CONTRACT MANAGEMENT MODULE

USER GUIDE

THE WORLD BANK
IBRD • IDA

First Edition
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### Common abbreviations and defined terms

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<th>Full terminology / definition</th>
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<td>Bank</td>
<td>IBRD and/or IDA (whether acting on its own account or in its capacity as administrator of trust funds provided by other donors)</td>
</tr>
<tr>
<td>Borrower</td>
<td>A Borrower or recipient of Investment Project Financing (IPF) and any other entity involved in the implementation of a project financed under IPF Projects</td>
</tr>
<tr>
<td>Consultant</td>
<td>A variety of private and public entities, joint ventures, or individuals that provide services of an advisory or professional nature. To improve readability, the term “Consultant” is throughout this guidance written as “consultant”.</td>
</tr>
<tr>
<td>Consulting Services</td>
<td>Covers a range of services that are of an advisory or professional nature and are provided by consultants. These Services typically involve providing expert or strategic advice e.g. management consultants, policy consultants or communications consultants. Advisory and project related Consulting Services include, for example: feasibility studies, project management, engineering services, finance and accounting services, training and development</td>
</tr>
<tr>
<td>Contract</td>
<td>Except when used with defined terms such as Contract Manager and Contract Management Plan, the term “Contract” is throughout this guidance written as “contract.” Given the multiplicity of times that this term appears in this guide, this approach improves readability.</td>
</tr>
<tr>
<td>Contract Manager</td>
<td>For the purpose of this guidance, “Contract Manager” is a generic term used to refer to a legal entity, a natural person/team assigned to/authority vested on/delegated to manage the execution of a contract. Depending on the applicable contract form, “Contract Manager” may refer to: • a range of contract management arrangements such as the: o “Engineer” in FIDIC: Conditions of Contract for Construction or Conditions of Contract for Plant &amp;Design build; o “Employer’s Representative” in FIDIC: Conditions of Contract for EPC/Turnkey; o “Project Manager”, for example, in Bank’s SPDs for Small Works; or • the Borrower’s internal team when assigned to manage a contract. In generic contexts, and in contexts which require reference to the Borrower such as in</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full terminology / definition</td>
</tr>
<tr>
<td>--------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>Contract Manager (Engineer, Project Manager etc.), the term “Borrower” is used</td>
<td></td>
</tr>
<tr>
<td>Contractor</td>
<td>The entity named in the respective contracts to execute a contract for Goods, Works or Non-Consulting Services. To improve readability, the term “Contractor” and “Sub-contractor” are throughout this guidance written as “contractor” and “sub-contractor” respectively. In some contexts, such as related to Goods contracts, the term “supplier” is also used in place of “contractor.”</td>
</tr>
<tr>
<td>ESHS</td>
<td>Environmental, Social, Health and Safety.</td>
</tr>
<tr>
<td>Investment Project Financing (IPF)</td>
<td>The Bank’s financing of investment projects that aims 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.</td>
</tr>
<tr>
<td>KPIs</td>
<td>Key Performance Indicators, critical measures that are included in a contract to monitor performance, and to ensure deliverables are met.</td>
</tr>
<tr>
<td>Procurement Process</td>
<td>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.</td>
</tr>
<tr>
<td>Project Procurement Strategy for Development (PPSD)</td>
<td>A Project-level strategy document, prepared by the Borrower, that describes how procurement in IPF operations will support the project development objectives and deliver VfM.</td>
</tr>
<tr>
<td>SEA</td>
<td>Sexual Exploitation and Abuse</td>
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<td>VfM</td>
<td>Value for Money</td>
</tr>
<tr>
<td>Works</td>
<td>A category of Procurement that refers to construction, repair, rehabilitation, demolition, restoration, maintenance of civil work structures, and related services such as transportation, insurance, installation, commissioning, and training.</td>
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1. Introduction

STEP is used by World Bank borrowers to plan, record, and track key stages of the procurement process under Investment Project Financing (IPF) projects. STEP allows both the Bank and borrowers to track all exchanges throughout the procurement cycle. STEP is designed to help clients achieve value for money in procurement. STEP enables borrowers to plan and track their procurement, it streamlines and automates some stages of the procurement process and enables monitoring and reporting as highlighted below.

Since its introduction at the World Bank in 2015, STEP has been used by task teams and World Bank borrowers to plan, record transactions, and track key stages of the procurement process under Investment Project Financing (IPF). The World Bank upgraded STEP by adding a new Contract Management Module. Effective contract management is essential to achieving the intended procurement objectives and project outcomes, and this module is designed help significantly in those endeavors.

The Contract management Module is designed to help better manage contracts and improve overall contract and project implementation. The system also facilitates better tracking of contracts, key deliverables, key performance indicators (KPIs) and payments thereby speeding up project implementation while minimizing cost and time overruns.

2. Purpose

This user guide provides the necessary information for borrowers to effectively use the Contract Management Module of STEP to manage contracts and thus improve overall contract and project implementation. Contract management is an essential part of the Fit for Purpose procurement approach, and it is applicable to goods, services, works consulting services and non-consulting services. The processes preceding contract award (such as procurement planning, selection of contractors etc.) are described in detail in the various procurement notes.¹

The borrower’s Procurement Officer and the Contract Manager are the main users of this guide. The user guide is divided in two main sections: (i) the role and responsibility of the Procurement Officer which starts with the recording of the contract signature and the initiation of contract management; and (ii) the role and responsibility of the Contract Manager who completes the contract management plan and manages the contract.

3. Objectives

The primary objective of the Contract Management System is to enable the borrower to monitor and measure the contract performance to realize Value for Money (VfM) under the Bank-financed project. The system improves procurement processing and Bank’s procurement oversight.

The Contract Management system is designed to equip the borrower to track contract performance through; key deliverables, KPIs and payments thereby improving project implementation and facilitating the provision of timely reports to the Bank.

¹ Procurement Framework and Regulations for Projects After July 1, 2016
In addition, the system is equipped with mechanisms of identifying delays and sending alerts and reminders to the borrower for overdue or upcoming activities or keys aspects in the contract. Therefore, it enables both parties (contractor/borrower) to fulfill their contractual obligations with the goal of achieving VfM and contractual results.

For each project financed under IPF, the borrower is required by the Bank to develop a contract management plan for contracts identified in a Project Procurement Strategy for Development (PPSD). The borrower shall address how the contract management plan will successfully support the execution of the contract to achieve the development objectives of the project and deliver the best VfM under a risk-based approach. This user guide should be read with reference to the World Bank Procurement Regulations for IPF Borrowers, the Guidance on Project Procurement Strategy for Development and the Contract Management guidance.

4. Overview of the system

The major functions of the Contract Management system include but are not limited to:

1. Enabling end-to-end contract implementation cycle from contract signing to contract completion;
2. Consolidating contract management records;
3. Assigning a Contract Manager to each contract;
4. Supporting borrowers to develop a Contract Management Plan to track progress during implementation;
5. Providing automated alerts/reminders to borrowers and task teams of upcoming or overdue milestones;
6. Supporting better tracking of contract variations, claims and contractual disputes including their resolution; and
7. Providing dashboards and contract and project level progress reports during the contract implementation.

5. Applicability

Figure 1 below shows all contract types for which the borrower will be required to use the system to develop a contract management plan and track key aspects from contract implementation to contract completion (Figure 2).

The Bank requires the borrower to develop a contract management plan for each contract identified as agreed in the procurement plan based on project procurement risk levels and subsequently the mandatory thresholds.

For contracts subject to prior review, the borrower is required to use the full set of system features including developing a Contract Management Plan, recording contract signature, and notifying, tracking deliverables, payments and KPI and tracking key contractual milestones.

For contracts subject to post review, the borrower is required to use all functionality described above except tracking key contractual milestones which is optional.
For **low risk/low complexity contracts** as identified in the procurement plan, Borrower is only required to record the contract signature and notify the Bank. The borrower however has the option to use all the functionality as needed.

### For which contracts is system required

<table>
<thead>
<tr>
<th>Key aspects to be tracked</th>
<th>Contract Type</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Prior Review</td>
</tr>
<tr>
<td>Recording contract signature and notifying the Bank</td>
<td>×</td>
</tr>
<tr>
<td>Deliverables</td>
<td>×</td>
</tr>
<tr>
<td>Payments</td>
<td>×</td>
</tr>
<tr>
<td>Key Performance Indicators (where applicable and agreed in PPSD)</td>
<td></td>
</tr>
<tr>
<td>Key contractual milestones and events</td>
<td>×</td>
</tr>
</tbody>
</table>

*System is used to manage all contracts except low/risk value contracts identified by the Bank in the procurement plan*

**Figure 1 - Types of Contracts subject to the Contract Management System**

### 6. How Contract Management works in the system

The contract management plan is an essential element of the Bank’s fit for purpose procurement approach. To effectively manage a contract, the borrower shall manage the contract starting with planning by initiating contract signing, ensuring that all supporting documents are recorded in the system and notifying the Bank and beyond. The system also allows borrowers to record and track several other aspects of contract management and implementation across four (4) key implementation phases as shown below (Figure 2).

As outlined in the section above (Figure 1), the Bank requires the borrower to develop a contract management plan for each contract identified, taking into consideration the risk, complexity nature, and assign appropriate roles and responsibilities. During contract execution, the borrower uses the Contract Management Plan to ensure that both contracting parties are complying with the contractual provisions.
7. Using Inbuilt help within the system

The system includes user help within the system that a user may refer to. The help is marked by a question mark against a feature or term in the system. To use the help, click on the “?” icon which will open a callout with the definition of the term or help about a given feature.
8. Elements of the STEP Contract Management Plan

The system is structured along four (4) key elements described below and as shown in Figure 4 below.

(1) **Roadmap**: The roadmap represents the preliminary process of (i) assigning a Contract Manager, (ii) recording and uploading important mandatory documents such as performance security and/or ES performance security, then (iii) notifying the Bank about contract signing by entering all signing dates and contract completion date.

(2) **Key Performance Indicators (KPIs)**: The borrower records all KPIs including a description of the KPI, the period to be measured, the unit of measure and the targets. During implementation the borrower records the actual measured performance indicator. For further information including examples of KPI, see Guidance on Contract Management Practice.

(3) **Key Deliverables**: Deliverables are expected achievement set throughout the contract execution. The borrower will be required to record in the system those deliverables along with their planned dates in accordance with the contract terms and conditions. The Borrower also identifies those deliverables that trigger payments. During the contract implementation, the borrower records completion of deliverables.

(4) **Payments**: The Borrower records the payments plan as specified in the contract including the payment triggers / conditions, the planned payment amounts and the planned payment dates. During implementation the borrower records the actual amounts paid and the payment dates.

---

**Figure 4 - Elements of the STEP Contract Management Plan**

1. **Roadmap**
   - of planned/actual dates for key contract milestones
   - Prepared by BPO

2. **Contract KPI**
   - Key Performance Indicators - where applicable
   - Prepared by assigned Contract Manager

3. **Key Deliverables**
   - required under the contract including planned and actual dates

4. **Payments**
   - including the planned dates and amounts and tracking actuals
9. Key users of the System

Borrowers are responsible for managing contracts and are the primary users of the contract management system. The borrower’s Procurement Officer and the Contract Managers are the main users of the system on the borrower side. Figure 5 below describes the details of their roles and responsibilities with further clarification under section 10 and 11 of this user guide.

The role of the Bank is to carry out its procurement oversight function, including provisioning new STEP users recommended as Contract Manager upon client request where they are not already registered as STEP users; (ii) identifying contracts that are subject to contract management, and (iii) providing implementation support.

10. Roles and Responsibilities of the Procurement Officer

During this stage, the Procurement Officer is required to perform the preliminary contract management planning including the following planning of the preliminary process of contract management as illustrated in Figure 6 below:

1. Assign a Contract Manager
2. Record the receipt of the performance security, where applicable
3. Record details of contract signing and notify the Bank of contract signing
4. Prepare the roadmap of key contractual dates and milestones
Figure 6 - Role and Responsibility of Procurement Officer

Figure 7 - Initial Roadmap

10.1. How to access the system as Procurement Officer

The Procurement Officer uses his/her regular step account and login credentials to login in to STEP at the [STEP Login page](#). The same login credentials into STEP will give automatically access to STEP through which they may select the relevant activity and click on signed contract in the roadmap to access the Contract management system.
10.2. Assigning a Primary Contract Manager

The appointment of a Contract Manager needs to be carefully considered, as the contract management functions of a major contract require skills set that the Contract Manager is required to exercise.

For each contract, the borrower is required to assign a Primary Contract Manager. This is a mandatory step to move forward in the system. The Contract Manager is an individual from the borrower side who is responsible for managing the contract including planning for contract management, receiving, reviewing, and confirming approval of key deliverables and following up the processing of payments among, other roles. By default, all existing STEP users in the project Agency are listed under the drop down and are available for selection. Where the proposed Contract Manager is not already registered as a STEP user, they may be added as described below.

A. Upon assignment of a Contract Manager, a system-generated email is sent to the user informing him/her that they have been assigned as Contract Manager.

B. The email provides details on the name of the Agency, Contract ID, Contract Reference number, Activity Reference number, Project Country, Project name and Project ID.

It is important to note that this assigned Contract Manager will only have access in STEP to the contract(s) to which they are assigned and not to any other activity under the project.
10.2.1. Assigning a Secondary Contract Manager

The borrower may also assign a Secondary Contract Manager. The Secondary Contract Manager supports the primary Contract Manager. The secondary Contract Manager may be someone within or outside the agency; for instance, it could be a consultant who is supporting the borrower to supervise a construction project or contract. Assigning a secondary Contract Manager is an option in the STEP system and follows the same process as assigning the primary Contract Manager.

All the Primary and secondary Contract Managers (Figure 10) may be assigned to multiple contracts. Contract Managers can be changed at any time during the contract implementation including after the contract is generated.
10.2.2. Adding a new STEP user as Contract Manager

Where a user to be added as Contract Manager is not listed in the dropdown menu for the agency, they may be added by clicking, on “add new user request”. The process consists of the following steps:
A. Borrower submits request to the Bank to add a new user as shown in Figure 11
B. Bank receives and reviews request and clears new user
C. New user receives instructions on how to complete the STEP registration
D. New user completes his/her STEP registration and is now available for selection as Contract Manager
E. Procurement Officer assigns the new user as Contract Manager
F. Contract Manager receives a notice of assignment as Contract Manager

Figure 11 - Adding a new user as Contract Manager

10.3. Recording Performance Security

A. Performance security: received as part of the Goods, Non-Consulting Services and Works contracts. Generally, this is 5 to 10% of the contract value. If the security total is greater than 10% of the contract’s value, then a warning message will be displayed.

B. ES security: this is an Environmental and Social performance security which may be required for Works contracts deemed to be high E&S risk. To determine whether one was required, check the details in the contract.

C. The next step is to record the details of the Performance Security and ES security (if applicable) which is divided into two tabs as follows:
   i. **Datasheet tab**: it is used to fill in the “actual receipt date” and “Expiry Date” details for the performance security and ES security dates and amounts. Based in the amount inserted, the system shall calculate the exchange rate and indicate the US$ equivalence.
   ii. **Documents tab**: it is used to upload copies of the mandatory securities documents. There is an option to add supporting documents.
   iii. Also note that in contracts where performance security is not required, there is an option to select - Not Applicable.
10.4. Recording Contract Signature

A. The final tab under the roadmap section is recording the contract signing details. It is required to complete the contract signing date, and duration of the contract (Figure 13). The contract description is already pre-populated and the user has the option to modify the information.

B. After completing the details, pressing “continue” which takes the Procurement Officer to the documents section of the tab where mandatory documents, such as a copy of the signed contract and letter of acceptance or Notification of Award should be uploaded (Figure 14).

C. Supporting documents may also be uploaded in the section below (Figure 14)
Figure 14 - Uploading Copy of signed contract

D. Clicking “continue” allows the Procurement Officer to see that the roadmap is now completed (Figure 15).

Figure 15 - Roadmap completed
10.5. Entering the planned dates for the key contract milestones.

After completing the roadmap as described above, the Procurement Officer continues his/her role by entering the planned dates of the key contractual milestones along the four key contract implementation stages\(^2\) (Figure 15) herein called in the system “key dates” for the following:

1. Formation  
2. Commencement  
3. Implementation  
4. Completion

10.5.1. Formation

This stage of Formation has already been completed by the Procurement Officer through the completion of roadmap (Figure 14). The borrower’s Procurement Officer has already assigned a Contract Manager, recorded the Performance security, and the signed Contract details. This is done in the planning stage which form part of the formation.

\(\text{Figure 16 - Recording planned key contract milestones / events}\)

\(\text{\(\text{Figure 2 - Aspects tracked at the four key stages of contract implementation}\)}\)
10.5.2. Commencement

A. This section is filled as “plan dates” for each applicable field. For example: if the Advance payment Guarantee is supposed to be provided during this planning stage, and subsequently, the Advance payment will be made, and all the planned dates should be entered for both requirements.

B. At later stage (Figure 17), once the borrower receives the guarantee, then the borrower will be required to enter actual date of receipt. Entry of actual dates are explained in sections below.

![Figure 17 - Recording planned key dates for commencement](image)

10.5.3. Implementation

A. For the implementation phase, there are fields for different categories of procurement as relevant to that procurement category that could be applicable or not. The planning dates should be entered in relevant fields.

B. For Goods Contract, the fields required are “inspection & tests” and “Delivery documents” which require that the planned dates be entered to receive delivery documents and later on when the goods are received and thereafter conduct the inspection and test.

![Figure 18 - Recording planned Key dates for Implementation](image)
10.5.4. Completion

This section requires the borrower to enter the planned dates for all the field related to completion of contract. For example, the screen shows that there is planned date for the borrower to accept delivery of goods (Figure 19).

Figure 19 - Recording planned key dates for Completion

10.6. Notifying the Bank of Contract Signature

A. The Procurement Officer has now entered all data in the roadmap pertaining to assigning a Contract Manager, uploaded the performance security, recorded contract signing details (Section 10.1 to 10.4.).

B. Furthermore, he entered the planned dates that are related to the four key stages for tracking the contract implementation (see Section 10.5).

C. It now the time to notify the Bank about the completion of the contract signing and setting contract management plan (Figure 20).

Figure 20 - Notifying the Bank of contract signing
D. The confirmation of notification to the Bank appears at "review" as per Figure 21 above.
E. Then system set the contract as signed in the system, automatically generating a contract number for further use.
F. The contract is now signed and accessible by the Contract Manager to start his role and assume his/her responsibilities, as per further Figure 22 details follow.
11. Roles and Responsibilities of the Contract Manager.

The Contract Manager is responsible for managing the contract. In the system, this includes finalizing the contract management plan and using this contract management plan to manage the contract.

This means that the Contract Manager is responsible for recording actual dates of activities as they occur and monitoring the contract from implementation to completion. Further details below explain step by step the assignment of the Contract Manager throughout the contract terms and conditions.

![Contract Manager Role Commences](image)

**11.1. How to access the system as Contract Manager**

The Contract Manager has two ways they may access the system as follows:

A. Logging in through the STEP log-in page and selecting the “Contract manager login” and

B. Clicking on the link in the email that notified them of their assignment as contract manager and logging into the screen it opens

**11.1.1. Logging in through the STEP login page**

For the 1st option, the Contract Manager logs in through STEP login [www.step.worldbank.org](http://www.step.worldbank.org)
11.1.2. Logging in through the link in the email notification

A. Upon assignment, the Contract Manager receives a system generated email notification of his/her assignment (Figure 25) which includes a link to the system.

B. Clicking on the link takes the user to a login after which it takes them directly to the contract(s) assigned to him/her.

C. The Contract Manager can now start to track and enter actual data during contract implementation. Further details are well explained in section that follows.

11.2. Finalizing the Contract Management Plan

The following section covers how the Contract Manager finalizes the plan by:

1. Recording the actual dates for key contract implementation milestones or stages as they are completed
2. The contract key performance Indicators (KPI), where applicable
3. The planned deliverables under the contract and their expected timing
4. The planned payments to suppliers / contractors / consultants and their expected timing
11.2.1. Recording actual dates of key contract milestones

The system allows Contract Manager to record and track several other aspects of the contract management and implementation stage at four key stages:

1. Formation
2. Commencement
3. Implementation
4. Completion

Formation

This stage of Formation has already been completed by Procurement Officer. The Borrower's Procurement Officer has already assigned a Contract Manager, recorded the Performance security, and signed Contract details as per the actual dates which are part of the formation.

The contract manager may assign a secondary contract manager by clicking on "Assign Contract manager"
Commencement

The Contract Manager records the actual dates as and when they occur. For example: if the Advance payment Guarantee was received, and the Advance payment was made, Planned dates for both fields were filled and would appear. When all the relevant dates have been completed the indicator for the commencement section turns Green.

![Recording actual dates in the roadmap](image)

**Figure 28 - Recording actual dates for Commencement**

Implementation

Record the actual dates as they occur. The implementation section will show the status as “Pending” till the dates are filled. As mentioned above, during implementation only actual dates need to be filled as and when they occur.

![Recording actual dates for Implementation](image)

**Figure 29 - Recording actual dates for Implementation**
Completion
Insert dates as they occur, ensure all required fields are completed and payments made as per the contract.

Note that all tabs are linked and dependent on the dates filled in the respective fields and must be completed sequentially.

Figure 30 - Recording actual dates for Completion

11.2.2. Key Performance Indicators (KPI)

Key performance indicators (KPIs) are helpful internal tool for the borrower to facilitate monitoring contract performance and to ensure that successful outcomes are achieved. KPIs are only a monitoring tool and are not a substitute for the contract provisions. KPIs are prepared to ensure that the contractor performance is satisfactory, contract requirements are met, and relevant stakeholders are well informed and satisfied with the Goods, Works, Non-consulting Services, and Consulting Services provided as per the contract.
Figure 31 - Entering Contract KPI

A. The Contract KPI field is collapsible. By clicking the down arrow, the Contract KPI expands, and data can be filled in. User has the option to create up to 6 KPIs in the plan.

B. Click on the KPI Tab and the following shall be displayed on the screen: “+ADD KPI” showing on the right side of the screen will enable contract manager to add more KPIs to the contract.

C. Figure 32 below provides an example of filled KPI 1 of a contract. The Contract Manager has several options and flexibilities available in the fields.

- **Unit of measure**: Is an open text filed, for instance the measure could be a number or a percentage.

- **Is Measure Cumulative**: By default, “Yes” is option but the Contract Manager will determines whether the measure is cumulative or not.

- **Roadmap**: The Contract Manager has an option to link the KPI with any of the roadmap activities for example, contract completion, liquidated damages, disputes, delivery documents, change management, inspection, and tests etc.

- **Period Start Date**: Generally, it is the contract commencement date, or any other date agreed with the Supplier to start measuring the KPI.

- **Period End Date**: The last date for measuring the KPI given the specific target. For instance, a given KPI could be measured quarterly, six monthly or annually. At any point during the entry of these dates, any line item / row is not required, the Contract Manager can delete the same by clicking on the “Bin” and confirming to delete on the message displayed.

- **Target**: The expected target to be met for the KPI for a given period.

- **Cumulative Total**: Is calculated based on the data entered for the “Actual for Period” field. It is the sum of the actuals entered for all the periods prior to the current one. Actual for Period is free text box. User should not be able to enter data for this until the plan is finalized. Any addition or deletion of rows should recalculate the cumulative total.

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**Adding and Developing Key Performance Indicators (KPIs)**

![Image of Contract Management dashboard and KPI module]

Figure 32 - Adding and Developing KPIs
11.2.3. Key Deliverables / Milestones

The Contract Manager is required to record the key deliverables in accordance with the contract. The Contract Manager can add new deliverable, edit, copy and delete the modified deliverable by clicking on the ellipsis if required. The system is pre-populated for standard deliverables for each type or category of contract.

![Four system aspects for contract management](image)

**Figure 33 - Entering Key Deliverables**

11.2.3.1. Modifying a Deliverable

A. The Contract Manager can modify any of the fields to suit the contractual deliverables/milestones

B. The default option for all the actions under the Milestones to be linked to Payments is “Yes”; however, “No” can be selected if a milestone is not linked to or does not trigger Payments.

C. Milestones that are marked as linked to payments will then be prepopulated in the Payments Tab; more rows can be added or existing ones can be deleted. Please see the example below.

![Modifying a Deliverable and linking it with Payments](image)

**Figure 34 - Modifying a deliverable and linking payment**
D. The user will notice the red cross and green check on the side of the deliverable; clicking the green check, the screen will save the inputs and display the milestone created.

11.2.3.2. Copying a Deliverable

E. The existing or modified deliverable can be copied by using the ellipsis on the right side of the screen. The function can be used to copy, edit, modify or delete deliverables as required.

All deliverables / milestones as per description in the contract must be added to the list.

11.2.4. Payments

The Contract Manager is required to record the planned contractual payments including the payment conditions / triggers, the planned payment dates and the payment amounts. The Contract Manager is to refer to the contract payment schedule/timeline including the payment currency.

The screen on payments tab displays the amount payable for each of the deliverables and needs to be filled by clicking on the edit (pencil sign) on extreme right.
11.2.4.1. How to enter the planned payment amount

A. While filling the planned payment amount to be paid upon each deliverable, this pop-up window below will appear.
B. Link each row to the relevant action on the roadmap, and amount as per the deliverable. Save. Note that linking to a relevant step in the roadmap is optional.

C. Once all the planned payments have been entered, the Contract Manager should be able to see the total of the amount payable equalling the contract value.
D. Note that in this example, the Advance Payment is being recovered from one of the deliverables.
A. After completing all the tabs, the Contract Manager can see the “finalize” button on the top right hand side of the screen, s/he is now ready to “Finalize” the contract management plan.

B. The user can’t edit after the plan is finalized, hence it is important that all information needed at each step during the finalization is checked and filled accurately.
C. Upon clicking on the Finalize button, the following pop-up window (Figure 41) will appear to remind the Contract Manager to select either cancel or confirm.

Now that the contract management plan has been generated, this section enables the Contract Manager to perform the duty by tracking and recording the following:

1. The actual dates for key contract implementation milestones or stages as they are completed
2. The measured KPIs against the targets for the relevant period
3. The actual dates for receipt of the deliverables
4. The actual amounts and dates for each of the payments

As explained in the previous module, the actual dates should be recorded as and when they occur.

The contract management system issues alerts and reminders by sending emails of upcoming or overdue deliverables based on the planned dates specified for each of the key milestones or deliverables. These alerts are designed to assist the borrower to track each of the milestones and ensure they are performed as contracted and, any corrective actions are taken in due time.

12.1. Recording the measured KPI against the target for the relevant period

The KPIs will now begin to show the fields for Actual Time period as seen below. Record the measured KPI for the completed period as shown in the example below. Note that all required details needs to be entered to enable the system to add the cumulative total where relevant.

Figure 42 - Recording measured KPI against target period
12.2. Recording the completion of deliverables

Record the actual dates for Deliverables / Milestones as they occur during implementation. Fields remain open for recording the actual dates as and when they occur for any pending milestone that require to be completed.

![Recording the Actual Completion Dates for Deliveries during Contract Implementation](image)

Figure 43 - Recording the Actual Completion Dates for Deliverables

12.3. Recording Contract Payments

Final stage is recording the payments under payment tab. Clicking on the payments tab shows the payments plan. Note that overdue or upcoming payments are marked with a red indicator.

The payments plan also shows the actual date of completion of a delivery or milestone as already recorded in the Deliverables tab. It is therefore important to record completed deliverables in that tab before recording the payments in the payments tab.

![Recording actual dates and amount paid in the Payments](image)

Figure 44 - Recording actual date and payment amount
The screen will display “paid” for the payments that have been paid. For passed payment plan date, it would show as ‘overdue’ indicating that an action needs to be taken. The Contract Manager will also receive alerts at various stages as reminders and alerts for upcoming and overdue actions/payments.

Figure 45 - Payment’s status during Implementation

Once all the payments have been made, the status will show ‘Paid’ against each deliverable. KPIs must be filled as the payments are being made to know the financial progress of the contract.
-End-
Annex I. Notification of Award Stage

Updates to the Notification of Award - Activity Roadmap

As part of newly introduced Contract Management Module in STEP; the “Evaluated Contract” STEP under the Procurement Roadmap has been updated. Earlier the borrower could generate contract at the Notification of Award Stage, updated version of STEP; the evaluated contract/s have been enhanced to introduce the following changes:

A. Prior Review contracts which include (Bank’s No Objection required):
   i. Price change,
   ii. Awardee change or
   iii. Merging contracts for Lots awarded to same supplier/s

B. Post Review contract:
   i. Price change,
   ii. Awardee change or
   iii. Merging contracts for Lots awarded to same supplier/s
   iv. Cancellation (subject to receiving Bank’s No Objection)

The “Awarded Contracts” tab is now renamed as “Ready to be signed Contracts” and the “Generate Contract” functionality has been removed at this stage.

The development of the Contract Management Module has included changes to the notification of award Stage. These changes provide flexibility for the borrower to better record changes made to the award decision after the Bank has issued its no Objection to the award recommendation for contracts subject to prior review.

Figure 46 - Notification of Award change
The Notification of Award now displays three tabs as follows (Figure 46):

A. Contract Listing are contracts listed awaiting to be awarded under the activity.

B. Changed Contracts are contracts where changes were made after the Bank’s No objection to the award recommendation. These contracts are not ready to be signed until the Bank reviews the recommended changes.

C. Ready to be signed contracts are contracts with no changes needed after the award recommendation. The borrower and the recommended awardee have agreed to sign the contract as awarded without changes. It also includes those contracts where the proposed changes were cleared by the Bank and the awardee has now agreed to sign the contract.

D. Contracts that have completed the stand still period, the notification of award / letter of acceptance has been issued, and the supplier / contractor/consultant has agreed to sign the contract, are considered “Ready to be signed Contracts”.

Figure 47 - Notification of Award

At this stage, the display shows that there is one (1) contract listed under ready to be signed contracts, basically only one (1) contract that will be generated into signed contract. For the selected contract has gone through price change as per (Figure 47).

The system displays the datasheet information with details editable in the event there is a contract change, or revised contract price, change to the awardee, or multiple lots into one contract.
Please note that certain changes based on contract type (Figure 1) may be subject to Bank No objection before moving to the next step within the system. Please consult your Procurement Officer or the Bank STEP champion for any question.

**Additional information**

For additional procurement guidance on Contract Management, please see:

1. The Procurement Regulations for IPF Borrowers; Annex XI;
2. Guidance: Contract Management, General Principles
3. Guidance: Contract Management, Practice