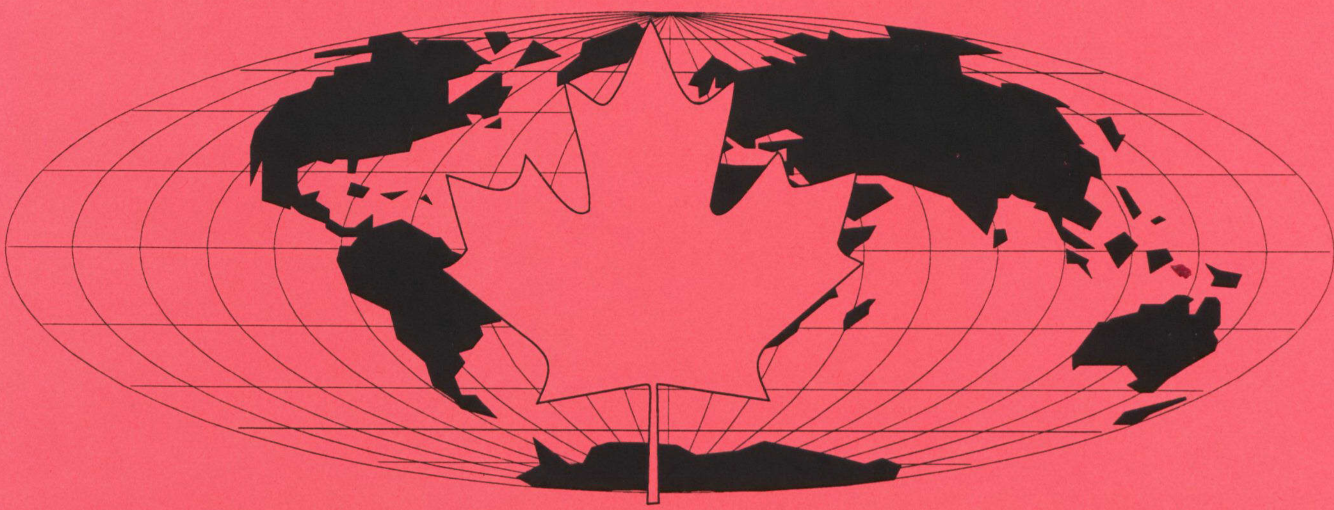
Canadian Procurement at the World Bank and Inter-American Development Bank



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January, 1993

Report Highlights

- Canadian procurement at the World Bank totalled **$167 million** in fiscal year (FY) 1992, about the same level as in 1991 but a considerable drop from our peak performance in the late 80's.

- Canadian procurement at the Inter-American Development Bank (IDB) totalled **$45.6 million** in FY 1992, continuing the pattern of recent growth for Canada which has paralleled the Bank's expansion in lending levels.

- Canada ranked twelfth in World Bank foreign disbursements in FY 1992, Canada ranked 10th in FY 1991, and 8th for five consecutive years prior to FY 1991.

- At the IDB, Canada ranked 9th among nonborrowing countries in procurement levels.

- The ratio of total cash disbursements paid to Canadian firms as compared to Canadian government cash contributions is **1.12** at the World Bank and **.71** at the IDB (i.e. dollars return to Canada for each dollar contributed). By way of comparison, France's return in the World Bank is **4.23**.

- Canada's cumulative financial assistance to the World Bank and the regional development banks on a per capita basis is higher than any other G-7 country.

- Consulting services continues to be Canada's strongest suit at both banks, however for the first time since FY 1988, showing a small decline at the World Bank.

- Developing member countries (i.e. borrowers) are obtaining a significantly growing portion of all World Bank foreign **and** domestic disbursements amounting to 45 percent of **all** disbursements (i.e. local and foreign)(foreign disbursements to borrowers grew to 28 percent of the total from 27 percent in 1991)

- **World Bank** procurement is heavily weighted towards goods and equipment (88.1 percent) as opposed to consulting (6.5 percent), and civil works (5.4 percent). With its excellent results in the consulting area Canada is taking a large portion of a small pie.

- **IDB** procurement is heavily weighted towards civil works (65.4 percent of disbursements between FY 1979 and FY 1991), as opposed to consulting (2.9 percent) and 31.7 percent for goods and equipment.

- Contract award data (FY 1988-FY 1992), while incomplete, nonetheless provides an interest ing insights and reveals considerable Canadian success in the areas of electrical and me chanical and transportation equipment. The same data reveals little success in the social sectors (such as education and health), which are areas of growing emphasis for the World Bank.

- Contracts lost data (FY 1988- FY 1992), while also incomplete, indicates that the majority of contracts lost in the goods and equipment category were also lost in these same three categories of equipment; i.e. electrical, transportation, and mechanical - 73.3 percent of contracts were lost to six competitors, of which 24 percent to France.

- Areas where Statistics Canada export data indicate that there has been general export success by Canadian firms in developing country markets and where there has been significant World Bank lending but where there has been little Canadian success in World Bank projects are: **telecommunications equipment, pharmaceuticals/medical equipment, data processing equipment, agricultural equipment and inputs, energy exploration and production equipment, construction materials/equipment, industrial plant/equipment, and educational equipment**. Similar observations were made with regard to the IDB.

- **Sketchy** data available on Canadian contract awards by province indicate that between FY 1988 and FY 1992, firms in Ontario won 37.3 percent of contracts awarded to Canada, firms from Quebec, 28.6 percent, Alberta, 2.1 percent, Manitoba, 4.1 percent, Nova Scotia, 13 percent, and British Columbia 4.4 percent. 10.6 percent of contracts were not identifiable as to source.

- World Bank lending trends by region indicate that lending is likely to continue to increase in FY 1993. The new membership of the former Soviet Republics will contribute to this increase. Lending is expected to remain relatively stable in other regions. In FY 1992, lending to Asia increased as a result of an almost $1 billion increase in lending to China. Lending to Latin America also increased from FY 1991 to FY 1992, from 23 to 26 percent of lending, and lending to Africa increased from 15 percent of lending in FY 1991 to 18 percent of lending in FY 1992.

- World Bank and IDB lending is likely to continue to increase in the social sectors and for environmental work.

- The number and volume of Canadian Trust Funds tied to Canada at the World Bank continues to grow - a program much appreciated by the private sector, the 1992 CIDA consultant report was highly positive on the actual and potential commercial returns to Canada from these trust funds.

- A consultant report on the CIDA ACEC Secondment program at the World Bank was also most positive in its review of benefits to Canada.

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Summary

The purpose of this report is to summarize Canadian procurement success at the World Bank (WB) and the Inter-American Development Bank (IDB) during the 1991/1992 fiscal years[1] and review Canada's procurement performance over the past several fiscal years. The report also identifies some possibly significant trends with respect to World Bank and IDB lending, and the implications and outlook for commercial opportunities for Canada in the future.

Total Disbursements to Canada

At the World Bank, **total cash disbursements to Canadian firms in FY (fiscal year) 1992 amounted to $167 million**[2], a slight decline from the FY 1991 figure of $173 million and placing Canada as the twelfth largest beneficiary of World Bank lending.[3] **Canada's share of foreign disbursements in percentage terms declined slightly, from 1.9 percent in FY 1991 to 1.85 percent in FY 1992,** while total World Bank foreign disbursements also declined marginally from $9 159 million in FY 1991 to $9 038 million in FY 1992. (Total **foreign** disbursements represented 55 percent of total World Bank disbursements in FY 1992, the lowest share that foreign procurement has taken since FY 1985.)

At the IDB, disbursements to Canada in 1991 amounted to $45.6 million, an increase of 78 percent from 1990 results, which continues the trend towards improved procurement results begun in 1988. Traditionally Canadian performance in Latin America and the Caribbean has been significantly stronger for WB funded projects than for IDB funded projects. With the growing lending levels by the IDB, howeve, we will likely continue to see positive growth in Canadian procurement success in the IDB. (A more complete discussion on the IDB is found on page 15 of this report.)

In reviewing procurement performance, year to year fluctuations in disbursement results cannot be viewed as highly conclusive as a result of the uneven flow of payments which occur over the Banks multi-year project periods. It should be further noted that there are also significant weaknesses in the amount and consistency of data available from the World Bank and IDB, particularly contract data. Trends, therefore, observed over several years are at best, only a good indication of performance by individual nations. Viewed from this perspective, it can be stated that **Canada's overall performance at the World Bank has remained relatively stable over the past few years, however, a perceptible decline in procurement is becoming apparent from the highs of the late 1980s.**

Although Canadian consultants have retained a relatively sizeable share of World Bank business, FY 1992 data indicate a weaker performance in this area than expected for the first time. It is too early to draw any definitive conclusions about this trend in the area of consulting. At the IDB, Canada has on average won approximately 4 percent of all consulting work. Only the U.S.A. and France have a better performance amongst non-borrowing members.

Disbursements to Canada by Region

Analysis on a regional basis indicates that FY 1992 saw a remarkable increase in Canadian disbursements resulting from procurement of World Bank projects in the Latin America and Caribbean Region (LAC). Canadian disbursements resulting from projects in this region moved from only $35 million in FY 1991 to $64 million in FY 1992. World Bank lending to LAC also increased in FY 1992, climbing to almost $5.7 billion or 26 percent of new lending from $5.2 billion or 23 percent of lending in FY 1991. As a comparison, disbursements to Canadian firms for work in IDB projects in Latin America and the Caribbean totalled $44.9 million in FY 1992 while new lending to the region by the IDB totalled $6 billion in 1992.

Canada's disbursements from projects in Africa declined slightly from $36 million to $33

million in FY 1992, while disbursements from Asia declined from $64 million to $50 million. Canadian disbursements from Europe and Central Asia, the Middle East and North Africa also declined, from $38 million in FY 1991 to $21 million in FY 1992.

Disbursements for Consulting Services

As previous experience has indicated, Canada's greatest success continues to be in the field of consulting services. Disbursements to Canadian consultants amounted to $45 million or 27 percent of total disbursements to Canada. This figure represents 7.69 percent of the total funds paid to consultants by the World Bank in FY 1992. Although this performance permitted Canada to maintain its fourth place position, behind the United Kingdom, the United States and France, respectively, this number represents a decline from the $52 million, 9.1 percent share achieved in FY 1991. This occurred at the same time as total World Bank foreign dsbursements to consultants increased by $16 million between fiscal years 1991 and 1992. While it is too early to draw any significant conclusions, given Canada's traditional success in this area, Canada will need to monitor this area closely to discern whether performance is actually declining.

Canada's share of short term consulting assignments contracted directly by the World Bank to assist its staff in project preparation, appraisal, and evaluation declined slightly from 3.71 percent to 3.3 percent, while numerically increasing from 371 to 438 individual assignments. Canada again maintained a fourth place position behind the United States, the United Kingdom and France in this category.

It should be noted that although Canada's traditionally strong performance in the area of consulting services is significant, World Bank disbursements for consulting services in FY 1992 amounted to only 6.5 percent of total foreign disbursements. Almost 90 percent of World Bank disbursements go towards the purchases of equipment, raw materials, etc. It is clear that any significant improvement in Canada's procurement in World Bank projects in the future will necessarily arise from greater success in the supply of goods and equipment.

Ratio of Canadian Disbursements to Canadian Contributions

Total annual cash disbursements to Canadian firms, at the World Bank, for the past several years are in excess of Canada's total contributions to IBRD and IDA. Although Canada's contributions slightly exceeded disbursements in FY 1992 by $12.6 million, the period from FY 1984 to FY 1992, indicates the ratio of procurement disbursements to cash contributions to IBRD and IDA for Canada, is 1.12 **(i.e. Canadian firms received $1.12 for every dollar of Canadian government contribution to the to the Bank.)**

Interestingly, the procurement performance of the developing member countries of the World Bank improved significantly in FY 1992, increasing from 22.2 percent to 27.65 percent of foreign disbursements over the last fiscal year. Developing member nations earned the largest portion of total foreign and local disbursements for World Bank projects ever, at 45 percent in FY 1992.

Procurement Performance of Other Countries

While overall procurement performance by Canada and the United States remained relatively stable in FY 1992, results for Brazil, Japan, and Switzerland showed significant improvement. At the same time, Germanys performance declined somewhat. Germany did however manage to maintain a large portion of the substantial share that it had acquired in FY 1991, likely as a result of increased lending to Eastern Europe in that year. The trend in German performance in 1992 might be a reflection of the fact that World Bank lending to Eastern Europe declined in FY 1992, from 12 percent to less than 10 percent of total lending. The procurement performance of the U.K., Italy, the Netherlands and Belgium also declined in percentage terms in 1992, while Chinas performance showed marginal improvement.

Contracts Awarded and Lost Data

Additional analysis is provided in this report in the form of an examination of available data on contracts awarded to and lost by Canada be-

tween FY 1988 and FY 1992. It must be cautioned that this data is highly incomplete and thus can only provide an indication of Canadian procurement and bidding activity in the years indicated. With these limitations in mind, some interesting observations can be made. Canada is recorded as having been awarded a total of $307.98 million in contracts in all categories of World Bank procurement between fiscal years 1988 and 1992. At the same time, Canada is recorded as having been among the top four bidders, but as having lost $764.5 million in contracts over the same period in the categories of goods, equipment and civil works (i.e. All bank excluding consulting).

Of the contracts lost by Canada, 77 percent involved only three categories of equipment; electrical, transportation and mechanical. These contracts (by value) totalled almost $509 million dollars. Over the same time period, Canada is recorded as having won only $105.7 million in contracts in these three areas, over $70 million of which specifically involved transportation equipment, mostly for railway projects.

Of recorded contracts lost by Canadian goods and equipment suppliers between FY 1988 and 1992, 73.3 percent (by value) were lost to only 6 competitors. In fact, 24 percent of contracts lost were lost to France ($184.25 million in contracts). Of this total, 71 percent involved the supply of electrical equipment, primarily for power projects. Additionally, Canadian suppliers lost $124.9 million in contracts to China, almost 60 percent of which involved electrical equipment also. It should also be noted that almost half of the recorded contracts lost were lost in the East Asia and Pacific region, particularly in China, Thailand and Indonesia.

This report also offers a comparison of Canadian general export performance to developing countries with Canadian export performance on WB projects, in the same countries. The purpose of this approach is to identify areas in which Canadian suppliers have experienced export success in specific developing nations, but have possibly not taken advantage of World Bank lending used to purchase similar goods in the same countries. Canadian suppliers have experienced extensive general export success in the areas of telecommunications equipment, pharmaceutical products, medical equipment, data processing equipment, construction and agricultural equipment, etc., in many countries in the developing world, but have experienced very little or no corresponding success in these product areas in World Bank funded projects.

At the IDB, Canadian procurement disbursements have grown rapidly in recent years. In fact Canada's share of total disbursements has grown positively in 4 out of the past 5 years. Compared with other non-borrowing members, Canada now ranks ninth in cumulative procurement disbursements from the IDB.

Canadian companies have experienced most of their success in essentially the same categories at the IDB as at the World Bank, with particular emphasis on the consulting field. Canadian consultants have won 4.2 percent of all IDB expenditures for consulting services since 1979. (This compares with 0.5 percent of civil works expenditure and 1.5 percent of goods expenditure over the same time period).

Between 1987 and 1991, 20 percent of Canadian procurement disbursements from the IDB resulted from work in the transportation sector, 19 percent from industry, 18 percent from agriculture, and 16 percent from energy. The remaining 30 percent stemmed from work in health, forestry, mining, fisheries and non-project. Forestry, electric power, roads and highway, environmental products and technologies are sectors which appear to hold potential for continued IDB lending and future Canadian procurement success.[4]

For further discussion of Canada's performance at the Inter-American Development Bank (IDB), refer to the report by the Office of the Canadian Executive Director at the IDB, Canadian Procurement Performance at the IDB dated July 1992.[5]

Introduction

This report offers a summary and an analysis of the procurement performance of Canadian firms in projects and activities funded by the World Bank and the Inter-American Development Bank over the last fiscal year. It also reviews the activities of the Office for Liaison with International Financial Institutions at the Canadian Embassy in Washington.

The majority of the procurement results in this report are presented as disbursements or cash paid by the World Bank to

the borrowing countries, for work completed under contracts previously awarded by the Bank. Contract award data are available from the World Bank and are used in some analysis in this report, however this data is not a reliable indicator of any given countrys true procurement performance. The World Bank estimates that 1992 contract award data may represent almost 50 percent of the contracts actually awarded. Disbursement data, which measures payments to member country suppliers, on the other hand are considered to be reliable.

World Bank Lending - FY 1992

World Bank Loan Approvals

In the fiscal year which ended June 30, 1992, new commitments from the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), totalled $21.7 billion for 222 new projects, a decrease of 4.3 percent from new commitments in FY 1991 which amounted to $22.7 billion.

Combined IBRD and IDA lending to Africa in FY 1992 was $3.97 billion, up from the $3.4 billion figure of the previous year. This total represents a return to a volume of lending to Africa comparable to that of FY 1990.

The fiscal year 1992 total for Asia demonstrated an almost $1 billion increase from $7.5 to $8.4 billion. This is likely a result of the increase in lending to China which amounted to $2.5 billion in new approved projects. Lending to India increased marginally from $2 billion to $2.2 billion while lnding to Indonesia remained approximately the same at $1.6 billion. New lending to Pakistan fell by more than 50 percent to $324 million from $677 million in FY 1991. New lending to Sri Lanka also declined from $359 million in FY 1991 to just $69.5 million in FY 1992.

<u>New commitments from IBRD and IDA to Europe, the Middle East and North Africa totalled $3.6 billion compared with $6.6 billion in FY 1991.</u> This decrease indicated a significantly different lending pattern in FY 1992 as compared with FY 1991, largely as a result of reduced emphasis on lending to several countries which were of central priority in FY 1991. Lending to Hungary, for example, decreased from $550 million to $200 million and lending to Poland fell from $1.440 billion to $390 million. Both of these countries had seen substantial increases in new loan commitments in FY 1991 as compared to FY 1990. New commitments to Czechoslovakia also decreased significantly over the last fiscal year, from $450 million to $246 million. Lending to Algeria was halved; lending to Egypt also declined from $524 million to $375 million. Other decreases in lending occurred in Iran ($250 million to $134 million), Morocco ($626 million to $325 million), Tunisia ($900 million to $385 million), and Yemen ($95.6 million to $47.2 million). Bulgaria , on the other hand, experienced an increase in project approvals, from $17 million to $250 million, as did Romania, with an increase in new project lending from $180 million to $650 million over the FY 1992.

The Latin America and the Caribbean (LAC) region, obtained $5.66 billion in new approved lending, up from $5.2 billion in FY 1991. As a comparison, the IDB approved $5.3 billion in new loans to the region in the calendar year (CY) of 1991 and projections suggest that the IDB will lend $6 billion to LAC in CY 1992, and approximately $7.2 billion in CY 1993. Accordingly, although World Bank lending to LAC increased in FY 1992, the IDB is expected to surpass the volume of IBRD and IDA lending to the Latin America and Caribbean area by the end of the 1992 calendar year.

Structural and sectoral adjustment program lending accounted for almost 27 percent or $5.85 billion of new World Bank commitments in FY 1992, showing an increase from the 25 percent or $5.7 billion figure of FY 1991. Exhibit 1 highlights the geographic and sectoral breakdowns of the Banks FY 1992 loan approvals.

World Bank Disbursement Patterns

Disbursements are payments made for the most part, on prior years loan commitments. Hence, despite any increase in new loan commitments, disbursement levels generally reflect previous years activities and variances in the multi-year implementation of projects.

During FY 1992, approximately $9 038 million was disbursed by the Bank to its borrowing member countries for foreign purchases of goods, equipment, civil works, consulting services and other commitments. This compares with foreign disbursements of $9 159 million in FY 1991 and $11 879 million in FY 1990. The FY 1992 figure

represents a 1 percent decline from FY 1991, a 24 percent decline from the disbursement figure for FY 1990. When debt reduction disbursements (which are not credited to supplier countries procurement records) are excluded from the disbursement figures, we find that foreign disbursements in FY 1992 were 2.3 percent higher than in FY 1991 and 7 percent lower than in FY 1990.[6]

Notably, total World Bank disbursements for **foreign and local** procurement amounted to $16 441 million in FY 1992, of which disbursements for **foreign** procurement ($9 038 million) only represented 54.99 percent. **The FY 1992 figure of 5 percent represents the smallest share of total World Bank disbursements that foreign procurement has taken, since FY 1985.** This underscores the trend towards growing local procurement which does not favour participation by non-national firms.

Over the past six fiscal years, developing nations have , on average, earned 38.9 percent of World Bank foreign disbursements for civil works. The disbursement share of Part II countries has also been improving consistently, in the all other goods category, from 28 percent in FY 1987 to 35.4 percent in FY 1992. The procurement share of developing nations in both equipment and consulting categories has shown marginal improvement over the last six fiscal years, but remains relatively low.

The vast majority (88.1 percent in FY 1992) of World Bank foreign disbursements are for the purchase of goods and equipment. The rest is divided almost evenly between consulting ($585 million in FY 1992) and civil works ($495 million).

Canadian Procurement Results-FY 1992

Total disbursements to Canadian firms amounted to $167 million in FY 1992, a decline, in dollar terms of 3.5 percent from FY 1991, and the lowest level since 1985. It should be noted that total World Bank foreign disbursements are at **their** lowest level since 1986 having dropped by almost 24 percent since FY 1990.

Disbursements to Canada represented 1.85 percent of the Banks total foreign disbursements in FY 1992, compared to a 1.7 percent share for Canada in FY 1990 and a 1.9 percent share in FY 1991. When calculating Canada's share, net of the aforementioned debt reduction disbursements , Canada's performance declined in FY 1992 to a share of 1.85 percent, compared to a 1.96 percent share in FY 1991 and a 2.1 percent share in FY 1990. **Canada placed twelfth behind the remaining G-7 countries, and the Netherlands, Belgium, Switzerland, Brazil and China. Canada had been in tenth place in FY 1991 and in 8th place for the five consecutive years prior to 1991.**

Irrespective of the method of calculation, Canada's share of World Bank disbursements for foreign procurement in 1992 is approximately 1.85 percent, and has shown a moderate decline over the past two fiscal years. By way of comparison, Canada holds a 3.19 percent voting share at the Bank. Exhibits **2a** and **2b** show a breakdown of IBRD and IDA foreign disbursements by source of supply and description of goods, FY 1992.

Canadian Procurement Performance FY 1985- FY 1992

It is important to focus on trends rather than a years performance because of long project cycles and multi-year contracts. Accordingly, it is interesting to note that, despite the past three years decline in Canada's procurement performance, Canadian procurement in dollar terms actually grew an average of 4.1 percent per annum between FY 1985 and FY 1992. However, it should be noted that this compares with an average annual growth of almost 6 percent per annum in total World Bank foreign disbursements over the same period and thus, despite improvements, Canada's performance has not kept pace with average annual growth in Banklending.

Exhibit **3** shows disbursements to Canada and other nations from FY 1985 to FY 1992.

Canadian Success by Geographic Region

Exhibit **4a** outlines a breakdown of World Bank disbursements in FY 1992 by region, for OECD countries. (The list which includes Non-OECD countries is too lengthy to include in this report). Exhibit **4b** outlines Canadian disbursements by region for FY 1988 through FY 1992. The Bank is currently unable to provide disbursement statis-

tics using both source of supply and borrowing country as concurrent parameters. As a result, it is difficult to determine in which countries Canada is particularly successful. However, data is available which enables regional comparisons to be made.

In FY 1992, Canadian disbursements dropped to 1.89 percent of foreign disbursements in the East Asia and Pacific region and a 1.8 percent share in the South Asia region.[7] This compares with a 2.5 percent share acquired in FY 1991 in the then combined Asia region. Canada's procurement share in the Asia region had been approximately 2.5 percent for the three years prior to FY 1991 also.

Canadian disbursement results for Africa showed an improvement from the 1.5 percent share achieved in FY 1992 to a 2.2 percent share in FY 1992. In each of the three years prior to FY 1992, Canada's performance in this region had declined slightly.

Disbursements to Canada for work in the Europe and Central Asia (ECA) and in the Middle East and North Africa (MNA) regions, previously one region known as EMENA, showed a decline when considered together.[8] The Canadian disbursement share in this combined region declined from 1.9 percent in FY 1991 to 1.03 percent in FY 1992. When considered separately, we see that Canada performed especially poorly in ECA with a .56 percent share of disbursements in FY 1992. In MNA, Canada fared better, achieving a 1.75 percent share of total World Bank foreign procurement disbursements in FY 1992. It is interesting to note that procurement disbursements to the United States from the two regions also declined, from $160 million or an 8 percent share to $124 million or a 6.1 percent share over the past fiscal year.

Canadian performance in Latin America and the Caribbean (LAC) increased significantly from $35 million or a 1.8 percent share in FY 1991 to $64 million or a 3.2 percent share in FY 1992. This represents a return to the identical percent share that Canada had achieved in the region in FY 1990. As a comparison, in FY 1991, Canada received $45.6 million in foreign procurement disbursements for work in projects funded by the Inter-American Development Bank (IDB) in LAC. This represents a 1.6 percent share, and a significant improvement from the $25.6 million, 1 percent share received in FY 1990.

Canadian Success by Sector

Canadian firms have continued to do relatively well in **power projects** funded by the World Bank. Of the $167 million in disbursements achieved by Canadian firms in FY 1992, $31 million or 19 percent resulted from participation in power sector projects. World Bank total local and foreign disbursements for power amounted to $1.688 billion in FY 1992. Canadian disbursements for power sector work came mostly from the East Asia and Pacific region. Canada ranked fifth in foreign disbursements for power after Japan, Germany, France and the United States, respectively.

Canadian procurement was also significant in the **transport sector** in FY 1992. Canadian firms received $41 million for work in this sector, almost half of which arose from projects in the Latin America and Caribbean region. An additional one quarter of these disbursements arose from project work in Africa, and the remaining one quarter from work in Asia. World Bank disbursements for the transport sector (foreign and local) totalled $1.691 billion in FY 1992. Much of the $41 million transport disbursement total for Canada is likely related to railway projects.

Canada's largest source of cash disbursements in FY 1992 was in the non-project sector. These disbursements generally relate to imports of commodities and other raw materials, financed under structural and sectoral adjustment loans. For example, Canada has won contracts for potash and other fertilizers, and petrochemicals from these types of Bank funded operations. Exhibits 5 shows sectoral break-downs of disbursements for Canada, by region for 1992.

Consulting Services

Canada's procurement performance has traditionally been strongest in the field of consulting services. FY 1992 was no different in this respect. Canada obtained $45 million or a 7.69 percent share of total World Bank disbursements to foreign consultants, in FY 1992. This share allowed Canada to retain its fourth place position behind the United Kingdom, the United States and France.

The United Kingdom has out-performed the United States in this area for the past two fiscal years.

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 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 fiscalyears, 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

agricultural inputs (fertilizer, seeds, livestock), medical supplies, construction materials, wire and cable, textbooks, paper, etc.

Canadian firms received $66 million for the supply of equipment in FY 1992, a decrease of $2 million from FY 1991. This follows a $3 million decline in FY 1991 from the FY 1990 total of $71 million. This downward movement comes on the heels of a 34 percent increase in Canadian disbursements for equipment from FY 1989 to FY 1990. Despite the $2 million decline over the past fiscal year, Candas share of foreign disbursements for equipment remained stable at 1.5 percent.

In the all other goods category, Canadian firms received $55 million, which demonstrates a marginal improvement from Canada's $52 million performance in FY 1991. However, this represents a significantly smaller amount than the disbursement figure for Canada in FY 1989 of $133 million, or the FY 1990 figure of $76 million. Together, Canada's goods and equipment procurement amounted to $121 million, or 1.5 percent of the foreign disbursement total. This share is comparable to that achieved in FY 1991. Given the incomplete nature of contract data, it is extremely difficult, if not impossible to determine exactly why Canadian procurement was as high as it was in FY 1989, relative to subsequent years. It might be suspected that large contracts were disbursed in this year in such sectors as potash, pulp, agricultural inputs/chemicals (i.e. semi-processed goods) which would fall into this catch-all, other goods category. It is impossible to draw any definite conclusions from the available contract data for Canada for this year.

Civil Works

Faced with increasing competition from some of the Part II countries themselves (particularly China, Yugoslavia, Spain) and from other G7 countries such as Italy, France and Germany, Canadian firms have shown modest success in winning civil works contracts in World Bank funded projects, receiving only $3 million as a result of such efforts in FY 1992. This number represents a $2 million increase from the FY 1991 figure of $1 million. At the same time, total World Bank foreign disbursements for civil works increased to $495 million in FY 1992 from $422 million in FY 1991. Accordingly, Canada's percentage share of World Bank total foreign disbursements for civil works demonstrated an improvement from 0.2 percent (FY 1991) to 0.61 percent (FY 1992). This compares with an achievement of $6 million (1 percent) in FY 1987, $3.9 million (.7 percent) in FY 1988, $9 million (1.6 percent) in FY 1989 and $5 million (1 percent) in FY 1990.

It should be noted that, in FY 1992 World Bank foreign disbursements for civil works only comprised of a small percentage of the Banks total foreign disbursements (about 5 percent). Importantly, Non-OECD countries captured 32 percent of this market. Although this represents a substantial portion, this figure compares with a FY 1991 share of 40 percent and a FY 1990 share of 45.1 percent. In fact, the FY 1992 figure represents the lowest share achieved by these nations over the last six fiscal years. At the same time, total foreign and local disbursements for civil works amounted to $3.58 billion in FY 1992 (23 percent of total combined disbursements), out of which all but $422 million represented disbursements to borrowing countries for payment of local firms. Foreign disbursements for civil works have been declining steadily over the past decade, at a rate of 4.3 percent per annum over the past six fiscal years.

Canadian Procurement Results Based On Contract Data FY 1988-FY 1992

This section examines contract data from FY 1988 through FY 1992, as oposed to disbursement data which served as the basis of previous sections of this report, in an attempt to identify those areas in which Canada has experienced definite procurement success and those in which Canada may stand to improve. It should be noted that contract data is highly unreliable as it may only present up to 50 percent of all contracts actually awarded. As a result, contract data cannot be used to predict future disbursement flows with any degree of accuracy and now firm conclusions about the past performance can be drawn. However, contract data provide an additional window onto WB procurement which can provide useful indications of performance.

Canadian firms were awarded 69 contracts in FY 1992 totalling $108.54 million, which were subject to prior review, and thus recorded by the World Bank. (There were many other contracts

awarded which were not recorded.) The awards consisted of 28 contracts to goods and equipment suppliers totalling $69.84 million; 40 to consulting firms totalling $34.57 million, and one worth $4.14 million to civil works suppliers. As a comparison, Canadian firms were awarded 11 contracts in FY 1991 at the IDB, valued at $5.3 million dollars.

In geographical terms, more than 50 percent of the recorded contracts awarded to Canadian suppliers in FY 1992 involved three countries; $24.0 million in contracts arose from projects in India, $17.7 million from projects in Mexico and $13.7 million from projects in Algeria. In each case, contracts involved the supply of transportation equipment for railway projects.

When observed over the past five years, Canada was awarded $308 million in recorded contracts, $134.96 million in 120 consulting contracts, $133.74 million in 130 goods and equipment contracts, and $39.24 million in 14 civil works and miscellaneous contracts not identified by the Bank. See Exhibit 6 for a breakdown, by category, of contracts awarded to Canada over the past 5 fiscal years.

The figures for FY 1988 through FY 1992 indicate that although in dollar terms disbursements to Canadian firms for goods and equipment far exceed disbursements to consultants, recorded consulting contracts have managed to keep pace with recorded contracts for goods and equipment suppliers. Again, however, this data is clearly not an indication of actual current or future disbursement flows.

Consulting Contracts Awarded To Canada FY 1988- FY 1992

Over the past five fiscal years, consulting contracts have comprised 43.8 percent of the value of the recorded contracts awarded to Canada. From FY 1988 through FY 1991, the value of consulting contracts awarded to Canada annually progressively increased as a percentage of the value of all recorded contracts awarded to suppliers, from 21.7 percent in FY 1988 to 68.1 percent in FY 1991. This percentage declined to 31.8 percent in FY 1992.

The available contract lists show some success in the area of institutional and management assistance, in the power sector in the Philippines, Algeria, Ethiopia, and the Central African Republic, in the railway sector in Algeria, Bolivia, Nigeria and Brazil, and in the highway sector in Nigeria, Rwanda and Zaire. Other small contracts involving institutional and management assistance were won by Canadian consultants in the health, water and urban sectors.

Canadian consultants have also seen success in the area of design and engineering assistance, particularly in the power sector; in Nigeria, Uganda, Sudan, Nepal, India, Rwanda, Senegal and the Philippines, in highway projects in the Philippines, India, and the Republic of Yemen, and in water supply rehabilitation projects in Nigeria, Bahamas, and St. Luia.

Other Canadian consultants have been awarded substantial contracts over the past five years, in the water sector in Lesotho and Zaire. Additionally, Canadian consultants have seen some success in forestry, irrigation and drainage, public sector management and in agriculture. Canadian consultants have also achieved some contract awards for feasibility studies, operational assistance, sectoral studies and training.

In terms of both the number of contracts and total contract value, on record, Canadian consultants have experienced only minimal success in many of the social sectors, including education and health. This is an area in which Canadian participation might increase, as World Bank lending to the social sectors is expected to continue to expand, and it is an area in which Canada has considerable expertise. Forestry is another sector in which Canadian consultants have a great deal of knowledge, which is expected to receive progressively greater attention from the Bank, but Canada was awarded only one contract in FY 1992.

Goods And Equipment Contracts Awarded To Canada FY 1988-FY 1992

Over the past five fiscal years, contracts awarded to goods and equipment suppliers have comprised 43.4 percent of the value of recorded contracts awarded to Canadian suppliers. Fiscal years 1989 through 1991 saw a gradual decline in the total value of such contracts awarded to Canada. In FY 1992, however, a relatively high level of goods and equipment contracts, were recorded for Canada, in dollar terms. In fact, more than half of the five year total of $133.74 million was awarded in FY 1992.

Contracts awarded to Canadian suppliers in the three areas of electrical equipment, mechani-

cal equipment and transportation equipment accounted for almost 79 percent of the value of all contracts awarded to Canadian goods and equipment suppliers over the 5 year period in question. In fact, almost 53 percent of the total value of goods and equipment contracts awarded to Canada from FY 1988 to FY 1992 is accounted for by contracts in the transportation sector, almost exclusively in railways. Canadian suppliers experienced considerable success in this area in FY 1992, especially in India, Mexico and Algeria.

Canadian suppliers were awarded 21 contracts totalling $17.9 million for the supply of electrical equipment between FY 1988 and FY 1992. The majority (16) of these contracts involved specifically power projects and likely the supply of turbines, generators and requisite parts to these projects. The remaining 5 contracts stemmed from railway and highway projects.

Canadian suppliers were awarded 11 contracts totalling $16.9 million for the supply of what the Bank labels mechanical equipment, between FY 1988 and FY 1992. All but three small contracts among these resulted from a single railway project in India. The remaining three contracts involved fertilizers and chemicals in India, power distribution and transmission in Colombia, and a power project in Pakistan.

The contract lists record some, although extremely limited success by Canadian suppliers in the supply of data processing equipment, construction materials, raw materials and chemical commodities, agricultural inputs, construction equipment, agricultural equipment, mining equipment, educational equipment, equipment for industrial plants and medical equipment. Some gains have been made in the supply of telecommunications equipment. Canadian suppliers signed three contracts valued at $5.1 million in FY 1992, reaching a five year contract total of $8.5 million.

Notably, only $14.3 million in contracts with Canadian suppliers on record over the 5 year period inquestion fall into categories which could be labelled goods, not equipment. This is clearly a gross under-representation of Canadian success in this area, as Canadian disbursements for goods totalled $133 million in FY 1989, $74 million in FY 1990, $52 million in FY 1991 and $55 million in FY 1992. It is possible that these disbursements are a result of contracts awarded in years prior to 1988, although it is unlikely that this accounts for the entire discrepancy.

Civil Works contracts awarded to Canada FY 1988-FY 1992

Canada was awarded 6 civil works contracts between fiscal years 1988 and 1992, 5 labelled as infrastructure, 1 as building, totalling $27.3 million. More than half of this total stemmed from proposed work on power projects in Thailand.

Canadian consultants have been awarded only one civil works contract since 1989, which was in 1992, for work on a water supply and solid waste management project in St. Lucia, valued at $4.1 million.

A Review Of Contracts Lost By Canada FY 1988- FY 1992.

It is interesting to compare contract award data with data describing contracts which Canada bid upon, was among the top four preferred bidders, but subsequently lost. This data reveals a relatively high value of contracts lost by Canada ($764.5 million in contracts between FY 1988 and FY 1992) in comparison with the above discussed contracts awarded ($308 million between FY 1988 and FY 1992). This assessment is made as the contracts lost data is extremely limited in its coverage, perhaps even more so than the contracts awarded data. The contracts lost data fully excludes the consulting field, and only includes contracts upon which Canada bid, and was among the **top 4** evaluated bidders. The contracts involved in World Bank projects appear to rarely receive less than ten bids and may receive a virtually unlimited number, therefore it is quite likely that Canadians bid upon a multitude of contracts, but fell short of the top four and thus were excluded from the World Bank data set. Additionally, contracts listed are only those which were of a sufficient magnitude to have been subject to prior review by the Bank. Notably, little activity is observed in the contract data in categories of goods designated as goods other than equipment, while the all other goods category accounts for the majority (by value) of historic procurement disbursements to Canada. **In effect, the contracts lost data, while only revealing a portion of the contracts Canada may have bid upon, demonstrates that a substantial volume of contracts have been lost by Canadian goods,**

equipment and civil works suppliers, in the final stages of bidding. In FY 1992, Canadian suppliers are recorded as having lost 62 contracts in 20 countries, valued at almost $215 million. See Exhibit 7 for a comparison of contracts won to contracts lost for FY 1988-FY 1992.

Perhaps the most striking observation to be made is that over 77 percent of all contracts lost by Canada over the past five fiscal years represented only three categories of equipment; electrical equipment, mechanical equipment and transportation equipment electrical equipment-$289.8 million or 37.9 percent, transportation equipment-$203.84 million or 26.7 percent, mechanical equipment- $95.1 million or 12.4 percent of contracts lost) . This amounted to almost $509 million in lost contracts. Over the same time period, Canada is recorded as having won $105.7 million in contracts associated with these three categories of goods, over $70 million of which involved transportation equipment. Notably, these three product areas absorb a large portion of World Bank spending.

Another interesting set of observations involves the fact that **73.3 percent of the contracts (by value) lost by Canadian goods and equipment suppliers from FY 1988 through FY 1992 were lost to only 6 competitors**. Over the past five fiscal years, 24 percent of the recorded contracts lost by Canadian suppliers (valued at $184.25 million) were lost to the French. Of this total, $131.8 million or 71 percent (17.2 percent of all contracts lost by Canada) represented contracts lost to French suppliers of electrical equipment, specifically designated for power projects in Algeria, Indonesia and Brazil. The remainder of the contracts lost to France were in the categories of data processing equipment, telecommunications equipment, energy exploration and production equipment, mechanical and transportation equipment and civil works.

Canada lost $124.9 million in contracts to China, $74.6 million or 59.75 percent of which involved contracts for electrical equipment. All of these contracts involved projects taking place in China, the majority of which stemmed from one thermal power project. Other contracts lost to China concerned mechanical equipment for a project in China, transportation equipment for projects in India and civil works/infrastructure in projects in Cameroon and Nigeria. Additionally, Canada lost $84.75 million in contracts to the U.S. over the five year period, primarily for project work in China and in Latin America.

Canadian suppliers lost $77.5 million in contracts to Yugoslavia between FY 1988 and FY 1992. Almost all of this total concerned the supply of mechanical and transportation equipment for a railway project in India. Canadian suppliers also lost $57.1 million in contracts to the Netherlands, the majority of which was lost in one contract involving the supply of mechanical equipment to an electric power project in Egypt. Additionally, $32.1 million in contracts has been lost to Thailand for the supply of goods to projects taking place in Thailand.

Canadian suppliers lost $45.7 million in contracts in the area of civil works/infrastructure, $31.96 million in contracts involving telecommunications equipment and $27.67 million in contracts involving the supply of data processing equipment.

When analyzed on a regional basis, we find that $344.5 million or 45.1 percent of the contracts lost by Canada (by value) involved projects taking place in the East Asia and Pacific region, particularly in China, Thailand and Indonesia. In the South Asia region, Canadian suppliers lost $142.6 million in contracts (18.6 percent of contracts lost), primarily in India and Pakistan. In the Middle East and North Africa, Canadian suppliers lost $102.4 million or 13.4 percent of contracts lost, losing many of the contracts in Algeria, involving the supply of electrical equipment to a single thermal power project. Similarly, in Latin America and the Caribbean, Canadian suppliers lost $102.4 million or 13.4 percent of the contracts lost, in Brazil, for the most part, involving the supply of mechanical equipment to a railway project and electrical equipment to a power project. In the Africa region, Canadians lost $48.8 million in contracts over the past five years, in Cameroon, Madagascar, Ethiopia, Egypt, Nigeria, Burundi, Mali and Tunisia. Canadian suppliers lost $23.8 million in contracts in the Europe and Central Asia region over the same period, in Hungary, Romania, Turkey and Yugoslavia.

A different regional pattern is to be found among the contracts actually awarded. Of the recorded contracts awarded to Canada, $100.4 million or 32.6 percent involved project work in Africa, $67.3 million or 21.9 percent involved

project work in Latn America and the Caribbean, $57.1 million or 18.5 percent concerned project work in the East Asia and Pacific region, $54.8 million or 17.8 percent concerned work in South Asia, $19.5 million or 6.3 percent involved work in the Middle East and North Africa and $8.9 million or 2.9 percent concerned project work in Eastern Europe and Central Asia. See Exhibit 8 for a comparison of contracts lost to contracts won, by region.

Interestingly, when consulting contracts are excluded from the above contract award data, we see yet a different pattern. Almost all of the recorded contracts awarded to Canada involving the Africa region were concerned with consulting services ($91.5 million, by value). Recorded contract awards to Canadian goods and equipment suppliers for projects in Africa from FY 1988-FY 1992 only totalled $9.1 million. In addition, a relatively large percentage (33 percent) of contracts awarded to Canadians for work in the Middle East and North Africa region involved consulting services. In each of the other regions, consulting contracts constituted less than 25 percent of recorded contracts.

Notably, although Canadian firms (apparent from the contracts lost data) have been involved in a great deal of bidding upon projects in East Asia and the Pacific, the contract award data only reveals $43.7 million in goods and equipment contracts awarded to Canadian suppliers for work in this region, over the last five fiscal years. Contracts awarded to Canada for this region involved China, Indonesia, the Philippines and Thailand. Bid attempts were recorded as having been made for work in Laos in 1992, but no successes were recorded.

Interestingly, Canadian suppliers are recorded as having lost $53.8 million in civil works/infrastructure/building contracts over the past 5 years, which compares with $27.3 million in similar contract awards, and $3 million in disbursements for all civil works in FY 1992.

Additionally, the contracts award data reveals some bidding activity in the area of pharmaceuticals, medical supplies, but no contract successes in this area are noted. The data also suggests only minimal participation on the part of Canadian suppliers of medical equipment, construction materials, agricultural inputs and raw materials/chemical commodities in World Bank project bidding activity.

Canadian Success by Province

This section attempts to categorize contracts awarded to Canadian companies over the past five years by the province of origin of the relevant company. By no means does the data offer a complete picture of Canadian procurement. As noted above, this section can only be used as an indication of the regions which are home to some of the companies which actively pursue large contracts in World Bank projects. In addition, of the total recorded contracts for each year, a certain percentage are not associated with a specific company. In some cases these contracts are simply listed as a
joint venture or as associated with an
end supplier . The Canadian Commercial Corporation, a government agency which acts on behalf of Canadian firms is also often listed as the contractor, without reference to the specific firm being represented. Again, as a result, this data must be understood to be only a small part of the Canadian procurement picture.

Of the $108.55 million in contracts recorded as having been won by Canadian firms in FY 1992, just under $20 million were awarded to firms from Ontario, $16.9 million to Quebec firms, while almost $37 million in contracts was acquired by firms from Nova Scotia, the majority by Sydney Steel. The remainder of identifiable contracts were earned by firms rom B.C. ($10.3 million) and firms from Manitoba ($5.9 million). The two largest recorded contracts, at $19.1 million and $17.5 million were earned by Sydney Steel of Nova Scotia for the supply of transport equipment for a railway project.

The data for FY 1991 reflect $50.9 million in contract awards to Canada. Of the contracts associated directly with a specific company, Ontario firms acquired $31.6 million, Quebec firms acquired $12.5 million and firms from Alberta achieved $2.2 million. No other provinces were reflected in the data. The largest contract recorded, totalling $21.9 million, went to a firm from Ontario, for goods listed as other goods for a water sector project in Lesotho. The second largest recorded contract also was achieved by a firm from Ontario for transport equipment for a transport sector loan in Pakistan.

In FY 1990, Quebec firms achieved the greatest volume of contracts in dollar terms, at $23.3 million, while firms from Ontario were awarded $12.1 million of the $42.01 million contract. The remainder of the total was shared by Nova Scotia, B.C., and Alberta. The largest recorded contracts were achieved by a Quebec-based firm for a highway project in Gabon under the all other goods category, and by an Ontario firm for the sale of transport equipment.

The contract data for FY 1989 reflects $67.3 million in Canadian contracts, of which Ontario achieved the largest share, at $37.2 million. Quebec achieved $22.4 million in contracts awarded to Canadian firms in that year. The remainder of the total was achieved by Manitoba, Alberta and British Columbia, in descending order of procurement.

The contract data for FY 1988 only recorded $39.2 million in contracts awarded to Canadian firms. Of this, firms from Ontario and Quebec have achieved the lions share of contracts which identify the company involved. By volume, Ontario firms acquired $14 million in contracts while firms from Quebec acquired $13 million in contract awards. The largest contract recorded, at $6.5 million went to a power company for goods classified as works/building. Additionally, $3.4 million in contracts were awarded to firms in Alberta and $535,000 to British Columbia. No other provinces are represented in this contract data.

Again, when comparing this data with disbursement figures for Canada, it is obvious that we can learn little from this incomplete data set with regard to trends in Canadian procurement. This data set does not show how much of these contracts have actually been disbursed, and in which fiscal years. In addition, so many small contracts have gone unrecorded by the Banks procurement records department that it is impossible to determine the extent of activity by firms from other provinces in World Bank projects.

Data from the IDB show that between fiscal years 1986 and 1991, Ontario achieved 49 percent of the recorded contracts, Quebec achieved 35.4 percent, Alberta 6.8 percent, Nova Scotia 3.8 percent, Saskatchewan 2.1 percent, British Columbia 2.0 percent, Manitoba .8 percent and a remaining .1 percent was unknown.

See Exhibits **9** and **10** for a breakdown of contracts won by Canada at the IDB (1986-1991) and the World Bank (FY 1988-FY 1992), by province.

Canada's Return on Investment

Annual World Bank disbursements to Canada traditionally exceed Canada's contributions to IBRD and IDA. As noted earlier, Canada's contributions exceeded disbursements to Canadian firms for the first time in FY 1992, however the ratio of total disbursements to Canadian firms to cumulative contributions to IBRD and IDA from Canada over the period from FY 1984 to FY 1992 remains greater than one, at 1.12. See Exhibits **11** and **12**.

In FY 1990, Canada ranked seventh amongst G-7 countries in this return analysis . Notably, as of FY 1990, France, Italy, and the United Kingdom earned a high procurement return relative to their contributions, while Canada, the United States, and Japan were closer to even.

Trade and Tariff Reform

In addition to the direct benefits of procurement which flows from the World Bank and Inter-American Development Bank projects, Canadian firms accrue indirect benefits from the programs of structural adjustment which are also supported by these institutions. Such programs place a strong emphasis on trade liberalization and tariff reform is a key element in the adjustment process. These measures are aimed at opening up domestic markets to greater international competition and, in doing so, provide concomitant opportunities for Canadian and other foreign exporters.
The situation in Latin America is a case in point. As part of the adjustment effort, almost every country in the region has affected sharp reductions in their tariff rates and the use of non-tariff barriers since the mid-1980s.

Individual Consultants Retained by the World Bank

In addition to its disbursements for project operations, the World Bank spent approximately $78 million in FY 1992 to directly contract individual consultants from member countries to assist the Bank in project preparation and appraisal. The budget for the FY 1993 program is $101.6 million. Disbursements by the World Bank for contracting consulting services have increased steadily over the past five fiscal years, at a annual rate of increase of 11.3 percent. Although this expenditure represents a small portion of total World Bank disbursements, this is an area of considerable interest to Canadian consulting firms as a result of the longer term potential marketing returns from involvement in project development.

In FY 1991, contracts offered to consultants averaged 42.3 days and in some cases included a 14 day mission to the project locale in the relevant country. These short term assignments may be key in positioning consultants firms for bigger downstream contracts in the implementation phase of projects. Notably, out of 9 065 appointments, 7 331 firms were represented which indicates that many consultants receive multiple appointments.

In FY 1991, 438 appointments were given to Canadians, representing 377 firms. The number of days worked on each assignment averaged 28.7 days. This compares with 375 appointments to 260 firms in FY 1990, with an average assignment length of 30.7 days. Notably, the FY 1990 figures represent a 3.71 percent share of total consulting contracts for Canadians, while the FY 1991 figures represent only a 3.3 percent share. Canada again did not keep pace with market growth in this area. In addition, while women earned 15.4 percent of the total consulting contracts from the World Bank, an improvement from the FY 1990 share of only 11.15 percent, the percent share of women among the Canadian consultants actually declined from almost 10 percent to 7.76 percent over the 1991 fiscal year.

Canada ranked fifth amongst all member countries in FY 1991 in World Bank contracting of short-term consultants, behind the United States (33 percent), the United Kingdom (7.7 percent), India (7.5 percent), and France (5.7 percent), maintaining the position attained in FY 1991. See Exhibit 13.

The Canadian consultants hired by the Bank in FY 1991 were hired for the most part, to work in the areas of Economics and Statistics (26.7 percent), Engineering (20.32 percent), and Social Sector work (16.67 percent). Correspondingly, the World Bank hires most consultants to work in these three areas, respectively.

The Canadian Consultant Trust Fund, established at the World Bank by CIDA in 1985, funded about $400 000 of the FY 1990 payments to Canadian consultants at the World Bank and acted as a catalyst for additional work (i.e. individuals are often hired for one assignment via the Trust Fund, and then contracted for additional jobs out of the World Banks own funds). The Trust Fund was replenished by CIDA in FY 1991, and some of its terms and conditions changed to give Bank staff greater flexibility in using the fund.

Another CIDA fund at the Bank, the $5 million Canadian Environmental Trust Fund, became operational in FY 1991. It was accessed in FY 1991 to contract over $400 000 worth of environment-related work from Canadians.

Canadian nationals are employed at the World Bank, 78 (35 percent) of whom are women. Of this total, 169 are professionals with the Bank and 51 are listed as support staff. This total represents approximately 3.6 percent of the World Banks total staff. Canada is no longer represented at the Senior management level of the Bank.

Inter-American Development Bank

The Inter-American Development Bank approved a record number of loans in the amount of almost $6 billion to Latin America and the Caribbean in FY 1992, an increase of 12 percent from the previous year (IDB operates on a calendar year). The seventh general replenishment of the Banks capital resources in 1989 provided for a 4 year lending program (1990-1993) of approximately $22.5 billion, representing a substantial increase in annual IDB financing. Annual loan approvals are expected to surpass $7 billion in 1993. IDB annual lending to the region will surpass lending by the World Bank to the Latin American region.

Canadian firms have fared less well in projects funded by the IDB than in those funded by the World Bank. As noted above, Canada has fared relatively well in World Bank projects in Latin America and the Caribbean, over the past few years.

IDB disbursements to Canadian firms in FY 1991 were $45.6 million, compared with disbursements of $25.6 million in 1990. (Preliminary 1992 data indicate disbursements of $45 million to Canada, almost identical to 1991). Canada's share of total disbursements has grown positively in four out of the past five years. Canada's percentage share of total IDB disbursements for purchases of goods and services grew from 0.7 percent to 1.2 percent over FY 1990 and from 1.2 percent to 1.57 percent over FY 1991. Canada's share of disbursements for goods and services originating in non-borrowing countries also rose from 2.7 percent to 3.2 percent over 1991. Despite these improvements, the fact remains that Canada holds a 4.38 percent voting share at the Bank, and a 9 percent voting share of the non-borrowing block of members. See Exhibit **14**. Canada's cumulative contributions to the IDB, since 1972 totalled $395.4 million. (This compares with total disbursements of $279.2 million over the same time period).

With regard to non-borrowing members, Canada ranks ninth in cumulative IDB disbursements behind the U.S., Italy, France, Germany, Japan, Spain, Switzerland and the United Kingdom, respectively.

Over the past five years, almost 25 percent of Canadian procurement in IDB projects have occurred in the Caribbean, and 16 percent in each of Mexico and Venezuela. However, in 1991, 35 percent of Canada's procurement arose from projects in Mexico.

Sectorally, between 1987 and 1991, 20 percent of Canadian procurement disbursements from the IDB resulted from work in the transportation sector, 19 percent from industry, 18 percent from agriculture, and 16 percent from the energy sector.

Canadian companies have experienced most of their IDB success in essentially the same sectors as in World Bank projects. Canada's record is strong in the consulting field; only the U.S. and France have done better among non-borrowing countries since 1979. (Among borrowers, Chile, Columbia and Brazil have outperformed Canada over the same time period). Canada has won 4.2 percent of all IDB expenditures for consulting services since 1979. (This compares with .5 percent of cvil works expenditure and 1.5 percent of goods expenditure). Furthermore, caution should be taken in observing these figures, as consulting services represent less than 5 percent of the value of all IDB funded contracts. Canada ranked sixth among all non-borrowing countries in 1991 in terms of total procurement.

The ratio of procurement disbursements versus contributions at the IDB for Canada (data cumulative to 1991) is .706, i.e., Canadian firms have received $.71 for every $1 contributed to the IDB by the Canadian government since joining the Bank in 1972.

Companies targeting Latin America and the Caribbean cannot ignore the substantial growth in lending by the IDB to the region. Although sectoral adjustment lending accounted for 38 percent of total loan approvals in 1991, SAL will actually decrease, it can be anticipated that there will be increases in the size and volume of investment projects in infrastructure, energy, agriculture and transportation, and consequently a likely increase in business opportunities.

As with the World Bank, analysis suggests that growth potential in procurement for Canada lies in expanding on the limited success in the goods and equipment category, while continuing to capitalize on Canada's talents in the area of consulting services.

The World Bank- Future Trends/ Opportunities

Several trends in World Bank lending have noteworthy implications for future business opportunities for Canadians.

Eastern Europe

Although , as noted above, World Bank lending to the Europe and Central Asia region actually declined as a percentage of total lending in FY 1992, many changes were made at the Bank over the past year in order to respond to the recent developments in the former Soviet Union. These changes will have a major impact on future World Bank lending to the region. The Bank established, on Dec.1, 1991, a new regional vice-presidency

that includes Central and Eastern European countries as well as the Soviet Unions successor states, and Cyprus, Portugal, and Turkey. In August 1991, a $30 million Technical Co-operation Program was established through which the Bank funded work on economic issues in the Soviet Union. In addition, resident missions were established in Moscow, Sofia, and Bucharest.

In FY 1992, Albania joined both the IBRD and the IDA, and membership in the Bank was approved in April for 13 of the 15 former Soviet Republics. In June, both Estonia and the Russian Federation became members of the Bank. Currently, applications for membership by Bosnia-Herzegovina, Croatia and Slovenia are under review. Bulgaria received its first loan from the World Bank in FY 1991, a loan of $17 million. In FY 1992, Bulgaria received over $250 million in new loans. If this is any indication for other new members from the region, lending to Eastern Europe should increase significantly over the next fiscal years.

In FY 1992, lending to Eastern Europe was largely centred in non-project lending, as assistance to governments in implementing economic reform programs to reduce macroeconomic imbalances and generate institutional changes which will encourage sustained growth. Health care was also an important area of lending in both Romania and Poland. Energy and Urban development were other areas of importance. Lending should be expected to continue in these areas, as well as in industrial and financial sector development, energy, enterprise reform and public sector management. In addition, it is expected that there will be special emphasis placed upon private sector development, institution building and the environment.

Lending to the CIS is expected to reach $1.7 billion in new approved loans in FY 1993 and to jump to $2.5 billion in FY 1994.

Asia, Africa, Latin America

Overall lending to Asia increased from 33 percent of total lending or $7.5 billion in FY 1991 to 39 percent of lending or $8.4 billion in FY 1992. This is primarily as a result of increased lending to China from $1.6 billion in FY 1991 to $2.5 billion in FY 1992. Lending to India also increased by $142.1 million. The number of projects planned for India, China, and Indonesia is substantial. The number of projects planned for the Philippines, Sri Lanka, Nepal, and Bangladesh is also significant. The trend in lending in South Asia in FY 1992 was generally towards non-project, structural reform based lending, and away from agriculture and rural development. In East Asia and Pacific, on the other hand, lending centred in FY 1992 on Industry and Transportation.

The volume of lending to Africa in FY 1992 increased from 15 percent to 18 percent of total lending from $3.39 billion to $3.97 billion. FY 1992 saw an increase in lending in the areas of Agricultural and Rural Development, Non-project, Industry, Water Supply and Sewerage, and to Development Finance Companies. Future lending should continue to emphasize poverty reduction and social sector development.

Lending to Latin America and the Caribbean increased in FY 1992 to $5.66 billion from $5.26 billion in FY 1991. This represented an increase in the share of World Bank lending obtained by the region, from 23 to 26 percent. Lending specifically geared towards agriculture and rural development increased by 66.7 percent from similar lending in FY 1991. Lending for education also increased by a substantial amount. In FY 1993 emphasis will likely remain on projects that provide targeted interventions that reach the poor, develop human resources and give particular consideration to the environment.

Sectoral Trends

In real terms in FY 1992, the Agriculture and Rural Development and Energy sectors represented almost 40 percent of lending. (Energy represented 19 percent of new loan approvals, agriculture and rural development 18 percent). Although these areas will remain important sectors of lending in the future, the Bank is in the process of expanding lending towards sectors which promote human resource development.

Sectors which currently garner a relatively smaller proportion of lending but which are expected to receive attention are as follows: population, health and nutrition, water supply and sewerage, education, and urban development. World Bank new lending for eduation, for example, amounted to $2.3 billion in FY 1991 and $1.88 billion in FY 1992. Non-Project and Technical Assistance continues to be an area of large expenditure (14 percent of lending in FY 1991 and 17 percent of lending in FY 1992).

Lending for the transportation sector has also shown a strong performance over the past year, increasing from 6 percent of lending in FY 1991 to 10 percent of lending in FY 1992. Notably, Canadian procurement performance in FY 1992, was strongest in the non-project and transportation categories, respectively.

As anticipated, the nature of World Bank lending to the telecommunications sector has been changing over the past two fiscal years. The sector grew from $340 million in lending in FY 1991 to $430 million in lending in FY 1992, and a large proportion of this amount will fund less goods and equipment than in the past and emphasize management and technical assistance instead.

The environment continues to be an area of growth in lending from the Bank. In FY 1990, the Bank implemented its new environmental guidelines, which mandated a greater amount of environmental assessment and planning in virtually all World Bank funded projects. The resultant need for environmental assessment expertise by borrowing countries will continue to create substantial new opportunities for Canadian firms with experience in this area. CIDA also established

The Canadian Environmental Trust Fund at the World Bank. The fund is for use by the World Bank to hire Canadian consultants for environmental work relating to Bank funded projects. There are also, importantly, an increasing number of projects exclusively focused on the environment in the project pipelines for many countries, ranging from natural resource management (particularly in Latin America) to urban air pollution. In addition, projects in the pipeline of the Global Environment Facility ($1.5 billion) offer considerable opportunities for companies with environmental products and services.

Forestry is another area of growth for the Bank. World Bank lending to this sector is expected to more than triple over the next few years. There is currently over $300 million in the pipeline for Latin America alone, in this area.

It should be noted that growth in lending is expected to occur in the areas of financial sector reform, public sector management and in infrastructure and institutional development.

General Canadian Export Performance Compared to Canadian Procurement at the World Bank

In an attempt to expand the analysis, and to further identify areas in which Canada may have potential for a greater level of success in World Bank projects, this section will examine Canada's aggregate trade with the developing world.

In 1991, 8-10 percent of Canada's exports went to developing countries. Only 6.7 percent of Canada's exports in the goods and equipment category (exclusive of services, consulting, etc.) was exported to developing nations, however. In comparison, 24-28 percent of OECD exports, go to the third world. **Canada accounts for a low percentage of OECD exports to the developing world in many of the categories of goods purchased in World Bank projects.**

About 8.7 percent of Canada's world exports in 1991 were to World Bank developing member countries. Of this, 0.59 percent went to Africa, 1.3 percent to Eastern Europe and Central Asia, 0.33 percent to South Asia, 3.9 percent to East Asia and the Pacific, 0.78 percent to the Middle East and North Africa region, and 1.87 percent to Latin America and the Caribbean. Assuming a similar pattern of exports between July 1, 1991 and June 30, 1992, we can estimate the share that Word Bank disbursements to Canada represented as a percentage of total Canadian exports, to the regions. We find subsequently that World Bank procurement disbursements to Canadian firms represented 4.1 percent of total Canadian exports to the Africa region, 0.56 percent of exports to the East Asia and Pacific region, 4.44 percent of exports to the South Asia region, 0.4 percent of exports to Europe and Central Asia, 1.3 percent of exports to the Middle East and North Africa region, and 2.5 percent of exports to Latin America and the Caribbean.

Export volumes from Canada appear to be on the increase in South America, particularly in Venezuela, Brazil, Argentina, Ecuador, Guyana and Peru. Exports appear to be declining somewhat in Central America and in most of the

Caribbean. Export volumes as a whole appear to be declining in Africa and South Asia, while exports to the East Asia and Pacific are on the rise. These results are in line with the economic recovery in Latin America and growth patterns in East Asia. It should be noted that World Bank lending to Latin America is expected to remain stable, between 25 and 30 percent of total lending, while project lending to East Asia is expected to remain stable, particularly when project work is able to proceed in Vietnam.

Canada's exports to developing nations tend to be largely resource-based, comprised for the most part of fish, wheat and other grains, maize, minerals-(slag, ores, ash)- sulphur, asbestos (particularly to Asia), lumber, wood pulp, newsprint, and some petrochemicals.

The data also indicates some success by Canadian suppliers in exporting manufactured and semi-manufactured equipment to the developing world. Canada has seen some success in the sale of: parts of steam or vapour-generating boilers, parts of gas or water gas generators and parts of steam and vapour turbines (in Eastern Europe, East Asia, India and in Chile). Canadian suppliers have also experienced some export success in the supply of parts for diesel and semi-diesel engines, hydraulic and gas turbines, transformers, (transmission and other energy related equipment), particularly in Latin America and in Asia, the supply of some industrial plant equipment to East Asia (Indonesia Thailand), some construction equipment (graders, levellers, shovellers, boring or sinking machines, cranes, etc.) to Africa, East Asia, Latin America and Eastern Europe.

Canadian suppliers have experienced additional success in the sale of paper making/ finishing machinery to Latin America, the sale of metal rolling mills, computers and data processing equipment (to Latin America, East Asia, Eastern Europe), and the sale of electrical apparatus for line telephone-line telegraphy (Latin America and the Caribbean- particularly Mexico, the Middle East and North Africa, East Asia). Additional success has been achieved in the sale of railway parts/equipment in South Asia, surveying/ geophysical instruments (Malaysia, Mexico), iron and steel and products thereof, to Asia and Latin America, particularly Malaysia, Thailand, Mexico and the Philippines, tubes and piping (to India and China), iron and steel structures to Africa, Asia, and Latin America, and copper (cathodes, etc.) and other articles of base metal to China, Venezuela and Brazil.

The following are examples of areas in which Canada has achieved some export success, but there is little recorded success in World Bank projects:

Telecommunications Sector- Canadians have been successful in exporting telecommunications equipment to most of Latin America and the Caribbean, Eastern Europe and Asia, but contract data only demonstrates some successes in this area in Indonesia, Colombia, El Salvador, China, the Philippines, Zaire and Nepal, over the past five years. Canadians have participated in bidding but have lost contracts in this sector in Uruguay, Guinea, Laos and China. No disbursements were made to Canadian suppliers in this sector in FY 1992. **It should be noted that telecommunications is a relatively small area of lending by the Bank (2 percent in FY 1992). Also, little IDB funding is directed to this area.**

Pharmaceutical Products, Medical Equipment (laboratory/hospital eqipment, scientific instruments)- Canadians have experienced export success in Asia, Africa, Europe and Central Asia and in Latin America and the Caribbean.[9] World Bank contract data, however, records no sales of pharmaceutical products by Canadian suppliers to World Bank projects and only $162, 770 in sales of medical equipment for a single project in Jamaica, over the past five years. Canadians are recorded as having bid upon, but lost contracts for the same project, valued at $272,500. Canadian suppliers are recorded as having bid upon one contract in the area of pharmaceutical supplies, in 1989, for a project in Burundi, but lost. Mr. Hugh Wilkinson, in his report on the IDB, notes that Canadian suppliers have been absent from bidding on IDB contracts involving pharmaceuticals, hospital equipment, laboratory equipment and scientific instruments.

The population, health and nutrition sector is expected to be a sector of significant growth in World Bank lending, for the foreseeable future. It is also expected that financing of the social sectors will also increase at the IDB. (Less than 4 percent of IDB lending in the past two fiscal years went to the health and education sectors.)

Data Processing Equipment- Canada has experienced export success in the sale of data processing machines and units, and parts and accessories, in the Europe and Central Asia, the Middle East and North Africa, Africa, East Asia, and Latin America and Caribbean regions.[10] Canada has only been awarded 3 World Bank contracts in this area over the past 5 years, in Indonesia, Algeria, and China. Canada is recorded as having lost $27.7 million in contracts in this area over the same time period, in Indonesia, Yugoslavia, China, and Algeria (to France, Yugoslavia, the United States and Germany, respectively). At the **IDB**, Canadians have also achieved little success in this sector.

Agricultural Equipment, Inputs- Canadian suppliers have experienced some export success in the sale of agricultural equipment to China, Malaysia, Indonesia, the Philippines, Thailand. In terms of fertilizers, Canadian suppliers have experienced extensive export success in Asia, Latin America and the Caribbean. Canadian seed suppliers have experienced export success particularly in Asia. Canadian suppliers are only recorded as having received one contract to supply fertilizers and chemicals to a project in Mexico in FY 1989, over the past five years. Canadian suppliers are only recorded as having received three contracts to supply agricultural equipment to World Bank projects since FY 1988, in Hungary, Mexico, Sudan and Yemen. **Agriculture and rural development was the second largest area of World Bank new approved lending in FY 1992 (18 percent of total lending). At the IDB, Canada has been unsuccessful in bidding on contracts involving farm machinery but has experienced success in the sale of fertilizers.[11] Lending for agriculture represented 6 percent of IDB lending in 1990 and 1991.**

Energy Exploration and Production Equipment- Canada has experienced some export success in this product area, in Latin America, Eastern Europe and in Asia. Canadian suppliers have only experienced **some** success in World Bank projects in this area, in China, Hungary, Yugoslavia, and Kenya. Contracts have been lost in China, India and Hungary. **Energy was the largest area of World Bank new lending commitments in FY 1992 (19 percent of new lending). Canada has sold little in this area to Latin America in the context of IDB projects, where energy-related equipment is one of the largest areas of procurement.**

Construction Materials/Equipment- Canadian suppliers have experienced little success in this area in World Bank projects (in Egypt, India, the Philippines and Mexico). Over the last 5 years, Canadian export success in this area includes sales to Algeria, the Philippines, Malaysia, Zimbabwe, Mexico, Chile, Morocco, Egypt, Romania, Thailand, Botswana, Turkey, Kenya, Brazil, Ecuador, Mozambique, Ghana, Venezuela, India and Hungary. In the report from the IDB, Mr. Hugh Wilkinson notes that there have been considerable exports of road machinery to Latin America by Canadian suppliers but no cntracts won in this area within IDB projects. Roads and highway rehabilitation and expansion are a major focus of lending at the IDB.

Electrical Equipment- Canadian exporters of electrical equipment have experienced significant success in Asia, Europe and Central Asia, Africa and Latin America and the Caribbean.[12] Canadian suppliers have won contracts in World Bank projects in the past five years, in Brazil, Zaire, India, Thailand, Colombia, El Salvador, St. Vincent, Turkey, Bangladesh, Jamaica and China, and lost contracts in Indonesia, Bolivia, Thailand, China, Colombia, Pakistan, Panama, Brazil, India, Turkey, St.Vincent, Bangladesh, Algeria, Jamaica and Madagascar. **There has been World Bank lending for power projects in particular in Ghana, Pakistan, Yemen, Uruguay, the Dominican Republic, Morocco, Nepal, the Philippines, Sri Lanka, Honduras, Indonesia, Malaysia, and Turkey which appears to have gone untapped by Canadian suppliers of electrical equipment. Canadian suppliers have exported substantial amounts of power transmission and distribution equipment, to Latin America in general, but have achieved few contracts in this area, at the IDB. Again, energy related equipment in particular is a large area of IDB funding.**

Industrial Plant and Equipment- Canada has experienced export success in this area to Indonesia, Hungary, Yugoslavia, China, Mexico, Malaysia, China, Venezuela, Thailand, Brazil, Chile, the Philippines, and the Dominican Republic. Cana-

dian suppliers have experienced minimal success in World Bank projects, winning only four contracts since 1988, all in China, and losing two contracts in China and India over the same time period. **World Bank lending in this area has occurred in recent years in Peru, Tanzania, India, Indonesia, Mexico, Pakistan, the Philippines, Sri Lanka, Turkey, Algeria, Hungary and Mozambique**. Canadian suppliers have not experienced much success in industrial equipment contracts at the IDB, although lending has occurred in this product area, particularly in Brazil.

Educational Equipment- Canadians have achieved some export success in this product area in Eastern Europe, Africa, Asia and in Latin America and the Caribbean. Canadian suppliers have achieved some small contracts in World Bank projects in Sudan, China and the Bahamas and have lost contracts in China. This is a sector which is expected to experience growth in World Bank lending. **Significant lending has taken place recently in the education sector in Bangladesh, Ghana, Egypt, Indonesia, Nigeria, Madagascar, Pakistan, Somalia, Tanzania, Turkey, Algeria, Brazil, Burkina Faso, India, Morocco, Mexico, Mozambique, The Philippines, Poland, Rwanda, Trinidad and Tobago, Zaire, Angola, Chile, Cote D'Ivoire, Kenya, Korea and Venezuela**. This may be an area of particular interest to Canadian consultants. At the IDB, again, Canada has experienced only minimal success, in Brazil, and Barbados, in the supply of educational equipment. As previously noted, lending for health and education represented less than 4 percent of IDB lending in fiscal years 1990 and 1991, but this is expected to increase in the near future.

Other areas of interest to Canadian suppliers are the environment and forestry sectors. Given the nature of the available data, it is difficult to assess current Canadian participation in these categories of World Bank activity. At the IDB it has been noted that Canada has experienced some success in these areas, particularly the latter. The IDB has committed to increase lending for forestry related activities.

There have been no bids by Canadian suppliers recorded at the IDB in the largest area of IDB financing, **highway and street construction**. There has been considerable bidding activity by Canadians at the IDB in the area of **water, sewer and utility lines,** but no success. There has been no activity in **bridge, tunnel and elevated highway** and **electrical** work at the IDB, by Canadians, also.[13]

The Office for Liaison with International Financial Institutions (OLIFI) at the Canadian Embassy in Washington D.C.

Established in 1985 to assist Canadian firms and organizations in their pursuit of business opportunities under projects financed by Washington-based International Financial Institutions (IFIs), OLIFI continues to provide a wide range of services to the Canadian business community and to other government departments.

Canadian business visitors to OLIFI between August of 1991 and July of 1992 totalled 448, and OLIFI arranged approximately 2240 individual appointments at the World Bank and the IDB for these visitors. Exhibit **15** highlights OLIFI's visitor and inquiry totals for the past four years.

Commercial Officers in OLIFI made 92 additional visits to International Financial Institution staff over the year in the course of tracking and gathering information and contacts, following up on project inquiries, and the resolution of problems in the procurement process. Thousands of additional inquiries were completed by telephone.

As noted above, OLIFI hosted 10 multi-person missions from Canada over the past year, and Officers from the office participated in several seminars across Canada.

To assist in the Office's promotional efforts, OLIFI has produced a brochure entitled Opportunities in World Bank Projects- A Canadian Business Guide , and a 15 minute video describing the pursuit of procurement opportunities in World Bank projects. A video and brochures on the IDB are also available from OLIFI. This material was distributed throughout Canadian business and to the Regional International Trade Centres (ITCs) across Canada. Brochures were revised and reprinted in November of 1992 and January 1993. OLIFI also provides brochures and supplemental information packages pertaining to the pursuit of environmental opportunities at both the World Bank and the IDB.

The vast majority of firms that OLIFI deals with are from the consulting industry. Few Cana-

dian goods and equipment suppliers have contacted OLIFI regarding World Bank and IDB project opportunities.

Conclusion

Projects funded by the World Bank represents an enormous annual market for the supply of goods and services to the developing world. Many Canadian companies have sufficient expertise and experience to compete for this business. All indications show that those Canadian firms which have aggressively and professionally pursued this market have enjoyed a reasonably high success rate.

The success of Canadian consultants in World Bank projects has been particularly notable, and various government programs currently in place (i.e. CPPF, Consultant Trust Fund) have served as an important catalyst for these positive results.

However, the bulk of World Bank disbursements still go to the financing of goods and equipment. Given the size and diversity of this market and considerable success by several Canadian firms, Canadian suppliers should be encouraged to more actively pursue this business. Accordingly, consideration should be given to applying trade initiatives similar to those that have been key in encouraging Canadian consulting success.

In summary, Canadian procurement disbursements from World Bank projects have been declining slightly in each of the past three years. Canadians can capitalize on World Bank opportunities by broadening their marketing efforts, targeting long-term commitments and effectively utilizing the network of Canadian government services.

Endnotes

[1] The fiscal year 1992 at the World Bank began on July 1st, 1991 and ended on June 30, 1992. The fiscal year 1991 at the Inter-American Development Bank corresponded with the 1991 calendar year.

[2] All dollar amounts mentioned in this report are quoted in U.S. dollars.

[3] Canada placed twelfth behind the United States, Germany, Japan, France, the United Kingdom, Italy, Switzerland, Brazi, the Netherlands, China and Belgium, in descending order of procurement.

[4] Source: Mr. Hugh Wilkinsons report on *Canadian procurement at the IDB in FY 1991.*

[5] Source: Mr. Hugh Wilkinsons report on *Canadian procurement at the IDB in FY 1991.*

[6] About $60 million of World Bank foreign disbursments in FY 1992 represented disbursments for debt reduction . This compares with a FY 1991 figure of $321 million, and a FY 1990 figure of over $2 billion. The FY 1992 foreign disbursement total of $9 038 million already excludes the $60 million debt reduction disbursement figure.

[7] The East Asia and Pacific Region includes China, Fiji, Indonesia, the Republic of Korea, Lao Peoples Democratic Republic, Malaysia, Maldives, Mongolia, Papua New Guinea, the Philippines, Thailand, Tongo, Vanuatu, and Western Samoa. The South Asia region includes Bangladesh, India, Nepal, Pakistan, and Sri Lanka.

[8] The Europe and Central Asia region includes Albania, Bulgaria, Cyprus, Czechoslovakia, Hungary, Poland, Romania, Turkey, and Yugoslavia. The Middle East and North Africa region includes Algeria, Egypt, the Islamic republic of Iran, Jordan, Morocco, Tunisia, and the Republic of Yemen.

[9] Specific export success has been achieved in this area in Bangladesh, Pakistan, the Philippines, Brazil, Mexico, Mozambique, China, Trinidad and Tobago, Thailand, Guatemala, Chile, Nicaragua, Turkey, Colombia, India, Tunisia and Cuba.

[10] Specific export success has been achieved in this product area in Turkey, Czechoslovakia, Romania, Egypt, Algeria, Guinea, Morocco, Senegal, Singapore, China, the United Arab Emirates, Ghana, Brazil, Chile, Argentina, Mexico, etc.

[11] Taken from Mr.Hugh Wilkinsons report on Canadian procurement at the IDB in FY 1991.

[12] Specific export success in this product area has occurred in China, Yugoslavia, Poland, Singapore, Thailand, Chile, Indonesia, India, Malaysia, Peru, Argentina, Pakistan, Mexico, Cuba, Ecuador, Brazil, Colombia, Nigeria, Egypt, Zimbabwe, Jamaica, Ghana, etc.

[13] Source: Mr. Hugh Wilkinsons report on *Canadian procurement at the IDB in FY 1991.*

THE OPENING OF LATIN AMERICA

COUNTRY	*AVG. IMPORT TARIFF 1985	1991-92	*COVERAGE OF NONTARIFF BARRIERS 1985-87	1991-1992
ARGENTINA	27	15	21	8
BOLIVIA	20	8	n.a.	0
BRAZIL	55	21	44	10
CHILE	31	11	16	0
COLOMBIA	38	7	77	1
COSTA RICA	24	16	4	0
ECUADOR	38	18	51	n.a.
GUATEMALA	24	16	13	n.a.
HONDURAS	n.a	16	n.a.	0
MEXICO	30	4	24	20
PARAGUAY	n.a.	16	23	0
PERU	36	15	56	0
URUGUAY	31	12	21	0
VENEZUELA	30	17	46	5

(*percents)

ANNEX 1: THE OPENING OF LATIN AMERICA

Exhibit 1

WORLD BANK/IDA LENDING, BY REGION
(Fiscal Year 1992 - $Millions)

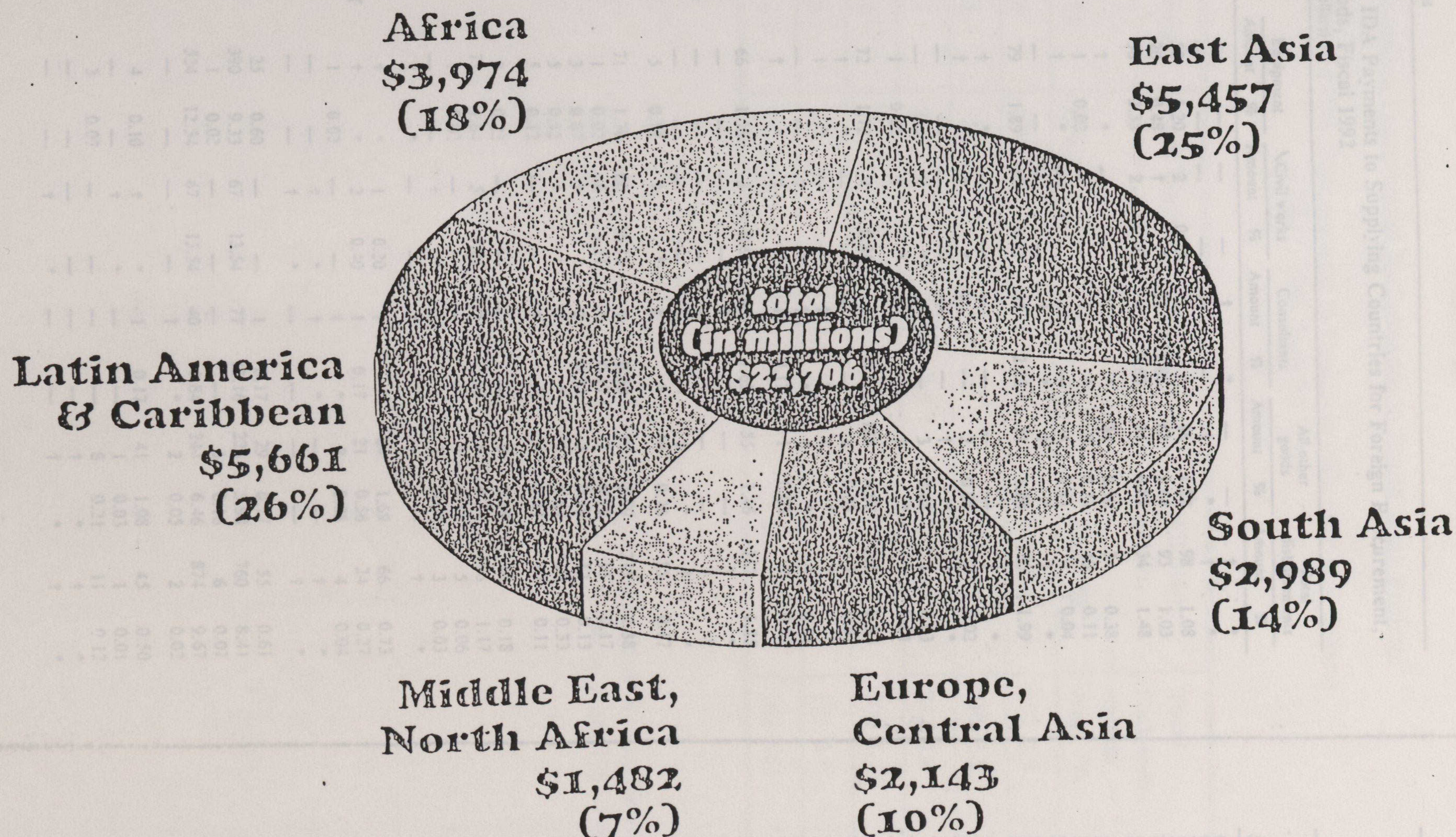

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Exhibit 2a

Table 4-8. IBRD and IDA Payments to Supplying Countries for Foreign Procurement, by Description of Goods, Fiscal 1992
(amounts in millions of US dollars)

Supplying country	Equipment Amount	Equipment %	Civil works Amount	Civil works %	Consultants Amount	Consultants %	All other goods Amount	All other goods %	Total disbursements Amount	Total disbursements %
Afghanistan	—	—	—	—	†	*	—	—	†	*
Algeria	—	—	—	—	—	—	†	*	†	*
Argentina	50	1.20	2	0.40	†	*	46	1.22	98	1.08
Australia	20	0.48	†	*	11	1.88	62	1.64	93	1.03
Austria	98	2.35	2	0.40	4	0.68	31	0.82	134	1.48
Bahamas, The	†	*	—	—	†	*	34	0.90	34	0.38
Bahrain	1	0.02	—	—	†	*	9	0.24	10	0.11
Bangladesh	†	*	—	—	—	—	4	0.11	4	0.04
Barbados	—	—	—	—	†	*	†	*	†	*
Belgium	79	1.89	17	3.43	13	2.22	71	1.88	180	1.99
Belize	†	*	—	—	—	—	—	—	†	*
Benin	†	*	†	*	—	—	2	0.05	2	0.02
Bhutan	—	—	—	—	—	—	†	*	†	*
Bolivia	—	—	†	*	—	—	3	0.08	3	0.03
Botswana	1	0.02	†	*	—	—	†	*	1	0.01
Brazil	72	1.72	4	0.81	1	0.17	188	4.97	266	2.94
Bulgaria	†	*	—	—	—	—	1	0.03	1	0.01
Burkina Faso	†	*	—	—	†	*	†	*	†	*
Burundi	—	—	†	*	†	*	†	*	1	0.01
Cameroon	†	*	†	*	1	0.17	1	0.03	2	0.02
Canada	66	1.58	3	0.61	45	7.69	55	1.46	167	1.85
Cape Verde	—	—	—	—	†	*	—	—	†	*
Central African Republic	—	—	—	—	†	*	—	—	†	*
Chad	—	—	—	—	—	—	†	*	†	*
Chile	5	0.12	†	*	†	*	10	0.26	15	0.17
China	71	1.70	80	16.16	4	0.68	60	1.59	215	2.38
Colombia	1	0.02	6	1.21	1	0.17	7	0.19	15	0.17
Costa Rica	3	0.07	†	*	2	0.34	7	0.19	12	0.13
Côte d'Ivoire	5	0.12	†	*	†	*	23	0.61	30	0.33
Cyprus	5	0.12	—	—	†	*	4	0.11	10	0.11
Czechoslovakia	9	0.22	—	—	—	—	7	0.19	16	0.18
Denmark	77	1.84	5	1.01	15	2.56	9	0.24	106	1.17
Djibouti	1	0.02	—	—	—	—	4	0.11	5	0.06
Dominica	—	—	†	*	†	*	3	0.08	3	0.03
Dominican Republic	†	*	—	—	†	*	—	—	†	*
Ecuador	†	*	1	0.20	†	*	64	1.69	66	0.73
Egypt, Arab Republic of	†	*	2	0.40	1	0.17	21	0.56	24	0.27
El Salvador	1	0.02	—	—	†	*	3	0.08	4	0.04
Ethiopia	—	—	†	*	†	*	—	—	†	*
Fiji	—	—	†	*	—	—	—	—	†	*
Finland	25	0.60	—	—	1	0.17	29	0.77	55	0.61
France	390	9.33	67	13.54	77	13.16	226	5.98	760	8.41
Gabon	1	0.02	—	—	—	—	6	0.16	6	0.07
Germany	524	12.54	67	13.54	40	6.84	244	6.46	874	9.67
Ghana	—	—	—	—	†	*	2	0.05	2	0.02
Greece	4	0.10	†	*	1	0.17	41	1.08	45	0.50
Grenada	—	—	†	*	—	—	1	0.03	1	0.01
Guatemala	3	0.07	—	—	—	—	8	0.21	11	0.12
Guinea	—	—	—	—	—	—	†	*	†	*
Guinea-Bissau	—	—	†	*	—	—	†	*	†	*

Supplying cour
Guyana
Haiti
Honduras
Hungary
Iceland
India
Indonesia
Iran, Islamic
Iraq
Ireland
Israel
Italy
Jamaica
Japan
Jordan
Kenya
Korea, Repub
Kuwait
Lebanon
Liberia
Libya
Luxembourg
Madagascar
Malawi
Malaysia
Maldives
Mali
Mauritania
Mauritius
Mexico
Morocco
Mozambique
Myanmar
Namibia
Nepal
Netherlands
New Zealand
Nicaragua
Niger
Nigeria
Norway
Oman
Pakistan
Panama
Papua New Gu
Paraguay
Peru

Exhibit 2a

Table 4-8. IBRD and IDA Payments to Supplying Countries for Foreign Procurement, by Description of Goods, Fiscal 1992
(amounts in millions of US dollars)

Supplying country	Equipment		Civil works		Consultants		All other goods		Total disbursements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Afghanistan	—	—	—	—	†	*	—	—	†	*
Algeria	—	—	—	—	—	—	†	*	†	*
Argentina	50	1.20	2	0.40	†	*	46	1.22	98	1.08
Australia	20	0.48	†	*	11	1.58	62	1.64	93	1.03
Austria	98	2.35	2	0.40	4	0.65	31	0.82	134	1.45
Bahamas, The	†	*	—	—	†	*	34	0.90	34	0.38
Bahrain	1	0.02	—	—	†	*	9	0.24	10	0.11
Bangladesh	†	*	—	—	—	—	4	0.11	4	0.04
Barbados	—	—	—	—	†	*	†	*	†	*
Belgium	79	1.89	17	3.42	13	2.22	71	1.88	180	1.99
Belize	†	*	—	—	—	—	—	—	†	*
Benin	†	*	†	*	—	—	2	0.05	2	0.02
Bhutan	—	—	—	—	—	—	†	*	†	*
Bolivia	—	—	†	*	—	—	3	0.08	3	0.03
Botswana	1	0.02	†	*	—	—	†	*	1	0.01
Brazil	72	1.72	4	0.81	1	0.17	188	4.97	265	2.94
Bulgaria	†	*	—	—	—	—	1	0.03	1	0.01
Burkina Faso	†	*	—	—	†	*	†	*	†	*
Burundi	—	—	†	*	†	*	†	*	1	0.01
Cameroon	†	*	†	*	1	0.17	1	0.03	2	0.02
Canada	66	1.58	3	0.61	45	7.69	55	1.46	167	1.85
Cape Verde	—	—	—	—	†	*	—	—	†	*
Central African Republic	—	—	—	—	†	*	—	—	†	*
Chad	—	—	—	—	—	—	†	*	†	*
Chile	5	0.12	†	*	†	*	10	0.26	15	0.17
China	71	1.70	80	16.16	4	0.68	60	1.59	215	2.38
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Cyprus	5	0.12	—	—	†	*	4	0.11	10	0.11
Czechoslovakia	9	0.22	—	—	—	—	7	0.19	16	0.18
Denmark	77	1.84	5	1.01	15	2.56	9	0.24	106	1.17
Djibouti	1	0.02	—	—	—	—	4	0.11	5	0.06
Dominica	—	—	†	*	†	*	3	0.08	3	0.03
Dominican Republic	†	*	—	—	†	*	—	—	†	*
Ecuador	†	*	1	0.20	†	*	64	1.69	66	0.73
Egypt, Arab Republic of	†	*	2	0.40	1	0.17	21	0.56	24	0.27
El Salvador	1	0.02	—	—	†	*	3	0.08	4	0.04
Ethiopia	—	—	†	*	†	*	—	—	†	*
Fiji	—	—	†	*	—	—	—	—	†	*
Finland	25	0.60	—	—	1	0.17	29	0.77	55	0.61
France	390	9.33	67	13.54	77	13.16	226	5.98	760	8.41
Gabon	1	0.02	—	—	—	—	6	0.16	6	0.07
Germany	524	12.54	67	13.54	40	6.84	244	6.46	874	9.67
Ghana	—	—	—	—	†	*	2	0.05	2	0.02
Greece	4	0.10	†	*	1	0.17	41	1.08	45	0.50
Grenada	—	—	†	*	—	—	1	0.03	1	0.01
Guatemala	3	0.07	—	—	—	—	8	0.21	11	0.12
Guinea	—	—	—	—	—	—	†	*	†	*
Guinea-Bissau	—	—	†	*	—	—	†	*	†	*

Exhibit 2b

Canadian Procurement Performance in World Bank Projects

(IBRD and IDA Disbursements to Canada in millions of U.S. dollars)
(July 1, 1986- June 30, 1992)

Year	Equipment Amt. %	Civil Works Amt. %	Consultants Amt. %	All other goods Amt. %	Total Disburse -ments Amt. %
1987	55 1.6	6.0 1.0	52.4 6.8	144 3.1	257 2.7
1988	62 1.8	3.9 0.7	47.6 6.7	116 2.6	230 2.5
1989	53 1.4	9.0 1.6	48.0 7.5	133 3.1	242 2.6
1990	71 1.6	5.0 1.0	54.0 9.1	74 1.7	205 1.7
1991	68 1.5	1.0 .2	52.0 9.1	52 1.5	173 1.9
1992	66 1.6	3.0 .61	45.0 7.69	55 1.46	167 1.85

Source: The World Bank Annual Report
Fiscal Years 1987-1992

Exhibit 3

Procurement Performance in World Bank Projects

(July 1, 1984 - June 30 1992)
IBRD and IDA Disbursements in millions of U.S. dollars

	1985	1986	1987	1988	1989	1990	1991	1992
United States %share	967 16.0	1 022 15.4	1 810 19.2	1388 15.0	1408 15.2	1 696 14.3	1 315 14.4	1 324 14.65
Japan % share	992 16.4	1 148 17.3	1 322 14.1	1269 13.7	1321 14.3	877 7.4	826 9	860 9.5
United Kingdom % share	486 8.0	605 9.1	701 7.5	710 7.6	935 10.1	875 7.4	789 8.6	697 7.7
Germany % share	603 9.9	762 11.5	954 10.1	883 9.5	858 9.3	777 6.5	1 019 11.1	874 9.67
France % share	482 7.9	596 8.9	701 7.5	637 6.9	636 6.9	716 6.0	766 8.4	760 8.41
Italy % share	390 6.4	349 5.2	381 4.0	414 4.5	384 4.1	374 3.1	462 5.0	385 4.26
Switzer-land % share	328 5.4	250 3.8	355 3.8	357 3.8	386 4.2	359 3.0	254 2.8	345 3.82
Canada % share	**145** **2.4**	**169** **2.5**	**257** **2.7**	**230** **2.5**	**242** **2.6**	**205** **1.7**	**173** **1.9**	**167** **1.85**
Total Foreign Disburse ments	6045	6 641	9 405	9280	9270	11879	9 159	9 038

Source: The World Bank Annual Report
Fiscal years 1985-1992

Exhibit 4a

SOURCE OF SUPPLY
REPORT: SOS_300_SCBR

THE WORLD BANK
IBRD/IDA COMBINED DISBURSEMENTS BY SUPPLYING COUNTRY AND
BORROWING REGION, GROUPED BY OECD OR NON-OECD
FOR FISCAL 1992
(USD MILLIONS)

OECD CLASS	Supplying Country	AFR	EAP	SAS	ECA	MNA	LAC	OTHER	Total
OECD	New Zealand	2	9	18			1		30
	Norway	11	2		5		4		22
	Spain	13	1	10	12	37	35		108
	Sweden	13	4	12	7	16	19		72
	Switzerland	52	28	71	107	65	22		345
	United Kingdom	226	57	84	108	73	41		590
	United States	164	231	186	72	52	619		1,323
******** sum		1,344	1,133	1,026	975	728	1,251		6,458
Non-OECD	Afghanistan								
	Algeria					12			12
	Angola								
	Antigua And Barbuda								
	Argentina			22	23	9	139		194
	Bahamas, The				33		1		34

Note: IBRD excludes B-loans and loans to IFC.
IDA includes Special Fund and African Facility.
Excludes Debt Reduction, Cofinancing and PPFs
Reflects data through the end of June 1992.

Produced by - LOANS Division
August 3, 1992

Exhibit 4b

Canadian Disbursements by Region

(amounts in millions of U.S. dollars)

Fiscal Year	Africa	Asia	EMENA	LAC	Total Disbursements
1992	33	50	21	64	168
1991	36	64	38	35	173
1990	38.8	64.8	21.1	80.5	205.2
1989	41.7	95.0	61.0	44.6	242.3
1988	44.8	32.7	78.0	74.1	229.6

Source: World Bank Loans Department

Exhibit 5

Canadian Disbursements by Region and by Sector in FY 1992

(amounts in millions of U.S. dollars)

Area	Agr. Rural Dev.	Industry	Telecom.	Transport	Power	Educ.	Energy	Non-Project	All others	Total
AFR	3	2		11	5	1	2	1	8	33
EAP	1			3	22	2		1	2	30
SAS		2		7	3		3	1	3	20
ECA							1	5	1	7
MNA						1		12	1	14
LAC	3	7		20	1		1	24	8	64
Total	7	11		41	31	4	7	44	23	168

Note: grand total influenced upwards by rounding.

Source: World Bank Loans Department

Exhibit 6

World Bank Contracts Awarded to Canada by Category FY 1988-FY 1992

Year	Consulting #	Consulting $	all other goods and equipment #	all other goods and equipment $	civil works #	civil works $	miscellaneous #	miscellaneous $	Total #	Total $
1988	10	8.5	17	15.7	5	15			32	39.2
1989	22	26	28	23.8	1	8.2	3	9.4	54	67.4
1990	13	28.6	16	13			1	.42	30	42.0
1991	17	37.3	41	11.4	1	.96	2	1.2	61	50.9
1992	40	34.6	28	69.8	1	4.1			69	108.5
Total	102	135	130	133.7	8	28.3	6	11	246	308

Source: World Bank Procurement Division

Exhibit 7

A Comparison of Contracts Lost and Contracts Awarded Data for Canada FY 1988-FY 1992

(all amounts are expressed in U.S. dollars)

Year	Recorded contracts won (all categories)	Recorded contracts lost (excluding consulting)
1988	39 218 259	197 280 057
1989	67 351 993	60 950 182
1990	42 010 100	176 464 482
1991	50 861 705	114 782 913
1992	108 547 119	214 992 934
Total	307 989 176	764 470 568

Source: Procurement Department, the World Bank

Exhibit 8

World Bank Contracts Won vs. Contracts Lost by Canada
FY 1988-FY 1992

(in millions of U.S. dollars)

Region	AFR	MNA	ECA	SAS	EAP	LAC	Total
Con-tracts won (all categories)	100.4	19.5	8.9	54.8	57.1	67.3	308
Con-tracts won (excluding consulting)	9.1	11.0	8.2	48.4	43.7	52.5	172.9
Con-tracts lost (excludes consulting)	48.8	102.4	23.8	142.6	344.5	102.4	764.5
Total dis-bursements FY 1992	33	14	7	20	30	64	168
Region FY 1988-FY 1991	Africa	Asia	EuropeMiddle East, North Africa EMENA	LAC	Total		
Total disbursments FY 1988-FY 1992	194.3	306.5	219.1	298.2	1018.1		

(Note: Regional definitions changed in FY 1992, but ECA and MNA can roughly be aggregated into EMENA, and SAS and EAP are ASIA)

Source: World Bank Procurement and Resource Mobiliz. Divisions

Exhibit 9

Recorded WB Contracts Won by Canada, by Province, FY 1988-FY 1992

(amounts in millions of U.S. dollars)

Province	1988	1989	1990	1991	1992	Total	%
Ontario	14	37.2	12.1	31.6	20	114.9	37.3
Quebec	13	22.4	23.3	12.5	16.9	88.1	28.6
Alberta	3.4	.96	.03	2.2		6.6	2.1
Manitoba		6.2	.42		5.9	12.5	4.1
Nova Scotia			3.1		36.8	39.9	13
British Columbia	.53	.67	2.0		10.3	13.5	4.4
Unidentifiable	8.3		1.1	4.6	18.5	32.5	10.6
--------- (CCC)	(3.7)		(1.1)		(.031)	(4.83)	1.6
Total	39.2	67.4	42	50.9	108.5	308	100

Source: World Bank Procurement Division

Exhibit 10

IDB-Funded Contracts Awarded to Canada by Province
1986-1991

(in millions of U.S. dollars)

Province	Goods/Equip #	Goods/Equip $	Consulting #	Consulting $	Total No. contracts	Total value	%
Ontario	15	8.6	5	8.6	20	17.2	49
Quebec	8	.034	8	8.9	16	12.4	35.4
British Columbia	2	.52	2	.18	4	.697	2.0
Nova Scotia	3	1.3	1	.03	4	1.3	3.8
Manitoba	3	.263	0		3	.26	.8
Alberta	0		2	2.4	2	2.4	6.8
Saskatchewan	1	.74	0		2	.74	2.1
Unknown	2	.04	0		2	.04	.1
Total	34	14.9	18	20.1	52	35.	100

Exhibit 11

Contributions to the World Bank (IBRD and IDA)
G7 Countries

(amounts in millions of U.S. dollars)

	Canada	France	Germany	Italy	Japan	Great Britain	U.S.
1984	**169.6**	126.8	304.6	61.4	499.2	236.1	919.0
1985	**180.6**	213.7	373.5	62.3	526.1	184.9	808.8
1986	**109.2**	269.7	416.0	67.5	819.4	215.0	899.9
1987	**102.9**	169.0	489.7	138.0	770.0	982.5	386.0
1988	**256.5**	30.0	378.0	123.1	982.5	386.0	921.4
1989	**176.8**	124.3	415.5	257.9	1071	344.8	874.5
1990	**249.5**	122.1	499.3	111.9	731.2	326.2	847.0
1991	**146.5**						
1992	**179.6**						

Source: Resource Mobilization Department, World Bank

Exhibit 12

Ratio of Cash Contributions to Procurement
The G-7 Countries - World Bank
The seven years 1984-1990[1]

(U.S. millions)

	Total Contributions[2]	Disbursements to firms[3]	Ratio[4]
France	1055.6	4536.8	4.3
Italy	822	2755.5	3.35
U.K.	1972.4	5299	2.68
Germany	2876.6	5849	2.0
Japan	5398.8	7748	1.43
U.S.	6048.4	7363.5	1.21
Canada	1245.1	1420.5	1.14

[1] Contributions data are expressed in Calendar Year terms.

[2] Total cash contributions include payments to the capital of both IBRD, IDA, Special Fund, and African Facility.

[3] Disbursements to firms in supplying countries for goods and services supplied to projects funded by the World Bank.

[4] Ratio of disbursements to contributions.

CONSULTANTS RETAINED BY THE WORLD BANK, IFC AND MIGA (FY91) 1/

Country Grouping	Country	(1) No. of Appts	(2) 2/ No. of Indiv./Firm included in column (1)	(3) No. of Ex-staff members included in column (1)	(4) No. of women included in column (1)	(5) No. of Days Worked	%
Part I	AUSTRALIA	237	192	20	18	7,540	2.0
	AUSTRIA	43	36	8	0	1,665	0.4
	BELGIUM	95	90	3	11	3,318	0.9
	CANADA	438	377	60	34	12,582	3.3
	DENMARK	90	80	3	18	5,719	1.5
	FINLAND	30	22	0	2	811	0.2
	FRANCE	569	507	71	71	21,863	5.7
	GERMANY	91	74	7	9	4,071	1.1
	ICELAND	3	3	0	1	121	0.0
	IRELAND	59	50	2	4	1,837	0.5
	ITALY	75	61	16	10	2,293	0.6
	JAPAN	42	34	3	3	3,776	1.0
	KUWAIT	2	2	0	1	14	0.0
	LUXEMBOURG	1	1	0	0	179	0.0
	NETHERLANDS	206	196	42	12	7,221	1.9
	NEW ZEALAND	62	55	11	4	2,375	0.6
	NORWAY	64	53	9	1	2,810	0.7
	SOUTH AFRICA	6	5	0	0	594	0.2
	STATELESS	1	1	0	0	35	0.0
	SWEDEN	112	96	21	7	4,260	1.1
	SWITZERLAND	34	28	4	4	1,444	0.4
	UNITED KINGDOM	954	767	146	80	29,357	7.7
	UNITED STATES	2,898	2,391	380	650	126,582	33.0
	USSR	5	3	0	0	35	0.0
	Total Part I	6,117	5,124	806	940	240,503	62.7

Notes:

1/ Not included in the data are firms or independent contractors retained by the Bank Group departments under their contractual services budgets, and local consultants hired by Resident Missions.

2/ Column (2) compared to Column (1) indicates that many consultants have multiple appointments.

3/ Number of days paid in Column (5) does not necessarily correspond to the number of appointments in Column (1); rather, it indicates number of days paid during the fiscal year. Some appointments overlap from one fiscal year to another, and appointments made in one fiscal year may not be paid until the next fiscal year.

6/22/92/PSCHS

Exhibit 14

Annual IDB Procurement Disbursements for Selected Countries

(amounts in millions of U.S. dollars)

Year	Canada	France	Germany	Italy	Japan	Sweden	U.S.A.	U.K.
1976	6.3	3.8	12.3	24.1	28.4	2.5	117.9	7.0
1977	11.3	2.6	26.9	24.1	31.9	3.3	198.4	5.6
1978	9.6	74.6	28.2	53.9	52.5	0.4	255.9	6.0
1979	9.8	34.5	39.4	31.5	39.3	9.4	253.4	12.2
1980	13.4	32.3	35.0	38.4	62.8	10.7	282.3	31.5
1981	10.5	23.5	62.3	57.6	57.6	12.8	343.0	19.8
1982	10.0	33.3	75.1	65.2	61.8	11.6	327.5	13.4
1983	11.0	70.8	40.8	81.6	35.1	7.2	355.5	15.4
1984	14.9	81.6	45.0	159.2	49.7	5.8	380.2	16.2
1985	10.6	79.3	74.0	75.7	62.8	6.6	424.7	23.7
1986	12.2	66.1	50.3	49.7	68.3	5.4	402.4	18.2
1987	17.9	76.2	58.2	63.4	84.6	45.3	389.6	21.2
1988	21.5	87.9	88.5	75.7	63.8	47.1	223.7	28.0
1989	17.1	211.5	75.0	210.3	61.4	21.8	210.3	28.9
1990	25.6	141.8	76.0	116.3	75.0	18.0	365.1	42.6
1991	45.6	121.9	168.9	129.9	111.6	32.9	658.3	43.0
Total	247.3	1 142	955.9	1 257	946.6	241	5 188	332.7
% of tot.	1.19	4.80	4.60	5.50	4.50	1.10	23.2	1.60

Voting Power of Members at the End of 1991

(%)	4.39	0.97	0.99	0.97	1.08	0.17	34.66	0.97

Source: Wilkinson, H., Canadian Procurement Performance at the IDB

Exhibit 15

Office for Liason with International Financial Institutions

Summary of Activities

	Aug.'88 -July'89	Aug.'89 -July'90	Aug.'90 -July'91	Aug.'91 -July'92
Telexes/ Correspondence In: Out:	686 840	753 824	* 1200	1028 1426
Canadian Visitors to Embassy (OLIFI)	308	337	350	448
(No. of Missions included in above)	5	15	9	10
Meetings arranged for visitors	633	906	1400	2240
Visits made to IFI Staff	133	197	166	92

* not available