



NEW

Procurement policy and procedures for projects financed by CDB

Procurement Policy Unit

Caribbean Development Bank

Barbados

October 15, 2019

- Rationale
 - Timeline
 - Applicability
-



CDB's 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.



Drivers for the Reform

- Evolution of Best International Practices
- Improve current Guidelines last updated in 2006 & 2011
- Need for more “fit-for-purpose” and proportional approach
- Demand for use of acceptable Alternative Procurement Arrangements (APAs)
- MDB Harmonisation

Timeline



Post November, 2019:

- Prepare further guidance notes
- Continue training including e-learning
- Monitor and assess

Applicability

- Goods
- Works and
- Services (Consulting and Non-Consulting)

financed in whole or in part from CDB
Financing or funds administered by
CDB

- Non- Bank Financed
 - PBLs
- Investments in Equity
- Provision of Guarantees
- CDB's internal or corporate procurement, where CDB is a party to the resulting contracts

Exceptions: CDB's Disaster Management Strategy and Operational Guidelines

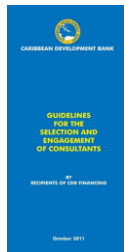
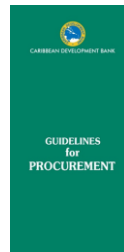
- Structure

- Overview

CDB Procurement Framework

Projects Approved Prior November 2019:

- Guidelines for Procurement (Goods, Works and Non-Consultancy Services)
- Guidelines for Selection and Engagement of Consultants (Consultancy Services – Firms and Individuals)



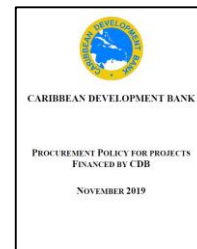
[Link to board paper](#)

[Link to CDB website](#)

Projects Approved From November 2019:

Procurement Policy

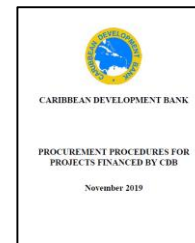
- Applicability
- Core principles
- Roles and responsibilities
- Eligibility provisions
- Integrity requirements
- APAs



BOD

Procurement Procedures

- Operationalises Policy
- Procurement considerations
- Procurement planning and contract management
- Selection Methods
- Procurement oversight
- Complaints procedures



AMT

Procurement Framework anchored in the core principles of:

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

**“fit-for-purpose”
solutions**

Flexible

**“end to end”
approach
Design &
Contract
Mngmt**

**Leveraging
Technology**

**Harmonised
with other
MDBs**



- ▶ Eligibility
- ▶ Methods and approaches
- ▶ Sustainability
- ▶ Regional and International Organisations
- ▶ Alternative Procurement Arrangements
- ▶ Public, Private Partnerships
- ▶ Complaints

Eligibility

Explicit definition of entity as coming from an eligible CDB member country



No restrictions on origin and source of goods

Consistency across sub-contractors and consultants

No restrictions for Private Sector operations



Existing requirements for bidders

SOE permitted if legally and financially autonomous

Methods and Approaches

Goods, Works and Non- Consultancy Services



Open
Competitive
bidding

Limited
Bidding

Direct Selection
Force Account

Approved Arrangements

- Prequalification of Bidders
- Post-Qualifications of Bidders
- Two-Stage Bidding
- E-Reverse Auctions
- UN Agencies and Intl. orgs
- Service Delivery Contractors
- Community Participation
- Commercial Practices
- Imports and Commodities
- Financial Intermediaries
- PPP

Consulting Services



Shortlisting:
QCBS,QBS
FBS, LCS

No Shortlisting:
CQS,

Direct Selection

Approved Arrangements

- UN Agencies and Intl. orgs
- NGOs
- Procurement Agents
- Inspection Agents
- Banks
- Auditors
- Project Implementation Support

Sustainability



Economic, social and environmental issues

Recipients may include **additional sustainability requirements** in the procurement process, beyond that required under **CDB's Environmental and Social Review Procedures**

Support **reform** and **capacity** of BMCs to implement Sustainable Procurement

Value for money

Harmonised
with other
MDBs

UN Agencies and International and Regional Organisations

There may be situations in which procurement directly from **specialised UN Agencies and similar international or regional organisations**, may be the most appropriate way of procuring

Goods, Works and Non-Consultancy Services



small quantities of **specialised off-the-shelf Goods** or Non-Consulting Services where there are **limited number of providers**

Can Rapidly offer **urgently needed assistance** or where capacity constraints

Consulting Services



uniquely or exceptionally qualified to provide technical assistance and advice in their area of expertise

Standard form of agreements when available

QBS, QCS for competitive processes

Alternative Procurement Arrangements

Provide for procurement to be governed by **policies and procedures other than those detailed in the Procurement Framework**, may be adopted in specific circumstances, approved by CDB

Co-financing

- Other MDBs, bilateral donors, or similar organisations



Executing agency

- CDB approves use of procedures and operations thru informed assessment



Public Private Partnerships (PPPs)

MORE
FLEXIBILITY

X ICB

Recipients to select a private partner using the
most appropriate procurement approach
consistent with CDB's Core Procurement
Principles

Fit-for-Purpose and
reflect Value for Money

Procurement Complaints

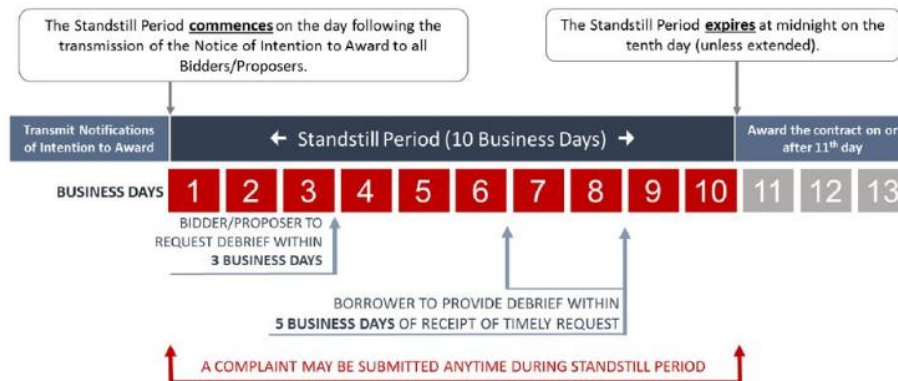
A more structured and transparent system has been developed, clearly stating the **roles and responsibilities** of the Recipient, the complainant and CDB. (**ANNEX 3 of CDB Procurement Procedures**)

STANDSTILL PERIOD (Optional)

A procurement-related complaint is a complaint:

- (a) made in relation to a Recipient's procurement under a CDB Financed Project;
- (b) by an 'interested party'; and
- (c) relating to a pre-contract procurement issue that arises during the procurement process up to the final notice of contract award.

Recipients to adopt a standstill period whereby all bidders are notified of the intention to award a contract and will be given a period of ten **(10) calendar days** to raise procurement-related complaints before a contract is concluded



Prior and Post review Thresholds

Prior Review focused
on higher value and
higher risk
procurement

free up time to provide
greater capacity
building and advisory
support

Tools

- Procurement plan Pareto Analysis
- Procurement Risk assessment
- Procurement plans/strategies

An aerial photograph of a city, likely in a developing country, showing a mix of residential and commercial buildings. The image is overlaid with a semi-transparent blue filter. The title 'BMCs On-boarding/training' is written in white, sans-serif font across the top left portion of the image.

BMCs On-boarding/training

- Project Launch workshops
- Webinar with Central Procurement Departments in Borrowing Member countries
- Joint MDB workshops (IDB, WB)
- Videos for private sector (English, Spanish, French, Dutch)
- Update Procurement E-learning platform

An aerial night photograph of a city, likely Honolulu, Hawaii, showing a dense urban area with numerous lights and a large, dark, forested area in the foreground. The text "Thank You!" is overlaid in the center of the image.

Thank You!