Annex 3: World Bank Eligibility Guidelines

(Will only be applicable if funding is from World Bank)

Note: The text in this Annex is an extract of the procurement section of the following URL:

http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,pagePK:84271~theSitePK:84266,00.html

Eligibility for the Provision of Goods, Works and Services in Projects Financed by the World Bank

Current Policy

In November 2003, the World Bank approved revisions to the Guidelines: Procurement under IBRD Loans and IDA Credits and Guidelines: Selection and Employment of Consultants by World Bank Borrowers. These guidelines, which became effective in May 2004 do not contain procurement restrictions based on nationality. As stated in paragraph 1.6 of the Guidelines, **persons or entities from any country are eligible to participate in Bank-financed procurement for all loans or credits for which the invitation to negotiate was issued after May 1, 2004.**

Exceptions to this are noted in paragraph 1.8 of the procurement guidelines.

According to these exceptions, persons or entities of a Country, or goods and services that have their origin in a Country may be excluded if:

> Para 1.8 (a) (i): as a matter of law or official regulation, the Borrower's Country prohibits commercial relations with that Country, provided that the Bank is satisfied that such exclusion does not preclude effective competition for the supply of the Goods or Works required; or
>
> Para 1.8 (a) (ii): by an Act of Compliance with a Decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any import of goods from that Country or any payments to persons or entities in that Country.

Additional Requirements

The Contractor and its sub-contractors shall have the nationality of an eligible country. It is considered that a Contractor or sub-contractor has the nationality of a country if he is a citizen or

is constituted, incorporated or registered and operates in accordance with the rules and laws of this country.

All goods and services to be provided under the Contract and financed by the Bank shall have their origin in eligible countries. For the purposes of this clause, “origin” means the country where the goods were extracted, harvested, cultivated, produced, made, manufactured or processed, or, when affected by processing, manufacturing or mounting, become a new item commercially recognized as differing substantially from the basic features of its components.

The origin of goods and services is distinct from the nationality of a bidder or Contractor.