Emergency Procurement in Lebanon:

Strategies and techniques to efficiently procure Goods, Works and Services in Fragile, Conflict-Affected and Emergency Situations

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Phases in Emergency/Conflicts

In general, there are four phases in emergencies and conflicts:

- i. Preparedness, which enables optimal emergency procurement response if ,and when an emergency/conflict occurs;
- ii. Immediate Response and Recovery. In this phase there is an ongoing or imminent threat to life, environment, safety or health;
- iii. Reconstruction/Peace building and reconstruction; and
- iv. Phase-out / Post Conflict Reintegration and Rehabilitation

Strategies and Tools: Preparedness Phase

Emergency Procurement Preparedness governments may utilize the following tools:

- **Proactive planning:** Integrating procurement into National Disaster preparedness and risk reduction plans including establishing governance structures, defining legal frameworks, and ensuring continuity of service delivery
- Capacity Building: Developing emergency procurement teams with skilled experts, establishing emergency contract/supply chain management teams
- Resource Allocation: Identifying and allocating resources for emergency procurement facilities and teams, including
 office space, communication equipment, storage and distribution facilities, etc.
- **Procedure Development**: Developing emergency procurement procedures and tools e.g., procedural guidelines, toolkits, templates, and standard emergency requisition forms
- **Supplier Mobilization**: Identifying frequently required emergency goods and services, their suppliers, and their costs, establishing and periodically updating a list of prequalified suppliers, contractors, and service providers
- **Framework Agreements:** Establishing framework agreements for consulting services, goods, supplies, and works expected to be needed in emergencies, and tapping into existing regional framework agreements including other international organizations
- **Pre-positioning of Supplies**: Pre-positioning supplies and establishing linkages with international organizations can significantly reduce response time.

Strategies and Tools: Response and Recovery Phase Tools

- Simplified Procurement: The Bank encourages the use of simplified procurement arrangements, such as direct selection, request for quotations, and framework agreements
- Accelerated Bid/Proposal Times: Bidding/proposal preparation periods can be reduced to 15 business days for international competition and 7 business days for national competition, with shorter periods cleared with the APM.
- Bank Execution of Procurement: In situations where the Borrower lacks implementation capacity, the Bank may directly execute start-up activities, including contracting consulting engineers, purchasing simple off-the-shelf goods, and implementing minor civil works.
- **Use of UN Agencies**: The Bank encourages **the use of UN agencies** for procurement of commodities, such as seeds, grain, cereals, cooking oil, and fertilizers, as they have established procurement mechanisms and expertise in emergency situations.
- Force Accounts: Force accounts may be used for repair/reconstruction using the Borrower's own personnel and equipment or a government-owned construction unit, provided the Borrower has sufficient managerial capacity and technical and financial controls.
- **Time-Based Contracts** such as day works and provisional sums, can be used for works and non-consulting services, allowing for flexibility in response to changing needs.

Strategies and Tools:

Reconstruction nand Phase-Out Phases:

Standard Procurement: As the emergency situation stabilizes, the Bank encourages a transition back to standard procurement procedures, with the use of simplified procurement arrangements still possible as needed.

Capacity Building: The Bank may provide technical assistance to the Borrower to build capacity for procurement and project management, ensuring a sustainable transition to post-conflict or post-disaster development.

Procurement reform: continue efforts on procurement reform

Effective emergency procurement implementation: The importance of stakeholders' engagement and consultation

Stakeholders' engagement and consultation are crucial for effective emergency procurement implementation for several reasons:

- Engaging stakeholders such as UN agencies, NGOs, and other multilateral and bilateral donors can help in coordinating efforts and leveraging their expertise and resources. This collaboration ensures that procurement processes are streamlined and efficient, reducing delays in delivering essential goods and services.
- **Flexibility**: The Bank may consider proposals from Borrowers to contract external agencies for project implementation, including procurement functions allowing for a more pragmatic approach to handling emergency situations and ensuring that the necessary support is provided promptly.
- Alternative Procurement Arrangements (APA): The Bank may rely on the procurement rules and procedures of other agencies or organizations, allowing these entities to take a leading role in providing implementation support and monitoring procurement activities.
- **Pooled Funds and Simplified Procedures**: The use of pooled funds with common simplified procurement procedures can maximize efficiency and ensure that resources are utilized effectively.
- Increased Supervision and Support: The Bank may intensify supervision and provide hands-on expanded implementation (HEIS) support to address and mitigate the increased risks associated with emergency operations
- **Development of Emergency Procurement Procedures and Tools**: Clarifying and confirming provisions in the legal framework for emergency situations, developing procedural guidelines, toolkits, templates, and standard emergency requisition forms and contracts can help in preparing for and responding to emergencies more effectively.
- **Readiness for Supplier Mobilization**: Identifying frequently required emergency goods and services, their suppliers, and their costs in advance can ensure that procurement activities are initiated quickly and efficiently when an emergency arises.

Prevention of abuses and corruption in emergency procurement

- Capacity building: on red flags and anti corruption measures
- Adherence to Core Procurement Principles: Ensure that procurement methods used during emergencies are consistent with the Bank's Core Procurement Principles, rules on universal eligibility, and Anti-Corruption Guidelines.
- Contingency Planning: Agencies should engage in forward planning and risk mitigation to avoid creating urgent situations due to lack of planning.
- Use of Prequalified Suppliers: Establish and periodically update a list of prequalified suppliers, contractors, and service providers.
- Framework Agreements: Utilize existing or establish new framework agreements for goods, works, and services.
- Electronic Government Procurement (e-GP): Implement e-GP systems to enhance transparency and traceability.
- Conflict of Interest Policies: Enforce conflict of interest policies and ensure that government bidding documents and contracts contain anti-bribery and anti-corruption conditions
- Regular Audits and Reviews: Conduct regular procurement post reviews, independent procurement reviews, and implementation support missions to ensure compliance and detect any irregularities
- Third Party Monitoring: an external consulting firm would be hired by the Bank.

The Impact of Effective Emergency

Effective emergency procurement has significant impacts on Service Delivery, Value for Money (VFM), corruption risk mitigation, and the social contract

Impact on Service Delivery

- 1.**Timely Response**: Rapid mobilization of resources ensures that essential goods and services are delivered promptly during crises, significantly reducing the adverse impacts of emergencies on affected populations.
- e.g. During the COVID-19 pandemic, the World Bank supported countries in procuring medical supplies and equipment which was crucial in managing the health crisis and saving lives. The World Bank delivered **12 million (6 million to Iraq, 2 million to Lebanon, and 5 million to Tunisia) doses of Pfizer** vaccine in MENA region:

Impact on Value for Money (VFM)

- 2. **Cost Efficiency:** Use of prequalified suppliers and framework agreements, emergency procurement can achieve cost savings and ensure that funds are used efficiently.
- **3. Streamlined Processes:** Simplified and accelerated procurement processes reduce administrative overheads and expedite the delivery of goods and services, contributing to better VFM.
- e.g. The World Bank's Contingent Emergency Response Components (CERC) allow for streamlined procurement processes, which have been instrumental in quickly addressing urgent needs in various countries3 food security projects with flexible and fit-for-purpose approaches for procurement of grain: Lebanon (US\$150m); Tunisia (US\$130m); and Egypt (US\$500m)

The Impact of Effective management of Emergency

- Maintaining proper records and conducting regular audits and reviews help in ensuring transparency and accountability in emergency procurement.
- Enforcing **conflict of interest policies** and including anti-bribery and anticorruption clauses in contracts help in mitigating corruption risks.
 - E.g. The World Bank's procurement guidelines mandate the inclusion of anti-corruption conditions in all contracts, which has been effective in reducing corruption risks in various emergency projects
- Close follow up and monitoring

The Impact of Effective management of Emergency

- The Bank is expanding HEIS Impact and APA in FCV settings.
- According to FCV 2020-2025 strategy report, 16 projects currently using HEIS speeding up procurement and reducing delays
- In FY 2025, the Bank in MENA region, received 6 official HEIS requests from 3 countries
- Similarly, alternative procurement arrangements (APAs) are supporting borrowers' capacity to implement projects in countries with particularly difficult environments, including FCV, and can increase the Bank's operational flexibility.