the government?	<ul style="list-style-type: none"> <li>▪ 0-30 Days</li> <li>▪ 31-60 Days</li> <li>▪ 61-90 Days</li> <li>▪ 91-120 Days</li> <li>▪ Over 121 Days</li> </ul>	4a	X	
6.	Does the agency regularly annul a procurement for no apparent reason?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	4a		X
7.	What is your overall view on payment reputation for the agency?	<ul style="list-style-type: none"> <li>▪ Excellent</li> <li>▪ Good</li> <li>▪ Average</li> <li>▪ Bad</li> </ul>	4a		X
8.	How long after an invoice has been submitted is payment usually received by your company?	<ul style="list-style-type: none"> <li>▪ 0-30 Days</li> <li>▪ 31-60 Days</li> <li>▪ 61-90 Days</li> <li>▪ 91-120 Days</li> <li>▪ Over 121 Days</li> </ul>	4b	X	
9.	Has your company ever decided not to submit a bid/proposal for a government/agency contract because the time taken by the government / agency to pay an invoice is too long?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	4b	X	
10.	Does the time taken by the agency to pay an invoice affect the cash flow of your company?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	4b	X	
11.	How often has the agency refused to pay an invoice for your company because they unfairly claimed the quality of goods, works, general	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> </ul>	4b	X	

	services or consulting services delivered were poor?	<ul style="list-style-type: none"> <li>▪ Never</li> </ul>			
12.	What is your overall view on payment reputation for the agency?	<ul style="list-style-type: none"> <li>▪ Adequate</li> <li>▪ Mostly adequate</li> <li>▪ Rarely adequate</li> <li>▪ Never adequate</li> </ul>	4b	X	
13.	Overall, do you feel that the agency deals with any potential conflict of interest adequately such as personal relations, personal investments with providers and contractors?	<ul style="list-style-type: none"> <li>▪ Adequate</li> <li>▪ Mostly adequate</li> <li>▪ Rarely adequate</li> <li>▪ Never adequate</li> </ul>	5a	X	
14.	Do you feel that the agency's key procurement information, such as requests for bid/proposal and contract award notices are available to the public?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Mostly available</li> <li>▪ Rarely available</li> <li>▪ Never</li> </ul>	6a	X	
15.	Do you feel that agency procurement staff have good knowledge and understanding of national and agency procurement policies and practices?	<ul style="list-style-type: none"> <li>▪ Excellent knowledge</li> <li>▪ Good Knowledge</li> <li>▪ Some knowledge</li> <li>▪ Poor knowledge</li> </ul>	6c	X	
16.	Does the agency have open dialogue with the private sector on procurement matters?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	8b		X
17.	Does the agency listen to the opinions of the private sector and address agreed issues?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	8b		X
18.	Have you or has anybody in your company ever attended training offered on how to respond to procurement opportunities in the public sector for government contracts or how to identify opportunities to work with the government?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	8b		X
19.	Have you or has anybody in your company ever attended training programs on procurement offered by the government or agency?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	8b		X

20.	Do you feel that audits are fully independent? (Question to be asked to CSO's i.e. Transparency international)	<ul style="list-style-type: none"> <li>▪ Very appropriate</li> <li>▪ Mostly appropriate</li> <li>▪ Somewhat appropriate</li> <li>▪ Not appropriate</li> </ul>	9a		X
21.	Do you feel that the agency acts on the finding of audit reports in a timely manner?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	9b	X	
22.	Do you feel that auditors are appropriately selected with the right knowledge and trained accordingly? (Question to be asked to CSO's i.e. Transparency international)	<ul style="list-style-type: none"> <li>▪ Very appropriate</li> <li>▪ Mostly appropriate</li> <li>▪ Somewhat appropriate</li> <li>▪ Not appropriate</li> </ul>	9c	X	
23.	Do you feel that audits are fully independent? (Question to be asked to CSO's i.e. Transparency international)	<ul style="list-style-type: none"> <li>▪ Very appropriate</li> <li>▪ Mostly appropriate</li> <li>▪ Somewhat appropriate</li> <li>▪ Not appropriate</li> </ul>	9c	X	
24.	Do you feel that the agency has an effective compliance process and policy? (Question to be asked to CSO's i.e. Transparency international)	<ul style="list-style-type: none"> <li>▪ Very effective</li> <li>▪ Mostly effective</li> <li>▪ Somewhat effective</li> <li>▪ Not effective</li> </ul>	9d		X
25.	Do you feel that there are sufficiently defined internal control procedures that allow for performance audits to be conducted? (Question to be asked to CSO's i.e. Transparency international)	<ul style="list-style-type: none"> <li>▪ Sufficiently defined</li> <li>▪ Mostly defined</li> <li>▪ Not defined</li> </ul>	9e		X
26.	Is the complaint handling process available upon request	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	10a	X	
27.	Do you feel that complaints are handled appropriately and taken seriously?	<ul style="list-style-type: none"> <li>▪ Very seriously</li> <li>▪ Seriously</li> <li>▪ Somewhat seriously</li> <li>▪ Not seriously</li> </ul>	10a	X	



28.	On average, how long does it take for the agency/government to issue a decision about a complaint?	<ul style="list-style-type: none"> <li>▪ Promptly</li> <li>▪ A reasonable amount of time</li> <li>▪ Long</li> <li>▪ Very long</li> </ul>	10a	X	
29.	How often were your company's complaints successful?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> <li>▪ Never complained</li> </ul>	10a	X	
30.	How often has your company's bid/proposals been affected by complaints submitted by competitors?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	10a	X	
31.	Do you feel that complaints are enforced when found to be valid?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	10a		X
32.	How often has your company submitted a complaint to the agency before the conclusion of a procurement process?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	10a	X	
33.	Does your company trust the process to address complaints during a procurement process?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	10a	X	
34.	If you weren't happy with the outcome of the complaints, would you be prepared to escalate the complaint to the review body?	<ul style="list-style-type: none"> <li>▪ Yes</li> <li>▪ No</li> </ul>	10b	X	
35.	Do you feel that decisions regarding complaints are deliberated on the basis of available information, and that a decision can be reviewed? (Question to be asked to CSO's i.e. Transparency international)	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	10b	X	
36.	Do you feel that decisions are published and made available to all interested parties and to the public?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	10c	X	
37.	Do you feel that the independent review body is fully independent and fair and transparent?	<ul style="list-style-type: none"> <li>▪ Fully independent</li> <li>▪ Partially independent</li> <li>▪ Not independent</li> </ul>	10d	X	
38.	How often has your company appealed a decision issued by the agency regarding a complaint your company filed?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	10d	X	

39.	On average, how long does it take to issue a decision about an appeal your company has made?	<ul style="list-style-type: none"> <li>▪ Promptly</li> <li>▪ A reasonable amount of time</li> <li>▪ Long</li> <li>▪ Very long</li> <li>▪ Never</li> <li>▪ appealed a decision</li> </ul>	10d	X	
40.	Do you feel that all tender opportunities are publically advertised?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	11a	X	
41.	Are procurement opportunities, procurement plans, and contract awards published and made available to the public in a timely manner?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	11a	X	
42.	Do you feel providers have equal access to information and are treated fairly?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	11a	X	
43.	Do you have to register to receive selection documents?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	11a	X	
44.	How many cases of conflict of interest or fraud and corruption has the government investigated in the past 5 years?	<ul style="list-style-type: none"> <li>▪ A lot</li> <li>▪ Several</li> <li>▪ Few</li> <li>▪ None</li> <li>▪ Don't know</li> </ul>	12a	X	
45.	How many companies have been debarred by the government for issues of fraud and corruption?	<ul style="list-style-type: none"> <li>▪ A lot</li> <li>▪ Several</li> <li>▪ Few</li> <li>▪ None</li> <li>▪ Don't know</li> </ul>	12a	X	
46.	How often do you hear on the news about the government prosecuting cases of fraud and corruption in procurement?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	12a	X	
47.	Has your company ever had to make payments to be able to get a contract with the government or agency?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	12a	X	
48.	Has anyone suggested to your company to make payments in exchange for advantages on government or agency procurement processes?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	12a	X	
49.	Does your company know of other companies who made payments to get a contract with the agency or government?	<ul style="list-style-type: none"> <li>▪ All</li> <li>▪ Several</li> <li>▪ Some</li> <li>▪ None</li> </ul>	12a	X	

50.	Do you feel that the agencies anticorruption measures are efficient and effective?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	12a	X	
51.	Do you feel that the agency's anticorruption measures are efficient and effective?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	12c	X	
52.	Is there evidence of fraud and corruption enforcement?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	12c	X	
53.	When was the last case of fraud and corruption enforcement?	<ul style="list-style-type: none"> <li>▪ 0-30 Days</li> <li>▪ 31-60 Days</li> <li>▪ 61-90 Days</li> <li>▪ 91-120 Days</li> <li>▪ Over 121 Days</li> </ul>	12c	X	
54.	Do you feel that there is a secure mechanism for reporting fraudulent, corrupt, or unethical behavior? (Question to be asked to CSO's i.e. Transparency international)	<ul style="list-style-type: none"> <li>▪ Very secure</li> <li>▪ Mostly secure</li> <li>▪ Somewhat secure</li> <li>▪ Not secure</li> </ul>	12e	X	
55.	Do you feel that there are strong and creditable CSO's that exercise social audit and control? (Question to be asked to Private Sector and Transparency international)	<ul style="list-style-type: none"> <li>▪ Very strong</li> <li>▪ Mostly strong</li> <li>▪ Somewhat strong</li> <li>▪ Not strong</li> </ul>	12g		X
56.	Do you feel that civil society contributes to shape and improve the integrity of public procurement? (Question to be asked to Private Sector and Transparency international)	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	12g		X
57.	To the best of your knowledge does the agency conduct market research and analysis prior to starting the selection process?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13a	X	
58.	Do you feel that the agency understands how markets operate?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13a		X
59.	How often does the agency procure without competition?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13b	X	
60.	Does the agency successfully use framework agreements?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13b		X
61.	How many competitors does your company have on a typical procurement process for a government or agency contract?	<ul style="list-style-type: none"> <li>▪ 1 or 2</li> <li>▪ 3-5</li> <li>▪ 6-10</li> </ul>	13c	X	

		<ul style="list-style-type: none"> <li>▪ More than 10</li> </ul>			
62.	Does the agency publish advanced notices of procurement opportunities?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13c	X	
63.	To the best of your knowledge does the agency publish all procurement opportunities except direct procurement?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13c	X	
64.	How easy it is for your company to find out about procurement opportunities for government and agency contracts?	<ul style="list-style-type: none"> <li>▪ Very easy</li> <li>▪ Easy</li> <li>▪ Somewhat difficult</li> <li>▪ Very difficult</li> </ul>	13c	X	
65.	Are all contracts to be awarded by competitive procurement publicly advertised for (INSERT TIME DEPENDING ON AGENCY POLICY)?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13c	X	
66.	How often does your company rely on information systems operated by the government to find out about procurement opportunities in your area?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Frequently</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13c	X	
67.	Do you feel that the advertising rules and time limits are fully transparent? (Question to be asked to CSO's i.e. Transparency international)	<ul style="list-style-type: none"> <li>▪ Very transparent</li> <li>▪ Mostly transparent</li> <li>▪ Somewhat transparent</li> <li>▪ Not transparent</li> </ul>	13c	X	
68.	How long are you given to prepare bids/proposals from the issuance of the selection documents to the deadline for submission of bids/proposals?	<ul style="list-style-type: none"> <li>▪ 0-15 Days</li> <li>▪ 16-30 Days</li> <li>▪ 31-60 Days</li> <li>▪ 61-90 Days</li> <li>▪ Over 91 Days</li> </ul>	13d	X	
69.	Is the time allowed in the selection documents adequate for your company to prepare a competitive and responsive bid/proposal?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few occasions</li> <li>▪ Never</li> </ul>	13d	X	
70.	How often has your company decided not to submit a bid/proposal for a procurement opportunity because the time allowed for preparation of bids/proposals was too short?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13d	X	
71.	On average, how many days does it typically take to prepare a bid/proposal for a procurement opportunity?	<ul style="list-style-type: none"> <li>▪ 0-15 Days</li> <li>▪ 16-30 Days</li> <li>▪ 31-60 Days</li> <li>▪ 61-90 Days</li> <li>▪ Over 91 Days</li> </ul>	13d	X	

72.	How long are you given to revise bids/proposals following an amendment to the selection documents?	<ul style="list-style-type: none"> <li>▪ 0-5 Days</li> <li>▪ 6-10 Days</li> <li>▪ 11-15 Days</li> <li>▪ 16-20 Days</li> <li>▪ 21-25 Days</li> </ul>	13d	X	
73.	How long does it take to respond to requests for clarifications?	<ul style="list-style-type: none"> <li>▪ 0-5 Days</li> <li>▪ 6-10 Days</li> <li>▪ 11-15 Days</li> <li>▪ 16-20 Days</li> <li>▪ 21-25 Days</li> </ul>	13d	X	
74.	Are clarifications, minutes of the pre-bid conference, if any, and amendments of the selection documents communicated to providers that obtained the selection documents from the buyer?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13d		X
75.	Does the agency use standard selection documents for the procurement of goods, works, general services and service services?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13f	X	
76.	How often has your company decided not to submit a bid/proposal for an agency/government contract because selection documents were unclear?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13f	X	
77.	How often has your company found selection documents for agency/government contracts with biased specifications?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13f	X	
78.	On average, how many administrative or agency/government-issued documents does your company have to obtain to prepare a responsive bid/proposals?	<ul style="list-style-type: none"> <li>▪ 1 to 5 documents</li> <li>▪ 6 to 10 documents</li> <li>▪ 11 to 20 documents</li> <li>▪ More than 20 documents</li> </ul>	13f	X	
79.	How often was your company compelled to increase prices on a bid/proposal for an agency/government contract because selection documents placed too much risk on you as an eventual contractor?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13f	X	
80.	Are Standard selection Documents available online or on request from the agency?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13f		X
81.	Do you feel that when pre-qualification of providers is used, its use is appropriate, fair and transparent?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13g	X	

82.	How often has your company been unable to bid for an agency/government procurement because of prior registration requirements?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13g	X	
83.	How often does the agency/government use prequalification of providers with the only purpose of restricting competition?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13g	X	
84.	Do you feel that all providers are treated equally? (Aimed at, domestic, small businesses and foreign businesses)	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13g	X	
85.	When preparing bids/proposals for this agency's contracts, how often does your company spend more time preparing prequalification applications, bid/proposals, registration and bureaucratic requirements than in preparing the technical solution and price?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13g	X	
86.	Are you informed by the agency in writing of the reasons for being rejected as part of the prequalification process?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13g		X
87.	Is the bid/proposal evaluation criteria transparent, objective and pre-disclosed to you?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13i	X	
88.	How often has your company seen selection documents for agency/government contracts with subjective or unclear evaluation criteria?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13i	X	
89.	How often has your company had a bid/proposal rejected for missing bureaucratic agency/government-issued documentation or license in the past 12 months?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13i	X	
90.	How often has your company had a bid/proposal rejected for minor, non-substantial non-material deviations or shortcomings in the past 12 months?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13i	X	
91.	Do you feel that the evaluation process is carried out in a way that ensures fair and efficient outcomes?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13i	X	
92.	How often have your company had a bid/proposal unfairly rejected for an agency/government contract in the past 12 months?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13i	X	
93.	On average, how many days does a typical selection process for an agency/government contract take to be completed from the day	<ul style="list-style-type: none"> <li>▪ 0-30 Days</li> <li>▪ 31-60 Days</li> <li>▪ 61-90 Days</li> <li>▪ 91-120 Days</li> </ul>	13i	X	

	your company submits a bid/proposal until an award decision is made?	<ul style="list-style-type: none"> <li>▪ Over 121 Days</li> </ul>			
94.	Are you informed about the award decision?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13i	X	
95.	Are you offered debriefs when you have been unsuccessful in a selection process?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	13i	X	
96.	Do you feel that the agency has clearly defined procedures for undertaking contract administration responsibilities?	<ul style="list-style-type: none"> <li>▪ Yes</li> <li>▪ Somewhat defined</li> <li>▪ No</li> </ul>	13j	X	
97.	Do you feel that the agency undertakes effective contract administration?	<ul style="list-style-type: none"> <li>▪ Very effective</li> <li>▪ Effective</li> <li>▪ Somewhat effective</li> <li>▪ Not effective</li> </ul>	13j	X	
98.	Do you feel that contract amendments are issued in a timely manner?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13j	X	
99.	If your company had to modify a contract during execution, how long did it take for the agency to approve a contract amendment?	<ul style="list-style-type: none"> <li>▪ Promptly</li> <li>▪ A reasonable amount of time</li> <li>▪ Long</li> <li>▪ Very long</li> <li>▪ Never had to modify a contract</li> </ul>	13j	X	
100.	How often has your company had to adjust the original delivery schedule for a contract with the agency?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13j	X	
101.	How often has your company had to adjust the original contract price for a contract with the agency?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Many times</li> <li>▪ Few times</li> <li>▪ Never</li> </ul>	13j	X	
102.	Do you feel that the contract dispute resolution procedures for the agency are effective?	<ul style="list-style-type: none"> <li>▪ Very effective</li> <li>▪ Effective</li> <li>▪ Somewhat effective</li> <li>▪ Not effective</li> </ul>	14a	X	
103.	Do you utilize the dispute resolution mechanism included in the contract when appropriate?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	14a	X	
104.	Do you feel that decisions are fair?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> </ul>	14a	X	

		<ul style="list-style-type: none"> <li>▪ Rarely</li> <li>▪ Never</li> </ul>			
105.	Do you feel that the agency normally makes a good faith attempt to resolve disagreements through informal negotiations?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	14b	X	
106.	Are disputes handled in accordance with the contract conditions?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	14b	X	
107.	How often has your company had disputes with the agency during contract execution?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	14b	X	
108.	If your company had a dispute with the agency during contract execution, was the process fair?	<ul style="list-style-type: none"> <li>▪ Very fair</li> <li>▪ Mostly fair</li> <li>▪ Somewhat fair</li> <li>▪ Not fair</li> </ul>	14b	X	
109.	Do you feel that the agency manages its spend effectively?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	15a		X
110.	Do you feel that the agency understands needs from a supplier perspective as procurements are designed to optimize performance?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	15a		X
111.	Do you feel that the agency identifies and manages risks appropriately?	<ul style="list-style-type: none"> <li>▪ Always</li> <li>▪ Some times</li> <li>▪ Rarely</li> <li>▪ Never</li> </ul>	16a		X



**Annex F – Bank Guidance**

WORKING DRAFT

WORKING DRAFT

# Bank Guidance

## Alternative Procurement Arrangements

### Bank Access to Information Policy Designation

Public

### Catalogue Number

[Assigned by the P&PF Administrator within LEGVPU]

### [Issued and effective] [Issued] [Last Revised]<sup>i</sup>

[Insert date]

### [Effective]

[Insert date]

### Content

Sets out Bank Guidance to assess borrower's agency's Alternative Procurement Arrangements

### Applicable to

IBRD and IDA

### Issuer

Vice President and Head of Network, OPCS

### Sponsor

Chief Procurement Officer, Operations risk Management, OPCS



WORKING DRAFT

## SECTION I – PURPOSE AND APPLICATION

1. This Note guides staff to conduct the agency identification, assessment and implementation of an agency's Alternative Procurement Arrangement (APA).
2. This Guidance applies to the Bank.

## SECTION II – DEFINITIONS

As used in this Guidance, the capitalized terms and abbreviations have the meanings set out: (a) in Section II of the Bank Policy, "Procurement in Investment Project Financing", \_\_\_\_\_, 2015, Catalogue Number \_\_\_\_\_; (b) in Section II of the Bank Directives, "Procurement in Investment Project Financing", \_\_\_\_\_, 2015, Catalogue Number \_\_\_\_\_; or (c) below.

1. **APM:** The Accredited Practice Manager.
2. **APS:** procurement specialist or procurement accredited staff
3. **CD:** Country Director
4. **CMU:** Country Management Unit.
5. **CPF:** Country Partnership Framework
6. **FM:** Financial Management.
7. **GP:** Global Practice of the Bank.
8. **INT:** Integrity Vice-presidency of the Bank.
9. **MOP:** Memorandum of the President.
10. **MoU:** Memorandum of Understanding
11. **PAD:** Project Appraisal Document.
12. **SCD:** Systemic Country Diagnostic

## SECTION III – SCOPE

### A. Overview

#### 1. General Aspects

1. The Procurement Framework outlines acceptable alternative procurement arrangements (APAs) that may be used under Bank investment project finance. The Bank may agree to: (a) rely on and apply the procurement rules and procedures of another multilateral or bilateral

agency or organization, and may agree to such a party taking a leading role in providing the implementation support and monitoring of project procurement activities; and (b) rely on and apply the procurement rules and procedures of an agency or entity of the Borrower.

2. An assessment methodology may be used to determine if the Bank should rely on the Borrowers' agency's procurement arrangement in projects financed by the Bank under Investment Project Finance or to conduct an agency procurement capacity and capability assessment.
3. The following integrity criteria would govern the use of alternative procurement arrangements:
  - a. The procurement and governance arrangements, including oversight mechanisms, provide assurance to the Bank that its proceeds will be used for the intended purposes, with due attention to the Core Procurement Principles<sup>6</sup>.
  - b. The arrangement maintains the Bank's eligibility criteria:
    - The eligibility of firms and individuals from all countries to offer goods, works, and services to be financed under the operation; and
    - The ineligibility of firms and individuals to participate and to be awarded, or to benefit from, a Bank-financed contract for goods, works, or services financed under the operation if they have been temporarily suspended or debarred by the World Bank Group.
  - c. The Bank's sanctions procedures and Anti-Corruption Guidelines apply and will be operationalized by requiring that bidders present a signed acceptance, at the time of bidding, - to be incorporated in any resulting contract, confirming application of the Bank's Anti-Corruption Guidelines, including the Bank's right to sanction, and the Bank's inspection and audit rights. (Annex E, sub-annex IX).
  - d. The Bank has an unrestricted right to exercise its contractual remedies under its financing agreement with the Borrower.
  - e. When approved by the Bank, the terms and conditions of the APA are set out in the legal agreements with the Borrower and other relevant parties.

## **2. Non-Compliance**

1. The Bank's legal remedies, specified in the relevant financing agreements or MOU signed either with the Borrower or development agency or organization, shall include the Bank's right to exercise procurement corrective actions for procurement non-compliance; including misprocurement. These corrective actions could be triggered in the case of; (i) a mistreated complaint; (ii) if a post review demonstrates that the agreed procurement procedures were not materially followed; or (iii) if the lead MDB declares remedies, including misprocurement, in accordance with its own Procurement Policies.

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<sup>6</sup> Internationally advertising the procurement above specified thresholds.

2. Remedies may be applied at any point during the procurement process or after conclusion or termination of a contract, regardless of whether the legal agreement has closed or not.

### **3. Complaints**

1. Procurement related complaints and communications related to contractual matters may be brought at any stage of the procurement process to the attention of the Borrower or the Bank, and they make every effort to address such complaints and other communications objectively and in a timely manner, with transparency and fairness.
2. If the Bank receives complaints, the Bank may request additional information and initiate additional due diligence of the process undertaken by the borrower.

### **4. Management Approval**

1. The TL prepares and circulates the Concept Note Package, which includes a memorandum informing the CPO about the potential use of an APA arrangement. The APM and LEGOP shall be copied in the communication. The TL seeks the CPO's clearance for an APA.
2. If the APA involves the use of other bilateral multilateral development agency or organization procurement arrangements and oversight a draft of the MOU shall be submitted as part of the memo. The draft shall be cleared by the Country Lawyer.
3. The ADM framework to process and approve the use of an APA is outline in the Procurement Procedures.
4. The TL prepares the appraisal package, with the support from procurement accredited staff (APS), which includes a summary of the procurement strategy for development (PPDS). The ADM framework is outlined in the Procurement Procedures – Section B.

## **B. Multilateral or Bilateral Agency or Organization**

### **1. General Aspects**

The use of an APA of another multilateral or bilateral agency or organization would be determined as part of the bilateral/co-financing agreement and/or MoU agreed with the multilateral or bilateral agency or organization in which the Bank would fully rely on the lead agency's procurement arrangements and oversight.

### **2. Oversight/Monitoring**

When the Bank agrees with another multilateral or bilateral agency or organization to delegate procurement leadership, the Bank would rely on their procurement arrangements and oversight as per the Memoranda of Understanding.

## **C. Borrower's Agency : APA Assessment Process**

### **1. Identification of Potential Agencies**

1. The justification for an APA, including risks and benefits, is identified and assessed as early as possible during project preparation, and is described in the relevant project documents.
2. It is recommended that the GGP identifies potential agencies using the CPF & SCD. The GGP's knowledge of the previous performance and the capacity and capability of the agencies may also be used to identify potential agencies. Of paramount importance is the need to select agencies for APA assessment that are most likely to be successful, simply already high performing agencies.
3. The GGP shall share with the CPO the list of identified potential agencies for policy monitoring purposes.
4. The GGP in coordination with the concerned GP, CMU and the borrower will carry out an initial feasibility study on identified agencies to determine that they have the potential capacity and capability to be delegated Bank's procurement leadership. The feasibility study is usually a desk based analysis that consists of a look at the track record of the agency's performance in delivering procurement investment projects including, if available, Bank financed projects. This assessment shall include a review of the complaint and contractual disputes system, if available, and a preliminary assessment of the minimum criteria required for APA.
5. The GGP should consult with INT to ascertain if the agency allegedly faces Fraud and Corruption issues that may impact the APA and other relevant stakeholders.
6. The TL should inform the CPO in the form of a memo of the identified agencies who have been through the feasibility study. The GGP memo shall summarize the feasibility study for each agency and justify the recommendation of carrying out a full assessment including:
  - a. Why the proposed APA could be an appropriate procurement approach for Bank financed projects;
  - b. The timeframe to complete the full assessment'
  - c. The resource requirement (Skills and funds) to complete the full assessment;
  - d. The key sectors of procurement this agency is likely to procure, e.g. rail, hydro power, medical equipment etc; and
  - e. Any anticipated weaknesses.

### **2. Assessment of the Identified Agencies**

1. The justification for an APA, including risks and benefits, is identified and assessed as early as possible during project preparation, and is described in the relevant project documents.
2. The APA justification describes, among other things: (a) why the APA would be the most appropriate procurement arrangement to support the Borrower in achieving the project's development objectives; and (b) how the APA would: (i) provide adequate assurance that the proceeds of Bank financing will be used only for the purposes for which the financing would



be granted, and (ii) meet the requirements set out in Section III.F.2 of the Policy, "Procurement in Investment Project Financing."

3. While the APA assessment could be utilized to inform capacity building its primary purpose is to identify agencies that the World Bank can successfully delegate procurements delivery leadership, with the World Bank retaining oversight at critical stages of the procurement.
4. With support of the GGP, the TL will utilize the standardized methodology to assess the APA at the agency level covering the following pillars (i) Legal and Regulatory Framework; (ii) Institutional framework and management capacity and performance; (iii) Procurement Administration and Market Practices; (iv) Integrity and Transparency; and (v) Procurement Operations.
5. The GGP, the borrower and relevant stakeholders will carry out the assessment of the APA as outlined in the APA Assessment Methodology.
6. The GGP will produce a report detailing the results of the assessment and the recommendation regarding the use of APA and will inform the CPO of the list of assessed agencies.

### **3. Project Appraisal**

1. The procurement arrangement should be determined during project appraisal as part of the (PPSD), which will be summarized and incorporated in the PAD; and updated during project implementation, in the terms described and further explained in Annex V of the Procurement Regulations for Borrowers.
2. After completion of the APA assessment, the ADM framework to process and approve the use of an APA is outlined in the Bank Procurement Procedures.
3. With the support from APS, the TL prepares an APA proposal memorandum seeking CPO's clearance for the proposed APA.
4. Requests for APA will be processed observing the procedures established for OPRC cases, as outlined in Annex VIII of the Bank Procurement Procedures.
5. The PAD is submitted to the Board for approval.
6. Following the approval of the PAD the procurement will be run using the agency's own procurement arrangement according to the approved use of the APA.

### **4. Oversight Monitoring**

1. As part of the recommendation to use an APA, the Bank shall identify in the PAD the appropriate oversight mechanism, which depends on the project and the capacity and capability of the agency. As a minimum, the World Bank will review and approve the following: (i) The Procurement Plan, and (ii) conduct a Post-Review.
2. With the support from APS, the TL monitors and assists in the implementation of the APA pursuant to its terms. The TL will regularly review the procurement plan to ensure that material

changes do not adversely affect the original developmental objectives. If the TL has concerns about how procurements are being run, the TL will inform the GGP.

3. Oversight will be performed by the supreme audit commission in the country if it has been previously approved by FM or has a MoU), or an agreed third party auditing organization.
4. The TL will engage with the borrower to review any identified concerns to determine a suitable action for a potential non compliance of the use of APA. The first course of action will be to determine if the Bank can provide extra support to the agency to solve the issue(s). If the issue cannot be resolved by providing extra support, then the Bank reserves the right to modify or revoke the use of APA.
5. All procurements under an APA will be subject to post procurement review.

#### **5. Modification or Revocation**

1. The Bank reserves the right to revoke the use of an APA on a case by case basis either following the result of the post procurement review, following complaints or any other matter of concern to the Bank.
2. When cases of APA non-compliance require modification or revocation of the APA, the TL shall prepare and circulate a draft memorandum to the CD, including relevant information necessary for consideration of the proposed Modification or Revocation.
3. The ADM framework to process and approve the modification or revocation of an APA is outlined in the Procurement Procedures.

#### **6. Communication with the Board**

1. The CPO, through the Corporate Secretary Policy Operations Unit (SECPO), will update the Board, as necessary, of the assessed agencies providing supporting documentation as requested. The CPO will be available to answer any questions from the Board.
2. The use of an APA shall be defined in the PAD and communicated to the Board through the Memorandum of the President (MOP).
3. The GGP will inform the CPO who will inform the Board of any issues with an agency's APA and any APA's that have been revoked as part of the Board engagement.
4. Use of APA will be reported annually to CODE/AC as part of the annual update on Bank Procurement.

## SECTION IV –EFFECTIVE DATE

This Guidance is effective [*insert date*].

## SECTION V – ISSUER

The Issuer of this Guidance is Vice President and Head of Network, OPCS.

## SECTION VI – SPONSOR

The Sponsor of this Guidance is Chief Procurement Officer, Operations Risk Management, OPCS.

## SECTION VII – RELATED DOCUMENTS<sup>7</sup>

APA proposal memorandum template

Questions regarding this Guidance should be addressed to the Sponsor.

## [ANNEX(ES)]

Procurement Procedures

Alternative Procurement Arrangements - Methodology to determine the acceptance of an agency's alternative procurement arrangement for procurements financed by the World Bank under investment project finance

Project Procurement Strategy for Development. Annex V of the Procurement Regulations for Borrowers.

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<sup>i</sup> The term “Issued and Effective” is used only if the two dates are the same. If not, show each date on a separate line, as indicated. The term “Last Revised Date” refers to the date when the document was last revised. If the document was not previously revised, the Last Revised Date reference is not used.

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<sup>7</sup> Drafting note: OPSOR to list the Board paper, Procurement Policy, Procurement Procedure, Procurement Guidance, Procedure, “Accreditation of Staff and Consultants to Carry Out Procurement Fiduciary Functions”, OP/BP 10.00, the ACGs, IPF Instructions, Waivers Policy and Procedure, and other important documents that relate to the subject matters covered by this Guidance.