Introducing WFP procurement
November 2016
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 around 80 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.
The World Food Programme needs to be where it's most needed.

It costs as little as US 25 cents a day to feed a hungry child and change her life forever.

About 795 million people, or 1 in 9 of the world’s population, go to bed hungry each night.

Together we are making progress in reducing the number of hungry people in the world. We can achieve Zero Hunger in our lifetimes.
WFP Global presence

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

WFP has one of the largest and most resilient supply chains in the world, including: 6 logistic hubs (HRDs), one airline (UNHAS), a fleet of almost 2000 trucks and thousands vehicles, to bring food and help to the remotest places on earth.
WFP Procurement in 2015

TOTAL: USD 2.63 billion

Goods and Services USD 587 million

Logistics USD 974 million

Food USD 1.07 billion
In 2015 WFP Procurement purchased $587m of G&S.
2015 Key Categories: Goods & Services

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.
Food Procurement
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)
2015 Key Categories: Food

TOTAL: USD 2.63 billion

- Goods and Services: USD 587 million
- Food: USD 1.07 billion
- Logistics: USD 974 million

2.2 million (MT) Metric Tonnes
1.067 Billion USD
350 million USD for L3 emergencies
Food Procurement – Key Role

- Undertake all international food procurement for all WFP operations worldwide as well as for third parties such as UN Agencies, Governments and NGOs;

- Provide oversight, technical expertise and guidance to all WFP offices to ensure that food procurement is undertaken in a cost effective, timely and transparent manner;

- Support the development and implementation of strategies, policies and plans to meet WFP’s mandate;

- Review and authorize all food procurement actions from the field above the authority of field offices.
Logistics
**2015 Key Categories: Logistics**

**Logistics Division – USD 974.2 millions**

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

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost (USD millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>400.2</td>
</tr>
<tr>
<td>Ocean</td>
<td>148.1</td>
</tr>
<tr>
<td>Air*</td>
<td>260.9</td>
</tr>
<tr>
<td>Other transport related costs **</td>
<td>165.0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>974.2</strong></td>
</tr>
</tbody>
</table>

**TOTAL: USD 2.63 billion**

- **Goods and Services**: USD 587 million
- **Food**: USD 1.07 billion
- **Logistics**: USD 974 million

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. Participate to WFP tenders when invited
Vendor approval process

**KEY:**
- Prospective supplier action
- WFP action

**Food Vendors**
- WFP Vendor Management Team screens the submission against preset criteria and in case product is relevant to WFP operations, clears the vendor in UNGM.
- WFP Vendor Management Committee screens prospective vendor submission and recommends or denies registration.
- In case of processed food or specialized commodities, a further screening is performed by WFP Food Quality Unit.
- Prospective vendor is included in WFP shortlist for the relevant food commodity.
- In case of successful evaluation, a confirmation message is sent with instructions on how to register in WFP e-Tendering system.

**Prospective supplier send registration request**
- WFP send prospective suppliers information package and registration guidelines.
- Registration in UNGM is completed up to level two and requested documentation is submitted.

**UNG M Website for registration:**
www.ungm.org

WFP initial paper assessment form to be returned together with various requested supporting documentation (specific list will be shared with requesting suppliers).
Requirements to Contract with WFP

- Goods and services are of interest to WFP
- Legal capacity to enter into a contract with WFP
- Has the financial standing to honor a contract
- Has proven ability to perform
- Company has a minimum of three years’ experience as an established business
- Company accepts WFP’s general terms and conditions, including its payment terms