
EXECUTIVE SUMMARY

In 1997, the World Bank approved loans worth US\$ 19.1 billion and the Inter-American Development Bank (IDB) approved loans worth US\$ 6 billion. As a shareholder at both the World Bank and the IDB, Canadian companies are eligible to compete for the equipment, civil works and consulting procurement associated with these loans.

In 1997, World Bank and IDB disbursements to Canadian companies amounted to US\$ 155 million and US\$ 21.8 million respectively. Canadian companies won 149 World Bank-financed contracts worth US\$ 84.1 million and 19 IDB-financed contracts worth US\$ 5.7 million.

In recent years, a general perception has developed that Canada is not "getting its share" of procurement. In reality, the situation is more complex. Gaining an accurate picture of Canada's procurement performance requires more than an examination of the data; it also requires an understanding of the project cycle and procurement process of the World Bank and the IDB, and the repercussions for Canadian companies. Several factors affect the competitiveness of Canadian companies. Canadian companies must have a local presence and a commitment to the regional or country market, and be willing to invest a significant amount of their resources pursuing World Bank and IDB-financed contracts.

Although it is difficult to draw any unreserved conclusions, when viewed in context two tendencies were evident from the 1997 contract awards data: Canadian firms continue to do disproportionately well in the consulting category, and larger companies and companies with established international experience won larger contracts and more often than did small and medium-sized enterprises and companies with less international experience.

To improve Canada's procurement performance, a great deal of effort has been directed at promoting greater awareness of IFI-financed opportunities, 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 challenge for Canadians involved with the IFIs is to figure out how they can assist increase not the mere number of bids, but the number of *competitive* bids by Canadian companies.