

CONCLUSION

So is Canada "getting its share" of World Bank and IDB-financed procurement? As this report has shown, the answer is not straightforward. In FY 1997, approximately 50% of the procurement attached to World Bank and IDB loans, in practical terms, was not even available to Canadian companies. Moreover, as 80% of Canada's exports go to the U.S.A., a sizable amount of procurement was likely of modest interest to Canadian companies. Being in sectors or countries where they have little presence, it is too difficult and costly for Canadian companies to compete for it. In addition, the accuracy of the contract awards data is limited, unable to track the success of Canadian companies working as sub-contractors and, in the case of the World Bank, representing only 60% of all 1997 contract awards.

When viewed with an understanding of the project cycle and the procurement process and their repercussions for Canadian companies, the procurement data from the World Bank and the IDB does provide two findings, however. First, in 1997, Canadian firms continued to experience disproportionate success in the consulting field. Second, large companies and companies with established international experience won larger contracts and more often than did SMEs and those companies with less international experience.

In recent years, a widely held view has been that Canada's procurement performance would improve if more Canadian companies bid on IFI-financed contracts. A great amount of effort has been channeled toward promoting private sector awareness of the IFIs with the belief that this would encourage more Canadian firms to bid.

However, this report illustrates that while increased awareness among private sectors representatives is important, it is not sufficient to improve Canada's procurement performance. The greatest barrier preventing Canadian firms from winning World Bank and IDB-financed contracts is not a lack of information about the IFIs. *The greatest barrier is the cost of establishing competitive positions in the markets of developing countries.*

While the ability of Canadians involved with the IFIs to improve Canada's procurement performance should not be over-stated, effort must shift from promoting general awareness to providing tangible assistance to export-ready Canadian companies that improves their competitiveness in the markets of developing countries -- the challenge is to assist increase not the mere number of bids, but the number of *competitive* bids by Canadian companies.

BORROWING COUNTRY	Equipment	Civil Works	Manufactures	All Others	Total
DOMINICAN REPUBLIC	257				257