Introducing WFP Procurement
Copenhagen, 12-13 June 2019
The World Food Programme (WFP) is the leading humanitarian organization fighting hunger worldwide and working towards the global goal of ending hunger by 2030.

WFP has been delivering life-saving food in emergencies since 1962. We also work in recovery and sustainable development.

WFP is funded entirely by donations from governments, companies and private individuals.
Adequate nutritious food is a basic human need. We believe it’s also the foundation of a full and dignified life.

- We reach an average of **80 million people** with food assistance in around **80 countries each year**.

- We have unrivalled experience operating in the world’s most difficult environments, both war zones and disasters.

- More than **15,000 people** work for WFP. Most are locally recruited staff who work in remote areas, directly serving the hungry poor.
HUMANITARIAN LOGISTICS

WFP’s supply chain logistics expertise helps many humanitarian organizations reach people in need.

- We manage the United Nations Humanitarian Air Service (UNHAS). WFP flies approximately 300,000 humanitarian workers and 3,000 tons of cargo to some 290 regular destinations.

- We manage the United Nations Humanitarian Response Depots (UNHRD), a network of six strategically located emergency hubs around the world dispatching approx. US$45 million in relief supplies to some 95 countries.

- We provide Logistics Services directly to the humanitarian community. For example, the World Health Organization chose us to provide logistics and engineering services for them during the Ebola Outbreak in West Africa.

WORKING TOGETHER

WFP works in partnership with national and local governments, other humanitarian agencies and the private sector.

We lead the humanitarian Logistics and Telecommunications Clusters to help coordinate humanitarian response. We co-lead the Food Security Cluster with the Food and Agriculture organization of the United Nations (FAO).
WFP is headquartered in Rome. We have a global presence that includes:

- 83 Country Offices worldwide
- 6 Regional Bureaux (Bangkok, Cairo, Dakar, Johannesburg, Nairobi and Panama)
- 14 Liaison Offices
- A vast supply chain logistics network that enables us to quickly deliver life-saving food assistance anywhere in the world
- Specialist centres for innovation and development of sustainable solutions to hunger
When food is not available on local markets, or people cannot get to the shops, we deliver food to them. We work with local NGO partners to organize the distributions.

Foods provided can include:

- Flour/rice/bulgur
- Lentils/split peas
- Cooking oil
- Iodized salt

To prevent and treat malnutrition we provide specialized nutritional products formulated for particular nutritional needs.
WFP Procurement

TOTAL IN 2018: USD 3.5 billion

- **Goods & Services**
  - USD 763 million

- **Food**
  - USD 1.6 billion

- **Logistics**
  - USD 1.13 billion

WFP operates with a **decentralized procurement model**, based on value thresholds to activate/approve procurement actions at local, regional and HQ level.
FOOD PROCUREMENT
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
WFP Global Food Purchases in 2018: USD 1.6 billion

Key Categories

FOOD suppliers undergo a Vendor-evaluation process

* Lipid Based Nutrient
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)
WFP Global Food Purchases in 2018: USD 1.6 billion

Food procurement

Local vs Global

2018 Food Procurement stats

- USD 1.6 billion
- 3.6 million MT

<table>
<thead>
<tr>
<th></th>
<th>HQ</th>
<th>Field</th>
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</thead>
<tbody>
<tr>
<td>million USD</td>
<td>777</td>
<td>823</td>
</tr>
<tr>
<td>million MT</td>
<td>1.6</td>
<td>2.0</td>
</tr>
<tr>
<td>Number of tenders</td>
<td>275</td>
<td>795</td>
</tr>
<tr>
<td>Number of PO's</td>
<td>563</td>
<td>1439</td>
</tr>
</tbody>
</table>
**WFP Global Food Purchases**

- **Production/trading capacity**
- **Solidity of the company**
- **Quality assurance**
- **Supply chain**

**Additional info submitted**

**Inspection and/or evaluation**

**FOOD suppliers undergo a Vendor-evaluation process**

**UNGM documents**
Cash & Vouchers

Local vs Global

More research

Less food assistance

WFP Global Food Purchases

1.6 billion USD distributed in 2018

Decentralized procurement model with key categories
How to reach out WFP

For all suppliers (global and local)

1. Register at Level 2 in UNGM
2. Check specifications of the commodities we buy at this link: https://foodqualityandsafety.wfp.org/specifications
3. For technical questions regarding the evaluation of a new food: hq.newfoodscommittee@wfp.org
4. For additional assistance for the international food suppliers, contact newsuppliers@wfp.org; for local suppliers, contact local WFP Country Office (list with contacts by country here: https://www1.wfp.org/countries) including a brief presentation of your company
5. Respond to the Technical assessment questionnaire sent by WFP.

International suppliers should have:

1. Legal capacity to enter into a contract with the United Nations.
2. Proven financial capacity (annual turnover of a minimum USD 5,000,000).
3. Proven ability to perform (supported by reference letters from reputable clients).
4. A minimum 3 years of experience in the production and trading of commodities of interest to WFP.
5. Experience and licenses to operate as a commodity exporter.
6. UNGM Level 2 registration submitted.
7. WFP Initial Paper Assessment (IPA) form questions answered (available through newsuppliers@wfp.org)
LOGISTICS
PROCUREMENT
In 2018 procured: USD 1.13 billion and handled over 4.5 million metric tons of food

** Logistics Procurement **

- **Land**: USD 458 million
- **Ocean**: USD 245 million
- **Air**: USD 197 million

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

- **Other transport related costs**: USD 235 million

** Other related products **
In 2018 procured: USD 1.13 billion and handled over 4.5 million metric tons of food.
Logistics Procurement

How to reach out WFP

1. Registered at Level 2 in UNGM
2. Write to wfp.airtransportunit@wfp.org including a brief presentation of your company, the Aircraft Operating Certificates (AOC) and Ops Specs of your fleet (i.e. models, capacity, drivers, etc.)
3. Respond to WFP tenders for charters/cargos

Air
USD 215 million

1. Registered at Level 2 in UNGM
2. Write to wfp.airtransportunit@wfp.org including a brief presentation of your company, the Aircraft Operating Certificates (AOC) and Ops Specs of your fleet
3. Respond to WFP tenders for charters/cargos

Ocean
USD 245 million

1. Registered at Level 2 in UNGM
2. Write to hq.shippingliner@wfp.org if you are a liner company; hq.shippingcharter@wfp.org if you are a charter company including a brief presentation of your company, Ops Specs of your fleet and availability details
3. Get more details about usual routes by WFP
4. Promote with brokers
5. Respond to WFP tenders for charters

Land
USD 460 million

1. Registered at Level 1 in UNGM
2. Write to the country offices of your interest to get into contact with WFP buyers (list with contacts by country here: https://www1.wfp.org/countries) including a brief presentation of your company and Ops Specs of your fleet (i.e. models, capacity, drivers, etc.)
3. Respond to WFP tenders for transport services

Other transport related costs**
USD 216 million

** Other related products

Ocean
USD 245 million

1. Registered at Level 2 in UNGM
2. Write to hq.shippingliner@wfp.org if you are a liner company; hq.shippingcharter@wfp.org if you are a charter company including a brief presentation of your company, Ops Specs of your fleet and availability details
3. Get more details about usual routes by WFP
4. Promote with brokers
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Land
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Other transport related costs**
USD 216 million

** Other related products
GOODS AND SERVICES PROCUREMENT
Goods & Services purchased in 2018: USD 763 million

Key Categories

- Handling services and equipment, pallets, forklift, juta bags 3%
- Transportation-related expenses: air, land and sea 7%
- Safety & Security: protection equipment and services 5%
- UN Joint & Statutory contributions to UN bodies 6%
- Consultancy Services and casual labor 7%
- Rent of premises, utilities costs, generators and water-related expenses 7%
- Vehicles and spare parts: trucks and light vehicles 10%
- Medical/Health Equipment: trauma kits, personal protection kits 0%
- Food related expenses: transformation and packaged food 1%
- Fuel: Jet-A1, diesel, petrol and lubricants 22%
- Office Equipment & Services: maintenance, furniture, printers, visibility items, kitchen equipment 11%
- ICT services, equipment, radios and telecommunication costs 10%
- Infrastructure: warehouses, containers, bridges, roads, tents and related equipment 8%

* UN Joint and Statutory relates to payments made internally between UN Agencies, Funds and Programmes
Goods & Services purchased in 2018: USD 763 million

- At Headquarters in **Rome, Italy** contracts with commercial providers are managed by WFP’s Goods & Services Procurement Branch.

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<thead>
<tr>
<th>Vendor country</th>
<th>Amount USD</th>
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<tbody>
<tr>
<td>EU 28</td>
<td>$ 137,670,243.50</td>
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<tr>
<td>South Sudan</td>
<td>$ 79,744,822.46</td>
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<td>Ethiopia</td>
<td>$ 52,412,489.87</td>
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<td>Yemen</td>
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<td>Utd.Arab Emir.</td>
<td>$ 42,531,637.07</td>
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<td>Kenya</td>
<td>$ 30,112,619.15</td>
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<td>USA</td>
<td>$ 29,641,307.47</td>
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<td>Sudan</td>
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<td>Afghanistan</td>
<td>$ 16,077,393.45</td>
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<td>Other</td>
<td>$ 284,468,799.43</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 762,950,902.73</strong></td>
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DOING BUSINESS WITH WFP
For new vendors

How to do business with WFP?
Types of relationships

Commercial Relationships
- Contract (one-off) - 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?

2. Understanding WFP’s purchasing patterns on https://www.ungm.org/Public/ASRDataArchive
3. Register on www.ungm.org and become a UN vendor (Level 2 for food, shipping and air transport vendors)
4. Send a presentation of your products to WFP at newsuppliers@wfp.org, we will redirect you to relevant unit
5. When requested, register on WFP e-tendering platform In-tend
6. Respond to solicitation requests, when invited

Goods & Services USD 763 million
Food USD 1.6 billion
Logistics USD 1.13 billion

In 2018 WFP procured 3.5 billion USD
QUESTIONS, COMMENTS
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www.wfp.org

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medium.com/@WFP

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panorama.wfp.org

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facebook.com/WorldFoodProgramme

Instagram:
worldfoodprogramme_official

Youtube: worldfoodprogramme