

CLASSIFICATION: PUBLIC

**CORPORATE PROCUREMENT**

**POLICY SUMMARY**

*For Vendors Doing Business with the World Bank Group*



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## **1. Introduction**

This Corporate Procurement Policy Summary has been prepared to assist the vendor community in understanding how to do business with the World Bank Group.

The World Bank Group (“Bank Group”) is one of the largest providers of financial and technical assistance to developing countries around the world.

The Bank Group is made up of five international organizations headquartered in Washington, D.C., with country offices worldwide. The Bank Group includes the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for Settlement of Investment Disputes (ICSID). The largest member of the Bank Group is IBRD/IDA, more commonly known as the World Bank.

## **2. World Bank Group Corporate Procurement Division**

The Bank Group spends nearly two billion dollars annually for goods, services, works and consulting services for its own requirements and for requirements funded by donor trust funds that go to support the Bank Group’s lending operations. Most of the Bank Group’s procurement is handled directly by the Bank Group’s Corporate Procurement Division (“Corporate Procurement”).

The goal of Corporate Procurement is to obtain the best overall value for the Bank Group through an open and competitive process that is fair and transparent. Depending on the needs of the Bank Group, Corporate Procurement formally solicits bids and proposals from vendors or in the case of small purchases issues purchase orders without formal competition.

The Bank Group’s procurement process reflects its commitment to fair labor practices, appropriate wages and benefits, safety, environmental programs, and the diversity of its suppliers. Our Procurement Policy governs all procurements made for, or on behalf of, the Bank Group.

## **3. Authorities**

3.1. Corporate Procurement has the functional authority for the Bank Group’s corporate procurement. Corporate Procurement exercises its authorities by setting policies, procedures, and standards designed to provide an appropriate balance between the institutional requirements and the needs of the business managers.

Corporate Procurement staff have the authority to sign on behalf of the Bank Group contracts, purchase orders, agreements and other instruments associated with the purchase, sale or disposal of goods and services.

3.2. No work may be commenced, nor goods supplied by a vendor prior to the issuance of an official Bank Group Purchase Order or contract. Any commencement of work, service or goods provided by a vendor prior to the issuance of a Bank Group authorized Purchase Order or contract will be at the vendor’s own risk.

## **4. Vendor Registration**

4.1. Vendors must meet the Bank Group’s standards related to product/service quality, delivery systems, price, and service objectives. Some of the more important vendor attributes the Bank Group considers in supplier selection are performance history, facilities and technical strength, financial status, organization and management, reputation, systems, data and information security, privacy policy, risk management, procedural compliance, communications, labor relations, environmental performance, diversity achievements and location.

4.2. The Bank Group will only review and process vendor registrations for businesses that have been selected to provide goods or services as a result of either a competitive process or sole source contract award. New Vendors are invited to submit a vendor application by a Bank Group staff member. An email is sent with a direct link to the Bank Group's Vendor Registration system that requests required application information.

4.3. Completion of a Vendor Registration application does not guarantee a Vendor will be approved as a Bank Group Registered Vendor.

4.4. At the Bank Group, a Vendor is defined as:

- a. A Business is defined as an organization that has been incorporated, or registered as a company (corporation, company/limited, partnership) that has been established to offer goods and/or services for profit. An organization registered as "not-for profit" (e.g. university, hospital) is also considered a business; or
- b. A Sole Proprietor/ Independent Contractor is defined as a person engaged in a business as either a 'self-employed individual' (an individual in business for himself or herself and is self-employed), or as a 'sole proprietor' (an individual in business for himself or herself and who is the only owner of the unincorporated trade or business).

4.5. Vendor eligibility is measured by reviewing vendor applications against the following Vendor Registration Criteria:

- a. The business enterprise can demonstrate that it has been and is offering goods/services under the business name for a period not less than one year.
- b. The Vendor has multiple business clients and the financial capacity to provide the goods and/or services. The financial capacity will be assessed by comparing the vendor's revenues to the value of the proposed contract(s).
- c. The Vendor is able to legally conduct business in the country(ies) for which they are registering and where work is to be performed or goods delivered.
- d. Consistent with the Bank Group's policy, Vendors debarred from contracting with the Bank Group, and companies listed on anti-money laundering/combating the financing of terrorists sanctions lists are ineligible to be Bank Group vendors and to receive Bank Group contract awards. Companies listed on the World Bank Non-Responsible Vendors (see <https://www.worldbank.org/en/about/corporate-procurement/business-opportunities/non-responsible-vendors>), World Bank Listing of Ineligible Firms are also ineligible to be Bank Group Vendors and/or receive Bank Group contract awards (see World Bank Listing of Ineligible Firms & Individuals, <https://www.worldbank.org/en/projects-operations/procurement/debarred-firms>). Further, Bank Group Vendors excluded from future contract awards will not be eligible to receive Bank Group contract awards or to bid on Bank Group solicitations for the period of ineligibility.

4.6. Bank Group Policy Restrictions Related to Current and Former Bank Group Staff and their Close Relatives

- a. The Bank Group's policies apply to current and former Bank Group staff, including but not limited to Short Term Consultant (STC), Short Term Temporary (STT), Extended Term Consultant (ETC), Extended Term Temporary (ETT), Junior Professional Associate (JPA), Local Staff, Regular, Open-Ended, Term, Executive Director Assistant and Special Assignment appointments.
- b. These policies provide certain restrictions related to vendor eligibility and the eligibility of current and former Bank Group staff from performing services for the Bank Group. Vendors

are required to notify the Bank Group of any current or former Bank Group staff that they are proposing to provide services under a contract with the Bank Group.

- c. Current or former Bank Group staff are ineligible to be Bank Group vendors or subcontractors to Bank Group vendors, whether as sole proprietors or independent contractors, during their appointment and for a period of twelve months (“Cooling Off Period”) from the termination date of their Bank Group appointment. In addition, this Cooling Off Period applies to companies in which a current or former Bank Group staff member is an owner, principal, director or officer, or holds a financial interest. The Cooling Off Period also applies to companies with which close relatives (spouses, parents, full and half siblings, children, aunts, nieces, nephews and domestic partners) of current or former Bank Group staff are owners, principals, directors or officers, or hold a financial interest. In the context of the Cooling Off Period, “financial interest” does not include negligible stock holdings in entities listed on the S&P 1200.
- d. The Bank Group also imposes a restriction on all current and former Bank Group staff that for two years after termination of service with the Bank Group, they may not seek or accept work for other entities or persons related to activities where the Bank Group has an interest or is a party and where they had direct involvement during their Bank Group service, except with the Bank Group’s prior written consent. In addition, Bank Group policies restrict close relatives of Bank Group staff from being hired either directly or through its suppliers.
- e. Vendors are required to notify Corporate Procurement of any real or perceived conflicts of interest, including affiliations with current or former Bank Group staff and their close relatives.

4.7. Vendors do not need to be registered in order to be eligible to participate in bidding opportunities. However, a vendor must be a “Registered Vendor” in order to receive a contract award.

4.8. Once a Vendor is approved and deemed responsible, it is added to the Bank Group’s Vendor Master File as a “Registered Vendor”. Registered vendors will be expected to maintain their Vendor Registration file and advise the Bank Group of any significant business changes. Registered vendors may be asked to submit updated and/or provide additional information that may be used in determining the vendor’s ability to participate in specific requests for proposals for major procurements, where additional qualification criteria, specific to the requirement, have been determined.

4.9. The Bank Group, at its sole discretion, reserves the right to remove a Vendor from the Master File. Reasons for removing a Vendor from the Master File could include:

- a. Vendor no longer meets the Vendor Registration or Vendor Eligibility criteria
- b. Vendor Master File is inactive or information is out of date
- c. Vendor’s unsatisfactory performance under a Bank Group contract

4.10. Only responsible vendors are eligible to receive Bank Group contracts. Vendors found to be non-responsible may be excluded from future contract awards.

## **5. Vendor Eligibility**

The Bank Group’s policies, standards and procedures for determining whether a vendor is excluded, either permanently or for a specific period of time, from receiving Contract awards from the Bank Group are found in the World Bank Vendor Eligibility Policy posted on the Bank Group’s website at <https://www.worldbank.org/vendorkiosk>.

## **6. Business Ethics**

6.1. The Bank Group’s procurement activities are conducted in a manner above reproach, with complete impartiality and with no preferential treatment. Bank Group staff will not solicit or accept, directly or

indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who: (a) has or is seeking to obtain Bank Group business; or (b) has interests that may be substantially affected by a procurement award.

6.2. The Bank Group's vendors and their employees are expected to abide by the highest ethical, legal and moral standards in all business relationships. As such, all vendors are obliged to respect the Bank Group's policy and refrain from placing Bank staff in an ethical dilemma by offering entertainment, hospitality or gifts.

## **7. Vendor Integrity Policies**

7.1. Vendors must comply with the following integrity documents, available on the Bank Group's website (<https://www.worldbank.org/vendorkiosk>):

- i. Vendor Eligibility Policy
- ii. Vendors Code of Conduct
- iii. Restrictions on Current and Former WBG staff
- iv. Code of Conduct for On-site Vendor Employees
- v. Information Security Policy for Contractors
- vi. Security, Fire and Safety Regulations for WBG Contract Employees

Vendors are responsible for monitoring the Bank Group website:

<https://www.worldbank.org/corporateprocurement> in order to stay abreast of compliance requirements and changes to, or the introduction of, applicable policies.

## **8. Source Selection**

8.1 The Bank Group promotes open competition through its procurement process using a variety of traditional solicitation tools such as RFQs, IFBs, RFPs, etc. Purchases made by the Bank Group follow a formal competitive bidding process whenever possible.

8.2 The Bank Group uses both manual and electronic tools for solicitations. Electronic tools include email, secured fax, and other e-tendering solutions. Electronic commerce with suppliers significantly enables efficiency and reduction in transaction costs. It is the goal of the Bank Group to have an integrated electronic business solution for the majority of its supply processes in those countries where e-tendering can be achieved. This extends to the entire supply chain, including communications and document exchanges among clients, Corporate Procurement, suppliers, and other Bank Group supply stakeholders. Corporate Procurement will attempt to automate the procurement process — particularly from order placement to disposal — as much as possible. Inherent in this principle is an expectation that Bank Group suppliers will become capable of conducting business electronically. New suppliers will be enabled by electronic requirements, purchase order, and invoice and payment processes whenever an electronic business solution is available.

8.3 The Bank Group's contract terms and conditions are posted on the Bank Group's website at <https://www.worldbank.org/vendorkiosk>. It is the vendor's responsibility to review the terms and conditions prior to bidding, accepting an order, rendering services or shipping goods to the Bank Group.

8.4 Vendors do not need to be "registered" to participate in the Bank Group solicitation process, however, in order to receive a contract award, they must have completed the Vendor Registration, meet all eligibility requirements and provided all required documentation.

## **9. Solicitation Process**

### 9.1 Best Value

9.1.1 The Bank Group bases procurement decisions on best value. Best value is defined as the outcome that provides the optimal combination of elements such as lowest total cost of ownership; technology, innovation and efficiency; assurance of supply; quality; and other factors relative to the Bank Group's needs. When sourcing, the best value is generally achieved through competition.

### 9.2 Solicitation Procedures and Types

9.2.1 The Procurement Officer prepares and distributes, by invitation or advertisement, a solicitation to prospective vendors. The solicitation may include, based on the goods and services being acquired, specifications, an SOW, a TOR, or a Performance Work Statement (PWS), price sheet, questionnaire, proposed contract terms and conditions, evaluation criteria, and any other necessary information. Solicitations intended to result in multiyear contract awards may require respondents to submit financial statements for the previous two years, so that respondents' financial status/stability can be determined. All requirements must be clearly stated in the body of the solicitation, and all must be specifically addressed by the bidder/offeror in their bid/proposal.

9.2.2 Prospective bidders/offerors should follow the protest procedure described in section 14.2 and inform the Chief, Corporate Procurement if they believe the specifications or other solicitation requirements are faulty, unnecessary, or inhibit competition so that any valid issues can be addressed in an addendum.

### 9.3 Business Opportunities

9.3.1 Corporate Procurement's solicitation methodologies are consistent with the industry norms for the goods and services and the need for adequate competition. Bank Group procurements are open to competition from vendors in all countries, subject to the competitors being eligible and legally able to conduct business in the country of performance/delivery.

9.3.1.1 Opportunities may be by invitation to a sufficient number of vendors to ensure adequate competition, or through advertisement on the Bank Group's website at <https://www.worldbank.org/en/about/corporate-procurement/business-opportunities>, in local newspapers or in periodicals.

9.3.1.2 Advertisement might not always be appropriate taking into consideration the various market and local conditions the Bank Group operates in. advertising requirements for solicitations as deemed appropriate.

### 9.4 Exceptions to Competition

It is the Bank Group's policy to procure goods or services through a competitive process to the maximum extent possible. However, instances arise when a noncompetitive procurement selection is justified.

## **10. Bids and Proposals**

10.1 Submission of quotations/bids/proposals is to be in accordance with the instructions contained in the solicitation document.

### 10.2 Rejection of Quotations/Bids/Proposals

10.2.1 The Bank Group at its sole discretion reserves the right to reject any quotation, bid or proposal without recourse. Quotations/bids/proposals may be rejected for the following reasons:

- a. Quotations/bids/proposals were received past the due date and time as specified in the solicitation document.
- b. The Procurement Officer determines the total quotation/bid/proposal price or prices for individual line items to be unreasonable or unbalanced.
- c. When a bid guarantee is required and the bidder fails to furnish the guarantee in accordance with the bid requirements.
- d. Quotations/bids/proposals received are not responsive to the content of the solicitation.
- e. The solicitation has been cancelled for Bank Group business reasons.

10.3 The Bank Group, at its sole discretion, reserves the right to request substantiation or clarification for any or all information received, and to ask for interviews with the management staff of bidders/offerors when necessary.

10.4 The Bank Group, at its sole discretion, reserves the right to cancel a solicitation without recourse, at any time during the solicitation and evaluation process and prior to contract award.

## **11. Socially Responsible Procurement**

11.1 As a socially responsible organization, the Bank Group, through its corporate procurement practices, endeavors to integrate socially responsible suppliers into its supply chain. To this end, for contracts where labor services are provided directly to the Bank Group, Bank Group procurement policy addresses supplier activities under the categories of diversity, wages and benefits, health and safety, and accessibility (equipment and facilities).

### **11.2 Wages and Benefits, Health and Safety**

11.2.1 Bank Group solicitations and contracts for labor services will specify measures to be implemented to address service employees' wages and their health and welfare fringe benefits, and will also specify criteria that address the need for contractors to provide their service employees with safe working conditions and fair and equitable work practices.

11.2.2 The Bank Group's policy on socially responsible procurement will be reflected in solicitations for the provision of labor services as determined appropriate by Corporate Procurement. If appropriate, applicable evaluation criteria will be included in the technical evaluation and considered in the cost analysis of all quotations, bids, and proposals received in determining the successful bidders or offerors.

### **11.3 Supplier Diversity**

Bank Group procurement practices will provide opportunities for access to Minority, Women and Disabled Owned Business Enterprises (MWDBEs). An objective of Corporate Procurement's vendor diversity initiative is to increase the participation of MWDBEs in Bank Group contracts in the United States, both by direct contracting and by working with Bank Group prime contractors (first-tier vendors) to help them expand their subcontracting of Bank Group related business to MWDBE firms (second-tier).

## **12. Environmentally Responsible Procurement**

12.1 To increase the development and awareness of environmentally responsible procurement (ERP), the acquisitions of goods and services will ensure that, wherever possible, specifications are written to provide for the expanded use of environmentally preferred products such as: durable products, reusable products, energy-efficient products, low-pollution products, products (including those used in services) that contain the maximum level of post-consumer waste and/or recyclable content, and products that in any other way have a minimal harmful impact on the environment.

12.2 The Bank Group's policy on Environmentally Responsible Procurement will be reflected in solicitations issued by Corporate Procurement as determined appropriate by Corporate Procurement. Applicable evaluation criteria will be included in the technical evaluation and considered in the cost analysis of all quotations, bids, and proposals received in determining the successful bidders/offerors.

12.3 It is recognized that cost analysis is required to ensure that the products are made available at competitive prices, and that the environmental benefits provided by a product or service do not undermine its overall performance. Given that many environmentally preferred products and services can produce a variety of tangible benefits, full consideration should be given to the long-term and complete costs and benefits of environmentally responsible procurement.

### **13. Contract Award**

#### **13.1 Basis for Award**

Following a selection process, the vendor is selected in accordance with the basis for the award as specified in the solicitation, and as described below:

- a. A Procurement Officer determines whether the vendor selected for award is responsible. A responsible vendor is defined as one with the operational capacity, capability, and willingness to successfully complete the contract. In making this determination, the Procurement Officer considers various elements including financial stability, financial ratios, the location and operating capacity of the vendor's plant and personnel, and the effect of other financial and resource commitments, as well as the vendor's experience, past performance, and history of adherence to ethical business practices.
- b. A Procurement Officer determines, based on reasonable knowledge of the commodity and market conditions, that the price quote/offer is fair, reasonable, and balanced. Reasonable pricing will be determined by comparison of the proposed bid/proposal price with: recent previous purchases; current price lists; catalogues; advertisements; and similar industry benchmarks.

#### **13.2 Notice of Award**

- 13.2.1 The selected bidder/offeror will receive notice of the award and the Bank Group contract will be issued in accordance with the solicitation requirements.
- 13.2.2 Subject to the exceptions of the respective information disclosure policies, for any contract award valued at and over US \$250,000 made after July 1, 2013, the World Bank Group reserves the right to publicly disclose contract award information – specifically, the name of the vendor receiving the award, a brief description of the contract goods or services, and the contract award amount. Vendor's proposal and contractual documents will remain confidential and therefore not subject to disclosure.

#### **13.3 Contracting Instruments**

Bank Group purchase obligations are executed in the form of written agreements that establish binding legal relationships obligating the vendor/contractor to furnish goods, works, services, or data and obligating the Bank Group to pay for them. Examples of contracting instruments used by the Bank Group are as follows:

- a. Purchase Orders: a template form contract that is issued subject to the Bank Group's commodity specific General Terms and Conditions available online at [www.worldbank.org/corporateprocurement/](http://www.worldbank.org/corporateprocurement/).
- b. Contracts: written commitments between the Bank Group and vendors based on a set of agreed-upon terms and conditions.

#### 13.4 Acceptance

The acceptance of the contract or purchase order by the vendor is the vendor's consent to proceed with performance. The Bank Group's regulations do not permit oral contracts, therefore vendors are not permitted to proceed with deliveries or begin work before the issuance of a written Bank Group-authorized contract or purchase order. Furthermore, all contract changes or modifications must be in writing and fully executed by both parties.

### **14. Award Debriefing and Protest Procedures**

Award Debriefing and Protests procedures are available only to offerors/bidders who participated in a Bank Group competitive solicitation and who were not awarded a purchase order or contract. Award Debriefing and Award Protest procedures are not available to vendors who did not participate in the solicitation; non-responsive or late offerors/bidders; or when the solicitation was cancelled by Bank Group.

#### 14.1 Debriefing Procedures

14.1.1 The Bank Group does not routinely debrief unsuccessful offerors. However, in the case of highly technical or complex awards, a debriefing may be conducted upon written request from an unsuccessful offeror.

14.1.2 The scope of the debriefing is to identify the technical deficiencies or weaknesses of the offeror's proposal. Debriefings do not discuss the following:

- a. Trade secrets or other proprietary information including the methodology or approach of other offerors;
- b. Financial or cost information about other offerors;
- c. Evaluation scoring or the ranking of the offerors; or
- d. Other offerors' proposals.

#### 14.2 Protest Procedures

14.2.1 The Bank Group's response to all protests, regardless of who they are addressed to, is always prepared and executed by Corporate Procurement.

14.2.2 An unsuccessful offeror/bidder that wishes to submit a protest must inform the Chief, Corporate Procurement in writing to explain the basis of the protest within 10 business days (the "Notice Period") of the Bank Group's issuance of the solicitation, addendum, notice of award or other action of the Bank Group related to the solicitation. Protest notifications must include the following information:

- a. The protestor's name, address, telephone number, fax number, and email address
- b. The Bank Group solicitation number
- c. A detailed statement of all factual and legal grounds for the protest and an explanation of how the protestor was prejudiced
- d. Copies or relevant documents supporting the protestor's statement

Protest notifications that are submitted after the 10-day Notice Period or that do not indicate a basis for the protest are not entertained.

14.2.3 Upon receipt of a written protest from an unsuccessful bidder/offeror, the Chief, Corporate Procurement does the following:

- a. Provides the protestor with a written acknowledgement;
- b. Initiates a review of the protestor's allegations; and

- c. Following the conclusion of the review, provides the protestor with formal written notification of the decision and the basis upon which it was made.
- 14.2.4 A decision will be final and conclusive unless, within 10 business days from the date of receipt of the decision, the protestor files a written appeal with the Chief, Corporate Procurement. The determination by the Chief, Corporate Procurement will be final and conclusive.

## **15. Contract Administration**

15.1 The Bank Group Contract Manager has the responsibility to monitor contractor performance through meetings, reports, and inspection in order to ensure contract compliance. The Contract Manager must also require deliverables for all services and document contractor performance.

15.2 Contract changes become effective only after a written contract modification or change order has been issued by the Procurement Officer and executed by the vendor.

### **15.3 Payment to Vendors**

15.3.1 Vendors shall promptly submit invoices to the Bank Group in accordance with the instructions in the contract.

15.3.2 Upon receipt of proper invoices, the Bank Group will pay Vendors at the prices/rates stipulated in the contract, for goods delivered and accepted or services delivered or rendered and accepted, minus any deductions or discounts provided for in the contract.

15.3.3 The Bank Group's standard payment terms are Net 30 (payment within 30 days of receipt of an accurate invoice). Should a vendor be interested in a prompt invoice payment and are willing to offer a prompt payment discount, they should contact Corporate Procurement to discuss.

15.3.4 The Bank Group operates a Purchasing Card (PCard) and Event Card programs which allow authorized card holders to purchase low-dollar-value goods and services for Bank Group business use.

**Any questions regarding the Corporate Procurement Policy Summary should be directed to [CorporateProcurement@worldbank.org](mailto:CorporateProcurement@worldbank.org).**