

Pilot Program For The Use Of Country Systems In International Competitive Bidding

Terms Of Reference For An International Technical Advisory Group

1. The Board Document R2008-0036/1 titled "*Use of Country Procurement Systems in Bank-Supported Operations: Proposed Piloting Program*" as subsequently updated to incorporate the Supplemental Note (R2008-0036/4) was approved by the Executive Directors of the World Bank on 24 April 2008. The paper states the commitment of the World Bank to establish a broad-based Advisory Group.

Purposes of the Advisory Group

2. It is proposed that this Advisory Group would consist of representatives of four key stakeholder groups that have an interest in the development of procurement systems and in their performance, i.e. the private sector and their professional associations, civil society organizations and their representative associations, development partners and/or other international organizations, and independent and internationally-recognized procurement experts.

3. The paper lists a number of activities to which this Advisory Group would contribute as follows:

- (i) provide comments on the Procurement Country Systems assessments that will be posted on the Bank external dedicated website;
- (ii) advise on the countries/sectors/projects that would be appropriate for inclusion in the piloting program;
- (iii) provide comments on the performance/compliance assessments of executing agencies that will be used to set baseline data --the Advisory Group could advise on appropriate benchmarks for performance and compliance on a country basis;
- (iv) alert the Bank on any rescinding by participating countries of laws, regulations, procedures and procurement methods that were assessed to meet the standards set in the methodology;
- (v) help monitor the performance of pilot projects and raise concerns when they assess that performance standards are not being maintained at the agreed level;
- (vi) provide advice on measures and opportunities for capacity building in this context, including for countries which have not qualified for the pilot; and
- (vii) comment on annual progress reports on the piloting.

Membership

4. The Advisory Group will be structured to ensure broad representation from professionally qualified participants drawn from each of the four above-captioned key categories of stakeholders and representing a good geographical distribution from both Part I and Part II countries.

5. The intention is to constitute a carefully considered Advisory Group for purposes of ensuring efficient and constructive communications that will contribute to the review, oversight and transparency process considered to be of key importance to achieving the best outcomes for the piloting program.

6. In that regard, it is proposed that membership of the Advisory Group be capped initially at 12 members, although the Advisory Group itself may later decide to appoint sub-groups on specific issues. The Advisory Group would act as a Steering Committee made up of representatives nominated by each category of stakeholders as follows:

- Six members from national or regional associations/organizations of the private sector (one from North American industry, one from the EU zone, one from Africa, one from Asia-Pacific, and one from Latin America), and the OECD BIAC representing international associations;
- Two members from representative associations of civil society organizations;
- Two members from other donor/partner organizations (one from a multilateral institution, one from a bilateral donor agency); and
- Two independent, globally experienced and internationally-recognized procurement experts.

7. Nominations for the Group will be sought in close cooperation with the offices of the Executive Directors at the World Bank. It is expected that private sector organizations will be in a position to nominate individuals to broadly represent them and participate in the Advisory Group through a call for nomination to be organized by the groups of Executive Directors representing respectively the USA and Canada, the European/EU zone, Africa, Asia and Pacific, and Latin America with a view at ensuring diversity of sectors. Civil society organizations will be selected by the Bank after consultations led by OPCS and EXT, and nominations would be invited via the Bank's website from those who have participated in the consultations process leading up to the final pilot program proposal. Bilateral donors would determine their representative, or invite the relevant office of the OECD to act as such, via the offices of the Executive Directors at the World Bank. The representative of multilateral institutions will be selected by OPCS among UN agencies or Multilateral Development Banks after consultation with them. The Bank would appoint the two independent and internationally-recognized procurement experts on the basis of their broad-based knowledge and extensive procurement experience (members from the panel who were involved in the preparation of the methodology will be considered).

8. Members will normally serve two years for the duration of the implementation of the piloting program before Management reports back to the Board of Executive Directors. In case of resignation or impossibility to assume the responsibility, the same process will be automatically conducted by the relevant Executive Directors or OPCS to nominate a new representative.

Mode of operation

- (i) **Arrangements for meetings:** The Advisory Group would meet twice a year at dates to be set in consultation with the Group's members, and possibly more frequently during the first year as the Advisory Group may decide at its first meeting. In addition, virtual meetings, conference calls and any other communications will be facilitated to ensure broad and continuous exchange of information.

The members of the Advisory Group will select one member to act as counterpart to the designated World Bank representative, the Director, Operations Services of the Vice Presidency Operations Services.

Each member would be expected to organize communications and feedback from the constituency he/she represents. It is expected that representatives of private and donor organizations would be able to cover their own associated costs, while the World Bank would cover those for the civil society representatives and the experts.

Other World Bank participants in the Advisory Group meetings as the Secretariat will include the Chief Procurement Policy Officer, two Regional Procurement Managers, two designated procurement staff from the Procurement anchor unit, and the contact person/secretary to the Group (see below). They will participate in the meetings as resource persons and to provide clarifications on documents prepared by the Bank as part of the piloting program, but not as debaters.

Administrative support will be provided by the Bank. A contact person from the Procurement anchor unit of the World Bank will act as Secretary to the Advisory Group and be responsible for organizing meetings at the WB premises, preparing minutes of the meetings, distributing documents and filing comments and other relevant documentation, and handling any other administrative tasks that may be required for the good functioning of the Advisory Group.

- (ii) **Documentation.** The Advisory Group will be given access to all documents that the Bank has agreed to make publicly available.

Each member will be provided access to the completed country assessments for countries proposed for participation in the piloting program and pilot project proposals by the Bank prior to their posting on the Bank external website dedicated to the UCS piloting program, and will be asked to forward their comments within a stated period of time (timeframes for commenting will vary according to the nature of the documents and allow for consultations with entities in their category). Members

of the Advisory Group would receive alerts to intervene in a timely manner with regard to requested comments, and invitations to the bi-annual meetings.

With regard to assessments of countries that would not have been included in the pool of participating countries, and for purposes of broader monitoring of the piloting program, agreement for disclosure of such assessments to the Advisory Group members will be sought from the governments of the concerned countries.

- (iii) **Reporting.** A draft annual progress report on the pilot program, including the work of the Advisory Group, will be prepared by the Secretariat, and discussed at one of the bi-annual meetings before submission to the Board of Executive Directors.

9. The above arrangements would be reviewed at the first meeting of the Advisory Group with World Bank representatives. Such meeting would be chaired by the Vice President Operations Services of the World Bank. Subsequent meetings will be chaired by the Director Operations Services.