

A Background Note for New Members of the OECD-DAC Joint Venture (JV) for Procurement: "Linking JV Work and Governance"

1. **The JV's Roots: The Joint OECD-DAC/World Bank Roundtable Initiative on Strengthening Procurement Capacities in Developing Countries (2003 – 2004)**
 - a. Under the auspices of the joint World Bank and the OECD Development Assistance Committee (DAC), interested developing countries and bilateral and multilateral donors worked together from 2003 – 2004 in a unique forum of development procurement professionals and development practitioners with a working knowledge of procurement.
 - b. The initiative was originally conceived as a follow-up to the "2001 DAC Recommendation on Untying ODA to the Least Developed Countries". It also complemented efforts by the World Bank to strengthen procurement systems through the Country Procurement Assessment Reviews (CPARs), and Bank leadership in the Heads of Procurement Group of the Multilateral Development Banks to harmonize the respective procurement guidelines and standard procurement documents. After the reorganization of the architecture of the OECD-DAC subsidiary bodies, the Roundtable activities became part of the program of work of the OECD-DAC Working Party on Aid Effectiveness. Stephen Chard of DFID and Robert Hunja of the World Bank were asked to be the Co-Chairs of the Roundtable.
 - c. The overall objectives of this joint OECD/DAC – World Bank initiative were to strengthen partner country procurement systems and the partners' ownership of the procurement process, and to improve aid effectiveness. by moving towards harmonized use of these systems,
 - d. It is interesting to note the names of some of the participants of the first Roundtable meeting held in Paris on January 22 – 23, 2003: Henry Malinga of South Africa, Jocelyn Comtois and Micheal Lawrance of Canada, Mogens Strunge Larsen of Denmark, Karl-Heinz Wascher of Germany, Tore Selvig of Norway, Edgar Agaba of Uganda, Kirsten Jensen from the UNDP, Robert Hunja from the World Bank, Pam Bigart from the World Bank and Asha Ayoung from the World Bank. While several have changed responsibilities since then, all are still active participants in today's JV.
 - e. The Roundtable initiative successfully ended with the adoption in December, 2004, of the "Johannesburg Declaration" and of three Good Practice Papers: "Mainstreaming and Strengthening Public Procurement", "Procurement Capacity Development" and "Benchmarking, Monitoring and Evaluation".
 - f. In February, 2005, the OECD-DAC published the three Good Practices Papers in the Preliminary Edition of the DAC Guideline, "Harmonizing Donor Practices for Effective Aid Delivery: Volume 3 –Strengthening Procurement Capacities in Developing Countries" as one of the documents chosen to be tabled at the High Level Forum on Aid Effectiveness in Paris. (see the JV website for the entire document in English and French).
2. **The OECD-DAC Joint Venture for Procurement (2005 -)**

- g. In July, 2005, Robert Hunja and Stephen Chard, the Co-Chairs of the former Roundtable, were asked to become the Co-Chairs of a new organization being set up as a sub-body of the OECD-DAC Working Party on Aid Effectiveness and Donor practices; this new body was the Joint Venture for Procurement. Kirsten Jensen of the UNDP – Copenhagen was also asked to provide interim Secretariat services to the Co-Chairs. This informal group of three was initially referred to as the “Core Group” of the JV. Over the Fall and Winter of 2005/2006, there were a number of telephone conference calls and one meeting in Ottawa involving the ‘Core Group’ and the backups for the Co-Chairs, Margaret Robinson from DFID and Pam Bigart from the World Bank. Also during the Fall, Stephen Chard resigned as Co-Chair of the JV; the Nordic Plus Procurement Group donors (including Norway, Sweden, Denmark, Finland, the Netherlands, the UK, Ireland, Canada and Germany) nominated Jocelyn Comtois of Canada as the replacement bilateral Co-Chair.
- h. Following the High Level Forum on Aid Effectiveness and the adoption of the Paris Declaration in March, 2005, by donors and partner countries, the OECD-DAC Working Party on Aid Effectiveness (WP-EFF) became the major international forum where the bilateral and multilateral community of donors and an increasing number of partner countries meet to discuss the implementation of the Paris Declaration. As a result, expectations now shifted from policy formulation and consensus-building to implementation at country level with expectations for reform and behavior change drawing on agreed good practice. In this evolving context, the Working Party has designed its work program for 2006-2008 in the following way:
- 1) Shore up dissemination efforts to spread the messages of the Paris Declaration and encourage implementation.
 - 2) Support implementation of the partnership commitments on harmonization and alignment including a focus on results, public financial management and procurement.
 - 3) Act as a focal point where institutions engaged in implementing PD commitments can report back on progress for experience-sharing, analysis and further improvement of policies and practices.
 - 4) Respond to the mandate entrusted by the Paris Declaration on monitoring the indicators of progress and partnership commitments.
- i. To do this, the Working Party relies on the expertise and advice of its four specialized Joint Ventures whose work programs have been mainstreamed into this consolidated Work Plan:
- 1) Joint Venture on Managing for Development Results (JV-MfDR)
 - 2) Joint Venture on Public Financial Management (JV-PFM).
 - 3) Joint Venture for Procurement (JV- Procurement).
 - 4) Joint Venture on Monitoring the Paris Declaration (JV-MPD).
- j. The mandate given the JV by the WP-EFF in late 2005 included overseeing the implementation of the Paris Declaration as it relates to procurement and instigating activities to ensure progress towards the procurement-related targets. It is expected to build on the work undertaken in 2003-04 by the Joint World Bank/OECD-DAC

Roundtable on Strengthening Procurement. The JV is to focus on fostering harmonization and alignment with country systems. It is also expected to coordinate its activities with the JV PFM and JV MPD to develop synergies and complementarities between their respective programs of work. (See the JV website for the JV work plan)

- k. The JV held its first meeting in Manila on February 8 – 10, 2006, to review and discuss the first draft of the common Benchmarking and Assessment Methodology for Public Procurement Systems. (see the JV website for the first JV meeting summary. Bernard Becq had replaced Robert Hunja at the World Bank and joined the JV meeting as the new Co-Chair from the World Bank. Robert Hunja returned to Kenya for an assignment with the government related to procurement reforms. Micheal Lawrance joined the DAC Secretariat as the Procurement Advisor in late-January, 2006.). At the end of the JV meeting, Henry Malinga of South Africa was selected as the partner country Co-Chair by the participating partner country representatives; the WP-EFF encourages all the JVs to consider selecting a partner country Co-Chair to involve partners more in the management and policy decisions of these organizations.
- l. The Co-Chairs proposed to the JV that an informal group be put in place following the meeting to as the “working group”. This group was introduced as including the three Co-Chairs, a World Bank representative (Pam Bigart), an African Development Bank representative (Emmanuel Lomo), an InterAmerican Development Bank representative (Fernando Fernandez), a UNDP representative (Kirsten Jensen) and the Procurement Advisor from the DAC Secretariat (Micheal Lawrance). The working group was to meet in Washington in mid-April with the consultant in order to assist the Co-Chairs in reviewing the next draft methodology prior to it being distributed to JV members for their review and comment of version 2 prepared by the consultant after the JV meeting in Manila. The resulting version 3 of the methodology was shared with members of the JV via an email from Micheal Lawrance on May 19 for review and comment. The working group has met twice since that: in New York on September 13 – 14, 2006 (with the addition of Mogens Strunge Larsen from DANIDA as a bilateral donor representative) and in Tunis on June 27 – 29. The summaries from both meetings were posted on the JV website and emails with a link to each document were also sent to JV members by Micheal Lawrance, DAC Secretariat.
- m. The “working group” remains an evolving and informal structure, intended to keep the JV work plan moving forward between JV meetings. It is a key means by which the Co-Chairs can plan and implement the work plan. The membership is not set or permanent. To be effective, the total active membership at any time should be about 8 – 10. It should reflect an appropriate balance between active bilateral and multilateral development partners and a regional and linguistic representation of active partner countries. Participants have to be ready to contribute actively and in a timely way. To manage scarce travel funds, videoconferencing can be investigated as a means to allow participants who are unable to travel to working group meetings to still contribute.