
THE WORLD BANK AND IDB CONTEXT

One of the hazards of looking solely at the procurement data is that it obscures the fact that the figures represent the cumulative efforts of actual Canadian companies. It becomes easy to forget that for each contract won, at least one Canadian company spent a significant amount of its time, effort and money pursuing the opportunity.

It also becomes easy to adopt a widely held misconception that the World Bank and the IDB are procurement agencies tasked with deciding which firms win contracts. In reality, it is the borrowers who manage the bidding process and select the winning bidder.

Thus, for an accurate picture of Canada's procurement performance it is important to have a clear understanding of the World Bank and IDB context. This begins with an examination of two elements: the project cycle and the procurement process.

THE PROJECT CYCLE AND THE PROCUREMENT PROCESS

The World Bank and the IDB's project cycle and the procurement process describe how IFI-financed projects are designed, prepared and managed, and how companies compete for IFI-financed contracts.

An IFI-financed project's duration is long by commercial standards. From the time a project is identified to the time it is completed lasts between 5-8 years. As listed in the diagram on the next page, there are six stages in a typical project's evolution, three falling under "project preparation" and three falling under "project execution".

