Project Information Document/
Identification/Concept Stage (PID)

Concept Stage | Date Prepared/Updated: 10-Jun-2021 | Report No: PIDC244052

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BASIC INFORMATION

A. Basic Project Data

Project ID	Parent Project ID (if any)	Environmental and Social Risk Classification	Project Name
P176477		Low	Rwanda - Enhancing Country Procurement System
Region	Country	Date PID Prepared	Estimated Date of Approval
AFRICA EAST	Rwanda	10-Jun-2021	
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing	Ministry of Finance and Economic Planning (MINECOFIN)	Rwanda Public Procurement Authority (RPPA)	

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY	
Total Project Cost	0.41
Total Financing	0.41

Financing Gap 0.00

DETAILS

Non-World Bank Group Financing

Trust Funds	0.41
Trust Funds	0.41

B. Introduction and Context

Country Context

Strengthening of public procurement systems is central for achieving concrete and sustainable results and building effective institutions. With economy and efficiency in the procurement process there could be substantial savings of public resources. In the mid-1990s, Rwanda was one of the world's poorest countries. Rwanda's visionary leadership and institutions, which it put in place during the nation building in the 1990s and 2000s, played a central role in Rwanda's recovery. Rwanda's future aspirations are extremely ambitious. These aspirations are reflected in the country's Vision 2020 and Vision 2050 as also in the development and

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poverty reduction strategies document, namely the 7 Year Government Program: National Strategy for Transformation (NST 1) 2017–2024. Vision 2050 aspires to take Rwanda to upper-middle-income-country status by 2035 and high-income status by 2050, with the intention of providing productive economic opportunities and higher-quality living standards to all Rwandan citizens (Source: GoR 2017).

Vision 2020 identified six pillars to achieve its goals: (i) good governance and a capable state; (ii) human resource development and a knowledge-based economy; (iii) a private sector-led economy; (iv) infrastructure development; (v) productive and market oriented agriculture; and (vi) regional and international economic integration. Gender equality, environmental sustainability, and long-term commitment to science and technology were the cross-cutting themes to support the six pillars. All these areas are vitally linked to the public procurement system of the country and the GoR has taken an early lead in improving its public procurement system.

Rwanda was the first country in the Africa region to request consideration as a pilot country under the World Bank's Use of Country Procurement Systems Piloting Program approved by the Board of the World Bank in April 2008. The assessment, which was carried out in 2009 and 2010, involved a benchmarking based on MAPS, the OECD- DAC methodology that required a score of either 3 out of 3 or minimum 2+ action and minimum 3 of 54 sets of sub-indicators built around 12 indicators and 4 pillars. Based on this rigorous assessment, the Public Procurement System of Rwanda was able to meet 49 out of 54 sub-indicators.

Sectoral and Institutional Context

Public Procurement modernization is part of Rwanda's procurement strategy. As part of this public procurement modernization, Rwanda embarked on developing and rolling out E-Procurement system. Accordingly, Rwanda took the lead in Sub-Saharan African counties to develop and rollout full-fledged eprocurement system covering end-to-end procurement process, covering all procurement categories and implemented across all government procuring agencies. Rwanda was also one of the first countries to carry our public procurement system assessment using the latest version (2018) methodology for assessment of public procurement system (MAPS). Rwanda E-Procurement system is also assessed as part of the MAPS assessment. There is a roadmap in the final report of MAPS, which defines the way forward in addressing the identified issues and recommendations of the MAPS report to improve the operational performance through the four major priority reform actions described in the report. Procurement professionalization is a key reform the Government is committed to implement to improve procurement performance. In addition, comprehensive data analysis is missing which would inform relevant policies and decisions to be taken for the successful implementation of the roadmap. Using a modern e-GP system, the GoR has collected real-time procurement and contract data in electronic format over the last 3 years. Unleashing the power of such wealth of data would be a missed opportunity as these data will allow deep insights into the performance and effectiveness of the public procurement system as a whole and at contracting agency level. To this end, the proposed data analytics, including the adoption of the OCDS standard and the STEP integration with the Rwanda e-GP system, will provide the foundation for evidence-based implementation steps to ensure

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successful and sustainable outcomes from the identified priority reform actions with the overall objective of improving operational performance of public procurement in Rwanda.

The data analytics keeps the government up to date on public spending. Well-crafted data analytics can provide a 360-degree view of the procurement performance, which provides input for policy decisions and strategy development by the government. Data analytics can help unearth surprising realities and mysteries in the public procurement practices. The proposed data analytics will be instrumental in advancing the key reform actions as it is based on real data and will help address the root cause rather than the symptoms of procurement performance and system issues. It will help improve governance in the public procurement sector and understand the health of public procurement performance in depth. The medium-term objective of procurement reform is the adoption of modern data analytics with the long-term objective of using them to inform procurement strategy, policy decisions, and interventions. The immediate next steps that the grant will support are an analysis of the e-GP dataset over the last 3 years and the presentation of findings and actionable recommendations to the GoR with focus on advancing the key reform actions.

Improving the e-GP system by introducing OCDS formats and connecting it with the Bank's STEP system will provide an excellent opportunity of including procurement and contract data from Bank-funded operations into the data analytics and subsequent strategic planning. In addition, the readiness of the Rwandan e-GP system to connect with STEP and other systems/APIs by MDBs and donors contributes to the longer-term objective of promoting the use of the country's own procurement system. It will set a great example and provide valuable lessons for the same approach in other countries.

Relationship to CPF

The proposed project is aligned with the World Bank's current Country Partnership Framework (CPF) FY2014-FY2020 and the next draft CPF for Rwanda. The CPF has clearly indicated that, "Not only has the Bank been diligently using country system in Rwanda and will continue to do so, but it has also been contributing, and will continue to, enhance these systems. In the area of procurement, the World Bank supported the development and deployment of e-Government Procurement (e-GP) system as part of Public Sector Reform PforR under the 2014-2020 CPS. Rwanda is the first country in Africa to roll out e-GP (end to end solution) across the country and for all public procurement categories. This successful outcome has significantly contributed to better public finance management by enhancing transparency, integrity and value for money in public procurement. The Bank has established the technical feasibility to system integration in relation to the sharing of Procurement Plan data between the World Bank's Systematic Tracking of Exchanges in Procurement System (STEP) and the Rwanda E-Government Procurement System via system to system API exchanges. The proposed MDTF project is intended to mainly finance the integration of the two system to resolve the current procurement process delays due to double work by the SPIUs both on the E-Procurement and STEP.

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C. Project Development Objective(s)

Proposed Development Objective(s)

The objective is strengthening and modernizing public procurement system of Rwanda by leveraging the use of data from Rwanda e-Procurement system though data collection, analysis and visualization, Adoption of Open Contract Data Standard (OCDS), and E-Procurement System Enhancement.

Key Results

The objective is strengthening and modernizing public procurement system of Rwanda by leveraging the use of data from Rwanda e-Procurement system though data collection, analysis and visualization, Adoption of Open Contract Data Standard (OCDS), and E-Procurement System Enhancement to pave the way for E-Procurement and STEP integration.

The grant will build upon the Bank's Systematic Tracking of Exchanges in Procurement (STEP) system and finance enhancements of the e-GP system of Rwanda to integrate STEP, thus improving the performance of Bank-funded procurement by cutting short the supervision time in IPF contracts and providing all relevant information as one-stop approach. This will be instrumental and serve as model for STEP integrations with e-GP systems in other countries.

On Data Analytics, the grant would mainly build on existing data analytics knowledge from within the World Bank in collaboration between the Procurement and DIME units and similar work in other Regions, e.g. LCR, ECA, EAP.

The grant would also build upon one important and relevant resource supported by the GPP MDTF, i.e. the Open Contracting Data Standard (OCDS). Currently, the Rwanda e-GP system does not publish data in machine-readable formats and the grant would leverage the use of OCDS by demonstrating the benefits and helping the GoR implement OCDS into the e-GP system.

PDO Level Indicators

- E-Procurement System Enhancement for STEP/E-GP integration is rolled out,
- Open Contracting Data Standard (OCDS) implemented in Rwanda e-Procurement system data starts published in machine-readable formats,
- The use of data from Rwanda e-Procurement system is implemented though data collection, analysis and visualization and workshop conducted,

D. Preliminary Description

Activities/Components

The project; enhancing Country Procurement System of Rwanda has the following three components:

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- (i) collection of Data from Rwanda E-Procurement, analysis, Visualization of findings, Preparation of actionable recommendations, Presentation & training workshop,
- (ii) Adoption of open contracting data standard (OCDS) as part of their e-Procurement system and
- (iii) Rwanda E-Procurement system enhancement for integration of the Bank's STEP system with the e-GP system.

Environmental and Social Standards Relevance

E. Relevant Standards

ESS Standards		Relevance
ESS 1	Assessment and Management of Environmental and Social Risks and Impacts	Relevant
ESS 10	Stakeholder Engagement and Information Disclosure	Relevant
ESS 2	Labor and Working Conditions	Relevant
ESS 3	Resource Efficiency and Pollution Prevention and Management	Not Currently Relevant
ESS 4	Community Health and Safety	Not Currently Relevant
ESS 5	Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
ESS 6	Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
ESS 7	Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
ESS 8	Cultural Heritage	Not Currently Relevant
ESS 9	Financial Intermediaries	Not Currently Relevant

Legal Operational Policies

Safeguard Policies	Triggered	Explanation (Optional)
Projects on International Waterways OP 7.50	No	
Projects in Disputed Areas OP 7.60	No	

Summary of Screening of Environmental and Social Risks and Impacts

The environmental risk is considered low. The project will finance the enhancement of the public e-procurement process in the country. The activities to be financed by the project will be limited to data collection, analysis, and integration of e-procurement enhancements. The project will not finance any civil works. Instead, the project will result in a positive environmental impact by promoting a paperless

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procurement process which will result in the conservation of trees. The social risk is considered low for this operation. As the project intends to hire required expertise to help in the integration of OCDS in the e-GP system and in the E-procurement enhancement to facilitate the client in the system enhancement under the REFT activities, the ESCP will be appropriate to cover labor-management requirement in the hiring process, and no need for a stand-alone Labor-Management procedure for this operation. There are no other anticipated social risks for this operation at this stage. All actions required to manage issues related to labor, and stakeholders? consultations will be outlined in the ESCP.

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Borrower/Client/Recipient

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Implementing Agencies

Implementing Rwanda Public Procurement Authority (RPPA)

Agency:

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