



Inter-American  
Development Bank

**Argentina, Bolivia, Costa Rica, El Salvador,  
Jamaica, Panama, Paraguay and Peru**

**Acceptance of Partial Use  
Country Procurement Systems**

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**DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK**

**ARGENTINA, BOLIVIA, COSTA RICA, EL SALVADOR,  
JAMAICA, PANAMÁ, PARAGUAY, AND PERÚ**

**ACCEPTANCE OF PARTIAL USE  
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**SEPTEMBER 2013**

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Under the Access to Information Policy, this document is subject to Public Disclosure.

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## ABBREVIATIONS

AR	Argentina
BO	Bolivia
CR	Costa Rica
CPD	Country Program Document
ES	El Salvador
ICB	International Competitive Bidding
JA	Jamaica
PN	Panama
PR	Peru
PE	Paraguay

## I. BACKGROUND

### A. Introduction:

1.1 As part of implementation of the Strategy for Strengthening and Use of Country Systems (document GN-2538), and at the request of the governments of Argentina, Bolivia, Costa Rica, El Salvador, Jamaica, Panama, Paraguay, and Peru, the Inter-American Development Bank (the “Bank”) conducted analyses of the country procurement systems of those eight countries in accordance with the criteria and requirements established in the “Guide for Acceptance of the Use of Country Procurement Systems” ([the “Guide”](#)). On that basis, it was concluded that the subsystems indicated in the table below and described in the “Reports for Acceptance of Partial Use of the Country Procurement System” (the “Technical Reports”) (see attached technical documents), comply with internationally accepted good practices in procurement. Therefore, such subsystems are acceptable for use in Bank-financed operations. The country systems for each country are summarized below and described in detail in the respective Technical Reports:

Type	AR	BO	CR	ES	JA	PN	PE	PR
Traditional shopping	✓	✓	✓	✓	✓	✓		✓
Framework agreements			✓			✓	✓	
Reverse auction							✓	✓
Individual consulting services	✓	✓	✓					

## II. RECOMMENDATION FOR APPROVAL OF PARTIAL USE OF THE COUNTRY PROCUREMENT SYSTEMS

### 2.

2.1 *Paragraph 2.22 of the Guide establishes that “[t]he Management decisions on use of Procurement Systems will be included in the respective Report for the Acceptance of Partial Use of the Country System, which must be submitted to the Bank’s Board of Executive Directors for consideration and approval. Once the report has been approved by the Board of Executive Directors, use of the country*

*system or subsystem, as applicable, will be reflected in the subsequent country programming document and in the subsequent country strategy.”*

- 2.2 Based on application of the process established in the Guide and the results of the analysis, as described in each of the Technical Reports approved by the Operations Policy Committee of Management, it is recommended that the Bank’s Board of Executive Directors approve, by means of this document, Partial Use<sup>1</sup> of the Country Procurement Systems of Argentina, Bolivia, Costa Rica, El Salvador, Jamaica, Panama, Paraguay, and Peru, as specified in each of the cited Technical Reports, in Bank-financed operations negotiated subsequent to approval of Partial Use of the Country Procurement Systems for each of the listed countries, as well as for projects in execution, when so requested by the respective governments, on the terms described in the Technical Reports.
- 2.3 Once the Technical Reports have been approved by the Board of Executive Directors by means of this document, Management will reflect such decision in the respective Country Program Documents (CPD) and in the subsequent Country Strategies.
- 2.4 Use of the subsystems mentioned above will be contingent upon their approval by the Board of Executive Directors, and adoption of the implementation and monitoring measures established in the Guide and reflected in each of the Technical Reports.

### III. RISKS

- 3.1 The proposal for partial use of the country procurement systems of each of the countries mentioned in the previous section does not carry major risks, since in all cases the countries comply with the majority of international practices, as well as with the specific requirements established in the Guide. However, for those specific cases where partial compliance with best practices was identified, or where such compliance could be at some potential risk, the measures necessary to ensure full compliance have been agreed upon with the respective governments, and are described in the Technical Reports. Importantly, all these measures will be taken prior to the start of use of the respective subsystems and correspond to minor adjustments that can be implemented in the short term.
- 3.2 In the event of a material change in the metrics on the basis of which partial use of the country procurement system in Bank-financed operations has been approved in any of the countries, the Bank may suspend use of the system until it has been determined whether or not such changes alter the subsystem’s compatibility with international best practices, pursuant to Section 2.14 (h) of the [Guide](#). In any case, the Bank will monitor those operations and any changes to the

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<sup>1</sup> Consistent with the Guide, partial use of a country procurement subsystem corresponds to the use of one or more subsystems for all contracts for goods and services below the threshold set by the Bank for International Competitive Bidding (ICB). Contracts for larger amounts will be governed by the provisions of the Bank policies (documents [GN-2349-9](#) and [GN-2350-9](#)).

systems on an ongoing basis, both through its procurement specialists assigned to each country and through the respective electronic information systems. All of the governments have committed to report any changes in their systems or problems detected in the Bank-financed operations.