

# **Business Opportunities in World Bank-Funded Projects**

**Italy, 2013**



# **World Bank Lending**

## **Lending, Trends, and Project Development Cycle**



# IBRD/IDA Lending in FY13

Fiscal Year 2013 = July 1, 2012 to June 30, 2013

## 273 Operations

IBRD

90 (33%)

IDA

183 (67%)

## \$31.1 Billion

IBRD

\$14.8 billion (48%)

IDA

\$16.2 billion (52%)

## FY13 Top Ten IBRD Borrowers

Borrower	No. of Projects	Commitments (US \$)	Percentage of Total Amount*
Brazil	11	3,076	9.9%
Vietnam	12	1,982	6.4%
Indonesia	9	1,721	5.5%
Bangladesh	7	1,567	5.0%
China	14	1,540	5.0%
Africa	8	1,470	4.7%
India	9	1,326	4.3%
Poland	1	1,308	4.2%
Turkey	3	1,301	4.2%
Ethiopia	3	1,115	3.6%
*FY 13 Commitment Total		31029.42	

# Basic Lending Instruments

## Investment Lending

- For goods, works, and services
- Predefined specific project
- Long-term focus (5 to 10 years)
- Broad range of sectors
- Procurement & implementation schedule defined
- 68% of all Bank lending in FY13

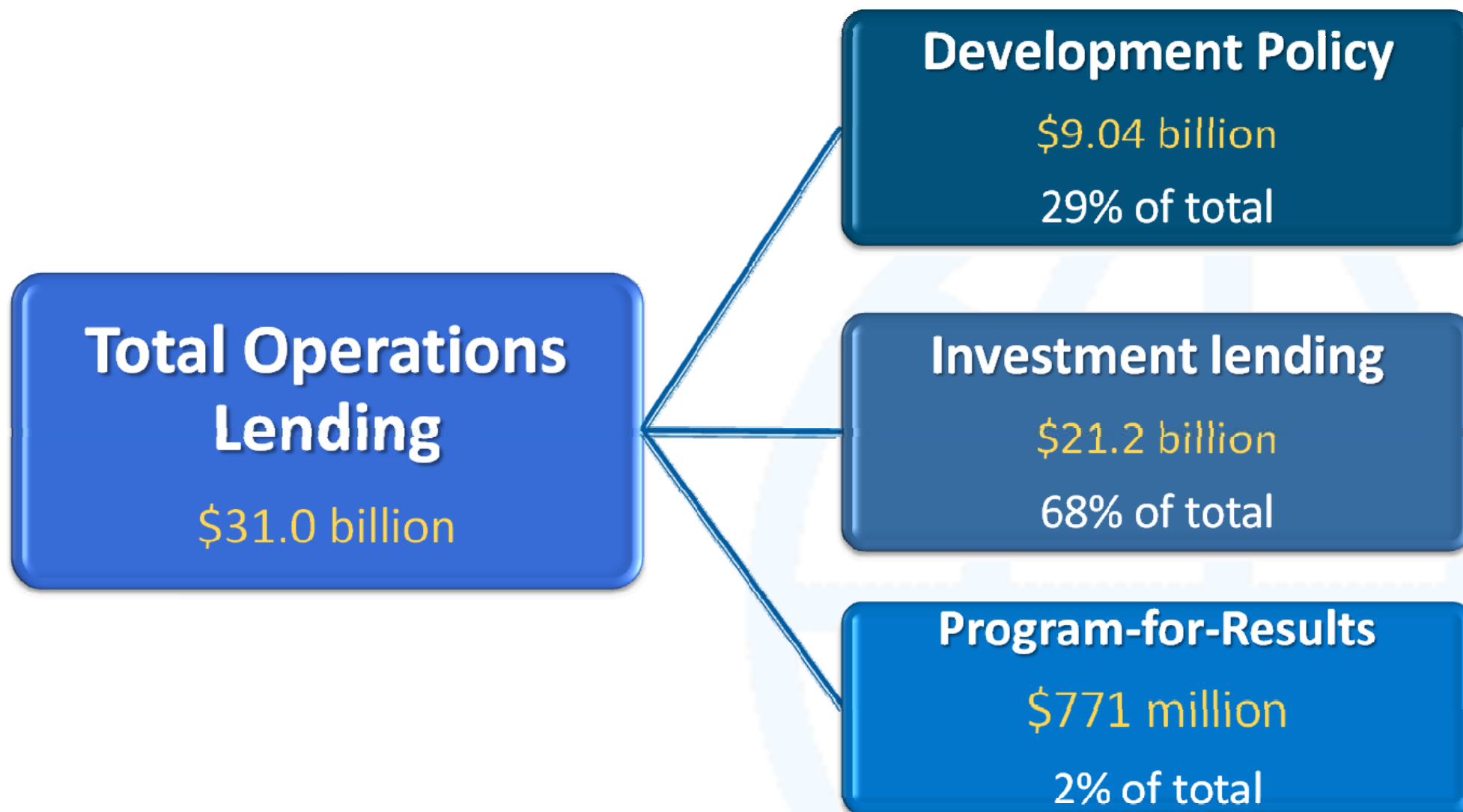
## Development Policy Lending

- Support countries' policy and institutional reforms in a sector or the economy as a whole
- Short-term focus (1 to 3 years)
- Provide quick-disbursing financing
- 29% of total Bank lending in FY13

## Program-for-Results

- Facilitates leveraging by financing a small part of a large government program
- Disbursements linked to results or performance indicators
- Use of country institutions to enhance partnerships
- Approved January 24, 2012 (FY12)
- 2% of all Bank lending in FY13

# IBRD/IDA FY13 Lending by Lending Type



## IBRD/IDA FY13

# Project Volume Distribution by Region

Region	# Projects	%	Amount (US\$M)	Percentage
Africa	94	34%	8,185	26%
East Asia Pacific	47	17%	6,247	20%
South Asia	35	13%	4,474	14%
Europe, Central Asia	40	15%	4,862	16%
MNA	16	6%	2,058	7%
Latin Am. & Caribbean	41	15%	5,204	17%
Total	273		31,029	

# Investment Project Cycle



 Joint activity     World Bank activity     Borrower activity



# Procurement



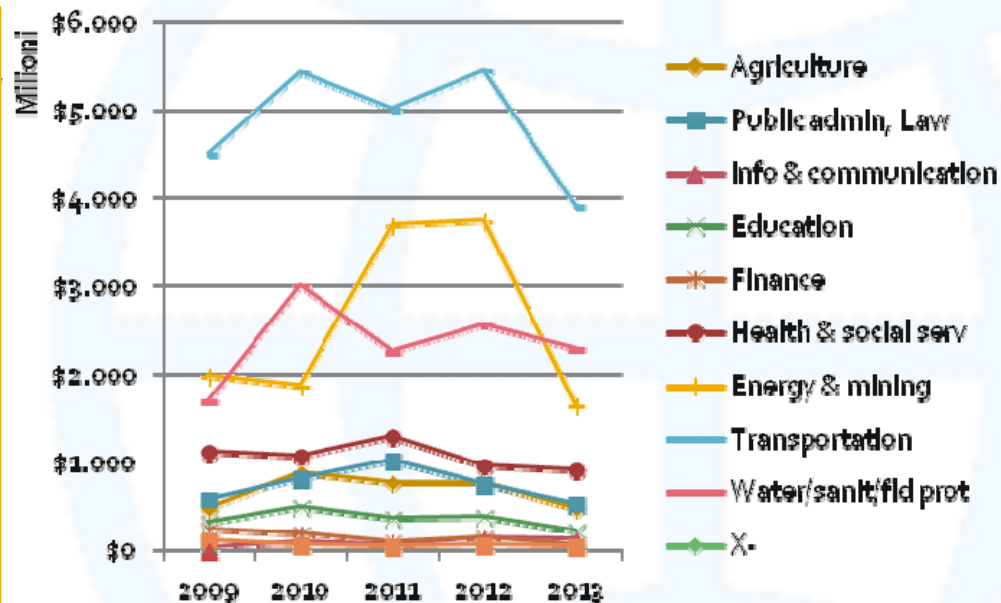
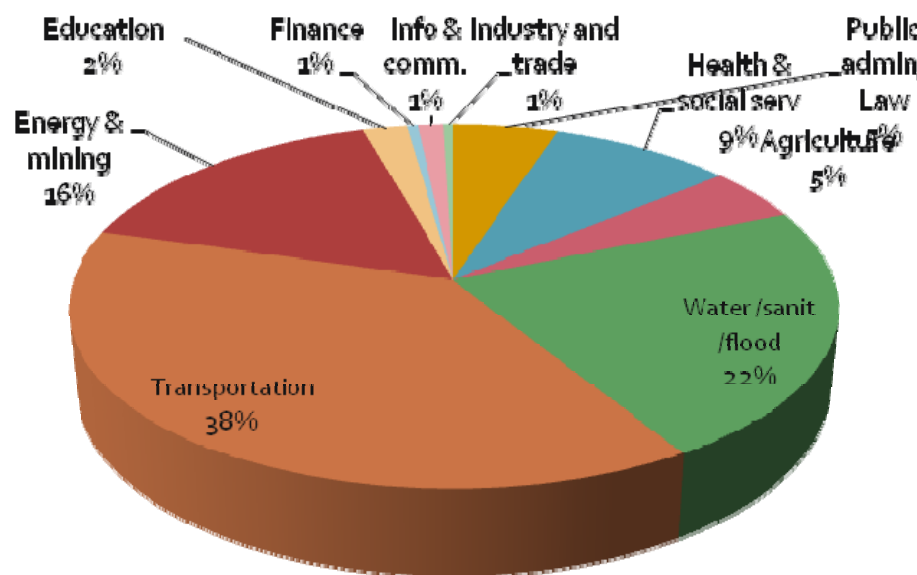
# Major Contracts Financed by the World Bank

## Top Sectors by Contract Amount

Transportation  
38%

Energy & Mining  
16%

Water, Sanitation, Flood  
22%



# Roles in Bank-Funded Projects

## Bank Role

- Identify project/program
- Appraise project/program and assess risk
- Share knowledge and information
- Supervise project/program
- Monitor compliance with Agreements

- Identify project/program
- Design, prepare and plan the project/program
- Apply for the loan/credit
- Implement project/program
- Monitor compliance with Agreements

## Borrower Role

# Bank's Role in Procurement

## Bank's Role in Procurement

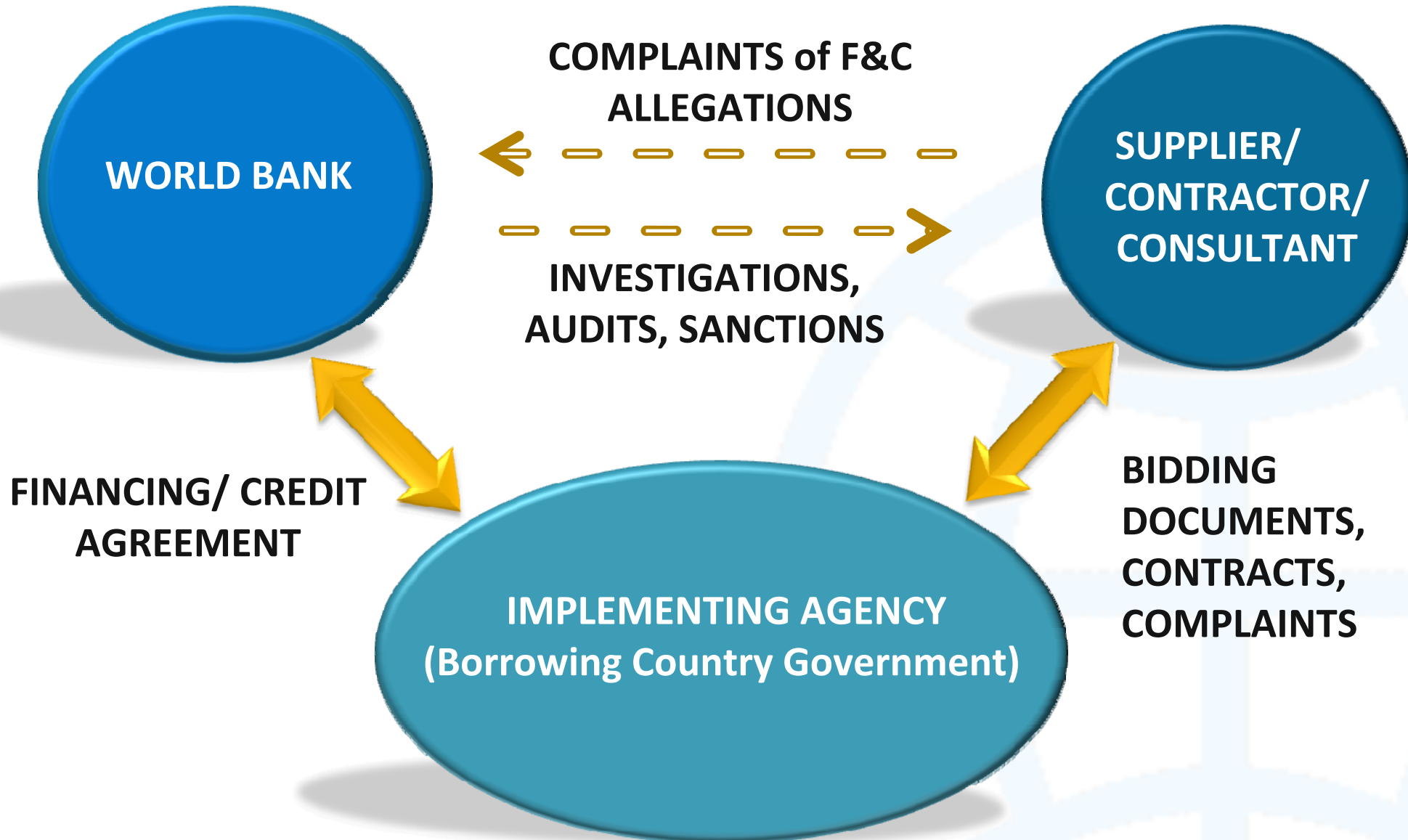
- Assess Borrower's public procurement system, procurement capacity of project implementing agency, and potential procurement risks
- Assist borrower in procurement planning
- Provide procurement training, knowledge, and best practice sharing
- Monitor compliance with Loan/Credit Agreement and Procurement Plan
- Conduct procurement reviews (prior, post)
- Investigate allegations of fraud and corruption; apply sanctions if determined as a result of investigations

# Borrower's Role in Procurement

## Borrower's Role in Procurement

- Prepare Procurement Plans
- Advertise upcoming bidding opportunities
- Prepare and issue bidding documents
- Receive and evaluate bids/proposals
- Award contracts
- Implement contract; pay supplier/contractors/consultants
- Monitor compliance with Loan/Credit Agreement and Procurement Plan
- Arrange for project/program audit

# Contractual Relationships



# Procurement of Goods & Civil Works



# International Competitive Bidding (ICB)

**International advertising**

[www.devbusiness.com](http://www.devbusiness.com)  
and [www.worldbank.org](http://www.worldbank.org)

**Standard Bidding Documents**

[www.worldbank.org/procure](http://www.worldbank.org/procure)

**Public bid opening**

**Evaluation and comparison  
of bids**



# **International Competitive Bidding (ICB)**

**Contract award is to lowest evaluated substantially responsive bid, submitted by a qualified bidder**

**Bid must be responsive technically and commercially**

**Lowest-priced bid will win, if it is substantially responsive and bidder is qualified.**

## Other Methods

### Limited International Bidding (LIB)

Direct invitation to suppliers

### National Competitive Bidding (NCB)

Country's rules with some modifications if necessary

### Shopping

Price quotations from at least three suppliers

### Direct Contracting

Reconstruction, spare parts, etc.

# Actions to Ensure Competitiveness

- Be informed about the country, project, processes, and competition
- Identify local partners and possible associations
- Understand local customs, laws, markets
- Respond adequately to technical specifications
- Submit timely and high-quality bid/proposals
- Contact the Implementing Agency to address any need for clarifications or other concerns

# Selection of Consultants



# **Scope of Business Opportunities for Consultants in World Bank Projects**

**Study, design, supervision of Projects**

**Technical assistance**

**Institutional strengthening**

# Consultant Selection

## Basic Principles

- High quality of services
- Economy and Efficiency
- Fair, Transparent Selection Process
- Development of national consultants' industry

- Public advertisement of large assignments
- Standard Request for Proposals and contract forms
- Different selection methods are specified in the financing agreement

## Bank Guidelines

# Selection Methods

- **Quality- and Cost-Based Selection** **QCBS**
- **Quality-Based Selection** **QBS**
- **Fixed Budget** **FBS**
- **Least Cost Selection**  
**LCS**
- **Consultants' Qualifications** **CQS**
- **Single Source Selection** **SSS**

# Borrower's Role

## Borrower's Role in Consultant Selection

- Short lists, invites, and selects
- Negotiates and contracts
- Manages the contracts and makes payments



# Short List

## Short List

- Six firms with a wide geographic spread.
- No more than two from any one country.
- At last one firm from a developing country unless no qualified one is identified.
- Shortlist may comprise all national firms for smaller contracts under thresholds set by the Bank.
- All short listed firms must be qualified.
- The shortlist should comprise consultants of the same category – if it is mixed, the selection method should be QBS or CQS.

# Consultants' Strategy

1

Target assignments based on regional experience and technical qualifications

2

Obtain background information on project:

Country Assistance Strategy (CAS)

Sector Strategies

Project Appraisal Document (PAD)

Project Information Document (PID)

3

Understand roles of Borrower and Bank

4

Target marketing at appropriate time

# Making the Short List

## Making the Short List

- Identify national partner firm, sub-consultants.
- Monitor advertisements systematically.
- Express interest promptly, selectively.
- Expression of Interest (EOI):
  - Brief information on firm's qualifications
  - Relevant technical and regional experience
  - Reference to previous similar assignments.

# Preparing the Proposal

## Preparation Steps (Part 1)

- Conduct a pre-proposal visit (if indicated in RFP).
- Fully address the Terms of Reference (TOR).
- Emphasize innovative methodology.
- Offer qualified consultants or key expert staff positions.
- Assign a strong project manager.

# Preparing the Proposal

## Preparation Steps (Part 2)

- Cite directly relevant technical and regional experience and prior experience with similar assignments.
- Involve national partner consulting firm or individual consultants.
- Avoid deviation from standard RFP forms.
- Pay attention to presentation by using charts, diagrams, color, etc. where possible.

# Business Opportunities



# How to Track Opportunities

## World Bank website

[www.worldbank.org](http://www.worldbank.org)

- [Country Assistance Strategy](#)
- [Sector Support Strategy](#)
- [Monthly Operational Summary](#)
- [Project Information Document](#)
- [Project Appraisal Document](#)
- [Contract Awards](#)
- [United Nations Development Business](#)
- [REOI](#) for consultants hired by World Bank

## Learn More

### Procurement website

[www.worldbank.org/procure](http://www.worldbank.org/procure)

- Procurement & Consultants Guidelines
- Standard Bidding and Proposal Documents
- Guide to Business Opportunities
- Other

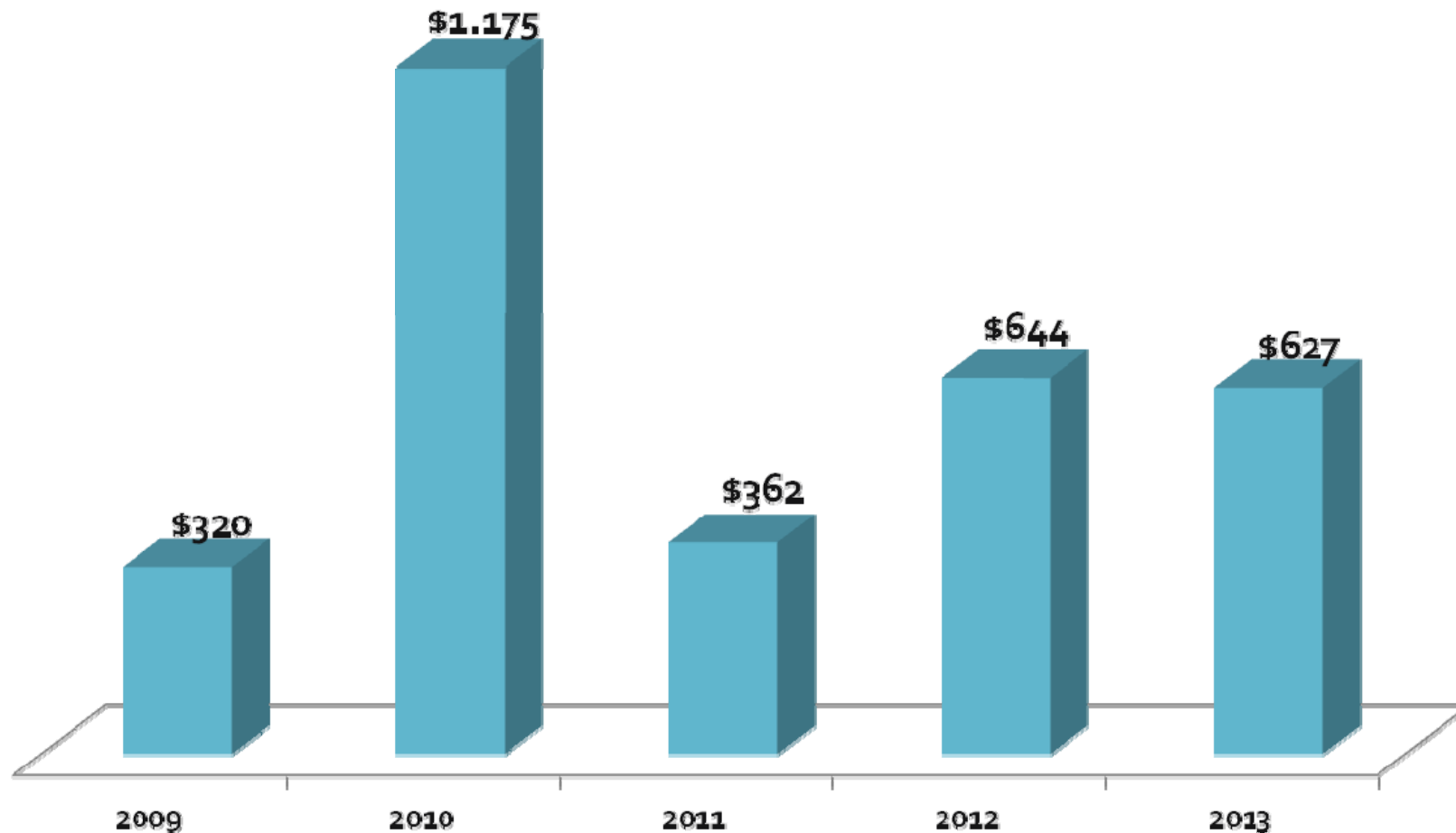


# **Italy's Business with the World Bank 2009-13**



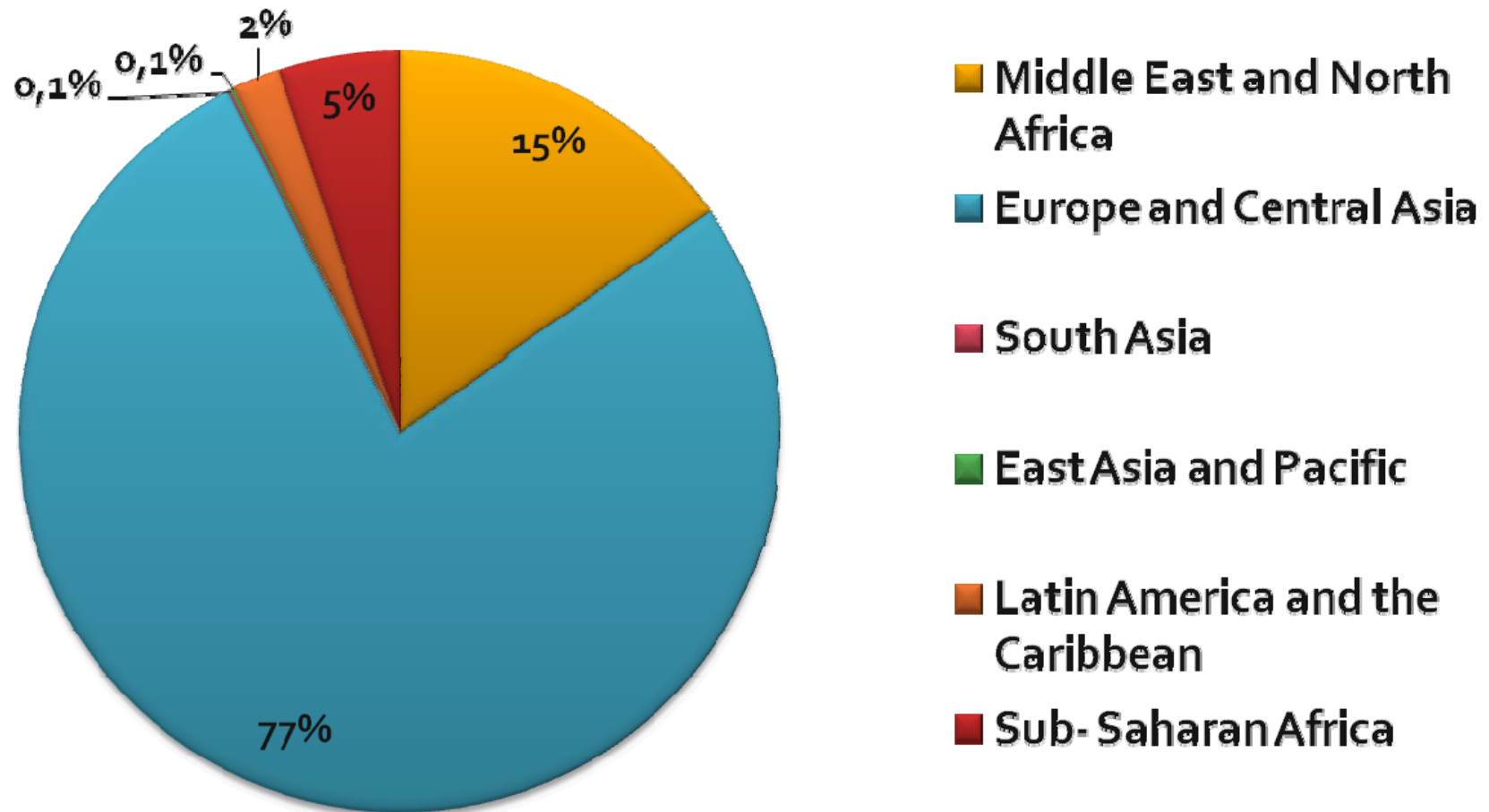
# Contract Awards to Italy FY 2009-2013 in US\$(Millions)

Value of Contracts Awarded to Italian Firms FY09-13 (US\$ Millions)



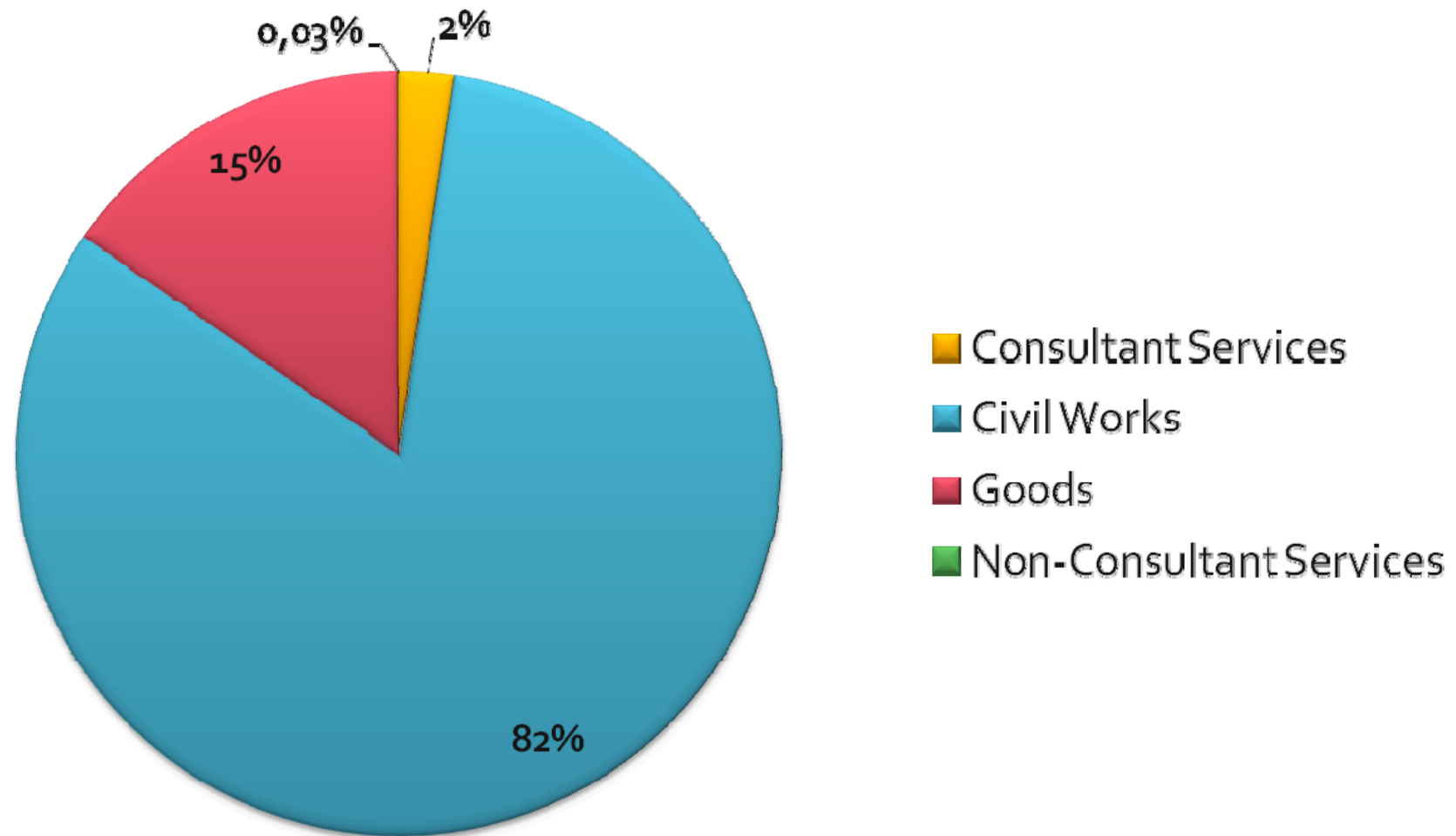
Total Value of Contracts Awarded to Italian Firms FY09-13: \$3,129 Million

# Contract Awards to Italy by Region FY 2009-2013 (Total)



Total Value of Contracts Awarded to Italian Firms FY09-13: \$3,129 Million

# Contract Awards to Italy by Procurement Category FY 2009-2013 (Total)



Total Value of Contracts Awarded to Italian Firms FY09-13: \$3,129 Million

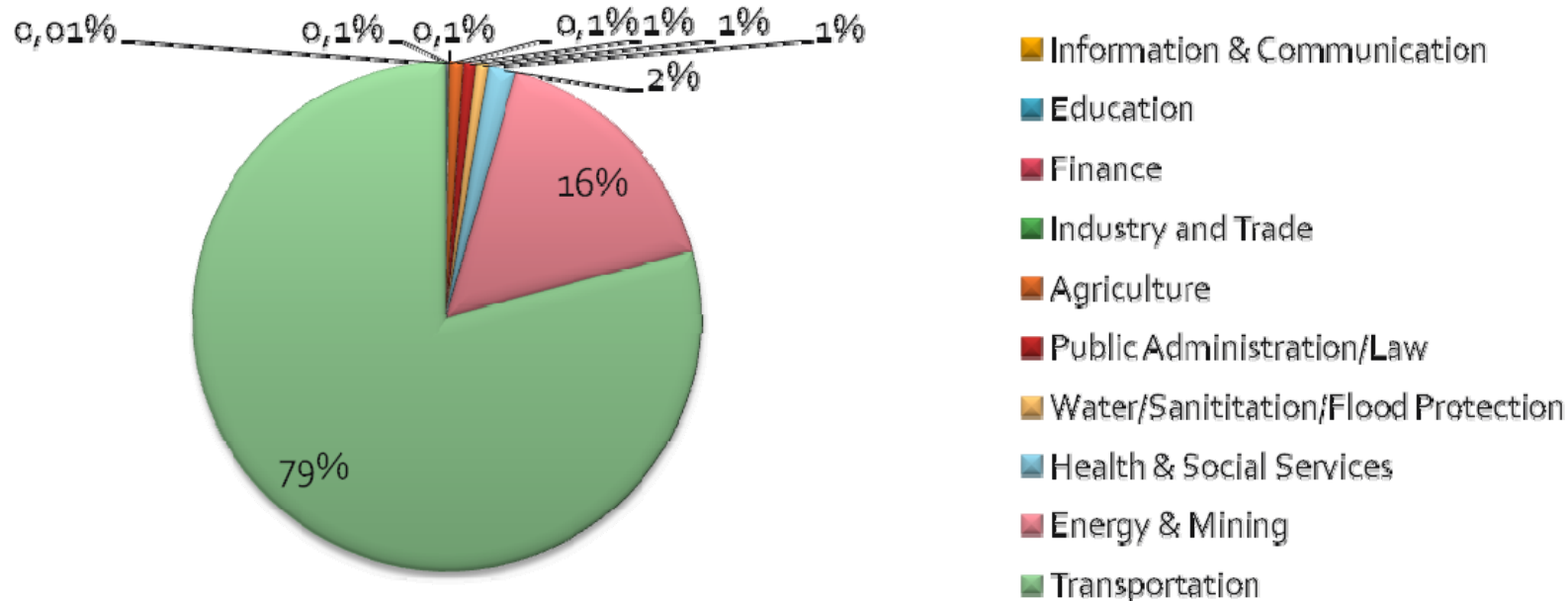
# Major Contracts Awarded to Italian Firms by Sector FY2009–2013 (Total)

## Top Sectors by Contract Value (FY09-13)

Transportation  
79%

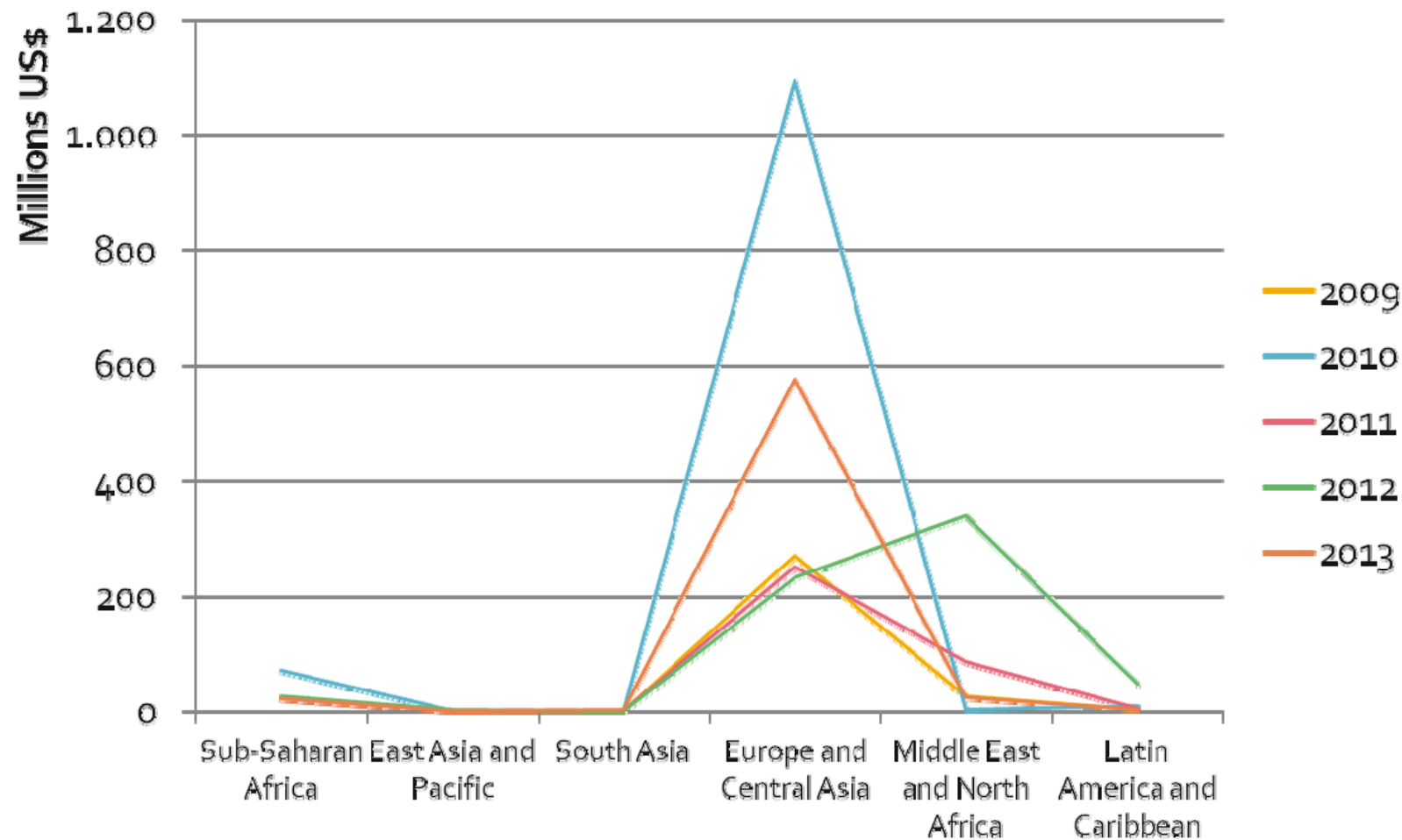
Energy and Mining  
16%

Health and Social  
Services 2%



Total Value of Contracts Awarded to Italian Firms FY09-13: \$3,129 Million

# Contract Awards to Italy by Region FY 2009-2013



Total Value of Contracts Awarded to Italian Firms FY09-13: \$3,129 Million

**Any Questions?**

