



Regional: Conducting Procurement Risk Assessment for Improved Procurement Outcomes

Project Name	Conducting Procurement Risk Assessment for Improved Procurement Outcomes	
Project Number	49286-001	
Country	Regional	
Project Status	Active	
Project Type / Modality of Assistance	Technical Assistance	
Source of Funding / Amount	TA 9033-REG: Conducting Procurement Risk Assessment for Improved Procurement Outcomes Technical Assistance Special Fund US\$ 1.50 million	
Strategic Agendas	Inclusive economic growth	
Drivers of Change	Governance and capacity development Knowledge solutions	
Sector / Subsector	Multisector - Under corporate priority framework meeting	
Gender Equity and Mainstreaming	No gender elements	
Description	<p>The quality of procurement systems varies significantly across developing member countries (DMCs), and across sectors and agencies within each DMC. The Asian Development Bank (ADB) has been providing resources and technical assistance to support various government reform programs, and several DMCs have managed to hurdle the first generation of public procurement reforms through the enactment of procurement laws and the establishment of relevant national institutions. However, the achievement of policy and institutional reforms at the national level does not automatically translate to more effective procurement outcomes at the line agency level. This is evident from the fact that the procurement capacity assessment that ADB regularly conducts for project loans generally show capacity constraints in the area of procurement, regardless of whether of not the executing agencies (EAs) and implementing agencies (IAs) involved have handled ADB-financed projects in the past. It is therefore important to identify strengths, risks and bottlenecks that hamper the flow of reforms at the national level to EAs and IAs so that effective procurement practices are attained at the implementation level, and these contribute to the achievement of development outcomes.</p> <p>In February 2013, ADB's Procurement Governance Review (PGR) affirmed that country procurement risk assessments are needed to identify implementation risks and mitigation measures, and that every country partnership strategy (CPS) needs a country-specific procurement risk assessment to identify major risks that could affect implementation of the strategy.</p> <p>The proposed procurement risk assessment allows for procurement risk to be identified and determine the suitability of a DMC to use its own country systems, revise procurement review thresholds and prior review requirement. The project at a glance is provided in Appendix 1 and the design and monitoring framework in Appendix 2.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>Through the proposed PATA, comprehensive risk assessment exercises will be undertaken at two levels, namely: (i) the national and sector level; and (ii) the agency/project level. At the national level, a diagnostic tool developed by OSFMD, will be used to review relevant national, sector and transactional procurement information and assess the public procurement risk of a DMC. The same tool will then be used to inform the country-specific procurement assessment and mitigation plan in the CPS of a DMC. At the agency/project level, a comprehensive procurement risk assessment that builds on the initial findings of the assessment will be undertaken for selected projects. The assessment will indicate whether or not the national procurement procedures and institutions, and the capacity and performance of the EAs and IAs, adequately meet the procurement principles of competition, economy and efficiency, transparency, and fairness and equal opportunity. The lessons learned from this TA will support ADB in preparing a comprehensive and practical procurement risk assessment methodology along with corresponding mitigation measures.</p> <p>The proposed PATA will directly support the preparations of CPSs by ensuring that current country-specific procurement risk assessments and responsive risk mitigations plans are prepared. It will highlight the institutional capacity gaps on the procurement front which can hamper the delivery of results.</p>	

Impact The impact of the proposed R-PATA is a more effective and efficient procurement system in the DMCs.

Project Outcome

Description of Outcome The outcome is an appropriate level of delegation of procurement activities to the DMCs.

Progress Toward Outcome

Implementation Progress

Description of Project Outputs The sector procurement risks in each DMCs are identified and the procurement thresholds for international and national competitive bidding determined, including prior and post review limits.

Status of Implementation Progress (Outputs, Activities, and Issues)

Geographical Location

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services The TA will require international consultants (estimated 40 person-months) and national consultants (estimated 100 person-months) with skills in procurement management, change management, and capacity development. ADB will recruit all consultants in accordance with its Guidelines on the Use of Consultants (2013 as amended from time to time).

Responsible Staff

Responsible ADB Officer Abdukayumov, Rustam A.

Responsible ADB Department Operations Services and Financial Management Department

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Timetable

Concept Clearance 29 Oct 2015

Fact Finding -

MRM -

Approval 11 Dec 2015

Last Review Mission -

Last PDS Update 17 Dec 2015

TA 9033-REG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
11 Dec 2015	-	11 Dec 2015	31 Dec 2018	-	-

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,500,000.00	0.00	0.00	0.00	0.00	0.00	1,500,000.00	11 Dec 2015	425,718.65

Project Page <https://www.adb.org/projects/49286-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=49286-001>

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