

Project Procurement

Overview

Part 1

The Fiduciary Function



Our Mandate

The Operations Financial Management and Procurement Services Office (FMP) ensures that all Bank financing is used only for its intended purpose, giving due regard to considerations of **economy and efficiency**.

1 Supporting borrowing member countries to **strengthen their fiduciary systems and capacities**.

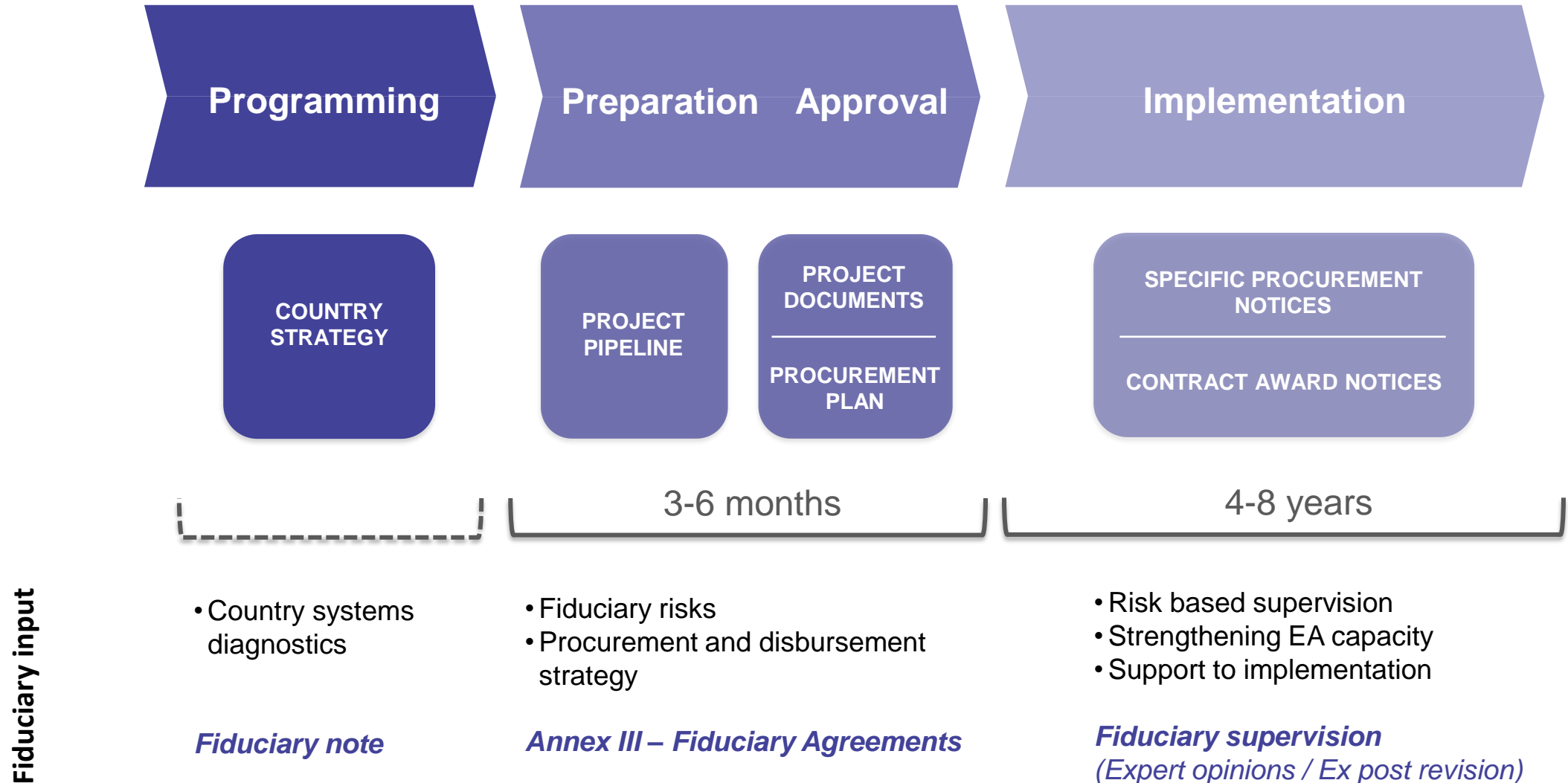
2 Facilitating the **design and execution** of IDB-financed operations through:

- Effective fiduciary risk management
- Expert advice and quality service
- Result-based supervision

Project Procurement

Project procurement refers to the **process of acquiring goods, works, and services for the projects financed by the bank**. It plays a critical role in ensuring that development projects are implemented efficiently, effectively, and sustainably.

Project Procurement & The Project Cycle



Roles and Responsibilities

Borrower/Executing Agency

operations and is responsible for:

- Planning
- Evaluation
- Contract Award
- Contract Management



Standard Bidding Documents and contracts



IDB Procurement Policies

IDB finances project and oversees compliance with IDB policy

IDB has NO contractual relationship with Business Community



Business Community screens and identifies opportunities, requests clarifications, submits proposal, signs and executes the contract.

Only firms and individuals from IDB member countries are eligible to participate in procurement processes

Procurement Specialists are members in all project teams from the design stage (operate from each of the 26 country offices)

Part 2

Procurement Policy



Modern Approach to Procurement



Procurement Policy

Procurement as a tool to find the **best solutions to our client's increasingly complex development challenges:**

- ▶ **Value for money** optimization
- ▶ **Fit-for-purpose** approach
- ▶ Selection methods that facilitate adoption of **new technologies & innovation**
- ▶ **Increased dialogue** with the market
- ▶ Incorporation of **sustainability** concepts

Market Approaches & Evaluation Criteria



Most Advantageous Bid



Sustainable Procurement

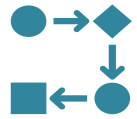


Negotiation



Best and Final Offer

Methods



Multistage Procurement



Competitive Dialogue

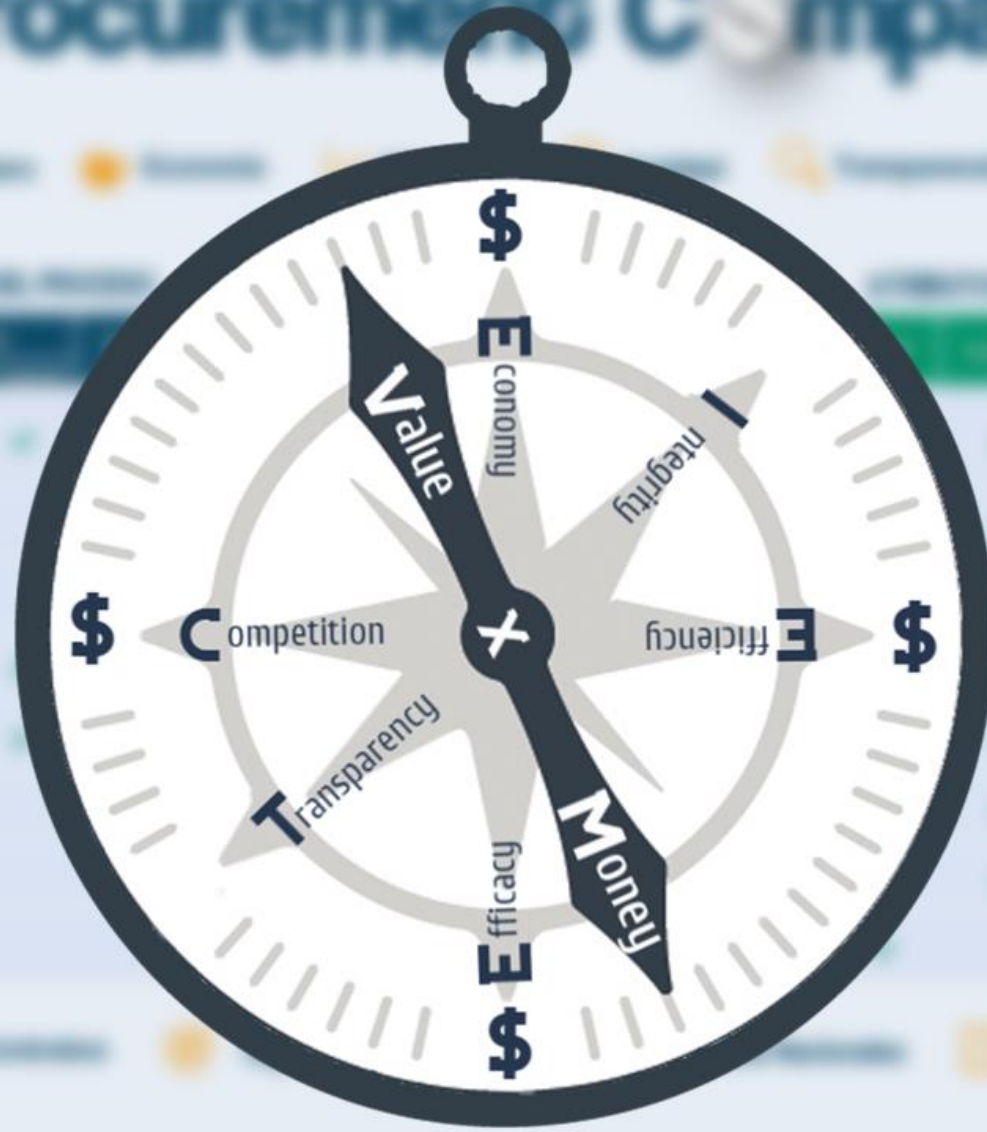


Innovation Partnership



Reverse Electronic Auctions

Procurement Compass



Procurement Compass



Navigation



Value for Money



Economy



Efficiency



Equality



Transparency



Integrity

PROCESS ATTRIBUTES

MARKET APPROACH

EVALUATION ATTRIBUTES

APPLICABLE MECHANISMS

PROCUREMENT METHODS

International Competitive Bidding (ICB)

Competitive Dialogue (CD)

Innovation Partnership (IP)

Limited Bidding (LB)

National Competitive Bidding (NCB)

Shopping (S)

Direct Contracting (DC)

Electronic Reverse Auction (ERA)

	Inter.	Nat.	Preq.	1 Stage		Multi Stage	Open Comp.	Limited Comp.	RFP	RFB	BaFO	Negot.	Price	Sustainability	Innovation	Other	Stand Still	APA	Probity Assurance	ALT
				1 Envelop	2 Envelop															
International Competitive Bidding (ICB)	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Competitive Dialogue (CD)	✓	✓	✓			✓	✓		✓			✓	✓	✓	✓	✓	✓		✓	
Innovation Partnership (IP)	✓	✓	✓			✓	✓		✓			✓	✓	✓	✓	✓	✓		✓	
Limited Bidding (LB)	✓	✓	✓	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
National Competitive Bidding (NCB)		✓	✓	✓	✓	✓	✓			✓	✓		✓	✓	✓	✓		✓		✓
Shopping (S)		✓		✓				✓		✓			✓	✓	✓	✓		✓		
Direct Contracting (DC)	✓	✓							✓	✓			✓	✓	✓	✓				
Electronic Reverse Auction (ERA)	✓	✓					✓						✓							

+ Other Modalities



Types of Contract



Procurement Object



Country Systems



Specifications

GN-2349-15

ES

EN

GN-2350-15

ES

EN



Decision Tree



Supply vs.
Demand Matrix



Evaluation
Criteria



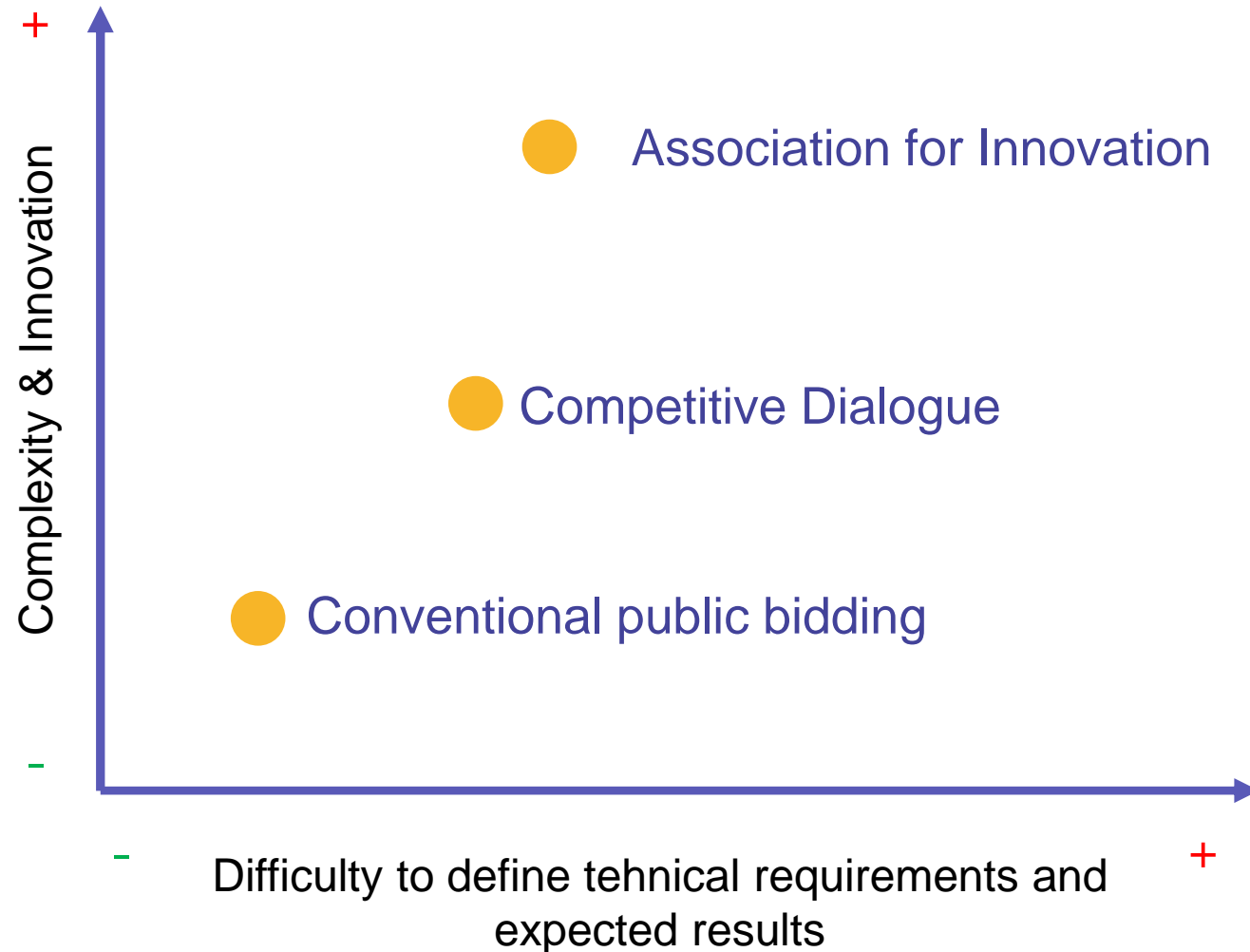
Net Present
Value



Sustainable
Procurement

Procurement Methods

When is each procurement method used?



Fit-for-purpose approach that allows to achieve the best **value for money**

Part 3

Procurement Data



Disclaimer

The contract data included in this report is based on the IDB Procurement Registration System, as well as the UN Development Business database. It is provided by the borrowers or beneficiaries of IDB-financed sovereign-guaranteed operations for all ex-ante supervised procurement processes using the following criteria:

- All contracts for public works, goods, and services related to an International Competitive Bidding (ICB) process or contracts amounting to US\$25,000 or more.*
- All consulting contracts, whether they are for consulting firms or individuals, irrespective of the amount.*

Please note that public procurement systems register contract awards based on the place of registration. Similarly, Multilateral Development Banks (MDBs), including the IDB, define and register the nationality of a company bidding for an IDB-financed contract in terms of the place of registration. Nowadays, most multinational corporations register or incorporate in more than one country, and they appear in statistics as nationally registered or local firms.

Public Procurement Market

**Public
Procurement
Represents...**

Asia

20%

GDP

Middle East

18%

GDP

OECD

29%

Public Expenditure

12%

GDP

Africa

15%

GDP

LAC

22%

Public Expenditure

16%

GDP

EU

14%

GDP

IDB Financing Per Sector

50%

Infrastructure

Energy
Transport
Water & sanitation

20%

Social

Education
Work
Social protection
Health services

20%

Institutions for development

Governance
Competitiveness
Capital markets
Public sector reform
Fiscal & economic issues

10%

Climate change & sustainability

Forestry
Agriculture
Tourism
Biodiversity
Sustainable cities

Awarded Contracts Data



Contracts Award: Overview

[Overview](#)
[Economic Sector](#)
[Firm Nationality](#)
[Raw Data](#)
[Summary Table](#)
[Filters](#)

\$49,560.74

Total Value (Millions)

137,566

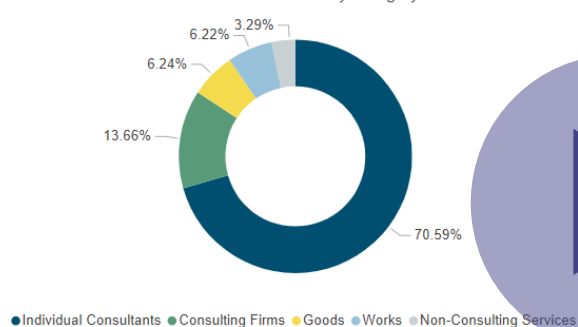
Number of Contracts



Number of
Contracts

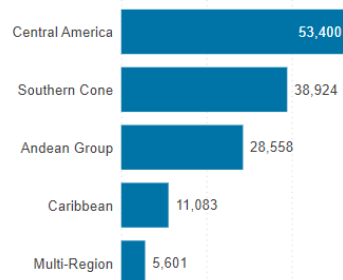
Value (Millions)

Number of Contracts by Category

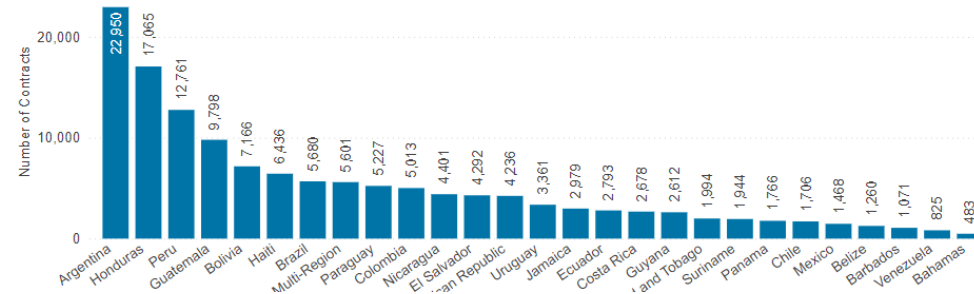


Years	Consulting Firms	Goods	Individual Consultants	Non-Consulting Services	Works	Total
2024	1		5			6
2023	534	359	3,068	311	165	4,437
2022	844	556	4,812	360	278	6,850
2021	885	518	4,782	446	559	7,190
2020	880	498	4,156	338	310	6,182
2019	872	382	3,913	262	421	5,850
2018	796	449	4,330	247	449	6,271
2017	1,047	541	4,274	320	560	6,742
2016	1,421	668	5,190	269	496	8,044
2015	1,726	682	6,655	211	591	9,865
2014	1,906	791	8,661	261	760	12,379
2013	2,220	916	8,651	340	894	13,021
2012	2,003	831	11,070	448	953	15,305
2011	1,849	813	13,112	322	1,011	17,107
2010	1,811	582	14,423	394	1,107	18,317
Total	18,795	8,586	97,102	4,529	8,554	137,566

Number of Contracts by Region



Number of Contracts by Operation Country



Part 4

Tips & Tools



Tools

**Procurement
Compass**



**New IDB
Procurement Policies**



**Green
Procurement**



Key Factors for Successful Bidding

► Have a long-term perspective with systematic screening

Long-term

**Read the
country
strategy**



Mid-term

**Check project
documents and
procurement plan**



Short-term

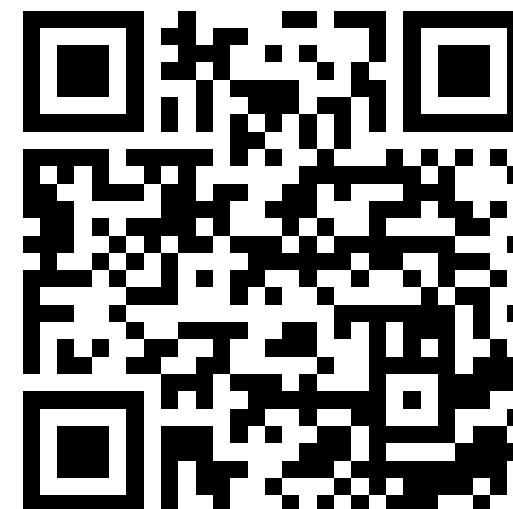
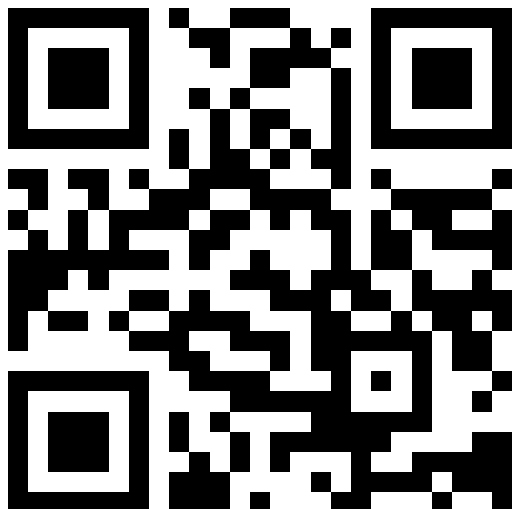
**Check specific
procurement notices and
contract award notices**



Key Factors for Successful Bidding

- ▶ Be strategic in assessing the market and competition
- ▶ Contact the Executing Agency if you have questions
- ▶ Understand the legal nuances for foreign firms (visas, taxes, etc.)
- ▶ Contact your Embassy or Commercial Office for information on other established firms
- ▶ Partner with local firms

Resources & Online Information





App | Build the Americas

Build the Americas

A **mobile app** designed to:

Increase transparency about upcoming infrastructure procurement in LAC

Facilitate connections between infrastructure developers and local partners and suppliers

How to download the app?

- 1 Grab your mobile
- 2 Turn on the camera
- 3 Scan the code



VPC | FMP

