

## **EIC Summary**

on the

### **Main Changes between current World Bank Procurement Guidelines and proposed Procurement Regulations for Borrowers**

#### **About EIC**

European International Contractors (EIC) has as its members construction industry trade associations from fifteen European countries and represents the interests of the European construction industry in all questions related to its international construction activities. The main objective of EIC is to improve the political, legal and financial framework conditions for the international construction activities of its member companies. In 2014, European contractors were active in all world regions and generated an international turnover of more around 165 billion €, thereof more than 50 billion € in non-OECD economies.

#### **Introduction**

EIC is appreciative of the fact that the World Bank, over the past decades, has maintained its leadership in setting international standards and principles in the field of public procurement. Hence, we have strongly welcomed the World Bank's decision to review with an open-mind attitude the Bank's procurement policies and procedures, intended to re-position the Bank in the context of its modernisation agenda and its multi-faceted international commitments.

Whilst EIC acknowledges that the Bank has expanded in the 21<sup>st</sup> century its operations over a broad array of sectors and that today's diversity of implementing entities – especially those inherent in sector-wide approaches and output-based activities – might need different procurement strategies, EIC observes that on average 60% of prior review contracts financed by the Bank relate to civil works.

Against that background, EIC has participated with great enthusiasm in the two rounds of consultations and we have provided, often in coordination with the global construction and consulting engineering umbrella federations CICA and FIDIC, extensive feedback to the Bank's various Policy Papers. Whereas EIC welcomes that the New Procurement Framework confirms that open international competitive procurement continues to be the Bank's preferred approach for complex, high-risk and/or high-value activities, EIC is concerned that the New Procurement Framework no longer calls for the "equivalence" of so-called Agency Procurement Arrangements (APA) with the Bank's own procurement procedures and documents but that the standard has been watered down to "acceptable" procurement practices. Further detailed comments on specific issues are provided below:

## EIC Comments on the Summary of Main Changes between current World Bank Procurement Guidelines and proposed Procurement Regulations for Borrowers

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3	<p><b>Applicability</b> For IPFs, the current framework does not facilitate the recognition of other procurement methods that may be most appropriate to development objectives.</p>	PG1.5, CG1.7	Section II – A.	Clearly states applicability to IPF (excluding guarantees and financial intermediaries). Allows the use of alternative procurement arrangements.	Under APA the Regulations permit other procurement arrangements to be used if appropriate. The justification and impact of exclusions of Financial Intermediaries and Guarantees is provided in the CODE/AC paper, Section II, paragraphs 15- 18.	<p>EIC welcomes the fact that the World Bank uses now the concept of alternative procurement arrangements (APA) instead of country procurement systems. This allows the Bank to differentiate and better to take into consideration the diverging procurement capacity amongst Borrower's various contracting authorities. However, despite the extensive description in Annex J on the Methodology to assess Alternative Procurement Arrangements in Borrower Implementing Agencies for Procurements financed under IPF, <b>it is not entirely clear which conditions have to be in place in order to allow an individual APA to use its own procurement rules and regulations and what internal process the Bank will follow to decide on the applicability of a given APA.</b></p> <p>As pointed out various times during the consultation phase, <b>EIC is concerned that the New Procurement Framework (NPF) no longer calls for the “equivalence” of APAs with the Bank’s own procurement procedures and documents but that the standard</b> has been watered down to <b>“acceptable”</b> procurement practices. In EIC’s view, this criterion is not measurable and will not help to ensure the transparency and accountability of the transition process, nor is it destined to give verifiable results.</p> <p>EIC is missing a requirement that the Bank prescribes, in the case that the Borrower’s agencies is authorised to proceed with its APA, the <b>use of internationally accepted standard forms of contract with minimal changes, acceptable to the Bank</b>, to address project-specific conditions, at least in the case of high-value and high-risk and complex infrastructure works. Instead, Annex IX of the Procurement Regulations merely states that <i>“the contract conditions to be included in all international procurement financed by the Bank shall provide an <b>appropriate allocation of responsibilities, risks and liabilities informed by an analysis of which party is better placed to manage the risks”</b>”</i>.</p>

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						<p>Furthermore, bearing in mind that the World Bank has identified the issue of “<b>Value for Money</b>” as one of the core principles in World Bank procurement, the application of which shall permeate the entire procurement cycle from planning to contract execution (see no. 44 below), EIC recommends that <b>this aspect should also be scrutinised in the context of APAs</b> and that procurement regulations, which base the award of public contracts on the most economically advantageous tender, should find preferred acceptance.</p> <p>EIC (and CICA) will call upon the World Bank to monitor the transition process towards APA closely and to make the necessary corrections and improvements, if needed.</p>
6	<b>The participation of SOEs has been difficult in certain contexts i.e., market transition economies.</b>	PG1.10(b), CG1.13 (b)	Section III- E, paragraph 3.28 (b), (c), and Section VII par. 7.12 and Section VIII, par.8.19.	Sets appropriate conditions for SOE's participation in World Bank-financed procurement and permit sole-source contract awards to SOEs under particular circumstances.	Recognizes the role of SOEs and as development players in particular markets where they operate. Permit the use of SOEs as appropriate to the context of the operation.	EIC notes that the NPF – as the current Procurement Guidelines (PG) – regulate the activities of SOEs only in so far as they are established in the Borrower's country, i.e. domestic SOEs. <b>This provision does not pertain to foreign SOEs</b> and, therefore, no reference is made to a <b>possible distortion of competition by SOEs</b> which are not subject to the rules of the market economy.
10	<b>Domestic Preference (DP)</b> Current procurement guidelines allow domestic preference to be applied to the	PG2.55~2 .56, Appendix 2	Section V – B. Annex VI	The Regulations while keeping the current provisions for DP disallows the use of DP to industrial plants.	This removes cumbersome application of DP to integrated plants by trying to identify a myriad of individual components/items. Based on	EIC generally welcomes the Bank's decision to <b>discontinue the Domestic Preferences for industrial plants.</b>

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	locally manufactured equipment in single responsibility (other than turnkey) to be applied.				experience, DP for such integrated plants is hardly used, if at all, as it is not practical in the current market environment.	
13	<b>Sustainable Procurement</b>	N/A	Section V - G.  Annex VII	New requirement that allows Borrowers to include sustainability requirements into procurement processes, where they are applied in ways that do not contravene the Core Procurement Principles.	Contribution to sustainable development.	<p>Whilst EIC acknowledges the new option to introduce sustainability requirements in the procurement process, <b>we regret that the option for Sustainable Procurement has been introduced only as a voluntary choice.</b> Annex VII of the new Procurement Regulations stipulates that „<i>sustainable procurement is not a mandatory requirement for Borrowers, which means that Borrowers can determine the extent to which they implement sustainable procurement practice, provided these are applied in ways that are consistent with the Bank’s Core Procurement Principles</i>”.</p> <p>EIC believes providing Borrowers with the required awareness of the principles of sustainability and the benefits that can be achieved through a robust analysis of options available when making decisions on investment in infrastructure would go far in helping them to select the right project, and in developing a sound Procurement Strategy. It is the view of this industry that this cannot be accomplished without economic, social and environmental factors being core considerations. This is why EIC would have preferred that Sustainable Procurement is mandatory for the Borrower.</p> <p>The Bank’s approach presents a particular problem for competitors from countries whose ECAs are scrutinising the environmental and social sustainability of the project environment and/or which are exposed to so-called “reputational risk” deriving e.g. from NGO critique.</p>

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15	<p><b>Contract Conditions</b> Besides requiring the use of Bank's standard selection documents, the current procurement guidelines are not comprehensive enough (a few provisions are included) in the treatment of the minimum requirements of contract conditions to apply to international contracts.</p>	PG2.38	Section VI – B.  Annex IX	<p>An Annex dedicated to contract conditions in international procurement is provided explicitly requiring that the Borrower shall use the applicable World Bank's Standard Selection Documents for international procurement, and in cases where the World Bank Standard Selection Documents are not available, the Borrower shall at least include the stated minimum contractual provisions.</p>	<p>This sets the standard that should apply for international contracts where Bank may not have standard selection documents that fit the nature and specificity of the activity such as PPP due to their diverse arrangement.</p>	<p>EIC acknowledges that Annex IX of the Procurement Regulations prescribes that <i>“the contract conditions to be included in all international procurement financed by the Bank shall provide an appropriate allocation of responsibilities, risks and liabilities informed by an analysis of which party is better placed to manage the risks, cognizant of the costs and incentives of risk allocation”</i>. We understand that this principle also relates to APA.</p> <p>By contrast, the Annex stipulates that <i>“for <b>international competitive procurement</b> for goods, works, non-consulting services and consulting services, the Borrower shall use the <b>applicable Bank's Standard Bidding/Request for Proposals Document with minimum changes, acceptable to the Bank, as necessary to address project-specific conditions</b>”</i>. EIC highly appreciates this commitment to the Bank's tried and tested standard documents</p> <p>We also appreciate that <i>“all international competitive procurement contracts are required to include <b>appropriate mechanisms for independent dispute resolution</b> such as Dispute Review Experts or Dispute Review Boards. International commercial arbitration in a neutral venue shall be required unless the national regulations and arbitration procedures are acceptable to the Bank in terms of equivalence to international commercial arbitration and the venue is neutral, or the contract has been awarded to a bidder/consultant from the Borrower's country”</i>.</p>
16	<p><b>Abnormally Low Bids</b> New, not treated in the current procurement</p>	N/A	Section VI – U.	<p>Abnormally low bids has been introduced in the proposed procurement</p>	<p>This will cause bidders to price their bids diligently. It also mitigates against</p>	<p><b>EIC welcomes the newly introduced possibility for the borrower to reject abnormally low tenders (ALTs)</b>. EIC is surprised, however, that the borrower retains the option to require that the amount of the Performance Security be increased at the expense of the bidder to a level sufficient to</p>

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	guidelines.			framework with necessary safeguards, i.e., if it is to be used the procedure shall be disclosed in the bidding documents and the bidder during bid evaluation shall be given the opportunity to clarify/justify its abnormally low bid for the Borrower's analysis. For contracts subject to prior review treatment of abnormally low bids will be subject to Bank's no objection.	the risk of poor of performance in contract execution due to unreasonably low bid prices.	<p>protect the Borrower against financial loss in the event of default of the successful bidder. EIC believes that such option should become irrelevant once a reliable and practical mechanism to deal with ALT is in place. An increase of the Performance Security does neither solve the problem of identifying an ALT nor prevent the "worst case scenario", i.e. termination of the contract.</p> <p>EIC is, however, somewhat disappointed that the <b>Bank has missed the opportunity to introduce into its Loan Agreement the possibility to cancel its loan and to ask for an early repayment of the already drawn sums in the event of ALT</b> and of "cross-debarment" in the event of a voluntary ALT, as proposed by CICA in the consultation process. Such tool would have been dissuasive and would have better expressed the will of the Bank to effectively fight ALT.</p>
17	<b>Standstill Period</b> New, not treated in the current procurement guidelines.	N/A	Section VI – W.	The Regulations have included standstill period for bidders / consultants to submit their complaint before the borrower proceeds to signing the	This encourages bidders/consultants to submit their complaints in a timely manner and is expected to contribute to transparency in	EIC welcomes the newly introduced Standstill Period which will be particularly helpful in those countries where interim injunctions against award decisions are not regulated.

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				contract in all cases. This period comes between the notification of <u>intent</u> to award contract and the <u>actual</u> contract award. In addition to consulting services, there will be a standstill period following the notification of the results of technical evaluation.	the procurement process.	
18	<b>Notification of the Intention to Award a Contract</b> New, not treated in the current procurement guidelines.	N/A	Section VI – X.	The current procurement guidelines do not include a provision for notifying bidders / consultants of the intention to award a contract. Notification of the intention to award a contract has been added in the Regulations.	This together with the standstill period will contribute to transparency in the process.	EIC welcomes the newly introduced obligation for the Borrower to notify of his intention to award a contract.

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19	<b>Contract Management</b> New, not treated in the current procurement guidelines.	N/A	Section VI – DD.  Annex XI	Recognizing the impact of successful contract management, the Regulations have included contract management as one of the key provisions with an annex dedicated to it. The Regulations provide for contract management plan with minimum requirements to be included in such a plan, monitoring and evaluation of contract performance against the plan using KPIs linked to risk.	Successful contract management is a challenge. The Regulations together with subsequent guidance tools will contribute to improving the success of implementing contracts to deliver project development objectives.	<p>EIC welcomes the newly introduced requirement for the Borrower to elaborate a Contract Management Plan to be money taught throughout the project. In particular, the items listed in paragraph 3.3. of Annex XI in connection with high-value, high-risk of complex contracts are crucial for the proper implementation of the project.</p> <p>However, EIC is missing a mechanism which allows to follow-up (in period intervals) the Contract Management Plan in the case of high-value, high-risk and complex projects.</p>
20	<b>Lack of Fit-for-purpose Approach to Market</b> Procurement methods were listed but were not	PG1.2, CG1.4	Section IV, VII, Section VIII  Annex V, Annex X, Annex XII	Fit-for-purpose is one of the core principles and this has been followed throughout the Regulations including in	Allows procurements to be context specific, reflecting market dynamics and facilitates value for money and	<p>EIC welcomes the newly introduced fit-for-purpose approach which is in line with the Bank’s Core Principles thus giving Borrowers more choices for the tender procedure.</p> <p>In our experience, if one of the bidders uses an aggressive approach seeking re-negotiation later, a reasonably and carefully priced bid may not appear to be competitive. Against this background, EIC appreciates that the Borrower is now</p>

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	<p>systematically linked to a fit-for-purpose approach to market and project development objectives.</p> <p>PG/CG mention that procurement rules and procedures depend on the circumstances of a particular case. However the fit for purpose is not embraced as a core principle and not followed through.</p>			<p>determining appropriate requirements, market approach, selection methods and evaluation criteria.</p>	<p>fit-for-purpose solutions to meet project development objectives.</p>	<p>authorised to introduce quality aspects into the tender procedure and to broaden the scope of the award criteria from price only to technical and environmental elements, i.e. the “Most Economically Advantageous Tender” (MEAT). Such approach can also complement the Bank’s fight against ALT, fraud and corruption.</p> <p>Whether Borrowers will make use of the available alternatives to the “lowest evaluated cost” criterion remains to be seen.</p>
22	<p><b>ICB</b> As per the current procurement guidelines ICB is the most appropriate method of procurement.</p>	PG1.3	<p>Section VII. – 7.14, 7.16, and 7.17</p> <p>Annex XII</p>	<p>An open competitive approach to market is the preferred approach. Open international competitive procurement is the preferred</p>	<p>Approach to market, procurement arrangement and methods that deliver VfM and fit-for-purpose as agreed with the Bank in the</p>	<p><b>EIC is highly disappointed that the World Bank has not issued an unequivocal and absolute commitment to International Competitive Bidding (ICB), at least in the case of complex, high-risk and high-value projects.</b> Instead, the Bank only states that “<i>open international competitive procurement, whose requirement includes mandatory international advertisement in accordance with these Procurement Regulations, is the preferred approach for complex, high-risk and/or high-value activities</i>”. In the EIC view, <b>in such instances, ICB must be “the approach”.</b></p>

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				<p>approach for complex, high-risk and/or high-value activities.</p>	<p>Project Procurement Strategy for Development provides more options to best achieve value for money and fit-for- purpose solutions.</p>	<p>EIC anticipates that many Borrowers will ask the Bank to make an <b>exemption</b> from its recommendation and <b>it is not clear under which conditions and according to which criteria such exemptions would be granted.</b></p> <p>The weak language appears to be an invitation for political horse-trading between the Bank and the Borrower to avoid the strict rules for ICB.</p>
30	<p><b>Competitive Dialogue Method</b> Lack of a method which allows the rigorous engagement with the market to identify the solutions that best suit the Borrower's requirements.</p>	N/A	<p>Section VII. C.1.  Annex XIII</p>	<p>The Regulations have included Competitive Dialogue for international procurement with Bank's prior review, in line with good practices and with necessary safeguards, including details of the procedures to be followed at each step.</p>	<p>Allows greater flexibility when there is room for the Borrower to enhance its requirements and get the best solutions from the market.</p>	<p>EIC would like to recall its <b>general opposition to any form of negotiated procedures in countries with low procurement capacity.</b> Hence, the option of using the Competitive Dialogue procedure should be limited to PPP and Project Finance type of projects. The Competitive Dialogue Method also raises grave concerns with respect to the Intellectual Property rights of the tenderers.</p> <p>By contrast, for <b>conventional design-build tenders, we would recommend the use of a two-envelope procedure after prequalification</b>, i.e. the technical design and the financial offer are submitted together <b>in two separate envelopes</b>; the technical design is reviewed first and the financial offer of only those tenderers who have submitted a satisfactory technical design is opened.</p>
31	<p><b>Public Private Partnerships</b> Public-private partnerships (PPP) were restricted to open competitive</p>	PG3.14~3.15	<p>Section VII – C.2.  Annex XIV</p>	<p>The Regulations drafted in coordination with the relevant Bank bodies (PPP Teams) treat PPPs in a more comprehensive</p>	<p>Given the nature of PPPs, a practical means to ensure that project development objectives and outcomes are</p>	<p>Whereas EIC acknowledges the reference to Public-Private Partnerships (PPP) in the NPF, we believe that Annex XIV of the Procurement Regulations is somewhat sketchy and cannot address sufficiently the complex issues associated with the procurement of PPP projects. We wonder whether there is any added value in this Annex.</p>

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	<p>bidding procedures which in practice had ended in requiring strict international competitive bidding, such as ICB. The current approach was purely process based and has resulted in significant hurdles to finance PPPs.</p>			<p>manner including their feasibility and procurement approach. Consistent with the Core Procurement Principles and governance requirements, sets the standard for a reasonable and practical approach while providing needed safeguards. Treatment of unsolicited proposals, which has been a request from Borrowers/industry is now included.</p>	<p>met. This is expected to enhance Bank's financing of PPP operations.</p> <p>The proposed approach to PPPs has been developed in close collaboration with PPIAF. The PPIAF team considers that the proposed approach for PPPs, based on international best practices, suitably addresses the requirements for PPP development.</p>	<p>EIC in close collaboration with CICA offer their assistance in developing a more precise guidance towards PPP. We observe that the international practices supported and promoted e.g. by PPIAF are almost exclusively referring to the Project Finance /PFI approach based on the "availability fee" model without sufficiently checking the budgetary sustainability of this model. Therefore, this model may not be appropriate for many developing countries. By contrast, the "Concession" approach, based on user fees, is often overlooked by PPIAF.</p>
44	<p><b>Value for Money</b> New, not treated in the current procurement guidelines.</p>	N/A	Annex I	<p>The Regulations dedicate an annex for Value for Money (VfM) highlighting that its application permeates the entire</p>	<p>Effective, efficient, and economic use of resources including in the evaluation of bids. Lowest evaluated bid</p>	<p>EIC welcomes the newly introduced principle of Value-for-Money but since the option to award a construction tender on the basis of the lowest evaluated tender remains, we have doubts as to whether the principle will have a significant effect on the procurement approach and practice of Borrowers.</p> <p>EIC would like to suggest that the Bank adopt a methodology and procedures of application as assistance for Borrowers to</p>

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				procurement cycle from planning to contract execution.	may not always deliver the best value for money.	<p>effectively implement the Value-for Money approach. The following concepts could be reinforced by capacity-building actions for the public service of the beneficiary countries of Banks loans:</p> <ul style="list-style-type: none"> <li>- Monitoring &amp; methodology evaluation and of rated criteria evaluation;</li> <li>- Certification programme in Procurement Public and assessment of institutional capacity;</li> <li>- Key performance indicators;</li> <li>- Strategic dialogues with key providers.</li> </ul>
45	<p><b>Evaluation Criteria</b> The current procurement guidelines are based on the lowest evaluated bid.</p>	PG2.59	Annex X	The regulations provide the means to achieve VfM through an evaluation that may include a combination of initial cost, life-cycle-cost and rated type criteria as appropriate to the specifics of the procurement.	Delivering VfM outcomes by using appropriate and pre- disclosed evaluation criteria that not only takes into account the initial costs but also life-cycle-costs and rated type criteria, the latter for aspects that could not be easily be converted into monetary terms. For most procurement, lowest evaluated bid will continue to	<p>EIC would like to suggest that the Bank adopt a methodology and procedures of application as assistance for Borrowers to effectively implement the Value-for-Money approach. The following concepts could be reinforced by capacity-building actions for the public service of the beneficiary countries of Banks loans:</p> <ul style="list-style-type: none"> <li>- Monitoring &amp; methodology evaluation and of rated criteria evaluation;</li> <li>- Certification programme in Public Procurement and assessment of institutional capacity;</li> <li>- Key performance indicators;</li> <li>- Strategic dialogues with key providers.</li> </ul>

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					<p>be the criteria. However for complex and innovative procurement, a combination of cost and rated criteria is expected to draw enhanced solutions, encourage innovation and deliver better outcomes.</p>	
46	<p><b>Bank's Procurement Oversight</b> The current guidelines provide for prior and post review. The determination of whether a contract is subject to prior or post review is based on thresholds set by the Bank.</p>	<p>PG Appendix 1, CG Appendix 1</p>	Annex II	<p>Risk based approach to identify contracts that should be subject to prior/post review taking into consideration project level risk to determine the mandatory prior review thresholds, and activity/contract level risk as appropriate.</p>	<p>Better fiduciary assurance that takes not only project level risk but also the specific risk at the activity/contract level.</p> <p>More strategic approach to post-procurement review and therefore</p>	<p><b>EIC welcomes the Bank's willingness to step up its Procurement Oversight.</b> However, it is not clear to EIC what elements will influence the scope of bank supervision.</p> <p>We are somewhat concerned by the general vagueness and ambiguity of the wording in paragraph 2.2. of Annex II which uses the term " as appropriate" without any definition or measurable criteria what "as appropriate" could mean in the respective context.</p>

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					<p>enhanced risk management.</p> <p>More strategic use of Bank resources. Staff do not have to prior review low risk activities. More Bank's attention to high risk activities notwithstanding the value.</p>	
47	<p><b>Complaints</b> WB interaction dealing with complaints is limited to the pre award process.</p>	<p>PG Appendix 3, CG Appendix 3</p>	<p>Annex III</p>	<p>Enhanced the way how the Bank handles complaints, including contract- related correspondences . To that end, World Bank will centrally monitor procurement related complaints, recognizing that complaints arising from the execution of the contract are governed by the</p>	<p>Complaints handling is a critical concern for suppliers and contractors. Many private sector organizations are frustrated with the Bank's current approach to handling complaints and can feel abandoned by the Bank if something goes wrong with</p>	<p><b>EIC welcomes the Bank's readiness to be deeper involved in complaints handling.</b></p>

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				contract between the Borrower and the contractor/consultant, and provide more support to task team leaders (TTLs) and Global Practices, including by setting operating standards and developing measures for complaints tracking. The Regulations have set business standards for the Borrower and the Bank.	procurement, in particular during contract implementation.	
48	<b>Negotiation</b> For competitive procurement of goods, works, and non-consulting services, negotiation not an option.	N/A	Section VII – B.11.	Introduce the possibility of negotiation, as appropriate and with probity safeguards.	Adds flexibility to the procurement process to better achieve value for money and fit-for-purpose. Negotiations must be held in the presence of an independent third party, agreed with the	EIC would like to recall its general opposition to any form of negotiated procedures in countries with low procurement capacity. Hence, the option of using negotiations should be limited to PPP and Project Finance type of projects. By contrast, for conventional design-build tenders, we would recommend the use of a two-envelopes procedure after prequalification, i.e. the technical design and the financial offer are submitted together in two separate envelopes; the technical design is reviewed first and the financial offer of only those tenderers who have submitted a satisfactory technical design is opened.

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					World Bank.	It is not clear to EIC what is meant by the term “ <i>exceptional circumstances</i> ” in paragraph 7.30 of Section VII of the Procurement Regulations, under which the Bank may agree to the Borrower’s use of negotiations, following bid/proposal evaluations before final contract award.
50	Fraud and Corruption provisions. Specifically, the footnotes to the definitions of corrupt, fraudulent, collusive and coercive practices in the existing Procurement and Consultant Guidelines will not be carried over into the new Regulations	PG1.1 6~1.1 7, CG1. 23~1. 24	Annex IV	The Fraud and Corruption provisions that apply to the procurement framework are set out in the Anti-Corruption Guidelines and Annex IV of the Regulations. Since the relevant terms are defined in the Anti-Corruption Guidelines, which do not include such footnotes, it would be clearer and more consistent to similarly exclude the footnotes from Annex IV. This would also avoid the potential risk of creating an internal	As agreed with INT and LEG, 20. Fr aud and Corruption Annex to the Regulations will be aligned to the Anti-Corruption Guidelines.	Whereas EIC appreciates that the concept of accountability applies also to Borrowers and paragraph D1 of the Bank Policy stipulates that those involved in the procurement process shall be held accountable for their actions and inactions, we regret that the Bank has missed another opportunity to apply its Sanctions Policy also to the Borrower and its staff.  With respect to the Bank’s Anti-Corruption Guidelines, EIC has proposed various times to delete the words “other than the Member Country (and/or, if such recipient is an entity rather than a natural person, any of its representatives)” in § 11 lit. (a). Only if the Borrower itself and all of its agencies, staff, personnel and agents are held accountable for any wrongdoing and run the risk of being held responsible the Bank’s Anti-Corruption Policy will be practical and operative. Last but not least, we suggest to the Bank to consider for its highest-value and highest-risk contracts the incorporation of elements proposed by the “Construction Sector Transparency Initiative” (CoST) or by FIDIC’s Government Procurement Integrity Management System.

## EIC Comments on the Summary of Main Changes between current World Bank Procurement Guidelines and proposed Procurement Regulations for Borrowers

No.	Topics /Issues	Ref. in the PG, and the CG	Ref. in Proposed Procurement Regulations	Proposed Changes: Regulations	Impacts / Comments	EIC Comments
				inconsistency among the governing documents, which may lead to a more narrow interpretation of the relevant terms in the procurement context as compared to other areas covered by the Anti-Corruption Guidelines.		