



CEB hosts the MDB Heads of Procurement meeting

For the first time ever, the Council of Europe Development Bank (CEB) hosted the annual meeting of the Heads of Procurement (HOP) of the Multilateral Development Banks (MDBs) in Paris from 4-6 June 2014.

The meeting was formally opened by the Governor of the CEB Rolf Wenzel. In his welcome remarks, Governor Wenzel highlighted the importance of procurement as a tool to fight corruption and guarantee transparency in MDB-financed projects.

The Heads of Procurement from the African Development Bank, Asian Development Bank, Black Sea Trade and Development Bank, Caribbean Development Bank, Council of Europe Development Bank, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, Islamic Development Bank, and the World Bank attended the three-day meeting along with their delegations. The meeting was chaired by Kitty Villani-Cohen, Director of Procurement of the CEB.

The HOP holds its meetings every 9 to 12 months, with the aim of harmonizing, to the highest possible degree, procurement policy and master bidding documents in a joint effort to enhance economy, efficiency, effectiveness, and fairness in all MDB public and private sector projects.

Parallel to the HOP meeting, two working groups - one for abnormally low tenders and one for co-financing (composed by members of the various institutions) - met for final deliberations and preparation of policy and procedural documents for HOP approval.

The main topics discussed in the HOP meeting were:

- The necessary reforms and harmonization on procurement that will stem from the African Development Bank and World Bank policy reforms and the need to separate policy and principles from operational guidelines;
- How to quantify and integrate sustainability issues in the procurement process;
- The necessity to enhance capacity building and institution strengthening in procurement effectiveness for borrowing countries and reconfigure procurement policy to achieve value for money through a “fit-for-purpose” approach;
- How to define a strategy for reviewing project procurement aspects, moving from a country to a sector and market focus;
- The way to remove all procurement-related obstacles when co-financing among MDBs, in relation to debarment, complaints handling and contract management issues;
- How to develop MDB e-procurement platforms to facilitate the bidding and contracting process, as well as MDB communication with the executing agencies of the borrowing countries.

The HOP also discussed the current status of the FIDIC Licence for the Harmonized Condition of Contract for Construction and decided to participate in the upcoming review of the FIDIC Red book, seeking to incorporate best-practice specific MDB conditions and gradually move from a License to a User-pay arrangement.

The next meeting of the HOP will be held in Washington, D.C., between January and June 2015 and will be hosted by the Inter-American Development Bank.