#### **World Food Programme**

# Introducing WFP procurement

November 2016



#### **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 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, wfp.

# **WFP Hunger map**



## 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



Goods and Services
USD 587 million

Logistics
USD 974 million

Food USD 1.07 billion



# Goods & Services (G&S) Procurement

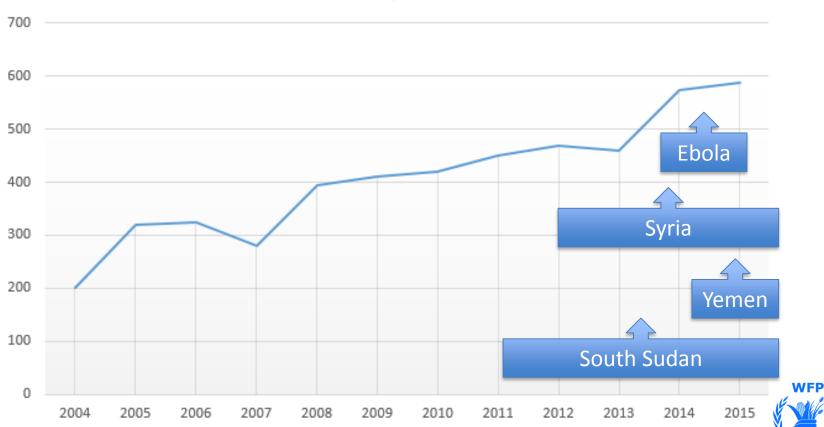




## 2010-2015 Procurement G&S

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

Purchases over years 2004-2015



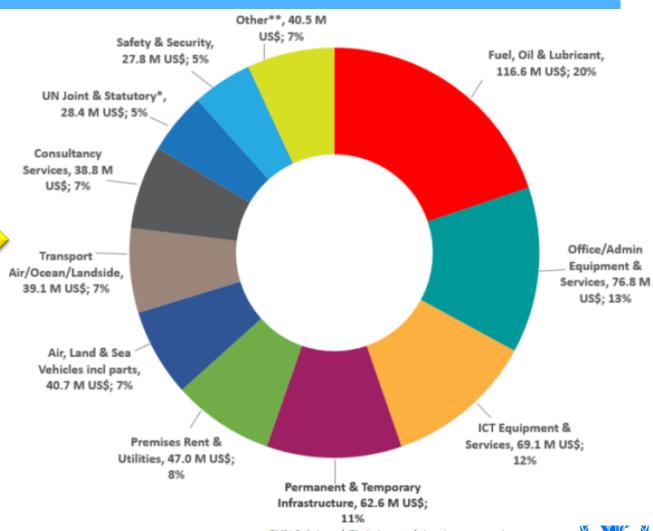
#### 2015 Key Categories: Goods & Services

TOTAL: USD 2.63 billion

Goods and Services
USD 587 million

Logistics
USD 974 million

Food USD 1.07 billion



<sup>\*</sup>UN Joint and Statutory relates to payments made internally between UN Agencies, Funds, and Programmes (AFP)

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



# **Food Procurement**





#### **Food Procurement - Conditions**

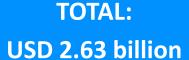
#### Conditions affecting food procurement

- 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

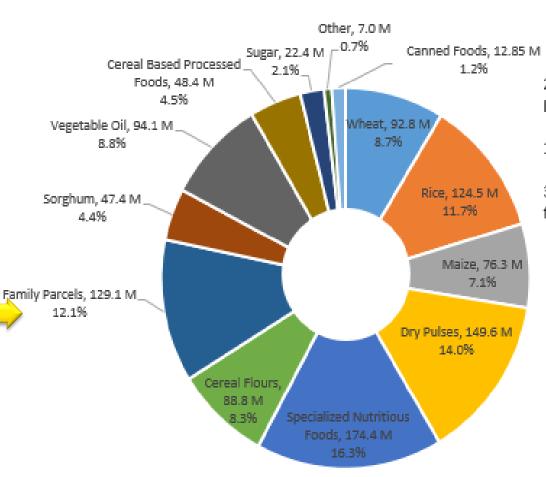




Goods and Services
USD 587 million

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 expertize 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

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#### **Logistics Division – USD 974.2 millions**

In 2015, logistics handled 2.2 million metric tons of food

**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 \*\*

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



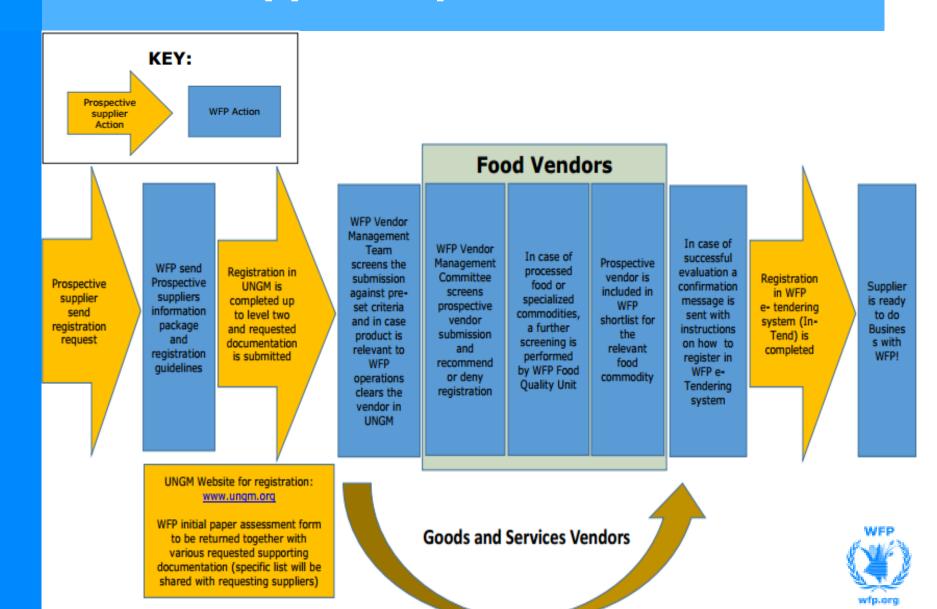
#### How to do business with WFP?



- 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 <a href="https://www.ungm.org">www.ungm.org</a> to be in the Vendor lists of all UN
- 5. Participate to WFP tenders when invited



#### Vendor approval process



#### 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



#### **World Food Programme**

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