



Guidance
Note
on “Hands on
Expanded
Implementation
Support” (HEIS) for Islamic
Development Bank financed
Procurement

April 2019

This Guidance Note is intended to complement the Guidelines for Procurement of Goods and Works and related services and for the Procurement of Consultant Services under Islamic Development Bank Financing, approved by the Board of Executive Directors (BED) of the Islamic Development Bank, and published April 2019. This document may be used and reproduced for non-commercial purposes. Any commercial use, including without limitation reselling, charging to access, redistribute, or for derivative Works such as unofficial translations based on these documents is not allowed.

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Common Abbreviations and Defined Terms

Common abbreviations and defined terms that are used in Guidelines/Guidance Note.

Abbreviation/term	Full terminology/definition
Bid	An offer, by a Bidder venture, in response to a Request for Bids to provide the required Goods, and/or Works and/or related services
Bidder	A Firm that submits a Bid for the provision of Goods and/or Works and/or related Services
Beneficiary	A Beneficiary is the recipient of IsDB Project Financing. The term includes any entity involved in the implementation of an IsDB financed project on behalf of the Beneficiary.
Consultant	A Consultant Firm or Individual Consultant that provides Consultant Services. A Consultant is independent of both the Beneficiary and IsDB.
Consulting Services	Consultant Services are those intellectual services delivered by a Consultant Firm or an Individual Consultant. Consultant Services are normally of a professional, expert or advisory nature. Consultant Services are governed by IsDB's <i>Guidelines for the Procurement of Consultant Services under IsDB Project Financing</i> .
Fraud and Corruption	The sanctionable practices of corruption, fraud, collusion, coercion and obstruction defined in <i>IsDB's Guidelines on Combating Fraud and Corruption and in IsDB Group Anti-Corruption Guidelines on Preventing and Combating Fraud and Corruption in IsDB Group- Financed Projects</i>
Goods	A category of Procurement that includes: for example consumables, equipment, machinery, vehicles, commodities, raw material or industrial Plant. The tem may also include related services, such as: transportation, insurance, installation, commissioning, training, and initial maintenance.
HEIS	Hands on Expanded Implementation Support
ICB	International Competitive Bidding
IsDB	Islamic Development Bank
MC	Member Country
NCB	National Competitive Bidding
Non-Consulting Services:	Services which are not Consulting Services. Non-Consulting Services are normally Bid and contracted on the basis of performance of measurable outputs, and for which performance standards can be clearly identified and consistently applied. Examples include: drilling, aerial photography, satellite imagery, mapping, and similar operations.
PAD	Project Appraisal Document

COMMON ABBREVIATIONS AND DEFINED TERMS

Abbreviation/term	Full terminology/definition
PIU	Project Implementation Unit
PPS	Project Procurement Specialist
Procurement	The function of planning for, and sourcing Goods, Works, Non-Consulting Services, and/or Consulting Services to meet required objectives.
Procurement Documents	A generic term used in these Guidelines to cover all Procurement Documents issued by the Beneficiary. It includes: GPN, SPN, EOI, REOI, Prequalification document, RFB and RFP, including any addenda.
Proposal	An offer, by a Proposer, in response to a Request for Proposal to provide required Consultant Services
Proposer	A firm that submits a Proposal for the supply of the required Consultant Services
PS	Procurement Strategy
OTL	Operations Team Leader
TT	Task Team
VFM	Value for Money
Works	A category of Procurement that refers to construction, repair, rehabilitation, demolition, restoration, maintenance of civil work structures, and related services such as transportation, insurance, installation, commissioning, and training.

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Section 1. Introduction

1.1 Definition and context of Hands-on Expanded Implementation Support (HEIS)

Based on Paragraph 1.35 and 1.36 of Guidelines for Procurement of Goods, Works and related services (April 2019), IsDB may agree to provide the Beneficiary with Hands-on Expanded Implementation Support (HEIS) for Procurements where the Beneficiary or, as appropriate, the Member Country (MC), is deemed by IsDB to: a) be in urgent need of assistance because of a natural or man-made disaster or conflict; or b) be experiencing capacity constraints because of fragility or specific vulnerabilities (including small states). The scope and nature of such support is determined by IsDB on a case-by-case basis. Such support shall not result in IsDB executing Procurement on behalf of the Beneficiary, and project execution remains the Beneficiary's responsibility.

1.2 Legal Relationship between Beneficiary and IsDB and division of responsibilities

In accordance with Paragraph 1.6, 1.7 and 1.8 of Guidelines for Procurement of Goods, Works and related services (April 2019), the Financing Agreement governs the legal obligations between the Beneficiary and IsDB regarding Procurement financed by IsDB. No party other than the parties to the Financing Agreement shall derive any rights therefrom or have any claim to the funds provided by IsDB. The Bidding Documents issued by the Beneficiary and the contract signed between the Beneficiary and the Contractors define the rights and obligations of the Beneficiary, Bidders and Contractors. For leasing, instalment sale and Istisna'a modes of financing, the contracts relating to the components financed by IsDB shall clearly indicate that the Beneficiary is acting as IsDB's agent in the said contracts. The ultimate responsibility for achieving maximum Value for Money (VFM) for the Goods, Works and/or related services procured and the successful completion of projects rests with the Beneficiary. IsDB is responsible for making the disbursement in accordance with the terms and conditions of the Financing Agreement and the contract, provided that payment is for delivery of Goods, Works and/or related services as defined in the Financing Agreement and are procured in accordance with the Guidelines and any other conditions defined in the Financing Agreement.

1.3 Regular implementation support

Under the Bank's regular implementation support in Procurement, the Bank provides Procurement advice and oversight to Beneficiaries, using prior and/or post reviews, supervision, as well as independent Procurement reviews, training, and other fiduciary mechanisms appropriate to the underlying level of risk of a specific project or portfolio.

1.4 Scope of Hands-on Expanded Implementation Support

Pursuant to the paragraph 1.35 and 1.36 of Guidelines for Procurement of Goods, Works and related services (April 2019), in situations of urgent need of assistance or capacity constraints the Bank may go beyond the regular implementation support to provide HEIS. In broad terms, HEIS may include, among other activities:

- a) Drafting Procurement Documents;
- b) Identifying strengths and weaknesses of Bids/Proposals;
- c) Observing dialogues and negotiations with Bidders/Consultants; and
- d) Drafting Procurement reports and contract award documentation.

HEIS allows task teams to assist Beneficiaries to deliver effective Procurement processes beyond the normal implementation support. Providing HEIS through the Procurement process can enable projects to progress faster and provides a direct opportunity to transfer Procurement skills as Bank and Beneficiary staff work more closely together. HEIS is also expected to contribute to speeding up delivery, potentially encouraging more businesses to Bid, and to improve overall project quality in the lowest-capacity situations.

1.5 When to use this Guidance Note in Procurement and Selection Process

Beneficiaries need to refer to this document specifically at the stage of preparation of Procurement Strategy (PS) and decide stages of Project Cycle where HEIS is required. At this stage while assessing Beneficiary capability and that of Project Implementation Unit (PIU), the need for hands-on support to undertake a fit for purpose Procurement planning, contractor/Consultant selection, and contract award is to be determined.

Annex I provides list of ISDB Member Countries and Annex II relates to List of Reference Materials and websites.

Section 2. Applicability for HEIS at Different stages of Procurement Process

The HEIS that the Bank may provide to eligible Beneficiaries during the project cycle is summarized below in broad terms

Sl.	Task	HEIS Available (Yes/No)
1	Drafting Procurement Documents	Yes
2	Attending pre-Bid meetings as observers, including clarifying on matters of the Procurement Guidelines under IsDB Project Financing	Yes
3	Attending Bid opening as an observer, including clarifying matters of the Procurement Guidelines under IsDB Project Financing	Yes
4	Identifying strengths and weaknesses in Bids	Yes
5	Evaluating Bids/Proposals on behalf of the Beneficiaries	No
6	Deciding the winning Bidder	No
7	Advising on areas to clarify or negotiate	Yes
8	Attending negotiations as observers, including clarifying matters of the Procurement Guidelines under IsDB financing	Yes
9	Conducting the negotiations	No
10	Observing debriefings, including clarifying matters of the Procurement Guidelines under IsDB financing	Yes
11	Conducting debriefings on behalf of the Beneficiaries	No
12	Supporting the Beneficiaries in addressing Procurement related complaints	Yes
13	Drafting the final award letter/contract	Yes
14	Supporting the Beneficiaries in defining arrangements for monitoring contract implementation	Yes

HEIS does not substitute for the Beneficiary's decision-making authority. In every situation, the Procurement decisions at key stages always remain the responsibility of the Beneficiary. The Bank's provision of HEIS does not constitute decision-making on behalf of the Beneficiary.

HEIS may be complemented with Probity Assurance Provider(s) to concurrently monitor the Procurement process, from Bid/Proposal opening through contract execution, and communicate findings to the Beneficiary and the Bank and publicly as required.

Pursuant to Paragraph 1.35 and 1.36 of Guidelines for Procurement of Goods, Works and related services the Task Team of IsDB is responsible for providing HEIS within the defined boundaries. The Project Procurement Specialist, as a member of the Task Team, provides Procurement related support.

While this Guidance describes a typical process for Procurement following open competition following International Competitive Bidding/National Competitive Bidding (ICB/NCB), under

HEIS the Bank's support could apply, as appropriate, to any type of Procurement following the Procurement Guidelines, irrespective of the selection method.

2.1 Project Preparation: Design of an effective implementation support plan

Planning for implementation support begins during project preparation. In collaboration with the Beneficiary, the Bank designs an implementation support plan that summarizes the key areas in which the Bank and the Beneficiary have agreed that the Bank provides HEIS during project implementation. The plan focuses on the critical risks to achieving the project results and ways to mitigate those risks during project implementation.

The need for HEIS may be identified by the Beneficiary in the PS. The Bank assesses the Beneficiary's capability and determines the need for HEIS. A summary of the PS, if requested by ISDB should be included in the Project Appraisal Document (PAD), including the scope of HEIS to be provided to the Beneficiary. These arrangements may be discussed and agreed during negotiations and disclosed in the Procurement Plan.

As part of project preparation, the Project Procurement Specialist may support the Beneficiary in preparing the PS. This support may include collecting the required information and writing the PS with the Beneficiary. In developing the PS, the Project Procurement Specialist works with the Beneficiary to promote the Beneficiary's ownership and to ensure that the Beneficiary retains responsibility for decision-making. To facilitate this process, the Project Procurement Specialist may present different options for developing Procurement strategies and explain the rationale for the preferred arrangements, based on how well they meet the project development objectives and deliver VFM. The Beneficiary's decision on the preferred Procurement arrangements for the activities in the project is recorded in the PS and informs the Procurement Plan. Once finalized the PS and the Procurement Plan are forwarded to the Bank for review, and agreement, respectively.

To facilitate the Bank's rapid response in situations of urgent need of assistance described in paragraph 4.11 of the Guidelines for Procurement of Goods, Works and related services on Procurement under disaster and emergency assistance, a simplified PS may be prepared. In these situations, if the client does not have the required capacity, the Project Procurement Specialist may, as part of HEIS, draft the PS. The Project Procurement Specialist may provide similar support in drafting the Procurement Plan.

In emergency situations, it may not be possible for the Beneficiary to prepare a PS and Procurement Plan for the project during project preparation, and the completion of these documents may be deferred to the project implementation phase. In these situations, the need for HEIS may be identified through the Procurement capacity assessment and discussed with the Beneficiary.

2.2 Project Implementation

As part of the Bank's implementation support and monitoring functions during project implementation, the Project Procurement Specialist checks the Beneficiary's readiness for implementation, reviewing and updating the Procurement Plan, confirming that required implementation personnel (staff and/or contracted resources) are available or have been designated and/or hired, and that the required decision-making and oversight arrangements

are in place. The Project Procurement Specialist may provide training to orient the Beneficiary on their responsibilities for implementing the Procurement arrangements for the project.

2.3 Preparation of Procurement Documents

The level of support the Project Procurement Specialist provides in preparing Procurement Documents depends on the Beneficiary's Procurement capacity. As part of regular implementation support, the Project Procurement Specialist may, through the Operations Team Leader (OTL), provide the Beneficiary with the Bank's standard Procurement Documents, templates and model specifications or examples from previous projects or other repositories that may be available. The Beneficiary then prepares the Procurement Document and submits it for the Bank's review.

As part of HEIS, the Bank may support the Beneficiary further in preparing Procurement Documents. This may be by drafting the Procurement Documents for the Beneficiary, or working jointly with the Beneficiary to draft them. While the preferred approach to promote ownership and build capacity is joint preparation with the Beneficiary, in situations where the Beneficiary's capacity is insufficient for such joint preparation, the Project Procurement Specialist may draft the documents for the Beneficiary.

When documents are jointly prepared by the Bank and the Beneficiary, the Project Procurement Specialist explains to the Beneficiary the relevant aspects of the Procurement Documents and their implications, and ensures that the timing and nature of decision-making on aspects of the final documents are clearly defined at the start of preparation.

Joint preparation of Procurement Documents does not substitute for the Bank's fiduciary review and no objection. Therefore once the documents are finalized, they are submitted to the Bank for its no objection. To avoid any conflict of interest, the Bank arranges appropriate mitigation actions, such as having Procurement Documents reviewed by a different Project Procurement Specialist from the one supporting the Beneficiary in preparing the documents as part of HEIS.

2.4 Bidding Process

As part of regular implementation support, the Project Procurement Specialist supports the Beneficiary in putting in place arrangements for publishing Procurement opportunities and for receiving Bids. The Operations Team Leader (OTL) provides templates that may be used for recording the required information. As part of HEIS, the Project Procurement Specialist may support the Beneficiary in administering the Procurement process including but not limited to: agreeing on (i) how the Beneficiary issues the Procurement Documents; (ii) how fees are to be paid, received, and accounted for by the Beneficiary; (iii) how the Beneficiary is to print the Procurement Documents and, if required, provide them in electronic copy; (iv) recording who has expressed interest in receiving Procurement Documents; (v) what arrangements should be made for safe and confidential storage of Bids until Bid opening; (vi) what the arrangements should be made for Bid opening and recording.

Given the risks of poor Bidder participation in countries that are eligible for HEIS, the Project Procurement Specialist may support the Beneficiary in seeking wide publication of Procurement opportunities and approaching the market. This includes dissemination of

Procurement opportunities to embassies of the potential targeted countries, identifying potential providers or industry bodies, and carrying out appropriate market engagement to ensure a competitive response. The market engagement may include sending copies of the advertised Procurement opportunities, conducting public meetings, and conducting business outreach seminars with the private sector, as appropriate to the size and nature of the opportunity and the market. If there are market concerns about Beneficiary capacity, the Bank's HEIS role may be declared to assuage potential Bidder concerns, and motivate their participation.

2.5 Pre-Bid meeting

The Project Procurement Specialist may help the Beneficiary prepare for the meeting by orienting the Beneficiary on the conduct of the meeting, including by discussing potential questions that may be raised and advice on how to respond to them. When requests for clarification have already been received from Bidders, the draft responses may be prepared or discussed as part of HEIS. The Task Team reminds the Beneficiary of the role of the Bank staff as observers attending the pre-Bid meeting, and arranges how the Beneficiary can privately request advice when needed.

As part of HEIS, the Project Procurement Specialist may attend the pre-Bid/Proposal meeting as an observer, clarifying matters of the Procurement Guidelines for IsDB Project Financing. Overall responsibility for managing the pre-Bid meeting rests with the Beneficiary, but the Project Procurement Specialist may observe the meeting to ensure that it is properly conducted.

Minutes of meetings are taken to promote transparency and integrity, and it is a good practice to voice-record the meeting. The Project Procurement Specialist in attendance may take notes of the pre-Bid meeting, which may be an input to the Beneficiary's minutes of the pre-Bid meeting. The Project Procurement Specialist may support the Beneficiary in preparing the minutes of the meeting by actually drafting the minutes for the Beneficiary's approval.

2.6 Bid opening

Before the Bid opening, it is useful to remind the Beneficiary to ensure that the required officials are present at the opening and that someone has been designated to conduct the opening. Before the Bid opening meeting, the Project Procurement Specialist may brief the Beneficiary about the Bid opening process to ensure clarity. This includes discussing what should be read out at the opening, the order in which submissions are read, and what should not be read out (such as withdrawn Bids).

As part of HEIS, the Project Procurement Specialist may attend the Bid opening to support the Beneficiary in successfully administering the Bid opening, and to ensure that it is conducted properly. Successful opening requires that the Bids be opened in public, the Bidders' names and Bid prices be read out, those present sign a register confirming their attendance, and a record of the opening be prepared and issued to participating Bidders. During the meeting, the Project Procurement Specialist may respond to questions on the Procurement Guidelines under IsDB Project Financing.

2.7 Bid Evaluation

Before the Bid submission deadline, the Project Procurement Specialist confirms that the Bid and Proposal evaluation teams have been established and arrangements made for any Probity Assurance Providers required. The Project Procurement Specialist also checks that all evaluators complete conflict of interest declarations, following the standard forms.

Providing a training clinic on Bid/Proposal evaluation is useful in preparing the Beneficiary for the evaluation. Such a training clinic aims to ensure that the evaluation team members are clear on (i) what their roles and responsibilities are before, during, and after Bid evaluations; (ii) what the selection criteria are and how the Bids/Proposals are to be evaluated; and (iii) how the evaluated scores are to be combined to decide on the the Bid offering the most VFM. It is good practice to conduct a mock evaluation of Bids as it exposes the Beneficiary's team to what they can expect in an actual evaluation of Bids or Proposals. Holding the clinic before Bid opening reduces the risk of subjectivity that could arise if evaluators interpret the criteria after looking at the Bids, which could bias the evaluation.

Once the evaluation committee is established and the evaluation commencement date is agreed, the Project Procurement Specialist as part of the Task Team may support the Beneficiary with aspects of the Bid evaluation, including by reviewing the Bids with the Beneficiary and identifying the strengths and weaknesses of the Bids, taking into consideration the requirements of the Procurement Document. OTL makes arrangements for the review of non-Procurement aspects (i.e. technical specifications) as part of HEIS. This means identifying the relevant aspects in the Bids that respond, or fail to respond, to the requirements of the Procurement Document, identifying potential issues for negotiations or technical discussions, identifying aspects of the Bid that may be overpriced, and so on. This review is done jointly with the Beneficiary; it can be part of the Bid evaluation process, and need not be done separately.

The Bank does not participate in scoring the Bids or making decisions during Bid evaluations, but may give input on strengths and weaknesses to assist the evaluation committee. While not participating in decision-making, the Project Procurement Specialist may discuss the basis for the Beneficiary's decision if it is not consistent with the criteria or the content of the Bids. The Task Team ensures independence by clearly communicating to the Beneficiary that the Bank's role is advisory and that decision making is the responsibility of the evaluation team appointed by the Beneficiary.

The Bank is not a signatory to the evaluation report as an evaluator. Final decision-making rests with the Beneficiary, and providing advice does not constitute the Bank's making the decision.

In some cases, the Beneficiary may have separate committees, one for evaluating Bids/Proposals and another team or committee approving the evaluation report and awarding the contract. In such cases the Bank only advises the evaluation team and does not attend meetings of the approval committee as this may amount to participating in decision making.

2.8 Debriefing Bidders and addressing complaints

As part of HEIS, the Project Procurement Specialist may support the Beneficiary in preparing for debriefing of Bidders and responding to and addressing any complaints arising from the Procurement process. For a written debriefing, the Project Procurement Specialist may support the Beneficiary in drafting the debriefing.

2.9 Debriefing

If a debriefing meeting is held, the Project Procurement Specialist may support the Beneficiary in preparing responses to requests for debriefing ahead of the actual meeting. The Project Procurement Specialist may attend the debriefing meeting as an observer, but the Beneficiary remains responsible for providing the debriefing. The Project Procurement Specialist may clarify matters of the Procurement Guidelines under IsDB Project Financing for Beneficiary during the debriefing.

The Project Procurement Specialist supports the Beneficiary in ensuring that the records of debriefing are properly maintained and that a summary of the debriefing is prepared and recorded in the Procurement file.

2.10 Addressing complaints

The Project Procurement Specialist may support the Beneficiary in reviewing and addressing any complaints that arise, including by ensuring that the draft response to the complaint includes all the required elements. The Beneficiary remains responsible for issuing all responses to the complainants.

2.11 Contract Negotiations and Technical Discussions

Supporting negotiations under regular implementation support includes helping the Beneficiary's team prepare for negotiations and providing advice on process. Preparation may involve providing a clinic/training to the Beneficiary to ensure the best possible result.

Before the negotiations between the Beneficiary and the firm recommended for contract award, it is good practice for the Task Team, including the Project Procurement Specialist, to support the Beneficiary in reviewing the Bid evaluation report to identify the negotiation issues, and reviewing in detail the Bid from the awarded/recommended Bidder. This review looks especially at the comments on the specifications, Bidding document, terms of reference, and facilities to be provided to the Beneficiary; and in requests for Proposals processes, it should also look at the relative costs in different parts of the Bid/Proposal. The Task Team then supports the Beneficiary in preparing a negotiation plan, clearly identifying the list of negotiation issues. This list can be provided to the Bidder/Consultant to facilitate their preparation for negotiations.

As part of HEIS, the Project Procurement Specialist may attend the negotiations as an observer, but does not participate in the negotiations, or in decision-making process. It is good practice to voice record these negotiations in case of any future challenge.

When detailed discussions are required to provide advice to the Beneficiary, the Project Procurement Specialist may propose an adjournment of the negotiations to allow internal discussions within the Beneficiary team; during these discussions the Project Procurement

Specialist may provide detailed advice. The Project Procurement Specialist avoids any attempts by Consultants/Bidders to draw the Project Procurement Specialist into the discussions, except to clarify the Procurement Guidelines under IsDB Project Financing.

Upon completion of the negotiations, the Project Procurement Specialist may support the Beneficiary in drafting the minutes/record of negotiations or technical discussions. The support may also extend to working with the Beneficiary to draft the contract based on the outcome of the negotiations, including, (i) preparing a contract implementation plan, (ii) defining arrangements for monitoring contract implementation, and (iii) assisting the Beneficiary to access to independent dispute review boards and dispute review experts. However, the Beneficiary is responsible for providing these documents to the Bidder/Consultant for their agreement.

2.12 Contract Management/Implementation

During contract implementation the Task Team supports the Beneficiary in ensuring that contractual conditions are met. The Beneficiary remains responsible for approving or rejecting deliverables. When the Beneficiary requires further support on contract management, it makes a specific request to the Bank.

2.13 Risk Management

Providing HEIS is a significant shift in the nature of the Bank's engagement, and could result in legal, financial, operational, and reputational risks for the Bank. However, potential risks are mitigated by adopting specific measures described below:

- a) The OTL of IsDB ensures that the scope of HEIS is clearly described in the Proposal/memorandum to the ISDB Management;
- b) A Proposal to provide HEIS needs to be cleared with the legal department and delegated levels of the Bank Management of IsDB to determine whether the risks involved have been adequately mitigated and other options have been considered;
- c) The OTL and the Project Procurement Specialist ensure clear communications with the Beneficiary, especially regarding the roles of the Bank and of the Beneficiary, particularly with respect to decision making;
- d) To ensure impartiality and independence, as well as to avoid any perception of conflict of interest on the side of the Bank staff providing HEIS, a Project Procurement Specialist providing HEIS does not carry out the Bank's review/clearance of the Beneficiary's submissions in which he/she has supported the Beneficiary; the review is done independently by another Project Procurement Specialist ;
- e) A help desk or similar arrangement supports Operations Team Leaders and Project Procurement Specialist providing HEIS. The help desk or any such arrangement also establishes a set of frequently asked questions and experiences arising from providing HEIS, available to staff of IsDB providing HEIS;
- f) The OTL ensures that HEIS activities are properly recorded, to facilitate any required auditing;
- g) The Manager of Project Procurement/Regional Hub Manager supervises individual staff in relation to HEIS activities at the project level;

- h) The Bank Management monitors systemic issues and trends of problems occurring in relation to HEIS activities at the institutional level;
- i) The performance evaluation of staff providing HEIS includes an acknowledgement of this Role and an assessment of how these activities have been performed; and
- j) As part of project monitoring and reporting, the Operations Team Leader, with the support of Project Procurement Specialist reports periodically on HEIS in the project, highlighting the main challenges and difficulties, describing the client(s) requests submitted during HEIS activities, and summarizing the advice provided and its effectiveness in improving project implementation, and suggestions to improve the support.

2.14 Determination of Application

The applicability of HEIS is determined at the project level. HEIS is available to eligible projects described in paragraph 1.35 and 1.36 of the Guidelines for Procurement of Goods, Works and related services under IsDB Project Financing. Application of HEIS to a specific project is subject to obtaining management’s approval for HEIS as part of the project design.

Consideration of HEIS begins with a request from the client through the PS that is supported by the Procurement capacity assessment. When finalization of the PS is deferred to project implementation, the need for HEIS may be identified through the Procurement capacity assessment and discussed with the Beneficiary.

Operations Team Leader, with support from the Project Procurement Specialist prepares a memorandum seeking approval of Manager of Project Procurement/Regional Hub Manager to incorporate a Proposal for HEIS into the Decision Review package.

2.15 Termination of HEIS

The Bank may unilaterally terminate HEIS at any time during the implementation of a project. Termination may arise from a request by the Beneficiary, or a decision by the Bank following change in project circumstances. Possible grounds for disengaging from HEIS include; (i) improved Beneficiary capacity for Procurement rendering the Beneficiary capable of implementing Procurement without HEIS, (ii) increased risk to the Bank in providing HEIS e.g. as a result of risks of Fraud and Corruption or changes in security which impede the provision of HEIS, or (iii) a request from the Beneficiary for the Bank to stop HEIS.

In terminating HEIS, the OTL obtains management’s approval to disengage from HEIS. Before seeking management approval, the OTL seeks approval of Manager of Project Procurement/Regional Hub Manager to incorporate a Proposal to terminate HEIS. In pursuance of this, the OTL, with support from the Project Procurement Specialist, prepares a memorandum to the Manager Project Procurement/ Regional Hub Manager documenting the experience of providing HEIS under the project and justifying the proposed termination.

Upon management approval, the Bank formally notifies the Beneficiary of the termination of HEIS and requests the Beneficiary to update the Procurement plan to reflect this.

2.16 Determination of Application for HEIS, Termination of HEIS and Roles of Different Parties in HEIS

Determination of Application for HEIS: Steps are tabulated as under:

Sl.	Steps	Remarks
1	Beneficiary requests HEIS through Procurement Strategy (or written request for existing project under implementation)	
2	OTL prepares memo requesting Manager, Project Procurement and Regional Hub Manager to incorporate HEIS into Decision Package Review (or any restructuring of project as per IsDB policies and procedures)	Advice from legal department as per IsDB policies and procedures
3	Manager, Project Procurement and Regional Hub Manager decides on incorporation of HEIS into Decision Review Package (or restructuring of project as per IsDB policies and procedures)	
4	Decision Review by applicable Management level(s) as per IsDB policies and procedure	

Termination of HEIS: Steps are tabulated as under:

Sl.	Steps	Remarks
1	(i) <i>Beneficiary requests</i> termination of HEIS or (ii) <i>Bank identifies need</i> for termination through supervision	
2	OTL recommends prepares memo requesting Manager, Project Procurement and Regional Hub Manager to incorporate termination into restructuring package (as per IsDB policies and procedures)	Advice from legal department as per IsDB policies and procedures
3	Manager, Project Procurement and Regional Hub Manager decides on incorporation of HEIS termination into restructuring package (as per IsDB policies and procedures)	
4	Management decides termination of HEIS as part of restructuring (as per IsDB policies and procedures)	
5	IsDB formally notifies the Beneficiary the termination of HEIS	

Roles of Different Parties in HEIS

Party	Roles
Operations Team Leader (OTL)	<ul style="list-style-type: none"> a) Recommending HEIS and processing the necessary approvals. b) Maintaining appropriate records when HEIS is provided. c) Ensuring that HEIS is provided within the defined boundaries. d) Through project/implementation supervision report or other means, reporting on the application of HEIS in the project

SECTION 2 – APPLICABILITY FOR HEIS AT DIFFERENT STAGES OF PROCUREMENT PROCESS

Task Team (TT)	Supporting the OTL by providing any necessary expertise on technical aspects of a Procurement.
Project Procurement Specialist (PPS)	<ul style="list-style-type: none"> a) Supporting the OTL in preparing a memorandum requesting approval to incorporate a Proposal for HEIS in the Restructuring Package or Decision Review package. b) Supporting the OTL providing HEIS within the boundaries defined. c) Supporting the OTL in maintaining appropriate records when HEIS is provided. d) Supporting the OTL in reporting annually on the application of HEIS in the project.
Regional Hub Manager/Manager, Project Procurement	<ul style="list-style-type: none"> a) Ensuring that adequate resources are available to support provision of HEIS. b) Deciding on requests for approval of HEIS. c) Ensuring that the same Project Procurement Specialist is assigned to provide HEIS support does not issue Procurement clearance related to those activities where he/she has been involved in providing HEIS. d) Monitoring the provision of HEIS and ensuring that the necessary safeguards and risk mitigation measures are implemented as planned.
Legal Department	Advising the Manager, Project Procurement and Regional Hub Manager on a requests for HEIS
Relevant Clearance Committee(s) of the Bank	Deciding the inclusion of a Proposal for HEIS in the project design for projects or in restructuring package

Annex I. IsDB Member Countries

The Islamic Development Bank is made up of fifty-seven (57) Member Countries.

- Afghanistan
- Albania
- Algeria
- Azerbaijan
- Bahrain
- Bangladesh
- Benin
- Brunei
- Burkina Faso
- Cameroon
- Chad
- Comoros
- Cote D'Ivoire
- Djibouti
- Egypt
- Gabon
- Gambia
- Guinea
- Guinea Bissau
- Guyana
- Indonesia
- Iran
- Iraq
- Jordan
- Kazakhstan
- Kuwait
- Kyrgyz Republic
- Lebanon
- Libya
- Malaysia
- Maldives
- Mali
- Mauritania
- Morocco
- Mozambique
- Niger
- Nigeria
- Oman
- Pakistan
- Palestine
- Qatar
- Saudi Arabia
- Senegal
- Sierra Leone
- Somalia
- Sudan
- Suriname
- Syria
- Tajikistan
- Togo
- Tunisia
- Turkey
- Turkmenistan
- Uganda
- United Arab Emirates
- Uzbekistan
- Yemen



For any additional information, such as Standard Bidding Documents (SBDs), Guidance, training materials and briefing, please see

www.isdb.org/Procurement

