

MDB Heads of Procurement Joint Communication

The 2015 meeting of the Multilateral Development Banks' (MDBs) Heads of Procurement (HOP) was hosted by the Inter-American Development Bank (IADB) in Washington D.C, from November 3 to 5, 2015. The Heads of Procurement from the African Development Bank (AfDB), Asian Development Bank (AsDB), Black Sea Trade and Development Bank (BSTDB), Caribbean Development Bank (CDB), Council of Europe Development Bank (CEB), European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Islamic Development Bank (IsDB), and the World Bank (WB) attended the three-day meeting along with their delegations.

The HOP have been meeting annually for the past 15 years to harmonize, to the extent possible, their institutions' procurement policies and practices in an effort to enhance economy, efficiency, effectiveness, and fairness in all MDB financed operations.

Key areas of discussion were:

- Trends and developments in procurement
- Procurement policy reform at the AfDB and WB
- Review of the OECD-led Methodology for Assessing Procurement Systems (MAPS)
- Capacity building and professionalization of the procurement discipline
- Data analytics to improve knowledge and decision making in procurement
- Information Technology solutions to improve audit trails, and reduce processing times and environmental impacts in procurement
- FIDIC Licence for the Harmonized Conditions of Contract for Construction
- Methodology to guide situations of abnormally low tenders
- Harmonization of Master Bidding Documents

The HOP working group on Abnormally Low Tenders presented its findings and recommendations for how to address this issue in a tender process. The ALT working group recommendations were accepted, following which every MDB will seek to accommodate the methodology agreed in its own policies and procedures.

The HOP acknowledged the significant effort undertaken in the new procurement policies adopted by the AfDB and the World Bank to enable a more flexible and pragmatic approach to procurement as well as a renewed focus on supporting countries with procurement capacity building. It is also recognised that the new policies will facilitate joint co-financing activities among the MDBs, which will allow more efficient project implementation.

Further contributing to streamlining of co-financing initiatives, the HOP working group on co-financing will finalize a report providing guidance and practical tools to MDBs to be approved in the next HOP, based on the hereto valuable experience on bilateral agreements between the EBRD and EIB as well as the EBRD and AfDB.

The next meeting of the HOP will be held in Barbados in the fall of 2016 and will be hosted by the Caribbean Development Bank.