World Food Programme

Introducing WFP procurement for vehicles and aviation

November 2016
WFP Procurement in 2015

TOTAL:
USD 2.63 billion

Goods and Services
USD 587 million

Logistics
USD 974 million

Food
USD 1.07 billion

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 – Vehicles and Aviation
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

Fuel, Oil & Lubricant, 116.6 M US$; 20%
Office/Admin Equipment & Services, 76.8 M US$; 13%
ICT Equipment & Services, 69.1 M US$; 12%
Permanent & Temporary Infrastructure, 62.6 M US$; 11%
Premises Rent & Utilities, 47.0 M US$; 8%
Air, Land & Sea Vehicles incl parts, 40.7 M US$; 7%
Consultancy Services, 38.8 M US$; 7%
Transport Air/Ocean/Landside, 39.1 M US$; 7%
Safety & Security, 27.8 M US$; 5%
UN Joint & Statutory*, 28.4 M US$; 5%
Other**, 40.5 M US$; 7%

*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.
Total G&S Procurement - Aviation

Aviation fuel
USD 95m

Jet-A1 fuel, purchased in around 100 airports in 26 countries, yearly tender (Feb. 2017)

Air operations
USD 17m

Includes ground handling, cargo and passenger handling, in-flight and airport support services.
### Goods and Services procurement – Strategic spending in Non Food Items

#### Selected sub-categories (2015 data)

<table>
<thead>
<tr>
<th>Sub-category</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jet-A1 fuel</td>
<td>94.8 USD millions</td>
<td>16.15%</td>
</tr>
<tr>
<td>Vehicles, Trucks, &amp; spareparts</td>
<td>18.2m vehicles, 2.3m trucks, 15.3m spareparts</td>
<td>6.08%</td>
</tr>
<tr>
<td>Total</td>
<td>130.6 million USD</td>
<td>22.2%</td>
</tr>
</tbody>
</table>

#### Key Points:
- Major goods & services spend category in WFP since many years
- Subject to a recent pilot project part of the Goods & Services new strategy
- Strategic categories, common to the UN world
- WFP makes a massive use of its fleet to deliver
- High specialization in WFP

Plus tires, aviation miscellaneous, ground handling, trainings…
### Key elements for aviation-related goods & services and Vehicles

<table>
<thead>
<tr>
<th>Category</th>
<th>Key Elements</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jet-A1</td>
<td>Annual tender, Large supplier roster, Multiple, location based LTAs, Index-linked, Backups</td>
<td>20-25 LTAs!</td>
</tr>
<tr>
<td>Ground handling</td>
<td>Multi-year LTA, Enlarged pool of suppliers, Emergency services, Mini-bids</td>
<td>3-4 LTAs!</td>
</tr>
<tr>
<td>Vehicles</td>
<td>Long-term contract with Toyota, Sometimes we buy from stock, Needs to standardize, Still competition on a part of the fleet</td>
<td>1 LTA!</td>
</tr>
<tr>
<td>Spares</td>
<td>Competition on presence and discounts, Linked to WFP fleet, Huge quantities</td>
<td>3-4 LTAs!</td>
</tr>
</tbody>
</table>
### Goods & Services procurement – Key elements

Key elements for aviation-related goods & services and Vehicles

<table>
<thead>
<tr>
<th>Trucks</th>
<th>Multi-brand fleet</th>
<th>Often we buy from stock</th>
<th>Needs to standardize</th>
<th>Increasing numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Very efficient</td>
<td>Regional stocks</td>
<td>Innovative elements</td>
<td></td>
</tr>
</tbody>
</table>

- **NO LTAs!**

| Tires           | Competition on supply chain and discounts | Linked to WFP fleet | Large quantities |

- **3-4 LTAs!**

| Other           | Forklifts | Cranes | Movable workshops | Special purpose vehicles |

- **NO LTAs!**
Goods & Services procurement – Truck fleet example

Currently operational WFP Cargo Trucks: 679

(Total number of WFP Trucks: 837)

- We always try to find commercial services, not buying trucks
- When we operate trucks, we do it competitively with commercial transporters
- Trucks are key to last-mile operations and affect the entire WFP operations
- We can’t afford staying on ground
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
2015 Aviation at a glance

- 287,106 passengers
- 1,831 people evacuated
- 317 regular destinations
- 5,868 mt delivered

Countries where either WFP Aviation, UNHAS, or both operated:
- Afghanistan
- Bangladesh
- Cameroon
- Central African Republic
- Chad
- Democratic Republic of the Congo
- Djibouti
- Ethiopia
- Ghana
- Guinea
- Iraq
- Ivory Coast
- Kenya
- Liberia
- Libya
- Madagascar
- Malawi
- Mali
- Mauritania
- Mozambique
- Nepal
- Niger
- Nigeria

+ WFP Aviation

Countries:
- Pakistan
- Rwanda
- Senegal
- Sierra Leone
- Somalia
- South Sudan
- Sudan
- Uganda
- Vanuatu
- Yemen

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2015 Aviation - airdrops

Syria
Since 10 April 2016, WFP has used unprecedented high altitude airdrops to deliver humanitarian assistance to 110,000 people trapped in Syria's besieged city of Deir Ezzor.

As of 30 June 2016, the operation had dropped 1,122 metric tons of lifesaving food and non-food relief items.

South Sudan
Between January and June 2016, WFP Aviation conducted more than 960 airdrops, out of Juba, Wau, Entebbe and 3 airports in Ethiopia. 23,812 metric tonnes of relief items were dropped.
2015 Aviation – a case study

UNHAS South Sudan:
SO 200786

Performance overview

<table>
<thead>
<tr>
<th>Service</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average fleet size</td>
<td>16</td>
</tr>
<tr>
<td>Passengers transported</td>
<td>81,203</td>
</tr>
<tr>
<td>Cargo (kg)</td>
<td>1,015,323</td>
</tr>
<tr>
<td>User organizations served</td>
<td>248</td>
</tr>
<tr>
<td>Regular destinations</td>
<td>77</td>
</tr>
<tr>
<td>Medical evacuations</td>
<td>285</td>
</tr>
<tr>
<td>Security evacuations</td>
<td>403</td>
</tr>
</tbody>
</table>

How to become a air transport service supplier?
2015 Aviation – how to become a supplier

Registration Package. The Registration Package contains the following documents:

1. Application forms:
   a. WFP Air Carrier Registration Form;
   b. UNAVSTADS list of compliance;
   c. Aircraft Data Information.

2. Reference documents:
   a. Guidelines for application of Air Carrier Registration (this document);
   b. WFP Base Operator Risk Evaluation Checklist;
   c. WFP Aircraft Evaluation Checklist;
   d. UN Aviation Standards for Peacekeeping and humanitarian air transport operations (UNAVSTADS).

Documents to be sent to:

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