



LESOTHO COMPETITIVENESS AND FINANCIAL INCLUSION (CAFI) PROJECT

Project Procurement Strategy Development (PPSD) (Short form of PPCD)

Implementing Agency: Ministry of Trade & Industry

MARCH 2022

Common Abbreviations and Defined Terms

This Section explains the common terms and abbreviations used in this Document. Defined terms are written using capital letters.

Abbreviation / term	Full terminology / definition
ASYCUDA	A computerised customs management system which covers most foreign Trade procedures
Bank	IBRD and/or IDA (whether acting on its account or in its capacity as administrator of trust funds provided by other donors).
Borrower	A borrower or recipient of Investment Project Financing (IPF) and any other entity involved in the implementation of a project financed by IPF, in this case, the GoL.
Complaint	A procurement-related complaint as described in Paragraphs 3.26 to 3.31 and Annex III, Procurement-related Complaints of the Procurement Regulations.
ESRI	Company that provides GIS systems in Africa and around the globe (Environmental Systems Research Institute)
EXPERIAN	Credit Scoring system and Credit Infrastructure system
Goods	A category of procurement that includes commodities, raw material, machinery, equipment, vehicles, Plant, and related services such as transportation, insurance, installation, commissioning, training, and initial maintenance,
G2B	Government to Business
Initial Selection (IS)	The shortlisting process is used prior to inviting requests for Proposals in the procurement of Goods, Works, or Non-consulting Services.
Investment Project Financing (IPF)	The Bank's financing of investment Projects that aim to promote poverty reduction and sustainable development. IPF supports Projects with defined development objectives, activities, and results, and disburses the proceeds of Bank financing against specific eligible expenditures.
LERIMA	Lesotho Electronic Registry Interest of Moveable Assets
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.

Abbreviation / term	Full terminology / definition
SWOT	(Strengths, Weaknesses, Opportunity and Threats) is an analysis tool for supporting assessment of each of these factors.
PARADIGM Prequalification	A company that deals with Moveable Asset Registry The shortlisting process can be, used prior to inviting requests for Bids in the procurement of Goods, Works or Non-Consulting Services.
Procurement Approach	Procurement approach is the overall design of “fit for purpose” procurement to award contracts that deliver the Project Development Objectives and Value for Money. This includes Procurement Arrangements, procurement risk management, contract strategy, market engagement, requirements drafting and contract management (where appropriate).
Procurement Arrangements	Procurement arrangements are the combination of Selection Methods and Market Approaches.
Procurement Plan	The Borrower’s Procurement Plan for IPF Projects, as referred to in Paragraphs 4.4 and 4.5 of the Procurement Regulations, and incorporated by reference in the Legal Agreement.
Procurement Process	The process that starts with the identification of a need and continues through planning, preparation of specifications/ requirements, budget considerations, selection, contract award, and contract management. It ends on the last day of the warranty period.
Procurement Regulations	The “World Bank Procurement Regulations for IPF Borrowers”.
Project Procurement Strategy for Development (PPSD)	A Project-level strategy document, prepared by the Borrower, that describes how procurement in IPF operations will support the development objectives of the Project and deliver Value for Money (VFM).
UNCTAD	United Nations Conference on Trade and Development

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CHAPTER 1

1.0 PROJECT OVERVIEW

Competitiveness and Financial Inclusion (CAFI), aims to provide more opportunities for women in the private sector through the following interventions: (i) focusing on women owned MSMEs for rapid disbursements during shocks. Women-owned MSMEs are particularly vulnerable to climatic shocks and require targeted support. Research in Lesotho has shown that shocks disproportionately increase the work burden of women, who, in addition to being more likely to be self-employed or employed in the informal sector, are also tasked with walking long distances to collect water for their families in droughts, growing/providing food, covering educational costs/needs, and generally sustaining the family. In rural areas, men are more likely to leave their villages in search of alternate income sources, thereby giving women the full burden of family caretaking. Thus, when climatic shocks occur, a loss of income for the self-employed women can have large and catastrophic effects on families and communities, emphasizing the need for rapid support to women-owned MSMEs; (ii) focusing on women-owned start-ups and women-owned MSMEs to assist them in launching businesses, adopting new digital technologies, and improving managerial practices. This supports gender transformation within the MSME space.

The proposed project has adopted a selective approach by targeting interventions that link closely to business expansion and resilience and job creation, specifically those related to supporting entrepreneurship, MSMEs, and high potential value chains. The proposed interventions are targeted at increasing financial inclusion and resilience as well as strengthening the support for MSMEs and entrepreneurship along the high potential value chains. Under increasing financial inclusion and resilience, the proposed interventions focus on strengthening the delivery of G2B services, increasing access to finance for MSMEs with a focus on ensuring the

inclusion of women- owned MSMEs and enhancing the resilience of the business sector from climate and other shocks. Support for MSMEs and entrepreneurship is focused on enhancing the scope and quality of business support services, access to early-stage finance and improving the overall competitiveness and climate resilience of horticulture and export manufacturing value chains. Based on the experience of the PSCED and PSCEDII projects, institutional, legal, and regulatory reforms pertaining to access to finance, investment policy and business environment reforms, while critical for overall competitiveness, have proven challenging and unnecessarily prolonged. These reforms will be supported through a parallel technical advisory support program. The project interventions proposed therefore target market and coordination failures through direct support to entrepreneurs and firms while leveraging private sector service delivery capacity to augment limited public sector capacity. Although the tourism value chain has not been explicitly targeted, entrepreneurs and existing MSMEs in the sector will be able to fully benefit from the project interventions.

Country:	Kingdom of Lesotho
Full Project Name:	Competitiveness and Financial Inclusion Project
Total Finance (\$):	55,000,000.
Project ID Number:	P175783

1.1 Project Description

The purpose of this project is to increase access to business support services and financial products targeted at MSMEs and entrepreneurs, especially women and youth. The project has three components that will support the Government’s efforts to expand the private sector in Lesotho.

- Component 1 will enhance financial inclusion by strengthening the delivery of efficient and reliable government-to-business (G2B) digital services to facilitate the establishment and operation of new businesses and reduce the time and cost of regulatory compliance which in turn will enhance access to finance and the competitiveness of MSMEs. It will also provide support for firms to be more resilient to shocks from climate, pandemics, and other natural disasters. The component will include activities that support (i) optimizing the outcomes of investments in G2B digital systems and processes made under the PSCEDII project, to strengthen inter-operability, efficiency, and impactful service delivery for businesses, particularly those receiving support under Component 2, (ii) improving financial access through upgrading the security and reliability of credit infrastructure and expanding access to digital financial services, and (iii) instruments to expand financial resilience for businesses to cope with disasters and other shocks to the economy. These instruments will be particularly beneficial to the private sector. The component will finance technical assistance, goods, training and capacity building programs, and recurrent expenditures, including operating costs.
- Component 2 aims to strengthen the nascent entrepreneurial ecosystem and access to early-stage finance for startups and youth owned businesses, support the digitization of MSMEs, and facilitate private investment in high-potential value-chains including encourage upgrading of skills and adoption of sustainable production practices by businesses to enhance productivity and green growth. The component will include activities that support (i) establishing an Entrepreneurship Hub and Seed Financing Facility to increase the quality and scope of integrated startup business support services and increase access to early-stage financing, (ii) scaling the current Lesotho Enterprise Assistance Program (LEAP) focusing on supporting MSMEs to adopt digital technologies that allow them to transact in the digital economy and upgrade their capabilities, and (iii) facilitating investment into productive value chains that are linked to

local MSMEs. The component will finance technical assistance, goods, training, recurring expenditures including operating costs, grants, and investments in a “seed financing facility.”

- Component 3 will provide support for the management and implementation of project-associated activities. Activities to be financed include salaries of project management unit (PMU) staff/consultants in areas of project management, project coordination, fiduciary specialists (e.g., procurement, financial management), monitoring and evaluation (M&E) specialist, a dedicated environment, and social safeguards (E&S) specialist, project communication, and citizen engagement. This component will also cover modest office equipment and independent audits and learning/training for the PMU and beneficiary agencies, through the official closing date of the project. It is expected that all consultant terms of reference (TORs) will clearly stipulate knowledge transfer and hands on training to ministry staff. Special attention will be devoted to promoting equal participation of women in all decision-making bodies under the project and contributing to tackling barriers in recruitment, retention, and promotion.

1.2 Project Development Objectives

The project development objective (PDO) is to increase access to business support services and financial products targeted at MSMEs and entrepreneurs, especially women and youth.

The proposed project supports results in two areas:

- (i) Improving financial inclusion and resilience through improvements in government to business services, government supported financial products that increase MSME creation, growth, and resilience to climatic and other shocks; and

- (ii) Direct support for entrepreneurship and MSMEs to increase start-up creation and growth and the capabilities of MSMEs to grow and participate in the value chains of high potential export industries.

1.3 Results Indicators

The project's achievement of the PDO will be measured via the following key results indicators:

1. Number of enterprises benefitting from private sector initiatives of the program (Of which are women-owned, of which are youth-owned);
2. Value of financing (seed funding, grants, partial credit guarantee, MSME resilience funds) accessed by enterprises through the program (Of which are women-owned);
3. Percentage of enterprises supported by the program with increased revenue (Of which are women-owned, of which are youth-owned);
and
4. Percentage of enterprises supported by the program with increased employment (Of which are women-owned, of which are youth-owned).

There are also indicative intermediate indicators which will be used to measure the performance of the project, and these are:

- Firms benefiting from private sector initiatives (CRI, Number) (Of which are women-owned, and of which are youth-owned).
- Percent change in the number of enterprises accessing supported G2B systems;
- Number of key G2B systems upgraded with the support from the program;
- Percentage of women-owned enterprises recorded as being creditworthy in the credit bureau;
- Number of additional enterprises covered by the partial credit guarantee (PCG) scheme;
- Number of MSMEs registered for coverage in MSME Resilience Fund database;
- Number of startups and innovative SMEs supported through entrepreneurship hub support programs;
- Number of startups and innovative SMEs supported through entrepreneurship hub support programs of which are women-owned;
- Number of enterprises accessing early-stage finance;
- Number of entrepreneurship hub and LEAP program supported enterprises that adopted new digital technologies;
- Number of LEAP fund supported enterprises with 25% or greater increase in revenues one year after grant support; and
- Number of supported enterprises in targeted value chains with increased value of exports.

1.4 High Level Statement of Requirement

The implementation of the Competitiveness and Financial Inclusion Project requires procurement of consulting and non-consulting services, goods, and works under the project components. Consulting services will be needed to provide capacity building and technical advisory services as well as

management assistance to both PMU and beneficiary agencies. Procurement of consulting services will be needed to enhance G2B digital services to more effectively serve MSMEs, access to financial services, strengthening the resilience of MSMEs to Climatic Disasters and shock scaling-up support for Entrepreneurship and MSME's and expanding SME participation in high potential value chains. Procurement of works will be needed to support the refurbishment of Mahobong Incubation Hub as well as partitioning of PMU office. Procurement of goods will be needed to provide ICT equipment to support implementation of Component 1 system upgrades including the business registration and licensing system at OBFC, the LRA customs system, the MCC construction permitting system to mention a few. Table 1 below provides a summary of the estimated costs of procurement package per component, works, good and consulting services included.

TABLE 1: Proposed Procurement Contract Summary

PROCUREMENT PLAN FOR SELECTION OF CONSULTANCY SERVICES				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROPOSED SELECTION METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
COMPONENT 1: ENHANCING G2B DIGITAL SERVICES AND STRENGTHENING PRIVATE SECTOR RESILIENCE				
Sub-Component 1.1 - Enhancing Government to Business Digital Services				
1.1.1	Upgrade of the business registration and licensing system at OBFC	880 000.00	Direct Selection (UNCTAD)	UNCTAD is uniquely and exceptionally qualified to upgrade business registration and licensing system at OBFC as it was originally developed by them. It is also the case that the tasks represent a natural continuation of previous work carried out by a consultant, where continuity in the technical approach, experience acquired, and continued professional liability of the same Consultant may make continuation with the initial Consultant preferable to a new competition. The performance of UNCTAD has been satisfactory in the previous assignment(s);
1.1.2	Upgrade of the LRA customs system, based on UNCTAD's ASYCUDA World System	1 000 000.00	Direct Selection (UNCTAD)ASYCUDA World System	UNCTAD is uniquely and exceptionally qualified to upgrade LRA customs system as it was originally designed and developed by them. It is also the case that the tasks represent a natural continuation of previous work carried out by a consultant, where continuity in the technical approach, experience acquired, and continued professional liability of the same Consultant may make continuation with the initial Consultant preferable to a new competition. The

PROCUREMENT PLAN FOR SELECTION OF CONSULTANCY SERVICES				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROPOSED SELECTION METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
				performance of UNCTAD has been satisfactory in the previous assignment(s);
1.1.3	Upgrade of the LAA land registry system	1 000 000.00	Direct Selection (ESRI)	Only ESRI is qualified and has experience of exceptional worth for the upgrade of the LAA land registry system as they designed and developed the system. It is also the case that the system is proprietary where continuity in the technical approach, experience acquired, and continued professional liability of the same Consultant may make direct selection of the system developer Consultant preferable to a new competition. The performance of ESRI has been satisfactory in the previous assignment(s);
1.1.4	Design and development of the G2B interoperability framework	1 600 000.00	QCBS - International	Appropriate method for medium and high complexity assignment. Competitive approach is required to achieve quality and value for money
1.1.5	Design and development of a G2B payment gateway	1 500 000.00	QCBS - International	The method is appropriate as this is a large firm consultant assignment with cost above \$ 300 000.00. Competitive approach is required to achieve quality and value for money
		5 980 000.00		
Sub-Component 1.2 - Improving Access to Financial Services				
1.2.1	Upgrade of the credit infrastructure system that facilitates access	200 000.00	Direct Selection (EXPERIAN)	Only EXPERIAN is qualified and has experience of exceptional worth for the upgrade of the credit infrastructure system as they designed and developed the system. The task represents a natural continuation of previous work carried out by a consultant, where continuity in the technical

PROCUREMENT PLAN FOR SELECTION OF CONSULTANCY SERVICES

COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROPOSED SELECTION METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
	to business financing			approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition The performance of EXPERIAN has been satisfactory in the previous assignments
1.2.2	Development of credit scoring system to enhance the utility of credit reporting	600 000.00	Direct Selection (EXPERIAN)	Only EXPERIAN is qualified and has experience of exceptional worth for the development of the credit scoring system as they designed the system. The task represents a natural continuation of previous work carried out by a consultant, where continuity in the technical approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition The performance of EXPERIAN has been satisfactory in the previous assignments
1.2.3	Upgrade of LERIMA movable asset registry	200 000.00	Direct Selection (Paradigm)	Only Paradigm is qualified and has experience of exceptional worth for the upgrade of the LERIMA movable asset registry as they designed and developed the system. The task represents a natural continuation of previous work carried out by a consultant, where continuity in the technical approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition. The performance of LERIMA has been satisfactory in the previous assignments
1.2.4	Development of New financial products to	500 000.00	QCBS - International	Appropriate method for medium and high complexity assignment. Competitive approach is required to achieve quality and value for money

PROCUREMENT PLAN FOR SELECTION OF CONSULTANCY SERVICES

COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROPOSED SELECTION METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
	promote market innovation			
1.2.5	Capacity building of financial institutions and MSME`s to utilise asset-based lending	50 000.00	CQS- National	This is a small assignment of which preparing and evaluating competitive proposals is not justified
1.2.6	TA to Postbank for development of business case for agricultural value chain finance, including market assessment and financing methodology	150 000.00	CQS- International	This is a small assignment of which preparing and evaluating competitive proposals is not justified
1.2.7	Design and implementation of a management information system (MIS) to support value-chain financing	200 000.00	CQS- International	This is a small assignment of which preparing and evaluating competitive proposals is not justified
1.2.8	Review and improve governance, institutional and operational	50 000.00	IC- National	This is a low value assignment with less than six months

PROCUREMENT PLAN FOR SELECTION OF CONSULTANCY SERVICES				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROPOSED SELECTION METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
	features of the L-PCG			
1.2.9	Develop a business case and financial model for portfolio guarantees	150 000.00	CQS-International	This is a small assignment of which preparing and evaluating competitive proposals is not justified
1.2.10	Design and implement the portfolio guarantee scheme including development of supporting documentation and systems	2,000 000.00	QCBS-International	Appropriate method for large firm consultant assignment over US\$ 300 000.00. Competitive approach is required to achieve quality and value for money
1.2.11	Capacity building	100 000.00	CQS-National	This is a small assignment of which preparing and evaluating competitive proposals is not justified
		2 800 000.00		
Sub-Component 1.3 - Strengthening the Resilience of MSMEs to Climatic Shocks				
1.3.1	TA on disaster risk financing including drafting of National Disaster Risk Finance Policy for MoF	750 000.00	QCBS-International	Appropriate method for such high value and complex assignment. Competitive approach is required to achieve quality and value for money

PROCUREMENT PLAN FOR SELECTION OF CONSULTANCY SERVICES				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROPOSED SELECTION METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
1.3.2	Design and development a database for informal MSMEs and integrate the database into the existing business registry	300 000.00	QCBS-International	Appropriate method for less complex assignments. This is a small assignment of which preparing and evaluating competitive proposals is not justified
1.3.3	TA on design and procurement of sovereign insurance backstop and co-financing of insurance premiums	150 000.00	CQS-International	Appropriate method for less complex assignments. This is a small assignment of which preparing and evaluating competitive proposals is not justified
1.3.4	Draft regulations to govern the operational activities of the existing MoF Contingency Fund	75 000.00	IC - National	This is a low value assignment with less than six months duration
		1,275, 000.00		
COMPONENT 2: SCALING SUPPORT FOR ENTREPRENEURSHIP AND MSMES				
Sub-Component 2.1 - Establishing an Entrepreneurship Hub and Seed Financing Facility				

PROCUREMENT PLAN FOR SELECTION OF CONSULTANCY SERVICES

COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROPOSED SELECTION METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
2.1.1	Procure a private operator to support the establishment of a sustainable Entrepreneurship Hub within the Tourism Information Craft Centre	500 000.00	QCBS- International	Appropriate method for high value and complex assignment. Competitive approach is required to achieve quality and value for money
2.1.2	Design and development of an incubation support program	150 000.00	CQS- International	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
2.1.3	Facilitate the integration of the Lesotho Start-up Community within a wider regional Entrepreneurship ecosystem	50 000.00	IC- National	This is a low value assignment with less than six months duration
2.1.4	Procure a private operator to establish and manage a seed financing facility and an associated acceleration program	250 000.00	CQS- International	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified

PROCUREMENT PLAN FOR SELECTION OF CONSULTANCY SERVICES				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROPOSED SELECTION METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
		950 000.00		
Sub-Component 2.2 - Scaling Up of the Lesotho Enterprise Assistance Program				
2.2.1	Procure private sector service providers to augment the delivery capacity of LEAP PMU	300 000.00	QCBS-National	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
Sub-Component 2.3 - Expanding SME Participation in High Potential Value Chains				
2.3.1	TA to set up a Horticulture Incubation Hub	350 000.00	QCBS International Selection	Appropriate method for high value and complex assignment. Competitive approach is required to achieve quality and value for money

PROCUREMENT PLAN TEMPLATE FOR SELECTION OF GOODS				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROCUREMENT METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
COMPONENT 1: ENHANCING G2B DIGITAL SERVICES AND STRENGTHENING PRIVATE SECTOR RESILIENCE				
Sub-Component 1.1 - Enhancing Government to Business Digital Services				

PROCUREMENT PLAN TEMPLATE FOR SELECTION OF GOODS

COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROCUREMENT METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
1.1.1	ICT equipment for upgrade of the business registration and licensing system at OBFC	70 000.00	Request Quotations For	Efficient method for procuring limited quantities of readily available off-the-shelf goods
1.1.2	ICT equipment for Upgrade of the LRA customs system, based on UNCTAD`s ASYCUDA World System	150 000.00	National Competitive Bidding	Medium value and local availability. The user will be able to specify detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
1.1.3	ICT equipment for Upgrade of the LAA land registry system and the MCC construction permitting system	100 000.00	Request Quotations For	Efficient method for procuring limited quantities of readily available off-the-shelf goods
1.1.4	ICT equipment for G2B interoperability	200 000.00	National Competitive Bidding	Medium value and local availability. The user will be able to specify

PROCUREMENT PLAN TEMPLATE FOR SELECTION OF GOODS				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROCUREMENT METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
				detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
		520 000.00		
Sub-Component 1.2 - Improving Access to Financial Services				
1.2.1	ICT equipment for upgrade of the credit infrastructure system that facilitates access to business financing	100 000.00	Request Quotations for	Efficient method for procuring limited quantities of readily available off-the-shelf goods
1.2.3	ICT equipment for upgrade of LERIMA movable assets and integration of data from motor vehicle and company registries	100 000.00	Request Quotations for	Efficient method for procuring limited quantities of readily available off-the-shelf goods
1.2.4	ICT equipment to support implementation of MIS for Lesotho Post bank value-chain financing	100 000.00	Request Quotations for	Efficient method for procuring limited quantities of readily available off-the-shelf goods

PROCUREMENT PLAN TEMPLATE FOR SELECTION OF GOODS				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROCUREMENT METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
1.2.5	ICT equipment to support L-PCG	100 000.00	Request for Quotations	Efficient method for procuring limited quantities of readily available off-the-shelf goods
		400 000.00		
Sub-Component 1.3 - Strengthening the Resilience of MSMEs to Climatic Shocks				
COMPONENT 2: SCALING SUPPORT FOR ENTREPRENEURSHIP AND MSMEs				
Sub-Component 2.1 - Establishing an Entrepreneurship Hub and Seed Financing Facility				
2.1.1	Procure equipment and furniture for the Entrepreneurship Hub	300 000.00	National Competitive Bidding	Medium value and local availability. The user will be able to specify detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
Sub-Component 2.2 - Scaling Up of the Lesotho Enterprise Assistance Program				
	Procure ICT equipment and furniture	70 000.00	Request for Quotations	Efficient method for procuring limited quantities of readily

PROCUREMENT PLAN TEMPLATE FOR SELECTION OF GOODS				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROCUREMENT METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
				available off-the-shelf goods
Sub-Component 2.3 - Expanding SME Participation in High Potential Value Chains				
2.3.1	Procure ICT equipment and furniture for Horticulture Incubation Hub	300 000.00	National Competitive Bidding	Medium value and local availability. The user will be able to specify detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
COMPONENT 3: PROJECT MANAGEMENT IMPLEMENTATION SUPPORT				
3.1.1	ICT equipment and furniture for PMU	100 000.00	Request for Quotations	Efficient method for procuring limited quantities of readily available off-the-shelf goods
3.1.2	Procure vehicles for PMU and Vehicle	150 000.00	National Competitive Bidding	Medium value and local availability. The user will be able to specify detailed

PROCUREMENT PLAN TEMPLATE FOR SELECTION OF GOODS				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROCUREMENT METHOD	JUSTIFICATIONS FOR THE PROPOSED SELECTION METHOD
				requirements to which bidders may respond in offering bids. Value for money will also be achieved.
PROCUREMENT PLAN TEMPLATE FOR SELECTION OF WORKS				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROCUREMENT METHOD	
Sub-Component 2.3 - Expanding SME Participation in high Potential Value Chain				
2.3.1	Refurbishment of the Horticulture Incubation Hub	250 000.00	National Competitive Bidding	Medium value and local availability. The user will be able to specify detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
COMPONENT 3: PROJECT MANAGEMENT IMPLEMENTATION SUPPORT				

PROCUREMENT PLAN TEMPLATE FOR SELECTION OF GOODS

COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROCUREMENT METHOD	JUSTIFICATION FOR THE PROPOSED SELECTION METHOD
3.1.1	Partitioning of New PMU office space	50 000.00	Request for Quotations	Efficient method for procuring limited quantities of readily available off-the-shelf goods

CHAPTER 2

2.0 OVERVIEW OF COUNTRY, BORROWER AND MARKET PLACE

2.1 Operational Context

This section provides an overview of the context in which the project will be implemented and the conditions under which the procurement process will take place. It is essentially based on a simplified Governance, Economic, Sustainability and Technological (GEST) analysis as suggested in the procurement guidance: Project Procurement Strategy for Development Short Form Guidance (World Bank:2017).

2.1.1 Governance Aspects

Lesotho's private sector is largely concentrated in two sectors - mining and textiles/apparel manufacturing - and economic diversification has proven challenging due to a lack of competitiveness. The two sectors account for 84 percent of all formal sector employment and over two-thirds of all exports. Both sectors have experienced challenges in recent years. Textile and apparel exports have been declining due to competitiveness challenges and Kenya has overtaken Lesotho as the leading apparel exporter to the United States under the African Growth and Opportunity Act (AGOA). Total employment in the export manufacturing sector dropped from a peak of 43,500 in February 2020 to a low of 31,000 in April 2020 before rebounding to 39,000 in September 2020.¹ It was reported that an additional 6,000 workers had been laid off in 2021. Job losses in the textile/manufacturing sector have had a significant impact on women and on widening gender gaps in labour market outcomes in Lesotho. Women comprise 80 percent of the approximately 40,000 textile workers in Lesotho and an increasing

¹ LNDC survey of 64 firms in eight industrial estates, November 2020; most of these factory workers are women

proportion of those who migrate to South Africa for jobs in the textile industry.² The pandemic has exposed the underlying challenges that are stifling the export competitiveness of the manufacturing sector as well as exposing the vulnerable position of women workers in the sector, who suffer from occupation segregation across the entire spectrum of labour market opportunities occupying lower-skilled jobs compared to men, even in sectors such as manufacturing where they predominate. Lesotho's mining sector is entirely dependent on diamond exports which have faced declining demand in recent years.

Lesotho's business environment is still weak despite recent reforms, with political instability, tax rates and practices of the informal sector emerging as the top three constraints for firms. The Second National Strategic Development Plan (NSPD II) (2019-2023) identified an "uncompetitive business environment" as one of the key binding constraints on the growth of private enterprises, adversely affecting both FDI and local micro, small, and medium enterprises (MSMEs). Recent reforms include new legislation for business registration and licensing and secured lending as well as starting adoption of digital systems and procedures in trade facilitation, land administration, and construction permits, all supported under the World Bank's Second Private Sector Competitiveness and Economic Diversification Project (PSCED2), which closes in June 2022. However, weak regulations and inadequate institutional capacity hinder the effective implementation of these reforms necessary for meaningful impact. Lesotho's ranking in the Global Competitiveness Index dropped from 123 to 131 out of 141 countries (from 2014 to 2019), and the Logistics Performance Index ranking also dropped from 133 to 139. In the most recent Enterprise Survey, the top constraints faced by firms are (in order of severity): (i) **political instability**, (ii) **tax rates**, (iii) **practices of the informal sector**, (iv) **access to finance**, (v) **crime**, (vi) **theft and disorder**, (vii) **access to land**, (viii) **electricity (power supply)**, (ix) **corruption** (x) **tax administration**, and (xi) **customs and trade**

² Botea, Compernelle, and Chakravarty 2018

regulations.³ These challenges have manifested in different ways. For example, insolvency takes 2.6 years with a recovery rate of 28 cents per dollar compared to 2 years and 43 cents of recovery for the rest of the SACU region⁴ and the onerous licensing regulations have left local wool and mohair farmers with just one broker through whom they can sell their production.

³ World Bank Enterprise Survey, 2016

⁴ IMF Data

2.1.2 Economic Aspects

Despite being a lower-middle income country, Lesotho experiences persistently high levels of unemployment, informality, inequality, and poverty, which have been further exacerbated by the Covid-19 pandemic. GDP growth has steadily worsened over the past decade, from a peak of 6.3 percent in 2012 to -11.1 percent in 2020, resulting in a 12 percent decline in GDP per capita from 2016 to 2020. Lesotho's poor economic performance has been the result of compounding factors including declining revenues from the Southern African Customs Union (SACU)⁵, recurrent climate related shocks that have drained fiscal resources⁶, a high public sector wage bill that has inhibited spending on development objectives, and contraction of key economic sectors (manufacturing and tourism) due to the Covid-19 pandemic. Unemployment is at 22.5 percent⁷, and while the poverty rate in Lesotho fell from 56.6% to 49.7% between 2002 and 2017, economic vulnerability persists with more than 75% of the population either poor or vulnerable to poverty, driven in large part by exposure to climatic shocks. Declines in remittances due to Covid-19 related border restrictions have further exacerbated poverty. Although income and other measures of inequality have fallen, Lesotho remains one of the most unequal countries in the world.⁸ Overall, Lesotho's economic and social development is not commensurate with the country's lower-middle-income-status.⁹

The public sector has a disproportionate role in the economy, crowding out private participation and resulting in a weak and largely informal private sector. The government has been the main driver of economic activity, with public spending accounting for 60 percent of GDP and with public sector

⁵ SACU revenues fell from 30% of GDP in FY2012/13 to 17.7% of GDP in FY2017/18 and are expected to decline further to 15.2% of GDP in FY 2019/20.

⁶ The average annual cost of disaster response is estimated at US\$19.3 million, or 1.6 percent of the total budget expenditure in the 2019/20 fiscal year.

⁷ 22.5 percent unemployment (strict definition) or 38.3 percent (expanded definition) in 2019. Systematic Country Diagnostic. World Bank (Forthcoming)

⁸ Lesotho Poverty Assessment. World Bank (2019).

⁹ IMF Article IV Consultation (2019)

investment levels averaging around 29 percent of GDP since 2010, both figures amongst the highest in the world. The government's contribution to GDP now far exceeds that of the textile and apparel industry, which is the largest private sector industry in Lesotho. Lesotho's public sector wage bill (as a percentage of GDP) is one of the highest in the world and has crowded out private sector employment. Public sector workers earn an average monthly salary that is approximately seven times higher than the minimum wage of a skilled worker in the textile sector.¹⁰ The recent Mid-Term Budget Review projects the compensation of employees to account for 45.9 percent of total government expenditures for 2020/21.

Core inflation, which excludes the CPI suppliers with extreme price changes, however, decelerated from 4.2 percent in June 2021 to 3.9 percent in July 2021. The decline was broad-based but major contributors were food and non-alcoholic beverages, transport, housing, water, electricity, gas and other fuels and alcohol and tobacco components. The disinflation during the review period reflected declining international food prices due to better cereal production from the United States and Argentina and cancelled grain import orders from China. In addition, the exchange rate appreciation of South African Rand against the US. Dollar contributed to falling domestic prices, amid favourable harvest conditions, domestic availability of grain and limited food import demand. (*Central Bank of Lesotho Monthly Economic Review (July 2021)*).

2.1.3 Sustainability Aspects

Sustainable procurement is a process which incorporates sustainability considerations throughout the procurement process in order to achieve optimal value for money in delivering development objectives. (*Sustainable Procurement an introduction for practitioners to sustainable procurement in World Bank IPF projects November 2016*). The United Nations Environment Programme (UNEP) defines Sustainable Public Procurement

¹⁰ Lesotho Poverty Assessment. World Bank (2019)

(SPP) as “a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment” (*United Nations Environment Programme, 2015*).

The project is supporting broad reforms on financial inclusion and the private sector. Such efforts are meant to strengthen access to finance, create jobs, and support export-led growth. Sustainability will be supported through three main avenues, system-level interventions, infrastructure development, and skills development/capacity building.

- a) **System-level Interventions will Promote Structural Reform.** System-level interventions include investments to enhance the interoperability of government IT systems that facilitate private sector activity, implementation of a government payment gateway to support G2B digital payments, investments to strengthen credit infrastructure, and the establishment of a private sector window within the contingency fund and procurement of sovereign insurance (which will be co-financed on a sliding basis, so the cost is increasingly transferred to the budget over the life of the project).
- b) **Establishment of Infrastructure:** The project will support the establishment of a sustainable entrepreneurship hub, seed financing facility, infrastructure for the horticulture incubator program. This infrastructure will exceed the life of the project, enabling activities to continue.
- c) **Technical Assistance will Build Skills Amongst the Workforce and Government Capacity.** Technical assistance will be provided to the Government to address deficiencies and build interoperability and strengthen disaster risk financing. For the workforce, skills development initiatives will build technical, supervisory and management capacity in high potential sectors and capacity of MSMEs

and entrepreneurs. Building capacity at the government level will enable line ministries and agencies to continue project activities after the completion of the project. Skills development is intended to equip the workforce with the skills required at the labour market, thereby enabling them to find employment.

2.1.4 Technological Aspects

Digital transformation can foster economic growth, reduce poverty, increase productivity and create jobs. However, its potential is underutilised in Lesotho. Whereas good progress has been made in improving digital infrastructure, adoption and use of digital technology is lagging. Around two thirds of the population are not regularly using the internet, pointing to a wide digital divide. As a result, the ability of the government to take advantage of the internet connectivity and digital channels of service delivery for COVID-19 response is limited. Adoption and use of digital technology should be accelerated to meet the needs under the pandemic, but also for long-term recovery and development. In 2018, approximately two-thirds of the population were not using the internet regularly even though 97 percent of the population was covered by a 3G network and 72 percent by the 4G network signal. Lesotho ranked 133 on the 2017 ITU ICT Development Index, behind South Africa (92), Botswana (105) and Namibia (118). This ranking was driven by limited use of, and demand placed on the extensive broadband infrastructure. Digital public platforms such as digital ID systems and digital financial services are key for improving efficiency, quality and inclusiveness of the public and private services. Though several G2B services have been developed and adopted with success, the government may need to consider adopting more coordinated and strategic approach towards advancing digital government. Investments in technology may need to be put on shared interoperable infrastructure and services that can be leveraged across various government entities. Legal and regulatory gaps especially concerning cybersecurity, electronic transactions and e-commerce should be fixed. A road map for adopting electronic payments across all government services

should be developed and the digital financial services market further enhanced.

Lesotho is characterised with private sector that makes limited use of digital technologies. In the private sector, digital technology can change the way economies of scale are achieved, particularly through e-commerce and digital payments. The digital economy may provide the better matching of buyers and sellers in a competitive marketplace. The digital economy offers potential for enhanced service delivery in the public sector, but the Lesotho government's efforts in this field appear fragmented and slow moving. Improved digital infrastructure can only achieve the desired transformational impact if combined with a capable public sector, investments in digital skills and literacy, increased access to digital financial services, and ramped up support for digital start-ups and existing businesses.

Though Lesotho is characterised with weak business environment induced by weak government regulations and policies and inadequate institutional capacity to support implementation of reforms that curtail the weak environment, the success of the PSECDP II in implementing reforms supporting private sector development is an indication of the willingness of the country to eliminate these constraints and enhance its rating. The environment within which the CAFI project will be implement is deemed favourable and pose no potential risk that may affect the efficiency and the effectiveness of the project implementation. As mentioned above, the low level of inflation and stable exchange rate will support efficient procurement of both goods and services that would create value for money. Nevertheless, the project encompasses enormous digital transformation that may call for project implementing agencies to prepare accurate technical specifications to ensure relevant purchase of equipment and technology to meet the project development objectives.

“World Bank. 2020. Lesotho Digital Economy Diagnostic. World Bank, Washington, DC. © World Bank. <https://openknowledge.worldbank.org/handle/10986/33881> License: CC BY 3.0 IGO.”

2.2 Assessment of Borrower Capability and Project Implementation Unit (PIU)

The Project governance is an “oversight function that is aligned with the organization's governance model and encompasses the project life cycle,” this is according to *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)* – Fifth Edition (Project Management Institute, 2013, p. 34). There are two critical elements in this statement that need to be emphasised:

- *Alignment with organization's governance:* There needs to be an understanding of the project's environment to ensure that there is a right fit with the established Project's governance. This alignment is a crucial factor and has been considered when defining (1) the **project governance framework**, (2) **roles and responsibilities** and (3) **stakeholder engagement and communication**.

The project governance structure is similar to the one used in the implementation of PSCEDP II, which has proven to be effective. The PSCEDP II structure has maintained constant flow of information from the Project Management Unit to all key stakeholders. The proposal is therefore to adopt a strengthened version of the PSCEDP II governance structure (to match the project size) as it ensures that all key stakeholders that are critical for the successful implementation of the project are represented; The Department of Planning under the Ministry of Trade and Industry (MTI) will remain the implementing agency for the CAFI project as MTI already has extensive experience in implementing WB-financed projects. Critical to the governance structure are the following:

a) Project Steering Committee

The Steering Committee will provide advice, ensures delivery of the project outputs and the achievement of project outcomes. The committee is responsible for policy decisions to support the project approvals and implementations, review project progress and facilitates for implementation by the PIUs. The steering committee helps to steer the project through from start to completion. The committee:

- Reports to the stakeholders.
- Consists of representatives of key Stakeholder Ministries (Trade and Industry, Finance, Development Planning, Agriculture and Food Security, Tourism, Environment and Culture etc.), relevant State-Owned Enterprises (Lesotho National Development Corporation, Basotho Enterprise Development Corporation and Lesotho Tourism Development Corporation), Maseru City Council and critical regulators (Central Bank of Lesotho, Land Administration Authority and Lesotho Revenue Authority);
- Reports to GoL (Ministry of Finance, Ministry of Trade and Industry and others) and WB on project implementation status;
- Coordinate other ministries around project implementation;
- The Principal Secretary of the Ministry of Trade and Industry shall chair the Steering Committee; and
- The Steering Committee receives reports from the Project Manager.

b) Client/Contracting Authorities

- The contracting authority is the Ministry of Trade and Industry.
- Signs all contracts with private entities to implement the project (works, services, goods);
- Authorise payments to all private entities that have been contracted.
- Report to GoL (Ministry of Finance and others) and WB on project implementation status; and
- Coordinate other ministries around project implementation.

c) Project Management Unit (PMU)/ Project Implementation Unit

- As the frontline actor, PIU plans, executes, monitors, administers and manages the project representing the project implementing agency (MTI);
- Reporting to the Ministry of Trade and Industry and Stakeholder in the format agreed with the Ministry of Development Planning;
- Establish financial accounting and control systems and ensure accurate and timely report submissions and funds flow from WB and onwards to the implementing agencies. Financial status and forecast, disbursements;
- Procurement and contracting of private entities;
- All contracts management (works, services, goods);
- Supervise, coordinate and monitor the work of PIUs for implementation of project activities; and
- Contribute to institutional analysis if necessary and requested.

c) Project Manager (PM)

The Project Manager is responsible for the day-to-day implementation of the project through performing the following:

- Reporting to MTI and the Steering Committee;
- Financial status and forecast, disbursements;
- Procurement and contracting of private entities;
- Manage Human Resources of the Project;
- Oversee contracts negotiations;
- Manage the assets of the project;
- All contracts management (works, services, goods);
- Physical monitoring of works (technical, E&S etc...); and
- All other duties as stipulated in the Terms of Reference.

A further assessment of the Procurement Capability within the Ministry of Trade and Industry (PMU) has been done. The Ministry through the PMU/PIU

has over the past fifteen years successfully implemented similar projects including: a) The First Private Sector Competitiveness and Economic Diversification Project (PSCEDP I) b) The Second Private Competitiveness and Economic Diversification Project (PSCEDP II) and c) PSCEDP II - Additional Financing (on-going).

Procurement Risk Assessment: The procurement risk assessment has taken into considerations the Strengths, Weaknesses, Opportunities and Threats of the operational context of the implementing agencies. The project will be implemented by the same Project Management Unit (PMU) that is currently implementing the World Bank financed Second Private Sector Competitiveness and Economic Diversification Project (PSCEDP II) under MTI. The PSCEDP II PMU has a good track record of many years and has established project implementation capacity as well as working relationships with key agencies and Ministries across the Government. The PSCEDP II is ending in June 2022 thereby allowing the PMU to be available and ready for CAFI project implementation from the outset of the project. The PMU will be responsible for all fiduciary aspects of the project including FM and procurement activities. The MTI and its PMU, having prior experience of working on PSCED and PSCED II projects, are expected to implement the project smoothly. However, the fact that there will be more project beneficiaries under each component and subcomponent, could pose coordination risk due to the complexity of the project. Based on the existing procurement capacity within the MTI/PMU and taking into consideration one additional Procurement Officer to be recruited by the Project the procurement risk is rated **Moderate**. This rating has also considered the fact that the current project does not have any IPF component involving complex or high value contracts. It is also expected that all the procurement activities envisaged under the new project (CAFI) will be simple and small value contracts. Taking all these circumstances into consideration, the four major capacity limitations or risks identified at the moment are: (i) lack of prior experience of implementing IPF procurement procedures; (ii) coordination challenge as implementation of components and subcomponents involve many beneficiaries; (ii) Implementation capacity

gap within the different beneficiaries and (iii) lack of practices on good contracts implementation management.

2.3 Project Procurement Unit Structure

The Procurement Unit within the Project Management Unit (PMU) is staffed with qualified procurement professionals i.e. The Procurement Manager holds MSc Degree in Supply Chain Management with more than ten (10) years’ experience in procurement, while the Procurement Officer has bachelor’s degree in economics with seven years’ experience.

TABLE 2: PIU Procurement Staff

Supply Chain Staff			
Position	Qualifications	Experience	Experience working on Bank financed Projects procurement
Procurement Manager	MSc in Supply Chain, BA Degree in Business Administration, Chartered Institute of Procurement and Supply (Professional Diploma Level 6)	Over 10 years’ experience in procurement.	The Procurement Manager has held a senior procurement management positions since 2017. She managed and administered procurement services under the Lesotho government’s capital projects and donor funded projects including AfDB and World Bank supported projects.
Procurement Officer	BA Economics and Chartered Institute of Procurement and Supply (Diploma, level 4)	Over 7 years’ experience in procurement.	The Procurement Officer has over 7 years’ experience working on GoL capital projects that are supported by development partners including AfDB and the World Bank. In addition, the officer has worked as a Procurement Officer for the World Bank financed PSCEDP since 2021.

2.4 Market Analysis

Supplier Preferencing

Account attractiveness	HIGH	Development Nurture client Expand business Seek new opportunities	Core Cosset client Defend vigorously High service & response
	LOW	Nuisance Give low attention Lose without pain	Exploitable Drive premium price Seek short term advantage Risk losing customer
		LOW	HIGH
		Relative value of the business	

The objective of market research and analysis is to develop a good understanding of the market sectors that have been identified as having the potential to bid for the goods, services, and/or works required by the Project. This is to ensure the eventual Procurement Approach maximizes the likelihood of the right suppliers participating, and the right supplier being selected thereby minimizing failed procurement processes due to no bids, or the wrong types of bids.

Supplier Preferencing identifies the approaches suppliers use based on their segmentation of customers. The table below provides a view of a supplier's likely approach to the project in each category.

TABLE 3: Supplier Preferencing Model

SUPPLIER PREFERENCING MODEL				
Component	Description of the assignment	Relative value of the Business	Account Attractiveness	Supply positioning
COMPONENT 1: ENHANCING G2B DIGITAL SERVICES AND STRENGTHENING PRIVATE SECTOR RESILIENCE (\$20.25 MILLION)				
Sub-Component 1.1: Enhancing Government to Business Digital Services (\$ 6.5 million)				
1.1.1	Upgrade of the business registration and licensing system at OBFC	High	High	core
1.1.2	Upgrade of the LRA customs system, based on UNCTAD`s ASYCUDA World System	High	High	core
1.1.3	Upgrade of the LAA land registry system and the MCC construction permitting system	High	High	core
1.1.4	Design and development of the G2B interoperability framework	Low	High	Developmental
1.1.5	Design and development of a G2B payment gateway	Low	High	Developmental
Sub-Component 1.2: Improving Access to Financial Services (\$ 3.0 million)				
1.2.1	Upgrade of the credit infrastructure system that facilitates access to business financing	low	High	Developmental
1.2.2	Development of credit scoring system to enhance the utility of credit reporting	High	High	Core
1.2.3	Upgrade of LERIMA movable asset registry	High	High	Core
1.2.4	Development of New financial products to promote market innovation	Low	High	Developmental
1.2.5	Capacity building of financial institutions and MSME`s to utilise asset-based lending	High	High	Core
1.2.6	TA to Postbank for development of business case for agricultural value chain finance, including market assessment and financing methodology	High	High	Core
1.2.7	Design and implementation of a management information system (MIS) to support value-chain financing	Low	High	Developmental

1.2.8	Review and improve governance, institutional and operational features of the L-PCG	High	High	Core
1.2.9	Develop a business case and financial model for portfolio guarantees	High	High	Core
1.2.10	Design and implement the portfolio guarantee scheme including development of supporting documentation and systems	High	High	Core
1.2.11	Capacity building	High	High	Core
Sub-Component 1.3 - Strengthening the Resilience of MSMEs to Climatic Shocks (\$ 10.75 million)				
1.3.1	TA on disaster risk financing including drafting of National Disaster Risk Finance Policy for MoF	High	High	Core
1.3.2	Design and development a database for informal MSMEs and integrate the database into the existing business registry	Low	High	Developmental
1.3.3	TA on design and procurement of sovereign insurance backstop and co-financing of insurance premiums	Low	High	Developmental
1.3.4	Draft regulations to govern the operational activities of the existing MoF Contingency Fund	High	High	Core
COMPONENT 2: SCALING SUPPORT FOR ENTREPRENEURSHIP AND MSMES (\$ 29.5 MILLION)				
Sub-Component 2.1 - Establishing an Entrepreneurship Hub and Seed Financing Facility (12.5 million)				
2.1.1	Procure a private operator to support the establishment of a sustainable Entrepreneurship Hub within the Tourism Information Craft Centre	High	High	Core
2.1.2	Design and development of an incubation support program	High	High	Core
2.1.3	Facilitate the integration of the Lesotho Start-up Community within a wider regional Entrepreneurship ecosystem	High	High	Core
2.1.4	Procure a private operator to establish and manage a seed financing facility and an associated acceleration program	High	High	Core
Sub-Component 2.2 - Scaling Up of the Lesotho Enterprise Assistance Program (\$ 5.0 million)				
2.2.1	Procure private sector service providers to augment the delivery capacity of LEAP PMU	Low	High	Developmental
Sub-Component 2.3 - Expanding SME Participation in high potential Value Chains (\$ 12 million)				
2.3.1	TA to set up a Horticulture Incubation Hub	Low	High	Developmental

Summary of Procurement Market Analysis for the Project:

Considering the local, Regional, and international market situations and the nature and value of the procurement activities under this project, the market risk is low and favourable. Conducting further detail market research for other innovative market approaches and selection methods is not proportional. Therefore, the default selection methods are fit-for-purpose as indicated in table 6, Chapter 6 of this PPSD.

CHAPTER 3

3.0 PROJECT PROCUREMENT RISK ANALYSIS

TABLE 4: Project Procurement implementation capacity (MoTI) Risk Analysis

Risk	Probability of occurrence (Very likely, likely, unlikely, or not applicable)	Impact (Major, minor, negligible, or not applicable)	Risk Rating (High, Substantial, Moderate, Low or Not Applicable)	Description of Mitigation Measure
1. Accountability for Procurement Decisions	Unlikely	Major	Moderate (2)	Prepare and adopt a Project Procurement Manual (PPM), that identifies lines of responsibilities.
2. Internal Manuals and Clarity of the Procurement Process	Unlikely	Minor	Moderate (3)	Develop a project procurement manual that is comprehensive and easy to follow and should be accessible to all procurement staff.
3. Record Keeping & Document Management Systems	Unlikely	Minor	Moderate (2)	All procurement documents will be kept in procurement office with contract register manual and should be accessible to all procurement staff.
4. Procurement Planning	Likely	Major	High (4)	Prepare and adopt a project operation manual (POM), including a chapter on procurement comprising of

Risk	Probability of occurrence (Very likely, likely, unlikely, or not applicable)	Impact (Major, minor, negligible, or not applicable)	Risk Rating (High, Substantial, Moderate, Low or Not Applicable)	Description of Mitigation Measure
				clear rules, step by step procedures and responsibility, timeline requirements for procurement activities. All Procurement assignment should be uploaded in STEP.
5. Bidding documents, qualification/ shortlisting/ evaluation criteria	Likely	Minor	Substantial (3)	Follow Bank's Procurement templates. Standard bidding documents, evaluation forms and evaluation criteria should be availed and provided in the bidding document.
6. Staffing	Unlikely	Major	Moderate (2)	Recruitment of qualified and experienced staff and require staff involved in procurement to declare their interest and sign a declaration form.
7. Advertisement, Pre-bid/proposal Conference and Bid/Proposal Submission	Unlikely	Minor	Moderate (2)	Ensure that all adverts, pre bid/proposal conference and bid/proposal submissions should follow the banks procurement procedures and regulations.

Risk	Probability of occurrence (Very likely, likely, unlikely, or not applicable)	Impact (Major, minor, negligible, or not applicable)	Risk Rating (High, Substantial, Moderate, Low or Not Applicable)	Description of Mitigation Measure
8. Evaluation and Award of contract	Unlikely	Major	Moderate (2)	Recruit qualified technical evaluation team and follow the bank`s procurement procedure.
9. Review of Procurement Decisions and Resolution of Complaints	Unlikely	Major	Moderate (2)	Establish a procurement complaint handling mechanism consistent with the Government Procurement Rules and Regulations and in line with the World Bank`s requirements.
10. Contract Management and Administration	Likely	Minor	Substantial (3)	Develop a contract management strategy and contract management plan
11. Procurement Oversight	Unlikely	Major	Moderate (2)	Procurement audits should be carried out regularly.
12. Procurement functional Unit performance	Unlikely	Major	Moderate (2)	Recruit qualified procurement staff with experience in implementation of World Bank financed project procurement.
Overall Project Procurement Risk rating	28/12 = 2.3 ~ (2) = Moderate			

Note: The risk ratings in fourth column of the above table are determined using the following formulation:

Probability of Occurrence	Impact	Risk Rating
Likely or Equal Likelihood	Major	High
Likely or Equal Likelihood	Minor	Substantial
Likely or Equal Likelihood	Negligible	Moderate
Unlikely	Major	Moderate
Unlikely	Minor	Moderate
Unlikely	Negligible	Low
Not applicable	Not Applicable	Not Applicable

Procurement Risk Mitigation Measures: The MTI will have overall responsibility of procurement under the project. Based on the above preliminary procurement implementation risks identification, the mitigation measures may also include: (i) provision of reorientation/training to the PMU on Bank's procurement procedures and contract management, including use of STEP platform; (ii) putting in place simple, but efficient, procurement and contract management mechanism (tracking system);(iii) Develop Project Operational Manual/Project Procurement Strategy for Development (PPSD) that would assist the practitioners on procurement routines and (iv) strengthen the PMU based on the needs of the new project. More frequent World Bank implementation support missions with the aim of providing closer support and monitoring the performance of PMU and its Procurement team's performance would also add value.

Record Keeping: All records pertaining to award of tenders, including bid notification, register pertaining to sale and receipt of bids, bid opening minutes, bid evaluation reports and all correspondence pertaining to bid evaluation, communication sent to/with the World Bank in the process, bid securities, and approval of invitation/evaluation of bids by the management would be retained by the Procurement Unit and also uploaded in the STEP for Post ante review and independent procurement audit, as necessary.

Operational Context, SWOT Analysis:

According to CIPS (2012) Strengths, weaknesses, opportunities, and threats (SWOT) analysis is a technique of corporate appraisal, used to assess the internal resources of an organisation (or function or project) to cope with and/or capitalise on factors in the external environment in which it operates. This tool will be used to assess the PMU's capability. A summary of the strengths, weaknesses, opportunities, and threats regarding the capacity of the PMU is presented as follows:

STRENGTHS

The Project Management Unit (PMU) has extensive experience in executing projects funded by the World Bank and the African Development Bank (AfDB) and has both tangible and non-tangible resources to execute projects. The unit already has some human capital with relevant skills set to execute the project and the Project Manager has successfully managed the PSCEDP I and PSCEDP II and PSCEDP II - Additional Financing. The Project Manager is supported by an experienced competent fiduciary management team that has more than 10 years' experience. The project also has experience in stakeholder and private sector engagements and administration of matching grants. The PMU already has office space, furniture and ICT equipment which are in good condition to start the new project. The responsible Ministry also has prior operational experience in implementation of World Bank financed projects.

WEAKNESSES

The procurement staff lacks operational capacity to administer procurement of multiple packages at the same time in a timely manner. The operational capacity is limited by under-staffing of the Procurement Unit.

OPPORTUNITIES

The Project has tools and systems in place that enables procurement to be carried out effectively, efficiently, and economically. All procurements under the project will be carried out in accordance with the World Bank's Procurement Regulations for Investment Project Financing Recipient's-Procurement in investment Project Financing Goods, Works, Non-Consulting and Consulting services. The project will also be subject to the guidelines on preventing and combating fraud and corruption in projects Financed by IBRD Loans and IDA Credit and grants. The Systematic Tracking Exchange Procurement (STEP) system will be used to track all procurement planning, execution, and contract management. The PMU will also recruit additional procurement staff to strengthen the capacity of the Procurement Unit.

THREATS

The main threat is **political instability**, which may hinder implementation of important policies and regulations. The governing coalition remains fragile with considerable risk of frequent change in administration during project implementation. Political instability can also deter new international investors and experienced service providers. Limited availability of service providers can in turn delay procurement processes and may lead to selection of inexperienced consultants.

<p>Strength:</p> <ol style="list-style-type: none"> 5. PIU's Prior experience of similar projects implementation 6. Well-functioning PMU having necessary facilities and motivated team 7. Availability of tested and well-functioning working procedures and well-defined responsibility matrix 	<p>Weakness</p> <ul style="list-style-type: none"> • Limited manpower/staff for increased works • Lack of experience on complex contracts procurement and contracts implementation management • Lack of business performance standard
<p>Opportunities</p> <ul style="list-style-type: none"> • Technical support and training opportunities from the Development partners (world Bank & others). • Application and use of good practice standard procurement documents of the development partners (World Bank) including use of STEP for tracking procurement transactions. 	<p>Threats</p> <ul style="list-style-type: none"> • Political instability • Weak local/national market

- | | |
|---|--|
| <ul style="list-style-type: none">• Availability of providers in the region, like SA. | |
|---|--|

Key Risks Identified from operational context and agency capacity:

- i. MoTI-PIU institutional performance capacity limitations.
- ii. Inadequate local market.
- iii. Political instability and weak macro-economic performance

CHAPTER 4

4.0 STAKEHOLDER ANALYSIS

The table below presents analysis of key stakeholders responsible for implementation of various components of the project towards achievement of the Project Development Objective:

TABLE 5: Stakeholder Analysis

STAKEHOLDER MANAGEMENT PLAN						
Stakeholder Name	Interest in the Project ¹¹				Stakeholder Objectives from the Procurement	Stake Holder Management Approach
	R	A	C	I		
World Bank	-	-	- C	Y	• To ensure that project procurement in compliance with procurement objectives.	Consult and Keep informed and comply
Ministry of Trade and Industry	Y	Y	Y	Y	• MTI is the implementing agency	MTI is responsible and accountable and should be consulted and informed
Maseru City Council	-	-	Y	Y	• Project Implementing agency for upgrade of the construction permitting system	MCC is consulted and informed
Basotho Enterprise Development Corporation (BEDCO)	-	-	Y	Y	• Stakeholder in the implementation of subcomponent 2.1 and 2.2 of the project.	BEDCO is consulted and informed

¹¹ **Responsible, Accountable, Consulted, Informed**

STAKEHOLDER MANAGEMENT PLAN						
Stakeholder Name	Interest in the Project ¹¹				Stakeholder Objectives from the Procurement	Stake Holder Management Approach
	R	A	C	I		
Lesotho Revenue Authority (LRA)	-	-	Y	Y	• Stakeholder in the implementation of subcomponent 1.1 and 1.2 and 1.3 of the projects.	LRA is consulted and informed
One Stop Business Facilitation Centre (OBFC)	-	-	Y	Y	• Stakeholder in the implementation of subcomponent 1.1.	OBFC is consulted and informed
Ministry of Small Business Development and Cooperatives	-	-	Y	Y	• Stakeholder in the implementation of subcomponent 1.3, 2.1 and 2.2 of the project.	MSBDC is consulted and informed
Prime Minister's Delivery Unit (PMDU)	-	-	Y	Y	• Stakeholder in the implementation of component 3	PMDU is consulted and informed
Ministry of Labour and Employment	-	-	Y	Y	• Stakeholder in the implementation of subcomponent 2.3.	MoLE is consulted and informed
Ministry of Public Works	-	-	Y	Y	• Stakeholder in the implementation of subcomponent 2.3.	MPW is consulted and informed
Ministry of Transport	-	-	Y	Y	• Stakeholder in the implementation of subcomponent 2.3.	MoT is consulted and informed
Lesotho National Development Corporation (LNDC)	-	-	Y	Y	• Stakeholder in the implementation of subcomponent 2.3.	LNDC is consulted and informed
Central Bank of Lesotho (CBL)	-	-	Y	Y	Stakeholder in the implementation of subcomponent 1.2 and 1.3 of the project.	CBL is consulted and informed
National University of Lesotho (NUL)	-	-	Y	Y	• Stakeholder in the implementation of subcomponent 2.3.	MUL is consulted and informed

CHAPTER 5

5.0 PROCUREMENT OBJECTIVES

Based on the Strategic Analysis, Risk Assessment and Stakeholder Analysis, the five key Procurement Objectives that if achieved, would help support the delivery of the Project Development Objective are as follows:

- Packaging based on market analysis to aim for an average of 8 bidders' participation in each bid.
- Foster competition to enhance achievement of VfM by familiarizing the vendors with the SBDs for international approach to market through vendor conferences and pre-bid meetings and site visits, and suitably modifying and customizing the bidding documents and conditions such as qualification requirements and application of bid securities with the objectives receiving competitive bid prices which are within approximately 15% of client's cost estimate.
- Implementation of works and services in time to ensure that 95 percent of bids are awarded without extending bid validity and that rebid in not more than 5 percent cases, for all procurements.
- Awarding contracts to qualified, experienced, capable bidders so that 90 percent of contracts are executed within original allotted time; and
- Contracts are completed with not more than 15 percent cost overruns by carrying out robust design at bidding stage.

CHAPTER 6

6.0 PROCUREMENT APPROACH OPTIONS AND RECOMMENDATIONS

This procurement strategy/approach is designed based on the project requirements, technical solutions, and market information, institutional capacity and experience of the Ministry of trade and Industry (MoTI). The Market approach and selection method proposed for each package has taken into considerations values, complexities, local market capacity and institutional experiences of MoTI to achieve better Value for Money (VfM) while supporting the project achievement of objectives its objectives. The project has no high value and complex contract packages as such. However, the PPSD has focused on separate packages for consultancy services and works using both international and national approach to markets with the objectives of fostering competitions to enable the PIU get best of what the market can offer. For certain unique packages, where open competition may not be the best-fit approach, Direct Selection (DS) has been proposed with clear justifications on why DS is found to be fit-for-purpose as against the default open competitive market approaches.

The following activities are proposed for **Direct Selection** market approach for the reasons as indicated in the below table:

Package/contract	Reason why non-competitive market approach is appropriate and departing from the preferred and default competitive methods	Name of Proposed supplier/consultant
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<p>Consultancy Services for design and upgrade of the business registration and licensing system at OBFC</p>	<p>UNCTAD is uniquely and exceptionally qualified to upgrade business registration and licensing system at OBFC as it was originally developed by them. It is also the case that the tasks represent a natural continuation of previous work carried out by a consultant, where continuity in the technical approach, experience acquired, and continued professional liability of the same Consultant may make continuation with the initial Consultant preferable to a new competition. The performance of UNCTAD has been satisfactory in the previous assignment(s);</p>	<p>UNCTAD is an eligible firm under Bank's financed projects. It is a UN Agency based in East and Southern Africa;</p>
<p>Consultancy Services for design and upgrading of the LRA customs system, based on UNCTAD's ASYCUDA World System</p>	<p>UNCTAD is uniquely and exceptionally qualified to upgrade LRA customs system as it was originally designed and developed by them. The task represents a natural continuation of previous work carried out by a consultant, where continuity in the technical approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition The performance of UNCTAD has been satisfactory in the previous assignments</p>	<p>UNCTAD is an eligible firm under Bank's financed projects. It is a UN Agency based in East and Southern Africa;</p>
<p>Consultancy Service for Design and upgrading of the LAA land registry system</p>	<p>Only ESRI is qualified and has experience of exceptional worth for the upgrade of the LAA land registry system as they designed and developed the system. The task represents a natural continuation of previous work carried out by a consultant, where continuity in the technical approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition The</p>	<p>ESRI is an eligible firm under Bank's financed projects. It is a South African company based in</p>

	performance of esri has been satisfactory in the previous assignments	Midrand 1685, Cnr New Road.
Consultancy Services for Design and upgrading of the credit infrastructure system that facilitates access to business financing	Only EXPERIAN is qualified and has experience of exceptional worth for the upgrade of the credit infrastructure system as they designed and developed the system. The task represents a natural continuation of previous work carried out by a consultant, where continuity in the technical approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition The performance of EXPERIAN has been satisfactory in the previous assignments	EXPERIAN is an eligible firm under bank's financed projects. It is a South African company based in Stellenbosch, Experian House, 3 Neutron Avenue, Techno PARK.
Consultancy Services for Design and Upgrading of LERIMA movable asset registry	Only Paradigm is qualified and has experience of exceptional worth for the upgrade of the LERIMA movable asset registry as they designed and developed the system. The task represents a natural continuation of previous work carried out by a consultant, where continuity in the technical approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition The performance of PARADIGM has been satisfactory in the previous assignments	PARADIGM is an eligible firm under bank's financed projects. It is a company based in United States, New York.

For works packages where designs have been completed and the client's requirements are well defined, the selection methods would be RFB or RFQs, based on the package's values. For works where there are conceptual designs and innovation can be introduced by the providers, the selection method will be RFP. The RFP method will also be used

for selection of consultants. The selection method for supply and installation of software and hardware, as schedules of requirements and specifications are precisely defined by the ministry, the selection method will be RFBs.

The table below presents the project market approach and procurement methods for consultancy services, procurement of goods and works.

TABLE 6: Procurement Approach and Recommendation

		PROCUREMENT PLAN FOR SELECTION OF CONSULTANCY SERVICES				
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	MARKET APPROACH	PROCUREMENT METHOD	CONTRACT TYPE	JUSTIFICATION FOR THE RECOMMENDED SELECTION METHOD
COMPONENT 1 : ENHANCING G2B DIGITAL SERVICES AND STRENGTHENING PRIVATE SECTOR RESILIENCE						
Sub-Component 1.1 - Enhancing Government to Business Digital Services						
1.1.1	Upgrade of the business registration and	800 000.00	Direct			UNCTAD is a UN Agency based in East and Southern Africa; It is uniquely and exceptionally qualified to upgrade

	licensing system at OBFC			DS	Lump Sum	business registration and licensing system at OBFC as it was originally developed by them.
1.1.2	Upgrade of the LRA customs system, based on UNCTAD`s ASYCUDA World System	1 000 000.00	Direct	DS	Lump Sum	UNCTAD is a UN Agency based in East and Southern Africa. It is uniquely and exceptionally qualified to upgrade LRA customs system as it was originally designed and developed by them.
1.1.3	Upgrade of the LAA land registry system	1 000 000.00	Direct	DS	Lump Sum	ESRI is a South African company based in Midrand 1685, Cnr New Road. It is qualified and has experience of exceptional worth for the upgrade of the LAA land registry system as they designed and developed the system.
1.1.4	Design and development of the G2B interoperability framework	1 600 000.00	International	QCBS	Lump Sum	Appropriate method for high value and complex assignment. Competitive approach is required to achieve quality and value for money
1.1.5	Design and development of a G2B payment gateway	1 500 000.00	International	QCBS	Lump Sum	Appropriate method for high value and complex assignment. Competitive approach is required to achieve quality and value for money
		5 980 000.00				
Sub-Component 1.2 - Improving Access to Financial Services						
1.2.1	Upgrade of the credit infrastructure system that	200 000.00	Direct	DS	Lump Sum	EXPERIAN is a South African company based in Stellenbosch, Experian House, 3 Neutron Avenue, Techno

	facilitates access to business financing					PARK. It is qualified and has experience of exceptional worth for the upgrade of the credit infrastructure system as they designed and developed the system.
1.2.2	Development of credit scoring system to enhance the utility of credit reporting	600 000.00	Direct	DS	Lump Sum	EXPERIAN is a South African company based in Stellenbosch, Experian House, 3 Neutron Avenue, Techno PARK. It is qualified and has experience of exceptional worth for the development of the credit scoring system as they designed the system
1.2.3	Upgrade of LERIMA movable asset registry	200 000.00	Direct	DS	Lump Sum	Paradigm is a company based in United States, New York. It is qualified and has experience of exceptional worth for the upgrade of the LERIMA movable asset registry as they designed and developed the system
1.2.4	Development of New financial products to promote market innovation	500 000.00	International	QCBS	Lump Sum	Appropriate method for high value and complex assignment. Competitive approach is required to achieve quality and value for money
1.2.5	Capacity building of financial institutions and MSME`s to utilise asset-based lending	50 000.00	National	CQS	Schedule of Rates/Time-Based	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified

1.2.6	TA to Postbank for development of business case for agricultural value chain finance, including market assessment and financing methodology	150 000.00	International	CQS	Schedule of Rates/Time-Based	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
1.2.7	Design and implementation of a management information system (MIS) to support value-chain financing	200 000.00	International	CQS	Lump Sum	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
1.2.8	Review and improve governance, institutional and operational features of the L-PCG	50 000.00	National	IC	Lump Sum	Low value assignment with a duration less than six months
1.2.9	Develop a business case and financial model for portfolio guarantees	150 000.00	International	CQS	Lump Sum	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
1.2.10	Design and implement the portfolio guarantee scheme including development of supporting	2,000,000.00	International	QCBS	Lump Sum	Appropriate method for high value and complex assignment. Competitive approach is required to achieve quality and value for money

	documentation and systems					
1.2.11	Capacity building	100 000.00	National	CQS	Schedule of Rates/Time-Based	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
		2 800 000.00				
Sub-Component 1.3 - Strengthening the Resilience of MSMEs to Climatic Shocks						
1.3.1	TA on disaster risk financing including drafting of National Disaster Risk Finance Policy for MoF	750 000.00	International	QCBS	Lump Sum	Appropriate method for high value and complex assignment. Competitive approach is required to achieve quality and value for money
1.3.2	Design and development a database for informal MSMEs and integrate the database into the existing business registry	300 000.00	International	QCBS	Lump Sum	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
1.3.3	TA on design and procurement of sovereign insurance backstop and co-financing of insurance premiums	150 000.00	International	CQS	Lump Sum	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
1.3.4	Draft regulations to govern the	75 000.00	National		Lump Sum	Low value assignment with a duration less than six months

	operational activities of the existing MoF Contingency Fund			IC		
		1 275 000.00				
COMPONENT 2: SCALING SUPPORT FOR ENTREPRENEURSHIP AND MSMES (\$ 29.5 MILLION)						
Sub-Component 2.1 - Establishing an Entrepreneurship Hub and Seed Financing Facility						
2.1.1	Procure a private operator to support the establishment of a sustainable Entrepreneurship Hub within the Tourism Information Craft Centre	500 000.00	International	QCBS	Schedule of Rates/Time-Based	Appropriate method for high value and complex assignment. Competitive approach is required to achieve quality and value for money
2.1.2	Design and development of an incubation support program	150 000.00	International	CQS	Lump Sum	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
2.1.3	Facilitate the integration of the Lesotho Start-up Community within a wider regional Entrepreneurship ecosystem	50 000.00	National	IC	Schedule of Rates/Time-Based	Low value assignment with a duration less than six months
2.1.4	Procure a private operator to establish and	250 000.00	International		Schedule of Rates/Ti	Appropriate method for less complex assignments. Preparing and

	manage a seed financing facility and an associated acceleration program			CQS	me-Based	evaluating competitive proposals is not justified
		950 000.00				
Sub-Component 2.2 - Scaling Up of the Lesotho Enterprise Assistance Program						
2.2.1	Procure private sector service providers to augment the delivery capacity of LEAP PMU	300 000.00	International	QCBS	Schedule of Rates/Time-Based	Appropriate method for less complex assignments. Preparing and evaluating competitive proposals is not justified
Sub-Component 2.3 - Expanding SME Participation in high potential Value Chains						
2.3.1	TA to set up a Horticulture Incubation Hub	350 000.00	International	QCBS	Lump Sum	Appropriate method for high value and complex assignment. Competitive approach is required to achieve quality and value for money

PROCUREMENT PLAN TEMPLATE FOR SELECTION OF GOODS					
COMPONENT	DESCRIPTION OF THE ASSIGNMENT	ESTIMATED COST (\$)	PROCUREMENT METHOD	CONTRACT TYPE	JUSTIFICATIONS FOR THE RECOMMENDED SELECTION METHOD
COMPONENT 1: ENHANCING G2B DIGITAL SERVICES AND STRENGTHENING PRIVATE SECTOR RESILIENCE					
Sub-Component 1.1 Enhancing Government to Business Digital Services					
1.1.1	ICT equipment for upgrade of the business registration and licensing system at OBFC	70 000.00	Request For Quotations	Conformance /Traditional	Efficient method for procuring limited quantities of readily available off-the-shelf goods
1.1.2	ICT equipment for Upgrade of the LRA customs system, based on UNCTAD`s ASYCUDA World System	150 000.00	National Competitive Bidding	Conformance /Traditional	Medium value and local availability. The user will be able to specify detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
1.1.3	ICT equipment for Upgrade of the LAA land registry system.	100 000.00	Request For Quotations	Conformance /Traditional	Efficient method for procuring limited quantities of readily available off-the-shelf goods

1.1.4	ICT equipment for G2B interoperability	200 000.00	National Competitive Bidding	Conformance /Traditional	Medium value and local availability. The user will be able to specify detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
		520 000.00			
Sub-Component 1.2 - Improving Access to Financial Services					
1.2.1	ICT equipment for upgrade of the credit infrastructure system that facilitates access to business financing	100 000.00	Request for Quotations	Conformance /Traditional	Efficient method for procuring limited quantities of readily available off-the-shelf goods
1.2.3	ICT equipment for upgrade of LERIMA movable assets and integration of data from motor vehicle and company registries	100 000.00	Request for Quotations	Conformance /Traditional	Efficient method for procuring limited quantities of readily available off-the-shelf goods
1.2.6	ICT equipment to support implementation of MIS for Lesotho Post bank value-chain financing	100 000.00	Request for Quotations	Conformance /Traditional	Efficient method for procuring limited quantities of readily available off-the-shelf goods
1.2.7	ICT equipment to support L-PCG	100 000.00	Request for Quotations	Conformance /Traditional	Efficient method for procuring limited quantities of readily available off-the-shelf goods
		400 000.00			

Sub-Component 1.3 - Strengthening the Resilience of MSMEs to Climatic Shocks					
COMPONENT 2: SCALING SUPPORT FOR ENTREPRENEURSHIP AND MSMES					
Sub-Component 2.1 - Establishing an Entrepreneurship Hub and Seed Financing Facility					
2.1.1	Procure equipment and furniture for the Entrepreneurship Hub	300 000.00	National Competitive Bidding	Conformance /Traditional	Medium value and local availability. The user will be able to specify detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
Sub-Component 2.2 - Scaling Up of the Lesotho Enterprise Assistance Program					
	Procure ICT equipment and furniture	70 000.00	Request for Quotations	Conformance /Traditional	Medium value and local availability. The user will be able to specify detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
Sub-Component 2.3 - Expanding SME Participation in high Potential Value Chains					
2.3.1	Procure ICT equipment and furniture for Horticulture Incubation Hub	300 000.00	National Competitive Bidding	Conformance /Traditional	Medium value and local availability. The user will be able to specify detailed

					requirements to which bidders may respond in offering bids. Value for money will also be achieved.
COMPONENT 3: PROJECT MANAGEMENT IMPLEMENTATION SUPPORT					
3.1.1	ICT equipment and furniture for PMU	100 000.00	Request for Quotations	Conformance /Traditional	Efficient method for procuring limited quantities of readily available off-the-shelf goods
3.1.2	Procure vehicles for PMU and Vehicle	150 000.00	National Competitive Bidding	Conformance /Traditional	Medium value and local availability. The user will be able to specify detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
PROCUREMENT PLAN TEMPLATE FOR SELECTION OF WORKS					
Component	Description of the assignment	Estimated Cost (\$)	Procurement Method		
Sub-Component 2.3 - Expanding SME Participation in high Potential Value Chain					
2.3.1	Refurbishment of the Horticulture Incubation Hub	250 000.00	National Competitive Bidding	Conformance /Traditional	Medium value and local availability. The user will be able to specify

					detailed requirements to which bidders may respond in offering bids. Value for money will also be achieved.
COMPONENT 3: PROJECT MANAGEMENT IMPLEMENTATION SUPPORT					
3.1.1	Partitioning of New PMU office space	50 000.00	Request for Quotations	Conformance /Traditional	Efficient method for procuring limited quantities of readily available off-the-shelf goods

CHAPTER 7

7.0 SUMMARY OF PPSD TO SUPPORT THE PREPARATION OF THE PAD BY THE BANK

The recommended procurement approach, which is expected to inform the Project Appraisal Document (PAD) is stated in the summary above. The rationale for this approach is primarily based on packaging that is suitable for each procurement package.

CHAPTER 8

8.0 PROCUREMENT PLAN FOR THE FIRST 18 MONTHS

TABLE 8: Procurement Plan for Goods, Works & Non-Consultancy Services

1	2	3	4	5	6	7	8	9	10	11
Ref. No.	Contract Description	Estimated Cost (US\$'000)	Procurement Method	Prequalification (yes/no)	(Prior / Post)	Expected Bid Floating Date	Expected Bid-Opening Date	Expected contract award date	Expected contract commencement date	Expected contract completion date
COMPONENT 1: ENHANCING G2B DIGITAL SERVICES AND STRENGTHENING PRIVATE SECTOR RESILIENCE (\$20.25 MILLION)										
Sub-Component 1.1 - Enhancing Government to Business Digital Services (\$520 000.00)										
CAF/WB/GO/27	ICT equipment for upgrade of the business registration and licensing system at OBFC	70	RfQ	NO	Post	5 Jan 23	15 Feb 23	29 March 23	1 April 23	17 May 23
CAF/WB/GO/28	ICT equipment	150	NCB	NO	Post	10 Aug 23	15 Sept 23	29 Sept 23	2 Oct 23	17 Nov 23

	for Upgrade of the LRA customs system, based on UNCTAD`s ASYCUDA World System									
CAF/WB/GO/29	ICT equipment for Upgrade of the LAA land registry system and the MCC construction permitting system	100	RFQ	NO	Post	6 Oct 22	6 Nov 22	18 Nov 22	25 Nov 22	6 Jan 23
CAF/WB/GO/30	ICT equipment for G2B interoperability	200	NCB	NO	Post	10 Aug 23	15 Sept 23	29 Sept 23	2 Oct 23	17 Nov 23
Sub-Component 1.2 Improving Access to Financial Services										
CAF/WB/GO/31	ICT equipment for upgrade	100	RfQ	NO	Post	10 Aug 23	15 Sept 23	29 Sept 23	2 Oct 23	17 Nov 23

	of the credit infrastructure system that facilitates access to business financing									
CAF/WB/GO/32	ICT equipment for upgrade of LERIMA movable assets and integration of data from motor vehicle and company registries	100	RfQ	NO	Post	10 Aug 23	15 Sept 23	29 Sept 23	2 Oct 23	17 Nov 23
CAF/WB/GO/33	ICT equipment to support implementation of MIS for Lesotho Post bank value-chain financing	100	RfQ	NO	Post	10 Aug 23	15 Sept 23	29 Sept 23	2 Oct 23	17 Nov 23
CAF/WB/GO/34	ICT equipment	100	RfQ	NO	Post	10 Aug 23	15 Sept 23	29 Sept 23	2 Oct 23	17 Nov 23

	to support L-PCG									
Sub-Component 2.1 - Establishing an Entrepreneurship Hub and Seed Financing Facility										
CAF/WB/GO/35	Procure equipment and furniture for the Entrepreneurship Hub	300	NCB	NO	Post	11 Aug 22	15 Sept 22	29 Sept 22	2 Oct 22	17 Nov 22
Sub-Component 2.2 - Scaling Up of the Lesotho Enterprise Assistance Program										
CAF/WB/GO/36	Procure ICT equipment and furniture	70	RfQ	NO	Post	3 Feb 23	2 March 23	16 March 23	31 March 23	12 May 23
Sub-Component 2.3 - Expanding SME Participation in high Potential Value Chains										
CAF/WB/GO/37	Procure ICT equipment and furniture for Horticulture Incubation Hub	300	NCB	NO	Post	10 Aug 23	15 Sept 23	29 Sept 23	2 Oct 23	17 Nov 23
COMPONENT 3: PROJECT MANAGEMENT IMPLEMENTATION SUPPORT										
CAF/WB/GO/38	ICT Equipment and furniture for PMU	100	RfQ	NO	Post	10 Oct 23	15 Nov 23	29 Nov 23	2 Dec 23	17 Dec 23
CAF/WB/GO/39	Procure vehicles for PMU and Vehicle	150	NCB	NO	Post	10 Jun 23	15 July 23	2 Aug 23	2 Aug 23	15 Sept 23

PROCUREMENT PLAN FOR SELECTION OF WORKS

Sub-Component 2.3 - Expanding SME Participation in high Potential Value Chain

CAF/WB/WS/40	Refurbishment of the Horticulture Incubation Hub	250	NCB	NO	Post	10 Aug 23	15 Sept 23	2 Oct 23	2 Oct 23	17 Nov 23
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COMPONENT 3: PROJECT MANAGEMENT IMPLEMENTATION SUPPORT

CAF/WB/WS/41	Partitioning of New PMU office space	50	RfQ	NO	Post	10 July 23	15 Aug 23	2 Aug 23	2 Aug 23	17 Aug 23
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PROCUREMENT PLAN FOR CONSULTING SERVICES

Ref. No.	Contract Description	Estimated Cost (US\$'000)	Procurement Method	Prior Shortlisting yes/no)	Review by Financing Agency (Prior / Post)	Expected REoI (SPN date)	Expected Technical Proposals Opening date	Expected Assignment award date	Expected assignment commencement date	Expected contract completion date
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COMPONENT 1: ENHANCING G2B DIGITAL SERVICES AND STRENGTHENING PRIVATE SECTOR RESILIENCE (\$20.25 MILLION)

Sub-Component 1.1 - Enhancing Government to Business Digital Services (\$520 000.00)

CAF/WB/CS/01	Upgrade of the business Registration and Licensing system at OBFC	800	Direct	NO	Prior	-	1 Nov 2022	22 Nov 2022	29 Nov 2022	31 May 2023
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CAF/WB/CS/02	Upgrade of the LRA customs system, based on UNCTAD's ASYCUDA World System	1 000	Direct	NO	Prior	-	1 Nov 2022	22 Nov 022	29 Nov 2022	31 May 2023
CAF/WB/CS/03	Upgrade of the LAA land registry system	1 000	Direct	NO	Prior	-	1 Nov 2022	22 Nov 022	29 Nov 2022	31 May 2023
CAF/WB/CS/04	Design and development of G2B interoperability	1 600	QCBS	Yes	Prior	9 Jan 2023	6 Feb 23	27 Feb 2023	28 Feb 23	31 August 2023
Sub-Component 1.2- Improving Access to Financial Services										
CAF/WB/CS/05	Upgrade of the credit infrastructure system that facilitates access to business financing	200	Direct	NO	Post	-	1 Nov 2022	22 Nov 2022	22 Nov 2022	31 May 2023
CAF/WB/CS/06	Development of credit scoring system to	600	QCBS	Yes	Prior	9 Jan 2023	6 Feb 2023	27 Feb 2023	28 Feb 2023	31 Aug 2023

	enhance the utility of credit reporting									
CAF/WB/CS/07	Upgrade of LERIMA movable assets and integration of data from motor vehicle and company registries	200	Direct	-	Post	1 Nov 2022	22 Nov 2022	22 Nov 2022	29 Nov 2022	31 May 2023
CAF/WB/CS/08	Capacity Building of financial institutions and MSME`s to utilise asset-based lending	50	IC	Yes	Post	9 Jan 23	6 Feb 23	27 Feb 23	28 Feb 23	31 Aug 2023
CAF/WB/CS/09	TA to Post Bank for development of business case for agricultural value chain finance, including market assessment	150	CQS	Yes	Post	9 Jan 23	6 Feb 23	27 Feb 23	28 Feb 23	31 Aug 2023

	and financing methodology									
CAF/WB/CS/10	Design and implementation of a management information system (MIS) to support value-chain financing	200	CQS	Yes	Post	23 Jan 2023	20 Feb 2023	13 March 2023	20 March 2023	29 Sept 2023
CAF/WB/CS/11	Review and improve governance, institutional and operational features of the L-PCG	50	IC	Yes	Post	23 Jan 2023	20 Feb 2023	13 March 2023	20 March 2023	29 Sept 2023
CAF/WB/CS/12	Develop a business case and financial model for portfolio guarantees	150	CQS	Yes	Post	23 Jan 2023	20 Feb 2023	13 March 2023	20 March 2023	20 March 2023
CAF/WB/CS/13	Design and implement the portfolio guarantee scheme including development of supporting documentati	2000	QCBS	Yes	Prior	23 Jan 2023	20 Feb 2023	13 March 2023	20 March 2023	20 March 2023

	on and systems									
CAF/WB/CS/14	Capacity Building	100	CQS	Yes	Post	23 Jan 2023	20 Feb 2023	13 March 2023	20 March 2023	20 March 2023
Sub-Component 1.3: Strengthening the Resilience of MSMEs to Climatic Shocks										
CAF/WB/CS/15	TA on disaster risk financing including drafting of National Disaster Risk Finance Policy for MoF	750	QCBS	Yes	Prior	23 Jan 2023	20 Feb 2023	13 Mar 2023	20 Mar	29 Sept 2023
CAF/WB/CS/16	Design and development of a database for informal MSMEs and integrate the database into the existing business registry	300	QCBS	Yes	Post	23 Jan 2023	20 Feb 2023	13 Mar 2023	20 Mar 2023	29 Sept 2023
CAF/WB/CS/17	TA on design and procurement of sovereign insurance backstop and co-	150	CQS	Yes	Post	23 Jan 2023	20 Feb 2023	13 Mar 2023	20 Mar 2023	29 Sept 2023

	financing of insurance premiums									
CAF/WB/CS/18	Draft regulations to govern the operational activities of the existing MoF Contingency Fund	75	CQS	Yes	Post	23 Jan 2023	20 Feb 2023	13 Mar 2023	20 Mar	29 Sept 2023
Sub-Component 2.1- Establishing an Entrepreneurship Hub and Seed Financing Facility										
CAF/WB/CS/19	Procure a private Sector operator to support establishment of a sustainable entrepreneurship Hub within the Tourism Information centre	500	QCBS	Yes	Prior	9 Jan 2023	3 Feb 2023	27 Feb 2023	28 Feb 2023	31 Aug 23
CAF/WB/CS/20	Design and development of an incubation support program	150	CQS	Yes	Post	23 Jan 2023	20 Feb 2023	13 Mar 2023	20 Mar	29 Sept 2023

CAF/WB/CS/2 1	Facilitate the integration of the Lesotho Start-up Community within a wider regional Entrepreneurship ecosystem	50	IC	Yes	Post	23 Jan 2023	20 Feb 2023	13 Mar 2023	20 Mar	29 Sept 2023
CAF/WB/CS/2 2	Procure a private operator to establish and manage a seed financing facility and an associated acceleration program	250	CQS	Yes	Post	9 Jan 2023	3 Feb 2023	27 Feb 2023	28 Feb 2023	31 Aug 23
CAF/WB/CS/2 3	Procure a private sector service provider to augment the delivery capacity of LEAP PMU	300	QCBS	Yes	Post	9 Jan 2023	6 Feb 2023	27 Feb 2023	28 Feb 2023	31 May 2023

Sub-Component 2.3-Expanding SME Participation in High Potential Value Chains

CAF/WB/CS/2 4	TA to set a Horticulture Incubation Hub	350	CQBS	Yes	Post	10 Oct 23	15 Nov 23	29 Nov 23	2 Dec 23	17 Dec 23
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9. Contract Management Plan (CMP)

As the project at hand (CAFI) doesn't involve any high value and complex contract, the Contract Management Plan (CMP) being outlined below may not need to be applied fully. However, the basic ones that would help the CMU manage its contracts (Works, Goods, Non-Consultancy Services or Consultancy services) with better efficiency to achieve its intended objectives may be adopted. The primary objective of any CMP is achievement of designed quality, agreed delivery timelines and perform within the contract ceiling amount. Assuring sustainability objectives in terms of environmental, social, and economic compliance are also sustainability dimension to be achieved through appropriate and proportional CMP. The Key contract management tools are all around establishing clear communication lines and having defined roles and responsibilities in the contract implementations. Each contractual parties defined accountability and Decision-making process must be communicated to the other party. The below templates may be used as found fit to each contract context.

Sample Contract Management Plan

1.CONTACTS, ROLES AND RESPONSIBILITIES

Organization	Name and Title	Roles and Responsibilities	Contact Information (email, tel, address)
PE	<i>Contract Manager</i>		
Contractor	<i>Contractor's representative:</i>		
Consultant	<i>Engineer</i>		

2.COMMUNICATION AND REPORTING PROCEDURE

Communication Procedures

Communication Type	Objective	Format	Frequency	Audience	Owner

Contractual Notices

Descriptions	Objective	Contract Reference	Frequency/ Timing	From	to

Contractor's documents

Descriptions	Objective	Contract Reference			

Reporting Requirement and Procedure

No.	Contract Ref. Clause	Due date/ frequency	Recipients	Responsibilities	Required Action
[Progress Report]		[Monthly]			
[ESHS Progress reports]		[Monthly]			
[ESHS immediate reports]		[immediately after occurrence of event]			
Test results					

Issues Escalation Procedure

Nature of Issue	Level of review	Responsible body	Response time	Type of issue
Low or Routine				
Medium				
High				
Critical				

3.KEY CONTRACTUAL PROVISIONS

No.	Description	Contract reference	Responsible	Remark	Risks
1.	Care and Supply of Documents		Procuring Entity	2 copies issued to contractor	
2.	Delayed Drawings or Instructions		Procuring Entity		Time extension cost compensation
3.	Right of Access to the Site		Procuring Entity	Give right of access within time stated in data sheet.	
4.					

4.CONTRACTUAL MILESTONES AND DELIVERABLES

Activity / Milestone	Responsible	Contract Reference	Start date	End date	Remark
Submit work schedule	Contractor				
Foundation work for section...	Contractor				Critical path
Complete structure for ...	Contractor				
Pilot testing for ...					

5.KEY PERFORMANCE INDICATORS (to MEASURE PERFORMANCE AND OUTCOMES)

No.	Deliverable	KPI	Performance target	Test	Verification	Remark
1.						
2.						
3.						

6.UNDERPERFORMANCE/DEFAULT CONTRACTUAL ACTIONS

No.	Description of underperformance	Responsible	Applicable contractual provision/s	Actions to be taken	Remark
1.					
2.					
3.					

7.CHANGE MANAGEMENT PROCESS

No.	Change initiated by	Type of change	Responsible	Required Action	Review/ Approval Process	Contract Amendment Requirement	Status
1.	<i>Procuring Entity</i>	<i>Change in authority of the Engineer</i>	<i>Procuring Entity</i>	<i>Inform Contractor of any change</i>			
2.	<i>Procuring Entity</i>	<i>Change in scope of work</i>	<i>Engineer</i>				
3.							

8.INSURANCE

No	Type of Insurance	Contract Ref.	Amount / Limit of liability	Required Date	Expiry date	Information Required
1.						
2.						
3.						

9.GUARANTEES AND SECURITIES

No	Type of Guarantee / Security	Contract Ref.	Amount / Limit of liability	Required Date	Expiry date	Information Required
1.	[Advance Payment Guarantee]					
2.	[Performance Security]					
3.	[ESHS Performance Security]					
4.	[Retention Guarantee]					

10. PAYMENT PLAN / PROCEDURES

No.	Type of Payment	When / frequency	Documents Required	Process time	Verification process	Approvals
1	Advance payment	Once	Advance payment Guarantee			
2	Interim payments	Every month	Interim payment certificates, timesheets, proof of incurred expenditure, shipping documents etc.			
3	Interest payments	Delayed payments				
4	Price adjustment	-				
5	Claims/ Compensation	As needed	Contractors			
6	Final Payment					

11. RECORDS MANAGEMENT

No.	Type of Record	Owner	Responsible	Action required	Remark
1.	[Contract documents and any amendments/]				

No.	Type of Record	Owner	Responsible	Action required	Remark
2.	<i>Insurance details</i>				
3.	<i>[change orders]</i>				
4.	<i>[notices]</i>				
5.	<i>[Payment Documents, including documents on application of price adjustment if any]</i>				
6.	<i>Minutes of contract related meetings</i>				
7.	<i>[Progress Reports]</i>				
8.	<i>[immediate Reports on ESHS, if applicable]</i>				
9.	<i>[Test Results]</i>				
10.	<i>[Guarantees, warranty/defect liability and Securities]</i>				
11.	<i>Documents related to any suspension or termination</i>				

12.KEY STAKEHOLDERS ENGAGEMENT PLAN

No.	Stakeholder	Format	Frequency	Remark
1.				
2.				
3.				

13.CONTRACT CLOSURE PROCEDURES

No.	Activity	Responsible	Remark
1.			
2.			
3.			

14.PRICE ADJUSTMENT PROCEDURES

No.	Activity	Responsible	Remark
1.	<i>e.g., verification of indices</i>		
2.			
3.			

15.INTERFACE MANAGEMENT

No.	Activity	Responsible	Remark
1.			
2.			
3.			

PROCUREMENT PLAN Lesotho : Lesotho Competitiveness and Financial Inclusion Project

General Information
Country: Lesotho **Bank's Approval Date of the Original Procurement Plan:** 2022-10-06
Revised Plan Date(s): (comma delineated, leave blank) 2023-02-21
Project ID: P175783 **GPN Date:**
Project Name: Lesotho Competitiveness and Financial Inclusion Project
Loan / Credit No.: IDA / 71690
Executing Agency: Ministry of Trade and Industry

WORKS

Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Procurement Process	Prequalification (Y/N)	Estimated Amount (US\$)	Actual Amount (US\$)	Process Status	Draft Pre-qualification Documents		Prequalification Evaluation Report		Draft Bidding Document / Justification		Specific Procurement Notice / Invitation		Bidding Documents 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	

GOODS

Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Procurement Process	Prequalification (Y/N)	Estimated Amount (US\$)	Actual Amount (US\$)	Process Status	Draft Pre-qualification Documents		Prequalification Evaluation Report		Draft Bidding Document / Justification		Specific Procurement Notice / Invitation		Bidding Documents 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	
LS-MTI-334917-GO-RFQ / Supply and Delivery of Three (3) colour printers for Project Management Unit	IDA / 71690	Project Management and Implementation Support	Post	Request for Quotations	Limited	Single Stage - One Envelope		20,000.00	0.00	Canceled								2023-01-11	2023-01-04							2023-03-08	2023-09-04

NON CONSULTING SERVICES

Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Procurement Process	Prequalification (Y/N)	Estimated Amount (US\$)	Actual Amount (US\$)	Process Status	Draft Pre-qualification Documents		Prequalification Evaluation Report		Draft Bidding Document / Justification		Specific Procurement Notice / Invitation		Bidding Documents 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			
LS-MTI-344493-NC-DR / Engagement of Consultant (C/N) for provision of ICT equipment maintenance and repair	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National			13,000.00	0.00	Pending Implementation					2023-02-21		2023-02-26									2023-04-02	2023-09-29

CONSULTING FIRMS

Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Contract Type	Estimated Amount (US\$)	Actual Amount (US\$)	Process Status	Terms of Reference		Expression of Interest Notice		Short List and Draft Request for Proposals		Request for Proposals 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
LS-MTI-326389-CS-CDS / Engagement of a Communications Firm to support CAFI	IDA / 71690	Project Management and Implementation Support	Post	Consultant Qualification Selection	Open - National		30,000.00	0.00	Under Implementation	2022-11-14	2022-11-01	2022-12-05	2022-11-23	2023-01-18							2023-02-17		2023-03-24		2023-09-20		
LS-MTI-327844-CS-CDS / Design and Development of LEAP Website	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Consultant Qualification Selection	Open - National		50,000.00	0.00	Under Implementation	2022-11-22	2023-01-03	2022-12-13	2023-01-20	2023-01-26							2023-02-25		2023-04-01		2023-09-28		
LS-MTI-327989-CS-CDS / Development of New Financial Products for Post Bank	IDA / 71690	Enhancing Financial Inclusion and Resilience of MSMEs	Post	Consultant Qualification Selection	Open - International		80,000.00	0.00	Pending Implementation	2022-11-23		2022-12-14		2023-01-27							2023-02-26		2023-04-02		2023-09-29		
LS-MTI-327991-CS-CDS / Strengthening the Credit Infrastructure System for Central Bank	IDA / 71690	Enhancing Financial Inclusion and Resilience of MSMEs	Post	Consultant Qualification Selection	Open - International		100,000.00	0.00	Under Implementation	2022-11-23	2022-12-01	2022-12-14	2023-01-12	2023-01-27							2023-02-26		2023-04-02		2023-09-29		
LS-MTI-327996-CS-CDS / Engagement of Technical Advisor for MTUBDT re-organization	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Consultant Qualification Selection	Limited		100,000.00	0.00	Under Implementation	2022-11-30	2022-12-01			2022-12-14							2023-01-13		2023-02-17		2023-08-16		

INDIVIDUAL CONSULTANTS

Activity Reference No. / Description	Loan / Credit No.	Component	Review Type	Method	Market Approach	Contract Type	Estimated Amount (US\$)	Actual Amount (US\$)	Process Status	Terms of Reference		Invitation to Identify/Selected Consultant		Draft Negotiated Contract		Signed Contract		Contract Completion	
										Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
LS-MTI-317459-CS-CDS / Provision of Consultancy services by ILO "Lesotho Textiles and clothing Global Value Chain Technical Assistance Program"	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Prior	Direct Selection	Direct - International		4,300,000.00	0.00	Under Implementation	2022-09-23	2022-11-08	2022-10-03					2022-12-07		2023-06-05
LS-MTI-319844-CS-INDV / Consultancy for Entrepreneurship Hub Manager for 24 months	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Individual Consultant Selection	Open - International		240,000.00	0.00	Under Implementation	2022-10-06	2022-10-12	2022-11-24	2023-02-01	2022-12-15	2023-01-31	2023-01-19			2023-07-18
LS-MTI-319846-CS-CDS / Engagement of a Project Manager for the CAFI Project for a Period of 6 years	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		698,489.63	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01				2022-12-31		2023-06-29
LS-MTI-319870-CS-CDS / Engagement of the Finance Manager for 6 years	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		396,742.55	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01				2022-12-31		2023-06-29
LS-MTI-319914-CS-CDS / Engagement of the Project Accountant for 6 years	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		194,535.04	0.00	Under Implementation	2022-10-17	2022-11-01	2022-10-27	2022-11-01				2022-12-31		2023-06-29
LS-MTI-319862-CS-CDS / Engagement of the Deputy Project Manager for 6 years	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		457,658.37	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01				2022-12-31		2023-06-29
LS-MTI-319940-CS-CDS / Engagement of the Procurement Officer for 12 Months	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		32,982.39	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01				2022-12-31		2023-06-29
LS-MTI-319942-CS-CDS / Engagement of the Receptionist/IT Support for 12 Months	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		21,433.28	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01				2022-12-31		2023-06-29

LS-MTI-319881-CS-CDS / Engagement of the Entrepreneurship Manager for the period of 6 years	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		320,662.11	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01			2022-12-31	2023-06-29
LS-MTI-319921-CS-CDS / Engagement of the Office Assistant for 6 years	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		37,410.61	0.00	Under Implementation	2022-10-17	2022-11-01	2022-10-27	2022-11-01			2022-12-31	2023-06-29
LS-MTI-319951-CS-CDS / Engagement of the Project Accountant for 12 Months	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		32,982.39	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01			2022-12-31	2023-06-29
LS-MTI-319937-CS-CDS / Engagement of the Administrative Secretary for 12 Months	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		33,087.41	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01			2022-12-31	2023-06-29
LS-MTI-319890-CS-CDS / Engagement of the Procurement Manager for 1 year	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		48,862.00	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01			2022-12-31	2023-06-29
LS-MTI-319947-CS-CDS / Engagement of the LEAP Officer 1 for 12 Months	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		30,539.25	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01			2022-12-31	2023-06-29
LS-MTI-319948-CS-CDS / Engagement of the Project Driver for 6 years	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - National		53,443.69	0.00	Signed	2022-10-17	2022-11-01	2022-10-27	2022-11-01			2022-12-31	2023-06-29
LS-MTI-326558-CS-INDV / Engagement of the LEAP Officer 2 for the Project for 1 year	IDA / 71690	Project Management and Implementation Support	Post	Individual Consultant Selection	Open - National		30,539.25	0.00	Under Implementation	2022-11-15	2022-11-22	2023-01-03		2023-01-24		2023-02-28	2023-08-27
LS-MTI-326560-CS-INDV / Engagement of the Monitoring and Evaluation Specialist for CAFI Project for 1 year	IDA / 71690	Project Management and Implementation Support	Post	Individual Consultant Selection	Open - National		55,000.00	0.00	Under Implementation	2022-11-15	2022-11-22	2023-01-03		2023-01-24		2023-02-28	2023-08-27
LS-MTI-326562-CS-INDV / Engagement of the Social and Environmental Safeguards Specialist for CAFI Project for 1 year	IDA / 71690	Project Management and Implementation Support	Post	Individual Consultant Selection	Open - National		55,000.00	0.00	Signed	2022-11-15	2022-11-22	2023-01-03	2023-01-13	2023-01-24	2023-01-31	2023-02-28	2023-08-27
LS-MTI-326566-CS-INDV / Engagement of the Deputy Project Manager Operations for CAFI Project for 1 year	IDA / 71690	Project Management and Implementation Support	Post	Individual Consultant Selection	Open - National		76,000.00	0.00	Under Implementation	2022-11-15	2022-11-22	2023-01-03	2023-01-27	2023-01-24	2023-01-23	2023-02-28	2023-08-27
LS-MTI-326568-CS-INDV / Engagement of the Executive Assistant for CAFI Project for 1 year	IDA / 71690	Project Management and Implementation Support	Post	Individual Consultant Selection	Open - National		33,087.41	0.00	Under Implementation	2022-11-15	2022-11-22	2023-01-03		2023-01-24		2023-02-28	2023-08-27
LS-MTI-326594-CS-INDV / Engagement of MSME Resilience Coordinator for 1 year	IDA / 71690	Enhancing Financial Inclusion and Resilience of MSMEs	Post	Individual Consultant Selection	Open - National		52,000.00	0.00	Under Implementation	2022-11-15	2022-11-22	2023-01-03		2023-01-24		2023-02-28	2023-08-27
LS-MTI-327692-CS-INDV / Engagement of Trade Facilitation Expert for 18 Months	IDA / 71690	Enhancing Financial Inclusion and Resilience of MSMEs	Post	Individual Consultant Selection	Open - International		100,000.00	0.00	Under Implementation	2022-11-22	2023-01-03	2023-01-10		2023-01-31		2023-03-07	2023-09-03
LS-MTI-330598-CS-INDV / Engagement of the Horticulture Coordinator for a period of 12 Months	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Individual Consultant Selection	Open - National		52,000.00	0.00	Under Implementation	2022-12-07	2022-12-01	2023-01-25		2023-02-15		2023-03-22	2023-09-18
LS-MTI-330602-CS-INDV / Engagement of Incubation Hub Manager for 12 Months	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Individual Consultant Selection	Open - National		52,000.00	0.00	Under Implementation	2022-12-07	2022-12-01	2023-01-25		2023-02-15		2023-03-22	2023-09-18
LS-MTI-331150-CS-CDS / Engagement of Horticulture Infrastructure Technician 2 for a period of 12 Months.	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Direct Selection	Direct - National		7,000.00	0.00	Signed	2022-12-12	2022-12-01	2022-12-22	2023-01-02			2023-02-25	2023-08-24
LS-MTI-331153-CS-CDS / Engagement of Horticulture Infrastructure Technician 1 for 12 Months	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Direct Selection	Direct - National		7,000.00	0.00	Signed	2022-12-12	2022-12-01	2022-12-22	2023-01-02			2023-02-25	2023-08-24
LS-MTI-331168-CS-CDS / Engagement of Horticulture Technical Field Manager for 12 Months	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Direct Selection	Direct - National		32,000.00	0.00	Under Implementation	2022-12-12	2023-01-03	2022-12-22				2023-02-25	2023-08-24
LS-MTI-331185-CS-CDS / Engagement of the Horticulture Field Technical Advisor for 12 Months	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Direct Selection	Direct - National		50,000.00	0.00	Under Implementation	2022-12-12	2022-12-01	2022-12-22				2023-02-25	2023-08-24
LS-MTI-334909-CS-INDV / Engagement of Horticulture Technical Advisor for 12 Months	IDA / 71690	Scaling Support for Entrepreneurship and MSMEs	Post	Individual Consultant Selection	Open - National		28,000.00	0.00	Under Implementation	2023-01-12	2023-01-09	2023-03-02		2023-03-23		2023-04-27	2023-10-24
LS-MTI-344470-CS-CDS / Installation of Financial Management System, TOMPRO	IDA / 71690	Project Management and Implementation Support	Post	Direct Selection	Direct - International		40,000.00	0.00	Pending Implementation	2023-02-21		2023-03-03				2023-05-07	2023-11-03