

World Food Programme

Introducing WFP procurement for emergencies

November 2016



World Food Programme

WFP Procurement

The World Food Programme provides food assistance to meet emergency needs and to support economic and social development.



WFP aims to bring food assistance to more than 90 million people in 75 countries

In 2015, WFP procured over 2.5 billion of food, goods and services to support the distribution of approx. 4-5 million metric tons of food.



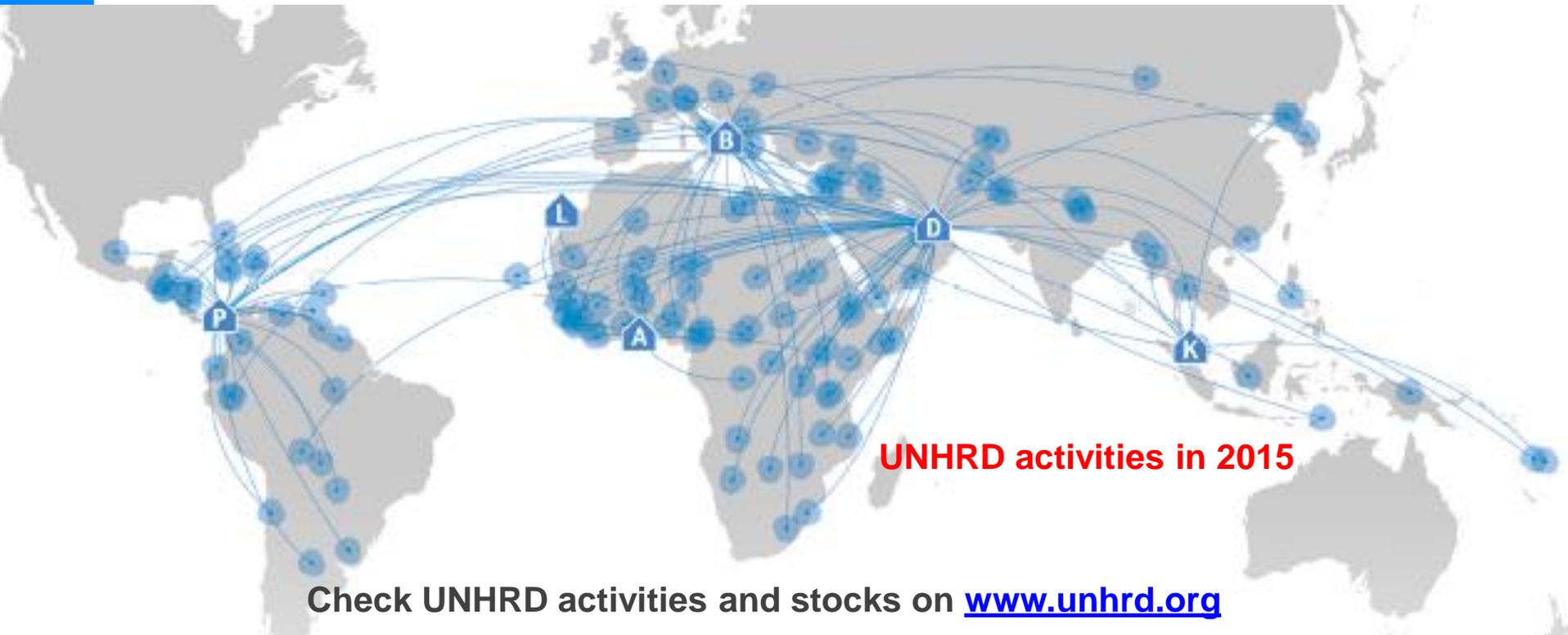
WFP Global presence

WFP has a presence in over 80 countries in the world, hit by emergencies and affected by nutrition issues.



WFP Global presence - HRDs

WFP operates either directly through its Headquarters in Rome, its 5 Regional Bureaus and its Country Offices, or through 6 Humanitarian Response Depots (HRDs), which can be used for emergency supply by NGOs and national partners.



Main items purchased

1

Prefabricated buildings

2

Mobile storage units

3

Emergency response kits

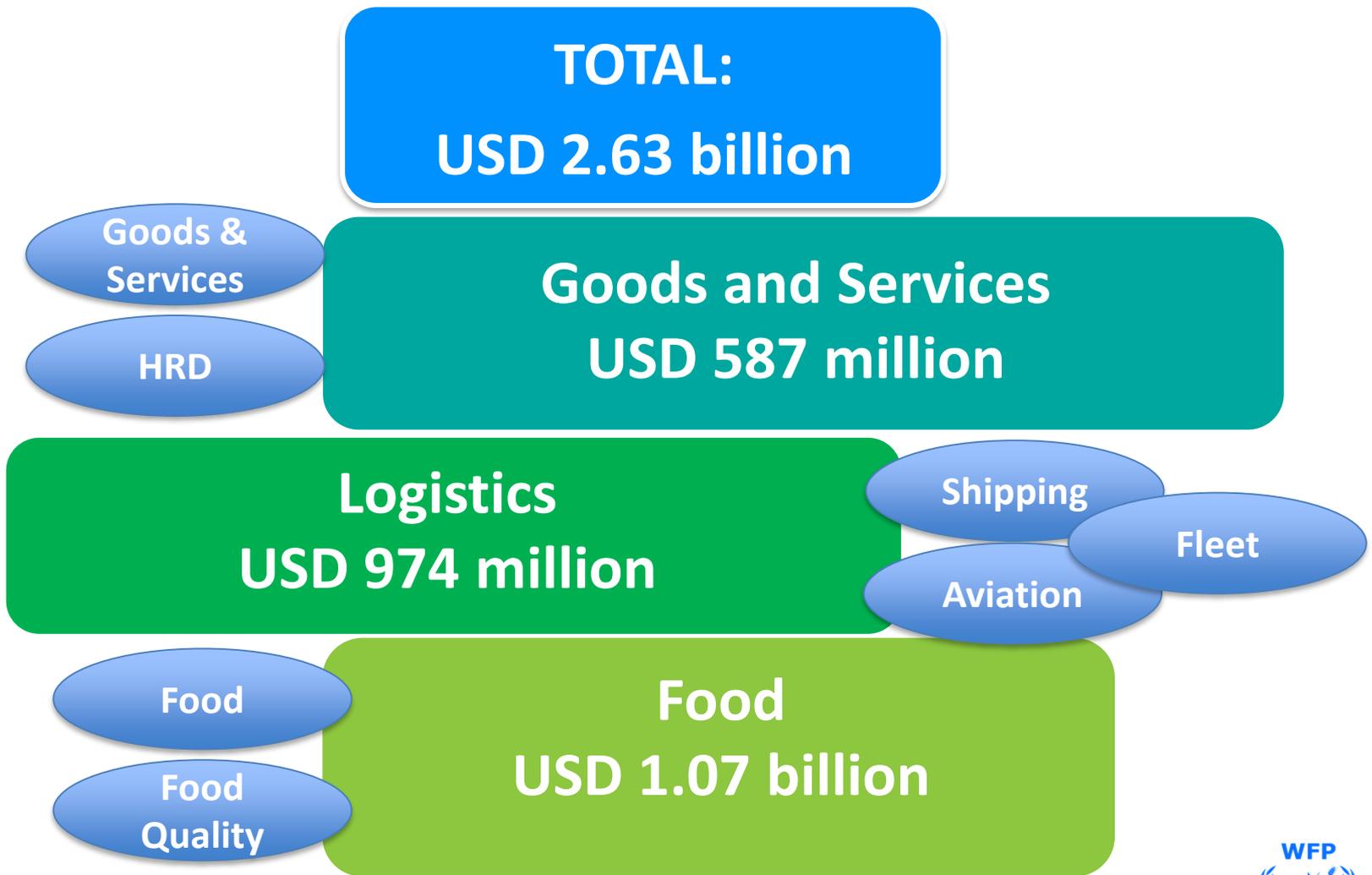
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Generators and lights sets

5

Light boats and engines

WFP Procurement in 2015

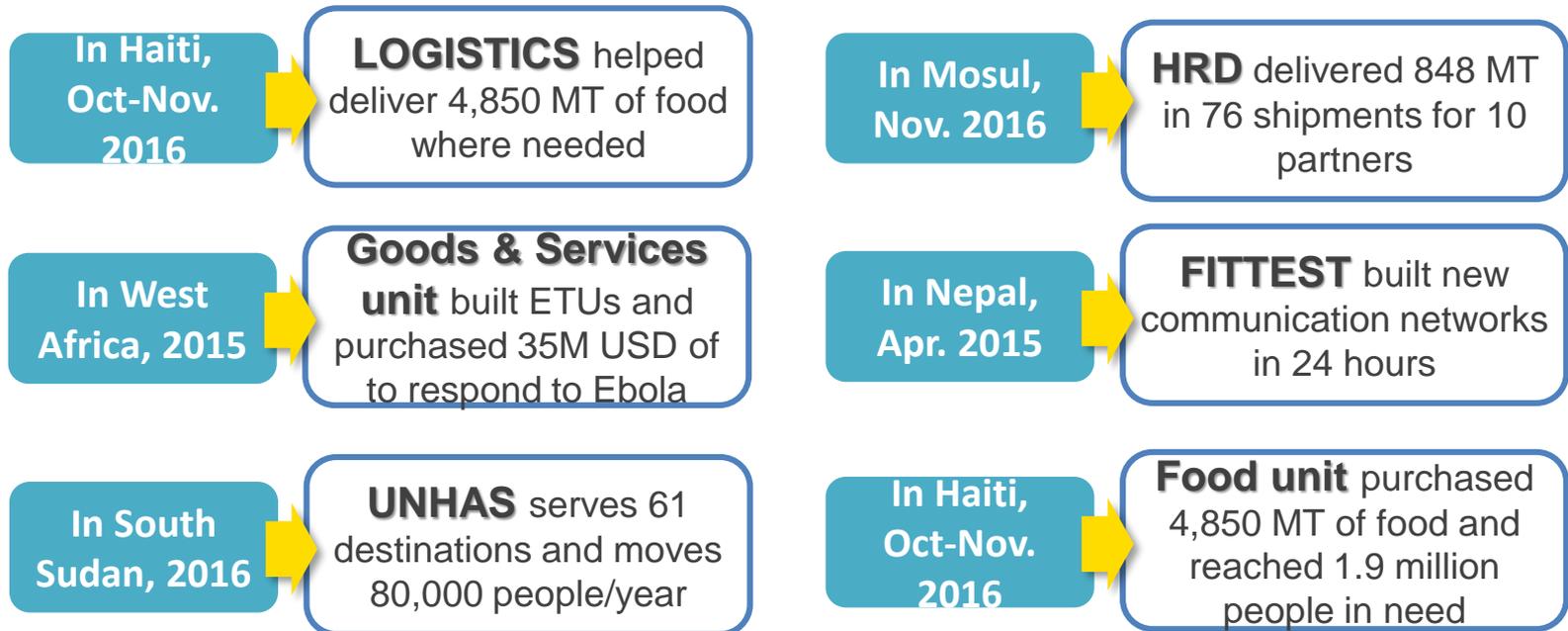


WFP operates with a **decentralized procurement model**, based on value thresholds to activate/approve procurement actions at local, regional and HQ level



WFP in emergencies – few examples

When an emergency kicks in, WFP is ready to support in many ways:



Plus a number of additional activities...

Cash & Vouchers transfers

Rapid assessment (VAM or mVAM)

Nutrition assessment

Support for humanitarian community

Resource mobilization

Goods & Services (G&S) Procurement - Emergencies



G&S Procurement

Contracts with commercial providers are managed by WFP's Goods & Services Procurement Branch*.

- Headquarters at Rome, Italy
- Regional Bureaux at 5 locations worldwide
- Field Offices in 80 countries worldwide

G&S Procurement has always been a core functional area within WFP. Since 2004 the volume of G&S procurement by value has grown by 200%

The G&S Procurement branch procures on behalf of WFP, however, some linked structures like UNHRD also procure on behalf of the wider UN and governmental/non-governmental agencies.

*with the exception of warehouse leasing, fleet management, shipping & contracting of air assets covered by WFP logistics

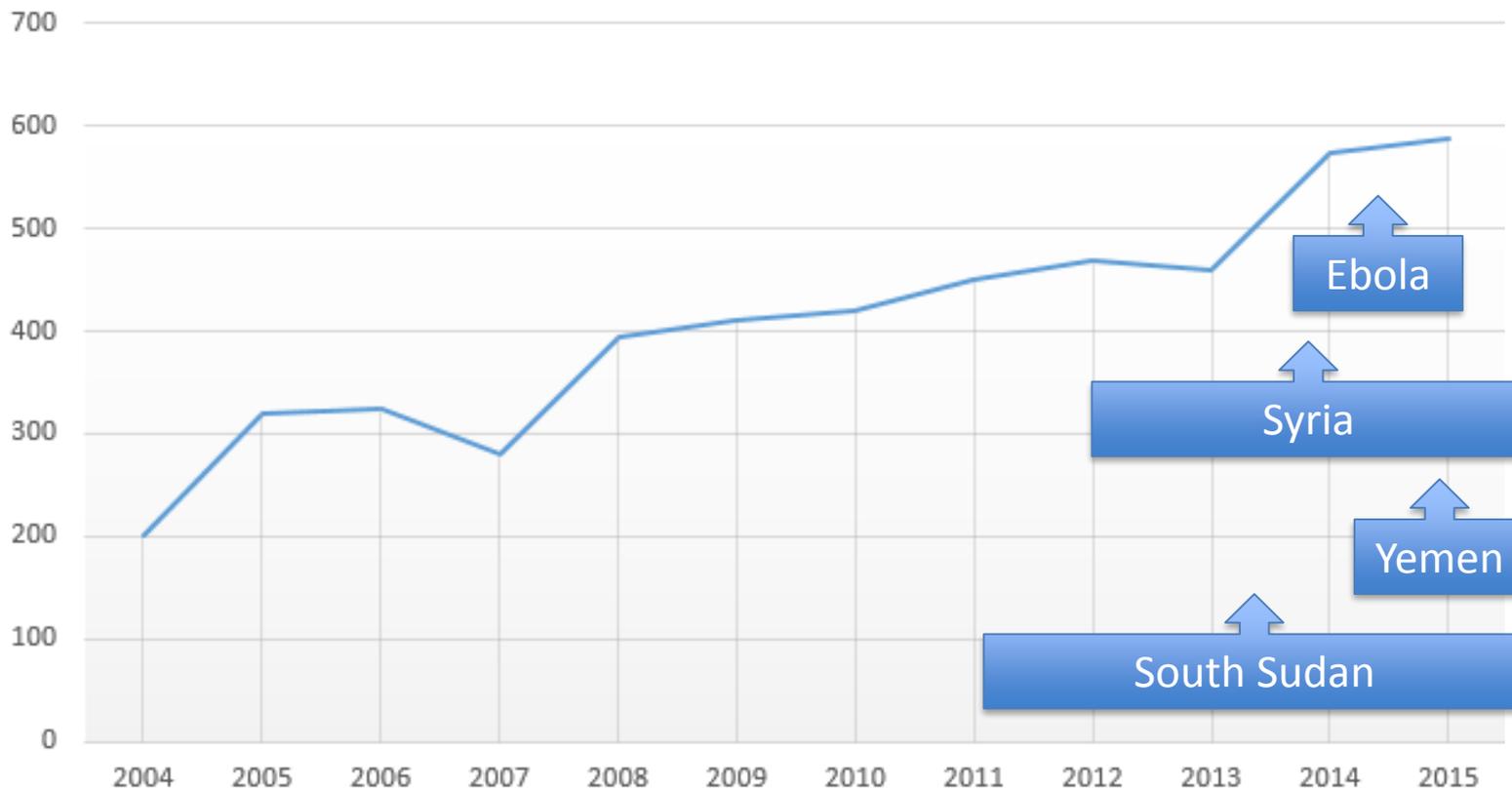


2010-2015 Procurement G&S

1

In 2015 WFP Procurement purchased \$587m of G&S.

Purchases over years 2004-2015



2015 Key Categories: Goods & Services

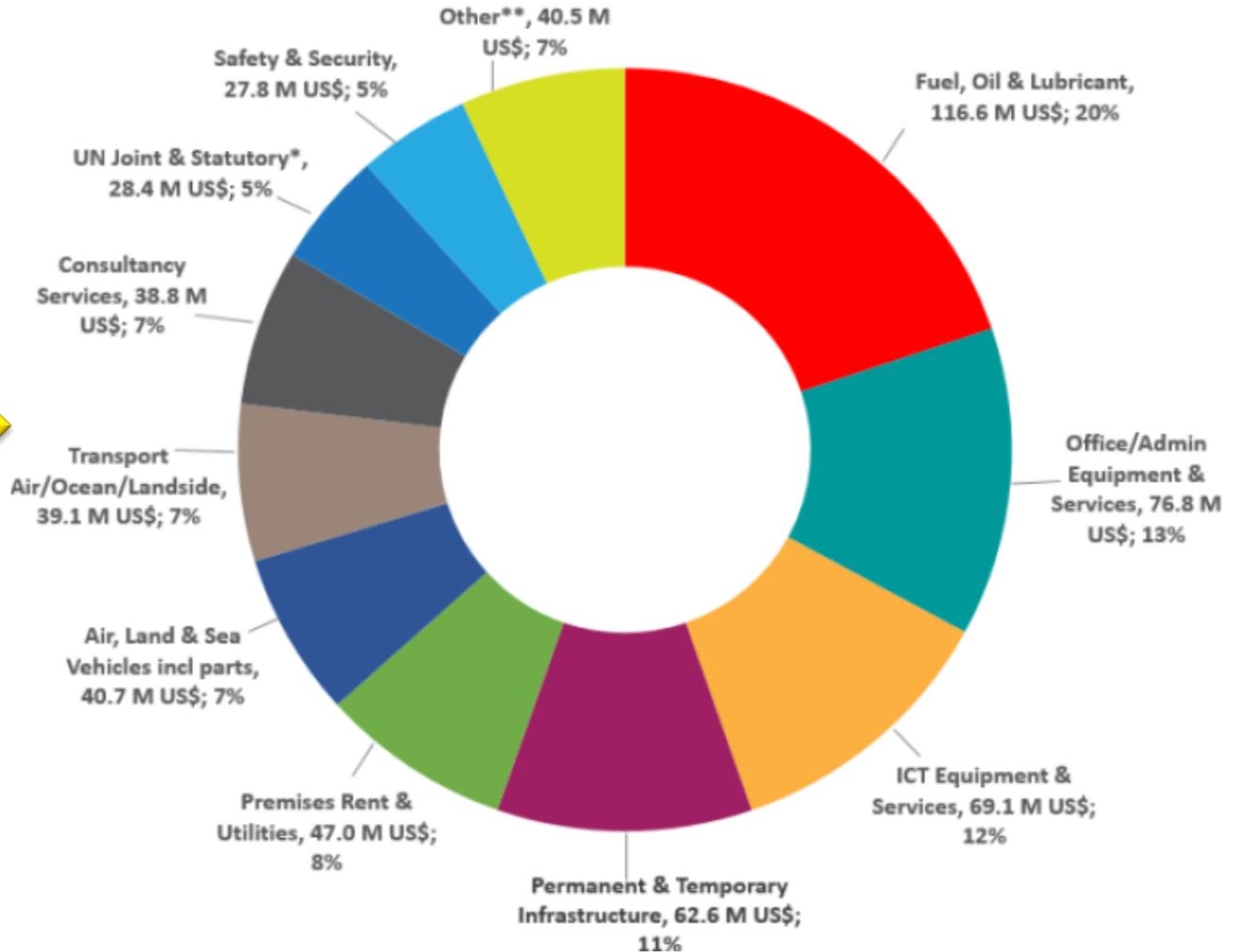
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TOTAL:
USD 2.63 billion

Goods and Services
USD 587 million

Logistics
USD 974 million

Food
USD 1.07 billion



*UN Joint and Statutory relates to payments made internally between UN Agencies, Funds, and Programmes (AFP)

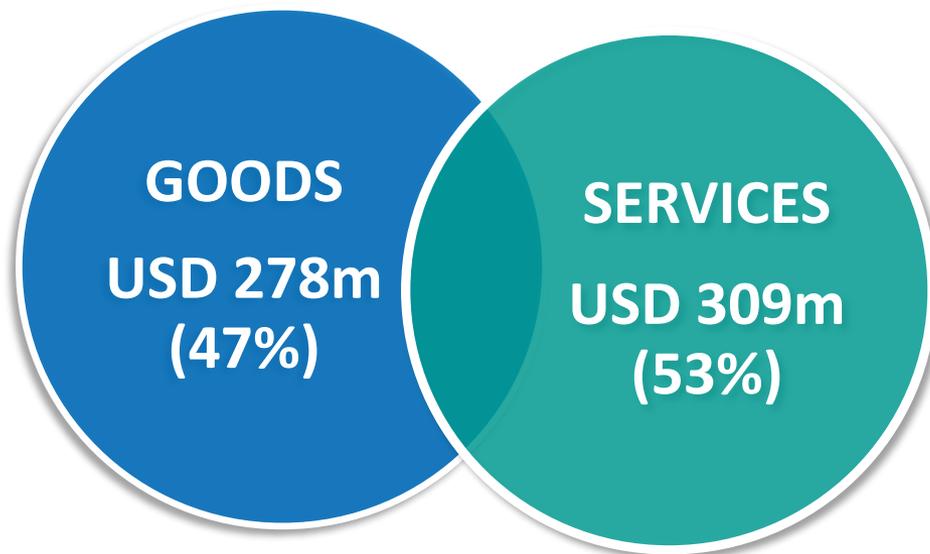
**Other includes categories such as handling & storage, inspection, insurance, medical/health eq., etc.



wfp.org

G&S Procurement - Key categories

- Fuel, in particular Jet-A1
- Construction
- ICT
- Consultancy services
- Vehicles



Top 20 categories in 2015 - detailed

	Categories	Sum of Value US\$
1	FUEL, AVIATION	\$ 94,867,792.47
2	RENT OF PREMISES	\$ 29,921,699.57
3	DIESEL/PETROL FUEL	\$ 18,276,019.49
4	CONSTRUCTION/REHAB	\$ 17,214,789.91
5	SECURITY SERVICES	\$ 16,249,562.97
6	CONSULT SERVICES	\$ 15,249,152.31
7	SECURITY FOR UN	\$ 14,400,747.50
8	TELECOMMUNIC. SERV	\$ 14,364,608.81
9	LIGHT VEHICLES	\$ 14,285,785.55
10	BUILD/STRUCTURES EXP	\$ 13,509,704.09

11	OFFICE SERVICES	\$ 11,887,906.84
12	ROADS	\$ 11,152,379.28
13	ICT EXPENSES	\$ 11,152,236.95
14	FOOD TRANSPORT COSTS	\$ 10,949,869.39
15	MAINTENANCE PREMISES	\$ 10,132,658.56
16	IT EQUIPMENT	\$ 9,459,122.04
17	MEETING/TRAINING	\$ 9,154,771.73
18	ICT SERVICES	\$ 8,931,810.25
19	Q&Q SURVEY	\$ 8,238,184.66
20	MOBILE WAREHOUSES	\$ 7,999,972.77

G&S Procurement – Strategic spending in Non-Food Items

Selected sub-categories (2015 data)

Jet-A1 fuel	94.8 USD millions	16.15%
Mobile storage units	8.0 USD millions	1.36 %
Vehicles Trucks & spareparts	18.2m vehicles 2.3m trucks 15.3m spareparts	6.08 %
<i>Total</i>	138.6 million USD	23.6 %

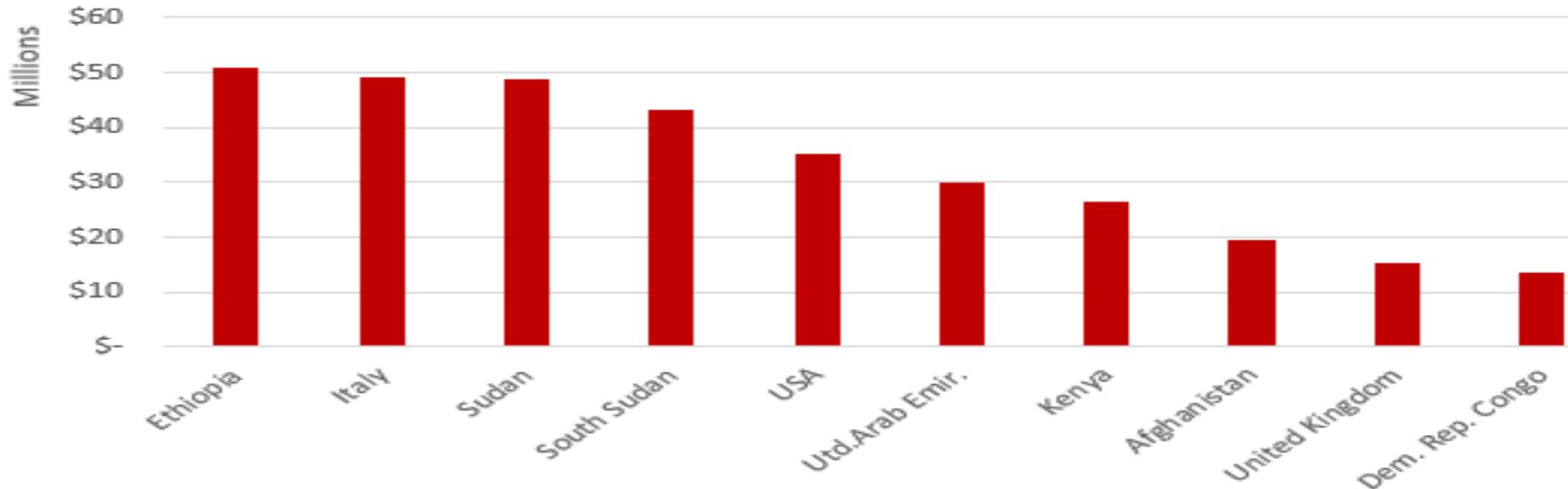
- Major goods & services spend category in WFP since many years
- Subject to a recent pilot project part of the Goods & Services new strategy

- Highly visible category few suppliers, standardized items.
- Mostly used by UNHRD
- Quantities highly dependent on nature of current emergencies

- Strategic categories, common to the UN world
- WFP makes a massive use of its fleet to deliver
- High specialization in WFP

Goods & Services procurement key vendor countries - 2015

Top 10 Vendor countries



Top 10 Vendor Countries

EU 28	\$ 103,186,125.83
Ethiopia	\$ 50,801,169.02
Sudan	\$ 48,787,049.52
South Sudan	\$ 43,209,128.80
USA	\$ 35,207,915.13
UAE	\$ 30,121,717.93
Kenya	\$ 26,520,458.25
Afghanistan	\$ 19,517,637.62
DRC	\$ 13,695,767.80
Norway	\$ 9,475,033.16
Other	\$ 206,943,527.02
Total	\$ 587,465,530.08

Top 10 European vendor countries

Italy	\$ 49,077,605.91
UK + Gibraltar	\$ 16,281,070.54
France	\$ 11,151,016.87
Germany	\$ 9,401,751.49
Denmark	\$ 8,268,549.04
Netherlands	\$ 3,452,964.21
Ireland	\$ 2,775,719.35
Finland	\$ 1,087,752.73
Belgium	\$ 957,602.36
Spain	\$ 537,826.64
Sweden	\$ 128,960.04

By continent

Africa	\$ 284,968,002.89
Asia	\$ 126,919,153.93
Europe	\$ 123,035,393.34
Latin America	\$ 13,794,828.75
North America	\$ 37,157,729.53
Oceania	\$ 1,590,421.64
Grand Total	\$ 587,465,530.08

G&S Procurement – Construction

Construction was **10.7%** of WFP's Goods and Services budget in 2015

Construction accounts for the third-largest goods and services spending category. WFP uses its in-house expertise in the areas of logistics, procurement and engineering to successfully carry out numerous construction projects around the globe.

This involves building roads, bridges, airstrips and ports, offices, guesthouses, warehouses, schools and camps. WFP undertakes construction to support the longer-term needs of national governments, the humanitarian community and WFP's own operations. Projects vary in scale and complexity depending on their location, the local context, and scope.



WFP Construction



WFP Ebola
response
entailed more
than **35.5**
million USD
(2014 and 2015)

In response to the unprecedented scale of the Ebola Virus Disease outbreak in West Africa, WFP was heavily involved in the procurement of goods and services to support the emergency response.

To assist the wider humanitarian community, the organization made first-time purchases of ambulances, treatment units, incinerators and medical beds - items specific to the large scale health response.

These items required Procurement to undertake rapid market assessments and identify suppliers that could quickly fulfil orders to meet specifications. Due to the urgent timelines, WFP often made special arrangements for the transport of goods, including airlifting items when required to shorten delivery time.

ICT – Corporate IT & FITTEST



In 2015 WFP's
ICT expenditure
exceeded
\$70m

WFP's IT Division at its Rome Headquarters is responsible for the establishment, implementation and governance of WFP's IT strategy worldwide. It is supported by IT officers at Regional Bureaux and in WFP Field Offices.

In addition, WFP's Fast IT and Telecommunications Emergency Support Team (FITTEST) is a leader in establishing vital IT and communications infrastructure during emergencies.

WFP is the UN cluster lead for Emergency Telecommunications. FITTEST operates within the cluster.

Food Procurement



2015 Key Categories: Food

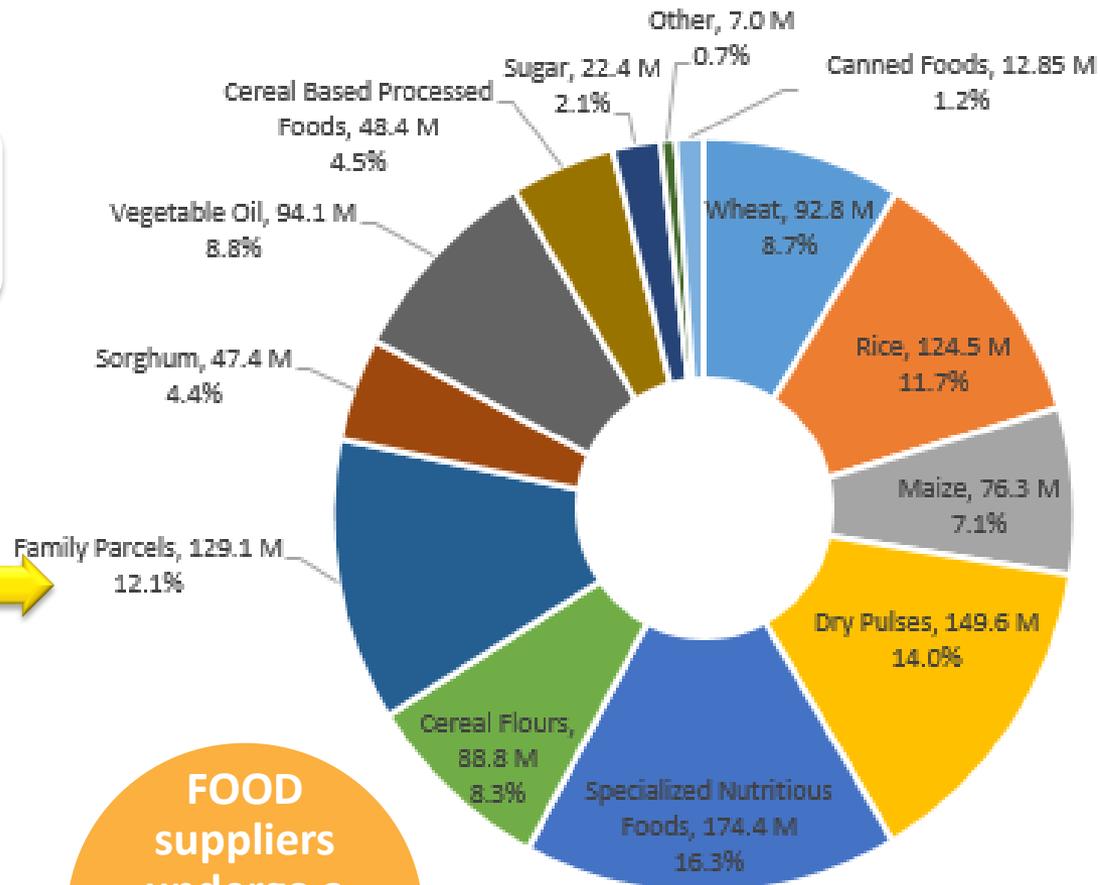
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USD 974 million



2.2 million (MT)
Metric Tonnes

1.067 Billion USD

350 million USD
for L3 emergencies

FOOD
suppliers
undergo a
Vendor-
evaluation
process

Logistics



2015 Key Categories: Logistics

2

Logistics Division – USD 974.2 millions

In 2015, logistics handled **2.2 million metric tons of food**

LOGISTICS suppliers undergo a Vendor-screening process

TOTAL:
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USD 974 million

Land	USD 400.2 m
Ocean	USD 148.1 m
Air*	USD 260.9 m
Other transport related costs **	USD 165.0 m
TOTAL	USD 974.2 m



WFP is the UN Cluster lead for Logistics

*Air: cost cover the transport of food, passengers and misc.

** Like: Equipment, Utilities, Supplies, Materials, and Other Related Products

How to do business with WFP?



1. Check out the document “how to do business with WFP” on www.wfp.org
2. Understanding WFP’s G&S requirements
3. Send a presentation of your products to WFP
4. Register on www.ungm.org to be in the Vendor lists of all UN
5. Register on <https://ungm.in-tend.co.uk/wfp.aspx/Home> to be ready if selected for a WFP tender
6. Participate to WFP tenders when invited

World Food Programme

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