

INTER-AMERICAN NETWORK  
ON GOVERNMENT  
PROCUREMENT

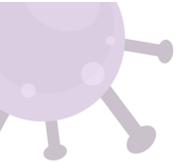


## Mapping of LAC Procurement Agencies capacity in responding to COVID-19

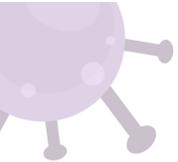
- From 1 to 5, countries in the region have identified an **average level of preparedness of 3.25** to respond to COVID-19.
- Most countries have declared national emergency at time of survey.
- The main Procurement mechanism adopted by the countries is **Direct Contracting** as justified under emergency response measures.
- In regard to **Framework Agreements**, Chile, Ecuador, Honduras and Peru have reported use of this mechanism under emergency response. Paraguay and Colombia have identified regulatory constraints which limit their use under emergency response.
- Among **main actions** taken by countries are: i) declaring national emergency ii) issuing guidance notes to Procurement agencies, which include exceptions, flexibilities in regulations, Procurement methods available) iii) communication channels to address queries iv) aggregating demand among Procurement agencies V) use of electronic Procurement systems (Chile, Colombia, Costa Rica, Ecuador and Dominican Republic) to ensure continuity of Procurement processes thru electronic means.
- It also indicates that **trainings** -in Chile, Ecuador, Peru and Dominican Republic- are being carried out through webinars, virtual workshops and tutorials in order to provide the knowledge needed about the **main actions** implemented by the procurement agencies. These trainings are addressed to suppliers, public buyers and citizens.
- It is noted that countries such as Colombia, Ecuador, Guatemala, Paraguay, Peru and Dominican Republic are developing **Control Social** tools to follow-up the public procurement made during the National Emergency.
- In regard to **challenges and problems**, the countries identified issues involving supply constraints, monitoring of direct contracting transactions, adequate communication between Procurement personnel and government agencies in charge of emergency response.

Detailed information by country:

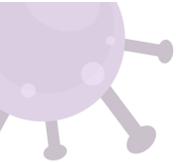
Country	Level of Preparedness (scale 1-5)	Framework Agreements for Medical Goods & Services	Actions and solutions implemented	challenges
Anguilla	2	0	- General measures related to traveling restrictions, schools closing, social distancing. No specific measures related to Procurement.	Most Procurement processes required face to face interaction. Regulations only allow for very few procedures to take place electronically (i.e. Tenders board meeting).
Bahamas	3	0	- Declared state of emergency.	Limited supply of protective equipment and antibacterial gel.



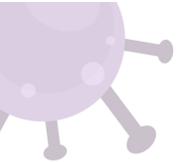
<b>Belize</b>	2	Without Framework Agreements.	<p><b>a. Regulatory Framework:</b> Use of the Limited Tendering Procedure which is being used in case of emergencies and for protection of public health.</p> <p><b>b. Transparency:</b> Creation of a specific activity number in its Chart of Accounts in order to register all expenditures made -current and capital- during the pandemic.</p> <p><b>c. Integrity:</b> Public procurement is being led by the Ministry of Health which ensures that the Covid-19 tests are compatible with laboratory equipment which is located in Belize.</p> <p><b>d. Innovation:</b></p> <ul style="list-style-type: none"> <li>- Procurement of masks produced locally. In Belize, it's required to use a mask in all public spaces and to keep social distance (3 to 6 feet apart).</li> <li>- Design and Execution of a cash subsidy for all those that lost their employment because of the pandemic.</li> <li>-</li> </ul> <p><b>e. Approaching the Private Sector &amp; Civil Society:</b> Both the private sector and civil society are working with the Government of Belize to provide an effective response to the pandemic, through:</p> <ul style="list-style-type: none"> <li>- Cash donations which are comprised in the Chart of Accounts.</li> <li>- Procurement of equipment [ventilators, PPEs] provided by the private sector, following the</li> </ul>	<p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>- Formulation of Framework Agreements. Up to now, the Limited Tendering Procedure is the procurement method being used.</li> <li>- Decreasing of revenues due to the decreasing of activities. This situation has put a strain on government finances which are needed to purchase laboratory equipment and expendable items (tests, syringes, etc.)</li> <li>- Shortage of medical equipment (ventilators). Likewise, payments have to be made by a certain due date or orders are cancelled.</li> </ul> <p><b>Assistance Required:</b> Test kits needed to continue monitoring the situation. These medical materials necessarily must be certified by the Ministry of Health in order to verify its compatibility with the reagents available in Belize.</p>
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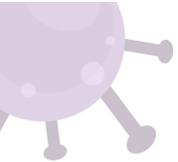
			<p>guidelines stated by the Ministry of Health, which also recommends Direct Payment to the Supplier. Some Suppliers are even offering facilities to supply goods and services needed and get paid later when foreign exchange earnings increase or stabilize.</p> <p><b>f. Use of Monitoring tools:</b> Keeping on donations, allocation of funds to enable the unexpected purchases, records of what is being purchased and the procurement method being used.</p>	
<b>Bolivia</b>	3	0	<ul style="list-style-type: none"> <li>- Specific supreme decree authorizes agencies to use Direct Contracting to respond to COVID 19 emergency.</li> </ul>	<p>No dedicated Budget allocated as it is a force majeure event.</p> <p>Limited capacity of suppliers</p>
<b>Chile</b>	4	<p>Yes, to respond to emergencies</p> <p>Flexibility to include new goods to the list</p>	<ul style="list-style-type: none"> <li>- Dedicated phone service line to respond to emergency calls from different Procurement agencies.</li> <li>- Allowing flexibility to Procurement via state of emergency decree.</li> <li>- <a href="#">Guidelines available online.</a></li> <li>- Monitoring and specific alerts to track supply availability/Price increases.</li> <li>- Approved procurement modality to accelerate procurement below 5000 USD (3 quotations).</li> <li>- Virtual trainings about <a href="#">Direct Contracting.</a></li> </ul>	<p>Coordination among stakeholders in charge of determining emergency response Policy</p> <p>Make Procurement system available to respond to the emergency</p> <p>Provide advice to different Procurement agencies on how to carry out procurement more proactively during emergency</p>



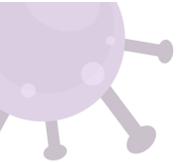
Colombia	3	<p>The existing Framework Agreements are as follow:</p> <ol style="list-style-type: none"> <li>1. <a href="#">Emergency Demand Aggregation Instrument related to COVID-19.</a></li> <li>2. Procurement of Special Control Drugs.</li> <li>3. HIV treatment.</li> <li>4. Treatment of Chronic Kidney Disease.</li> <li>5. Treatment of Hemophilia.</li> </ol> <p>More information, <a href="#">here</a>.</p>	<p><b>a. Regulatory Framework:</b></p> <ul style="list-style-type: none"> <li>- Electronic public hearings.</li> <li>- Prevalence of structured demand aggregation instruments by Colombia Compra Eficiente.</li> <li>- Sanctioning procedures by electronic means.</li> <li>- Elimination of limit in value of additions.</li> <li>- Electronic payment procedure to contractors.</li> <li>- Procurement in international market by private regime for some biomedical equipment, furniture, medicines, medical devices and personal protection equipment.</li> </ul> <p><b>b. Transparency:</b></p> <p><a href="#">Guide to Transparency in Procurement during the COVID-19 Pandemic</a>: Includes a clarification of the obligation to publish in the Electronic System for Public Contracting -SECOP- regardless of the applicable regime and the inclusion of the word “COVID-19” to facilitate searches and citizen monitoring.</p> <p><b>c. Integrity:</b></p> <p><a href="#">Guide to Transparency in Procurement during the COVID-19 Pandemic</a>: Includes guidelines to facilitate the monitoring by control bodies and citizens.</p> <p><b>d. Innovation:</b></p> <p>Mini-Science: See information <a href="#">here</a>.</p> <p><b>e. Approaching the Private Sector &amp; Civil Society:</b></p> <p>Limited offer of supplies, equipment, drugs and medical devices.</p>	<p><b>Challenges:</b></p> <p>Limited offer of supplies, equipment, drugs and medical devices.</p> <p><b>Assistance Required:</b></p> <p>Other countries strategies to face the pandemic from a public procurement view.</p>
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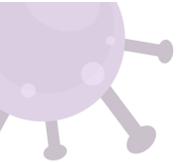
			<p><b>f. Use of Monitoring tools:</b> <a href="#">COVID-19 Public Control Tool.</a></p>	
Costa Rica	4	Without Framework Agreements.	<p><b>a. Regulatory Framework:</b> Issuance of specific decrees and guidelines aimed at crisis management, under the coordination of the Ministry of Health and the National Emergency Commission.</p> <p><b>b. Transparency:</b></p> <ul style="list-style-type: none"> <li>- Procurement processes through SICOP.</li> <li>- Direct procurement processes authorized by the control entity or in accordance with the provisions of the legal system. The information of the procurement processes is available for consultation/verification in transactional or registration systems.</li> </ul> <p><b>c. Integrity:</b></p> <ul style="list-style-type: none"> <li>- The application of the regulatory framework and tool SICOP guarantee integrity of the procurement processes in response to COVID 19.</li> <li>- Automated procurement processes.</li> </ul> <p><b>d. Innovation:</b></p> <ul style="list-style-type: none"> <li>- Commitment to teleworking in the public sector has enabled new skills to be developed for civil servants and has shown that it can be used as an alternative to face-to-face work.</li> <li>- Satisfactory response in terms of country responsiveness to the connectivity.</li> </ul>	<p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>- The persistence of the COVID situation represents a significant challenge with respect to the decline in global economic activity, which impacts the collection of fiscal income and consequently the real capacity of the public sector to finance its expenditures.</li> <li>- In view of the limited revenue situation, the implementation/strengthening of public expenditure containment measures is envisaged. In view of this, the route of external financing emerges as a possibility, even though it compromises in terms of the financial burden and the LND.</li> </ul> <p><b>Assistance Required:</b> Timely access to medicines at reasonable prices.</p>



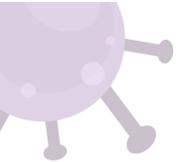
			<p><b>e. Approaching the Private Sector &amp; Civil Society:</b></p> <ul style="list-style-type: none"> <li>- Consultation with public and private sectors to ascertain their perception about the COVID-19 impact on public procurement processes and provide them support.</li> <li>- Coordination with electronic Procurement platform service provider RACSA in order to promote the incorporation of pending entities into the SICOP.</li> <li>- Periodic generation of communications for agents related to procurement processes and the general public.</li> </ul> <p><b>f. Use of Monitoring tools:</b> Procurement processes are carried out through the SICOP (Ministry of Finance), transactional platform; the information is replicated in the SIAC (Comptroller General of the Republic) transactional system.</p>	
Ecuador	5	<p>yes, traditional and emergency reponse</p> <p>Working to introduce flexibility to include new goods to the list and new framework agreements</p>	<ul style="list-style-type: none"> <li>- Resolution to issue normative towards emergency and make processes more transparent. Creation of electronic procurement channels for procurement processes continuity.</li> <li>- Best Practices in emergency Procurement <a href="#">Guide</a></li> <li>- <a href="#">Publication on Procurement in emergencies and promoting transparency</a></li> <li>- <a href="#">Instruccional video.</a></li> <li>- Developing control social tool: "<a href="#">Tablero de Control de Estado de Calamidad COVID-19</a>".</li> </ul>	<p>Supervise 100% of Procurement processes related to emergency response</p> <p>Adequate communication</p> <p>Capacity to manage business processed via telework.</p>



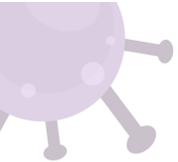
<b>Guatemala</b>	3	Yes, traditional.	<ul style="list-style-type: none"> <li>- Declare National Emergency so that purchases are made under the state of emergency exception.</li> </ul>	Resources shortage.
<b>Honduras</b>	3	Yes, traditional, emergency response and COVID response	<ul style="list-style-type: none"> <li>- Declare national emergency for direct purchase of supplies and services necessary to attend the emergency.</li> <li>- Enabling the procurement electronic catalog for response to covid-19 and dengue.</li> </ul>	<p>Production and delivery chain shortage.</p> <p>Restrictions on the freedom of movement.</p> <p>Demands exceeds Offers.</p> <p>Limited acces to credit for Suppliers.</p>
<b>Cayman Islands</b>	3	<p>Yes, traditional, disaster and emergency response</p> <p>Flexibility to incorporate new suppliers, create new agreements and incorporate other countries</p>	<ul style="list-style-type: none"> <li>- Purchase of personal protective equipment from local suppliers.</li> <li>- Collaboration with Crown Agents to procure more supplies from Germany.</li> </ul>	
<b>Montserrat</b>	2	Traditional	<ul style="list-style-type: none"> <li>- South-South cooperation with OECS in the procurement of medical supplies and engagement of medical personnel from Cuba.</li> <li>- Working with Crown Agents for the procurement of medical supplies from global supply chain.</li> <li>- Working with disaster management agencies/ NGOs who have ventilators and personal protective equipment in hand to be distributed among medical personnel.</li> </ul>	<p>Access to supply and availability</p> <p>Logistics to speed up delivery to island</p> <p>Not enough personnel in Procurement department to respond to crisis proactively</p> <p>ICU equipment and ventilators provided thru disaster management agencies will take time to arrive</p>



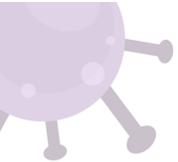
			<ul style="list-style-type: none"> <li>- Working with UK network of support and supply.</li> </ul>	Challenges with mobilization and preparation against time.
<b>Paraguay</b>	4	0  They are not using FA for lack of flexibility	<ul style="list-style-type: none"> <li>- <a href="#">Centralized information in procurement portal.</a></li> <li>- Contractual addendums in other modalities affected by the emergency.</li> <li>- <a href="#">Quick Public procurement guide to address the emergency.</a></li> <li>- Guides to reduce the number of people present during bid submission and delivery.</li> <li>- In the process of designing a platform for the private sector to offer goods and services available.</li> <li>- Non-perishable food delivery services.</li> <li>- Developing social control tool: <a href="#">“Guía rápida de control ciudadano de las compras públicas”</a>.</li> </ul>	Limited Trained personnel to design Framework Agreements on useful products and services in response to the pandemic.
<b>Peru</b>	4	Yes,  disaster response	<ul style="list-style-type: none"> <li>- Immediate direct Procurement, by entities directly linked to the health emergency, with supervision ex-post.</li> <li>- PeruCompras procuring health products in bulk.</li> <li>- Dialogue with WHO to procure tests.</li> <li>- Procurement of pneumococcal vaccines.</li> <li>- Developing Social Control tool: <a href="#">“Open Data National Portal”</a>.</li> </ul>	<p>Long-standing problems related to Public Buyer capacity.</p> <p>Measures are being adopted to carry out joint actions between Procurement Agencies and Specialized Entities.</p> <p>Shortage problems not identified still.</p>



			<ul style="list-style-type: none"> <li>- <a href="#">Virtual training</a> about Contracting of Government Services.</li> </ul>	
<b>Dominican Republic</b>	3	0	<ul style="list-style-type: none"> <li>- Authorization to the Ministry of Health to make direct purchases for emergencies.</li> <li>- Presentation of offers through electronic procurement transactional portal.</li> <li>- In the process of identifying requirements for health supplies to organize bulk procurement.</li> <li>- Developing control social tool: "<a href="#">Acciones para contribuir a frenar la pandemia COVID-19</a>".</li> <li>- Virtual training about: "<a href="#">Use of the Transactional Portal, e-Offers presentation and e-Reverse Auction Process</a>".</li> </ul>	ND
<b>Saint Lucia</b>	1	0	<ul style="list-style-type: none"> <li>- Use of uncommitted funds.</li> <li>- Fragmentation of contracts to evade thresholds.</li> </ul>	<p>Lack of specific procedures in response to the Emergency.</p> <p>The Direct Contracting is not efficiently responding to the emergency because it takes days and prices are not available.</p> <p>Excessively long processes for administrative procedures such as redistributions and changes for use of funds).</p> <p>Payment Processes do not change with the Emergency.</p>



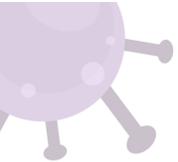
				<p>Increase of prices in accordance with goods shortage.</p> <p>External dependency to keep health specialized equipments.</p> <p>The World Bank Refund Process to response to the Emergency is inaccessible because of the local procedures.</p>
<b>Turks and Caicos</b>	3	0	<ul style="list-style-type: none"> <li>- Activation of the national emergency response plan.</li> <li>- Additional purchase of personal protective equipment.</li> <li>- Stakeholder engagement meetings.</li> <li>- Technical support from PAHO, CARPHA and Public Health of England.</li> <li>- Contingency funds to support the crisis responses.</li> </ul>	<p>Vulnerability of imports that coming mostly from US.</p> <p>Disruptions to the Supply Chain.</p> <p>Food, water, cleaning and health accesories shortages.</p> <p>Difficulties to obtain quotes and limited response to Suppliers.</p> <p>Restrictions for shipping.</p> <p>Purchases made by panic.</p>
<b>Uruguay</b>	4	0	<ul style="list-style-type: none"> <li>- <a href="#">Flexibilities in procurement regulations to deal with emergencies.</a></li> <li>- Replacement of face-to-face requirements with virtual options at different stages of the procurement process.</li> </ul>	<p>Coordinating activities to replace face-to-face stages by e-processes.</p>



			<ul style="list-style-type: none"> <li>- Flexibilities in the intervention of the supreme audit institution in procurement related to emergency response.</li> <li>- Centralized procurement of medical devices.</li> <li>- Possible reduction of tariffs on imports of drugs and supplies related to virus treatment.</li> <li>- Credit aid to companies affected by the decline in economic activity levels.</li> <li>- Extension of the deadlines for payment of public fees.</li> <li>- Economic aid to vulnerable sectors and direct delivery of food in their homes to children attending to public schools.</li> <li>- Scientific and academic working groups generating inputs for the health system (artificial respirators, test kits, etc.)</li> <li>- Specialization at the level of health centers in caring for those affected by the virus (one Hospital only) which allows isolating from other types of patients.</li> </ul>	
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**Source:** Survey and remote session with procurement managers from LAC countries conducted through the INGP.

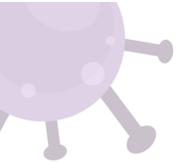
Additionally, the countries indicated the type of support they require to respond to the emergency:



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Country	Support required
<b>Anguila</b>	Assistance or proposed structure to facilitate procurement processes electronically since they do not have access to e-GP Advise on good practices that can be followed in emergency situations like this
<b>Bahamas</b>	Specific health supplies required
<b>Bolivia</b>	Access to additional Supplies since the market is at max capacity
<b>Chile</b>	Stock of products needed for the emergency Price control
<b>Colombia</b>	Other countries strategies to face the pandemic from a public procurement view
<b>Costa Rica</b>	All feedback from INGP member countries is welcome
<b>Ecuador</b>	Advisory and support on electronic services
<b>Guatemala</b>	Generating capacities among procurement personnel is one of the deficiencies that stand out in these emergencies
<b>Honduras</b>	Recommendation and advisory services regarding the supplies that should be available for the national emergency
<b>Cayman Islands</b>	Incentivize manufacturers to increase the production of supplies required to respond to the Coronavirus emergency to increase supply
<b>Paraguay</b>	Information about products and services (technical specifications and others) that could be uploaded to the virtual store which is part of the framework agreement
<b>Peru</b>	At this time, the government has already implemented measures and they are under execution



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<b>Dominican Republic</b>	ND
<b>Saint Lucia</b>	Information on estimated funding required to confront the threat of COVID-19
<b>Turks and Caicos</b>	Identify offer and suppliers of essential raw materials, and supplies
<b>Uruguay</b>	All the technical cooperation that can be received in these instances it would be of great added value