About our Supplier Diversity Commitment

Supplier Diversity is a highly valued strategic initiative at the World Bank Group (WBG). We are committed to promoting, increasing, and improving the business participation of diverse suppliers such as minority, women-, and disabled-owned business enterprises (MWDBEs) in our procurement process and, as announced in March 2018, to doubling our spend (to reach 7% of our total corporate procurement spend) with women-owned businesses (WBEs) by 2023.

Your Role in Tier 2 reporting

As a WBG first-tier supplier, we request your support and participation to our global supplier diversity efforts, in view of providing increased sourcing opportunities for MWDBEs, while doing business with the WBG. As part of this process, we ask that you share your company’s supplier diversity goals and begin reporting annual spend with diverse suppliers. If a global program has not yet been established, we encourage you to establish one in the first year of your contract with the WBG.

Methods of Reporting Tier 2 subcontracting

The WBG utilizes direct and indirect spend methods for our contractors to report on their spend with diverse businesses:

Direct spend refers to reporting subcontracting expenditure with diverse suppliers for services/products that directly support and can be traced back to performing work under your WBG contract. In this case 100% of these expenditures should be reported to the WBG.

Indirect spend addresses payments made to diverse suppliers, for subcontracting that does not directly relate to the WBG contract. This expenditure is proportionally allocated and reported to the WBG using the Indirect Allocation formula (see below).

Indirect Spend Allocation Formula

1) Total annual sales to WBG ÷ total annual company Sales = Allocation Factor
2) Total annual diverse Indirect Expenditures X Allocation Factor = WBG’s portion of diverse spend

Example: “Y” company’s annual sales were $100,000 and $20,000 of those were with the WBG. “Y” company purchased $10,000 worth of goods and services from a certified diverse supplier. Y should report as follows:

   Step 1: Divide $20,000 (sales to WBG) ÷ by $100,000 = 0.20 Allocation Factor
   Step 2: Take the $10,000 (spend with diverse suppliers) X 0.20 = $2,000 WBG allocation for diverse suppliers spend

Recognized Diverse Supplier Categories

A diverse business must be at least 51% owned, operated and controlled by one or more such individuals, as recognized in the table below:
**Frequently Asked Questions**

1. **My company is requested to report Tier 2 spend to the World Bank Group. How do I report my company’s spend?**

   Reporting your company’s spend with diverse businesses for the Fiscal Year 2020 (July 1, 2019 until June 30, 2020) shall be provided to the WBG using the available Supplier Diversity Tier 2 Reporting Form. No other reporting format will be accepted. You can access the form and start reporting your diverse spend by clicking the link below: [https://www.surveymonkey.com/r/WBGSupplierDiversity](https://www.surveymonkey.com/r/WBGSupplierDiversity)

   Please note that, the WBG reserves the right to perform validation of the reported Tier 2 expenditure.

2. **How will my reported Tier 2 diverse spend be utilized by the World Bank Group?**

   All Tier 2 diverse spend data shall be kept confidential and will not be shared or communicated with any external parties. Only aggregated and anonymized data may be reported publicly as we track progress towards our supplier diversity commitments. The Bank protects information submitted by vendors in accordance with the contract between each vendor and the Bank and in accordance with the Bank’s policies and procedures.

3. **Our reporting year does not align with the World Bank Group fiscal year – what should we do?**

   Please provide data for the most recent twelve (12) month period you can report, noting the start and end date in the survey.

4. **Should I report (direct/indirect) spend only for certified diverse suppliers and/or subcontractors?**

   Yes, it is recommended that you report expenditure with certified diverse suppliers and subcontractors that have achieved certification through one of the recognized bodies defined in the Recognized Diverse Supplier Categories section above.

5. **I have been asked by the WBG to report my diverse spend but my company does not yet track expenditure with diverse suppliers. How should I proceed?**
If a global Supplier Diversity program has not yet been established by your company, we ask that you provide us with a potential date of when one will be implemented. We strongly encourage that this will be no later than one year from contract start date. Although, we do not provide direct support for establishing corporate Supplier Diversity Programs, if a Supplier Diversity subcontracting plan and goal has been set as a requirement as part of your contract with the WBG, we can direct you to available information and resources to help.

6. Who should I contact with a question regarding my reporting to WBG Tier 2 program?

   For all queries in relation to your Tier 2 reporting requirement, you should contact WBG Corporate Procurement:
   
   Email: gprocurement@worldbank.org  
   Attn: Supplier Diversity Manager  
   
   For more information about our Supplier Diversity Program, visit our website at: https://www.worldbank.org/en/about/corporate-procurement/vendors/supplier-diversity

7. I have more than one contract with the WBG – do I need to report separately for each contract?

   Yes, please indicate which contract the reported spend is associated with in the online Tier 2 reporting form.

8. In what currency should I report my spend with diverse suppliers?

   Please report all spend in USD, and to the nearest whole dollar.