



Developing Capacity for Procurement Management

Doug Fraser,

Head of Procurement, Caribbean Development Bank

Courtney Lawes,

Project Director, Caribbean Procurement Training
Programme (CPTP)

Why Invest in Public Procurement (PP) Capacity

Drivers:

- PP critical to the effective delivery of public services
- PP represents 10-30% of GDP
- Huge opportunities for savings: greater spend consolidation, e-procurement
- Procurement becoming increasingly complex
- Limited pool of qualified PP professionals



Where Capacity is Needed

Areas of Focus

- Establishing and managing procurement policies and procedures
- Training and support to government agencies, the private sector and civil society
- Data collection and analysis
- Planning and executing specific procurements
- Contract management

Necessity of Public Procurement Reform

Establishes
PP Legal /
Regulatory
Framework

Produces
guides and
standard
bidding
documents

Creates PP
Institutions

Provides
Recourse for
Bidders

Facilitates
Collection /
Analysis of
Data

All underpinned by suitable qualified/experienced procurement staff



CDB's New Procurement Framework

Promotes the use of best international procurement practices, which deliver value for money and the highest standards of integrity, in order to provide the intended development outcomes in a timely manner.

CDB Procurement Framework anchored in the core principles of:

- Value for money;
- Economy;
- Efficiency;
- Integrity;
- Equality; and
- Fairness and transparency.

“Fit-for-Purpose”
Solutions

Harmonised
with other
MDBs

Where Procurement Capacity is Required in the Procurement Cycle



Planning

Once requirement approved for procurement consider procurement approach based on market analysis, risk, operating context and the project's circumstances

Contract Management

Supervision to ensure required deliverables provided on schedule, payments and appropriate management of variations/amendments or disputes.

Contracting

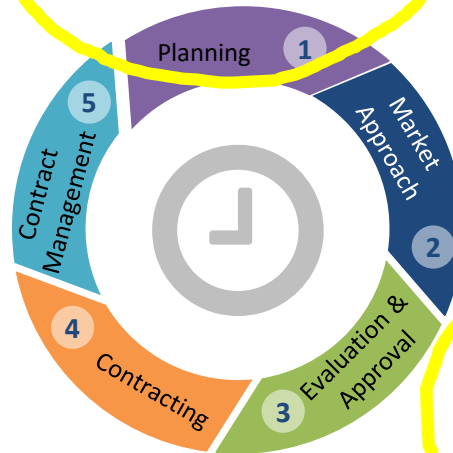
Award of Contract and possible handover to separate team to supervise contract.

Approach to Market

Formal process seeking bids/tenders. Development of tender documents, technical specifications and forms of contract

Evaluation and Approval

Review and evaluation of submissions. Approval of recommendations of evaluation committee by relevant authorities





Planning

Need for capacity to:

- establish direct linkage between budgeting and procurement planning
- undertake market analysis
- review project context: what are the objectives, timeframes and risk
- perform analysis of executing agency capacity
- consider optimum procurement approach to market: engagement, selection method, type of contract, technical requirements
- map and consult with stakeholders

*“By failing to
prepare, you are
preparing to fail”*

Benjamin
Franklin

Evaluation and Approval

Capacity consideration:

- makeup of evaluation committee, including suitable expertise
- define approach to evaluation and establish standard evaluation sheets/templates
- consult with/prepare various entities involved in evaluation and approval in-country
- prepare/seek no-objections from CDB/other financiers

CRITERIA

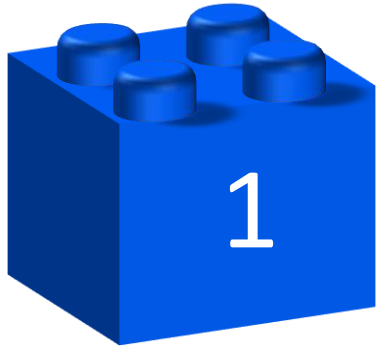
PEOPLE

PROCESS

In-country Evaluation/Approval Flow

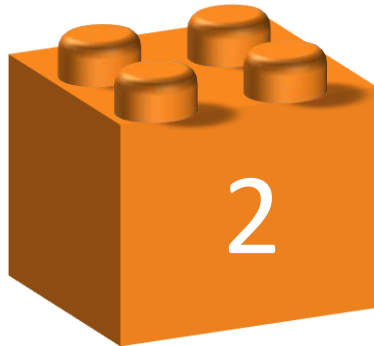
BID OPENING CEREMONY

May differ from evaluation committee



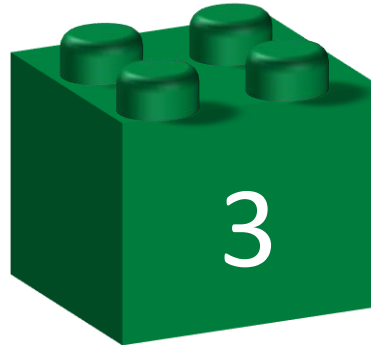
BID EVALUATION

Committee which may include experts from various agencies



PROCUREMENT / TENDERS BOARD

Approve/reject evaluation recommendation



CABINET

Approve procurements over a certain threshold



Contract Management

Consider:

- Who is responsible for contract management
- Tools for contract management: employer's engineer, contract management plans, reporting/meetings with provider
- Other stakeholders needed for payments
- Preparation for variations/amendments and disputes

Estimated average of 21% of savings realised in pre-contract procurement phase lost during contract implementation.

Aberdeen Group

Possible Solutions??





Doug Fraser
Head of Procurement
Procurement Policy Unit
Caribbean Development Bank



fraserd@caribank.org



+1 (246) 431-1738