IFAD AND ITS PROCUREMENT

Investing in rural people

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The International Fund for Agricultural Development

- IFAD is …
  - a **Specialised Agency of the United Nations**

… with the specific mandate of reducing hunger and poverty among rural populations of developing countries

and

  - an **International Financial Institution**
…financing **projects of rural development and food security** through **low-interest loans to governments**

United Nations System
Chief Executives Board

1st Regular Session for 2014
...y 2014

IFAD is unique in the very clear focus of its mandate and this gives IFAD great strength.
Ban Ki-moon, Secretary-General of the United Nations

Where we work

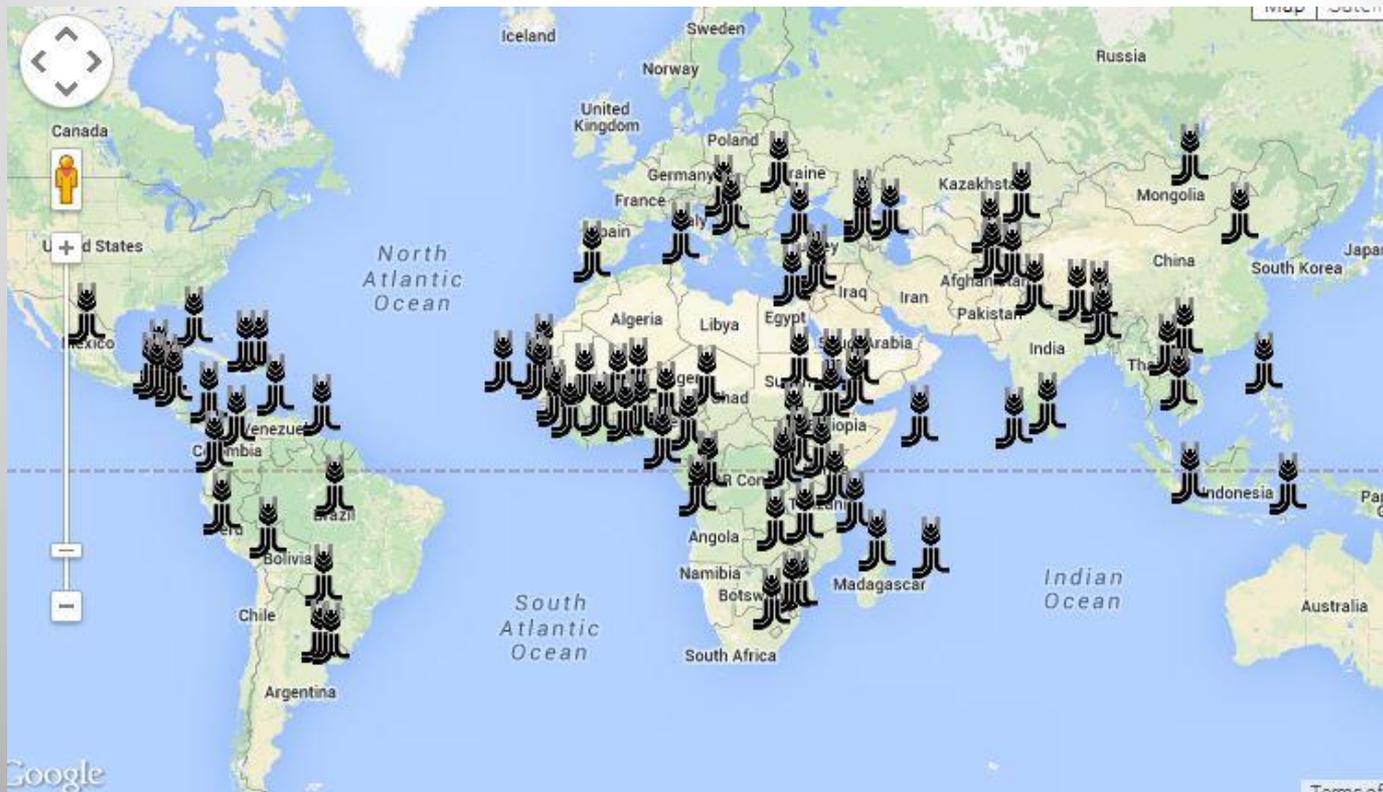ASIA AND THE PACIFIC EAST AND SOUTHERN AFRICA LATIN AMERICA AND THE CARIBBEAN NEAR EAST, NORTH AFRICA, EUROPE AND CENTRAL ASIA WESTERN AND CENTRAL AFRICA

In 2015 …
98 Countries
231 Projects
1.4Bl USD

- West and Central Africa: 22 countries / 47 projects
- East and Southern Africa: 17 countries / 46 projects
- Asia and the Pacific: 21 countries / 66 projects
- Latin America and Caribbean: 20 countries / 36 projects
- Near East, North Africa and Europe: 18 countries / 36 projects

78% of the world's population who live in extreme poverty are in rural areas (WB's estimates)
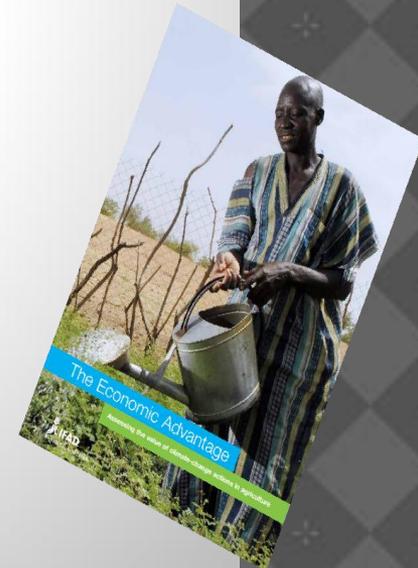
IFAD PROJECTS & MAIN TOPICS
IFAD has implemented projects in very different natural, socio-economic and cultural environments, covering many topics

- **Climate change and environment**
- Community-driven development
- **Desertification**
- Farmers organizations
- **Food and nutrition security**
- Food prices
- Fragile state
- **Gender**
- **Indigenous peoples**
- Impact Assessment
- **Land**
- **Livestock and rangeland**
- Market access
- Rainfed agriculture
- **Remittances**
- **Rural finance**
- Rural institutions
- **Small Island Developing States (SIDS)**
- South-south and triangular cooperation
- Sustainable Development Goals
- **System of rice intensification**
- Targeting

RURAL DEVELOPMENT REPORT 2016

The 2016 RDR focuses on **inclusive rural transformation** as a central element of the global efforts to **eliminate poverty and hunger**, and **build inclusive and sustainable societies for all**.

IFAD
Investing in rural people

Rural Development Report 2016

Fostering inclusive rural transformation

"Leaving no one behind"
LIVING UP TO THE 2030 AGENDA

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Download from
www.ifad.org/ruraldevelopmentreport

IFAD HEADQUARTERS
& country presence

- **IFAD Headquarters** is in Rome, Italy

- IFAD **country presence** is expanding with **40** IFAD country offices (ICO) in 2016

IFAD & Procurement

At IFAD, we distinguish between …..

◉ Corporate Procurement (for HQ and Country Offices)

◉ Project Procurement (for IFAD-funded Projects)

…. THE SAME DISTINCTION IN OTHER
INTERNATIONAL FINANCIAL INSTITUTIONS (IFIs) , e.g.
WORLD BANK,
ASIAN DEVELOPMENT BANK
AFRICAN DEVELOPMENT BANK
INTER-AMERICAN DEVELOPMENT BANK ….

PROJECT Procurement

- **Project Procurement** is carried out by the **Project Teams,** which are **appointed by Governments** (as <u>borrower</u>)

- **…. WITHOUT IFAD's involvement in the competitive procedures**

- Project Procurement is mainly based on **National Procurement rules**

IFAD's ROLE
IN PROJECT PROCUREMENT

"To ensure that the procurement process is carried out in **conformity with the IFAD Guidelines** and with the agreed procurement plan, **IFAD reviews the arrangements for procurement** of goods, works and services **proposed by the Borrower/Recipient**".

- **If satisfied** by the documentation and the process, then IFAD provides its "No Objection"

- **If NOT satisfied** .... "IFAD will not finance expenditures for goods, works or consulting services that have not been procured in accordance with these Guidelines and the financing agreement"

COMPETITIVE METHODS FOR PROJECT PROCUREMENT

- International competitive bidding (ICB)
- Limited international bidding
- National competitive bidding
- International or national shopping
- Direct contracting

Project **TENDER NOTICES**

CORPORATE Procurement

- <u>Corporate Procurement for IFAD HQ and IFAD Country Offices</u>

  - **High Value Procurement** is centralised at IFAD HQ, done by the Procurement Office

  - **Low Value Procurement (up to 10,000 EUR)** is delegated to Divisions

  - **Procurement for ICOs** is mainly carried out by the hosting organizations (UN, UNDP, FAO, WFP, etc)

  - Collaboration with FAO and WFP within the **Common Procurement Team of Rome**

  - Collaborating with the other UN agencies / IFIs within **the Procurement Network**

IN BRIEF:

CORPORATE PROCUREMENT MAIN COMPETITIVE PROCEDURES

- Request for Quote RFQ -> up to 50,000 EUR
- Invitation to Bid ITB (for detailed requirements) and
- Request for Proposal RFP (for more general requirements) -> above 50,000 EUR

- Other possible solicitation procedures
  - **Request for Expression of Interest (REOI + RFP)**
  - **Negotiated Procedure (NP after RFP)**
  - **Dynamic Purchase System (DPS)**
  - **Competitive Dialogue Procedure (CDP)**

Goods
purchased by IFAD for its Corporate operations

TOTAL SPENDING IN 2012-2015
2012: USD 1,190,000 out of USD 45,634,000
2013: USD 2,275,000 out of USD 45,593,000
2014: USD 1,031,741 out of USD 43,179,524
2015: USD 4,589,968 out of USD 32,610,450

- **TECHNOLOGY**
  - Computer Hardware and Software
  - Telecommunication equipment
  - Multifunction Printing Equipment (rental)
  - Printshop Equipment (rental)
  - Photo and Audio Video equipment
  - Security and Surveillance equipment

- **FURNITURE**

- **SUPPLIES**
  - Maintenance Supplies

  - Paper, Office Stationary and other supplies

- **OFFICIAL VEHICLES**

SERVICES purchased by IFAD for its Corporate operations

TOTAL SPENDING in 2012/13/14
2012: USD 44,444,000 out of USD 45,634,000
2013: USD 43,318,000 out of USD 45,593,000
2014: USD 42,147,782 out of USD 43,179,524
2015: USD 28,020482 out of USD 32,610,450
(In red, the highest spending categories)

- Audio-Video Services
- Auditing Services
- **Catering and Hospitality Services**
- **Cleaning Services**
- **Professional consultancy services in various sectors**
- Courier and Mailing
- **Conference Services and Event Management**
- **Facility Technical Maintenance**
- Financial Services
- ICT Project Management

- **ICT Software Development**
- **Insurance**
- **Investment Management**
- Moving, Storage and Shipping
- Printing and Publishing
- Refurbishing Works
- Rental Services
- **Security and Custody Services**
- Training and Staff Development
- **Travel Services**
- **Utilities (Electricity, Gas)**

IFAD PROCUREMENT DATA

⦿ A full report on IFAD Procurement can be found in UNGM, under the ANNUAL STATISTICAL REPORT OF UN PROCUREMENT (both PDF and interactive map)

THANK YOU

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