

## EXECUTIVE SUMMARY

The purpose of this report is to summarize Canadian procurement success at the World Bank during the Bank's 1990 fiscal year (June 30) and to review Canada's aggregate procurement performance over the past five years.

Total cash disbursements to Canadian firms in FY'90 amounted to \$205 million, allowing Canada to maintain its position as the eighth largest commercial beneficiary of Bank funding.

As in previous years, consulting services continue to be Canada's strongest area of success. While the World Bank's total disbursements for consulting work actually decreased by 7% in FY'90, Canada's share reached \$54 million, or 9.1% of the total. This represents a 12.5% increase over last year and places Canada in fourth place behind the U.S.A., UK and France.

In addition to these earnings, Canada ranked fourth in the number of short-term consulting assignments contracted by the World Bank to assist the Bank's staff in project preparation. Canadian consultants earned approximately \$4.5-\$5.0 million in additional revenues from these assignments. The Canadian Consultant Trust Fund directly accounted for about \$600,000 of this amount and acted as a catalyst for much of the additional work.

Total cash disbursements to Canada once again exceeded our cash contributions to the World Bank for FY'90. The ratio of procurement disbursements to our cash contributions to IBRD and IDA continues to be slightly greater than 1.

World Bank total foreign disbursements remained about the same in FY'90 for the third year in a row. Continued improvement in the procurement performance of the Bank's developing member countries coupled with even levels of foreign disbursements lead to a decrease in the overall procurement performance of 5 of the G-7 countries. Canada's share of foreign disbursements was \$205 million, representing 2.1% of the total, down 15% from FY'89.

Procurement of Canadian "equipment" actually posted a gain from \$53 million to \$71 million in FY'90. Most of the decrease in Canadian performance came in the "goods" category, which fell from \$133 million in 1989 to \$74 million in 1990. "Goods" (as distinguished from equipment) include agricultural inputs, construction materials, medical supplies, books, paper, etc.

In reviewing procurement performance, year to year fluctuations can not be viewed as highly significant due to the uneven flow of disbursements which occur over the multi-year contract period. Rather, trends over several years are a more accurate reflection of actual performance. In this regard it is evident that, with the exception of the consistently stellar performance of the consulting engineering firms, Canada's procurement results at the World Bank for the past several years are gradually increasing, and consistently in the range of \$200 to \$250 million per year.

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