

IFI Bidding Success Factors and Support Needs

- Non-government organizations are bidding for IFI work more – including such organizations as the AUCC, the Institute of Public Administration, and universities and colleges. This competition is not entirely fair since their staff salaries are paid in other ways and they are willing to work at low marginal costs rather than full cost. [31]
- Inconsistent terms of reference and bidding documents can be a problem on occasion. No point making an issue of it, but it makes preparing a proposal more difficult. [31]
- Getting paid – if the client is a developing country government this can be problematic in some cases. [32]
- Getting paid is not a problem if the contract is directly with the ADB – payment is normally within 30-60 days, which is at least as fast as in Canada. However getting paid can be a major problem if the client is a state-owned or private corporation in a developing country. Although one can generally rely on getting paid eventually there can be all kinds of complications and delays. [35]
- It is a highly competitive and not highly ethical market. For example, although the IFI loan agreement may specify the percentage of international procurement, and the contracts are let, there is often continuing pressure by the clients to “squeeze out” the international firms in favour of more work for the local firms. Getting permission for the international firm to proceed from one stage of the work to another “can be like pulling teeth.” [37]
- The greatest problem is corruption. When decision-making shifts from the Bank to local organizations, it is no longer a level playing field. [39]

Comments on civil works ethics and risk:

- Corruption is not a problem for us as it might be for a small company – clients seldom exert any pressure of this sort. [11]

Comments on goods/equipment ethics and risk:

- The foreign ‘TelCos’ can be slow to pay, creating a cash flow problem for the company. Foreign private companies and individuals often create payment problems. [103]
- The company has had to abort two recent projects in developing countries because of problems with the local joint-venture partner. The partner acted as if a 60/40 joint venture meant that he received 40% of the total budget regardless of doing any work or not. [14]
- The entrepreneur says that virtually everyone he deals with in the government of the home country expects some personal benefit from the transaction. Sometimes this benefit takes the form of lavish hospitality, free travel or benefits to family and friends travelling to Canada or elsewhere for pleasure. More often the personal benefit takes the form of