



# MEMORANDUM OF UNDERSTANDING BETWEEN

#### THE U.S. TRADE AND DEVELOPMENT AGENCY

#### AND

### DIRECCIÓN GENERAL DE CONTRATACIONES PÚBLICAS

This Memorandum of Understanding ("MOU") is between the U.S. Trade and Development Agency ("USTDA") and Dirección General de Contrataciones Públicas ("DGCP"). USTDA and DGCP are each referred to in this MOU as a "Party" and together as the "Parties".

### **RECOGNIZING:**

DGCP's commitment to obtaining value in public procurement;

The significant role public procurement systems can play in fostering sustainable infrastructure investments, delivering goods and services, and promoting greater competition;

That value determination in the evaluation of procurement bids may assist the Dominican Republic in procuring higher quality goods, which may lead to greater project longevity and overall savings to the Government of the Dominican Republic; and

The Parties' shared commitment to attain value through procurement practices that utilize best-value determination, life-cycle cost analyses, and objective evaluation criteria and to promote professionalization in public procurement.

WHEREAS, USTDA, in fulfillment of its mission to link U.S. companies to international markets and promote economic development in emerging economies, seeks to support sustainable infrastructure development in such economies as well as promote an open trading system to encourage fair and open competition;

WHEREAS, DGCP aims to lead the effective implementation of an efficient, cost effective, and transparent public procurement system through the formulation of procurement policy and regulations, the provision of oversight and audit of procuring entities, and the management of a national capacity development and training plan for procurement;

WHEREAS, in order to support the sustainability of infrastructure investments, promote the development of an effective and transparent public procurement system, and encourage fair and open competition, USTDA hereby seeks to collaborate with DGCP under the Global Procurement Initiative: Understanding Best Value (the "Initiative"), to engage with procurement officials of the Dominican Republic on the benefits of utilizing procurement practices that integrate best-value determination, life-cycle cost analyses, and objective best-value evaluation criteria.









NOW, THEREFORE, the Parties have reached the following understandings:

# SECTION 1 Purpose and Scope

- 1. The purpose of this MOU is to (i) establish a framework for the Parties' cooperation under the Initiative, and (ii) exchange information on procurement-related issues, including but not limited to, international best practices and guidelines and country-specific procurement practices.
- 2. This MOU sets forth the intentions of the Parties for collaboration, cooperation, and interaction. This MOU does not create any legally binding commitments and does not intend to constitute a commitment or obligation of funds by the Parties hereto. If the Parties later agree to undertake specific projects with legally binding obligations, they will develop separate written agreements for such projects, setting out each Parties' contributions and obligations.
- 3. The areas of joint interest regarding a transparent, open public procurement system under this MOU may include, but are not limited to:
  - a. Best-value determination and value for money;
  - b. Life-cycle costing analysis;
  - c. Objective evaluation criteria utilizing sophisticated value analysis;
  - d. Contract management and enforcement;
  - e. Complaints review mechanisms;
  - f. Technical specifications and scopes of work; and
  - g. Risk mitigation and anti-corruption mechanisms.

### <u>SECTION 2</u> Commencement and Duration

- 1. Cooperation under this MOU is intended to commence upon signature by the Parties.
- 2. This MOU shall be effective for a period of three years from the date of final signature, unless terminated by either Party in accordance with Section 5 of this MOU.

# SECTION 3 Responsibilities of the Parties

1. USTDA intends to provide:

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- a. Assistance to DGCP with implementing the procurement policy and regulations and developing best practices for achieving the best value for the Government of the Dominican Republic consistent with international best practices;
- b. Guidance and assistance to Dominican procurement officials on how to integrate such value-based procurement practices into public procurement tenders;
- Resources for the activities that may be carried out under the Initiative, in accordance with USTDA's mandate; and
- d. Assistance in coordinating logistical aspects of workshops, training events, orientation visits, or other events that may be carried out under the Initiative.

### 2. DGCP intends to provide:

- a. Subject matter expertise regarding the Dominican Republic's public procurement system;
- b. Assistance in gathering and developing information for baseline reports regarding the Dominican Republic's public procurement system in advance of activities carried out under the Initiative; and
- c. Logistical or in-kind assistance, where possible, including space to host training workshops under the Initiative.

#### 3. The Parties intend to:

- a. Work collaboratively through a partnership under the Initiative to foster a relationship between DGCP and USTDA;
- b. Promote best practices in the public procurement system and strengthen capacity in DGCP and procuring entities within the Government of the Dominican Republic;
- c. Contribute resources for the activities under the Initiative; and
- d. Maintain contact with all participants of the activities under the Initiative in order to identify successes achieved by such activities and the need for follow-on activities.

### SECTION 4 Confidentiality

USTDA will maintain the confidentiality of any information disclosed pursuant to this MOU
that is clearly marked "Confidential" or that has been previously marked "Confidential" by
DGCP in accordance with applicable U.S. law.







### **SECTION 5** Termination

1. Either Party may discontinue its participation in this MOU upon thirty (30) days prior written notification to the other Party.

### SECTION 6 Miscellaneous

- 1. This MOU may be modified at any time by the prior written consent of the Parties.
- 2. Any issues arising out of the interpretation and application of this MOU should be settled in good faith by consultation between the Parties.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed by their duly authorized representatives on the dates indicated below their respective signatures. To this end, this MOU is signed in duplicate and prepared in the English and Spanish languages, on the understanding that the English version of this Memorandum shall prevail for all matters related to the understanding or interpretation of the same.

For Dirección General de Contrataciones

Públicas:

Dra. Yokasta Guzmán Santos

General Director

Date:

For the United States Trade and Development Agency:

Ms. Andrea Marie Lupo

Director for Global Programs

Date: Aux. 7, 2018