

## Procurement

1. Procurement for the project will be carried out in accordance with the World Bank’s “Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants” dated January 2011 (revised July 2014); and “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers” dated January 2011 (revised 2014); and the provisions stipulated in the Loan Agreement and the POM and GOM. The World Bank Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credit and Grants dated October 15, 2006 and revised on January 2011, would also apply.

### *Procurement arrangements and capacity assessment*

2. Considering the complexity of the project and the weak procurement and management capacity at the MoESTD, the risk rating is assessed as “high.” The procurement method and prior review thresholds applicable to the project will be based on the ECA Regional Maximum Procurement Thresholds, effective January 2, 2014 (revised February 10, 2015).

**Table 1. Procurement Thresholds**

<b>PROCUREMENT METHOD THRESHOLDS</b>	<b>PRIOR REVIEW THRESHOLDS</b>
ICB: $\geq$ EUR 900,000 (Goods); $\geq$ EUR 4.5M (Works)	All
NCB: $<$ EUR 900,000 (Goods); $<$ EUR 4.5M (Works)	First contract for Goods; First contract for Works, if any
Shopping (SH): $<$ EUR 90,000	First contract for Goods; First contract for Works, if any
QCBS: $\geq$ EUR 265,000	$\geq$ EUR 450,000
CQS: $<$ EUR 265,000	First contract
Single Source Selection – none, in accordance with paras. 3.8-3.11 of the Consultant Guidelines	$\geq$ EUR 2,000
Direct Contracting – none, in accordance with paras. 3.7 & 3.8 of the Procurement Guidelines	$\geq$ EUR45,000

3. All TORs are subject to prior review irrespective of prior/post review status.

4. A detailed Project Operational Manual (POM) and Grants Operational Manual (GOM) is being prepared. The manuals will include procurement and selection methods to be used in the project along with their step-by-step explanation as well as the standard and sample documents to be used for each method, and service standards, responsibilities and accountability of PMU and CFU staff and management for carrying out the activities.

5. **Risk Mitigation:** The following measures were agreed to mitigate the risks and maintain the implementing team’s capacity.

**Table 2. Procurement Mitigation Actions**

<b>Risk</b>	<b>Mitigation</b>
<p>Delay in project implementation due to challenges in setting up the CFU and PMU and in selecting qualified consultants.</p>	<ul style="list-style-type: none"> <li>● Retroacting financing of key consultant positions in the CFU and PMU so that selection can be launched before or immediately after negotiations. These key consultants will complete/revise the procurement plan and prepare the draft bidding documents and TORs for the initial packages.</li> </ul>
<p>Limited procurement capacity of the CFU and lack of knowledge of Bank’s procurement and consultant guidelines may delay selection/bidding process and contract management</p>	<ul style="list-style-type: none"> <li>● All TORs for consulting services are subject to the Bank’s prior review.</li> <li>● The selection process for the 3 CFU positions are subject to the Bank’s prior review.</li> <li>● Training will be provided to the procurement specialist especially in regard to the use of System Tracking of Exchanges in Procurement (STEP).</li> <li>● Additional procurement and FM training will be provided to the staff.</li> <li>● Post review of contracts.</li> <li>● CFU staff, especially the procurement expert, will attend procurement training organized by the Bank.</li> <li>● CFU will be provided with full set of the relevant, most recent Bank procurement documents, including but not limited to standard and sample bidding documents, proposal formats, evaluation report documents, etc.</li> </ul>
<p>Unsatisfactory quality of technical designs/ToRs may lead to delays in contract implementation and to contract amendments</p>	<ul style="list-style-type: none"> <li>● All TORs are subject to the Bank’s prior review.</li> <li>● Bank team will provide MoESTD with sample TORs as needed.</li> <li>● Preparation of draft technical specifications/terms of reference before project effectiveness, at least for the contracts for which the selection process is to take place in the first 12 months of the project implementation;</li> <li>● Technical assistance of Bank technical experts in the review of the TOR/TS and designs.</li> </ul>

Risk	Mitigation
<p>The public officials/technical staff who will be involved in project procurement through tender committees may not be familiar with the applicable procurement procedures, slowing down the procurement process</p>	<ul style="list-style-type: none"> <li>● POM and GOM will detail service standards, responsibilities and accountability of CFU staff, PMU staff, and technical staff management for carrying out the activities.</li> <li>● The order for appointment of evaluation committees will specify the timeframe by which the evaluation committee should complete evaluation and recommendation of award.</li> </ul>
<p>Insufficient technical capacity within MoESTD to coordinate and supervise activities may cause contract supervision delays related to implementation and poor quality of goods, works and services.</p>	<ul style="list-style-type: none"> <li>● A coordinator for each component will be financed under the project.</li> <li>● Adequate consulting services and technical assistance, training, knowledge exchange will be financed by the project to supplement the existing capacity.</li> <li>● Bank staff will provide intensive and close supervision.</li> </ul>

### ***Procurement Plan***

6. The Borrower, at appraisal, prepared a draft procurement plan for the first 18 months of project implementation (see Table 4), which provides the relevant activities to be procured and forms the basis for procurement methods. It does not yet include the Bank’s review requirements and thresholds as these will be determined based on the costs. The procurement plan will be further reviewed and agreed between the Borrower and the Bank during negotiations. The Procurement Plan will then be updated on a regular basis as needed, in agreement with the Bank, to reflect the actual project implementation needs.

**Table 4. Procurement Plan**

Reference No.	Description of Activity
<b>Component 1 - Expanding the supply of preschool services (approximately \$34M)</b>	
1a	Renovation, Repurposing and Expansion of Buildings for Preschools
1b	Technical documentation for model kindergardens in form factors 4 to 10 groups
1c	Construction or renovation of Innovative ECEC Centers
1d	Design Services and Author Supervision
1e	Construction Supervision Services
1f	Furniture and Equipment for Preschools (including toys and playgrounds)
1g	Training for local architects and engineers
<b>Component 2 - Ensuring the quality of preschool Services (approximately \$5M)</b>	
Sub-component 2.1: Supporting the implementation of the preschool curriculum	
2.1a	TA to Evaluate & reform/harmonize the system and curriculum framework for initial educaion of ECEC teachers
2.1b	Teacher training
Sub-component 2.2: Improving pre- and in-service teacher training	
2.2.a	TA to improve the content & forms of teacher professional development
2.2.b	Harmonization of current legislation on preschool education
Sub-component 2.3: Improving the monitoring and evaluation of preschools to improve decision-making	
2.3.a	EMIS+ Module for MoLEVSA MISfor Subsidies
2.3.b	TA Development of in-service training program for implementation of the new curriculum and the development of teaching-learning materials (e.g. guidelines, manuals, etc.) based on the new curriculum
2.3.c	TA assessment of the existing quality evaluation instruments and methodology and their improvement
2.3.d	TA to develop strategies to expand and regulate the provision of ECEC
<b>Component 3 - Supporting young children and families (approximately \$9M)</b>	
Sub-component 3.1: Communication campaign	
3.1a	Preparation of commucation strategy
3.1b	TV Broadcast over licensed TV stations
3.1c	Radio Broadcast over licensed radio stations
Sub-component 3.2: Outreach to vulnerable families	
3.2a	Grants to at least 30 municipalities
Sub-component 3.3: Subsidies to ensure free preschool participation among the most vulnerable children	
3.3a	Annual reimbursement of up to \$1M
<b>Component 4: Project management, technical assistance, and monitoring and evaluation (approximately \$2M)</b>	
Sub-component 4.1: Project management and technical assistance	
4.1a	Project Director
4.1b	Coordinator of Component 1
4.1c	Coordinator of Component 2
4.1d	Coordinator of Component 3
4.1e	Grant Coordinator
4.1f	Safeguard Specialist
4.1g	CFU Director
4.1h	CFU Procurement Specialist
4.1i	CFU Financial Management Specialist
4.1j	Audit Services
4.1k	PMU Office Equipment and Furniture
4.1l	Operating Expenses
Sub-component 4.2: Monitoring and evaluation	
4.2a	Monitoring & Evaluation Specialist
4.2b	Baseline Survey
4.2.c	Technical audit of various activities under the project
4.2d	Technical evaluation of the first phase of the grant program
4.2e	Saff Training

### ***Procurement of Goods, Works and Non-Consulting Services***

7. The following methods may be used for procurement of goods, works and non-consulting services as agreed in the procurement plan: International Competitive Bidding (ICB), National Competitive Bidding (NCB), Shopping (S), and Direct Contracting (DC).

8. **Procurement of Works.** Civil works include new construction and rehabilitation of pre-schools. Procurement will be conducted for the most part at the municipal level using NCB as defined in the applicable Guidelines. There is no prequalification anticipated under the project. Works may be packaged into lots depending on the availability of designs, location of schools, and procurement capacity of municipalities involved. In such a case, procurement will be conducted by the CFU. At a minimum, the CFU procurement specialist will be a member of the Evaluation Committee (EC) who will ensure that bid evaluation procedures are observed and bid evaluation report prepared and signed by the EC members.

9. **Procurement of Goods.** Goods to be procured include furniture, equipment and toys for the schools, among others.

### ***Selection of Consultants***

10. The following methods may be used for the selection of consultants: Quality and Cost-Based Selection (QCBS), Quality-Based Selection (QBS), Least-Cost Selection (LCS), Fixed Budget Selection (FBS), Selection based on Consultants Qualifications (CQS), Individual Consultant Selection (IC), and Single Source Selection (SSS). The World Bank's Standard Request for Proposals will be used. All Terms of Reference, irrespective of prior/post review status, are subject to Bank's review and no objection.

11. A variety of consulting services are required (e.g. communication campaign, which is anticipated to be launched under QCBS). Other technical assistance activities required are: analysis of and regulatory changes to encourage expansion of preschool services including reforms, analysis and adjustment of Serbia's ECEC system to improve its economic and organizational efficiency, improve the content and forms of teacher professional development, and harmonization of the current legislation that regulates preschool education

### ***Post-review Percentages and Frequency***

12. Contracts not subject to Bank's prior review would be subject to post review by the Bank's procurement specialist. Post review of contracts will be carried out once per year. At a minimum, one out of five contracts will be randomly selected for post review.

### ***General Procurement Notice***

13. The General Procurement Notice (GPN) for the Project will be published in the UN Development Business after loan negotiations.

**PROCUREMENT PLAN** Serbia : Inclusive Early Childhood Education and Care

**General Information**  
**Country:** Serbia **Bank's Approval Date of the Original Procurement Plan:** 2018-09-27  
**Revised Plan Date(s):** (comma delimited, leave blank if not) 2019-05-14  
**Project ID:** P157117 **GFN Date:**  
**Project Name:** Inclusive Early Childhood Education and Care  
**Loan / Credit No:** IBRD / 86930  
**Executing Agency(ies):** Central Fiduciary Unit

WORKS																											
Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Procurement Process	Prequalification (Y/N)	Actual Amount (US\$)	Process Status	Draft Pre-qualification Documents		Prequalification Evaluation Report		Draft Bidding Document / Justification		Specific Procurement Notice / Invitation		Bidding Documents as Issued		Proposal Submission / Opening / Minutes		Bid Evaluation Report and Recommendation for Award		Signed Contract		Contract Completion	
										Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
SER-ECEC-6893YF-NCLW-19-40 / Reconstruction, Extension Works and Construction Works for Preschool Facilities in Doljevac, Žitovada and Sremska Mitrovica	IBRD / 86930		Post	Request for Bids	Open - National	Single Stage - One Envelope		0.00	Pending Implementation					2019-04-12		2019-04-17					2019-05-27		2019-06-19		2019-07-24		2020-08-17

GOODS																											
Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Procurement Process	Prequalification (Y/N)	Actual Amount (US\$)	Process Status	Draft Pre-qualification Documents		Prequalification Evaluation Report		Draft Bidding Document / Justification		Specific Procurement Notice / Invitation		Bidding Documents as Issued		Proposal Submission / Opening / Minutes		Bid Evaluation Report and Recommendation for Award		Signed Contract		Contract Completion	
										Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual

NON CONSULTING SERVICES																											
Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Procurement Process	Prequalification (Y/N)	Actual Amount (US\$)	Process Status	Draft Pre-qualification Documents		Prequalification Evaluation Report		Draft Bidding Document / Justification		Specific Procurement Notice / Invitation		Bidding Documents as Issued		Proposal Submission / Opening / Minutes		Bid Evaluation Report and Recommendation for Award		Signed Contract		Contract Completion	
										Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual

CONSULTING FIRMS																										
Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Contract Type	Actual Amount (US\$)	Process Status	Terms of Reference		Expression of Interest Notice		Short List and Draft Request for Proposals		Request for Proposals as Issued		Opening of Technical Proposals / Minutes		Evaluation of Technical Proposal		Combined Evaluation Report and Draft Negotiated Contract		Signed Contract		Contract Completion	
									Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
SER-ECEC-6893 YF-SSS-CS-18-28 / DEVELOPMENT AND IMPLEMENTATION OF THE CAPACITY BUILDING PROGRAMME FOR PRE-SCHOOL EDUCATION CURRICULUM IMPLEMENTATION IN SERBIA	IBRD / 86930		Prior	UN Agencies (Direct)	Direct		0.00	Under Implementation														2019-02-06		2022-12-30		
SER-ECEC-6893YF-QCBS-CS-19-36 / Public Awareness Campaign	IBRD / 86930		Prior	Quality And Cost Based Selection	Open - International		0.00	Under Implementation	2019-02-01	2019-03-01	2019-04-26				2019-05-31		2019-07-12		2019-08-30		2019-10-18		2022-09-02			

SER-ECEC-6893YF-LCS-CS-19-38 / AUDIT OF THE ECEC PROJECT FOR THE YEARS 2018 - FIRST PERIOD, 2019-SECOND PERIOD, 2020-THIRD PERIOD, 2021-FORTH PERIOD AND 2022-FIFTH PERIOD ENDED ON THE LAST DAY OF THE YEAR FOR THE SAID PERIOD	IBRD / 86890		Post	Least Cost Selection	Open - National		65,247.07	Signed	2019-02-19		2019-02-26		2019-04-11			2019-05-09		2019-06-08		2019-07-13		2019-08-17		2022-12-16
SER-ECEC-6893YF-CQ-CS-19-39 / IMPROVING THE EVALUATION SYSTEM OF PRESCHOOL EDUCATION IN SERBIA AND MONITORING THE PROJECT DEVELOPMENT OBJECTIVE IN THE AREA OF PRESCHOOL EDUCATION QUALITY	IBRD / 86890		Post	Consultant Qualification Selection	Open - National		0.00	Under Implementation	2019-03-13		2019-04-03		2019-05-17					2019-06-16		2019-07-21				2020-01-17

**INDIVIDUAL CONSULTANTS**