

# World Food Programme

## *Introducing WFP Procurement*

*Spain*

*November 2016*



**World Food Programme**

# Introduction

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**WFP Goods and Services Procurement  
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# 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.

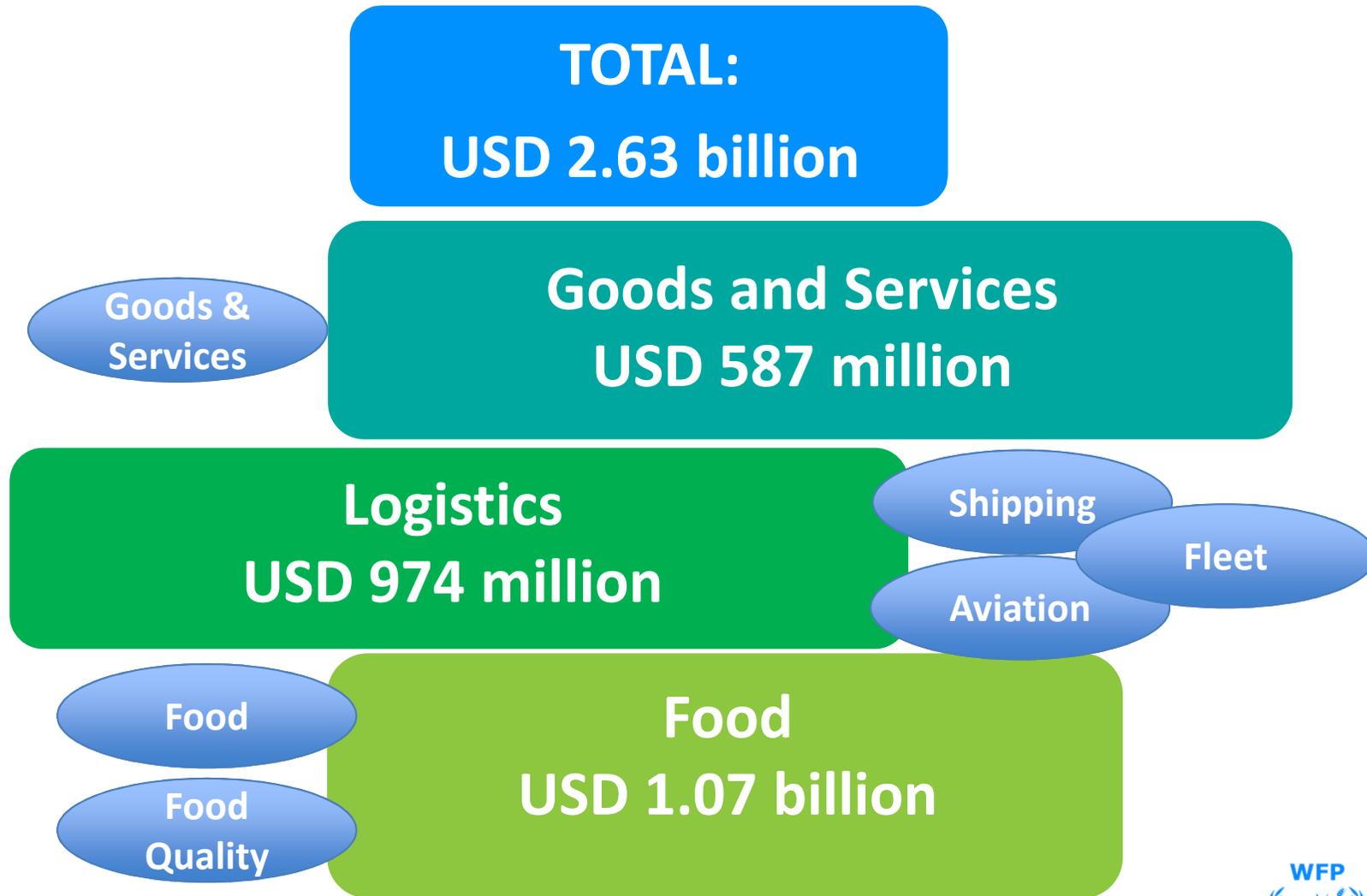


# WFP Global presence

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



# WFP 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



# Goods & Services (G&S) Procurement



# G&S Procurement

1

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

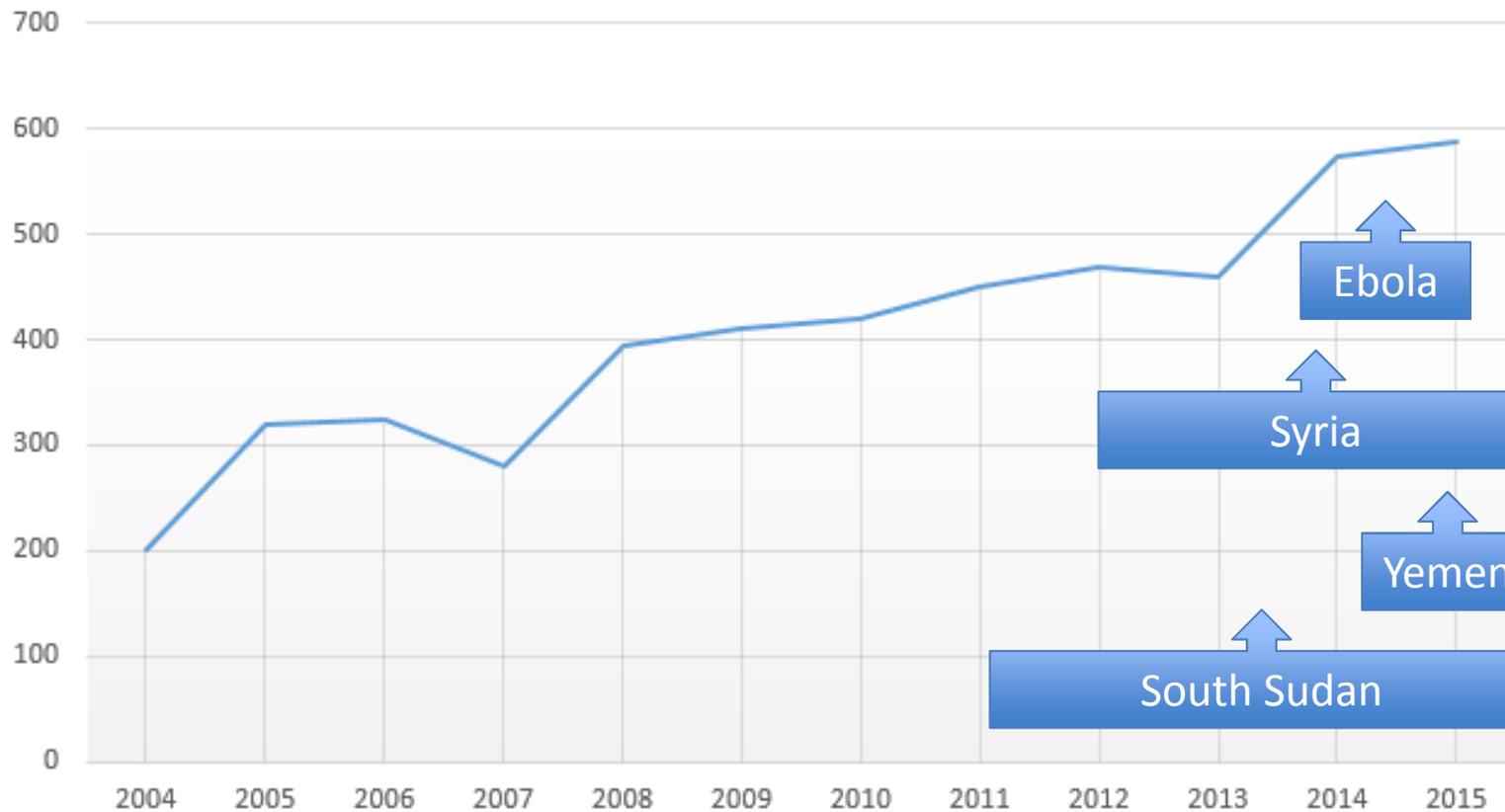


# 2010-2015 Procurement G&S

1

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

Purchases over years 2004-2015



# G&S Procurement - Key categories

1

**TOTAL:**  
USD 2.63 billion

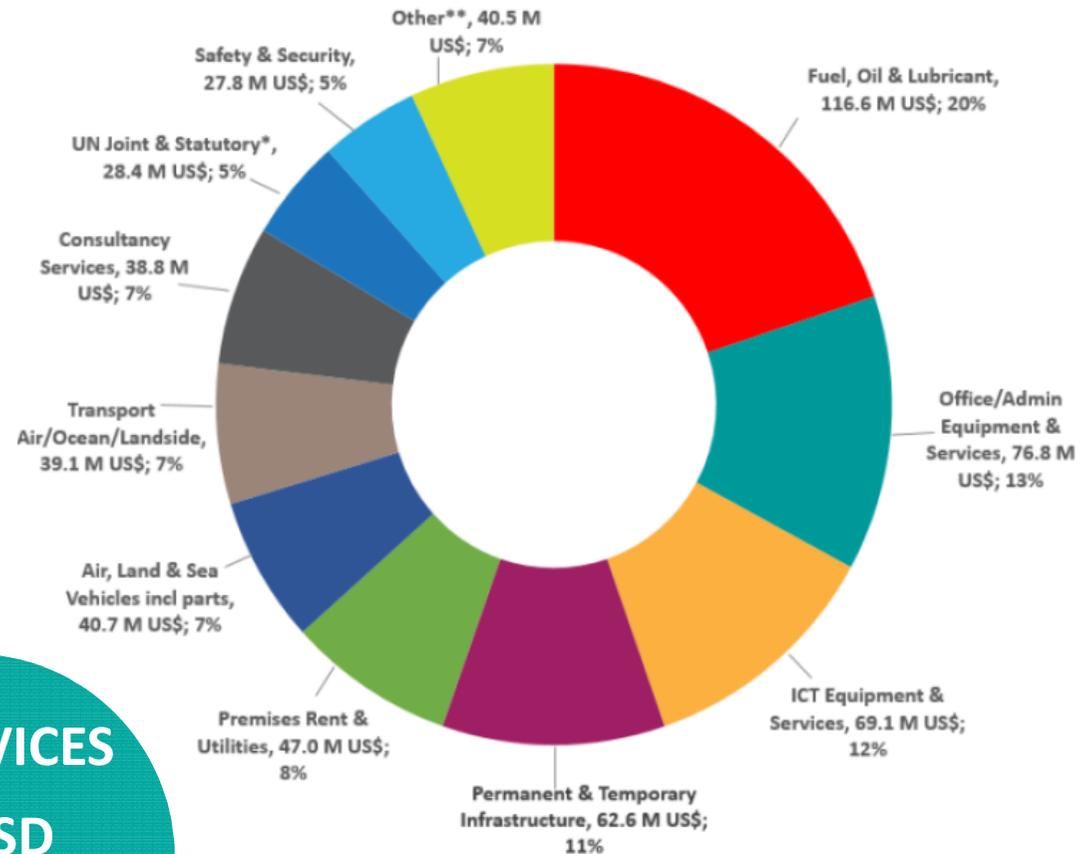
**Goods and Services**  
USD 587 million

**Food**  
USD 1.07 billion

**Logistics**  
USD 974 million

**GOODS**  
USD 278m  
(47%)

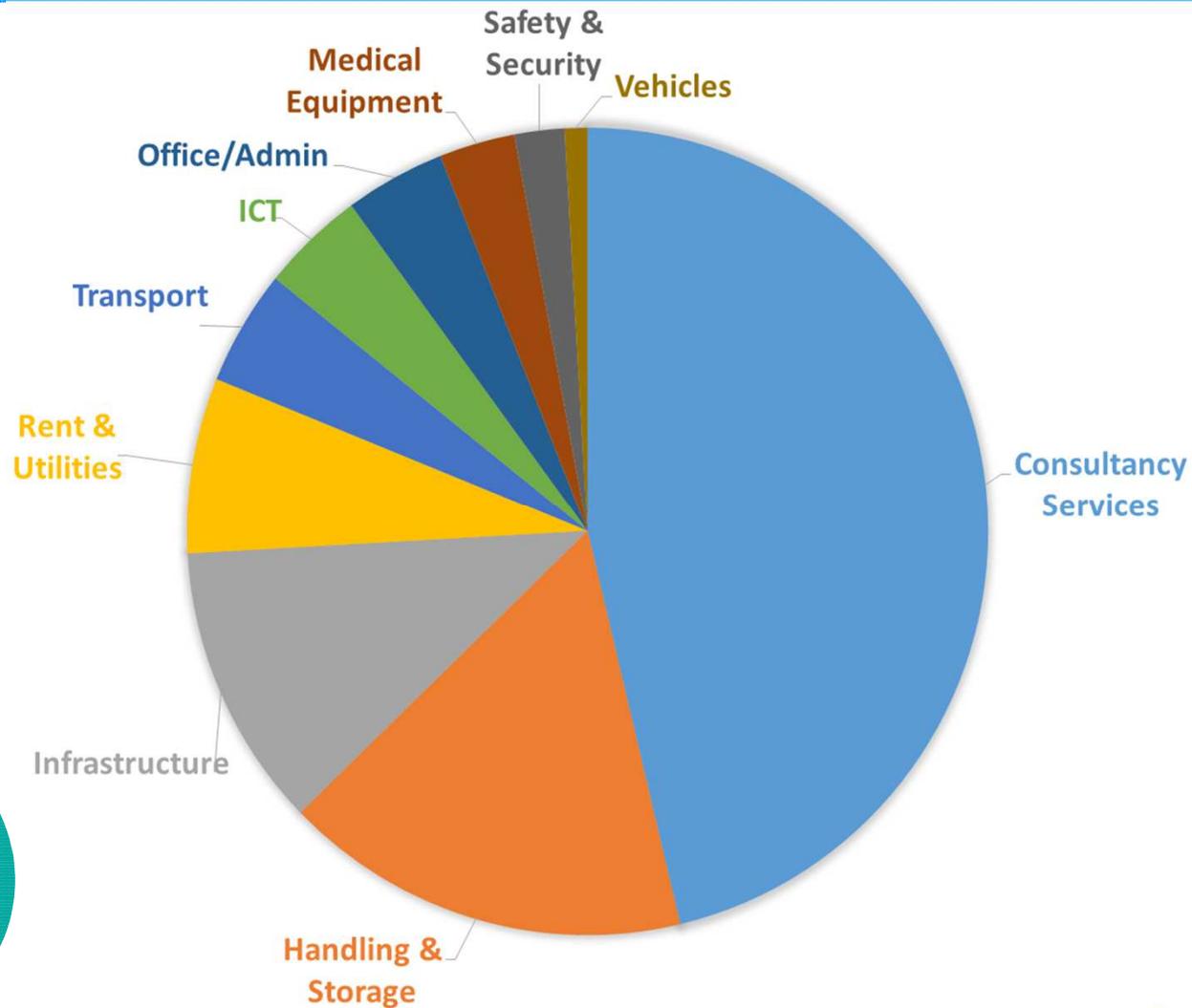
**SERVICES**  
USD 309m  
(53%)



# Goods & Services procurement from Spain 2013-2015

1

**Total  
Procured  
Value  
\$3m**



# Logistics

2



# 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:**  
USD 2.63 billion

Goods and Services  
USD 587 million

Food  
USD 1.07 billion

Logistics  
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
<b>TOTAL</b>	<b>USD 974.2 m</b>



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

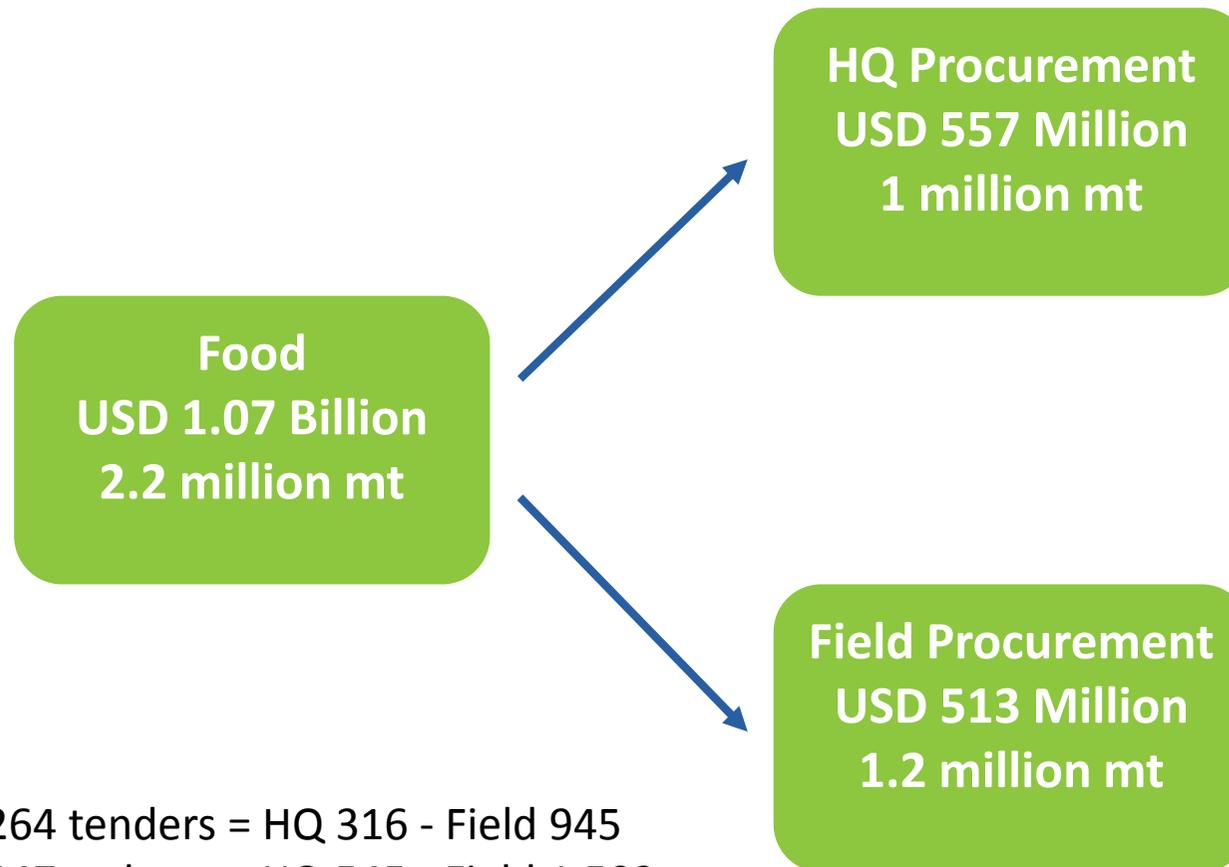


# Food Procurement



# 2015 Food Procurement: HQ/Field

3



1,264 tenders = HQ 316 - Field 945  
2,047 orders = HQ 545 - Field 1,502  
HQ = 1 procurement unit  
Field = 65 procurement units

# Food Procurement – Conditions

3

## Conditions affecting food procurement

- Donor country conditions/restrictions  
(origin/ destination/quality /packing /marking etc.)
- Recipient country requirements  
(product/origin/packing/import regulations)
- Impact on local market/economy  
(harvest/lean period/surplus)
- Cost and lead time  
(Import parity price / Requested time of arrival)

# 2015 Key Categories: Food

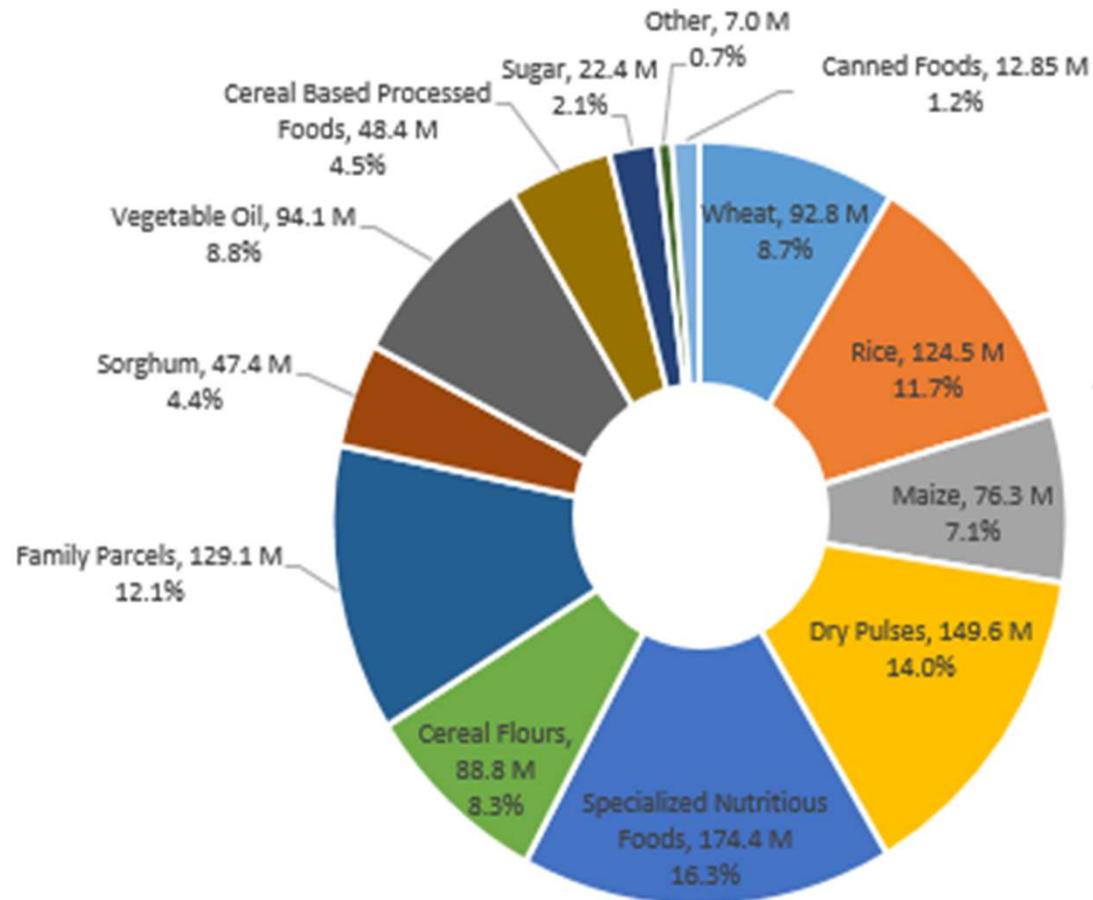
3

**TOTAL:**  
**USD 2.63 billion**

**Goods and Services**  
**USD 587 million**

**Food** →  
**USD 1.07 billion**

**Logistics**  
**USD 974 million**



# Doing Business with WFP



# Types of Relationships

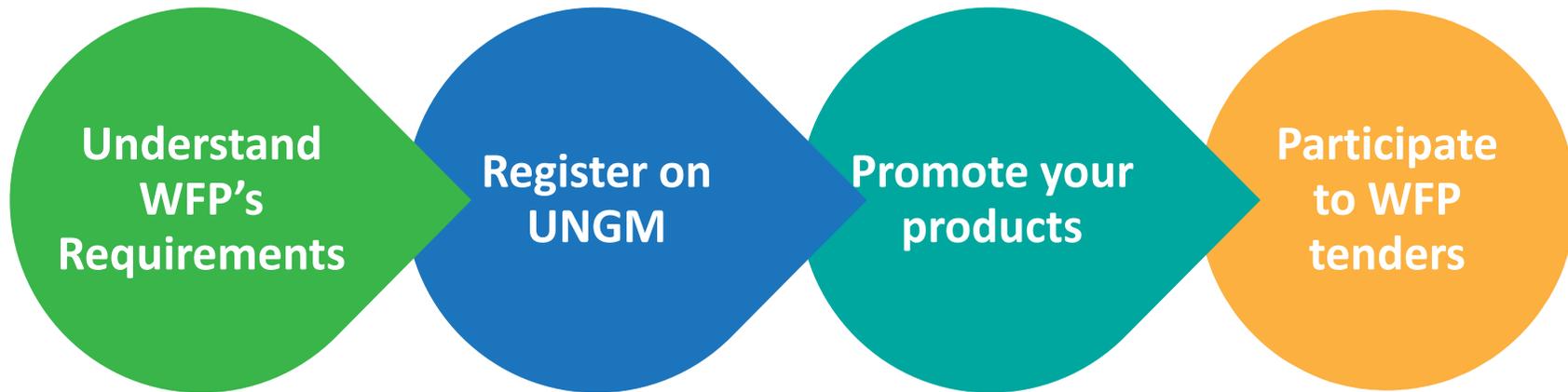
## Commercial Relationships

- Contract - Legal Agreement for provision of specific goods and services for defined cost within defined timeframe.
- Long Term Agreement – Framework contract for the provision of an unspecified volume of Goods and Services (G&S) to WFP over a defined period of time.

## Non Commercial Relationships

- Partnership – Collaborative relationships, not based on commercial grounds, that achieve positive outcomes for the people we serve

# How to do business with WFP?



# Registering as a Vendor

- Download the document “Doing business with WFP” guide at [www.wfp.org/procurement/business](http://www.wfp.org/procurement/business)
- Understand WFP’s procurement requirements.
- Go to [www.ungm.org](http://www.ungm.org) to register as a UN vendor.
- Read & acknowledge the UN Supplier Code of Conduct prior to registering.
- Send a presentation of your products to WFP at [newsuppliers@wfp.org](mailto:newsuppliers@wfp.org).
- When requested, register on WFP e-tendering platform Intend
- Respond to solicitation requests, when invited

# Participating in WFP Tenders

- WFP tenders electronically using corporate tendering system “Intend”
- WFP tenders directly to pre-selected vendors
- Solicitation can be
  - Request for Quotation (RFQ) for Food and G&S,
  - Invitation to Bid (ITB) and Request for Proposal (RFP) for G&S only
- Tender evaluations in accordance with UN procurement rules
- Contracts based on UN General Terms and Conditions; not subject to discussion/amendment.
- Language of Contracts are English, save for in some specific circumstances.

# Summary

- WFP operates in 80 countries worldwide
- WFP procures approx. \$2.5bn of Food, Goods & Services per annum
- Vendors commit to the UN Code of Conduct when registering as a UN vendor on UNGM
- Tenders are issued to approved vendors
- All tenders evaluated and awarded in accordance with UN procurement rules.
- WFP is always interested in creating business relationships that can provide mutual value and benefit the people we serve

# Summary

Questions?

### Useful Links & addresses

#### WFP Vendor Management

Email: [newsuppliers@wfp.org](mailto:newsuppliers@wfp.org)

#### UNGM

website: [www.UNGM.org](http://www.UNGM.org)

#### Doing Business with WFP

website: [www.wfp.org/procurement/business](http://www.wfp.org/procurement/business)

