UKRAINE EMERGENCY ASSISTANCE AND RECONSTRUCTION

BUSINESS OUTREACH WITH PRIVATE SECTOR

WORLD BANK and URTF-FINANCED INVESTMENT PROJECTS IN UKRAINE

Partners

URTF = Ukraine Relief, Recovery, Reconstruction and Reform Trust Fund

Partners

December 7, 2023



World Bank in Ukraine (Updated October 10, 2023)



- As of October 1, 2023, more than \$28 billion has been disbursed. This support has reached 13 million Ukrainians, and is helping to provide payments for health services, government and school employees, pensions for the elderly, salaries for public servants, and social programs for the vulnerable.
- □ Recovery (emergency repairs) must run simultaneously with continued support for essential services, and this is a big part of our current focus. In addition to budget support, Ukraine needs urgent investment for pressing repairs to energy infrastructure, roads, bridges, housing, schools, and clinics to ensure that services can be delivered.



URTF Contributors to date (Alphabetically)

Partners

Ukraine



World Bank



Norway

Press Release: Norway signs agreement to provide NOK 1 billion to repair damaged infrastructure in Ukraine



Republic of Korea



Sweden

Press Release: Regeringen skickar rekordstort stödpaket till Ukraina



Switzerlan

Press Release: «Lugano-Deklaration» als politischer Rahmen für den Wiederaufbau vorgestellt







apar

Press Release: 日本、ウクライナ復興支援として世界銀行に4億7,100万ドルを拠出



Latvia



Lithuania

Press Release: Lietuva per Pasaulio banką skiria 5 mln. eurų skubiems Ukrainos atstatymo darbams



The Netherlands

Government Letter: Stand van zaken winterhulp Oekraïne



Indonesia



Contributors to date (alphabetically):

Press Release: Finanzministerium stellt weitere 20 Millionen Euro für Ukraine-Hilfe zur Verfügung

Press Release: Ísland veitir sérstakt framlag til enduruppbyggingar í Úkraínu

Austria

Belgium

Canada

Iceland

The World Bank Group operating model



- Comprises 5 institutions
- Collectively, all 5 institutions are known as the "World Bank Group"

WORK WITH GOVERNMENTS

International Bank for Reconstruction and Development



Financing for middle-income developing countries

International Development Association



Financing for lowincome developing countries

WORK WITH PRIVATE SECTOR

International Finance Corporation



Investment and advisory services to encourage privatesector development Multilateral Investment Guarantee Agency



Political risk insurance and credit enhancement guarantees

TRIBUNAL

International
Centre for
Settlement of
Investment
Disputes



International arbitration of investment disputes

Together **IBRD** and **IDA** are known as the "World Bank"



World Bank Investment Project Financing (IPF) end Nov 2023

World Bank Goals

- 1 End extreme poverty
- 2 Promote shared prosperity

IPF WHAT DOES IT DO?

Provides IBRD loans, IDA credits and grants and guarantee financing to governments



\$336 billionTotal World Bank
End Nov 2023

1956 Projects

IPF WHAT DOES IT FUND?

Activities that create the physical & social infrastructure necessary to reduce poverty and create sustainable development

146 Countries



World Bank Group Finances

https://financesapp.worldbank.org/summaries/ibrd-ida/#ibrd-con/



World Bank Group Finances

Home Countries Summaries Financial Results Data About

Contact Us

IBRD/IDA

IFC

MIGA

IBRD/IDA Summary



The International Bank for Reconstruction and Development (IBRD) lends to governments of middle-income and creditworthy low-income countries.

The International Development Association (IDA) provides interest-free loans – called credits – and grants to governments of the poorest countries.

Together, IBRD and IDA make up the World Bank.

Data as of 05/01/2023

Source Data



LENDING **NET FLOWS** PROCUREMENT NOTICES CONTRACTS

Countries → | Regions → | Project Global practice → | Categories → | Methods → | Review type → | Period →

Bank-funded Contracts By Sector





Practice Groups and Global Themes

Equitable Growth, Finance and Institutions

Finance, Competitiveness and Innovation
Governance
Macroeconomics, Trade and Investment
Poverty & Equity

Human Development

Education
Gender
Health, Nutrition & Population
Social Protection & Jobs



Global Themes

Climate Change
Fragility, Conflict and Violence
Gender
Jobs
Knowledge Management



Sustainable Development

Agriculture & Food
Climate Change
Environment, Natural Resources & Blue Economy
Social Sustainability and Inclusion
Urban, Disaster Risk Management, Resilience and Land
Water

Infrastructure

Digital Development
Energy & Extractives
Infrastructure Finance, PPPs & Guarantees
Transport

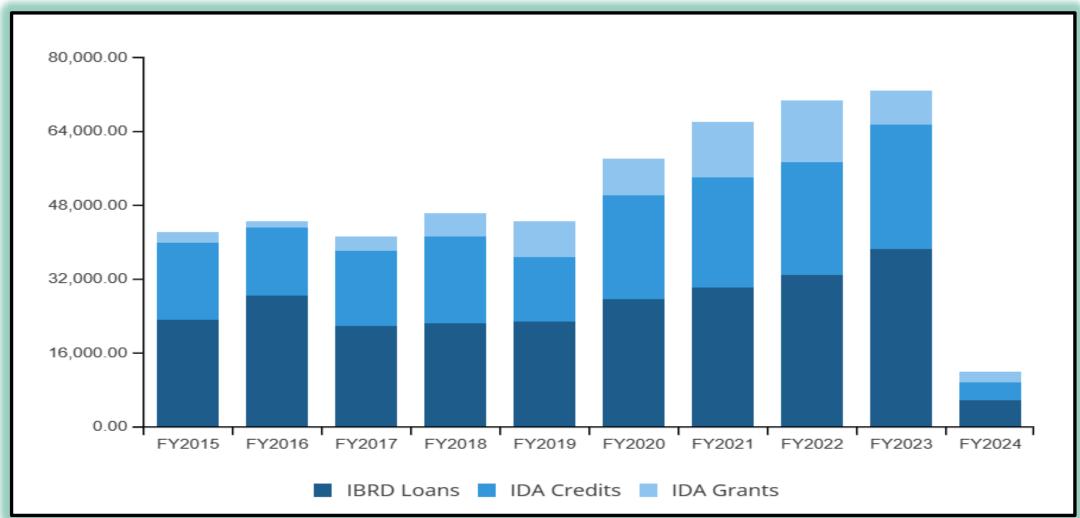
THE WORLD BANK BRD - IDA | WORLD BANK GROUP

Lending Amounts by FY – Global (29 November 2023) Investment Project Financing (IPF) – 1956 Projects Global Total

*	Active Portfolio Project #	Active Total Net Commitment	Undisb. Balance	% Disbursed	Cum. Disb.
□ Total					
Total	1,956	\$336.57bn	\$185.08bn	43.9%	\$144.87bn
☐ Region					
Africa					
East Asia And Pacific	275	\$35.21bn	\$20.88bn	40.3%	\$14.12bn
Eastern And Southern Africa	393	\$78.13bn	\$42.93bn	43.5%	\$33.05bn
Europe And Central Asia	258	\$42.60bn	\$20.95bn	50.3%	\$21.19bn
Latin America And Caribbean	259	\$36.81bn	\$19.41bn	46.8%	\$17.08bn
Middle East And North Africa	139	\$26.84bn	\$11.86bn	55.4%	\$14.71bn
South Asia	275	\$58.76bn	\$33.84bn	41.1%	\$23.64bn
Western And Central Africa	357	\$58.22bn	\$35.21bn	37.4%	\$21.07bn

Undisbursed amounts include Contracts under Implementation, Procurements in Process, and Procurements yet to commence

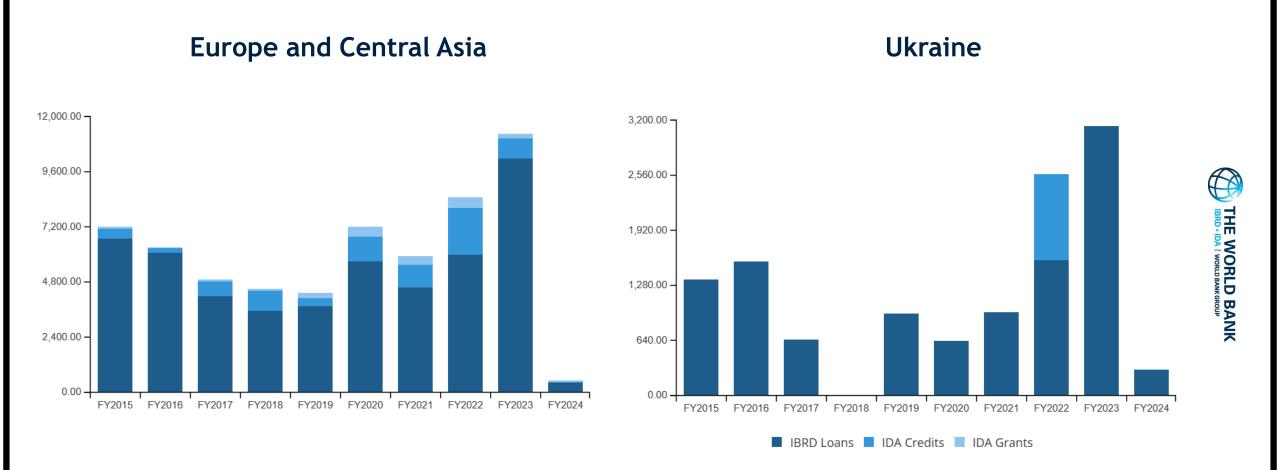
Lending Amounts by FY – Global



- •The fiscal year begins on July 1st of the previous year and runs through June 30th of the designated year. (Data on FY2024 is as of end Oct 2023)
- •Chart data in millions of US\$ equivalent, rounded to 2 decimal places. Less than US\$ equivalent 5,000 displayed as 0.00.
- •Data presented does not include Trust Funds, Financial Intermediary Funds (FIFs) Commitments, loans to IFC nor IBRD/IDA guarantees.
- •Based on unaudited data.

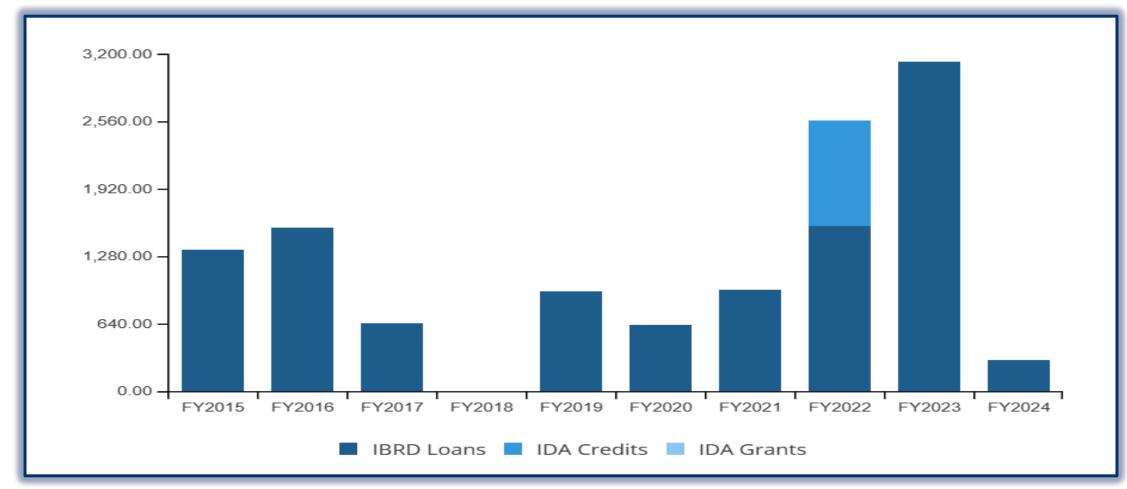
THE WORLD BANK

Lending Amounts by FY – ECA and Ukraine



- •The fiscal year begins on July 1st of the previous year and runs through June 30th of the designated year. Data on FY2024 is as of end October 2023)
- •Chart data in millions of US\$ equivalent, rounded to 2 decimal places. Less than US\$ equivalent 5,000 displayed as 0.00.
- •Data presented does not include Trust Funds, Financial Intermediary Funds (FIFs) Commitments, loans to IFC nor IBRD/IDA guarantees.
- ·Based on unaudited data.

Lending Amounts by FY - UKRAINE





- •Chart data in millions of US\$ equivalent, rounded to 2 decimal places. Less than US\$ equivalent 5,000 displayed as 0.00.
- •Data presented does not include Trust Funds, Financial Intermediary Funds (FIFs) Commitments, loans to IFC nor IBRD/IDA guarantees.
- •Based on unaudited data.



Updated Ukraine Recovery and Reconstruction Needs Assessment March 23, 2023



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Report looks at the Russian invasion's toll after one full year

KYIV, March 23, 2023—A new joint assessment released today by the Government of Ukraine, the World Bank Group, the European Commission, and the United Nations, estimates that the cost of reconstruction and recovery in Ukraine has grown to US \$411 billion (equivalent of €383 billion). The estimate covers the one-year period from Russia's invasion of Ukraine on February 24, 2022, to the first anniversary of the war on February 24, 2023. The cost of reconstruction and recovery is expected to stretch over 10 years and combines both needs for public and private funds.

This second **Rapid Damage and Needs Assessment (RDNA2)** provides a comprehensive evaluation of war impacts across twenty different sectors. It quantifies the direct physical damage to infrastructure and buildings and describes the impact on people's lives and livelihoods. The RDNA2 also includes the amounts needed for recovery and reconstruction. The RDNA2 estimates Ukraine will need \$14 billion for critical and priority reconstruction and recovery investments in 2023. Meeting these needs will require \$11 billion in financing beyond what the government has already addressed in its 2023 budget, including \$6 billion in unfunded budget needs and another \$5 billion in financing to support state-owned enterprises (SOEs) and catalyze the private sector.

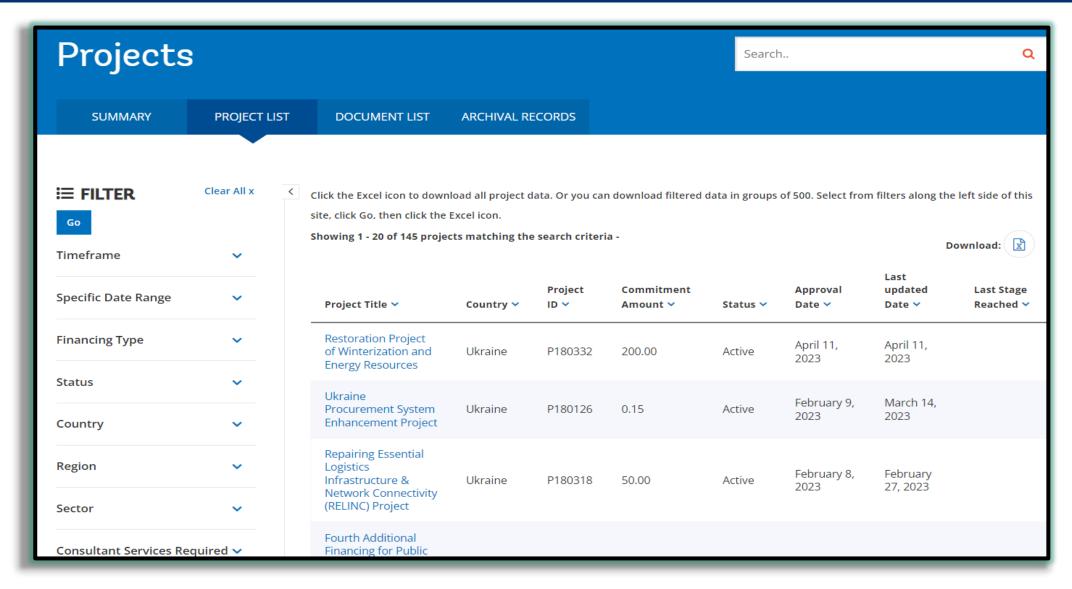


INFORMATION ON PROJECTS AND PROCUREMENTS UKRAINE



Ukraine Projects WB-URTF Financed

https://projects.worldbank.org/en/projects-operations/projects-home





Ukraine Loan and Grant Commitments by Sector

Sector	No of Projects	Net Com. Amt (US\$ Million)
Agriculture and Food	2	430
Education	1 2	200
Energy & Extractives	4	799
Finance, Competitiveness and Innovation	2 -	261
Governance/Public Sector	1	3021
Health, Nutrition & Population	3	785
Social Protection & Jobs	1	750
Transport	1	50
Urban Infrastructure	2	347
Total	17	6,643



WB-URTF Financed Active Projects in Ukraine-Procurement Plans (Nov 30, 2023)

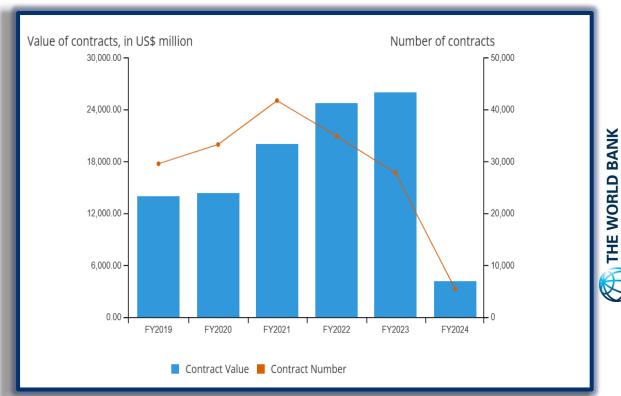
	Project ID Project Name Age, Closing Date Loan/Gran Disbursed Undisbersed Disbursed % Procurement Plans										
	Project ID	Project Name	Age,	Closing Date	Loan/Gran	Disbursed		Disbursed %	% Procurement Plans		
			years			Amount	Amount (\$				
					(\$ mln)	(\$ mln)	mln)				
		Hadishamadan amanda isahada Cantan da amada a			<u></u>			1 D			
		Undisbursed amounts include Contracts under I									
1	P128344	Social Safety Nets Modernization Project		31/08/2024	-	-	-		Expected hardware and software procurements		
2	P132386	Second Urban Infrastructure Project	9.5	30/06/2024	\$277.1	\$209.5	\$67.6	76%	No new major procurements expected. Project is closing this fiscal year, there will be		
									some small value procurements which will be advertized.		
3	P132741	The District Heating Energy Efficiency Project	9.5	31/12/2023	\$151.6	\$131.5	\$20.1	87%	No new major procurements expected. Project is closing this calendar year and any		
									extensions will be purely for completion of ongoing contracts.		
4	D144003	Coming Decale Japanesian Health Decises	8.7	31/03/2024	\$349.7	\$322.2	\$27.5	92%	Procurement Plan available. There will be some small value procurements which		
4	P144893	Serving People, Improving Health Project	8.7	31/03/2024	\$349.7	\$322.2	\$27.5	92%	will be advertized		
5	P146788	Second Power Transmission Project	8.9	31/12/2023	\$270.0	\$186.1	\$83.9	69%	No new major procurements expected. Project is closing this calendar year and any		
3	P140700	Second Power Transmission Project	0.9	31/12/2023	\$270.0	\$100.1	\$05.9	0976	extensions will be purely for completion of ongoing contracts.		
									extensions will be purely for completion of ongoing contracts.		
6	P156766	Access to Long Term Finance	6.6	31/12/2023	\$250.0	\$200.8	\$49.2	80%	No procurements		
7	P166941	Accelerating Private Investment in Agriculture Program	4.5	30/06/2024	\$200.0	\$200.0	\$0.0	100%	No procurements		
8	P171050	Ukraine Improving Higher Education for Results Project	2.6	31/12/2026	\$200.0	\$131.9	\$68.1	66%	Procurement Plan available		
9	P175895	Ukraine Emergency COVID-19 Response and Vaccination	2.5	30/09/2024	\$331.4	\$286.1	\$45.3	86%	Procurement Plan available		
		Project									
10	P176114	Improving Power System Resilience for European Power Grid	2.4	31/12/2026	\$177.0	\$0.5	\$176.5	0%	Procurement Plan available		
		Integration									
11	P178946	Public Expenditures for Administrative Capacity Endurance	1.5	30/06/2024	\$3,021.9	\$3,021.9	\$0.0	100%	The only procurement envisaged under the project is the procurement of consulting		
		(PEACE) in Ukraine							services for audit of Project expenditures.		
12	P180242	Strengthening the Partial Credit Guarantee (PCG) Fund for small	0.3	30/06/2026	\$10.9	\$0.0	\$10.9	0%	No procurements		
		farmers in Ukraine (Strengthening the PCGF in Agriculture		,,	,	7 - 1 - 1	,				
		Project)									
13	P180245	Health Enhancement And Lifesaving (HEAL) Ukraine Project	0.9	31/12/2024	\$103.5	\$51.0	\$52.5	49%	Procurement Plan available		
14	P180318	Repairing Essential Logistics Infrastructure & Network	0.8	31/12/2024	\$50.0	\$0.0	\$50.0	0%	Procurement Plan available		
		Connectivity (RELINC) Project									
15	P180332	Restoration Project of Winterization and Energy Resources	0.6	30/04/2025	\$200.0	\$0.0	\$200.0	0%	Procurement Plan available		
16	P180732		0.1	30/09/2025	\$230.0	\$0.0	\$230.0	0%	No major procurements. The only procurements envisaged under the project is the		
		(ARISE) Project							procurement of consulting services for audit of Project expenditures and hiring of		
									Environmental and Social Experts.		
17	P181200	Housing Repair for People's Empowerment Project (HOPE)	0.2	31/12/2025	\$70.0	\$0.2	\$69.8	0%	Procurement Plan available		
				Totals	\$6,643.1	\$5,372.4	\$1,270.7	81%			

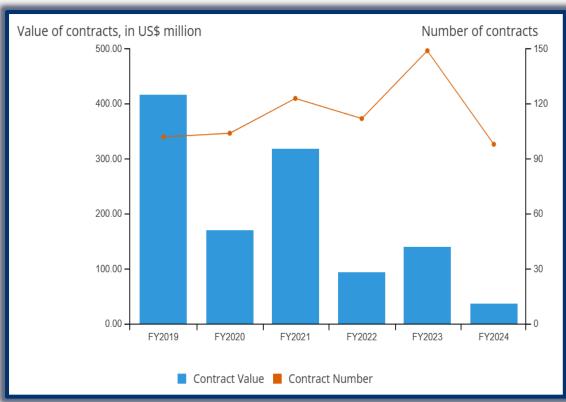


Bank Financed Contracts by Fiscal Year

Data on FY2024 is as of end October 2023







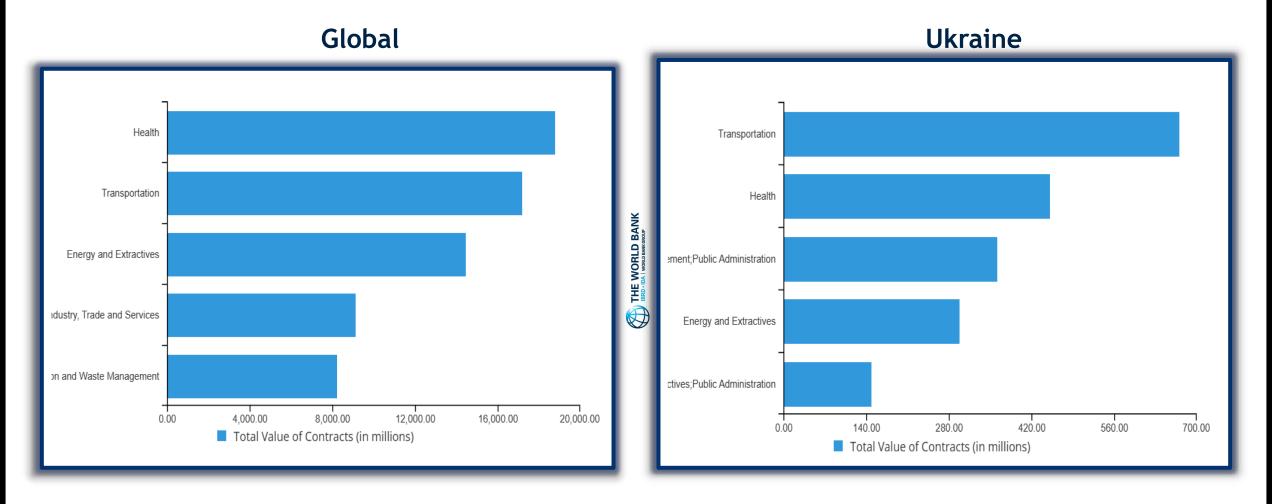
Ukraine

Two main reasons for decline in contract awards: (i) war/conflict situation in Ukraine; and (ii) 4 new projects under 1 year

See previous slide on Active Projects - Procurement Plans

- •The fiscal year begins on July 1st of the previous year and runs through June 30th of the designated year. **Data on FY2024 is as of end October 2023**.
- •Chart data in millions of US\$ equivalent, rounded to 2 decimal places. Less than US\$ equivalent 5,000 displayed as 0.00.
- •Based on unaudited data.

Bank Financed Contracts by Sector Since FY 2017



- •The fiscal year begins on July 1st of the previous year and runs through June 30th of the designated year.
- •Chart data in millions of US\$ equivalent, rounded to 2 decimal places. Less than US\$ equivalent 5,000 displayed as 0.00.
- •Based on unaudited data.
- •Data as of November 29, 2023



Exploring Opportunities for Contracts in WB Borrowing Countries



Systematic Country Diagnosis (SCD)

 Identifies the priority areas of engagement in close consultation with national authorities, the private sector, and other stakeholders.

https://openknowledge.worl dbank.org/collections/51fae d2a-0a03-5122-8e91-





Specific Procurement Notice (SPN)

- •Contains bidding information on specific procurement opportunities with specific timeframe.
- Published in UNDB online for international competitive procurement.



Country Partnership Framework (CPF)

 Builds selectively on the country's development program and SCD and articulates a results-based engagement.

https://openknowledge.worldbank.org/collections/5d7 13a66-3a73-5e53-9266-7bcf21b71a78



<u>General Procurement</u> <u>Notice (GPN)</u>

- •Contains information on future procurement opportunities.
- Required for all procurement financed by the Bank that is expected to involve open international competitive procurement.



Country Portfolio Program

Based on the CPF, several projects are identified in order to achieve the CPF objectives.





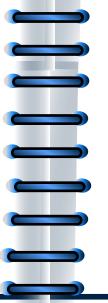
Project Appraisal Document (PAD)

 Incorporates project design, arrangements on planned procurement activities, environmental and social safeguards, financial management.













An Example: Project Appraisal Document



Document

Publicly Disclosed

Publicly Disclosed Document



An Example: Table of Contents from a Project Appraisal Document

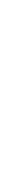


The World Bank

Restoration Project of Winterization and Energy Resources (P180332)

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THE WORLD BANK

Publicly Disclosed Document

Some Flexibilities – Excerpt from the Project Appraisal Document

Restoration Project of Winterization and Energy Resources

The proposed procurement approach prioritizes fast-track emergency procurement for the required goods and services.

The use of such emergency measures will be carefully monitored and applied as and when needed.
Key measures to fast-track procurement including use of the Bid Securing Declaration may be required instead of a guarantee; performance security may not be required for small contracts; and advance payment may be increased to 40 percent while secured with the advance payment guarantee.
The time for submission of bids/proposals can be shortened depending on the value and complexity of the requested scope of bid and capacity of local and international firms to prepare responsive bids in the proposed periods.
The standstill period will not apply in any procurement under the project.

Overall, since the situation is fragile and dynamic, the World Bank will be flexible in advice and approval of the MoE's and UE's requests, which may be provided on a case-by-case basis depending on the circumstances and risks and will be described in the detailed PPSD.



Identified Risks & Mitigation – Excerpt from the Project Appraisal Document

Restoration Project of Winterization and Energy Resources



For More Information, Refer to Pages 28 and 29 of the Project Appraisal Document

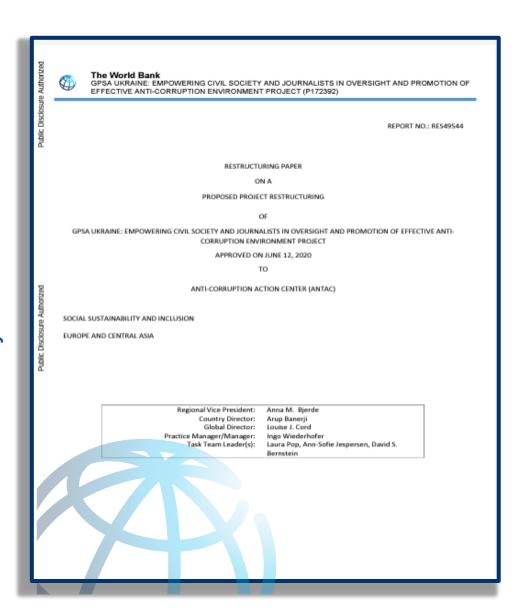


Major procurement-related risks and the mitigation plan

Risk Factor	Mitigation Measure	Who is Responsible	Timeframe
Slow procurement processing and decision-making with potential implementation	 Use of qualified procurement staff and technical experts with knowledge of Bank procedures in the implementing agencies. Currently, UE PIU have three procurement specialists, and ten technical staffs 	PIU	During project implementation
delays	 Regular monitoring through procurement plan and quarterly updates and reports Streamlined Tender Commissions with clear timelines specified in the Project Operational Manual for evaluation and approval process 		 During project implementation 1 month after project effectiveness
Payment delays to suppliers	 Direct Payment to Suppliers by the Bank (WFA) and clear timelines for approvals defined in the PoM 	PIU, WB	During project implementation



Empowering Civil Society and Journalists in Oversight and Promotion of Effective Anti-Corruption Environment Project (P172392) –US\$450,000



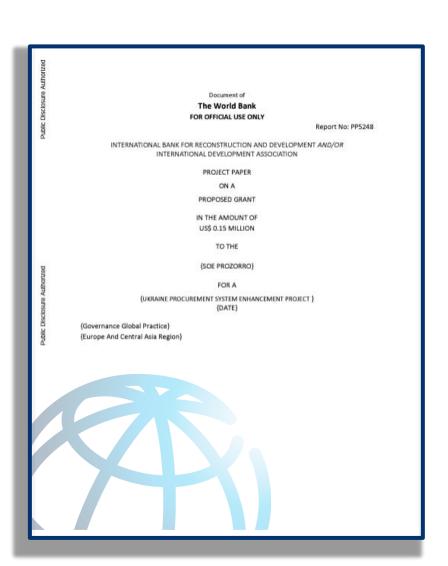
The Development Objective

To improve the implementation of anti-corruption legislation in Ukraine by strengthening the country's anticorruption coalition's capacities to enhance and enforce said legislation through collaborative social accountability processes at the national and sub-national levels.

- Component 1: Capacity building for collaborative social accountability.
- Component 2: Implementing collaborative social accountability mechanisms for improved anticorruption efforts.
- Component 3: Improving knowledge and learning on the use of social accountability for anticorruption in Ukraine.
- ☐ The activities implemented under the project between June 2020 and October 2021 are contributing to the achievement of the project development objective, which is to improve the implementation of anticorruption legislation in Ukraine by strengthening the country's anticorruption coalition's capacities to enhance and enforce said legislation through collaborative social accountability processes at the national and sub-national levels.



Project Paper for Small Grant: Ukraine Procurement System Enhancement



Publicly Disclosed Document

Objectives of this project

The objectives of the Project are to increase the transparency of Ukraine's procurement activities and strengthen the capacity of Ukraine to implement and monitor procurement activities.

Key results indicators for this project will be:

- Development and Launch of Automatic Risk Indicators:

 development of an automatic indicators system for public
 procurement, including a risk management tool, risk engine
 system, admin panel, and business intelligence module.
- □ Support for Business Analysis and Integration: provision of support for integration of the Prozorro system and Digital Reconstruction Management System (to be implemented by the Ministry of Communities, Territories, and Infrastructure Development under the Government Resolution №1286 as of 15.11.2022) with systems used for procurement financed by international financial institutions...



Heath Enhancement and Lifesaving (HEAL) Project

An Example

General Procurement Notice Published on April 25, 2023

- Procurement of contracts financed by the World Bank will be conducted through the procedures as specified in the World Bank's *Procurement Regulations for IPF Borrowers, dated November 2020 (Procurement Regulations)*, and is open to all eligible firms and individuals as defined in the *Procurement Regulations*. After project negotiations, the World Bank shall arrange the publication on its external website of the agreed initial procurement plan and all subsequent updates once it has provided a no objection.
- □ Specific procurement notices for contracts subject to open international competitive procurement will be announced, as they become available, in *UN Development Business online*, on the World Bank's external website, Borrower's website https://moz.gov.ua/ and https://prozorro.gov.ua/.
- ☐ Interested eligible firms and individuals who would wish to be considered for the provision of goods, works, non-consulting services and consulting services for the above mentioned project, or those requiring additional information, should contact the Borrower at the address below:

The Ministry of Health of Ukraine
7 Hrushevskogo Street, Kyiv 01601Ukraine

Telephone: +380 (44) 253 61 94

E-mail: moz@moz.gov.ua, copied to moz.wb.procurement@gmail.com

Website: https://moz.gov.ua/

An Example

General Procurement Notice Published on March 27, 2023

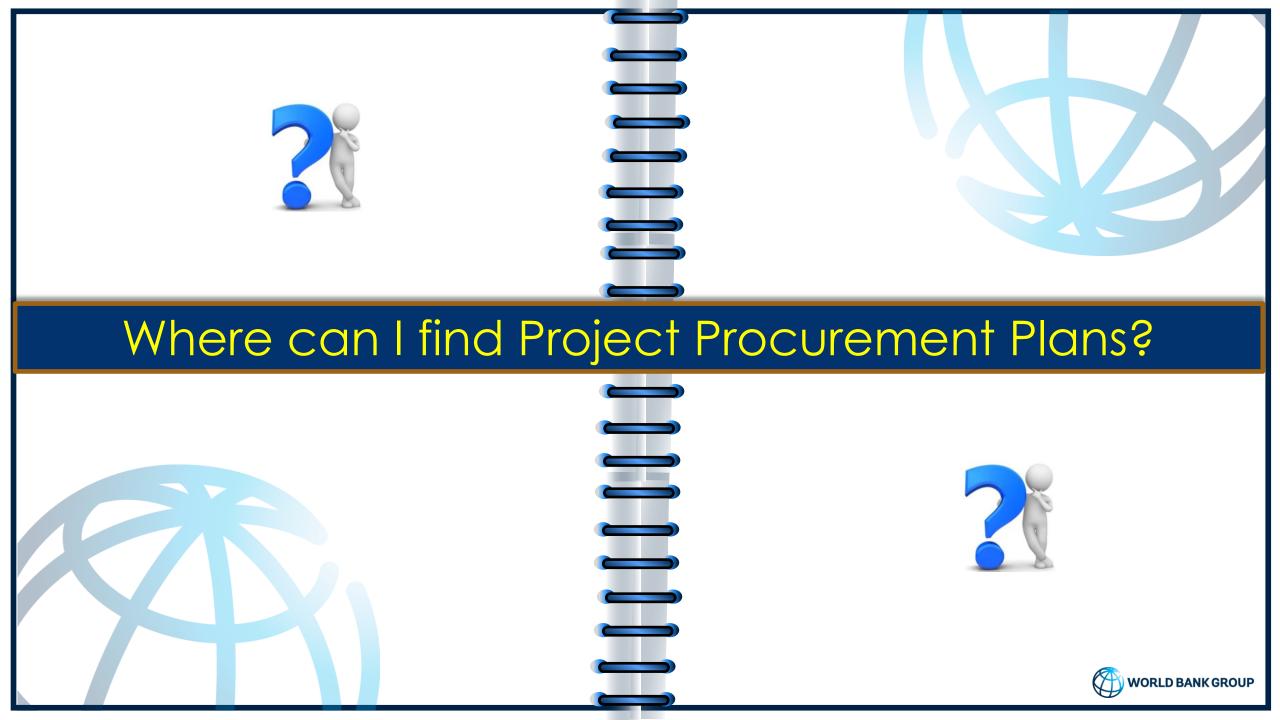
- ☐ Ukraine has received financing in the amount of US\$ 50 mln equivalent (24.945 mln for JSC "Ukrainian railways" components) from the World Bank toward the cost of the Repairing Essential Logistics Infrastructure & Network Connectivity (RELINC), and it intends to apply part of the proceeds to payments for goods, works, non-consulting
- services and consulting services to be procured under this project.
- The project will include the following JSC "Ukrainian railways" components:
 - Flatbed wagon construction
 - Machineries and equipment to restore bridges
 - Supervision consultant services
 - •Services for technical, social, environmental preparation of urgent reconstruction projects
 - •Services for UZ PIU (incl. E&S)
 - •UNOPS Delivery of Outputs Agreement

Ukrainian Railways 5 Jerzy Giedroyc Str. 03150 MSP Kyiv-1501Ukraine

Telephone: +380444069656 E-mail: ananiev.m.u@uz.gov.ua

Contact: Mykola Ananiev

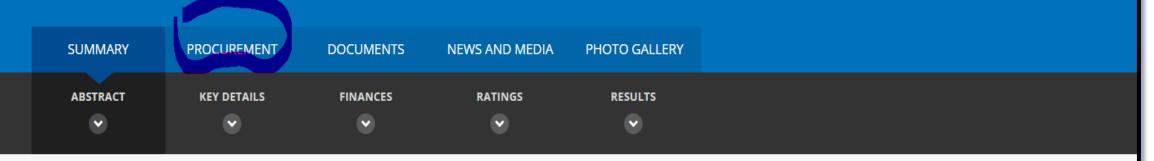




Procurement Plans from WB External Website – An Example

https://projects.worldbank.org/en/projects-operations/project-detail/P180318

Repairing Essential Logistics Infrastructure & Network Connectivity (RELINC) Project



Abstract*

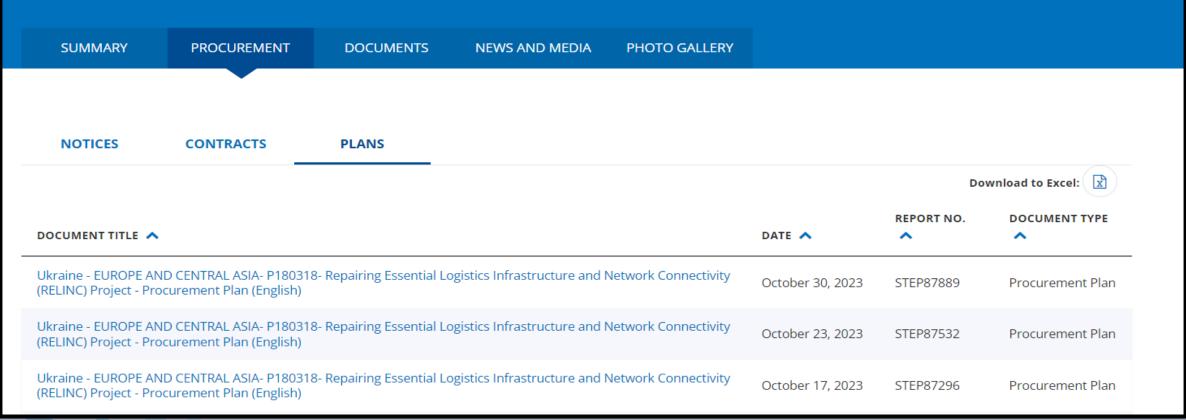
The development objectives of Repairing Essential Logistics Infrastructure and Network Connectivity (RELINC) Project is to provide the means for mitigating the immediate impact that disrupted transport networks have on Ukraine's population and economy. This project has two components. 1) The first component, Lifeline road connections, has the following subcomponents: (i) Modular bridges needed to restore damaged bridge connections; (ii) Materials... Show More +



Procurement Plans from WB External Website – An Example

https://projects.worldbank.org/en/projects-operations/project-detail/P180318

Repairing Essential Logistics Infrastructure & Network Connectivity (RELINC) Project









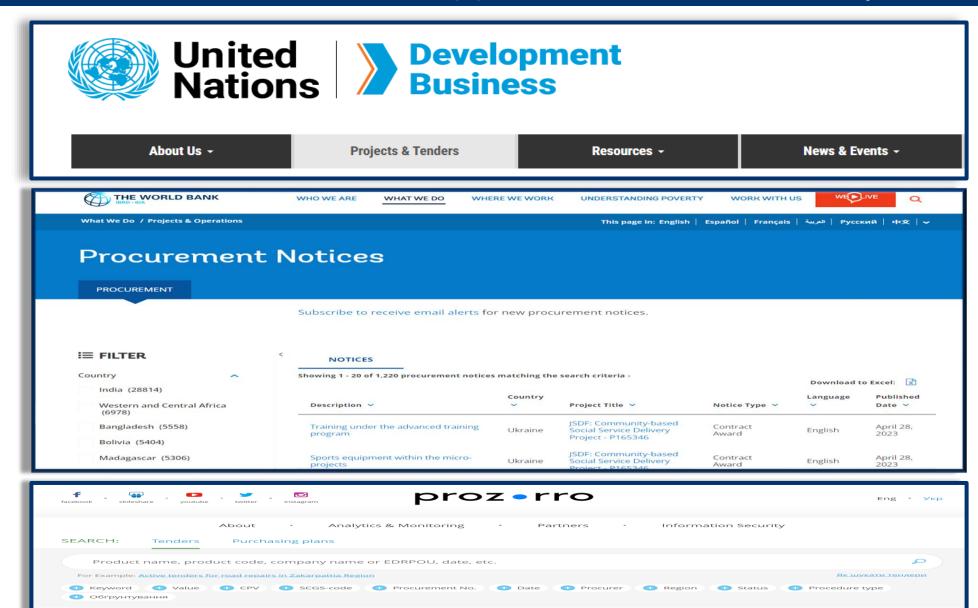
IDENTIFYING OPPORTUNITIES AND HOW TO BID





Where Do I Find Business Opportunities for Ukraine Projects?





ProZorro is a hybrid electronic open source government e-



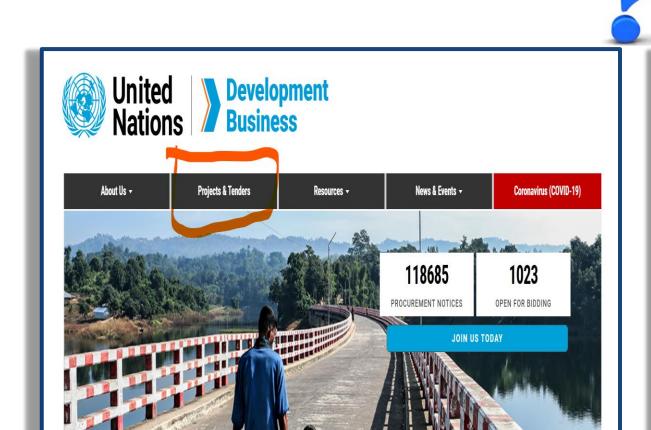


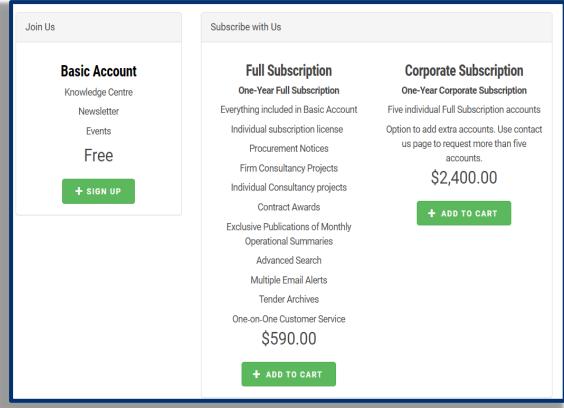
ProZorro may be used for procurement of goods and works using Request for Quotations or National Request for Proposal methods. ProZorro will also be used for International Procurements as the system has been updated to include all the required features acceptable to the World Bank.

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- Irrespective of the use of ProZorro as a tool for procurement or World Bank standard procedures, all procurement-related notices will be published in ProZorro and UNDB website to enhance competition and transparency.
- The national procurement law in force meets the requirements of the Procurement Regulations for national open competitive procurement, except the necessity to include the World Bank's Anti-Corruption Guidelines, including the World Bank's right to sanction and the World Bank's inspection and audit rights in the sample procurement documents. The World Bank will not finance any contracts that do not include the World Bank's fraud- and corruption-related clauses.

Where Do I Find Business Opportunities for Ukraine Projects?









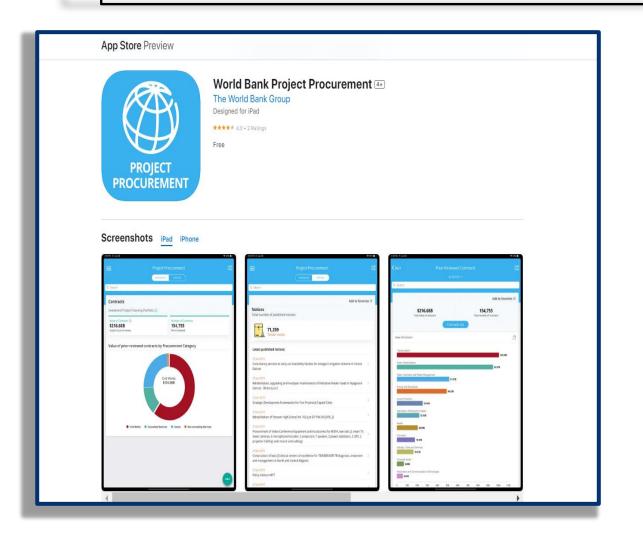
How to create a new email alert!

- Click the button above to login or create a profile.
- 2 Pick the type of alert you wish to receive: General, Follow a Project, or Procurement.
- Pick the items of interest: countries/regions; topics; type of resources; languages; or procurement codes (depending on the type of alert).
- A Name and save your alert. You can subscribe to multiple alerts and can change the alert preferences at any time

Where Do I Find Business Opportunities for Ukraine Projects?

Project Procurement Data and Opportunities

Understanding how to use the World Bank Project Procurement Mobile Application June 2019





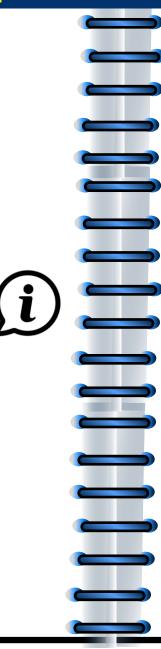
Finding Business Opportunities – Procurement Guidance



Finding business opportunities and winning contracts financed by the World Bank

October 2021





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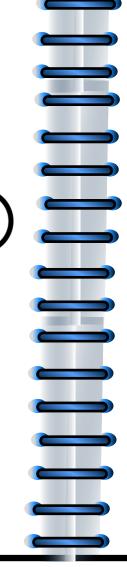
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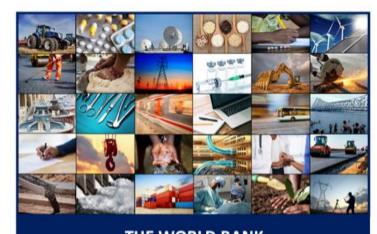


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Appear I Courses of useful information





Procurement Regulations for Borrowers

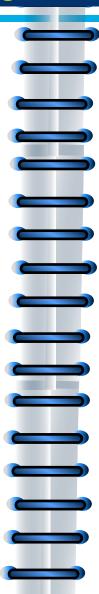


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Procurement Regulations for IPF Borrowers

PROCUREMENT IN INVESTMENT PROJECT FINANCING
Goods, Works, Non-Consulting and
Consulting Services

Fourth Edition November 2020





Foreword

Welcome to the World Bank Procurement Regulations for IPF Borrowers (Regulations).

Our vision is:

"Procurement in IPF operations supports Borrowers to achieve value for money with integrity in delivering sustainable development"

The Regulations have been written to support this vision, and reflect the extensive feedback received from stakeholders involved in IPF procurements financed by the World Bank. They are designed to support a modern, fit for purpose procurement framework. The Regulations detail many options to tailor individual procurement processes to meet operational needs and deliver the right result.

Borrowers using the Regulations spend billions each year procuring the works, services, or goods they need from third-party suppliers, contractors and consultants. Procurements under these Regulations happen in over 170 countries across the globe. They cover diverse locations and some challenging operating environments. Procurements range from highly complex infrastructure, cutting edge consultancy, major pieces of plant/equipment, high tech information technology, research and development, and critical supplies, to simple, routine goods and services. Therefore, these Regulations must be practical, in all situations, to ensure the correct procurement approach is used to deliver the right

The Regulations are guided by the following core procurement principles: value for money, economy, integrity, fit for purpose, efficiency, transparency and fairness.

In supporting the core procurement principles, the Regulations provide many choices for Borrowers to design the right approach to market. The Regulations also specify the rules that must be followed, so that it is easier, for all those involved, to understand the procurement process.

Complementing the Regulations are a series of Standard Procurement Documents (SPDs), Guidance, and a set of briefing, training and e-learning materials - all accessible through:

www.worldbank.org/procurement.

Undertaking any procurement can be a challenging prospect. The World Bank is there to support its Borrowers as needed. For more information please contact your local World Bank representative, or see www.worldbank.org/procurement.

We wish you every success in using these Regulations, and look forward to supporting you to deliver your project development objectives.



Procurement Regulations for Borrowers







- ☐ The Legal Agreement governs the legal relationship between the Borrower and the Bank.
- ☐ The Procurement Regulations are applicable to the procurement of Goods, Works, Non-consulting Services and Consulting Services in IPF operations, as provided for in the Legal Agreement.
- The rights and obligations of the Borrower and the providers of Goods, Works, Non-consulting Services and Consulting Services for IPF operations are governed by the relevant request for bids/request for proposals document and by the contracts signed by the Borrower and the providers of Goods, Works, Non-consulting Services, and Consulting Services, and not by these Procurement Regulations or the Legal Agreement.
- No party other than the parties to the Legal Agreement shall derive any rights from, or have any claim to, financing proceeds.



World Bank

- Policy Advice
- Technical Assistance
- Implementation Support
- Due Diligence on High Value/Complex Contracts
- Procurement Monitoring and Oversight
- Capacity Building of Client and Private Sector
- Handling Complaints and Debriefing to Firms and Individuals

Financing/Loan Agreement



Borrower Country

- Prepare PPSD
- Carry out Procurement Activities wrt Financing Agreement
- Capacity Building of Firms and Individuals
 - Market Engagement
 - Handling Complaints
 - Contract Awards
 - Contract Management



Procurement Contract

Firms and Individuals

- Participate in Procurement Opportunities
- ☐ Share Market Innovation and Provide Solutions
- Raise Procurement-related Complaints if needed
- ☐ Implement Contracts signed with Project Implementing Agency



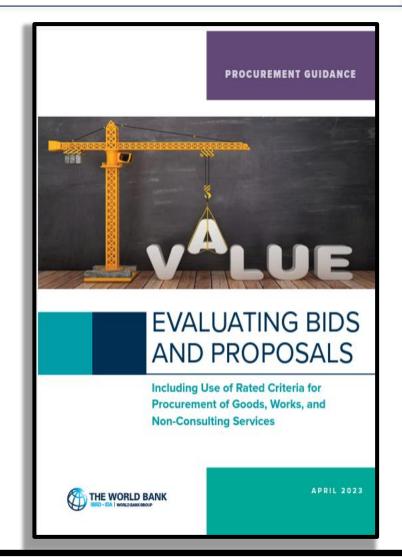
Use of Rated Criteria for Most International Procurements (Default Approach)

New International Procurements advertised on or after September 1, 2023 using a Bank Standard Procurement Document

- Using Rated Criteria more widely will increase Borrowers' flexibility to procure works, goods and non-consulting services best suited to their specific situation and provide a more fit-for-purpose approach.
- Rated Criteria will also increase willingness of the best suppliers to bid and participate in Bankfinanced projects—with the knowledge that their added value will be part of the evaluation, thereby increasing options, global competition, and likelihood for effective market solutions.
- More Information: https://www.worldbank.org/en/news/feature/2023/03/08 /rated-criteria-a-game-changer-for-promoting-value-inworld-bank-procurement



Pharmaceuticals
/accines
Off the shelf goods and educational materials
Commodities





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Mainstreaming Beneficial Ownership Disclosure For All International Procurement

Scope

Investment Project Financing: For all procurement subject to international competition (open or limited), Borrowers shall require the winning bidder to provide Beneficial Ownership information. The Beneficial Owner of a bidder/proposer/consultant is any natural person who ultimately owns or controls the bidder/proposer/consultant by meeting one or more of the conditions specified in the Beneficial Ownership Disclosure Form. Borrowers shall publish this Beneficial Ownership information as part of the Contract Award Notice. Specifically, the following shall apply for such procurement:

- The Procurement Plan shall specify that this procurement is subject to Beneficial Ownership disclosure
- The Specific Procurement Notice shall specify that the Borrower shall disclose information on the successful bidder/proposer/consultant's Beneficial Ownership, as part of the Contract Award Notice, using the Beneficial Ownership Disclosure Form (see sample in annex II) as included in the Procurement Document¹
- The Procurement Document issued to the bidders/proposers/consultants shall require the winning bidder/proposer/consultant to provide Beneficial ownership Information in the form required in the Procurement Document (see Annex I)
- The Letter of Acceptance (see sample in annex III) shall require Beneficial Ownership information to be provided within 8 business days
- 5. Contract Award Notice publication shall include the Beneficial Ownership Disclosure Form provided by the successful bidder/proposer/consultant.

Environmental and Social (Risk Management)

- Bank supports infrastructure development US\$114 billion globally which includes a significant volume of civil works contracts
- Multiple global initiatives and organizations emphasize sustainable infrastructure with very similar approaches
- Bank has developed specific policies to manage Environmental and Social (ES) risks, with additional requirements for large civil works
- Such risks include:
 - resettlement
 - labor force influx
 - community health and safety
 - occupational accidents
 - environmental protection
 - sexual exploitation and abuse (SEA) and sexual harassment (SH)







Environmental and Social (Relevance to Procurement)

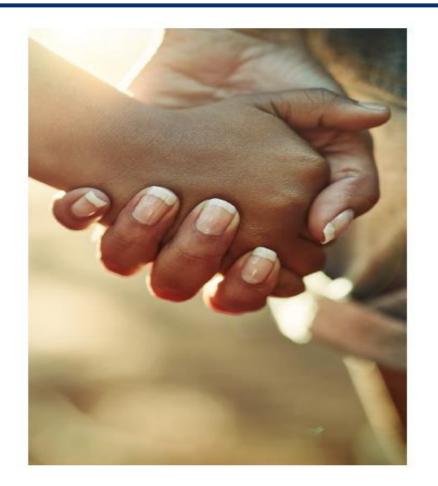
- Bank's ES policies are a cornerstone of the World Bank's approach to ensure strong protections for people and for the environment
- Bank's policies require ES risks to be assessed and addressed through specific ES instruments (e.g., Environmental and Social Management Plans)
- Many ES risks must be managed by the contractor building the infrastructure – so the Bank has integrated ES considerations throughout the procurement process e.g.:
 - specification and KPIs
 - contractor's Code of Conduct
 - ES reporting
 - contractors ESMPs regularly updated
 - contract variations to address ES risks
 - role of engineer to oversee implementation
 - contractual remedies





Protecting vulnerable communities Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH)

- Gender-based Violence (GBV):
 - affects 1 in 3 women in their lifetime
 - entails significant social and economic costs estimated at 3.7% GDP
- SEA/SH incidents have occurred in Bankfinanced projects - perpetrated by contractors' personnel against community members
- The Bank's new SEA/SH measures apply to large Works contracts classified as high-risk SEA/SH
- New Bank remedy 2 years
 "disqualification" for non-compliance with
 GBV obligations; after which strengthened
 qualifications must be demonstrated





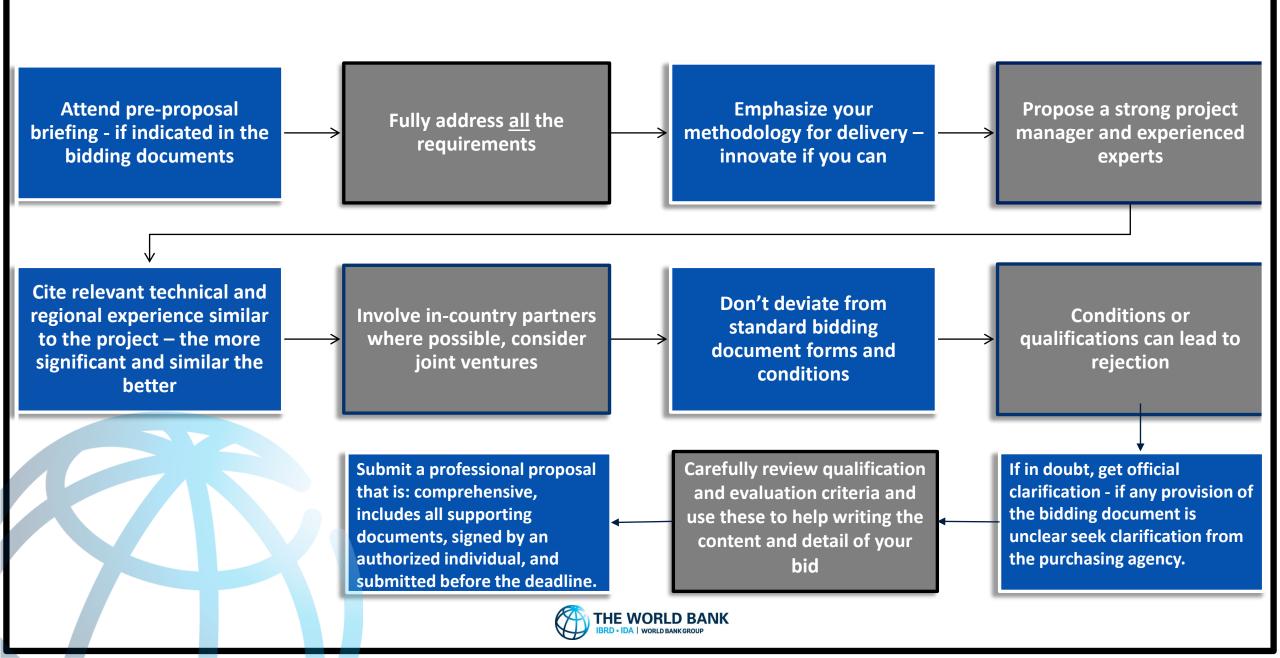
Seek Clarification - "Don't wait till it's too late"

Seek official clarification before bid submission

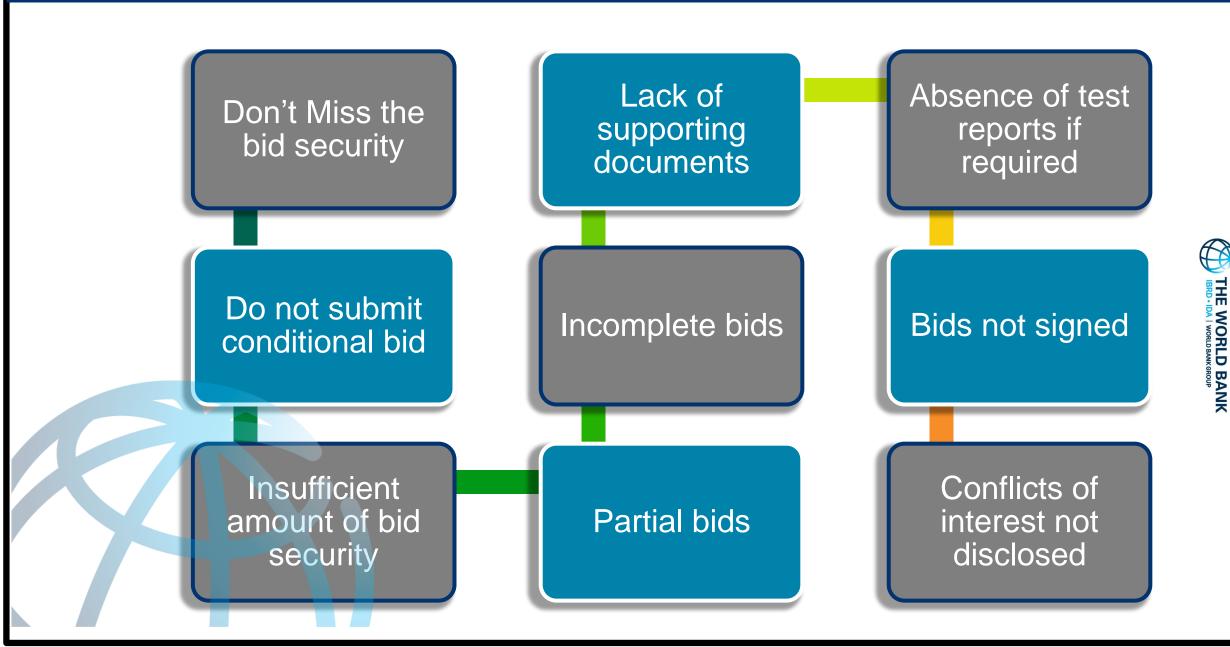
BIDDING DOCUMENT / REQUEST FOR PROPOSALS	POTENTIAL ISSUES
Bid/Proposal Conditions	 Unreasonable bid preparation
Qualification Criteria	 Unclear which entity must comply with qualification criteria Ambiguous criteria Restrictive criteria
Requirements	 Incomplete, unclear, or restrictive requirements
Contract Conditions	Unreasonable contract completion periodUnbalanced risk allocation

Write to WB directly if the executing agency fails to respond promptly or there is a complaint against the executing agency.

Preparing the Proposal



Advice on Bid Preparation --- What not to do ---



Advice on Bid Preparation ----What to do----



Procurement-related Complaints



Procurement-related Complaints

How to complain

January 2017

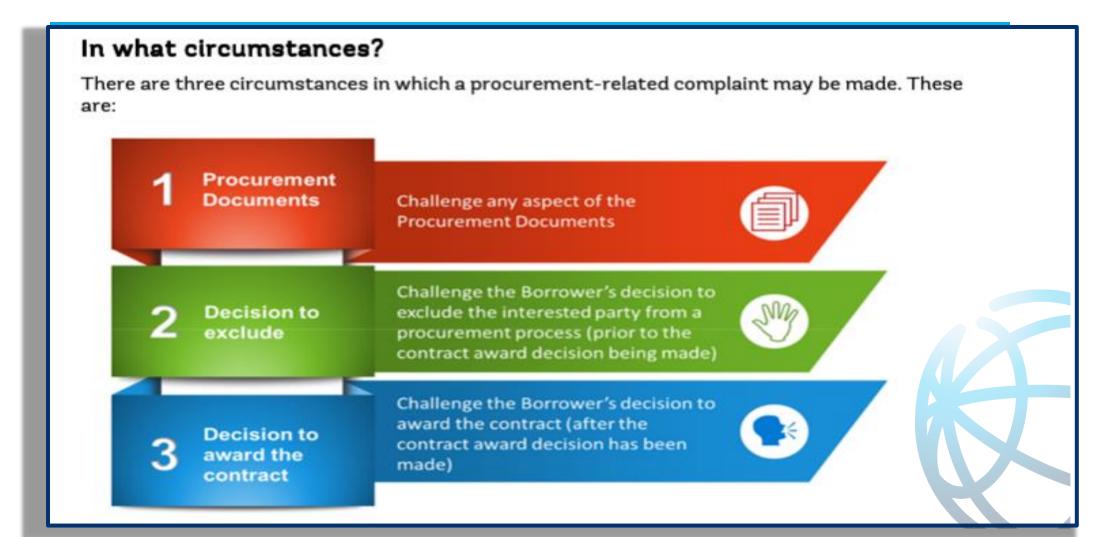




For specific details, including the mandatory requirements for procurement-related complaints, refer to the World Bank Procurement Regulations for IPF Borrowers (Procurement Regulations), paragraphs 3.26 to 3.31 and Annex III.



Procurement-related Complaints



For specific details, including the mandatory requirements for procurement-related complaints, refer to the World Bank Procurement Regulations for IPF Borrowers (Procurement Regulations), paragraphs 3.26 to 3.31 and Annex III.



Debriefing And Complaints Handling

Debriefing:

☐ Unsuccessful bidders may request debriefing from executing agency. If they are not satisfied with the explanation given, they may contact World Bank (WB) directly.

Complaints:

- ☐ Bidders may file complaint directly with WB and may copy WB on correspondence with executing agencies.
- ☐ More streamlined complaints submission by bidders/consultants through provision of:
 - A standstill period to submit a complaint before the borrower proceeds to signing the contract;
 - A standstill period following the notification of the results of technical evaluation for consultants to complain before opening of the financial proposals.
- World Bank Department of Institutional Integrity One of the responsibilities: Investigations on allegation of fraud and corruption >>> https://www.worldbank.org/en/about/unit/integrity-vice-presidency

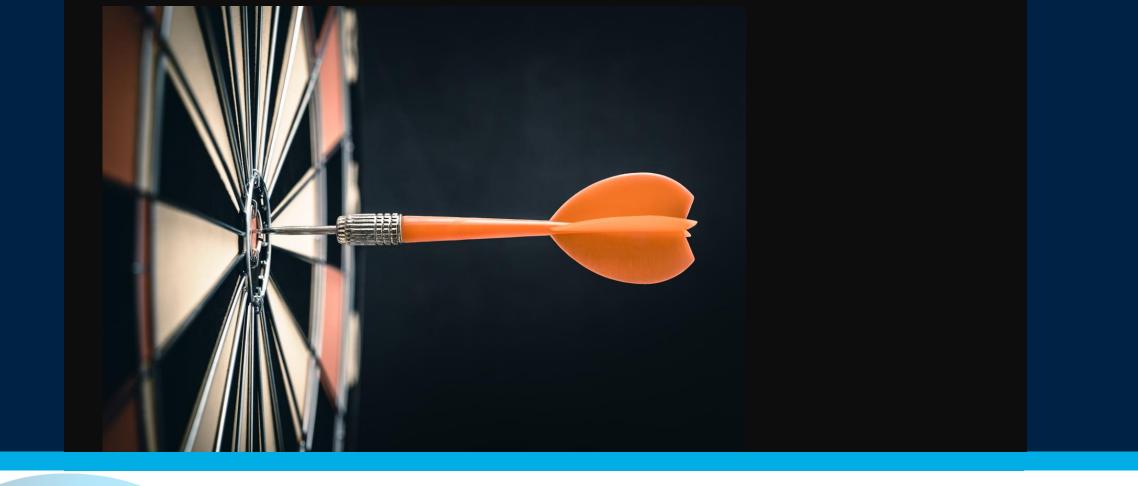


Complaints Handling-Excerpt from the Project Appraisal Document

UKRAINE: Restoration Project of Winterization and Energy Resources

Complaint handling mechanism. To address procurement complaints received by the proposed Project, the Implementing Agency will implement a complaint handling mechanism.			
Both the World Bank and Implementing Agency will use STEP to track complaints.			
The im	plementation agencies will be responsible for performing the following actions in STEP:		
for revi	mptly record all complaints relating to the procurement process in IPF operations; procurement process complaints received on contracts subject to the World Bank's prior ew, submit the Implementing Agency's proposed response to each complaint before issuing it he complainant(s);		
	ord the Implementing Agency's response to the procurement process complaints upon ance to the complainant(s); and		
inte	mptly register requests for debriefings and update STEP with the record of the debriefings to erested parties. The Implementing Agency will publish on their Prozorro website and in bidding uments emails and telephone hotlines for reporting fraud and corrupt practices.		





INTEGRITY IN WORLD BANK-FUNDED OPERATIONS



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Anti Corruption Guidelines

Fraud and Corruption

The Bank requires application of, and compliance with, the Bank's Anti-Corruption Guidelines, including without limitation the Bank's right to sanction and the Bank's inspection and audit rights. <u>For details see</u> <u>Annex IV, Fraud and Corruption, of the Procurement Regulations</u>

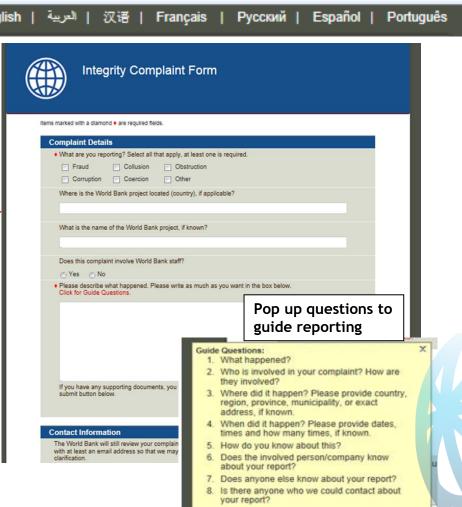
The Bank requires that Borrowers (including beneficiaries of Bank financing); bidders (applicants/proposers), consultants, contractors and suppliers; any sub-contractors, subconsultants, service providers or suppliers; any agents (whether declared or not); and any of their personnel, observe the highest standard of ethics during the procurement process, selection and contract execution of Bankfinanced contracts, and refrain from Fraud and Corruption.

How to Report Fraud and Corruption

https://www.worldbank.org/en/about/unit/integrity-vice-presidency



Integrity Vice Presidency INVESTIGATIONS SANCTIONS & COMPLIANCE PREVENTION ANNUAL REPORTS The Integrity Vice Presidency (INT) is an independent unit within the World Bank Group that investigates and pursues sanctions related to allegations of fraud and corruption in World Bank Group-financed projects. INT supports the main business units of the World Bank Group and external stakeholders, mitigating fraud and corruption risks through sharing investigative findings, advice, prevention and outreach efforts. eport Suspected Fraud or Corruption Staff Rule 8.01 "A staff member has a duty to report suspected fraud or corruption in Bank-Group financed projects or in the administration of Bank Group business to his or her direct manager, or to the Department of Institutional Integrity ('INT'). A manager who suspects or receives a report of suspected fraud or corruption has an obligation to report it to INT." Suspicions not evidence **Early reporting** Online complaint form speeds up process





From Investigations to Sanctions



- Investigates allegations
- Files sanctions cases
- Negotiates resolution to misconduct
- Makes referrals to national authorities

INTEGRITY VICE PRESIDENCY

SUSPENSION & DEBARMENT OFFICER

- Reviews evidence and explanations
- Issues sanctions
 Notice
- Temporarily suspends
- Recommends sanctions

- Reviews appeal cases de novo
- Conducts hearings with parties
- Determines if sanctionable practices occurred
- Imposes sanctions

SANCTIONS BOARD

INTEGRITY COMPLIANCE OFFICER

- Monitors integrity compliance
- Decides on release of debarment



(i) Links to Useful Information (i)



Guidance on finding Business Opportunities

https://thedocs.worldbank.org/en/doc/2cfc324c78283a513859cb5de5c8deb3-0290032021/original/Finding-Business-Opportunities-and-Winning-Contracts-Financed-by-the-World-Bank.docx

Procurement-related Complaints - Guidance

https://pubdocs.worldbank.org/en/975671478891365829/Complaints-Guidance-FINAL-Revised.pdf

World Bank Procurement Regulations for IPF Borrowers

https://pubdocs.worldbank.org/en/178331533065871195/Procurement-Regulations.pdf

Standard Procurement Documents (SPD) templates

https://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework#SPD

Project Procurement App - Understanding how to use the World Bank Project **Procurement Mobile Application**

https://pubdocs.worldbank.org/en/433521492462144143/Procurement-App-Guidance.pdf

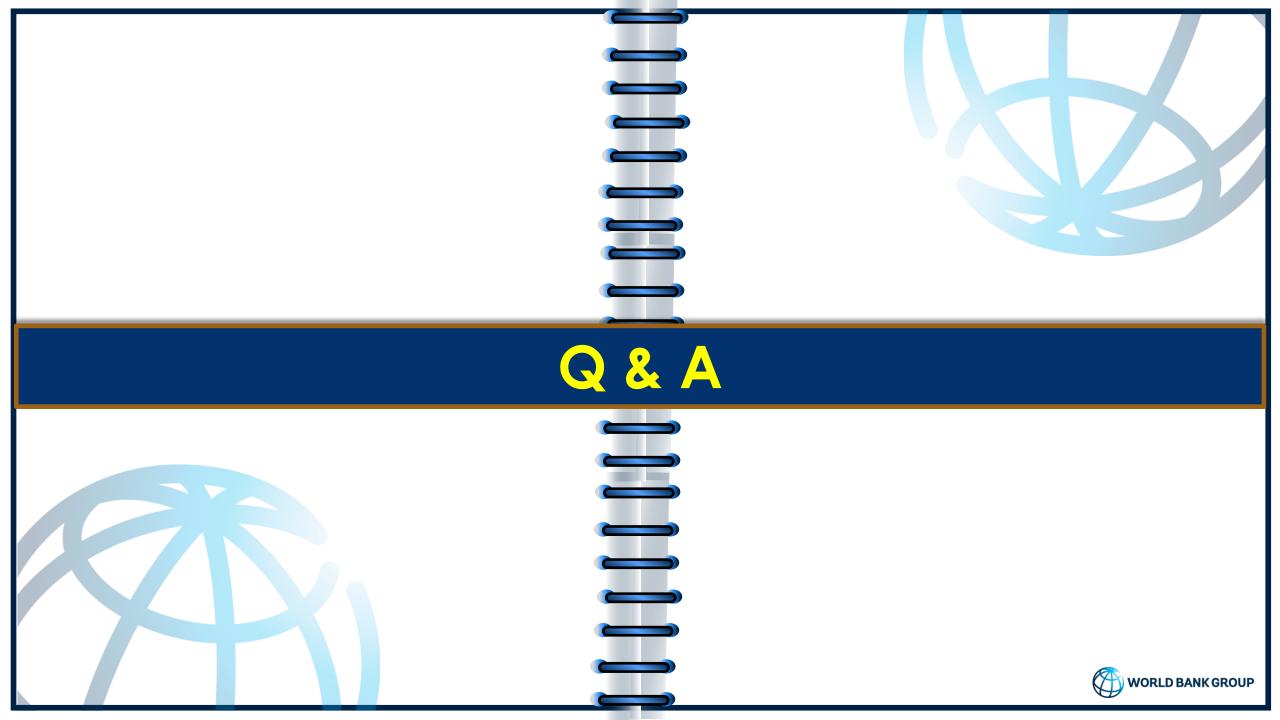
World Bank Group Finances

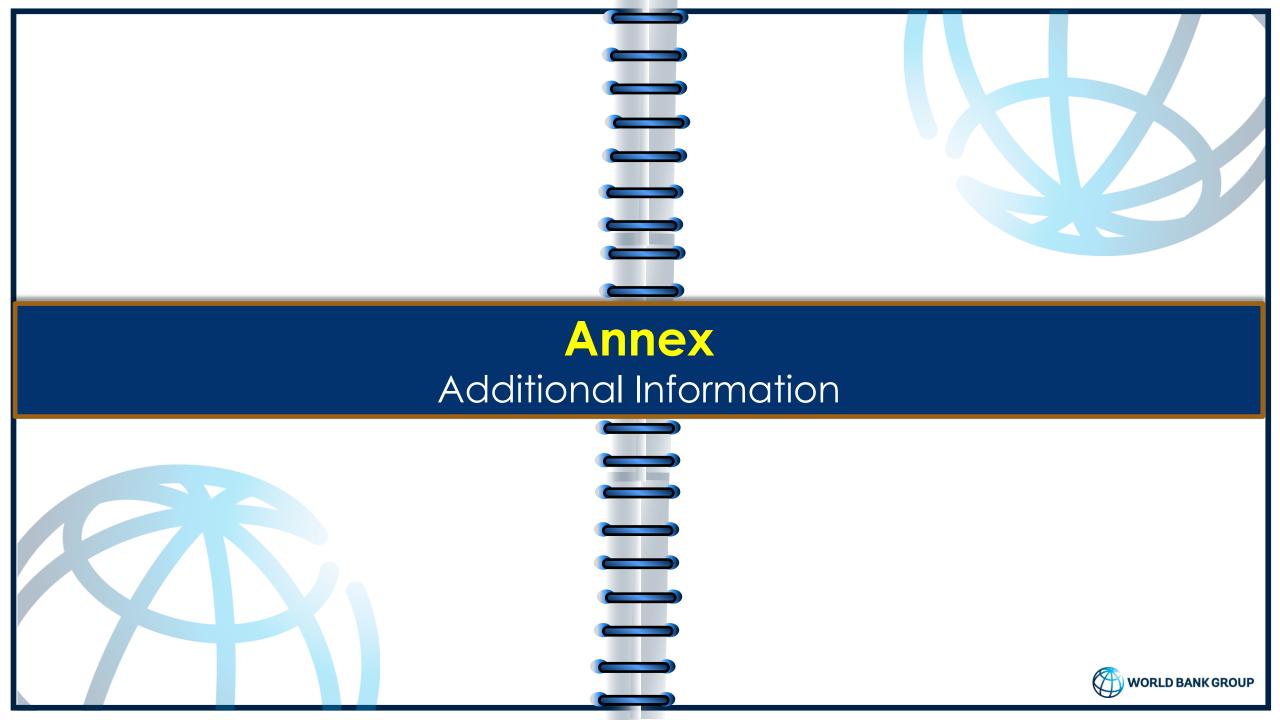
https://financesapp.worldbank.org/summaries/ibrd-ida/#ibrd-con/

Updated Ukraine Recovery and Reconstruction Needs Assessment

https://documents1.worldbank.org/curated/en/099184503212328877/pdf/P1801740d1177f03c0ab180057556615497.pdf







Prevention of Fraud and Corruption Risks

Corrupt Practice Fraudulent Practice

Coercive

Practice

Collusive Practice

Obstructive Practice





Corrupt Practice

- ☐ Is the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.
- Example: A company is awarded Bank-financed contracts from governments in exchange for a bribe or kickbacks. Kickbacks generally occur when a company that is awarded a contract "kicks back" money to the ministry official(s) who steered the award of the contract to that company. Typically, the kickback is a percentage of the value of the contract and, in countries with systemic corruption, the percentage is built into the cost that all bidders consider when bidding on contracts. In most cases, the money paid in bribes or kickbacks is extracted from the project financing, decreasing development impact.



Fraudulent Practice

- is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
- Example: During the implementation of a project, the poor performance of a key consulting company raises suspicion that the capacities and qualifications of the company might have been misrepresented. An investigation reveals that the experience and credentials of the principal as well as the qualifications and certifications of the consulting firm were misrepresented in order to meet the selection criteria of the tender.

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Coercive Practice

- is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.
- Example: In a roads project, procurement for two Bank financed roads is found to be tainted by the use of intimidation of competing bidders. An investigation reveals that a company that was pre-determined to win contracts in a collusive scheme used a combination of threats to the future business interests of competitor companies or threats to the physical well being of competitors' staff, in addition to payments to "losing" bidders, to ensure that other bidders submitted inflated bids. The effect is that winning bid prices are considerably higher than they would have been through genuine competitive bidding. As a result, the project's developmental impact is eroded and confidence in the Bank's procurement system severely undermined.



Collusive Practice

- Is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
- Example: A borrowing government arrests an official of an agency that is responsible for implementing a Bank financed project on charges of financial impropriety. On the basis of that arrest and subsequent information from a contractor, an investigation of the relevant contracts is carried out, and reveals that the agency official had arranged a collusion "ring" to steer a large number of contract awards to his own company and to the companies of people known to him. To implement the collusion, the agency official influenced local officials who had a role in awarding the contracts





Obstructive Practice

- ☐ Is deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a World Bank investigation.
- Example: Based on an allegation of corruption, investigators contacted a company that was awarded a contract on a Bank financed project to audit the financial records. While the company is obligated under its contract to allow access to these records, it refused to do so. This refusal of access is itself an offense that could render the company ineligible to bid on future Bank contracts.



IA members involved into decision-making and procurement processes could be asked to sign a statement confirming that

- they are fully aware of the Bank Anti-Corruption requirements and
- will inform the IA management and the Bank Team about their potential Conflict of Interest associated with a particular bidding procedure.

Implementing Agency practices conducting the due diligence on the winning bidder to address the issue of fraud at bidding stage. Fraud at bidding stage is a permanent pattern in cases where an investigative reports reveal multiple F&C practices.

Investigations have found that fraud occurs mostly during bidding stage. If not identified, the fraud at bidding stage may result in contract non-performance and/or sub-standard quality of deliverables. It can also evolve into additional F&C practices at contract implementation stage.

The most common manifestations of fraud at bidding stage requiring attention at bids evaluation are:

- ☐ Misrepresentation of experience;
- Misrepresentation of qualifications including financial capacities;
- ☐ Submission of falsified supporting documents (Manufacturer's Authorization Forms, Audited Financial Statements etc.)
- ☐ Undisclosed Conflict of Interest
- ☐ False bid/ performance/ advance payment guarantees



Implementing Agency (IA) capacity to identify the signs of bid rigging/collusion to address the issue of manipulation of bidding procedure and price fixing. The problem is increasing in situations of limited number of qualified bidders on specific markets.

The Signs of Potential Bid Rigging

- ☐ Bidders have the same CEO, business address, phone number etc.
- □ Bids have unusual similarities in their bids (identical unit prices, bid securities issued by the same bank have sequential numbers, same technical deviations, same typos, etc.)
- ☐ Unusually high prices proposed by all bidders

