

2011

Capacity Assessment Toolkit

Manual and Guide Note



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This Guidance Note (GNIT) was prepared by the Project Leader (PL) in November 2010 under technical assistance funded by EBRD Shareholder Special Fund. The Operations Leader (OL) is Mr Veljko Sikirica, Senior Procurement Specialist at the Procurement Department (PD). For information requests please contact Mr Veljko Sikirica, extension 6884 or Ms Marita Thomas, extension 7598 or write to thomasm@ebrd.com

I. INTRODUCTION

A. Background



1. The Bank has initiated a two-year partnership programme to assist Clients in improving procurement performance, by undertaking an Institutional Capacity Assessment (ICA) on procurement in partnership with the Client.
2. The Bank places special emphasis on institutional building in its countries of operations. Public procurement occupies a central place within its overall objectives of fostering efficient use of public funds and contributing to institutional strengthening, corporate governance and capacity building.
3. Sound institutional capacity in procurement for the Bank's Clients is imperative for successful project implementation, for the attainment of the Banks' objectives and for sustainability of such objectives. The Bank is thereby interested in strengthening the institutional capacity of its Clients to administer procurement effectively and transparently and to provide training and assistance to the Clients, and to ensure Clients possess the necessary capacity to efficiently implement Bank financed projects.
4. This Guidance Note on the Institutional Capacity Assessment Toolkit (GNIT) will assist and provide clarity to qualified assessors in the application of the assessment of the procurement implementation capacity of Bank's Clients.

B. Why Capacity Assessment and Risk Determination?

5. Capacity assessment on procurement of Clients, in a structured and standardised form, began in the early 2000's by International Financial Institutions (IFIs) to ensure that basic procurement skills and procedures were in place for project implementation and to improve procurement performance. It was noted that data analysed and processed in the review of capacity was an invaluable asset for upstream capacity building of the Client, turning the focus of the ICA towards institutional reform and modernisation as a matter of good governance. Since then, institutional capacity assessment on procurement has become the road map for Clients in achieving economical, efficient and transparent procurement in a manner consistent with best practices.
6. Public procurement occupies a central place within EBRD's overall objectives of fostering efficient use of public funds and contributing to institutional strengthening and corporate governance of the member countries. Sound capacity in procurement for the Bank's Clients is imperative for successful project implementation, for the attainment of the Banks' objectives and for sustainability of such objectives.
7. The Bank lending portfolio in Public Sector, involves using EBRD's Procurement Policies and Rules (PP&R) for project implementation. Public procurement in practice however, can be subject to malfeasance or wrongdoing and possess a risk to the Bank.
8. The Bank has a fiduciary responsibility to ensure that resources of its lending operations are used with economy, efficiency, quality of results, contractual protection and timely completion. Such a fiduciary responsibility can only be delivered if the Bank is able to identify risk under each lending operation and find ways to mitigate those risks.
9. In order to mitigate undesirable consequences, the Bank has developed a risk determination methodology based on project and institutional capacity assessment that will allow an early identification of risks relating to the ability of the Client to implement projects approved by the Bank. This methodology is based on OECD considerations that have been designed for capacity assessment in public procurement.
10. The Bank's procurement and implementation risk assessment methodology is based on a tailor-made toolkit model that is applied to prospective Clients. The result of the assessment is the risk classification. Based on the level of risk, the Bank will adopt/propose a number of measures to mitigate identified risk.

C. The objectives of Capacity Assessment (ICA)

11. The ICA is an integral part of the Institutional Capacity Building (ICB) and Outreach Programme (CTOP) launched by the Bank in early 2010. The objectives of the Institutional Capacity Assessment are to: (a) evaluate the capability of Clients, and the adequacy of procurement and related systems in place, to administer procurement (goods, works, services and consulting services) in general and particularly for Bank-financed procurement; (b) assess the competitiveness of the Client's sector operations environment; (c) assess the risks (institutional, political, organisational, procedural, etc.) that may negatively affect the ability of the Client to carry out the procurement process, including identification of procurement practices unacceptable for use in Bank-financed projects; and (d) develop an action plan to be implemented, as part of the project, to address deficiencies detected by the capacity analysis and to minimise the risks identified by the risk analysis.

D. Capacity Assessment (ICA) Tool Kit

12. The Bank developed a sustainable Institutional Capacity Assessment Programme including a practical Institutional Capacity Assessment Tool Kit and Guide Note (GNIT) that will be shared with Clients. This ICA Toolkit will be tested and fine-tuned with participation of up to twelve selected Clients in six countries, in years 2010 and 2011.

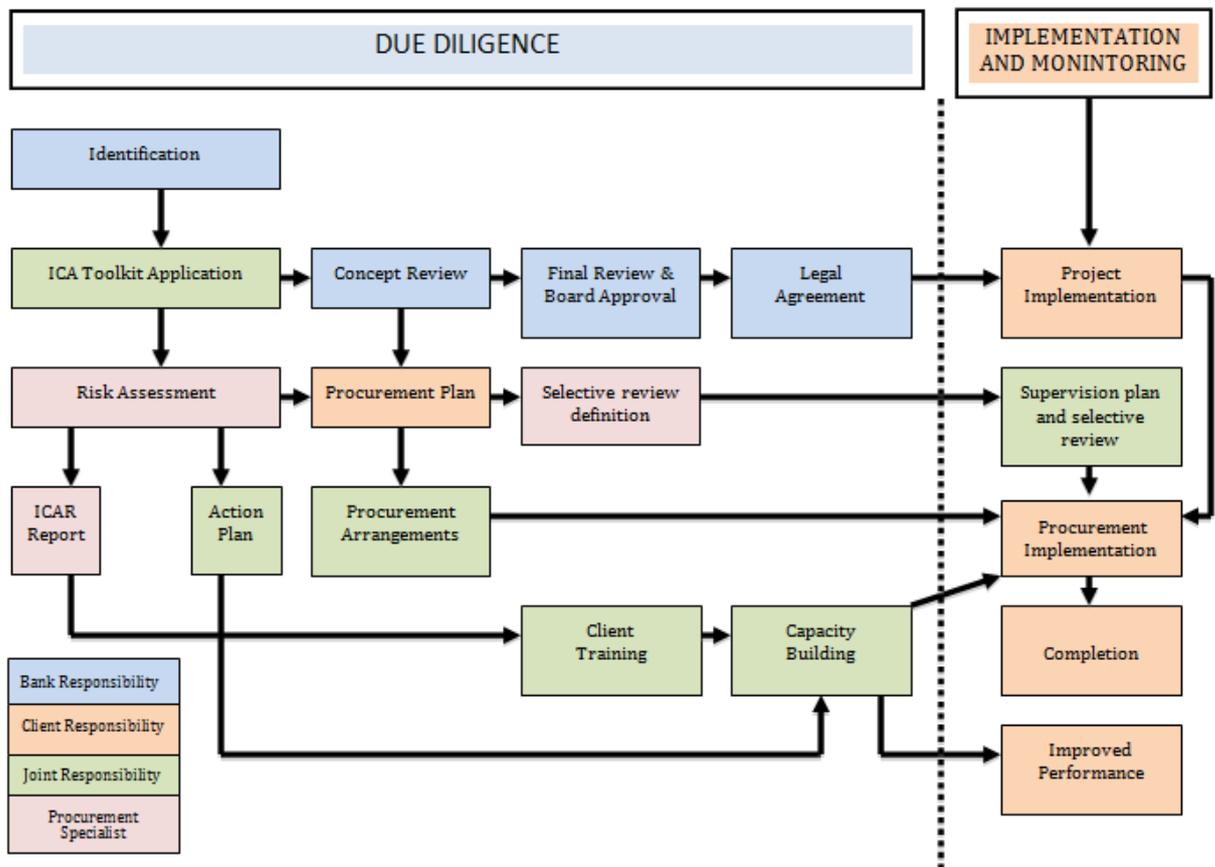
13. EBRD's ICA is a simple package of fact-findings that provides a concrete picture of the Client's institutional capacity to implement procurement and to define an action plan consistent with risks. In applying the toolkit, the assessor will take into account established standards clearly set forth in the toolkit as well as the impact of the procurement practices in the Client under assessment vis-à-vis the Bank's Procurement Policies and Rules (PP&R).

14. By and large, the ICA Tool Kit focuses on the structure, organisation, resources and procurement practices of the Client's institution but also takes into account the characteristics of specific projects. The final result of the ICA, through implementation of the Tool Kit, will be to determine Clients' compliance in procurement against Bank's standards.

15. The compliance degree of Clients is determined by comparing the Clients characteristics against a minimum standard of compliance or performance, customised for each Client or sector by a capable procurement specialist. The exercise requires that the Client provide self-assessed input elements thus gaining ownership of the assessment. The legal framework input relies on the Bank's legal transition team assessment, as well as, on existing reports such as CPAR, OECD-DAC, PEFA to avoid duplication.

16. The Tool Kit will highlight mandatory items that require Client’s full compliance with specific standards, in order to be considered apt to manage procurement processes. The structure of the Tool Kit assessment should minimise subjectivity.

INSTITUTIONAL CAPACITY ASSESSMENT FLOWCHART



E. The Action Plan

17. The results produced by the ICA will be useful for Clients wishing to improve procurement performance. The Tool Kit will also identify an Action Plan with proposed solutions and mitigating measures, i.e., instilling procedures, processes or steps that were overlooked or disregarded in the past and that are frequently critical to procurement performance. Examples of overlooked processes may include complaint handling, consultancy support and recruitment of experienced personnel. The action plan generated by the toolkit is only a listing of activities that would help the Bank Client to match any failed compliance standard. Form 1.1 should be filled out by the qualified assessor listing other details of the action plan such as in the next example:

Form 1.1: Action plan and assistance strategy

This form summarises the risks determined in the Capacity Assessment, the mitigating measures and the expected support of the operation to implement such measures.



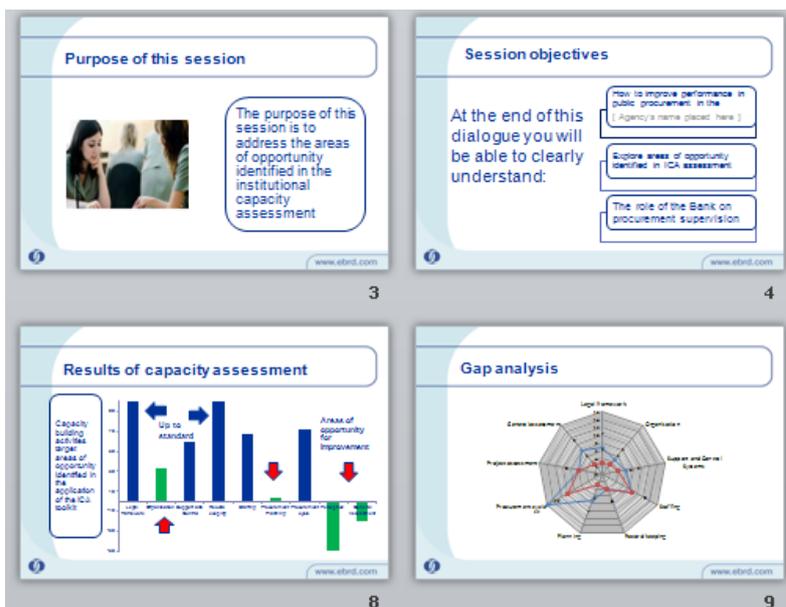
Country:	
Name of Client:	
Date:	
Prepared by:	

	Issue	Risk	Mitigating Measure	Bank Support	Time Frame	Resources
1	Lack of delegation	Delays	Develop authority mitigation mechanism in the Client foreseen re-organization	Discuss in Client training	1 year	Operations expert and legal
2	Skills on procurement	Delays, mistakes	Appoint a central normative unit	Discuss in Client training; support re-organization; job descriptions	1 year	Procurement expert; Human resources support
3	Guidance on procurement	Loose instructions; mistakes	Rulebook, compendium or manual on procurement	Discuss in Client training; terms of reference	Six months	Consultant
4	No preventive measures against corruption	Corruption acts inadvertent	Campaigns, posters, codes, disclosure	Examples in Client training	1 year	Consultant

18. By no means is the Action Plan a finalised product or an agreement with the Client on how to develop further the procurement function in the Client. The Action Plan is only an outline of activities and actions that, in the view of the Assessor, will help strengthening any area of opportunity identified during the assessment.

19. The Action Plan presented in the ICAR reports is an output of the toolkit designed to assist the Bank and the Client to develop a strategy to improve the procurement function in the Client and to catalyse technical assistance from other sources. The Action plan is not endorsed by the Bank unless additional discussions or agreement are reached between the parties who have the right to remove, add or change any of the listed activities based on priorities, risks or determination of the parties.

F. Client Training Programme



20. Based on the findings of the assessment, it will be possible to develop a Client Training package to address the areas of opportunity for improvement and to ensure that the Bank's Procurement Policies and Rules ("PP&R") are clearly understood and applied in the Bank's lending operations in a consistent manner. Procurement Department has four new teaching modules:

introduction to procurement, procurement for OL, procurement to address areas of opportunity and procurement for outreach contractors and suppliers. These modules follow a standard format and their content is aligned with the training strategy of the Bank and with the findings of the first cohort of capacity assessment applications.

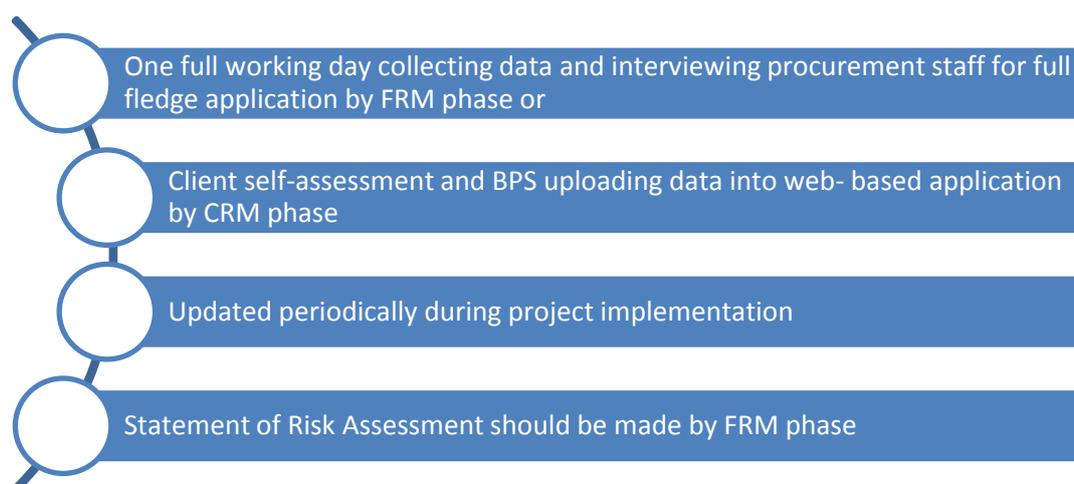
21. The Bank, as part of the computerised tool Kit, will apply information technology for the selection and management of training materials in order to ensure sustainable Institutional Capacity Building (ICB) in procurement for Clients.

G. Timeframe

22. The full-fledged version of the capacity assessment tool kit is designed to be applied in one full working day in a one-to-one conversation with the procurement staff during a visit to the Client's head office. In most cases, Business Procurement Specialists (BPS) will not have that time available. For this reason, simplified versions of the tool kit will be in-hand for the BPS to ask Clients to carry out a self-assessment focussed exclusively in the project implementation aspects. During the CRM phase, BPS will upload these data into a web-based application in the Bank's intranet creating a record for the Client on procurement capacity. The web application would allow BPS to complement the information with additional data as it is gathered subsequently. By FRM phase, BPS should be able to complete the full form of the ICA toolkit and produce the Risk Assessment statement.

23. A successful application of the toolkit requires alerting the Bank Client in advance; the Programme offers a flier and a condensed version of the toolkit and compliance standards prepared to brief the Bank Client on the objectives and scope of the ICA. This would require planning time and early contacts with the Bank Client. Successful cases alerted the Clients at least one month in advance. Once in the field, the Programme offers the Assessor a PowerPoint to introduce the subject matter quickly and effectively.

24. Each individual ICA application of the assessment (consisting of verification of about 50 parameters in eight categories or groups of characteristics of the procurement implementation within a Client) will take one day in collecting the data and half-a-day to analyse the results and produce a report. If the status of the project preparation is such that allows for a project procurement assessment, then a half-day work should be added to the review and work plan with the Bank Client.

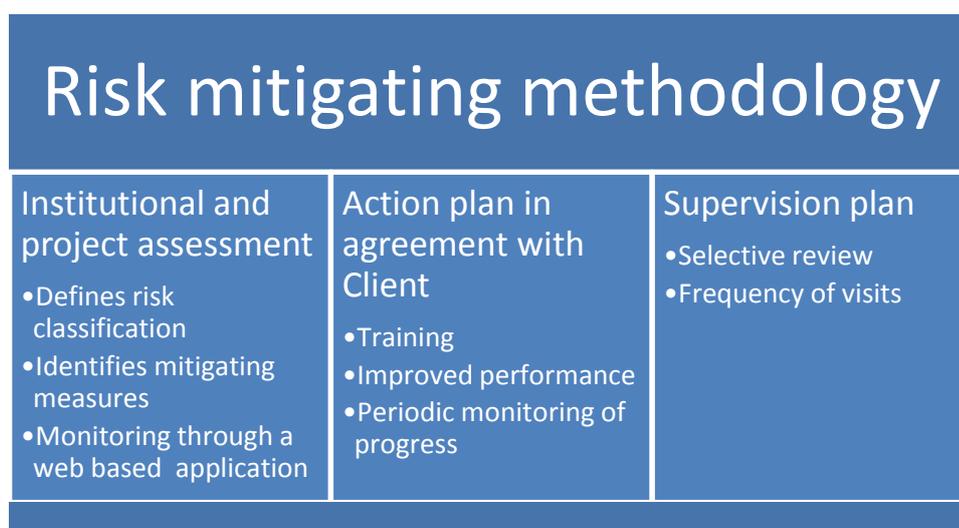


25. With the appropriate use of the toolkit, the effort invested to carefully record the justification and observations of the qualified assessor, scores given, charts developed, compilation of support laws and regulations, industry interviews, writing up

an aide memoir, etc. will require one day of interaction with the Client, after which the Bank will finalise the analysis concluding in a statement of Risk Assessment.

H. Risk assessment methodology

26. The next chart summarizes the elements comprising the risk assessment methodology adopted by the Bank that would help improving the implementation of the strategy.



27. While the project and institutional capacity assessment will clearly provide mitigating measures in two dimensions, i.e., business and control risks, the Bank will mitigate further risks in the project implementation by adopting a supervision plan. Consequently, on the Bank side, the main tool mitigating risk is the implementation of a supervision plan defined by a simplified, hands-on Risk Assessment Methodology used to prepare a multidimensional matrix of the Client and the Project. The risk determination will be based chiefly in the findings of the institutional capacity assessment and its main outcome which is the risk classification. The basic rule of the risk allocation is the following: the higher the risk of the Client as defined by the toolkit, the closer the Bank supervision. In particular, the selective review by the Procurement Department will be required when the risk is higher. Projects that are classified as low risk will have little or no selective review by Procurement Department.

28. Risk Assessment (RA) is a technical output made by the Procurement Specialists and OL in respect to the risk classifications as identified by the application of the toolkit. RA is equally critical for the preparation and approval stage, as well as, for the proper oversight to be secured during project implementation. RA serves as a guide to Operation Teams and PD to allocate resources and focus greater procurement emphasis and effort towards those activities or projects burdened with greater procurement risk.

RA is a tool for Procurement Specialist and OL to prepare for, and mitigate procurement risks (endemic high risks identified). RA is a solid platform for Procurement Specialists and OL to work with the Client, to design Client's Procurement Capacity Development Programs and Action Plans.

Items are parameters generally reflected as questions or statements used to assessment the ability of the Client to implement public procurement. ICA toolkit has 62 items grouped in nine categories. Project assessment involves 12 items in one general category when carried out jointly with institutional assessment or 37 items when carried out standing alone.

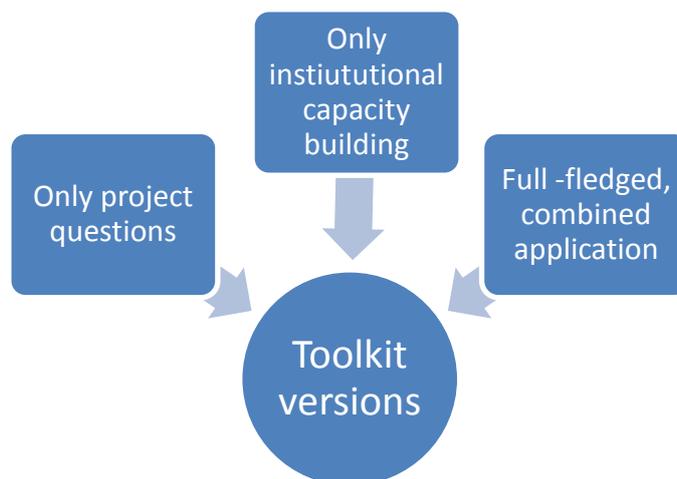
I. Capacity Assessment determination

29. The Project Procurement Assessment is integral part of the ICA Toolkit and will assist BPS to define a Risk Assessment. In the toolkit, the last category of questions applies exclusively to the project being appraised; this section will facilitate the assessment of the procurement capacity related to a specific Bank-lending project. The toolkit includes 12 items which cover the full cycle of procurement implementation. It assesses the quality of the procurement plan, the knowledge and experience of the Client in international procurement, including FIDIC documents and the capacity of the Client to provide contract management.

30. Although the said 12 items is the minimum possible rating of a project implementation unit, most other items of the toolkit may be applied to a project organization exclusively set up for the project implementation omitting only items oriented to assess aspects of the institutional capacity assessment in cases when the Bank or the Client are not interested to invest time or resources in improving the institutional procurement performance of the Client thus limiting the Bank intervention to support the project implementation.

31. A combination of the two dimensions (project support and institutional capacity building) is convenient and possible with the full-fledged application of the tool kit.

32. For cases in which the institutional component is not warranted or agreed upon, the tool kit (with use of simple N/A score in the table) will produce a score of the risk based on the features of the of project procurement arrangements only.



II. ICA TOOLKIT OVERVIEW

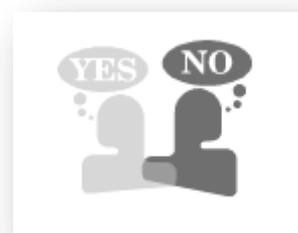
J. Function of the Manual

33. This manual provides the qualified assessor of the institutional procurement capacity of a Client of the EBRD with a standard report on sixty characteristics of the procurement implementation at the Client level and the project implementation. Additionally, the toolkit will provide a risks assessment and a list of actions to be incorporated in an action plan to improve the institutional capacity in procurement. There are four tasks that the qualified assessor should do prior to applying the toolkit: (a) determine which parts are subject to self-assessment by the Client and which parts the Assessor will review and rate; (b) fill in the basic data on the Client or project (c) determine if each item is compulsory or desirable and (d) determine if the item it is not applicable for the Client. In applying the toolkit two other tasks should be performed by the qualified Assessor: (a) compare the actual features or characteristics of the Client in each one of the sixty items and (b) indicate whether or not the Client complies with the standard. The rest of the report will be calculated by the Toolkit automatically.



34. The ICA toolkit attempts to minimise subjectivity. This would be achieved by establishing a minimum standard of compliance or performance -- customised for each client or sector. In the legal framework category, other reports such as CPAR, OECD-DAC, PEFA will provide the necessary input to avoid duplication of sector assessments. Other than five questions in the toolkit relating to the Client legal capacity to undertake procurement, a legal comprehensive assessment pertains to the legal transition ream reviews.

35. A few of the items should be considered mandatory requiring full compliance to these standards (either during the assessment or subsequently based on the capacity-building action plan) for an implementing Client to be considered apt for managing procurement processes. Such mandatory compliance will be determined by the assessor beforehand the application of the Toolkit taking into an account the relevance or weigh of such item in the overall procurement cycle of the Client.



36. In this sense, the availability of a link between financial monitoring systems and procurement plan will be mandatory in a large implementing Client with hundreds of procurement actions while in a small municipality the availability of such system is only

desirable as the financial controls before issuing tenders can be made manually. Procurement Department will actively participate in the definition of which items are compulsory, which are desirable or not applicable. BPS should make the first round of choices based on experience, knowledge or professional judgment about the sector and type of Client but the selection should be confirmed by PD.



37. For the remaining standards, a “yes” or “no” scoring system will be assigned by the assessor which allows flexibility in determining the Client’s capacity to undertake procurement activities.

38. Part of the toolkit will be suitable for Client self-assessment. Other parts of the toolkit would require mandatory Bank’s staff participation in the assessment; in a few other parts, the Bank should have overwriting authority to correct the self-assessment, if it happens that the Bank possesses more accurate information regarding performance, track record or past experience with the item under review. The simplified version of the toolkit is suitable for Client self-assessment entirely. In respect to the full version of the ICA toolkit, sections relating to legal framework, organisation, records, control are typically suitable for Client self-assessment; more complex procurement tasks like procurement planning and procurement cycle may need the experience and judgment of the BPS to ensure that the response of the Client are realistic and represent practical implementation rather than reflection of regulations not always enforced. General assessment and Project Procurement sections require BPS involvement in the assessment.

39. The worksheet shows some of the characteristics of the Institutional Capacity Assessment:

- Nine categories or groups define the institutional capacity and the project implementation capacity;
- Category ninth relates to the future or on-going project and it does add to the overall capacity assessment, risk determination and action plan;
- Sixty two items are evaluated;
- Five scores: -2, -1, 0, 1 or 2 automatically calculated by the toolkit;
- Three degrees of tailoring for the Client: Compulsory, Desirable or No Applicable;
- Justifiable risk determination based on scores;
- Blocks for self-assessment or Bank-mandatory assessment defined on case by case basis.



40. The Toolkit will generate an automatic outline of the action plan needed to address weaknesses or areas of

opportunity identified in the assessment by the qualified reviewer generally a Bank procurement specialist. The outline provides a stamen of possible areas for improvement. If the qualified reviewer considers that the identification is valid, he should elaborate further in the definition of the activity of the action plan in a separate form.

Standards are parameters generally as statement based on international good practices harmonised by OECD used to define the compliance of a Client in an item. Most items have a clear statement of compliance; in a few cases, there is no standard of compliance in which case the Assessor will make the determination based in his or her professional judgment.

K. Scope of Institutional Capacity Assessment

41. The Institutional Capacity Assessment (ICA) will examine organisational aspects, staff skills, quality and adequacy of supporting and control systems on the basis of a self-explanatory toolkit. The toolkit would need to be tailored to the Client.

42. If the Client's implementing Client is well known to the Bank, much of the information necessary is likely to be available in the Bank and the majority of the assessment can be done without further consultation; only critical parts of the assessment will require specific input from the qualified assessor. If the OECD-DAC methodology was already applied or if there is an up-to-date CPAR these would be a suitable source or background for a number of parameters of the capacity assessment. Additional guidance on the legal framework should be sought from the LTT research work.

43. Consequently, each parameter subject to assessment will be framed in three score categories: yes, no or not applicable. The tool will identify agencies that have a reasonable possibility of addressing identified weaknesses progressively leading to internationally acceptable procurement standards. By assigning a compliance indicator (in this case, yes, no or not applicable) to each item and a score to each category, the strengths and weaknesses of the Client's implementation capabilities will become readily apparent.



44. The identification of weaknesses requiring significant corrective action (i.e., a compliance rating of "No") within each category defines areas of focus for strengthening activities. When implementation of such activities is successful, the Client could carry out procurement in line with internationally-accepted best practices and the EBRD PP&R.

45. From this point, the next step is to agree with the Client on an Action Plan to improve performance and a Bank's supervision plan to ensure consistency with the fiduciary responsibilities of the Bank. The toolkit will include guidance on the preparation of both plans.



46. These guidelines for the toolkit stress the importance of a professional and objective assessment but will also advise the staff and consultants carrying out the assessment to present conclusions in a manner that would impress managers and authorities.

47. Data gathered in all the assessment will be integrated in a database to facilitate inquiries, research, monitoring and reporting on the findings of the Programme in capacity assessment and in capacity building of the Client countries. The database was developed by the Bank and is suitable for access for authorised Bank's staff in the intranet.

L. Risk-based Assessment

48. Risk-based assessment will be a critical element of the assignment. Thoughts and discussions will stimulate the preparation of a section on this subject throughout the design of the toolkit. Procurement risk factors will be grouped into three categories: inherent risks, control risks and detection risks. The Bank will define Client risk based assessment in four categories: low, moderate low risk, moderate high risk and high risk.



49. In general, Clients achieving less than the minimum score are high risk, scores between 50% and 65% are potentially high risk or moderate high risks; scores above 65% and below 85% will be considered moderate low risk; agencies achieving more than 85% of the maximum score will be considered low risk. These “rules of thumb” indicators will be re-assessed upon completion of the 12 proposed ICA applications.

M. Procurement Risks Factors

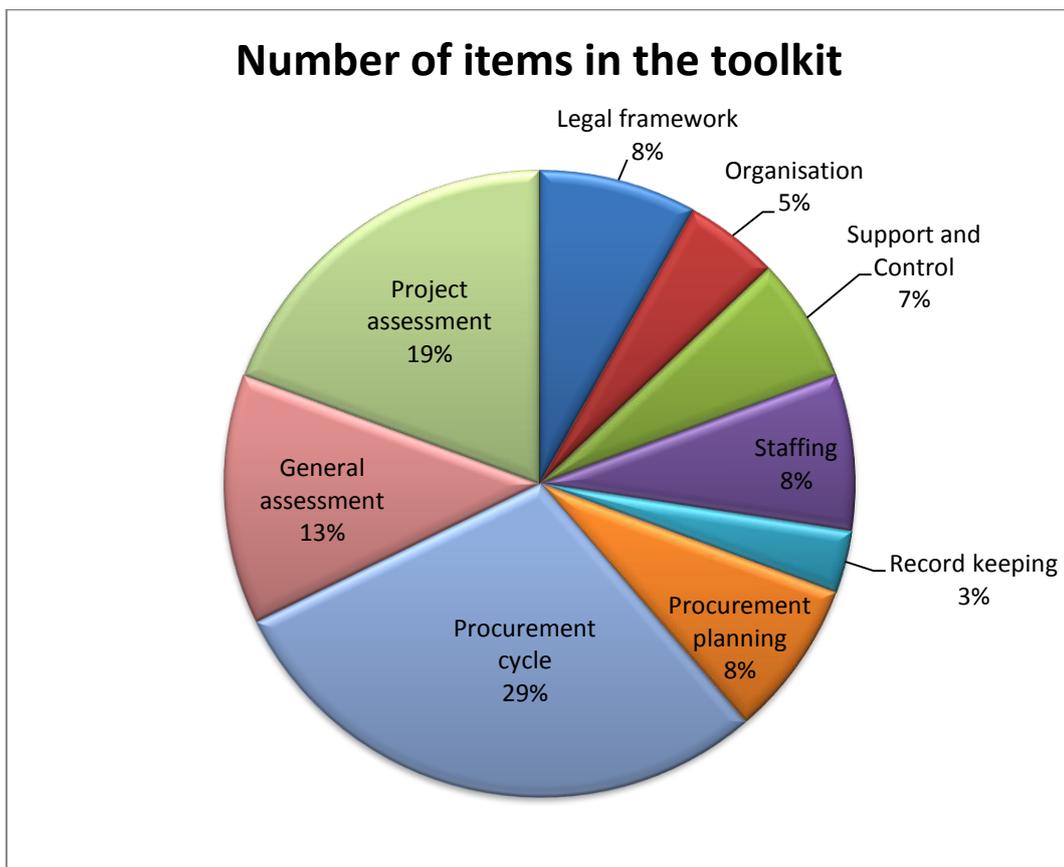
50. In order to provide guidance on the preparation of the section of the Toolkit relating to risk-based assessment, the Bank provided a list of risk factors that would like to be considered in the toolkit. The risk factors are grouped in three categories: inherent risks, control risks and detections risks. The design of the toolkit was made in a way that these risks factors are identified when present within the institution or the structure designed to support the project implementation. The toolkit has an inherent methodology to define risks: the lower the score achieved by a Client of the project procurement arrangements, the higher the risk.



N. Indicators of the toolkit

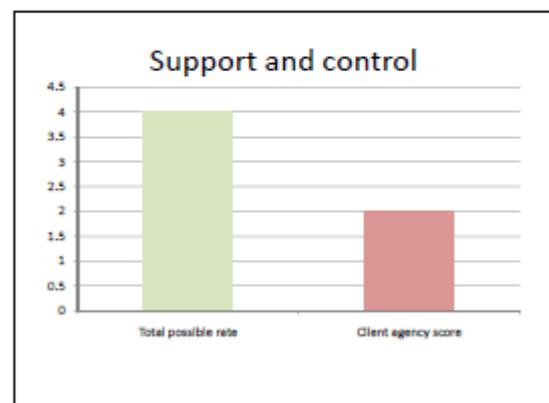
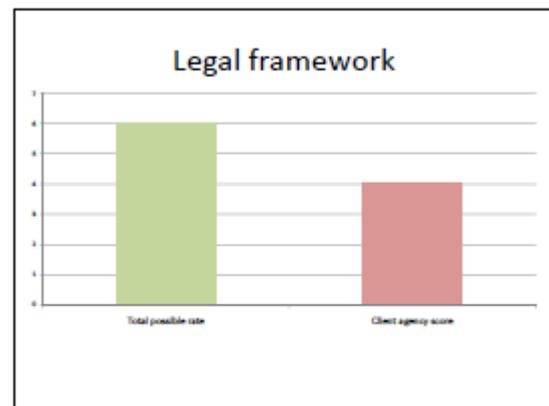
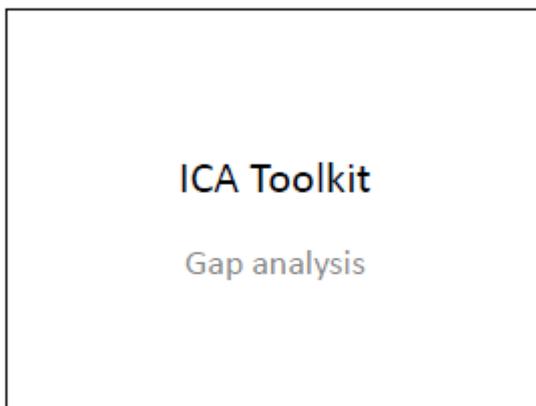
51. The toolkit provides for 62 items or indicators grouped in nine categories to be assessed in the Client and in the project, if any. The distribution of indicators by category is presented in the following table and chart.

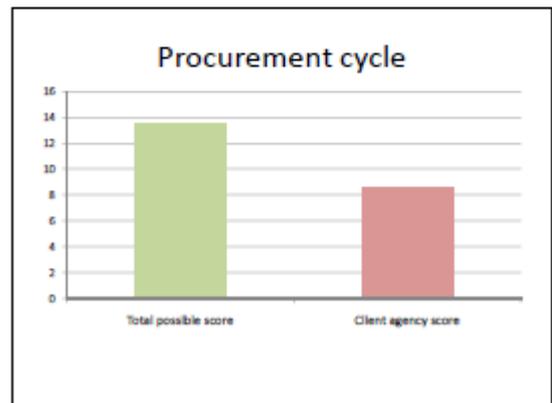
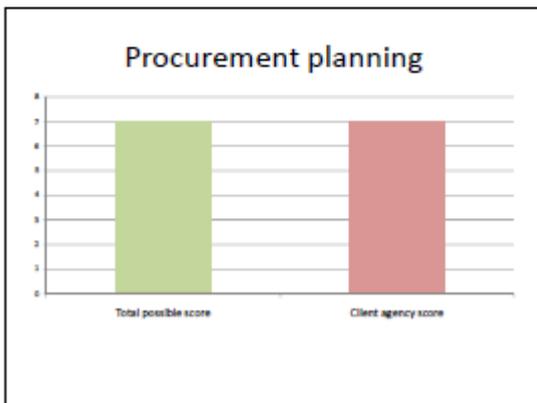
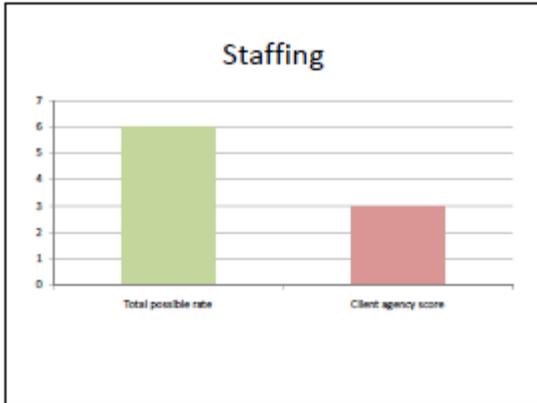
52. The order of the categories of the indicators or items was selected following rationale sequence: institutional arrangements -> systems -> staff -> records -> planning -> implementation -> project, if any. This sequence will allow dividing the toolkit in three parts: parts suitable for self-assessment, joint assessment and assessment by the qualified assessor.



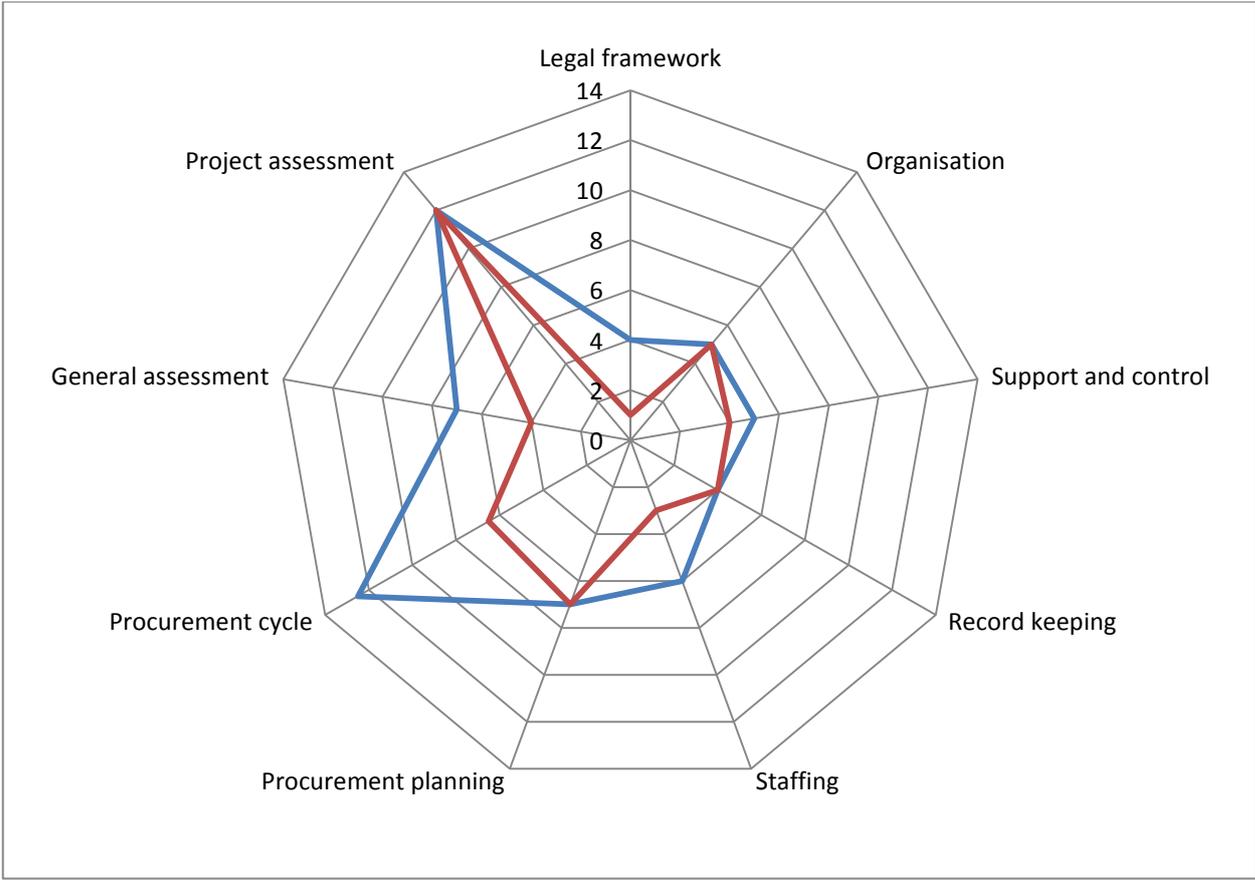
O. Gap analysis

53. By comparing the possible maximum score (representing the best practice of each item) against the score achieved by the Client in each category, it is possible to clearly observe areas of opportunity in the institutional capacity. This is called the 'gap analysis.' According to the gap analysis, areas of priority are those in which the difference between the achieved scored by the Client and the maximum possible score is largest. The following chart illustrates a gap analysis for some of the categories of the categories of the assessment.





54. The overall results are presented in a radar chart where the maximum possible score in each category is presented in a blue colour line and the Client score in red colour line.



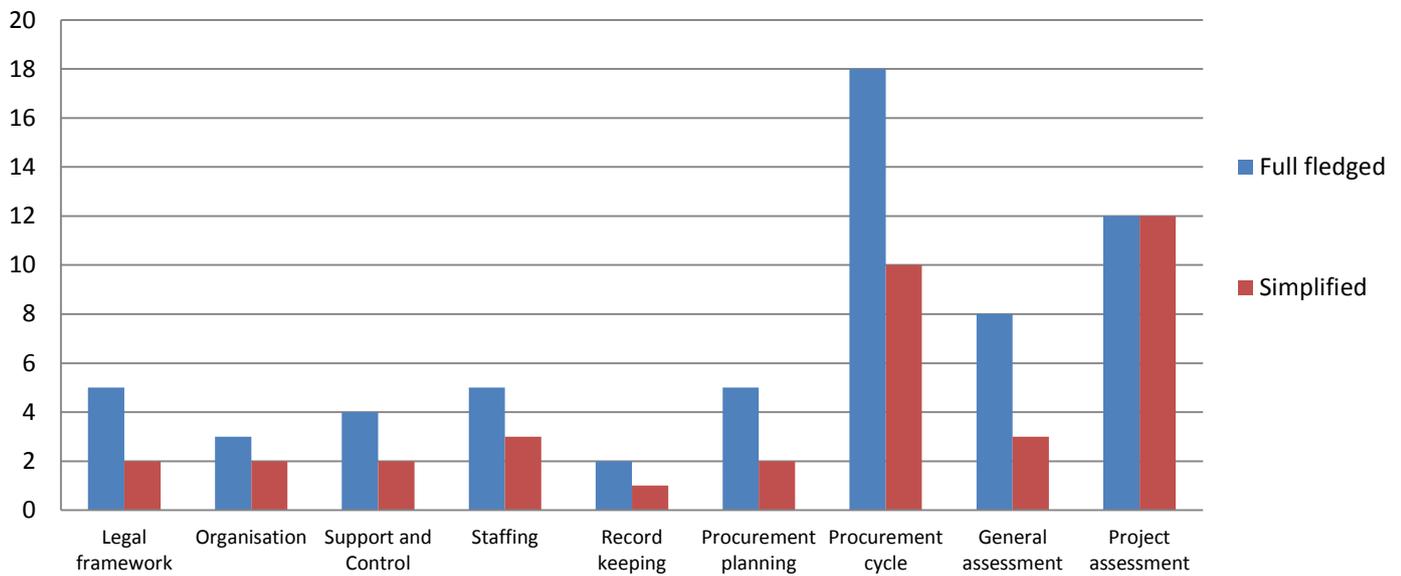
P. Simplified version of the toolkit



55. The toolkit is a comprehensive tool developed by the Bank to assess the procurement capacity and to influence development of the procurement function into a transparent, cost-effective, economic and able to ensure quality products by the Client. The application of the toolkit should lead to a fair and objective statement of risk posed by the Client and project implementation. The full application of the toolkit is part of a dialogue with the Client in capacity building. There are occasions in which there are no practical conditions to go into the capacity building dialogue yet a risk determination is mandated by the Bank.

56. In such a case, the toolkit offers a simplified version that should be filled out by the Client. The BPS will use that information and any other data available into the web-based application listing as not applicable all items for which there is no data. The upload of the self-assessment into the web system will provide a rating of the risk as required.

Comparison of number of items per category of full-fledged ICA toolkit and simplified toolkit



Upon application of the full-fledged assessment or its simplified version, the Assessor should be able to define the risk category of the Client. There are four risk categories: high, moderately high, moderately low and low.

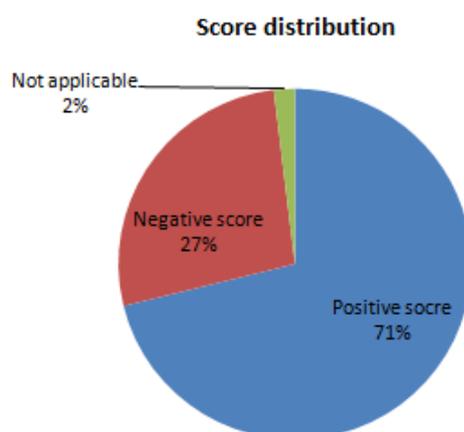
Q. Results analysis and outputs

57. Upon completion of the ICA application, in addition to the quick charts of the gap analysis presented above, the toolkit offers the possibility of presenting the Bank and the Client important results in various other forms. The following three are examples of “visual” outputs of the toolkit:

- risk classification: If the Client scores less than 50% of the maximum possible points, its procurement risk classification would be high; if the Client scores more than 85% of the maximum possible points then the Client risk in procurement will be low; there are two intermediate categories that are calculated on the basis of the points awarded in the assessment;

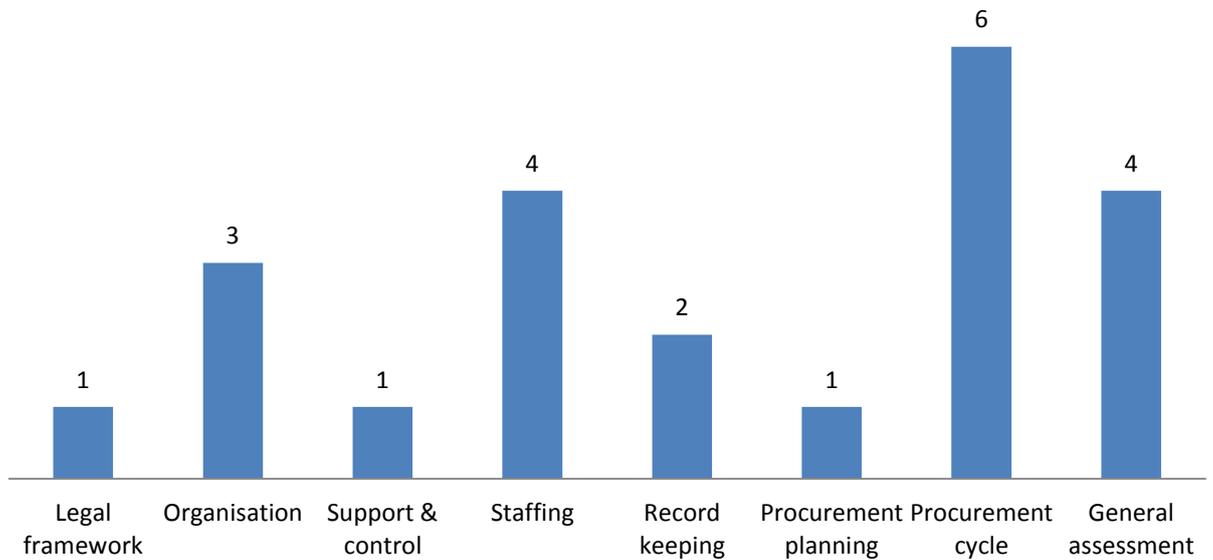
PART A: INSTITUTIONAL CAPABILITY ASSESSMENT							
COUNTRY:		WEIGHT AND			TOTAL POSSIBLE POINTS	CLIENT AGENCY SCORE	
CLIENT:		C/D	YES	NO			N/A
DATE:		INSTITUTIONAL RISK			ACCRUED		
ASSESSOR:		MODERATELY LOW			73	66	48

- results by item. This is a tally of the items that met the standard (Yes), did not match the standard (No) or was considered Not Applicable (N/A)



- Number of actions per category

Client: Number of actions per category of assessment

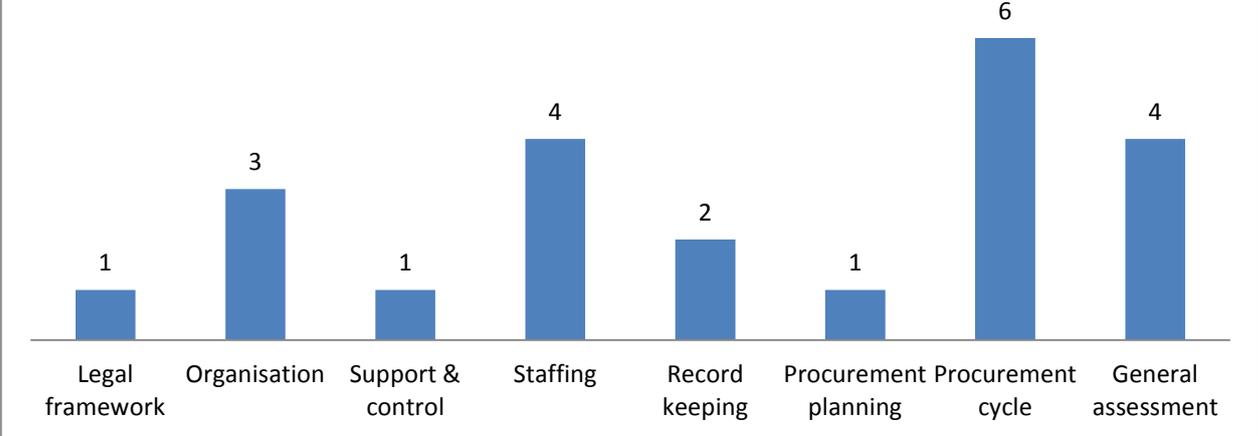


58. These three indicators provide an analysis of the assessment in three levels. Risks determination is an overall indication on how the procurement function is handled in the Client. The results by item look into the degree of non-compliance. Finally, the number of actions by category gives an idea about the challenges ahead and the assistance strategy needed to bring up the Client procurement into compliance with best practices.

59. The following chart shows the distribution of positive and negative marks in the assessment of a Client. This Bank Client achieved positive assessment in 37 items of 52 assessed (twelve other items pertaining the project capacity category were not assessed at the time of the review); the Client's procurement capacity was determined to be non-compliant with the established standard in 14 parameters.

60. The next chart illustrates about the number of action needed in the Client to address the shortcomings. The chart does not provide guidance on the type of actions. This is better appreciated in the Action Plan. In the example, Procurement Process holds six actions; Staffing and General Assessment hold four actions each. These three categories would require priority interventions in any process of modernization of the procurement function in the Client.

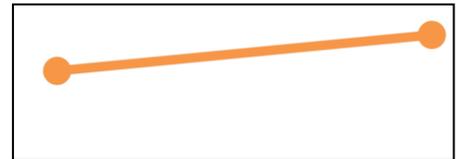
Client: Number of actions per category of assessment



III. UNDERSTANDING THE TOOLKIT

R. Basic Elements

61. The orange symbol is used throughout this Guide to draw the attention of the reader to the precise location of the subject matter in the toolkit corresponding to the explanation in the text. The basic elements of the toolkit spread sheet are presented in the chart below.



	GROUP	DESCRIPTION	TOTAL	RESULT
	D	Staffing	12	5
12		Staff skills generally match	2	
13	D.2	Staffs are selected competitively or by direct appointment	1	1 0
14	D.3	Formal and on-the-job training programs exist for entry- and higher-level procurement staff that	1	1 0
15	D.5		1	1 0
16	D.6	Procurement staff experienced in international procurement	1	1 0

S. Opening Heading of the Toolkit: indicators and ratings

62. The application of the toolkit using the excel table as designed will provide a quick indication of the risk level (high, moderately high, moderately low or low), the percentage of total score gained by the Client, maximum total points and points actually accrued. The institutional assessment is and the risk is calculated on the basis of the score given in the first eight categories of the toolkit. For the ninth category, i.e., project assessment, similar indications are provided in the table of the toolkit.

PART A: INSTITUTIONAL CAPACITY ASSESSMENT												
COUNTRY:					WEIGHT AND SCORING SECTION				TOTAL POSSIBLE POINTS	CLIENT ACHIEVED SCORE		
CLIENT:					C/D	YES	NO	N/A				
DATE:		INSTITUTIONAL RISK			ACCRUED PERCENTAGE OF TOTAL							
ASSESSOR:		HIGH			1				80	1		
No.	A				LEGAL FRAMEWORK				6	0		
					C/D	YES	NO	N/A	TY	TN	SCORE	
1	A.1	The Client agency holds legal status (i.e., government department, state corporation, registered society) and is accountable to the government.			D				1	0	0	0
2	A.2	Legal framework is clear, comprehensive and conducive of a competitive procurement environment			D				1	0	0	0

T. Headings and columns

63. The Toolkit consists of sixty two items to be assessed. To better understand the toolkit, observe the layout below which shows four of those indicators (items) of implementation capacity to be assessed under the category “Legal Framework”.

First page of the layout defines weight of the item and provides space for the assessor to give a score of compliance of the item.

COUM	TRY:	CLIENT:	DATE:	ASSESSOR:	WEIGHT AND PRIORITY	ACQUIRED PERCENTAGE	SCORE
PART A: INSTITUTIONAL CAPACITY ASSESSMENT							
				INSTITUTIONAL RISK		75	54
LEGAL FRAMEWORK							
No.	A	DESCRIPTION	STATUS (i.e., government or private)	C	Y	H	SCORE
1	A.1	The Client agency holds its department, state corporate, or other assets accountable to the government.	Government	C	X		2 2 0
2	A.2	Legal framework is clear, comprehensive and conducive to procurement.	Government	C	X		0 0 -2
3	A.3	Legal or regulatory requirements mandate the disclosure of procurement decisions.	Government	D	X		1 1 0
4	A.4	There are regulations in place for suspension or debarment of vendors.	Government	C	X		2 2 0

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STANDARD	ACTIVITY
PART B: STANDARD AND OUTLINE OF ACTION PLAN	
Standard: generally defined by OECD-DAC Country Systems Methodology. If Standard was not available, one was specifically developed for the item.	Outline of the Action Plan for Improvement of Areas of Opportunity Identified
LEGAL FRAMEWORK	
There is no available standard, record the legal status of the Client agency.	Not related action
The legislative and regulatory legal framework) comprises all requirements hierarchically (law, regulation, procedure) and established and publicly accessible. (c) Overlap and user procurement using national law.	Support procurement law reform and modernization
Procurement is transparent to all interested parties (a) at the procurement level; (b) with the Client agency that is independent from the procurer; and (c) the procurer includes the right for judicial review.	Not related action
Procurement is for exclusion of corrupt activities, including the law or other to the procurer commercial relations.	Not related action

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NOTES	CROSS REFERENCE
PART C: SPACE RESERVED FOR ASSESSOR'S NOTES	
	PART D: GNIT CROSS REFERENCE
	For assistance in filling the heading table of the Toolkit, see Section E, "Explanation heading in row (1) to (4)" of the GNIT
	LEGAL FRAMEWORK
	There is no available standard for legal status of the Client agency; record the legal status.
	For assistance in the review of the standard and for linkage to the indicator item, see Section VIII "Standard" of the GNIT

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Second page provides the standard against which the parameter or item is compared for compliance and the next column shows an activity of the action plan. The table generates the outline or heading of the action plan activity linked to the improvement of performance in the item if needed.

Third page provides space for the reviewer's optional notes and a cross-reference to this GNIT

U. Assessment Categories

64. The Toolkit assesses 62 items in nine categories or groups. The first eight categories define institutional risks whilst the last category focuses in the project procurement. The categories are described as follows:



- **Legal Framework:** this group of indicators reviews the law and regulations and the extent to which these apply to the Client
- **Organisation of the Client:** the reviewer evaluates the structure, duties of the procurement staff and other characteristics of the Client
- **Support and Control Systems:** examines the extent of the audit and control systems
- **Staffing:** the quality of available skills and training
- **Record Keeping:** the files of the procurement activities
- **Procurement Planning:** from inception of the Procurement action to contract register
- **Procurement Cycle:** the steps in processing the competitive tenders
- **General Assessment of the Client:** the assessment is carried by the assessor based on the learning of the review
- **Project Procurement Assessment:** 12 items are all compulsory apply for a project identified

V. Defining Item Weight

65. The relative importance of the item is defined by its weight. The toolkit allows the qualified assessor to select if an item weighs 1 or 2 points. If the item weighs two points, the item should be considered compulsory "C"; if the item weighs one point, it should be designated as desirable "D". Column "5" of the main screen of the toolkit is used to define if the item is compulsory or desirable. The third possibility is that the item under assessment is not applicable to the specific Client; in such a case, the assessor should write down an "X" in the Not Applicable" box and this item will be excluded from the computation that will determine the Client's procurement risks. The qualified assessor should fill in the designated weight of each item before applying the toolkit. It may happen during the application the team recognises that the item initially considered D or C is not applicable in reality. The change may be made in the toolkit accordingly. The rating C or D should not be changed during the application of the item.

66. In the initial stages of the toolkit implementation, PD will define the weights of each item. Once the application of the toolkit has achieved maturity, the qualified assessor will be able to define weights.

W.Explanation of headings in rows (1) to (4) of the Toolkit

Country

67. The name of the country spelled in its official name. A draw-down window will assist in choosing the correct name.

Full name of country where the Client being assessed is located

PART A: INSTITUTIONAL CAPACITY ASSESSMENT							
COUNTRY:				WEIGHT AND SCORING SECTION		TOTAL POSSIBLE POINTS	CLIENT AGENCY ACHIEVED SCORE
CLIENT:				C/D	YES		
DATE:	INSTITUTIONAL RISK			ACCRUED PERCENTAGE OF		72	54
ASSESSOR :	MODERATELY LOW			75			

Name of Client

68. Name of the Client being assessed: it should be entered manually by typing the name. The name of the Client will be used to create a unique code identifying the Client assessed.

Full name of Client being assessed

PART A: INSTITUTIONAL CAPACITY ASSESSMENT							
COUNTRY:				WEIGHT AND SCORING SECTION		TOTAL POSSIBLE POINTS	CLIENT AGENCY ACHIEVED SCORE
CLIENT:				C/D	YES		
DATE:	INSTITUTIONAL RISK			ACCRUED PERCENTAGE OF		72	54
ASSESSOR :	MODERATELY LOW			75			

Date

69. The date is an important element to be properly recorded. The ICA is a dynamic process that is expected to evolve over time. Therefore, the date of the assessment or its update is important to be carefully recorded on each occasion that the score-sheet is revised.

Date in format DD-MM-YY

PART A: INSTITUTIONAL CAPACITY ASSESSMENT								
COUNTRY:					WEIGHT AND SCORING SECTION		TOTAL POSSIBLE POINTS	CLIENT AGENCY ACHIEVED SCORE
CLIENT:					C/D	YES		
DATE:	INSTITUTIONAL RISK				ACCRUED PERCENTAGE OF			
ASSESSOR:	MODERATELY LOW				75		72	54

Country Code

70. The codification will allow sorting information by country, item and category used for analytical work. The field combines country code, Client, date and item numbering thus creating a unique identifier of the item assessed. This field may be left empty by the assessor.

Country code for each item

PART A: INSTITUTIONAL CAPACITY ASSESSMENT										
COUNTRY:					WEIGHT AND SCORING SECTION		TOTAL POSSIBLE POINTS	CLIENT AGENCY ACHIEVED SCORE		
CLIENT:					C/D	YES			NO	N/A
DATE:	INSTITUTIONAL RISK				ACCRUED PERCENTAGE OF					
ASSESSOR:	MODERATELY LOW				75		72	54		
No.	A				LEGAL FRAMEWORK		6	4		
					C/D	YES	NO	N/A	T	SCORE
1	A.1	The Client agency holds legal status (i.e., government department, state corporation, registered society) and is accountable to the government.			C	X			2	20

PART A: INSTITUTIONAL CAPACITY ASSESSMENT									
COUNTRY:		WEIGHT AND SCORING SECTION				TOTAL POSSIBLE POINTS	CLIENT AGENCY ACHIEVED SCORE		
CLIENT:		C/D	YES	NO	N/A				
DATE:		INSTITUTIONAL RISK				ACCRUED PERCENTAGE OF			
ASSESSOR:		MODERATELY LOW				75		72	54
No.		LEGAL FRAMEWORK						6	4
		C/D	YES	NO	N/A	T	SCORE		
1	A.1	The Client agency holds legal status (i.e., government department, state corporation, registered society) and is accountable to the government.				C	X		
						2	2	0	

(7) Use this column to insert a capital "X" if Client does meet standard

(8) Use this column to insert a capital "X" if item is not applicable to the Client

being assessed

(9) Allocation of a "X" in (6) will generate a score of 1 or 2 depending upon if (5) is compulsory or desirable; this is automatically generated by the toolkit

(10) Same mechanism of scoring as (9) depending of allocating an "X" in (7) or (8): this is automatically generated by the toolkit.

IV. ASSESSMENT RESPONSIBILITIES

71. The task of assessment will often fall upon the Bank and the Client jointly; represented by the qualified assessor and the procurement staff of the Client. The Client may be asked to self-assess particular categories and/or work alongside the assessor in a joint assessment.

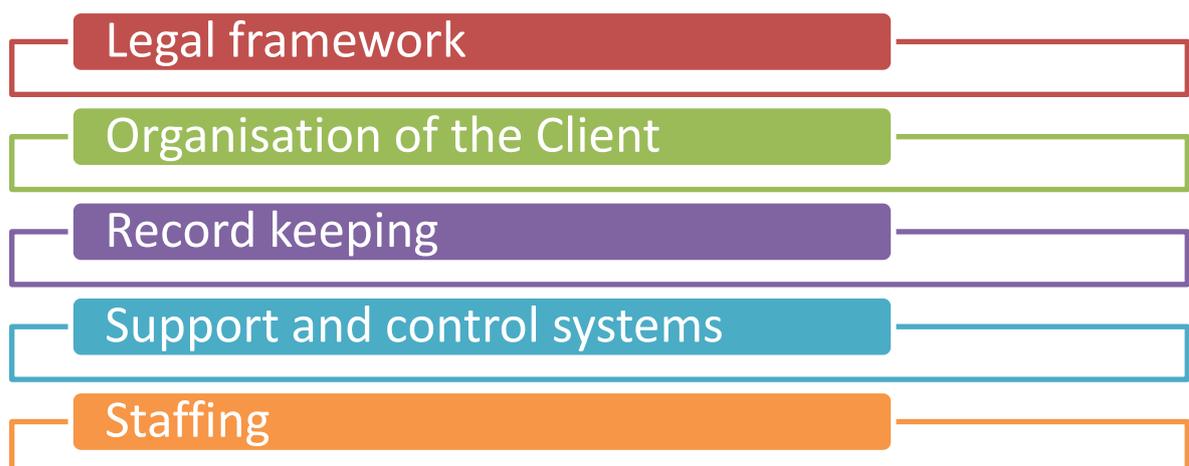


72. The findings and ratings provided by the Client will combine with the assessor's assessment to provide a clearer, over-ranging review of the procurement sector from various angles. This section, Assessment Responsibilities, outlines which category should be assessed by which party.

73. The testing of the toolkit in ten real cases provided sufficient evidence on the need that the Assessor should be well-prepared to brief the Client with a clear introduction on the nature and scope of the assessment, give examples of gap analysis, define risk and mitigating measures, and prepare the Client to learn about the action plan.

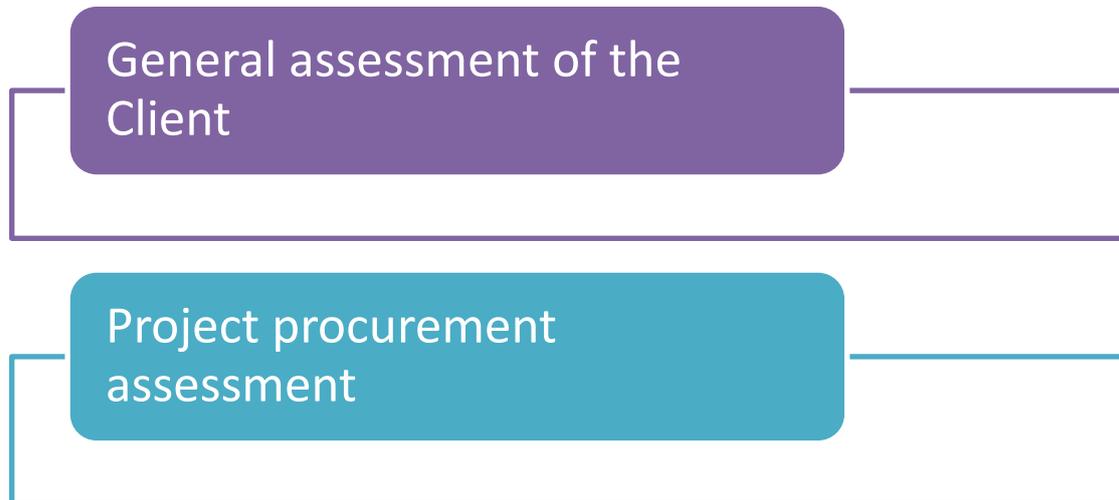
Y. Self-assessment by Clients

74. The following categories are generally suitable for Client self-assessment with little review by the qualified assessor:



Z. Assessor assessment

75. The General Assessment which touches upon sensitive items such as corruption and political interference in procurement following categories should be carried out by the qualified assessor with little participation of the Client. The project procurement assessment is also a category that normally will be conducted by the Assessor.



AA. Shared or joint assessment

76. The following categories are generally suitable for joint assessment by the Client and the qualified Assessor or by the Client in a self-assessment but with in-depth review by the qualified assessor:



JOINT ASSESSMENT	43	G.19	Are contracts generally administered in a fair and equitable manner (e.g. the purchaser/employer/client grants extensions of time when delays are attributable to its timely action, fair compensation is provided to offset	D	X	1	0	-1
	44	G.20	Final payments and contract final closure are efficiently handled	I	X	2	0	-2
ASSESSOR INPUT	H		Private Sector Perception of the			5	-5	
	45	H.1	The agency procurement system is viewed as generally efficient and predictable.	C	X	2	0	-2
	46	H.2	Contract management is straightforward and understandable, and the agency has a record of releasing payment within the time period stipulated in the contract.	D	X	1	0	-1
	47	H.3	The agency is viewed as free of corruption.	C	X	2	0	-2
ASSESSOR INPUT	I		General Assessment of the Agency			10	-5	
	48	I.1	The agency is able to demonstrate that they have taken steps to curb or control corruption (i.e., employees sign conflict of interest statements and provide annual	C	X	2	0	-2

A colour-filled, left-hand pane outlines the sections or groups that are suitable for Client's self-assessment, joint assessment (shared assessment or assessor assessment (also known as input)

V. PROJECT PROCUREMENT CATEGORY

77. The objective of the ICA toolkit is to define the risk environment of the Bank financial support to a Client using public procurement rules and it is the main vehicle available on the Bank to support the capacity building in public procurement of the Client Agencies in transition towards market economies and, in cases, towards EU accession. Still, ICA toolkit will be useful to provide project teams with a view on risks relating to specific projects in preparation, recently approved, or under implementation. Category “1” or “9” or “Project Procurement Assessment” category of the Toolkit follows the same structure of the toolkit although it has its own tally of points to determine risks. In a way, this part is a simpler exercise as all items in this category are applicable, are mandatory, and weigh two points.

Part E: Project Procurement Assessment						Part F: Standard and Action Plan Outline	
	M	Y	N	NF	P	T	Y
PROJECT RISK	PERCENTAGE OF TOTAL				POINTS AVAILABLE	POINTS ACHIEVED	
LOW	100				24	24	
Who is responsible for and how is the Client going to organise the procurement function during the project implementation? Is it going to be implemented by the Client entity only, or by a special PIU staffed with consultants, only for all functions or will rely on resources from the Client and Consultants combined.	M	X			2	2	0
Project procurement implementation will be assigned as per three scenarios: (a) the Client, (b) Special PIU, staffed with consultants; (c) Combination of Client and PIU. Under (a) scenario compliance will be achieved if Client ICA (Items 1 to 52) is of low or moderately low risk. Under (b) scenario, the project will hire consultants to carry these activities; in such a case, compliance will be achieved if selected consultants will have at least 8 years of experience in handling procurement from preparation to contract management or have access to professional staff that can provide this knowledge. Under (c) scenario, in order to achieve compliance, proposed organization should ensure that there would be qualified staff available for preparation of tender documents, management of the tendering process including responses to questions and clarifications, contract management, quality control and reporting. Moreover, “Yes” may be awarded for this item, only if ICA institutional is low, moderately or moderately high risk and there is no uncertainty about the quality choice of consultants, otherwise “No” score should be given. Combined scenario (c) is very well-liked choice as it allows for adequate division of labour and responsibilities between the Client’s and Consultant’s staff. For example: land acquisition and right-of-way are better handled by the Client agency but there should be close coordination for readiness of project implementation.	No related actions						

78. The parameters for procurement risk determination for a project are the same as defined in the ICA toolkit:

Risk determination model

High risk	Moderate High Risk	Moderate Low Risk	Low Risk
Score < 50%	Between 51 - 64%	Between 65 - 84%	>85%

79. Risk-based assessment is a critical element of the assessment. In the PPA (as it is in ICA) assessment there are four categories of risk: High (H), Moderate High (MR), Moderate Low (ML) and Low (L). In this, Clients achieving less than the minimum score are high risk, scores between 50% and 65% are potentially high risk or moderate high risks; scores above 65% and below 85% will be considered moderate low risk; agencies achieving more than 85% of the maximum score will be considered low risk.

VI. GETTING READY TO APPLY THE TOOLKIT

80. Now that the structure and elements comprising the Tool Kit are clear, the assessor can prepare to apply the toolkit to the Client. However, prior to applying to the toolkit the following tasks should be performed by the qualified assessor or the project procurement specialist:

- The following are filled in: name of country, name of Client, date, your name;
- Determine which parts of the toolkit are for Client's self-assessment and which parts the qualified Assessor will do;
- Choose which items are applicable;
- Choose which items are compulsory or are desirable for the Client operations
- Read the applicable standard for each item
- Advise the Client with three or four weeks in advance about the ICA application for them to collect the necessary data and documents for inspection during the assessment
- Advise the list of documents to be readily available: (a) laws and regulation applying the procurement in the Client; (b) organisational chart of the Client with indication of the procurement function; (c) advertisement of tenders; (d) tender documents used in Client; (e) tender evaluation report; (f) minutes of tender opening; (g) acts of award; (h) signed contract or purchase order; (i) register of complaints; (j) procurement plan; (k) supervision report; (l) billing, invoicing and of payment; (m) register of contracts; (n) register of complaints; and (o) filing package of a tender process.

VII. APPLYING THE TOOLKIT

81. When applying the toolkit, the Assessor and the Client should ensure that the following concepts and tasks are affirmed by the reviewers:

- The client should confirm understanding of the elements that pertain to self-assessment, joint assessment and separate assessment by the assessor;
- Experience indicates that some time should be spent explaining the Client details about the exercise and the toolkit before initiating the specific discussions; a PowerPoint presentation on the methodology, scope and content of the toolkit is available with PD;
- Each party will define whether the Client meets the standard by granting an “X” under the “yes” or “no” or “Not applicable” column;
- Observe if the automatic calculation is properly working;
- Observe if there is automatic generation of outline of the action plan if the standard is not met;
- Observe if the Risk category is automatically generated; the background of the risk classification changes colour depending upon the classification
- Save the excel table periodically

VIII. GENERATING AN ACTION PLAN OUTLINE FOR IMPROVEMENT OF AREAS OF OPPORTUNITY

82. Any rating, positive or negative, in all items will define an action automatically in the Action Plan Outline. Red will indicate that no activities are deemed to be necessary as the capacity of the Client being assessed is equal or surpasses the standard. On the other hand, a green colour in the action plan indicates that activities need to be in place to improve the institutional implementing capacity.

83. Observe how a positive score “X” under the ‘Yes’ column generates no activity under the Outline of the Action Plan:

Part A: Capacity assessment									
COUNTRY:	C/D	YES	NO	N/A	ACHIEVED POINT	YES	NO		
AGENCY:	RISK			PERCENTAGE OF TOTAL	TOTAL	AGENCY SCORE			
DATE:	MODERATELY LOW			74.5	94	70			
PREPARED BY:									
CC	No.	A	Legal framework			9	9		
1	A.1	The agency holds legal status (i.e. government department, state corporation, registered society) and is accountable to	C	X					
2	A.2	The legal framework is clear, comprehensive and conducive of competitive procurement environment	C	X		2	2	0	
3	A.3	The legal or regulatory requirement mandates the disclosure of procurement decisions	C	X		2	2	0	

Part B: Standard and Action Plan Outline	
Standard: generally defined by OECD-DAC Country Systems Methodology. If Standard is not available, one was specifically developed to the item	Outline of the Action Plan for Improvement of Areas of Opportunity identified
Legal framework	
No standard: record the legal status	No related actions
The legislative and regulatory body of norms complies with all the following conditions: (a) It is adequately recorded and organized hierarchically (laws, decrees, regulations, procedures,) and precedence is clearly established. (b) All laws and regulations are published and easily accessible to the public at no cost; (c) It covers goods and works for all procurement using national budget funds.	No related actions
Provisions to respond to a request for review at the procuring/agency level with administrative review by another body independent from the procuring agency that has the authority to grant remedies and includes the right for judicial review.	No related actions

84. Conversely, observe how a bad score “X” under the ‘No’ column generates activity under the Outline of the Action Plan:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Institutional Capacity Assessment Toolkit										
Part A: Capacity assessment										
COUNTRY:				C/	YE	NO	M/	SCORE YES POINT	YES	NO
AGENCY:										
DATE:				RISK			PERCENTAGE OF TOTAL	TOTAL	AGENCY SCORE	
PREPARED BY:				HIGH			53.0	34	-78	
CC	No.	A	Legal framework				3	-3		
1	A.1	The agency holds legal status (i.e., government department, state corporation, registered society) and is accountable to	C		X		2	0	-2	
2	A.2	The legal framework is clear, comprehensive and conducive of competitive procurement environment	C		X		2	0	-2	

(12)	(13)
Institutional Capacity Assessment Toolkit	
Part B: Standard and Action Plan Outline	
Standard: generally defined by OECD-DAC Country Systems Methodology. If Standard is not available, one was specifically developed to the item	Outline of the Action Plan for Improvement of Areas of Opportunity identified
Legal framework	
No standard: record the legal status	Support procurement law reform and modernization
The legislative and regulatory body of norms complies with all the following conditions: (a) Is adequately recorded and organized hierarchically (laws, decrees, regulations, procedures,) and precedence is clearly established. (b) All laws and regulations are published and easily accessible to the public at no cost; (c) It covers goods and works for all procurement using national budget funds.	Support procurement law reform and modernization

A negative rating of the item will generate a negative score (-) which will subtract points from the overall assessment and will increase risk.

IX. STANDARDS

85. The following are the standards developed by EBRD for the Institutional Capacity Assessment of Clients. The items and standards are grouped in categories A to J. The standards are generally based on the requirements established under the OECD DAC Methodology for the Assessment of Government procurement Version 4 of July 2007. At times, the item selected for assessment does not have an equivalent standard in said methodology. In such a case, a specific standard was developed for the Toolkit. In other cases, it is not possible to pre-define a generic standard. While in other cases, the toolkit will alert the assessor to review certain aspects of the Client's implementing capacity and rate the compliance of the indicator based on his findings.

86. Generally, the standard is presented as a statement of the best practice. In other cases, it is impossible to establish a standard for the item applicable to all Clients, in which case, the Toolkit requires that the assessor annotate if the item is available or not. The established standards approved by the Procurement Department, should not be changed during the application but if experience demonstrates that the standard is fixed too high or too low for the Clients in the region, PD may consider changes from time to time in the standard for future applications.

87. For the PPA category that would facilitate the Project Procurement Assessment, there are no internationally accepted standards of performance as the procurement arrangements respond to a variety of project types. The EBRD suggests some comparison standards based on project procurement issues identified in the past.

88. In the following table, the description of the item that is being assessed is presented next to the standard in order to ease comparison. In the application of the toolkit, the assessor will have space to record if the item is complied with or not.

89. The ICAR report will not include the standards to avoid repetition of information available in three other sources: (a) the excel table with the toolkit; (b) the IT application developed by the bank to host this toolkit; and (c) this Guideline Note. Consequently, it is advisable that reading of the ICAR report be accompanied by this section of the Guideline Note to ensure a clear understanding of the relationship between the scoring and the compliance of the best practise as defined by the standard therein.

This column in the table below is the classification number which in combination with the country code will help in statistics on capacity assessment

subject to review

This column is the description of the item or indicator

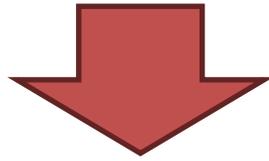
This column presents the criteria to assess compliance in the Client or standard when applicable

Indicator			Standard of Compliance Legal framework
	A.1	The agency hold legal status (i.e., government department, state corporation, registered society) and is accountable to the government.	No standard: Assessor should record the legal status of the Agency

90. Next, the two main elements of the toolkit are presented: the indicator (or item) and its corresponding standard of compliance when available. The compliance standard is the best practice applicable to the criterion under review as identified by the Bank. The majority of the standards are taken from the Methodology developed by the OECD for government procurement. A few items for which there is no OECD Methodology standard, the toolkit proposes one but in most cases, the Assessor will have to look into specific documents or practices of the Client to make a determination.

91. Consequently, the main task of the Assessor when applying the toolkit is to determine whether the established procedures and practices of the Client adheres or departs from the best practice for each item. At times, the Assessor should look into actual tender documents, tender evaluation reports or files but it is expected that most of the items can be assessed based on the explanation given by the Client's procurement staff.

ITEM INQUIRED
COMPLIANCE



STANDARD OF



LEGAL FRAMEWORK

1	A.1	The Client holds legal status (i.e., government department, state corporation, registered society) and is accountable to the government.	There is no available standard. Assessor should record the legal status of the Client.
2	A.2	Legal framework is clear, comprehensive and conducive of a competitive procurement environment	The legislative and regulatory body of norms (or legal framework) complies with all the following conditions: (a) Is adequately recorded and organized hierarchically (laws, decrees, regulations, procedures,) and precedence is clearly established; (b) All laws and regulations are published and easily accessible to the public at no cost; (c) Covers goods and works for all procurement using national budget funds.
3	A.3	Legal or regulatory requirements mandate the disclosure of procurement decisions	Provisions exist to respond to a request for review (a) at the procuring/Client level; (b) with administrative review by another body independent from the procuring Client that has the authority to grant remedies; and (c) includes the right for judicial review.

4	A.4	There are regulations to allow for suspension or debarment of tenderers	Provisions exist for exclusions of criminal or corrupt activities; administrative debarment under the law adheres to due process or prohibition of commercial relations.
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5	A.5	The conditions for use of various procurement methods are clearly established and there is an explicit requirement that open competitive tendering is the preferred or default method	Legal framework meets all the following conditions: (a) procurement methods are established unambiguously at an appropriate hierarchical level along with the associated conditions under which each method may be used, including a requirement for approval by an official that is held accountable; (b) competitive procurement is the default method of public procurement; (c) appropriate standards for international competitive tendering are specified and are consistent with international standards; (d) fractioning of contracts to limit competition is prohibited
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ORGANIZATION

6	B.1	<p>The contracting authority (thresholds) is well delegated and there are no unnecessary levels of approval or cumbersome procedures</p>	<p>Delegation of authority and responsibility is key to having a well-functioning system particularly when procurement is decentralized. When delegation is not present, the system tends to function inefficiently and can lead to excessive concentration of decision-making under a few individuals who have neither the training nor knowledge to make procurement decisions. Delegation therefore should be undertaken in accordance with the following: (a) Delegation of decision making authority is decentralised to the lowest competent levels consistent with associated risks and monetary sums involved; (b) delegation is regulated by law; (c) accountability for decisions is precisely defined; and (d) is based on thresholds for contracting powers that are regularly updated.</p>
7	B.2	<p>Key functions are assigned and duly staffed (not necessarily one function-one staff; one staff may be assigned several of the following responsibilities): - Planning - Preparation of Tender Documents - Tender Process Management (Advertising, Printing and Publication, Responses to Questions/Clarifications, Pre-tender Conference) - Tender Opening - Tender Evaluation - Contract Preparation - Contract Management - Quality Control and Inspection - Transport, Insurance - Custom Clearances and Expediting.</p>	<p>At least eight of the key listed functions are staffed with specialized procurement staff and there is systematic matching of skills against requirements. If the staff require to undertake procurement activities is hired on an ad-hoc basis, they at least have the knowledge they need to undertake the activity or have access to professional staff that can provide this knowledge. When specifying "staffed" it does not imply that there should be one staff for each function: one staff may be assigned several of the key functions.</p>
8	B.3	<p>Existence of procedural manuals and clear instructions for staff to follow</p>	<p>There are internal control procedures, including a manual, that state the requirements for this activity which is widely available to all staff.</p>

SUPPORT AND CONTROL

9	C.1	Auditing arrangements are in place and are well-established	Internal or external, independent audits take place at least annually and recommendations are responded to or implemented within six months of the submission of the auditors' report.
10	C.2	Procurement unit has access to quality legal advice and input	There is a lawyer in the unit, or the unit has access to a lawyer specialised in contracting, to solve procedural problems, complaints and provide legal advice
11	C.3	The Client demonstrates that it has taken steps to curb or control corruption (i.e., employees sign conflict of interest statements and subscribe a code of ethics).	Signed declaration of interest and code of ethics or conduct are in place for all staff. Declaration of Interest form is available and inspectors or evaluators have a current, signed declaration on file (assessor to verify) stating that no real, potential, or apparent conflict-of-interest situations are known to them and they have disclosed if they have a financial, or other interest, in and/or relationship with parties who may have vested commercial interest in obtaining access to any confidential information disclosed to them. Interviews with a minimum of three key employees directly involved with procurement reveal that there are mechanisms to report corrupt activities and that there is no fear of repercussion should anyone do so.
12	C.4	There is a mechanism in place that allows for reporting of fraud, corruption, bribery, solicitation or extortion by procurement officials; if there is a Bank-financed project, staff of the project will also have access to such a mechanism.	A "whistle blowing" policy or equivalent is available.

STAFFING

13	D.1	Staff skills generally match requirements and number of staff is consistent with workload	Staff number in the unit is consistent with the workload of the procurement function
14	D.2	Staff is selected competitively	Staff is selected through a competitive process in which the best candidate is generally appointed
15	D.3	Formal and on-the-job training programmes exist for entry level staff while higher-level procurement staff find opportunities for professional career development	At least one training session on procurement activities is organised every year in the Client for development of basic procurement skills and at least one event (attendance to seminar, attendance to course, etc.) is available for senior staff.
16	D.4	Procurement staff have adequate project/contract management capabilities	Procurement staff is involved in contract management and have the skills to contribute to the orderly implementation of contracts
17	D.5	Procurement staff in the unit are experienced in international procurement	At least one international competitive tender was carried out by the staff in the last two years

RECORD KEEPING

18	E.1	<p>The Client has a regulation on filling documents that may be used if there is project financed by the Bank. Such regulation will ensure availability of complete records of the process that include e.g. copies of all advertisements, pre-qualification documents and its evaluation report (if used) documenting any decisions not to pre-qualify certain potential tenderers, the tender documents and addenda, record of pre-tender meetings, tender opening minutes, final tender evaluation report (including reasons for acceptance or rejection of each tender), copies of tenders, appeals against procedures or award recommendations, a signed copy of the final contract and any performance and advance payment securities issued, etc.</p>	<p>The ability to review implementation performance is dependent upon the availability of information and records that track each procurement action. This information is also important to the functioning of control systems both internal and external. A system for safekeeping of records and documents should include the following: (a) Legal/regulatory framework establishes a list of the procurement records that must be kept at the operational level and what is available for public inspection, including conditions for access; (b) Records should include: Public notices of Tender opportunities, Tender documents and addenda, Tender opening records, Tender evaluation reports, Formal appeals by Tenderers and outcomes, Final signed contract documents and addenda and amendments, Claims and dispute resolutions, Final payments, Disbursement data (as required by the country's financial management system); (c) There is a document retention policy that is compatible with the statute of limitations in the country for investigating and prosecuting cases of fraud and corruption and within the audit cycles; (d) There are established security protocols to protect records either physical or electronic; and (e) The cross-references to pertinent files are adequate and clear.</p>
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19	E.2	<p>There is record of contract prices and unit prices used to monitor costs</p>	<p>The Client keeps records of contract prices, unit prices and uses that information to determine budget and reasonability of tender prices.</p>
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PROCUREMENT PLANNING

20	F.1	Procurement plans are prepared to govern the procurement activities of each fiscal year using an institutional standard or model form or software application	There is a regular planning exercise instituted by law or regulation that: begins with the preparation of multi-year plans for government agencies, from which annual operating plans are derived, followed by annual procurement plans and estimation of associated expenditures, culminating in the annual budget formulation. Consequently, procurement plans are prepared in support of the formulation process and budget planning.
21	F.2	Procurement plans are prepared in sufficient detail to ensure project definition, adequate selection methods, completion schedules and accurate cost estimates	Examination of the procurement plan model used in the Client is consistent with good practices.
22	F.3	Procurement plans are part of an integrated financial system used to secure funds for contract start up and payments during implementation	This indicator assesses whether there are safeguards in the system precluding initiation of procurement actions unless funds have been allocated to the procurement in question. For this, the following requirements should be in place: the law requires certification of the availability of funds prior to soliciting tenders and there is a system in place (e.g. paper or electronic interface between financial management and procurement systems) that ensures enforcement of the law.
23	F.4	Procurement plans are more than a demand list and are used for adequate procurement packaging, forecasting of future requirements, controlling and keeping inventories.	There is no available standard. Assessor should examine actual procurement plan of the Client including preparation records to verify that there is no fragmentation; and that the plan is used for monitoring contracts and other planning activities.
24	F.5	Staff in the unit is adequately trained in procurement planning, contract scheduling and cost estimating	The procurement plan is handled by the procurement unit and there is at least one expert who handles the procurement plan, and its updates, with proficiency and care.

PROCUREMENT CYCLE

25	G.1	Standard documents exist for goods and works including international contract formats	There are model invitation and tender documents provided for use for a wide range of goods, works and services procured by government agencies; there is a standard and mandatory set of clauses or templates that are reflective of the legal framework, for use in documents prepared for competitive tendering and the documents are kept up-to-date with responsibility for preparation and updating clearly assigned.
26	G.2	Qualification criteria for tendering (pre or post qualification) are appropriate and clearly described	Procedures exist that define pre-qualification which: (a) provide for limitations on the content of pre-qualification criteria that are based on the needs of the specific procurement: (b) specify the use of pass/fail for application of qualification criteria, and (c) provide guidance on when to apply a pre-qualification procedure.
27	G.3	Appropriate provisions for price adjustment exist, if needed, and there is an adequate system available for indexing prices of basic contractual inputs (labour, materials, equipment usage)	Provisions for price adjustment are available for contracts of more than one year duration and indexing system is reasonable.

28	G.4	Procuring entities maintain updated lists of qualified suppliers and contractors and updated market information on commonly procured goods, including spares and consumables. Supplier, contractor and consultant performance are routinely evaluated and newcomers readily apply for qualification	Registration requirements allow those who wish to register to do so at any time before contract award. The registration system is not a barrier to participation and does not discriminate.
29	G.5	Contracts are awarded following a competitive tendering which is publicly advertised	Majority of contracts in the Client are subject to advertisement and are awarded competitively.
30	G.6	Requests for clarifications are answered promptly and completely in writing	Client allows for a reasonable period to receive and answer questions regarding the tender documents and there is a mechanism to respond to the questions in writing.
31	G.7	Procuring entities maintain accurate records of all communications with the tenderers (before and after the deadline for submission).	There is no available standard. Assessor should determine if records exist and if they demonstrate that the procuring unit is attending the questions and responding, on a timely basis.
32	G.8	Tenders received prior to the deadline are securely stored. The storage facility is safe and there is a protocol establishing who and how can access the tenders. Public opening of tenders is conducted.	There is no pre-defined standard. Assessor should examine Client's procedures and rate perceived procedures.
33	G.9	Evaluations are conducted by qualified evaluating committees	There are at least three technically qualified members in every evaluation committee.

34	G.10	Tender evaluations are carried out thoroughly and on the basis of the criteria specified in the tender documents	The Client establishes that evaluation criteria are relevant to the decision, and precisely specified in advance in the tender documents so that the award decision is made solely on the basis of the criteria stated in the tender documents; criteria not evaluated in monetary terms are evaluated on a pass/fail basis to the extent possible. Evaluation of proposals for consulting services gives adequate importance to quality and regulates how price and quality are considered. During the evaluation period, information relating to the examination, clarification and evaluation of tenders is not disclosed to the participants or to others not involved officially in the evaluation process.
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35	G.11	Tender evaluation reports prepared contain all essential information (i.e. a clear and complete description of the evaluation process, including the reasons for rejecting any Tender as non-responsive, how the stated evaluation criteria were applied, and how the successful Tenderer's qualifications were verified)	There is no pre-defined standard. Assessor examine quality and content of the tender evaluation reports and qualifies quality and completeness
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36	G.12	Contracts are required to be awarded to the lowest evaluated responsive tenderer who has been determined to be qualified to perform the contract satisfactorily	Award criteria must be to the lowest evaluated responsive tender
37	G.13	No negotiations are conducted with tenderers, before or after selection	Negotiations should only be acceptable in exceptional circumstances such as modification of scope or risk allocation to meet available funds

38	G.14	There are manual or computerised procurement and/or contract monitoring systems in use	Monitoring standards of the procurement activity should provide quality assurance standards and a monitoring system for procurement processes and products
39	G.15	Contract changes or variations are handled promptly in accordance with the contract conditions and established practice (i.e. change/variation orders are given and/or confirmed in writing; construction change orders are avoided, unit rates in the contract are honoured. The contract is given new unit rates if needed duly approved by the parties. Completion schedule is adjusted for each change or variation duly approved.	Procedures for issuance of contract amendments are part of the legal/regulatory framework or are incorporated as standard clauses in contracts. Supervision of civil works is carried out by independent engineering firms or qualified government supervisors and inspectors able to ensure adequate contract management. Procedures for acceptance of final products are well established and apply consistently.
40	G.16	Procuring entities normally make a good faith attempt to resolve disagreements through informal negotiations (Amicable Settlement). If this fails, the resulting disputes are handled in accordance with the contract conditions	There is an Arbitration law in the country; the law is consistent with generally accepted practices for neutrality of arbitrators, due process, expediency and enforceability; the country accepts - as a matter of course - international arbitration for international competitive tendering; provisions for alternative dispute resolution (ADR) are standard in contracts; and ADR provisions conform to international standard wording
41	G.17	Contract managers/administrators are skilled in resolving problems in a timely manner and dealing with unforeseen circumstances arising during the life of the contract. They adequately document all actions of contractual importance taken by the purchaser/employer during implementation	There is no pre-defined standard. Assessor should observe one or two contract implementation records of completed contracts and adjudge efficiency in handling contract administration.
42	G.18	Final payments and contract final closure are efficiently handled	Final payments are processed promptly as stipulated in the contract

GENERAL ASSESSMENT

43	H.1	The Client has a reasonable anti-corruption policy with key provisions reflected/transcribed in tender documents	The Client has defined the expected standards and given precise instructions in tender documents regarding fraud and corruption. Tender documents include adequate provisions on fraud and corruption.
44	H.2	The Client includes in its tender documents and contracts a provision describing steps to be taken in the event of a confirmed attempt of bribery or corrupt practice by a contractor or Client employee.	There is no pre-defined standard. Assessor should examine tender documents and look for related clauses and provisions
45	H.3	There are no unreasonable contractor disqualifications and/or weak non-compliance notices issued.	Excessive information and documentation requirements are considered to cost money and can reduce competition or lead to disqualification of potential Tenderers on the basis of unnecessary requirements.
46	H.4	Client analyses individual tenders for similarities in tender language, tender rotation, and/or prices to other tenderers, to identify issues like collusion, or other red flags, etc.	There is no pre-defined standard. Assessor should discuss item with Client staff and determine if they do these anti-corruption measures or if they are sensitive to these flags.
47	H.5	Contract prices do not normally exceed Client estimates.	There is no pre-defined standard. Assessor should review the procurement plan budget and the contract register; if average discrepancy is more than 10%, Assessor should report accordingly.

48	H.6	The Client operates independently and is not required to consult/seek guidance from Ministry/central government in its day-to-day operation.	Review organisation, flow of information and relations with higher political authority. Based on these findings, Assessor should determine if the Client exposed to any form of outside pressures.
49	H.7	Any violation that comes to the attention of the Client or government is promptly investigated and recorded, and a public record of the complaint and disposition is maintained.	There is no pre-defined standard. Assessor should record evidence of prosecution and punishment for corrupt practices in order to rate this score favourably.
50	H.8	A complaints registry exists within the Client and if a project with the Bank exists, the Bank would have access to it.	A database on tender complaints or protests is administered by a qualified staff that will access to the relevant information is available at all times in the Client and during the project implementation in particular.

PROJECT ASSESSMENT

51	I.1	<p>Who is responsible for and how is the Client going to organise the procurement function during the project implementation? Is it going to be implemented by the Client entity only, or by a special PIU staffed with consultants, only for all functions or will rely on resources from the Client and Consultants combined.</p>	<p>Project procurement implementation will be assigned as per three scenarios: (a) the Client; (b) Special PIU, staffed with consultants; (c) Combination of Client and PIU. Under (a) scenario compliance will be achieved if Client ICA (items 1 to 52) is of low or moderately low risk. Under (b) scenario, the project will hire consultants to carry these activities; in such a case, compliance will be achieved if selected consultants will have at least 8 years of experience in handling procurement from preparation to contract management or have access to professional staff that can provide this knowledge. Under (c) scenario, in order to achieve compliance, proposed organization should ensure that there would be qualified staff available for preparation of tender documents, management of the tendering process including responses to questions and clarifications, contract management, quality control and reporting. Moreover, "Yes" may be awarded for this item, only if ICA institutional is low, moderately or moderately high risk and there is no uncertainty about the quality choice of consultants, otherwise "No" score should be given. Combined scenario (c) is very well-liked choice as it allows for adequate division of labour and responsibilities between the Client's and Consultant's staff. For example: land acquisition and right-of-way are better handled by the Client but there should be close coordination for readiness of project implementation.</p>
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52	I.2	<p>Are the procurement arrangements clearly defined in project and procurement tenders packages and processes are adequately chosen in a procurement plan listing methods, schedule of tendering and completion, cost estimate, provide space for the subsequent actual contract register, all in sufficient detail to ensure consistency with project definition and readiness for implementation?</p>	<p>There are procurement arrangements clearly defined and include: (a) a procurement plan; (b) overall clarity on the procurement procedures that govern the process that have to be used, including EBRD PP&R as applicable; (c) open tender is a default option and open international tendering will apply if the contract is attractive for international competition; and (d) risk based selective review process as defined and required by EBRD is clearly understood by the Client. If any of the three aspects is uncertain or negative, then rating should be “No” and remedy actions should be discussed with the Client.</p>
53	I.3	<p>There is an operation manual describing all the steps of procurement processes ensuring compatibility with or adherence to, as the case might be, EBRD PP&R</p>	<p>There are internal control procedures, including a project operations implementation manual, that states requirements for this activity which is widely available to all staff</p>
54	I.4	<p>Staff in the project implementation unit is experienced in international procurement relevant to this operation, including use of Standard Bidding Documents and FIDIC contracts.</p>	<p>At least two open international competitive tendering were carried out by procurement unit staff in the last three years</p>

55	1.5	<p>How is the project implementation going to ensure quality of technical specifications and drawings to provide clarity, neutrality, and accuracy suitable for open international tendering?</p>	<p>This assessment should be made on the basis of examination of one of the existing open tenders carried out by the Client in recent past. If such document is not readily available, assessor should take into account, when rating that experience on local tendering may not necessarily translates into neutral and competitive in an international field. In order to rate this item as “Yes”, the assessor should be reassured that in the preparation of the tender documents: (a) content is relevant and sufficient for tenderers to be able to respond to the requirement; (b) use of neutral specifications citing international standards when possible; and (c) requires recognition of standards which are equivalent when neutral specifications are not available. If the project is to ensure the competitiveness in international open tendering with consultants, the rating will be “Yes” if the consultants are already on board at the time of the assessment.</p>
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56	1.6	<p>How is the project going to ensure that the tender evaluations will be conducted by qualified technical experts in the evaluating committees?</p>	<p>Too often, the tender committees are formed by legal, administrative, procurement and financial members and too few technical experts. If the expertise is coming from subcommittees, consultants or external support, the rating of this score would be “Yes” only if there is a well-established experience in using such arrangements recently and the awards were not subject to controversy, complaints or deficient installations or works. Under any acceptable arrangements, there should be at least three technically qualified members in the project tender evaluation committees to ensure proficiency and neutrality in the technical decisions.</p>
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57	1.7	How is the project going to ensure that tender evaluations will be carried out thoroughly and on the basis of the criteria specified in the tender documents and that no new rules are introduced during the evaluation or that existing rules would be applied in flexible manner to favour certain participants and in a stringent manner to disqualify other tenderers?	In order to rate this element with a “Yes” , the mechanisms and arrangements described by the project team should ensure that (a) tender documents set forth evaluation criteria relevant to the decision so that the award decision will be made solely on the basis of the criteria stated in the tender documents; (b) Criteria not evaluated in monetary terms are evaluated on a pass/fail basis to the extent possible.; (c) Evaluation of proposals for consulting services gives adequate importance to quality and regulates how price and quality are considered; and (d) During the evaluation period, information relating to the examination, clarification and evaluation of tenders is not disclosed to the participants or to others not involved officially in the evaluation process.
58	1.8	The project implementation arrangement should ensure that decision making in procurement under the project is clearly defined ensuring that the project implementation is managed independently and is not required to consult/seek guidance from Ministry/central government in its day-to-day operation.	Review organisation, flow of information and relations with higher political authority to ensure that project implementation will have no interference, particularly in the award of contracts. Assessor should rate “Yes” this indicator if sufficiently reassured that there would be confidentiality during the evaluation of tenders and communication to higher level authorities is for normal information and not seeking orders to change or modify awards.
59	1.9	Project size: the size of the project correlates to the Client's overall capacity of project implementation.	Complies if: (a) project does not exceed 20% of the annual budget; (b) project does not exceed 25% of the largest project implemented in the last 3 years.
60	1.10	Project difficulty: the complexity of the project correlates to the Client's overall capacity	Complies if: (a) this is not a new project; or (b) if items and works to be procured under the project are of the same nature of the Client business and similar items were procured in the last three years.

61	I.11	Project similarity and precedent: there is experience in the implementation of similar projects within last 3 years	Complies if this is "repeater" project with the Bank
62	I.12	Procurement difficulty: expected procurement complexity is within Client's overall capacity	Complies if: (a) this is "repeater" project with the Bank in the last 3 years; (b) same/similar capacity of staff has been retained.

92. At the time of issuing the first version of this Guidance Note, the toolkit was already tested in nine cases in three countries; all items responded well to the intended purpose, i.e., were clearly understood by the participant Client. The toolkit was also subject to scrutiny by members of the procurement network of the Bank; more than 55 questions and answers were satisfactorily discussed in the Network. Four presentations were given to the procurement network of the Bank in the concept, design and first batch of applications between January and November 2010. The views of the members appear reflected in the toolkit and this Guidance Note. However, the design and preparation of this Guidance Note is a final product of the consultant services hired by the Bank for the ICB & CTOP Programme due for end of year 2011; for this reason, comments on each individual item or standard is well received before finalizing this Guidance note.

X. SIMPLIFIED VERSION

SIMPLIFIED ICA TOOL KIT FOR SELF-ASSESSMENT

93. In this version, the numbering of the items is not consecutive as the other items will remain in the system for an opportunity to gather data on the characteristics of excluded parameters. This version consists of a selection of 37 items out of 62 of the full-fledged toolkit and it relates exclusively to aspects connected to the project.

LEGAL FRAMEWORK

1	A.2	Legal framework is clear, comprehensive and conducive of a competitive procurement environment	The legislative and regulatory body of norms (or legal framework) complies with all the following conditions: (a) Is adequately recorded and organized hierarchically (laws, decrees, regulations, procedures,) and precedence is clearly established; (b) All laws and regulations are published and easily accessible to the public at no cost; (c) Covers goods and works for all procurement using national budget funds.
2	A.5	The conditions for use of various procurement methods are clearly established and there is an explicit requirement that open competitive tendering is the preferred or default method	Legal framework meets all the following conditions: (a) procurement methods are established unambiguously at an appropriate hierarchical level along with the associated conditions under which each method may be used, including a requirement for approval by an official that is held accountable; (b) competitive procurement is the default method of public procurement; (c) appropriate standards for international competitive tendering are specified and are consistent with international standards; (d) fractioning of contracts to limit competition is prohibited

ORGANIZATION

3	B.2	<p>Key functions are assigned and duly staffed (not necessarily one function-one staff; one staff may be assigned several of the following responsibilities): - Planning - Preparation of Tender Documents - Tender Process Management (Advertising, Printing and Publication, Responses to Questions/Clarifications, Pre-tender Conference) - Tender Opening - Tender Evaluation - Contract Preparation - Contract Management - Quality Control and Inspection - Transport, Insurance - Custom Clearances and Expediting.</p>	<p>At least eight of the key listed functions are staffed with specialized procurement staff and there is systematic matching of skills against requirements. If the staff require to undertake procurement activities is hired on an ad-hoc basis, they at least have the knowledge they need to undertake the activity or have access to professional staff that can provide this knowledge. When specifying "staffed" it does not imply that there should be one staff for each function: one staff may be assigned several of the key functions.</p>
4	B.3	<p>Existence of procedural manuals and clear instructions for staff to follow</p>	<p>There are internal control procedures, including a manual, that state the requirements for this activity which is widely available to all staff.</p>

SUPPORT AND CONTROL

5	C.1	<p>Auditing arrangements are in place and are well-established</p>	<p>Internal or external, independent audits take place at least annually and recommendations are responded to or implemented within six months of the submission of the auditors' report.</p>
6	C.4	<p>There is a mechanism in place that allows for reporting of fraud, corruption, bribery, solicitation or extortion by procurement officials; if there is a Bank-financed project, staff of the project will also have access to such a mechanism.</p>	<p>A "whistle blowing" policy or equivalent is available.</p>

STAFFING

7	D.1	Staff skills generally match requirements and number of staff is consistent with workload	Staff number in the unit is consistent with the workload of the procurement function
8	D.4	Procurement staff have adequate project/contract management capabilities	Procurement staff is involved in contract management and have the skills to contribute to the orderly implementation of contracts
9	D.5	Procurement staff in the unit are experienced in international procurement	At least one international competitive tender was carried out by the staff in the last two years

RECORD KEEPING

10	E.1	The Client has a regulation on filling documents that may be used if there is project financed by the Bank. Such regulation will ensure availability of complete records of the process	The ability to review implementation performance is dependent upon the availability of information and records that track each procurement action. This information is also important to the functioning of control systems both internal and external.
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PROCUREMENT PLANNING

11	F.1	Procurement plans are prepared to govern the procurement activities of each fiscal year using an institutional standard or model form or software application	There is a regular planning exercise instituted by law or regulation that: begins with the preparation of multi-year plans for government agencies, from which annual operating plans are derived, followed by annual procurement plans and estimation of associated expenditures, culminating in the annual budget formulation. Consequently, procurement plans are prepared in support of the formulation process and budget planning.
12	F.5	Staff in the unit is adequately trained in procurement planning, contract scheduling and cost estimating	The procurement plan is handled by the procurement unit and there is at least one expert who handles the procurement plan, and its updates, with proficiency and care.

PROCUREMENT CYCLE

13	G.1	Standard documents exist for goods and works including international contract formats	There are model invitation and tender documents provided for use for a wide range of goods, works and services procured by government agencies; there is a standard and mandatory set of clauses or templates that are reflective of the legal framework, for use in documents prepared for competitive tendering and the documents are kept up-to-date with responsibility for preparation and updating clearly assigned.
14	G.4	Procuring entities maintain updated lists of qualified suppliers and contractors and updated market information on commonly procured goods, including spares and consumables. Supplier, contractor and consultant performance are routinely evaluated and newcomers readily apply for qualification	Registration requirements allow those who wish to register to do so at any time before contract award. The registration system is not a barrier to participation and does not discriminate.

15	G.5	Contracts are awarded following a competitive tendering which is publicly advertised	Majority of contracts in the Client are subject to advertisement and are awarded competitively.
16	G.9	Evaluations are conducted by qualified evaluating committees	There are at least three technically qualified members in every evaluation committee.
17	G.10	Tender evaluations are carried out thoroughly and on the basis of the criteria specified in the tender documents	The Client establishes that evaluation criteria are relevant to the decision, and precisely specified in advance in the tender documents so that the award decision is made solely on the basis of the criteria stated in the tender documents; criteria not evaluated in monetary terms are evaluated on a pass/fail basis to the extent possible. Evaluation of proposals for consulting services gives adequate importance to quality and regulates how price and quality are considered. During the evaluation period, information relating to the examination, clarification and evaluation of tenders is not disclosed to the participants or to others not involved officially in the evaluation process.
18	G.12	Contracts are required to be awarded to the lowest evaluated responsive tenderer who has been determined to be qualified to perform the contract satisfactorily	Award criteria must be to the lowest evaluated responsive tender
19	G.13	There are manual or computerised procurement and/or contract monitoring systems in use	Monitoring standards of the procurement activity should provide quality assurance standards and a monitoring system for procurement processes and products
20	G.15	Contract changes or variations are handled promptly in accordance with the contract conditions and established practice (i.e. change/variation orders are given and/or confirmed in writing; construction change orders are avoided, unit rates in the contract are honoured. The contract is given new unit rates if needed duly approved by the parties.	Procedures for issuance of contract amendments are part of the legal/regulatory framework or are incorporated as standard clauses in contracts. Supervision of civil works is carried out by independent engineering firms or qualified government supervisors and inspectors able to ensure adequate contract management. Procedures for acceptance of final products are well established and apply consistently.

		Completion schedule is adjusted for each change or variation duly approved.	
21	G.16	Procuring entities normally make a good faith attempt to resolve disagreements through informal negotiations (Amicable Settlement). If this fails, the resulting disputes are handled in accordance with the contract conditions	There is an Arbitration law in the country; the law is consistent with generally accepted practices for neutrality of arbitrators, due process, expediency and enforceability; the country accepts - as a matter of course - international arbitration for international competitive tendering; provisions for alternative dispute resolution (ADR) are standard in contracts; and ADR provisions conform to international standard wording
22	G.19	Final payments and contract final closure are efficiently handled	Final payments are processed promptly as stipulated in the contract

GENERAL ASSESSMENT

23	H.5	Contract prices do not normally exceed Client estimates.	There is no pre-defined standard. Assessor should review the procurement plan budget and the contract register; if average discrepancy is more than 10%, Assessor should report accordingly.
24	H.7	Any violation that comes to the attention of the Client or government is promptly investigated and recorded, and a public record of the complaint and disposition is maintained.	There is no pre-defined standard. Assessor should record evidence of prosecution and punishment for corrupt practices in order to rate this score favourably.
25	H.8	A complaints registry exists within the Client and if a project with the Bank exists, the Bank would have access to it.	A database on tender complaints or protests is administered by a qualified staff that will access to the relevant information is available at all times in the Client and during the project implementation in particular.

PROJECT ASSESSMENT

26	I.1	<p>Who is responsible for and how is the Client going to organise the procurement function during the project implementation? Is it going to be implemented by the Client entity only, or by a special PIU staffed with consultants, only for all functions or will rely on resources from the Client and Consultants combined.</p>	<p>Project procurement implementation will be assigned as per three scenarios: (a) the Client; (b) Special PIU, staffed with consultants; (c) Combination of Client and PIU. Under (a) scenario compliance will be achieved if Client ICA (items 1 to 52) is of low or moderately low risk. Under (b) scenario, the project will hire consultants to carry these activities; in such a case, compliance will be achieved if selected consultants will have at least 8 years of experience in handling procurement from preparation to contract management or have access to professional staff that can provide this knowledge. Under (c) scenario, in order to achieve compliance, proposed organization should ensure that there would be qualified staff available for preparation of tender documents, management of the tendering process including responses to questions and clarifications, contract management, quality control and reporting. Moreover, "Yes" may be awarded for this item, only if ICA institutional is low, moderately or moderately high risk and there is no uncertainty about the quality choice of consultants, otherwise "No" score should be given. Combined scenario (c) is very well-liked choice as it allows for adequate division of labour and responsibilities between the Client's and Consultant's staff. For example: land acquisition and right-of-way are better handled by the Client but there should be close coordination for readiness of project implementation.</p>
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27	I.2	<p>Are the procurement arrangements clearly defined in project and procurement tenders packages and processes are adequately chosen in a procurement plan listing methods, schedule of tendering and completion, cost estimate, provide space for the subsequent actual contract register, all in sufficient detail to ensure consistency with project definition and readiness for implementation?</p>	<p>There are procurement arrangements clearly defined and include: (a) a procurement plan; (b) overall clarity on the procurement procedures that govern the process that have to be used, including EBRD PP&R as applicable; (c) open tender is a default option and open international tendering will apply if the contract is attractive for international competition; and (d) risk based selective review process as defined and required by EBRD is clearly understood by the Client. If any of the three aspects is uncertain or negative, then rating should be “No” and remedy actions should be discussed with the Client.</p>
28	I.3	<p>There is an operation manual describing all the steps of procurement processes ensuring compatibility with or adherence to, as the case might be, EBRD PP&R</p>	<p>There are internal control procedures, including a project operations implementation manual, that states requirements for this activity which is widely available to all staff</p>
29	I.4	<p>Staff in the project implementation unit is experienced in international procurement relevant to this operation, including use of Standard Bidding Documents and FIDIC contracts.</p>	<p>At least two open international competitive tendering were carried out by procurement unit staff in the last three years</p>

30	I.5	<p>How is the project implementation going to ensure quality of technical specifications and drawings to provide clarity, neutrality, and accuracy suitable for open international tendering?</p>	<p>This assessment should be made on the basis of examination of one of the existing open tenders carried out by the Client in recent past. If such document is not readily available, assessor should take into account, when rating that experience on local tendering may not necessarily translates into neutral and competitive in an international field. In order to rate this item as “Yes”, the assessor should be reassured that in the preparation of the tender documents: (a) content is relevant and sufficient for tenderers to be able to respond to the requirement; (b) use of neutral specifications citing international standards when possible; and (c) requires recognition of standards which are equivalent when neutral specifications are not available. If the project is to ensure the competitiveness in international open tendering with consultants, the rating will be “Yes” if the consultants are already on board at the time of the assessment.</p>
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31	I.6	<p>How is the project going to ensure that the tender evaluations will be conducted by qualified technical experts in the evaluating committees?</p>	<p>Too often, the tender committees are formed by legal, administrative, procurement and financial members and too few technical experts. If the expertise is coming from subcommittees, consultants or external support, the rating of this score would be “Yes” only if there is a well-established experience in using such arrangements recently and the awards were not subject to controversy, complaints or deficient installations or works. Under any acceptable arrangements, there should be at least three technically qualified members in the project tender evaluation committees to ensure proficiency and neutrality in the technical decisions.</p>
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32	1.7	<p>How is the project going to ensure that tender evaluations will be carried out thoroughly and on the basis of the criteria specified in the tender documents and that no new rules are introduced during the evaluation or that existing rules would be applied in flexible manner to favour certain participants and in a stringent manner to disqualify other tenderers?</p>	<p>In order to rate this element with a “Yes” , the mechanisms and arrangements described by the project team should ensure that (a) tender documents set forth evaluation criteria relevant to the decision so that the award decision will be made solely on the basis of the criteria stated in the tender documents; (b) Criteria not evaluated in monetary terms are evaluated on a pass/fail basis to the extent possible.; (c) Evaluation of proposals for consulting services gives adequate importance to quality and regulates how price and quality are considered; and (d) During the evaluation period, information relating to the examination, clarification and evaluation of tenders is not disclosed to the participants or to others not involved officially in the evaluation process.</p>
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33	1.8	<p>The project implementation arrangement should ensure that decision making in procurement under the project is clearly defined ensuring that the project implementation is managed independently and is not required to consult/seek guidance from Ministry/central government in its day-to-day operation.</p>	<p>Review organisation, flow of information and relations with higher political authority to ensure that project implementation will have no interference, particularly in the award of contracts. Assessor should rate “Yes” this indicator if sufficiently reassured that there would be confidentiality during the evaluation of tenders and communication to higher level authorities is for normal information and not seeking orders to change or modify awards.</p>
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34	1.9	<p>Project size: the size of the project correlates to the Client's overall capacity of project implementation.</p>	<p>Complies if: (a) project does not exceed 20% of the annual budget; (b) project does not exceed 25% of the largest project implemented in the last 3 years.</p>
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35	I.10	Project difficulty: the complexity of the project correlates to the Client's overall capacity	Complies if: (a) this is not a new project; or (b) if items and works to be procured under the project are of the same nature of the Client business and similar items were procured in the last three years.
36	I.11	Project similarity and precedent: there is experience in the implementation of similar projects within last 3 years	Complies if this is "repeater" project with the Bank
37	I.12	Procurement difficulty: expected procurement complexity is within Client's overall capacity	Complies if: (a) this is "repeater" project with the Bank in the last 3 years; (b) same/similar capacity of staff has been retained.

XI. REPORT (ICAR)

94. When the assessment is carried out by a Bank staff, the report may be simple and should include the statement on risk determination. Use of the following form is recommended.

CAPACITY ASSESSMENT AND RISK DETERMINATION REPORT

Date of report: ___/___/20__

Date of assessment: ___/___/20__

Country:

Name of Project: _____

Name of Client:

SUMMARY OF SCORES	Maximum Percentage		Achieved Percentage	
Points in Legal Framework				
Points in Organization				
• Control and Support				
• Record Keeping				
• Planning				
• Procurement				
• General Assessment				
• Project Assessment				
TOTAL POINTS AND OVERALL SCORE		100%		

Overall Risk (check one):

- LOW
- MODERATELY LOW
- MODERATELY HIGH
- HIGH

Critical Aspects for Improvement:	Explain select review recommendation:
-----------------------------------	---------------------------------------

Name and position qualified assessor

Signature

Procurement Department Note: _____ Date: ____/____/20____

95. When the report of the ICA (ICAR) is prepared by consultant firms or individual consultants it should accurately reflect the work of one day in interviews and documents examination and half-a-day writing the report.
96. The following is the table of content of the report as specified by the Bank to a consultant. In any case, the qualified assessor is expected to upload the data into the database in the intranet and present the draft report to Procurement Department (PD) within one week of the application for approval.

Preface	7
Executive summary	7
PART A: Application of ICA in EPS.....	10
I. Introduction.....	10
II. Objectives.....	11
III. Scope of this report and Client response	12
IV. Findings.....	13
V. Technical notes on the EPS application	14
VI. Action plan.....	17
VII. Next steps.....	17
PART B: General notes and background.....	18
VIII. Risk model applied to EPS procurement function.....	18
IX. Lessons learned on the application of the first ICA.....	19
X. Application of information technology for a sustainable ICA & CTOP.....	19
XI. General planning overview.....	20
XII. Overview of ICA Toolkit.....	21
XIII. Implementation schedule for EPS capacity assessment.....	22
XIV. Closing remarks.....	23
Annex No.1.....	23
Results of the EPS capacity assessment.....	23
Annex No.2.....	34
Listing of activities for improvement.....	34
Annex No.3.....	38
Action Plan.....	38
Annex No. 4	40
Aspects in the terms of reference of this Assignment related to the application of Institutional Capacity Assessment (ICA Toolkit)	40
Annex No.5.....	49
List of staff interviewed in this ICA.....	49
Annex No.6.....	50
Presentation used to brief EPS staff.....	50
Annex No.7.....	52
Invitation and agenda of Client Training Workshop designed to address areas of opportunity	52

97. In the report, the executive summary should immediately provide a table listing the basic information of the application; highlighting the procurement risk of the Client assessed:

DATA	Application of Assessment No. [Number]
Name of EBRD Client:	[Name of Client]
Date of Application:	[Date of application]
Risk on procurement:	Moderately low
Status of lending operation:	Approved investment loan
Assessor(s):	[Name of qualified assessor]
Main Client contact:	[Name of main client contact]
Position:	Investment Sector Manager
Contact:	

98. In order to keep the ICAR report brief and focused in its results, the ICAR will not include extensive details of the methodology applied or details of the best practice standards under each item or category, as these are the same for each ICA or PPA application. If reader of the report requires more information about the standards, he or she should consult this Guidance Note.

XII. BRIEFING CLIENTS

99. The following is a typical agenda for the briefing of Client It generally takes between one 45 minutes and one hour to brief the Clients in the scope and nature of the assessment.



CAPACITY BUILDING ACTIVITIES IN PROCUREMENT

PROGRAM OF ACTIVITIES: ONE-DAY-AND-A-HALF CONVERSATION ON THE PROCUREMENT FUNCTION AT THE CLIENT

First session

- Objectives
- Introduction to ICA Institutional Capacity Building Toolkit

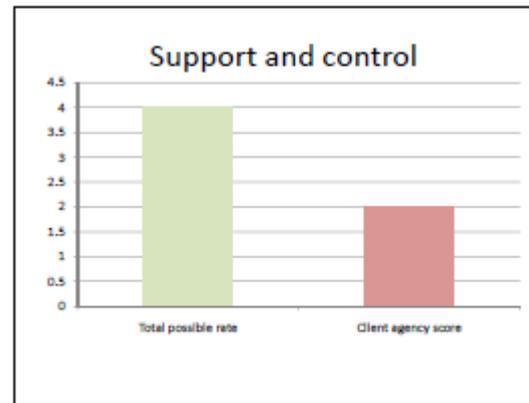
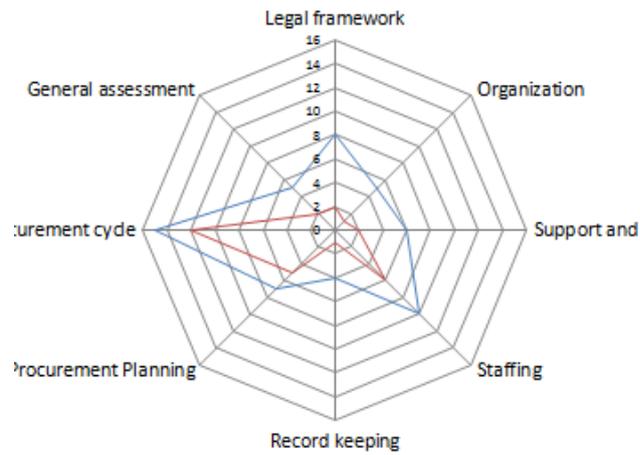
Second session

- Legal framework of the Client
- Organisation of the procurement function in the Client
- Support and control systems
- Staffing
- Brief conversation on record keeping and filing
- Procurement planning

Third session

- Procurement cycle
- How to report wrongdoing? Prices? Complaints register?
- Specific project procurement assessment

Conclusion and feedback of institutional assessment



Next steps

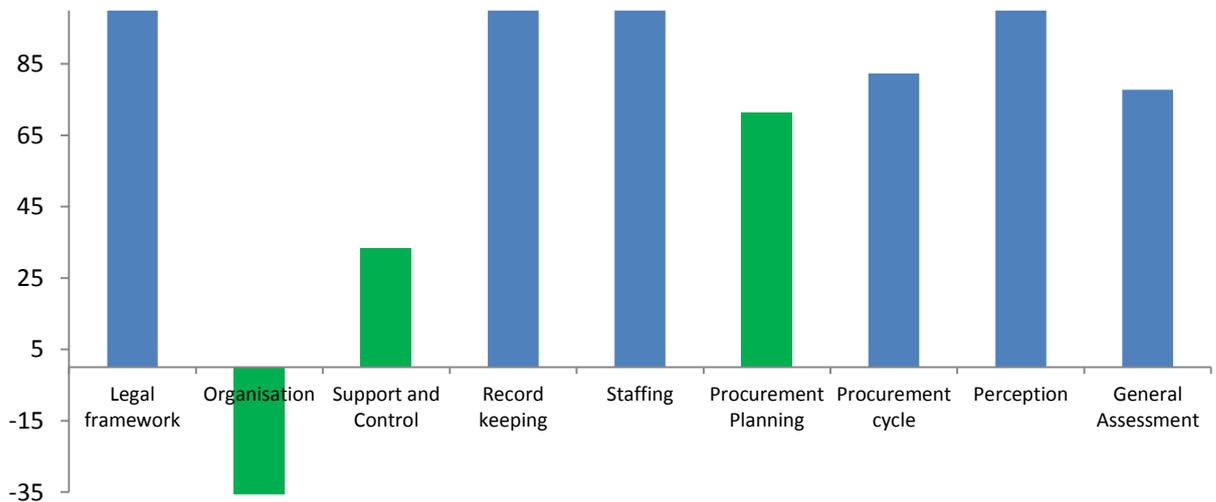
- Meeting to discuss areas of opportunity
- Discussion of an action plan for improvement of the implementation capacity

XIII. DEBRIEFING CLIENTS

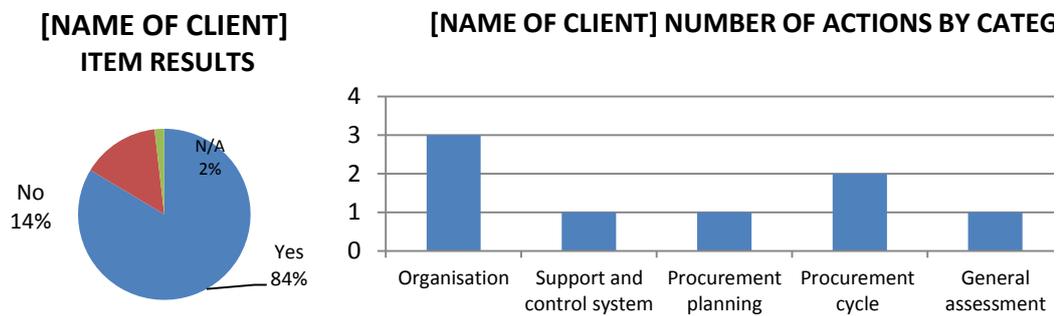
100. Given the prompt availability of results upon completion of the interviews, a qualified assessor may be able to present the Client an immediate overall result of the assessment by pointing out the risk category: H, MH, ML or Low risk. The toolkit presents green colour areas of opportunity, listing the headings of the action plan as in the example below. If there are no areas of opportunity, that is, the Client meets the compliance standard then the space is in red colour with an indication that there is “No related actions”:

No.	A	LEGAL FRAMEWORK							5	4	LEGAL FRAMEWORK					
		C	T	N	M	A	T	SC			DC					
1	A.1	The Client agency holds legal status (i.e., government department, state corporation, registered society) and is accountable to the government.									2	2	0	There is no available standard. Assessor should record the legal status of the Client agency.		No related actions
2	A.2	Legal framework is clear, comprehensive and conducive of a competitive procurement environment									0	0	-2	The legislative and regulatory body of norms (or legal framework) complies with all the following conditions: (a) Is adequately recorded and organized hierarchically (laws, decrees, regulations, procedures,) and precedence is clearly established; (b) All laws and regulations are published and easily accessible to the public at no cost; (c) Covers goods and works for all procurement using national budget funds.		Support procurement law reform and modernisation

101. With more time, the qualified assessor may present details of the overall assessment highlighting the main categories for improvement.

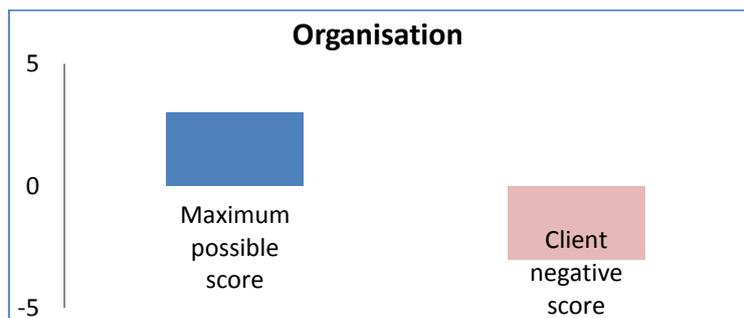


102. Charts with an indication of the level of compliance by item and number of actions by category of opportunity are also easily derived from the application of the toolkit when using the excel table as in the following examples:

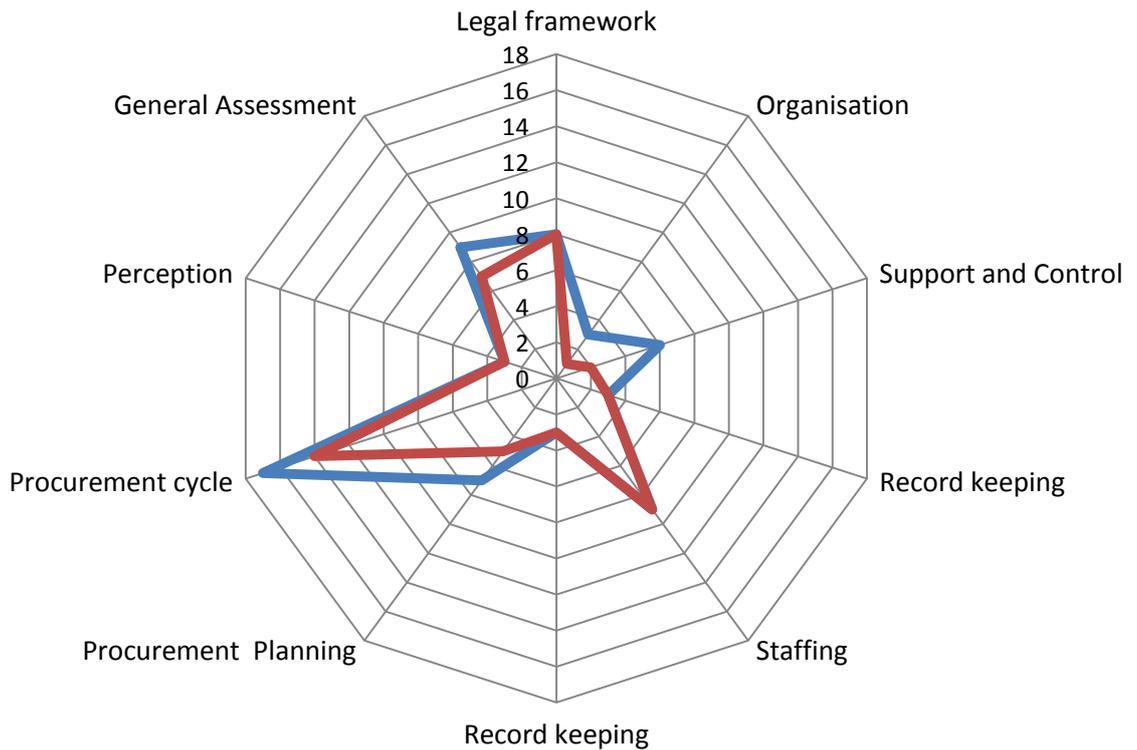


103. As the ICA methodology tallies points added or subtracted in each parameter depending upon if the Client’s arrangement matches the standard or not, it is possible that the Client achieves a negative score if too many items are deemed as non-compliant against the standard.

104. For example, in one category, i.e., Organisation, a Client scored negative points as in the next chart. This occurred because the procurement function in the Client is carried out on a highly de-centralised environment in which each department has its own arrangement for the procurement without a central, normative unit to support the operational procurement work. Following the inherent methodology of the toolkit, by accumulating negative scores, the overall rating of the Organisation category is “negative”. This may be understood as posing a larger challenge than having no organisation in procurement. The current arrangement has to be de-constructed and rebuilt in order to match best practices.



105. Another way to look into the challenges and opportunities defined by the assessment is encapsulating the results in a “radar” chart in which the outer line is the optimal arrangement of the procurement function while the inner line links scores achieved by Client in the assessment. To avoid confusion, the negative score is made positive 1 in the scale; this will reduce the size of the gap in the category of Organisation but enhance the overall look of the chart. The scale of the category Procurement Cycle is also generally reduced to one half to improve the look of the chart.



XIV. IT APPLICATION

106. This section presents the logic framework of the IT application to upload the data into the Bank's capacity assessment and risk determination database. This section was prepared by the IT Department and it is reproduced in this Guidance Note to consolidate instructions on how to apply the toolkit.

1 Enhancement Description

BB. Background/Overview

107. The Procurement Department (PD) is reviewing the way in which the Bank carries out and reports on institutional capacity for Bank clients. For successful project implementation, it is important that Clients are able to carry out project related procurement activities according to EBRD procurement policies and rules (PP&R) and in a timely manner. Their ability to do this is known as the procurement implementation capacity and its determination is known as capacity assessment which is a mandate of the Bank to be carried out before any loan is approved. The overall objective of the capacity assessment is to define the risks of a Client carrying out procurement and to mitigate the risk factors defined by the assessment.

108. The aim is to replace the current ad-hoc process with a more structured and standardised approach which will more accurately evaluate procurement risk. By standardising the information gathered on procurement capacity it will be possible to target any required client procurement institutional capacity improvement including training. By collating the data it will also allow the Bank to perform analysis and to define trends and monitor progress.

109. The PD is also responsible for the Outreach Programme. This takes the form of seminars or training sessions to supply information about the EBRD and its procurement policies plus highlighting business opportunities to private firms interested in working for EBRD.

110. In order to assist in the transition to the new structured approach the PD has worked together with a consultant firm to produce an Institutional Capacity Assessment (ICA) Toolkit. The ICA Toolkit comprises of an Excel based form with parts that are suitable for self-assessment for client capacity assessment. The form is supplemented with a manual explaining each point of the assessment. The toolkit will also include sets of training modules; some focussed on client training and others on outreach training.

111. The assessment form contains a pre decided list of standards in the form of questions or statements of compliance selected to maximise efficiency. The list of questions is split into categories. Some categories will be completed by the Client, some will be completed by the client with assistance from the assigned EBRD procurement specialist and a further set of categories will completed by the EBRD procurement specialist directly.

112. Initially there will be 12 Clients selected to take part in a test phase (2010-2011) before the new approach is rolled out to all new Banking projects. During the test phase it is possible that the Excel assessment form contents may be altered.

113. A similar assessment for project procurement related information will also be implemented called the PPA (Project Procurement Assessment). It will have a very similar format to the ICA toolkit but with only one category containing all related questions.

114. The PD would like a system to help record and monitor the results of the institutional capacity assessments and the project procurement assessments. The system will also assist in producing training packages, action plan templates and supervision plans based on the institutional assessment results.

1.1 Glossary

Item	Description
CRUD	This is an acronym for Create, Read, Update and Delete. It is used to describe how different users are able to interact with data in the system.
CTOP	Client Training and Outreach Program
DTM	Bespoke EBRD application used for maintaining banking operation (project) related data
ERD	Bespoke EBRD application used for maintaining business contact data and country and city reference data. Contains client data.
ICA	Institutional Capacity Assessment – an assessment of the ability of a client to implement a project
OL	Banking Operation Leader
Operation	Operation (from DTM or general) sometimes called a project
PD	Procurement Department
PPA	Project Procurement Assessment – an assessment of ability of the client to complete procurement for a particular project
PP&R	Procurement Policies and Rules – a set of agreed policies and rules which should be adhered to for all bank projects.
PS	Procurement Specialist For each new project an operation leader and a project team are assigned. Each project team contains a procurement specialist. The procurement specialist is usually an EBRD staff member (80% of projects) but where this is not possible a consultant may be hired.

1.2 Objectives of Implementing Changes

- Adopt a more structured way of carrying out client capacity assessments
- Standardisation of client capacity assessments
- Standardisation of procurement risk rating based on results of assessments
- Optimise client training based on assessment
- Gather a body of data relating to procurement capacity to use for analysis purposes to spot trends and adapt training materials and outreach programme as required
- To help clients to recognise that assistance with procurement is needed in particular areas through self-assessment.

- Adopt a more structured way of assisting clients with action plan to improve areas of opportunity found in the assessment.
- To assist procurement specialists in creating standardised supervision plans

1.3 Scope

115. It has been decided that the project should be split into distinct phases. The first phase of the project will support the recording of institutional capacity assessment results, evaluation of client procurement risk and monitoring of results including reporting on the data gathered.

116. One or more additional phases of the project will be required. For the purpose of this document this will be referred to as Phase 2 (see below).

117.

118. The creation of the Excel spreadsheet used to gather the assessment data is being produced by the external consultancy firm and as such is outside of the scope of this project.

119. This document details Phase 1 requirements only.

Phase 2

120. This will include:

- implementation of the PPA
- more detailed reporting and data analysis capabilities
- extending access to Operation Leaders and other selected personnel
- link directly to related Projectlink documentation

121. It will also support the following based on assessment results:

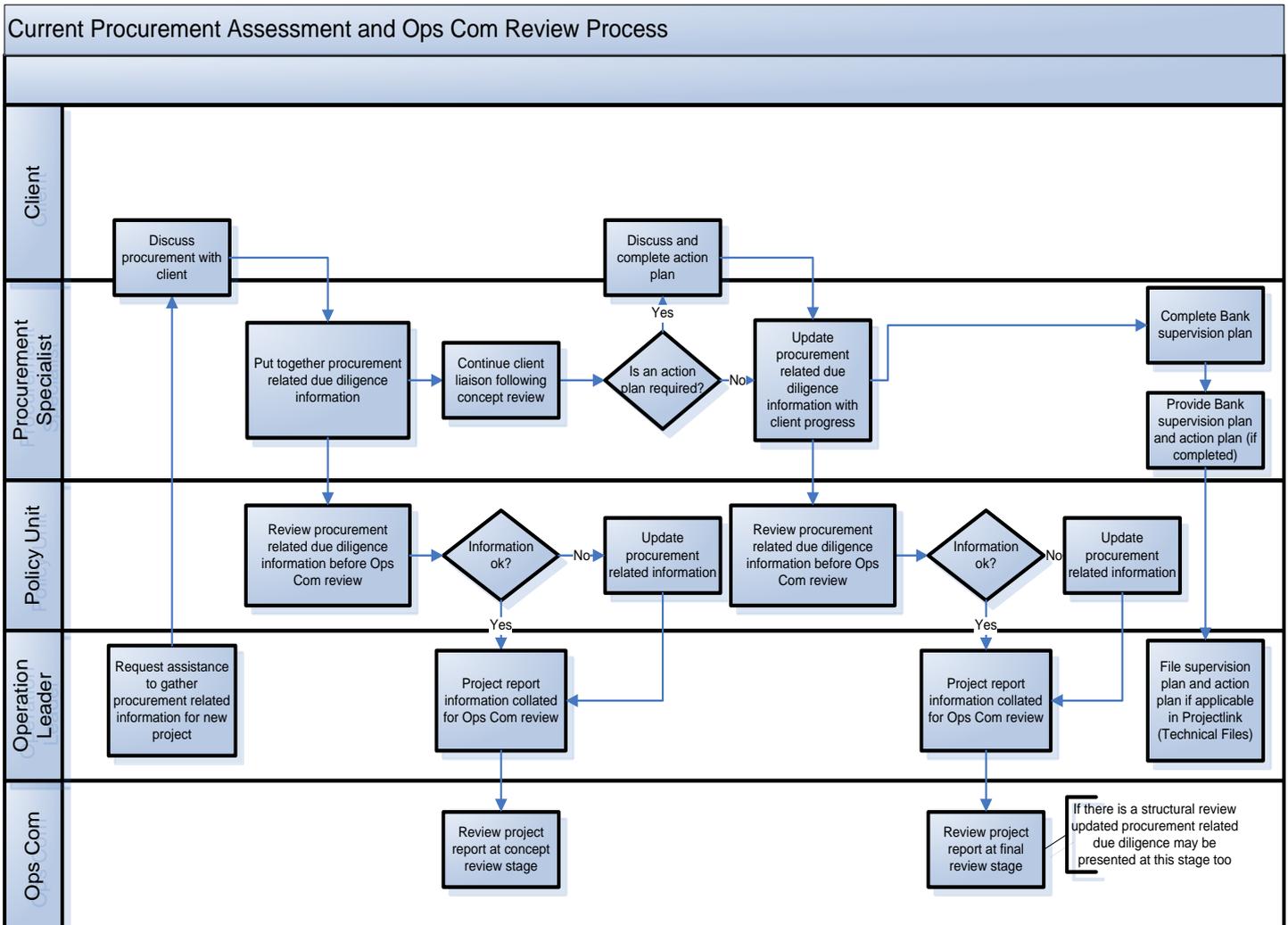
- production of training packages
- action plan templates
- supervision plans

1.4 Business Processes/Areas Impacted

1.4.1 Existing Process

122. Currently Procurement Specialists report on client's institutional capacity in report format as part of the due diligence carried out for a project. The report contains information relating to the client's procurement capacity and experience and proposes mitigating measures in case of shortfalls. The report is reviewed by the Procurement Department before presentation to Ops Com to ensure that PP&R guidelines are followed. Action plans are only implemented for selected high risk projects; they detail specific areas for improvement with dates. Bank supervision plans are implemented for all projects; they are produced by the Procurement Specialist and state the frequency of monitoring for the project with specific dates.

123. The latest information relating to the client's procurement capacity must be presented at each Ops Com review stage.

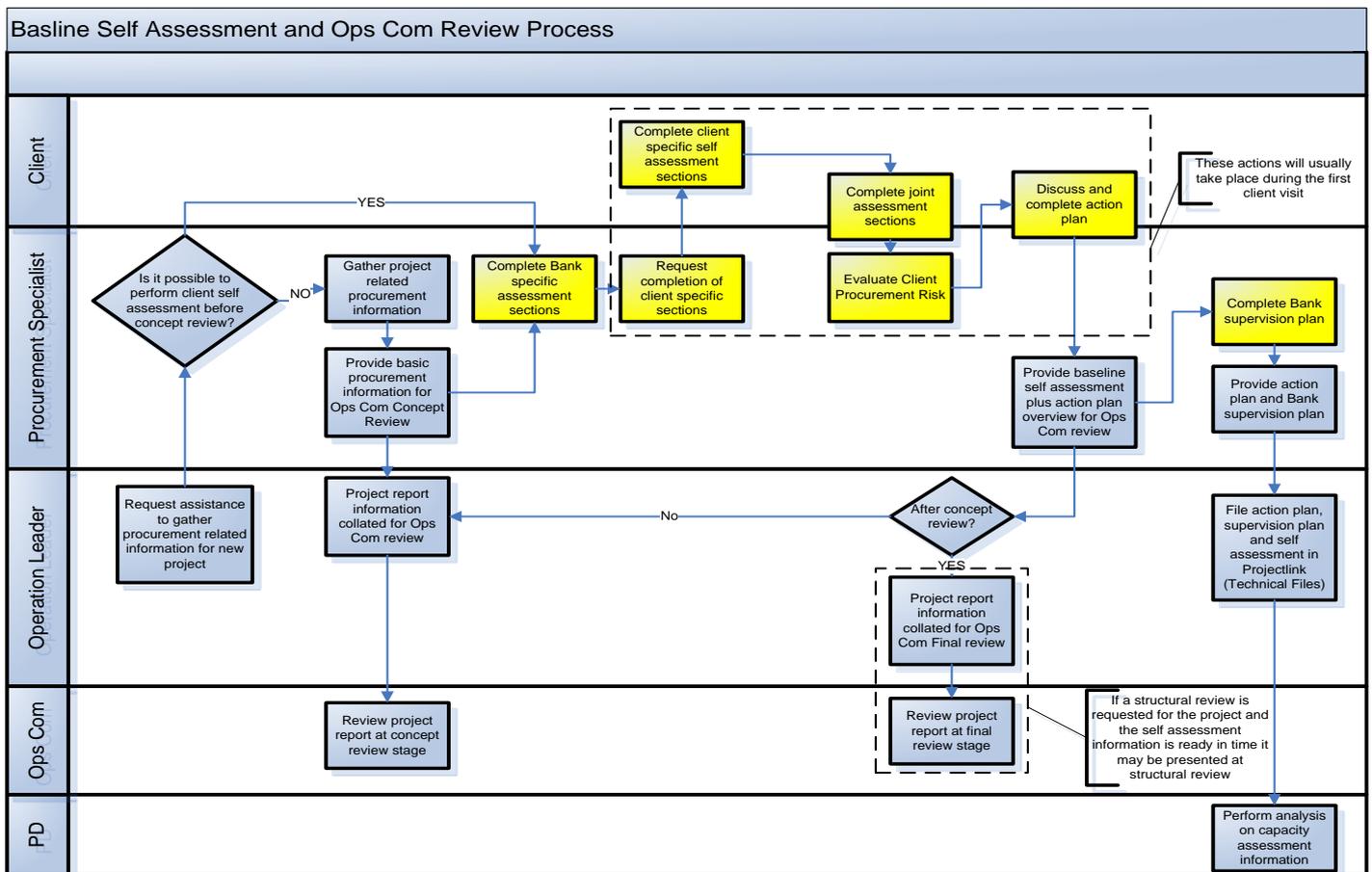


Note: The process outlined above represents the most usual process. However the process for each project may vary according to the Operation Team and OL.

1.4.2 New Process

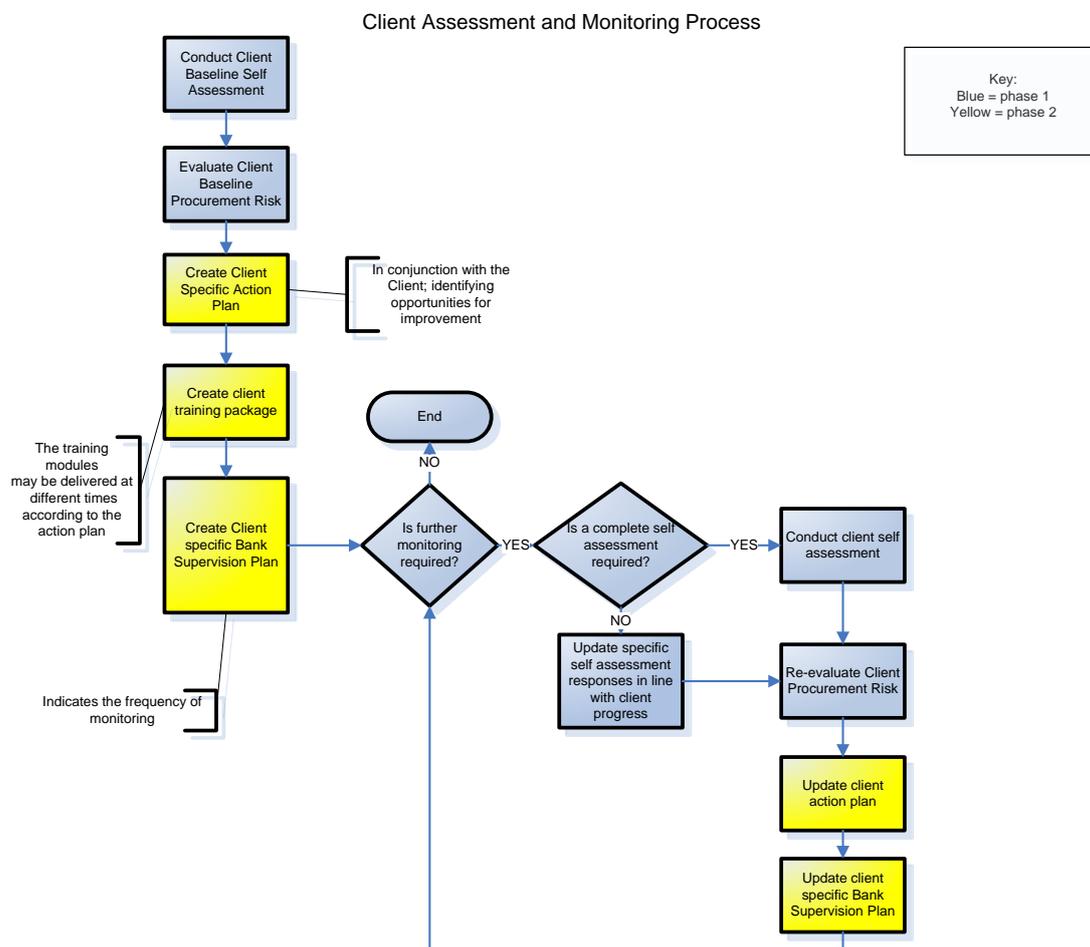
124. The processes followed by the procurement specialists will change significantly. They will be expected to complete an institutional capacity assessment using the new self-assessment Excel spread sheet for all new projects (post 2011). They will be responsible for ensuring that this data is input into the system in order to generate a proposed action plan template, training package and supervision plan. They will be responsible for recording the agreed client action plan in the system. They will also be responsible for updating the suggested training package and supervision plan as required.

125. The business process diagram below shows the new process supported by Phase 1 of the project. Items in yellow indicate tasks which will be assisted by the new system.



126. The PD will continue to review procurement information prior to Ops Com reviews but the more consistent and structured approach will mean that guidelines are always followed. The PD will be able to analyse the results of the assessments and perform trend analysis to target outreach training and adapt training modules as necessary.

1.4.3 Client Assessment and Monitoring Workflow



1.5 Prioritised High Level Requirements

Requirement description	Priority	Use Case
Allow users to select an ERD organisation (client) to record institutional capacity assessment results against	High	UC007
Allow users to select a client from a DTM Operation to record institutional capacity assessment results against	High	UC008
Provide functionality to record a set of baseline institutional capacity assessment results for a client	High	UC001/UC002/ UC003/UC005
Provide functionality to record subsequent institutional capacity assessment	High	UC001/UC002/

results for the client (following baseline assessment)		UC003/UC005
Provide functionality to allow users to see clearly the contents of the previous assessment when selecting the contents of a new assessment for a client	High	UC003/UC004
Provide functionality to calculate the client procurement risk for a client based on the latest institutional capacity assessment results	High	UC005
Allow users to select a client and review on screen assessment results recorded along with the associated client procurement risk	High	UC004
Allow users to create an assessment template in Excel including all required formulae, selecting questions to be included and the weighting for each	High	UC003
Allow users to download the details of all assessment data in Excel format	High	UC011
Restrict system access to members of the Procurement Department and Banking based procurement specialists	High	Section 2.1
Allow users access to the system via EBRD Remote	High	
Allow flexibility for contents of the self assessment to be updated according to the results of the testing phase – questions and categories	High	UC009/UC010

1.6 Constraints

127. Operation details will need to be obtained from DTM. Client details will need to be obtained from ERD.

1.7 Assumptions

- Data gathering will take place outside of the system
- A standard Excel spreadsheet will be used to gather data. The spreadsheet will also evaluate the client procurement risk making this visible to the client without the client requiring access to the system.
- The assessment response data will initially be manually input into the system.
- All information recorded about the client will be transparent to the client as they will have access to the excel spreadsheet used to record assessment results and procurement risk evaluation.
- Initial access to the system will only be required by EBRD staff
- Consultants hired for the role of procurement specialist for a project will not have an EBRD network login. Information gathered by the consultants for input into the system will need to be relayed manually to the PD for input, probably by email. Similarly any documentation produced by the system will also need to be exchanged manually.
- Standard CSM security will be used for access to the system. The specifics regarding logging in to the system are not specified in this document the assumption being that logon functionality is the same as other applications using CSM security.
- No records will be confidential

- The flexibility for users to adjust the scoring model (shown in section 3.3) will be included in a later phase if necessary.

1.8 Timeframe

128. The Procurement Department will begin conducting institutional capacity assessments using the new excel spread sheet format in June 2010.

2 Specification Definition

2.1 Security

2.1.1 Administrator Role

129. A new CSM role is required to act as ICA administrator. Users assigned this role will be able to update the list of questions and categories available in the assessment templates.

2.1.2 CSM Roles for ICA Application users

130. Two new CSM roles are required to allow users access to the ICA application.

- Procurement Department Specialist
- Procurement Specialist

131. All Procurement department personnel belonging to Cost Centre PA310 will be allocated the Procurement Department role.

2.1.3 CRUD Model

132. This model specifies user rights by role and data object.

- The Client record represents the details of a client.
- The Client Assessment record represents the contents of the assessment and responses
- The Client Procurement Risk object represents the value of risk evaluated according to the responses input.

C= Create, R= Read, U= Update, D= Delete

	Record	Client record	Client assessment	Category record	Question record	Client	DTM	ERD Organisation
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					Procurement risk	Operation	
Role							
ICA Administrator	R,C,U	R,C,U	R,C,U	R,C,U	R	R	R
Procurement Dept Specialist	R,C,U	R,C,U	R	R	R	R	R
Procurement Specialist	R,C,U	R,U	R	R	R	R	R

- Procurement specialists should only be able to update assessments where they are named as the procurement specialist or the alternate procurement specialist for an assessment

ICA New Assessment Details			
Client			
Name			
Full Legal Name			
Client Type			
First client assessment?			
Assessment Type			
Client Contact Name			
Client Contact Number			
EBRD Team			
Procurement Specialist			
Alternate Procurement Specialist			
PD Specialist			
Linked to Operation?		DTM Operation ID	<input type="text" value="Search"/>
		Operation Name	
		Country of Operation	
	<input type="text"/>	Operation Leader	
	<input type="button" value="Save"/>	<input type="button" value="Save & Select Questions"/>	

2.2.6 New Assessment Template Screen

138. This screen allows the user to select the questions required for a new client assessment template and create the template once selection is complete.

2.2.8 Review Client Assessment Screen

140. The screen below will be used to review assessments at any status. When the status for an assessment is 'Awaiting Responses' then this screen will also be used to enter responses.

ICA Client Assessment Review				
Date Created				
Assessment Type				
Extent				
Assessment Status				
Procurement Specialist				
Alternate Procurement Specialist				
PD Specialist				
DTM Op ID				
Operation Name				
Operation Leader				
Associated Procurement Risk				
Category A	LEGAL FRAMEWORK			
		C/D	YES	NO
		N/A		
Q1	The Client agency holds legal status (i.e., government department, state corporation, registered society) and is accountable to the government.	C		
Q2	Legal framework is clear, comprehensive and conducive of a competitive procurement environment	C		
Q3	Legal or regulatory requirements mandate the disclosure of procurement decisions	D		
Q4	There are regulations to allow for suspension or debarment of tenderers	C		
Q5	The conditions for use of various procurement methods are clearly established and there is an explicit requirement that open competitive tendering is the preferred or default method	D		

2.2.9 ICA Administrator Menu Options

141. The following menu options should be available to ICA Administrators only:

- Maintain Categories
- Maintain Questions
- Download Assessment Data to Excel

2.3 Use Cases

Use case id and Name	UC001: Create a new client record in ICA		
Description	This Use Case allows the Users to select an organisation from ERD or a DTM project client and supplement existing client data		
Rationale /Goal	Before a client assessment record can be created the user must set up the client data in the system		
Actors	Procurement Department Specialist, Procurement Specialist.		
Preconditions/assumptions	The User has logged onto the system.		
Successful Outcome	A new client record is created in the system.		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
	The user selects the cancel option	No details are saved.	User decides not to create the record.
Steps of Main Scenario	<ol style="list-style-type: none"> 1. The User searches and selects an organisation from the list of organisations in ERD (see UC007) <u>or Alternative AS1</u> 2. The System displays the following ERD data for the selected organisation: <ul style="list-style-type: none"> ▪ Organisation Name ▪ Street ▪ City ▪ State/Province ▪ Postcode ▪ Country 3. The User enters the full legal name of the client <u>or Alternative AS0/AS2</u> 4. The User selects the client type from the following <u>or Alternative AS0/AS2:</u> <ul style="list-style-type: none"> • Private Sector • Public Sector 5. The User selects to save & create a client assessment <u>or Alternative AS0/AS1/AS2</u> 6. The System saves the client record 7. Use case ends successfully 		

Alternative Steps	<p>AS0. Cancel data entry</p> <p>3a. The user selects the option to Cancel.</p> <p>3b. The use case ends in failure (Cancel data entry)</p> <p>AS1 Select client from DTM Operation</p> <p>1a. The user selects to search for the client using DTM Op ID – See Use Case UC008</p> <p>1b. The use case resumes at Step 2 in Main Scenario</p> <p>AS2 Save client information</p> <p><i>Allows the user to save any client information entered so far</i></p> <p>3a. The user selects to save client information</p> <p>3b. The system saves the client record</p> <p>3c. The use case ends</p>
Post conditions	The client record is saved
Business/visibility Rules	<ul style="list-style-type: none"> • If the user attempts to create a client that already exists in ICA then the system should warn and allow the user to update the ICA client record with details entered. • If the search returns only one client the system should automatically select the client.
Notes	The client record can be created without any additional client data being entered by the user at this stage.

Use case id and Name	UC002: Create a new client assessment record in ICA		
Description	This Use Case allows the Users to create a new assessment template for a client in ICA		
Rationale /Goal			
Actors	Procurement Department Specialist		
Preconditions/assumptions	The User has logged onto the system and the client record has been created in ICA (UC001).		
Successful Outcome	A new client assessment record is created and details recorded in the system.		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
	The user selects the cancel option	No details are saved.	User decides not to create the record.

<p>Steps of Main Scenario</p>	<ol style="list-style-type: none"> 1. The User searches and selects an existing ICA client – See Use Case UC006 2. The System displays the client data for the selected organisation: <ul style="list-style-type: none"> ▪ Organisation Name ▪ Full legal name ▪ Client type ▪ First client assessment flag 3. The User enters the client contact name <u>or Alternative AS0</u> 4. The User enters the client contact number <u>or Alternative AS0/AS5</u> 5. The User selects the assessment type from the following: <ul style="list-style-type: none"> • Self Assessment • Fully independent assessment • Hybrid 6. The User selects the Procurement Specialist from a drop down list <u>or Alternative AS0/AS1/AS5</u> 7. The User selects the Alternate Procurement Specialist from a drop down list (optional) <u>or Alternative AS0/AS1/AS5</u> 8. The User selects the Procurement Department Specialist from a drop down list <u>or Alternative AS0/AS5</u> 9. The User indicates that the assessment is linked to a DTM Operation <u>or Alternative AS0/AS2/AS3/AS5</u> 10. The User searches and selects a DTM project for the assessment – see UC008 11. The system displays the following project information for the selected project <u>or Alternative AS4</u>: <ul style="list-style-type: none"> • Operation Name • Operation ID • Country of Operation • Operation Lifecycle • Sector 12. The User selects to ‘Save & Select Questions’ <u>or Alternative AS5</u> 13. The System saves the data, sets the assessment status to ‘In progress’ and sets the Date Created to today’s date. 14. Use case ends successfully
<p>Alternative Steps</p>	<p>AS0. Cancel data entry</p> <ol style="list-style-type: none"> 3a. The user selects the option to Cancel. 3b. The use case ends in failure (Cancel data entry) <p>AS1 External Procurement Specialist Assigned</p> <ol style="list-style-type: none"> 6a. The User selects that the Procurement specialist is an external

	<p>consultant</p> <p>6b. The User enters the first name and surname of the external consultant</p> <p>6c. The use case resumes at step 7/8 in Main Scenario</p> <p>AS2 Institutional Assessment Only</p> <p><i>No DTM project is specified, pure institutional assessment only</i></p> <p>9a. The system displays all DTM related fields as N/A</p> <p>9b. The use case resumes at step 12 in Main Scenario</p> <p>AS3 DTM Operation specified when creating the client record</p> <p><i>When the client was selected using DTM Op ID in UC001 these details will default through and do not need to be re-entered</i></p> <p>9a. The use case resumes at step 11 in Main Scenario</p> <p>AS4. DTM Operation client selected is different to the organisation selected</p> <p><i>The DTM client selected is not the same as the ICA client</i></p> <p>11a. The system alerts the user that there is a difference in clients</p> <p>11b. The use case resumes at step 10 in Main Scenario.</p> <p>AS5 Save client assessment information</p> <p><i>Allows the user to save any client assessment information entered so far</i></p> <p>4a. The user selects to save client assessment information</p> <p>4b. The system saves the client assessment record, sets the status to 'In progress' and sets the Date Created to today's date.</p> <p>4c. The use case ends</p>
Post conditions	The client assessment record is saved and status set to 'In progress'
Business/visibility Rules	<ul style="list-style-type: none"> • It is not mandatory for a DTM project to be selected for an assessment • Where there is a difference between the DTM operation client selected and the ICA client then the system will allow the user to continue or select a new DTM operation client • The first client assessment flag should show as 'Y' where the client has no previous assessments and as 'N' where there are previous assessments for the client. • The system should not select defaults for the following fields: <ul style="list-style-type: none"> ○ Procurement Specialist ○ Alternate Procurement Specialist ○ Procurement Department Specialist • The following fields should be able to be edited at any stage prior to the status of the Assessment being set to 'Complete':

	<ul style="list-style-type: none"> ○ Procurement Specialist ○ Alternate Procurement Specialist ○ Procurement Department Specialist ○ Client Contact Name ○ Client Contact Number ○ Assessment Type ○ DTM Operation details
Notes	<ul style="list-style-type: none"> ● This use case can be called from UC001, when this is the case the use case will start at step 2 in the Main Scenario. When the user has selected the client using a DTM Op Id in UC001 the details of the operation entered should default through into the assessment record.

Use case id and Name	UC003: Create a new client assessment template in ICA		
Description	This Use Case allows the users to create a new assessment template for a selected client in ICA		
Rationale /Goal	Each time a client assessment is carried out the template of questions needs to be set up in the system.		
Actors	Procurement Department Specialist		
Preconditions/assumptions	The User has selected an assessment where the status is 'In progress'		
Successful Outcome	A new assessment template is created in the system and the template is available to be downloaded to Excel.		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
	The user selects the cancel option	No details are saved.	User decides not to create the record.
Steps of Main Scenario	<ol style="list-style-type: none"> 1. The System displays the following data for the assessment: <ul style="list-style-type: none"> ▪ Client Name ▪ DTM Operation ID ▪ DTM Operation Name 2. The System displays the full list of available questions and categories highlighting questions included in the most recent template for this client with corresponding required flag and weighting 3. The User selects the questions required in the template from the list of questions displayed or Alternative ASO 4. The User selects the weighting for each question selected from 		

	<p>Compulsory or Desirable <u>or Alternative AS0</u></p> <ol style="list-style-type: none"> 5. The User saves to the list of selected questions for the template <u>or Alternative AS0</u> 6. The System records the questions selected 7. The User selects to generate the Excel template contents <u>or Alternative AS1</u> 8. The System generates the Excel spreadsheet with template details and opens the Excel template generated <u>or Alternative AS2</u> 9. The System sets the Extent for the assessment and sets the assessment status to 'Await Responses' 10. Use case ends successfully
Alternative Steps	<p>AS0. Cancel data entry</p> <ol style="list-style-type: none"> 3a. The user selects the option to Cancel. 3b. The use case ends in failure (Cancel data entry) <p>AS1. Save questions without generating template</p> <p><i>Allows the user to save the questions selected so far – no validation</i></p> <ol style="list-style-type: none"> 7a. The System saves the questions selected 7b. The use case ends. <p>AS2. Mandatory Data Missing</p> <ol style="list-style-type: none"> 8a. The system alerts the user that mandatory data is missing and must be completed before the template is able to be created 8b. The use case resumes at relevant screen for required data entry
Post conditions	The template details are saved
Business/visibility Rules	<ul style="list-style-type: none"> ➤ The Extent should be set to Full where all possible questions are selected, otherwise set to Simplified. ➤ The following fields are mandatory before the template can be saved downloaded to Excel: <ul style="list-style-type: none"> ○ Procurement specialist ○ Procurement department specialist ○ Client type ○ Full legal name for the client ○ Client contact name ○ Client contact number ○ External procurement specialist name field (when the user indicates that an external procurement specialist is being used) ➤ Where there is no linked DTM Operation for the assessment the DTM Op ID and Operation Name will display as 'N/A'. ➤ For the first assessment for a client no questions will be highlighted. ➤ The user should be able to adjust the questions selected for the assessment and re-generate the excel template at any stage prior to

	<p>responses being entered</p> <ul style="list-style-type: none"> ➤ Only Procurement Specialists assigned the assessment as either Procurement Specialist or Alternate Procurement Specialist should be able to create/update the template. ➤ When a question is selected the weighting should default to Compulsory. ➤ No default response should be allocated in the Excel template created. ➤ The user should be able to select the 'Save As' option for the opened Excel template ➤ Only categories and questions where the status = Current should be available for selection
Notes	<p>This use case maybe called from UC002 – step 12</p> <p>This use case maybe called from UC004</p> <p>The details of the Excel template contents are shown in Appendix 1</p> <p>The Excel template created should include formulae required to calculate the client procurement risk.</p> <p>The Excel template should include all formulae and contents of Parts A, B, C and D.</p>

Use case id and Name	UC004: View client assessment details in ICA		
Description	This Use Case allows the Users to view client details along with a list of assessments for the client and drill down to view details for a listed assessment		
Rationale /Goal	Details of historic and existing assessments need to be able to be reviewed by users.		
Actors	Procurement Department Specialist, Procurement Specialist.		
Preconditions/assumptions	The User has logged onto the system and the client has been created in ICA (UC001).		
Successful Outcome	The required assessment details are visible.		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
Steps of Main Scenario	1. The User searches for and selects an existing ICA client - see Use Case UC006		

	<ol style="list-style-type: none"> 2. The System displays the following client data: <ul style="list-style-type: none"> ▪ Client Name ▪ Full Legal Name ▪ Address ▪ Client Type 3. The System displays the list of client assessments with the following information for each assessment: <ul style="list-style-type: none"> ▪ Date Created ▪ Final Assessment date ▪ Assessment Type ▪ Extent ▪ Status ▪ Procurement Specialist ▪ Alternate Procurement Specialist ▪ PD Specialist ▪ DTM Op ID ▪ Operation Name ▪ Operation Leader ▪ Client Procurement Risk 4. The User selects an assessment to view full details 5. The System displays the list of questions and responses relating to the assessment selected 6. Use case ends successfully
Alternative Steps	
Post conditions	None.
Business/visibility Rules	<ul style="list-style-type: none"> ➤ Following review of assessment details the user will be able to do one of the following: <ul style="list-style-type: none"> ○ Perform the functionality in UC003 where the assessment status is 'In progress' ○ Perform the functionality UC005 where the assessment status is 'Await responses'
Notes	

Use case id and Name	UC005: Record assessment results in ICA
Description	This Use Case allows the Users to record the results for a client assessment in ICA
Rationale /Goal	Each time a client self assessment is carried out the results of the assessment need to be recorded in the system so that client procurement risk is able to be calculated.

Actors	Procurement Department Specialist, Procurement Specialist.		
Preconditions/assumptions	The User has logged onto the system and selected a client assessment (UC004) where the status is 'Await responses' or 'Complete'		
Successful Outcome	The assessment results are recorded in the system and the client procurement risk evaluated.		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
	The user selects the cancel option	No details are saved.	User decides not to complete responses.
Steps of Main Scenario	<ol style="list-style-type: none"> 1. The System displays the list of questions relating to the assessment selected 2. The User enters responses for each question from the following options or Alternative AS0: <ul style="list-style-type: none"> • Yes • No • N/A 3. The User selects to save and calculate client procurement risk or Alternative AS0/AS1 4. The System records the responses entered or Alternative AS2 5. The System calculates and displays the client procurement risk for the assessment 6. The System sets the assessment status to 'Complete' and records the date of completion 7. Use case ends successfully 		
Alternative Steps	<p>AS0. Cancel data entry</p> <ol style="list-style-type: none"> 3a. The user selects the option to Cancel. 3b. The use case ends in failure (Cancel data entry) <p>AS1 Save without calculating risk</p> <p><i>Allows users to save partial information</i></p> <ol style="list-style-type: none"> 3a. The User selects to save without calculating client procurement risk 3b. The use case ends <p>AS2 Mandatory data is missing</p> <ol style="list-style-type: none"> 4a. The system indicates that all questions must have a response before client procurement risk can be calculated 4b. The use case resumes at step 2 in Main Scenario 		

Post conditions	The responses are recorded and the client procurement risk calculated
Business/visibility Rules	<ul style="list-style-type: none"> ➤ All questions included in the assessment template must have a response entered before the client procurement risk can be calculated ➤ Users should be able to edit responses entered and recalculate the client procurement risk. ➤ The date of completion should be recorded in the Final Assessment field
Notes	<ul style="list-style-type: none"> ➤ This use case maybe called from UC004 ➤ See section 3.3 for the calculation details

Use case id and Name	UC006: Search and Select an existing client in ICA		
Description	Users are able to enter specified criteria to search for a client who has been created in ICA already		
Rationale /Goal	Allows users to search for an existing ICA client		
Actors	Procurement Department Specialist, Procurement Specialist.		
Preconditions/assumptions	None		
Successful Outcome	The User is able to select an existing ICA client		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
	Cancel request	No client is selected	User decides not to continue with client search
Steps of Main Scenario	<ol style="list-style-type: none"> 1. The User selects to search for an existing ICA client 2. The System displays the following blank fields for user entry: <ul style="list-style-type: none"> ▪ Client name ▪ Client type 3. The User enters the required search criteria into the relevant field(s) and selects 'Search' 4. The System displays a list of clients who match the criteria, showing the following details: <ul style="list-style-type: none"> ▪ Client Name ▪ Full legal name ▪ Client type or <u>Alternative AS1</u> 5. The User selects the client from the list provided or <u>Alternative AS2</u> 6. The Use Case ends. 		
Alternative Steps	<u>AS1 No clients in ICA match the search criteria entered</u> 4a. The System is unable to find any client records which satisfy the search criteria entered		

	<p>4b. The System displays 'No matching clients'</p> <p>4c. The Use case resumes at Step 2 in Main Scenario</p> <p><u>AS2 Cancel request</u></p> <p>5a. The user decides not to continue</p> <p>5b. The use case ends</p>
Post conditions	The required client is returned.
Business/visibility Rules	<ul style="list-style-type: none"> ➤ Partial text should be able to be entered in the client name field for the search. ➤ All ICA clients should be available to search ➤ The Client type selection should be from a drop down of relevant values. ➤ When the user enters the client name as the search criteria the search will be on the client name field – not the full legal name.
Notes	This Use Case is called from UC002

Use case id and Name	UC007: Search and Select a client from ERD		
Description	Users are able to enter specified criteria to search for a client in ERD		
Rationale /Goal	Allows users to search for an client from the ERD database		
Actors	Procurement Department Specialist, Procurement Specialist.		
Preconditions/assumptions	None		
Successful Outcome	The User is able to select a client from ERD		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
	Cancel request	No client is selected	User decides not to continue
Steps of Main Scenario	<ol style="list-style-type: none"> 1. The User selects to search client from ERD 2. The System displays the following blank fields for user entry: <ul style="list-style-type: none"> ▪ Organisation Name 3. The User enters text into the search field and selects 'Search' 4. The System displays a list of clients who match the criteria, showing the following details: <ul style="list-style-type: none"> ▪ Organisation Name 		

	<ul style="list-style-type: none"> ▪ Street ▪ City ▪ State/Province ▪ Postcode ▪ Country <p>or <u>Alternative AS1</u></p> <p>5. The User selects the client from the list provided or <u>Alternative AS2</u></p> <p>6. The Use Case ends.</p>
Alternative Steps	<p><u>AS1 No clients in ERD match the search criteria entered</u></p> <p>4a. The System is unable to find any client records which satisfy the search criteria entered</p> <p>4b. The System displays ‘No matching clients’</p> <p>4c. The Use case resumes at Step 2 in Main Scenario</p> <p><u>AS2 Cancel request</u></p> <p>5a. The user decides not to continue</p> <p>5b. The use case ends</p>
Post conditions	The required client is returned.
Business/visibility Rules	<ul style="list-style-type: none"> ➤ Partial text should be able to be entered in the organisation name field for the search. ➤ All ERD organisations with a status = ‘Current’ should be available to search
Notes	This Use Case is called from UC001

Use case id and Name	UC008: Search and Select a DTM Operation and Client
Description	Users are able to enter specified criteria to search for a DTM Operation Client
Rationale /Goal	Allows users to select a DTM Operation and client or co-client
Actors	Procurement Department Specialist, Procurement Specialist.
Preconditions/assumptions	None
Successful Outcome	The User is able to select a DTM Operation and required client

Alternative Outcome	Alternative	Outcome	Condition leading to outcome
	Cancel request	No client is selected	User decides not to continue
Steps of Main Scenario	<ol style="list-style-type: none"> 1. The User selects to search for a DTM Operation 2. The System displays the following blank field for user entry: <ul style="list-style-type: none"> ▪ Operation ID 3. The User enters the Operation ID into the Operation ID field and selects 'Search' 4. The System displays the specified operations entered, showing the following details: <ul style="list-style-type: none"> ▪ Operation Name ▪ Operation ID ▪ Country of Operation ▪ Operation Leader ▪ Client organisation name ▪ Co-client organisation name (if exists) <p>or <u>Alternative AS1</u></p> 5. The User confirms to proceed with the operation returned or <u>Alternative AS2/AS3</u> 6. The Use Case ends. 		
Alternative Steps	<p><u>AS1 No Operations match the search criteria entered</u></p> <p>4a. The System is unable to find any operations which satisfy the search criteria entered</p> <p>4b. The System displays 'No matching operations'</p> <p>4c. The Use case resumes at Step 2 in Main Scenario</p> <p><u>AS2 Client or Co-client to be selected</u></p> <p><i>A client and co-client organisation exist for the project</i></p> <p>5a. The user selects either the client or co-client</p> <p>5b. The use case resumes at step 5 in Main scenario</p> <p><u>AS3 Cancel request</u></p> <p>5a. The user decides not to continue</p> <p>5b. The use case ends</p>		
Post conditions	The required DTM operation and client is returned.		

Business/visibility Rules	➤ All DTM operations should be available – no restrictions on status or op life cycle are required
Notes	This Use Case is called from UC001

Use case id and Name	UC009: Maintain Assessment Categories in ICA		
Description	This Use Case allows the Users add or remove categories to the list of categories available for selection in an ICA assessment and update existing categories.		
Rationale /Goal	In order that the client self-assessment template is able to be updated according to PD requirements the category list must be able to be updated.		
Actors	ICA Administrator		
Preconditions/assumptions	The User has logged onto the system.		
Successful Outcome	The updates to the category list are recorded in the system.		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
	The user selects the cancel option	No details are saved.	User decides not to create the record.
Steps of Main Scenario	<ol style="list-style-type: none"> 1. The User selects to review the list of categories 2. The System displays the following data for each category: <ul style="list-style-type: none"> ▪ Category ID ▪ Category Reference ▪ Category Name ▪ Status (Archive/Current) 3. The User selects to add a new Category <u>or Alternative AS0/AS1</u> 4. The User enters the Category Reference <u>or Alternative AS0</u> 5. The User enters the Category Name <u>or Alternative AS0</u> 6. The User selects to save the data <u>or Alternative AS0</u> 7. The System assigns a category ID for the new category and sets the status to current <u>or Alternative AS2/AS3</u> 8. Use case ends successfully 		
Alternative Steps	AS0. Cancel data entry 3a. The user selects the option to Cancel. 3b. The use case ends in failure (Cancel data entry)		

	<p>AS1 Update an Existing Category</p> <p>3a. The User selects an existing category to update</p> <p>3b. The User updates the required fields</p> <p>3c. The System updates the category selected <u>or Alternative AS2/AS3</u></p> <p>3d. the use case ends</p> <p>AS2. Invalid data entered</p> <p>7a. The system alerts the user that a category with the description or reference entered exists already</p> <p>7b. The use case resumes at step 3 in Main Scenario.</p> <p>AS3 Mandatory data missing</p> <p>7a. The system advises that the category name and reference must be completed</p> <p>7b. The use case resumes at step 4 in Main Scenario</p>
Post conditions	The category details are saved
Business/visibility Rules	<ul style="list-style-type: none"> ➤ For a new category the following fields are mandatory before the record can be saved: <ul style="list-style-type: none"> ○ Category Reference ○ Category Name ➤ Validation <ul style="list-style-type: none"> ○ category name must be unique ○ category reference must be unique ➤ When entering a new category the status will default to Current. ➤ When the status of a Category is set to 'Archived' then all questions associated with the category will also have their status set to 'Archived'
Notes	<ul style="list-style-type: none"> ➤ The category reference is used for sorting the order of categories for display on the assessment template ➤ Users are not able to delete categories; instead they can be archived using the status field.

Use case id and Name	UC010: Maintain Assessment Questions in ICA		
Description	This Use Case allows the Users add or remove questions to the list of questions available for selection in an ICA assessment and update existing questions.		
Rationale /Goal	In order that the client assessment template is able to be updated according to PD requirements the question list must be able to be updated.		
Actors	ICA Administrator		
Preconditions/assumptions	The User has logged onto the system.		
Successful Outcome	The updates to the question list are recorded in the system.		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
	The user selects the cancel option	No details are saved.	User decides not to create the record.
Steps of Main Scenario	<ol style="list-style-type: none"> 1. The User selects to review the list of questions 2. The System displays the following data for each question: <ul style="list-style-type: none"> ▪ Question ID ▪ Question Reference ▪ Question Description ▪ Required Standard ▪ Opportunities for Improvement ▪ GNIT Cross Reference ▪ Status (Archive/Current) ▪ Associated Category Name 3. The User selects to add a new question <u>or Alternative AS0/AS1</u> 4. The User enters the Question Reference <u>or Alternative AS0</u> 5. The User enters the Question Description <u>or Alternative AS0</u> 6. The user selects the associated category from a drop down list of categories with status = current <u>or Alternative AS0</u> 7. The User selects to save the data <u>or Alternative AS0</u> 8. The System assigns a unique question ID and sets the status to Current <u>or Alternative AS2/AS3</u> 9. Use case ends successfully 		
Alternative Steps	AS0. Cancel data entry 3a. The user selects the option to Cancel.		

	<p>3b. The use case ends in failure (Cancel data entry)</p> <p>AS1 Update an Existing Question</p> <p>3a. The User selects an existing question to update</p> <p>3b. The User updates the required fields</p> <p>3c. The System updates the question selected <u>or Alternative AS2/AS3</u></p> <p>3d. The use case ends</p> <p>AS2. Mandatory data missing</p> <p>9a. The system alerts the user that mandatory data must be completed</p> <p>9b. The use case resumes at step 4 in Main Scenario.</p> <p>AS3. Invalid data entered</p> <p>9a. The system alerts the user that the invalid data has been entered</p> <p>9b. The use case resumes at step 4 in Main Scenario.</p>
Post conditions	The question details are saved
Business/visibility Rules	<ul style="list-style-type: none"> ➤ For a new question the following fields are mandatory before the record can be saved: <ul style="list-style-type: none"> ○ Question reference ○ Question description ○ Category ○ Required Standard ○ Opportunities for Improvement ➤ Validation: the following must be unique: <ul style="list-style-type: none"> ○ The question description within the selected category must be unique ○ The question reference within the selected category must be unique
Notes	<ul style="list-style-type: none"> ➤ The question reference is used for sorting the order of questions within a category for display on the assessment template ➤ Users are not able to delete categories; instead they can be archived using the status field. ➤ There is an additional text field associated with each question 'Standard Achieved Text' but this is not able to be updated by the users. Instead the default text for this field will be hard coded.

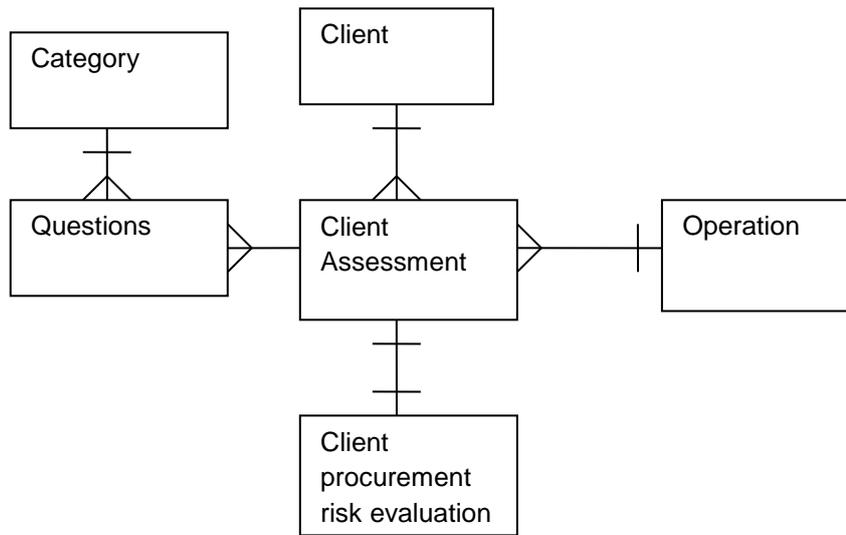
Use case id and Name	UC0011 Download report data into Excel
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Description	This Use Case allows the Users to download data for all assessments into Excel		
Rationale /Goal	In order to analyse the data entered into the system concerning assessments users need to be able to download the assessment data into Excel.		
Actors	ICA Administrator		
Preconditions/assumptions	The User has logged onto the system.		
Successful Outcome	The assessment data is downloaded to Excel.		
Alternative Outcome	Alternative	Outcome	Condition leading to outcome
Steps of Main Scenario	<ol style="list-style-type: none"> 1. The User selects to download assessment data to Excel 2. The System creates the excel based report including a report date and the following data per assessment: <ul style="list-style-type: none"> • Client Name • Client Type • Assessment Type • Extent • Status • Date entered • Final Assessment date • Procurement Specialist • Alternate Procurement Specialist • Procurement Department Specialist • First client assessment flag • DTM Operation ID • DTM Operation Name • Country of Operation • Operation Leader • Client Procurement Risk <p>Plus the following data <u>per question</u> included in the assessment</p> <ul style="list-style-type: none"> • Category Description • Question ID • Question Description 		

	<ul style="list-style-type: none"> • Question Weighting • Response • Numerical result of response to question <p>3. The User selects to save the excel file</p> <p>4. Use case ends successfully</p>
Alternative Steps	
Post conditions	None.
Business/visibility Rules	<ul style="list-style-type: none"> ➤ When there is no DTM Operation specified for an assessment the following fields will show as N/A: <ul style="list-style-type: none"> ○ DTM Operation ID ○ DTM Operation Name ○ Country of Operation ○ Operation Leader ➤ Where an assessment is only partially complete fields not yet completed should show as N/A ➤ The date the report was created should be shown in Excel.
Notes	

2.4 Data definition

2.4.1 High level logical data entity diagram



2.4.2 Data Details

2.4.2.1 Category Record

Field	Description	Format	Mandatory?	Comments
Category ID	Unique internal identifier for a category	Integer	Y – automatically assigned by the system	
Category Reference	User assigned reference for a category	Text – letter A to Z	Y	Used for sorting the list of categories.
Category Name	Name assigned to the category	Text	Y	User entry
Category Status	Indicates if the category is current	Text – drop down from Current Archive	Y	When a category is first created the system should default this to Current.

2.4.2.2 Question Record

Field	Description	Format	Mandatory?	Comments
Category ID	Indicates which category the	Integer	Y	

	question belongs to			
Question ID	Unique identifier for a question	Integer	Y – automatically assigned by the system	
Question reference	User assigned reference for a question	Integer XXX	Y	User for sorting the list of questions within a category
Question description	The question details	Text	Y	User entry
Question Status	Indicates if the question is current or archived	Text – drop down from Current Archive	Y	When a category is first created the system should default this to Current.
Required Standard	Standard to be achieved in order for response to be positive	Text	Y	
Opportunities for Improvement	Information on improvements to enable a positive response	Text	Y	
GNIT Cross Reference	Indicates where information to answer the question can be found	Text	N	
Standard Achieved Text	Text to be displayed when the response to the question is positive	Text	Y	Default = 'No action required' The users will not be able to update the contents of this field.

2.4.2.3 Client Record

Field	Description	Format	Mandatory?	Comments
Organisation ID	Organisation ID from ERD	Integer	Y	Assigned when the user selects the required organisation
Full Legal Name	Full legal name of the client – may differ from organisation name.	Text	Y	User entry
Client Type	Business type for	Text – drop down from the	Y	

	the client	following options: <ul style="list-style-type: none"> • Public Sector • Private Sector 		
--	------------	--	--	--

2.4.2.4 Client Assessment Record

Field	Description	Format	Mandatory?	Comments
Assessment ID	Unique internal identifier for an assessment	Integer	Y – automatically assigned by the system	
Organisation ID	Organisation ID from ERD	Integer	Y	
First client assessment flag	Flag indicating if this is the first assessment for this client	Boolean – Y/N	Y – automatically assigned by the system	Assigned by system when assessment is created. Y if this is the first assessment for the client otherwise N.
DTM Operation ID	ID of the linked operation	Integer	N	
Procurement Specialist	Name of procurement specialist responsible for assessment	Text	Y	
Alternate Procurement Specialist	Name of alternate procurement specialist	Text	N	
Procurement Department Specialist	Name of procurement department specialist responsible for assessment	Text	Y	
Assessment Type	Indicates who is responsible for completing the assessment client/EBRD	Text: Self-assessment Fully independent	Y	

		assessment Hybrid		
Assessment Extent	Indicates if the assessment includes all possible questions	Text: Full Simplified	Y – automatically assigned by the system	Set to full if the assessment includes all possible questions else simplified.
Assessment Status		Text drop down: <ul style="list-style-type: none"> In progress Awaiting responses Complete 	Y – automatically assigned by the system	
Date Created	Date that the assignment record was first created	Date	Y – automatically assigned by the system	
Final Assessment	Date that the responses were entered for the assessment	Date	Y – automatically assigned by the system	Should show blank prior to responses being recorded
Client Procurement Risk		Decimal Format XXX.XX	N	Automatically calculated by the system once all responses have been recorded. Blank until recorded.

For each question selected to be included in the assessment template the following data will be held:

Question ID		Integer	Y	
Question Weighting	Indicates if the question is compulsory or desirable	Text – drop down from Compulsory Desirable	Y – default is Compulsory	Used for weighting in the client procurement risk calculation
Response	Indicates the response to the question	Drop down option: <ul style="list-style-type: none"> Yes No N/A 	Y	

2.5 Interfaces

142. A database interface is required to both DTM and ERD.

143. The DTM database interface should obtain the following DTM Operation data:

- Operation Name
- Operation ID
- Country of Operation
- Operation Lifecycle
- Sector
- Operation Leader

144. The ERD database interface should obtain the following ERD Organisation data:

- Name
- Street
- City
- State/province
- Postcode
- Country

2.6 Reporting Requirements

145. The users should be able to download the details of all assessment results into Excel format. See Use Case UC011.

2.7 Data Migration

146. Below is the data to be entered into the ICA system for categories and questions.

147. There should be a unique numeric Category ID and a unique numeric Question ID for each entry allocated by the system.

2.7.1 Category Data

Category ID	Category Reference	Category Name	Category Status
1	A	LEGAL FRAMEWORK	Current
2	B	ORGANISATION OF PROCUREMENT FUNCTION IN THE CLIENT AGENCY	Current
3	C	SUPPORT AND CONTROL SYSTEMS	Current
4	D	STAFFING	Current

5	E	RECORD KEEPING	Current
6	F	PROCUREMENT PLANNING	Current
7	G	PROCUREMENT CYCLE	Current
8	H	PRIVATE SECTOR PERCEPTION OF CLIENT AGENCY	Current
9	I	GENERAL ASSESSMENT OF THE CLIENT AGENCY	Current

2.7.2 Question Data

[THIS TABLE TO BE UPDATED BASED ON THE FINAL CONTENT OF THE TOOLKIT]

Question ID	Category ID	Question Reference	Question Description	Question Status
1	1	1	The Client agency holds legal status (i.e., government department, state corporation, registered society) and is accountable to the government.	Current
2	1	2	Legal framework is clear, comprehensive and conducive of a competitive procurement environment	Current
3	1	3	Legal or regulatory requirements mandate the disclosure of procurement decisions	Current
4	1	4	There are regulations to allow for suspension or debarment of tenderers	Current
5	1	5	The conditions for use of various procurement methods are clearly established and there is an explicit requirement that open competitive tendering is the preferred or default method	Current
6	2	1	The contracting authority (thresholds) is well delegated and there are no unnecessary levels of approval or cumbersome procedures	Current
7	2	2	Key functions are assigned and duly staffed: - Planning - Preparation of Tender Documents - Tender Process Management (Advertising, Printing and Publication, Responses to Questions/Clarifications, Pre-tender Conference) - Tender Opening - Tender Evaluation - Contract Preparation - Contract Management - Quality Control and Inspection - Transport, Insurance - Custom Clearances and Expediting.	Current
8	2	3	Existence of procedural manuals and clear instructions for staff to follow	Current
9	3	1	Auditing arrangements are in place and are well-	Current

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			established	
10	3	2	Procurement unit has access to quality legal advice and input	Current
11	3	3	The Client agency demonstrates that it has taken steps to curb or control corruption (i.e., employees sign conflict of interest statements and provide annual returns of assets held by them).	Current
12	3	4	There is a mechanism in place that allows for reporting of fraud, corruption, bribery, solicitation or extortion by procurement officials.	Current
13	4	1	Staff skills generally match requirements and number of staff is consistent with workload	Current
14	4	2	Staff is selected competitively	Current
15	4	3	Formal and on-the-job training programmes exist for entry level staff while higher-level procurement staff find opportunities for professional career development	Current
16	4	4	Procurement staff have adequate project/contract management capabilities	Current
17	4	5	Procurement staff in the unit are experienced in international procurement	Current
18	5	1	Complete records of the process include e.g. copies of all advertisements, pre-qualification documents and its evaluation report (if used) documenting any decisions not to pre-qualify certain potential tenderers, the tender documents and addenda, record of pre-tender meetings, tender opening minutes, final tender evaluation report (including reasons for acceptance or rejection of each tender), copies of tenders, appeals against procedures or award recommendations, a signed copy of the final contract and any performance and advance payment securities issued, etc.	Current

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19	5	2	There is record of contract prices and unit prices used to monitor costs	Current
20	6	1	Procurement plans are prepared to govern the procurement activities of each fiscal year using an institutional standard or model form or software application	Current
21	6	2	Procurement plans are prepared in sufficient detail to ensure project definition, adequate selection methods, completion schedules and accurate cost estimates	Current
22	6	3	Procurement plans are part of an integrated financial system used to secure funds for contract start up and payments during implementation	Current
23	6	4	Procurement plans are more than a demand list and are used for adequate procurement packaging, forecasting of future requirements, controlling and keeping inventories.	Current
24	6	5	Staff in the unit is adequately trained in procurement planning, contract scheduling and cost estimating	Current
25	7	1	Standard documents exist for goods and works including international contract formats	Current
26	7	2	Qualification criteria for tendering (pre or post qualification) are appropriate and clearly described	Current
27	7	3	General quality of technical specifications and drawings are good providing clarity, neutrality, and accuracy	Current
28	7	4	Appropriate provisions for price adjustment exist, if needed, and there is an adequate system available for indexing prices of basic contractual inputs (labour, materials, equipment usage)	Current
29	7	5	Procuring entities maintain updated lists of qualified suppliers and contractors and updated	Current

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			market information on commonly procured goods, including spares and consumables. Supplier, contractor and consultant performance are routinely evaluated and newcomers readily apply for qualification	
30	7	6	Contracts are awarded following a competitive tendering which is publicly advertised	Current
31	7	7	Requests for clarifications are answered promptly and completely in writing	Current
32	7	8	Procuring entities maintain accurate records of all communications with the tenderers (before and after the deadline for submission).	Current
33	7	9	Tenders received prior to the deadline are securely stored. The storage facility is safe and there is a protocol establishing who and how can access the tenders. Public opening of tenders is conducted.	Current
34	7	10	Evaluations are conducted by qualified evaluating committees	Current
35	7	11	Tender evaluations are carried out thoroughly and on the basis of the criteria specified in the tender documents	Current
36	7	12	Tender evaluation reports prepared contain all essential information (i.e. a clear and complete description of the evaluation process, including the reasons for rejecting any Tender as non-responsive, how the stated evaluation criteria were applied, and how the successful Tenderer's qualifications were verified)	Current
37	7	13	Contracts are required to be awarded to the lowest evaluated responsive tenderer who has been determined to be qualified to perform the contract satisfactorily	Current
38	7	14	No negotiations are conducted with tenderers, before or after selection	Current

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39	7	15	There are manual or computerised procurement and/or contract monitoring systems in use	Current
40	7	16	Contract changes or variations are handled promptly in accordance with the contract conditions and established practice (i.e. change/variation orders are given and/or confirmed in writing, construction change orders are avoided, unit rates in the contract are honoured but the supplier or contractor is allowed to agree to any new unit rates introduced and the completion schedule for each change or variation, etc.)	Current
41	7	17	Procuring entities normally make a good faith attempt to resolve disagreements through informal negotiations (Amicable Settlement). If this fails, the resulting disputes are handled in accordance with the contract conditions	Current
42	7	18	Contract managers/administrators are skilled in resolving problems in a timely manner and dealing with unforeseen circumstances arising during the life of the contract. They adequately document all actions of contractual importance taken by the purchaser/employer during implementation	Current
43	7	19	Contracts are generally administered in a fair and equitable manner (e.g. the purchaser/employer/client grants extensions of time when delays are attributable to an untimely action, fair compensation is provided to offset additional costs caused by its mistakes, etc.)	Current
44	7	20	Final payments and contract final closure are efficiently handled	Current
45	8	1	The Client agency procurement system is viewed as generally efficient and predictable.	Current
46	8	2	Contract management is straightforward and understandable, and the Client agency has a record of releasing payment within the time	Current

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			period stipulated in the contract.	
47	8	3	The Client agency is viewed as free of corruption.	Current
48	9	1	The Client agency has a reasonable anti-corruption programme with key aspects reflected in tender documents.	Current
49	9	2	The Client agency includes in its tender documents and contracts a provision describing steps to be taken in the event of a confirmed attempt of bribery or corrupt practice by a contractor or Client agency employee.	Current
50	9	3	There are no unreasonable contractor disqualifications and/or weak non-compliance notices issued.	Current
51	9	4	Client agency analyses individual tenders for similarities in tender language, tender rotation, and/or prices to other tenderers.	Current
52	9	5	Contract prices do not normally exceed Client agency estimates.	Current
53	9	6	The Client agency operates independently and is not required to consult/seek guidance from Ministry/central government in its day-to-day operation.	Current
54	9	7	Any violation that comes to the attention of the Client agency or government is promptly investigated and recorded, and a public record of the complaint and disposition is maintained.	Current
55	9	8	A complaints registry exists within the Client agency.	Current

XV. CONCLUSIONS

148. Clients are presented with immediate results with charts showing quality and realistic views of the institutional capacity assessment. The toolkit aims at facilitating the Bank's assessment of the risk of Client carrying out public procurement.

149. The results of the ICA Toolkit, as generated in the Action Plan, can now be used to build customised training for clients.

150. This training manual should have proven useful in the understanding of the ICA Toolkit, its purpose and function, categories for assessment, qualifications of assessor, recording of findings, generation of outline of the action plan for improvement of the implementing capacity as well as the mechanical operation of the toolkit.

151. For more information on Training please refer to the Training Strategy and Modules available at the Procurement Department (PD).

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DEFINITION OF TERMS

A	
Action Plan	Set of activities agreed with the Client designed to improve performance of procurement implementation. The Toolkit produces an outline of the action plan but the qualified assessor should develop the specifics of the action plan.
Areas of Opportunity	A whole set of characteristics, customs or procedures used by a Client identified in the application of the ICA that are not generally consistent with the good practices. The Client is willing to take actions in an area of opportunity for improvement.
Assessor	A qualified individual with expertise in institutional capacity building and procurement that will lead the institutional capacity assessment of a Client on behalf of the Bank
B	
Best Practices	A set of practices, procedures or customary actions that are considered the best possible approach to implement a task or procedure in public procurement
BPS	Business Procurement Specialist
C	
Category	Group of parameters in the toolkit, i.e., legal framework, organisation, procurement planning. The ICA toolkit has nine categories while PPA has only one general category.
Countries of Operation	Countries beneficiaries of the EBRD Special Shareholder Fund
Client	A Bank's Borrower or prospective Bank Borrower
Client	Government department or Beneficiary or

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	Partner in charge of implementation of projects subject to the institutional capacity assessment
Compulsory	Designation of an item as of higher relative importance: if the Client meets the standard it will add 2 points to the tally of the score; if it is not complaint it will deduct two points from the total
Contract	A contract is a binding agreement or business arrangement for the supply of goods or services at a price
CRM	Concept Review Memorandum
<u>D</u>	
Desirable	Designation of an item as of relative lower importance: if the Client meets the standard it will add 1 point to the tally of the score; if it is not complaint it will deduct one points from the total
<u>F</u>	
FRM	Final Review Memorandum
Full assessment	Application of the toolkit in its full extent including institutional capacity assessment
<u>G</u>	
Gap analysis	Observation of the difference between the maximum possible score and the score achieved by the Client in each category of assessment which is better noted in charts
<u>H</u>	
<u>I</u>	
ICAR	Institutional Capacity Assessment Report (ICAR)
Institutional capacity	Ability of the Client to carry out public procurement in accordance with international good practices
Input	Technical contribution by an expert into the capacity assessment
Item	Parameters used to assessment the ability of

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	the Client to implement public procurement. ICA toolkit has 62 items grouped in nine categories. Project assessment involves 12 items in one general category when carried out jointly with institutional assessment or 37 when carried out standing alone.
<u>J</u>	
Joint assessment	Part of the application of the ICA Toolkit carried out by Client's staff and the assessor appointed by the Bank
<u>M</u>	
Modules	Term used to describe the divide of training materials of CTOP. Module 1 is introduction to the Bank and Public Procurement; Module 3 is designed to address the areas of opportunity identified in the ICA
<u>N</u>	
Negative score	Applied to a score in a category when the points subtracted are more than the points granted in the assessment and consequently the partial total for the category is negative; it may be understood as a greater challenge for the Client as it has to de-construct existing arrangements to build up capacity
Not applicable	Indication that an item is not relevant to the procurement function in a Client; it is neutral in the tally of scores
<u>P</u>	
PD	Procurement Department
PPA	Project Procurement Assessment is a category developed using the same methodology that is applicable to the project when procurement plan is available and an operating unit is functional. 18 items are all compulsory
<u>R</u>	
Radar chart	Illustration of the gap analysis in which the aggregate maximum score is presented in a continuous line embedding the scores achieved by the Client

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Risk assessment (RA)	A determination to be made by the Assessor or BPS in respect to the risk of the Client based on the procurement capacity assessment provided by the toolkit that should be disclosed by FRM phase
S	
Score	Numerical representation of a rating obtained By the Client in an item or category. Scores are added or subtracted; the addition will determine the risk category
Standards	A statement or a parameter generally taken from the OECD DAC methodology establishing the adequate level of performance in an indicator or item being assessed
Simplified version	A selection fo items of the toolkit used for self-assessment by the Client when there is no opportunity to apply the full toolkit. This assessment focusses in project implmentation capacity.
T	
Tenderer	Contractor or supplier offering a tender in a public tendering process

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Disclaimer

This manual and Guidance Note (GNIT) does not represent the views of EBRD.

The manual was elaborated to assist assessor and Clients of the Bank in the use of a toolkit used by the Bank to assess the institutional capacity of Clients in carrying out government procurement.