

As noted earlier, Canada's performance showed a decline in FY 1992 from the share of consulting disbursements achieved by Canada during the recent past year. In FY 1990, Canada won \$54 million or a 9.1 percent share and in FY 1991, Canada achieved \$52 million in consulting disbursements, again representing a 9.1 percent share. Canada's performance remained stable although total World Bank disbursements for consulting declined in each of these years. In FY 1992, however, total World Bank disbursements for foreign consulting services increased marginally from \$569 million to \$585 million, while disbursements to Canadian consultants dropped from \$52 million to \$45 million. The current 7.69 percent share of disbursements compares with the FY 1989 figure of 7.65 percent. **Keeping in mind the caution with regard to year fluctuations, while it will be important to monitor this area closely, it is too early to draw any definitive conclusions about the recent decline in the performance of the Canadian consulting industry in World Bank projects.**

It should be noted that on the whole, Canadian procurement in the field of consulting services in dollar terms has remained relatively stable over the past six fiscal years. At the same time, World Bank disbursements for foreign consulting services have declined at an average rate of 4.6 percent per annum. Despite the above noted decline in Canadian performance over the past fiscal year, the Canadian percentage share of foreign consulting disbursements in FY 1992 was actually almost a full percentage point higher than the lowest figure observed over the past six fiscal years, the figure of 6.7 percent, attained in FY 1988.

While Canadian results have on average seen a slight increase over the past six fiscal years, results for major competitors such as the United States, Italy and Japan have declined significantly. Although France remains in third place in terms of the percentage share of consulting disbursements it receives, its performance in FY 1992 was weak relative to that of the previous four fiscal years. In fact France's percentage share of consulting disbursements in FY 1992 almost returned to the relatively low level it had achieved in FY 1987. Japan currently holds a 3.76 percent share of consulting disbursements, an improvement from

the FY 1990 figure of 1.7 percent, but a severe decline from the FY 1987 achievement of 7.1 percent of World Bank disbursements for foreign consulting services. Similarly, the United States held a 20.9 percent share of World Bank consulting disbursements in FY 1987, dropped to a share of 17.1 percent in FY 1990 and holds an 18.12 percent share in FY 1992. Lastly, Italy currently holds a 1.54 percent share of foreign consulting disbursements, in comparison to its FY 1987 share of 3.7 percent.

Interestingly, the United Kingdom, like Canada has seen a slight improvement in its share of World Bank consulting disbursements over the past six fiscal years. Other countries which traditionally garner a relatively small share of these disbursements have seen significant improvements in their performance. China, Austria, the Netherlands, Switzerland and Korea are examples of such countries. The Netherlands for example have more than doubled its procurement share in the consulting field since FY 1987.

It should be re-emphasized, however, that disbursements for consulting constitute a relatively small portion of World Bank business, averaging between 5 and 6 percent of foreign disbursements over the past few years. Also, as noted above, total funds available for foreign consultants through the World Bank have been decreasing, possibly as a result of improved borrower capabilities and expertise, and of an increase in the amount of technical assistance being funded by bilateral agencies.

Goods and Equipment

As discussed above, foreign purchases of goods and equipment represent the majority of World Bank funding and amounted to approximately \$7.96 billion of foreign disbursements in FY 1992 (88.1 percent of the total). In fact, total foreign and local disbursements for goods and equipment amounted to \$11.4 billion in FY 1992, as compared with total local and foreign disbursements for consulting services of only \$878 million, and combined disbursements for civil works of only \$3.6 billion.

The World Bank distinguishes between goods and equipment in its procurement statistics. Goods are considered to be those items that cannot be classified as machinery or hardware, such as