**Appendix I/ Standard grid for diagnosis of the beneficiary procurement management framework**

| **ITEM** | **NATIONAL (BRAZIL) REGULATIONS and practices** | | **LOCAL (PIAUI STATE) SPECIFIC REGULATIONS AND PRACTICES (IF APPPLICABLE)** | **GAP ANALYSIS WITH AFD’S PROCUREMENT GUIDELINES** | **RECOMMANDATIONS / MITIGATION MEASURES IF NECESSARY** |
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| **Waiver – international financing institution**  ***(Is there an article in the Public Procurement Code allowing derogations from it in the case of financing by an international lender?)*** |  | |  |  |  |
|  | | Integrity | | | |
| Exclusion  ***(What are the cases for exclusions of a bidder? Are they consistent with our Guidelines?)*** |  | |  |  |  |
|  |  |  |
| Conflicts of interest  ***(does the code provide for conflicts of interest? Which ones?)*** |  | |  |  |  |
| Prohibited practices  ***(what are the provisions on fraud and corruption, prohibited practices in general?)*** |  | |  |  |  |
| Environmental and social  ***(Are there provisions relating to environmental, social, health and safety issues in the management of bidders and construction sites? References to other national or international laws, regulations?)*** |  | |  |  |  |
|  |  |  |
| Security  *(Are contracts awarded likely to take place in an orange or red zone (French classification)?)* |  | |  |  |  |
|  | |  | | | |
| Advertisement/publication  ***(How are procurement notices published? What media are used?)*** |  | |  |  |  |
| Existence of a register and documents to be provided for the registration  ***(Do you need to be registered on a register/supplier base to participate in the bid? If so, how does it work (documents to be provided, criteria for registration, possibility of refusal, deadlines, renewal)? Can one participate in the call for bids and apply for registration in parallel?)*** |  | |  |  |  |
| Existence of a black list  ***(is there an exclusion list (list with companies excluded from tenders permanently or temporarily)? If so, how does it work?)*** |  | |  |  |  |
| Existence of an e-procurement system (publication and/or bid submission platform)  ***(how can one register and access services, risk of simple access restriction for foreign companies, alternatives?)*** |  | |  |  |  |
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|  | |  | | | |
| Domestic preference  ***(are there provisions favouring local businesses? If so, what are they? How do they work?)*** |  | |  |  |  |
| Preference for SMEs  *(same as above)* |  | |  |  |  |
| State-owned enterprises  ***(are there any conditions for their participation in bids? Should they be legally and financially autonomous?)*** |  | |  |  |  |
| NGOs (partnerships, grants)  ***(is there special treatment for NGOs (partnership, grants, other? )*** |  | |  |  |  |
| Contracts excluded from public procurement  ***(existence of provision excluding certain contracts from the definition of public contracts)*** |  | |  |  |  |
|  | |  | | | |
| **Direct contracting**  ***(Is it authorized? If so, under which conditions? What is the level of scrutiny from any public body?)*** |  | |  |  |  |
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| Force account  ***(Are Force Account works permitted? For which situations?)*** |  | |  |  |  |
| International Competitive Bidding (ICB)  ***(any mention of an international bidding process? If so, are there any special provisions for these (submission deadlines, language, currencies, etc.)?)*** |  | |  |  |  |
| Selection method (quotations, open tendering, restricted tendering, etc.)  ***(specify what are the different methods of competition, depending on the type of service (works, supply, consulting services (studies, supervision services))? )*** |  | |  |  |  |
| Pre-qualification  ***(specify terms and conditions: in which cases is there a prequalification, what are the criteria, how are applications evaluated, is there a minimum and maximum number of prequalified companies, …?)*** |  | |  |  |  |
|  | |  | | | |
| Language  ***(Possibility of an international language for ICB?)*** |  | |  |  |  |
| Submission deadlines  *(what are the timelines? Are they different depending on the type of contract, the amount…?)* |  | |  |  |  |
| Administrative documents to be provided  ***(what are they? Is non-compliance of the administrative documents a reason for rejection? Can a delay be left to obtain a missing document?)*** |  | |  |  |  |
| Contents of the bidding documents  ***(transparency of evaluation and qualification criteria, are there differences by type of contract? Is the estimated amount indicated?)*** |  | |  |  |  |
| Standard bidding documents  ***(yes/no? for which contracts)*** |  | |  |  |  |
| Fees to obtain the Bidding documents  ***(Do you have to pay to get the Bidding documents? Is it a reasonable amount? In any case or is it different depending on the type of service?)*** |  | |  |  |  |
| Clarifications during the bidding process  ***(is this planned? for all types of contracts?)*** |  | |  |  |  |
|  | |  | | | |
| Public opening of envelopes  ***(is the opening of bids public (= bidders can attend)? How many envelopes are there (one with the technical and financial proposal, or two separate envelopes)? Is it different depending on the type of service?)*** |  | |  |  |  |
| Existence of an e-procurement system (for bid submission and opening)  ***(security, accessibility, opening in 2 possible steps…/ audit by another donor? – look at the WB website to check*** [***https://www.worldbank.org/en/topic/governance/brief/global-public-procurement-database***](https://www.worldbank.org/en/topic/governance/brief/global-public-procurement-database)***)*** |  | |  |  |  |
|  |  |  |
| Competent evaluation committee  ***(Who are the members of the evaluation committee(s)? How are they selected? Are they independent of each other? Is their competence assured?)*** |  | |  |  |  |
| Selection methods  ***(on what basis is the contract awarded? Is it different according to the type of service? Technical scoring, least-cost compliant bid?)*** |  | |  |  |  |
| Evaluation criteria for consultants  ***(What flexibility is there, in the regulations, in setting these criteria? Level of detail? Automatic scoring?)*** |  | |  |  |  |
| Advertisement of the evaluation report  ***(are they published? What information is given to bidders?)*** |  | |  |  |  |
| Automatic disqualification of bids/management of abnormally low bids  ***(are there provisions for automatic elimination of a bid? For example, bid eliminated if its price is X% higher or lower than the estimate?)*** |  | |  |  |  |
| Bid validity period  ***(period of validity of the bids? extension of the period of validity: maximum number of extensions?)*** |  | |  |  |  |
| Right to reject one or all bids  *(Are there any provisions allowing the Contracting Authority to reject one bid without justification? Any provisions allowing it to reject all bids without justification?)* |  | |  |  |  |
|  | |  | | | |
| Negotiation practices  ***(is there a negotiation with the successful bidder? If so, what are the modalities? Are the possible practices different depending on the type of service?)*** |  | |  |  |  |
| Payment modalities (lump sum/ unit price)  ***(How are payments made? On the basis of a lump sum or unit prices? Does this differ according to the type of service?)*** |  | |  |  |  |
| Price adjustment  ***(is there the possibility of a price adjustment during contract execution? Under what conditions does this apply? Is there a formula?)*** |  | |  |  |  |
| Sub-contracting  ***(which provisions concerning subcontracting? Is this allowed? Is there a maximum of a % of the contract that can be subcontracted? Does the service provider retain full responsibility for the performance of the contract?)*** |  | |  |  |  |
| Securities  ***(what are the guarantees requested in the invitation for bids (bid submission) and in the contract (advance payment security, performance security, retention money, etc.)? Are there any given rates (in % of the contract amount for example)?)*** |  | |  |  |  |
| Complaints handling during the bidding process  *(Is there a mechanism to manage companies' requests on the outcome of their bid? What are the possibilities and terms of recourse for bidders)* |  | |  |  |  |
|  |  |  |
| Maximum amount for amendments  ***(is there a limit? if yes, what is it (for example, % of the initial contract amount)? exceptions?)*** |  | |  |  |  |
| Complaints handling during contract implementation  ***(Existence of arbitration or other mechanism? Possibilities to deal with disputes abroad?)*** |  | |  |  |  |
| Contractor’s liability: limited to the contract amount?  ***(what are the liability provisions? Is there a clause on the limitation of the company’s liability? Limited to the amount of the contract? Conversely, can the successful bidder dispense with insurance?)*** |  | |  |  |  |
|  | |  | | | |
| Handling of complaints  *(is there a process for handling procurement complaints?)* |  | |  |  |  |
|  |  |  |
| Unsuccessful bidding (including any minimum number of bids to go on with the process)  *(is there a minimum number of bids required to continue the procedure?)* |  | |  |  |  |
|  | |  | | | |
| Procurement Plan  ***(Is there a procurement plan? If so, what should it contain? Is it published?)*** |  | |  |  |  |
|  |  |  |
| Reporting and archiving  ***(Is there a procedure for archiving procurement documents? For how long?)*** |  | |  |  |  |
| Controls and audits  ***(What are the control procedures? Are there regular audits? By an independent auditor?)*** |  | |  |  |  |
|  |  |  |

**appendix ii – diagnosis of the beneficiary's procurement management capacity**

| **TOPIC** | **REGULATIONS APPLICABLE TO THE BENEFICIARY** | **GAP ANALYSIS WITH AFD’S PROCUREMENT GUIDELINES** | **RECOMMENDATIONS / MITIGATIONS MEASURES IF NECESSARY** |
| --- | --- | --- | --- |
| **BENEFICIARY’S PROCUREMENT CAPACITY** | | | |
| **Procurement team skills**  ***The procurement team within the beneficiary shall be composed of staff with appropriate training, and shall be large enough to be able to process the quantity of contracts to be procured by the beneficiary.*** |  |  |  |
| **Available equipment**  ***Procurement officers have access to adequate equipment (quantity and quality) to carry out their tasks.*** |  |  |  |

**Appendix III examples of risk mitigation measures that can be put in place following the diagnosis**

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| --- | --- | --- |
| **Nature of risk** | **Key weaknesses** | **Mitigation measures** |
| Risks identified in the legal and regulatory framework | * + - Eligibility: no eligibility criteria relating to conflicts of interest, fraud and corruption, or other cases of exclusion in regulations and/or tender documents;     - Assessment committee not competent;     - Little or no publicity of calls for tender and ITT results;     - Archiving of PM documents less than 5 years;     - Potential discrimination regarding the participation of certain candidates/bidders;     - Establishment of a national preference mechanism detrimental to compliance with International Best Practices (IBP);     - Maximum amount of amendments not specified;     - Recourse to the Procurement regulatory Authority unplanned; | Drafting of a standard procurement clause in the financing agreement. |
| * + - Drafting and publishing a procurement plan unplanned;     - Unframed recourse to direct contracting ;     - Type of consultation via international procurement competition not planned;     - Selection methods different from the International Best Practices ; | Condition precedent to 1ster disbursment: Non Objection Certificate (NOC) on Procurement plan |
| * + - Principle of open, transparent and fair competition not respected;     - Unclear evaluation criteria ;     - In the contracts, no clause concerns the handling of disputes or arbitration for international companies. | Specific Commitments:   * + - NOC on standard documents;     - NOC on consultation documents (based on thresholds and/or contract type);     - NOC on bid analysis reports (based on thresholds and/or contract type);     - NOC on draft contracts (based on thresholds and/or contract type). |
| Little or no internal controls on procurement proceedures and/or audit. | Specific commitment on the performance of an audit of the contracts at accounting close.  Specific commitment on the publication of an annual implementation report of the specific procurement plan |
| Recipient capacity risks | Low skills of those responsible for procurement. | Potential Specific Commitments:   * + - Follow AFD e-learning on procurement     - Creation of a PMU     - Recruitment of qualified procurement experts |
| Logistical capabilities: officers in charge of the procurement with little or no equipment | Disbursement indicator targeted on the purchase of computer and household supplies |