

## Reverse Procurement Fairs in Bolivia

In collaboration with its local partner, Foundation Pro Labour Training (PROCAL), ICMA promoted an innovative concept called “reverse procurement fairs” to seven local governments in rural Bolivia. The reverse procurement fair is a mechanism for public procurement in which the municipality showcases its demands for goods, services, and capital and small infrastructure projects to potential suppliers over the course of a five-day trade show. All potential suppliers receive the same information regarding the bid specifications. During the fair, potential suppliers propose bids to the municipality, and contracts are awarded on the spot to the winning bidders.

Reverse procurement fairs include small or sole-sourced bids as defined by Bolivian law. Smaller bids represent a good opportunity for small, medium, and informal sector economic actors (such as artisans and nonorganized skilled labor) to participate, creating local jobs and decreasing barriers to entry. Potential bidders are trained in all aspects related to their participation in the procurement process, as well as in how to implement and manage contracts in a financially transparent manner while being responsive to the requirements of the awarded contracts. These fairs have several advantages:

- *Speed.* Contracts are awarded within five days, instead of dragging on for months.
- *Transparency.* Everything is conducted out in the open.
- *Equality.* Smaller players, who may lack proposal-writing skills or money to guarantee performance, can participate.
- *Development.* Leveling the playing field promotes local economic development through local government spending.



**A worker illustrates a needed municipal project prior to a reverse procurement fair.**

PROCAL and ICMA provided technical assistance in each stage of the fairs. During the month prior to the fair, they provided training to local organizations that would implement and later replicate the fair, as well as to skilled labor, private firms, and communities that would place bids; they helped the municipalities prepare projects to be bid on; and they helped publicize the fair to promote participation. During the fair, PROCAL and ICMA provided procedural assistance to those who were running it, as well as to the municipality and bidders during the bidding process. For two months after the fair, they helped the contractors implement their contracts and helped the municipality monitor contractor performance.

The reverse procurement fairs were a huge success in Bolivia, and there are plans to replicate them elsewhere in the country.

### ABOUT ICMA

ICMA (International City/County Management Association) is the premier local government leadership and management organization worldwide. Its mission is to create excellence in local governance by developing and advancing the professional management of local government. ICMA has been doing this since 1914 by providing technical and management assistance, training, and information resources to its members and the local government community. ICMA International was created in 1989 to further the ICMA mission worldwide. Since then it has successfully designed, implemented, and evaluated hundreds of international projects, establishing a solid reputation for its practical, hands-on approach to meeting global challenges.