

Meetings with UN Agency procurement officers

1st Thematic Session

**UN Procurement in Food, Fisheries and
Agriculture**

16.05.2019





**Food and Agriculture
Organization of the
United Nations**

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO)



- Established in 1945 to lead international efforts to eliminate hunger
- Achieving a **food-secure world** by raising levels of nutrition, improving agricultural productivity, bettering the lives of rural populations and contributing to the growth of the world economy.



PROCUREMENT OBJECTIVES



- Encourage developing and emerging economies and support capacity building in beneficiary countries while balancing requirements of international procurement
- Promote a competitive market by favoring procurement from the private sector over government entities



MOST FREQUENTLY PROCURED GOODS



- Chemicals (fertilizers and pesticides)
- Agricultural produce (seeds, crop, vegetable seedlings, plantlets)
- Special purpose machinery (agricultural machinery tractors, spraying devices, irrigation equipment)
- Office and IT equipment
- Medical appliances, precision and optical instruments (laboratory equipment)
- Veterinary pharmaceutical products and vaccines, live animals, and animal feed



MOST FREQUENTLY PROCURED GOODS



Goods	USD Net Value
Cereal (crop) seeds	50,922,566
Vegetable seeds and seedlings	47,321,739
Livestock (including bovine) feed	34,331,336
Veterinary vaccines and virology products	30,586,423
Passenger motor vehicles	23,407,193
Agriculture, forestry and garden handtools and accessories	23,234,475
Commercial fishing equipment (not including boats)	21,322,179
Chemical fertilizers and plant nutrients	17,414,626
Livestock	16,714,526
Computers	16,073,611

MOST FREQUENTLY PROCURED SERVICES



- Small scale construction (laboratory, milk processing, etc.)
- Information dissemination activities
- IT
- Transportation, storage and materials handling
- Communications
- Technical Studies
- Inspection Services, Surveys and Studies
- Building infrastructure and maintenance
- Aerial Spraying and Surveying (locust)



MOST FREQUENTLY PROCURED SERVICES



Services	USD Net Value
Banking and investment services	124,750,760
Hotels and lodging and meeting facilities	41,907,660
Cargo transport	30,417,331
	27,528,994
Lease and rental of buildings and warehouse	
	20,353,047
Irrigation system maintenance and management services	
Agriculture and forestry and other natural resources training services	19,996,417
Agricultural building construction, renovation, and repair services	19,685,169
Security and personal safety services	14,962,572
Software maintenance and support	14,510,861
	13,876,952
Building and facility maintenance and repair services	

Next...



INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)



- International Financial Institution (IFI) and a Specialized Agency of the United Nations
- Only IFI dedicated exclusively to **Rural/Agricultural Sectors**



MANDATE

78% of the world's population who live in extreme poverty are in rural areas (WB estimates)



- IFAD works where poverty and hunger are deepest
- By investing in rural people, and in small and medium-sized enterprises, IFAD's goal is to **reduce poverty and hunger** and results in **greater resilience**, contributing to the achievement of **Sustainable Development Goals**.

PROCUREMENT AT IFAD

Corporate Procurement



- Most of high value procurement is centralised at **IFAD HQ**, carried out by the Procurement Section
- Procurement in **IFAD Country Offices** is delegated or carried out by the hosting organizations



PROCUREMENT AT IFAD

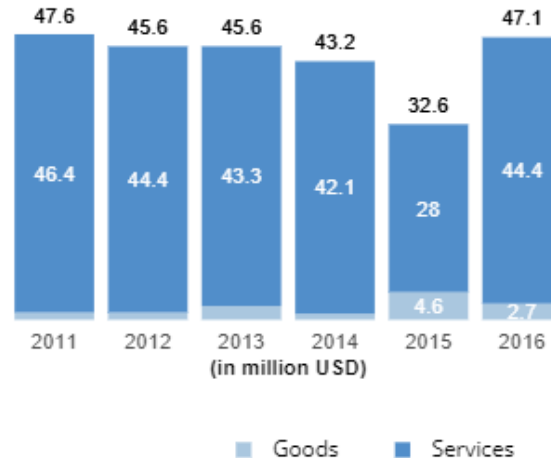
Project Procurement



- 176 members – 81 borrowing countries – 187 ongoing projects (6 billion USD)
- Average yearly disbursement 800 million USD (80% approx procurement)
- Carried out by **Borrowers / Recipients** of IFAD loans and grants with IFAD Direct Supervision of Projects including compliance of procurement with national procurement systems when consistent with IFAD's Project Procurement Guidelines.
- Procurement Risk Assessment – National Systems
- IFAD oversight role – Granting of no- objections

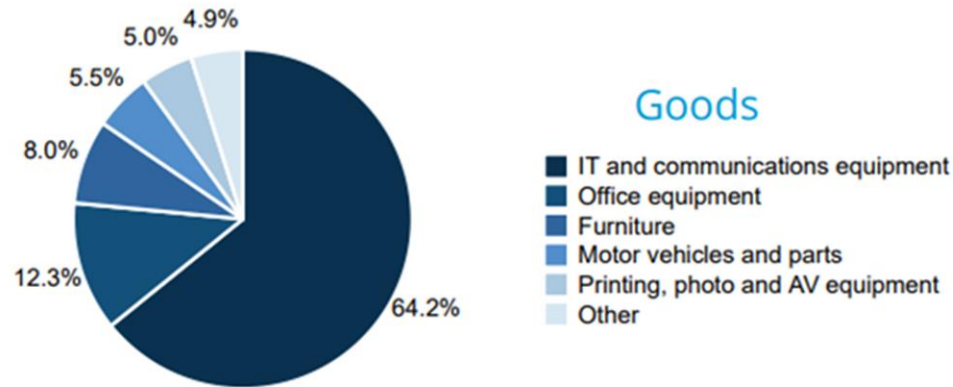


Corporate Procurement at IFAD



- IFAD procures approximately **45 million USD annually**.
- In 2016, IFAD purchased goods and services from vendors from **78 different countries**
- IFAD's **corporate procurement** includes:
 - 1. Commercial Contracts** with commercial entities
 - 2. Institutional Contracts** with non-commercial entities (NGOs, UN agencies, non-profit organizations, etc.)

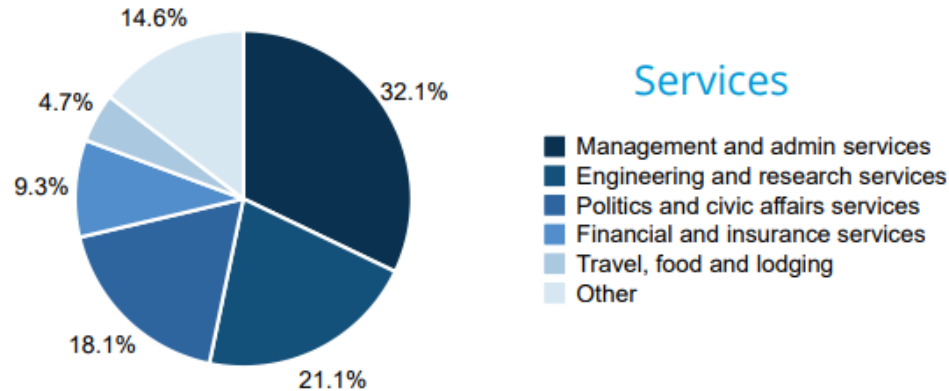
GOODS PROCURED AT IFAD



- **64.2%** of goods purchased are **IT and communications equipment**
- Computer Hardware and Software
- Telecommunication equipment
- Multifunction Printing Equipment (rental)
- Print shop Equipment (rental)
- Photo and Audio Video devices
- Security and Surveillance devices



SERVICES PROCURED AT IFAD



- **Management and Admin** services make up to **32.1%** of services procured
- Catering and Hospitality
- Cleaning Services
- Professional consultancies in various sectors
- Conference Services and Event Management
- Facility Technical Maintenance
- ICT Software Development
- Investment Management
- Security Services
- Travel Services
- Utilities (Electricity, Gas)



Next...



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO)



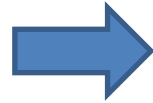
- Established in **1966**
- Became a Specialized Agency of the United Nations in **1985**.
- Contains 168 member states



MANDATE



ISID INCLUSIVE AND
SUSTAINABLE
INDUSTRIAL
DEVELOPMENT



Advancing Economic Competitiveness

Advancing economic and industrial growth

Creating Shared Prosperity

Advancing poverty eradication and inclusiveness

Safeguarding the Environment

Advancing environmentally sustainable growth



PROCUREMENT

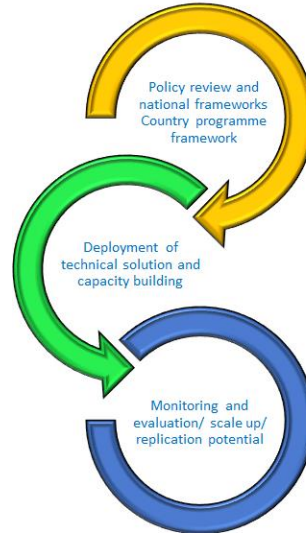


Supporting Technical Cooperation Initiatives

1. Policy review and National Framework/Country Programme Framework
2. Deployment of technical solution and capacity building
3. Monitoring and Evaluation replication potential



PROCUREMENT OF GOODS AND SERVICES



- Consultancy services
- Supply of equipment
- Turn-key contracts
- Construction works
- Training and capacity building services



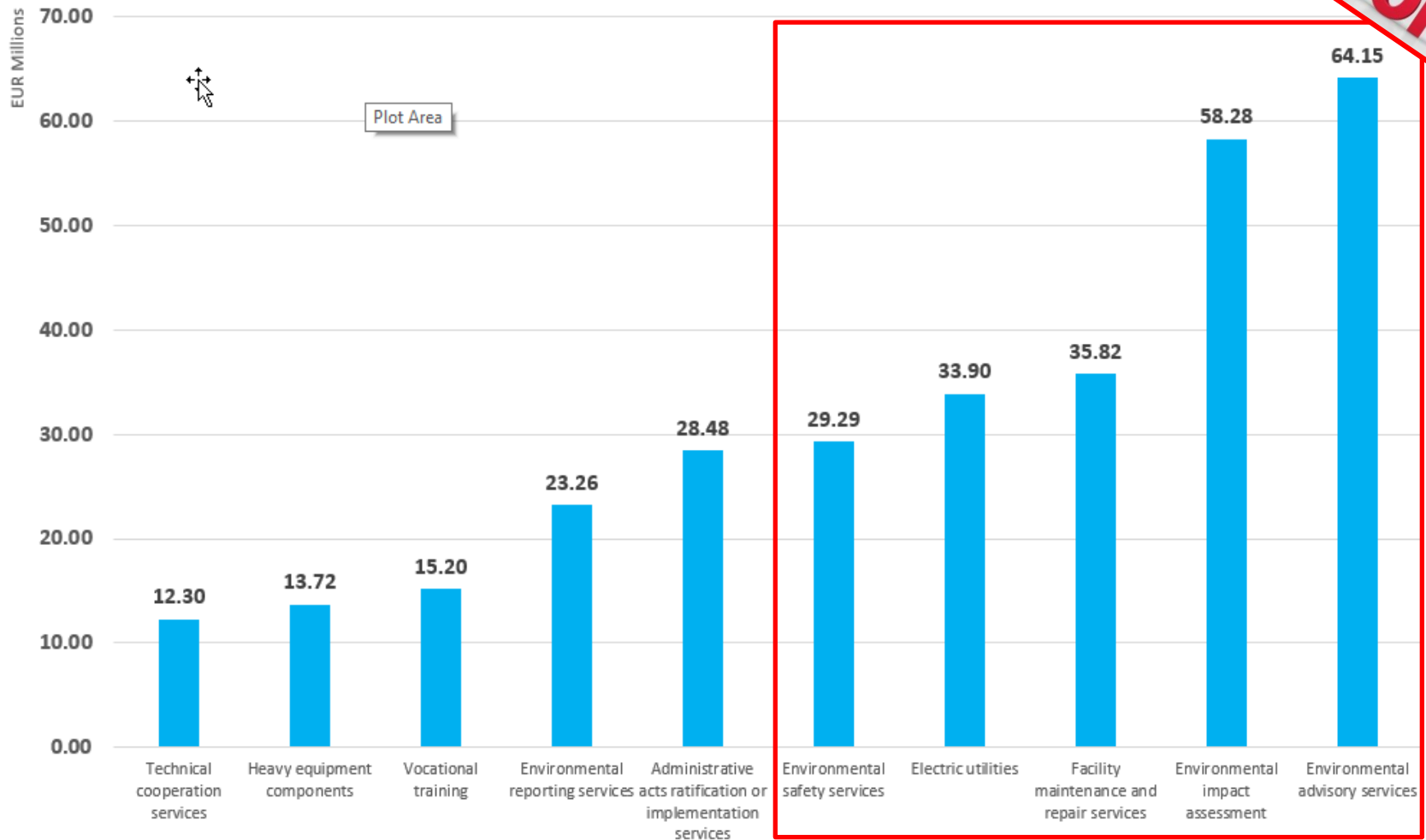
PROCUREMENT OF GOODS AND SERVICES

- Accreditation services
- IT infrastructure
- TV and media services
- Engineering design review service
- Environmental and social impact studies
- Logistics services
- Pre-feasibility studies
- Feasibility studies
- Project design services
- Technological solutions
- Project evaluation services
- Monitoring and oversight services
- Verification and audit services
- Knowledge transfer
- **Study tours**



GOODS AND SERVICES PROCURED

Top Ten Materials and Services Procured by UNIDO in 2014 - 2018 In EUR



TOP 5



Next...



WORLD FOOD PROGRAMME (WFP)



- Delivering life-saving food in emergencies since 1962
- Leading humanitarian organization fighting hunger worldwide
- Global goal of ending hunger by 2030
- Recovery and sustainable development
- Reaches an average of 80 million people with food assistance/ 80 countries each year



Working together



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).

We manage humanitarian response services that are used by the whole humanitarian community:

- A network of 6 United Nations Humanitarian Response Depots (UNHRD) that procure, store and transport emergency supplies.
- The United Nations Humanitarian Air Service (UNHAS) which enables humanitarian workers and supplies to reach isolated or inaccessible communities in need.



PROCUREMENT OBJECTIVES



- Decentralized procurement model, based on value thresholds to activate and approve procurement actions, at the local, regional, and the Headquarter level.
- In 2018, the total of 3.5 billion USD has been spent on procurement.
- 763 million USD (Goods and Services)
- 1.6 billion USD (Food)
- 1.13 billion USD (Logistics)



PROCUREMENT OF GOODS AND SERVICES FROM ITALY, MALTA, AND ISRAEL



Italy 2018	
CONSULTANCY SERVICES - ICT	\$ 7,438,253.56
RENT & UTILITIES - RENT (WFP ONLY)	\$ 7,329,993.62
IT EQUIPMENT - SOFTWARE LICENSES	\$ 3,332,289.97
OFFICE SERVICES - MAINT. AND REPAIR SERV.- PREMISES (EXTRA.)	\$ 2,620,788.40
SAFETY & SECURITY - SECURITY SERV. (OTHER)	\$ 1,537,732.76
BUILDINGS/STRUCTURES - PREFABRIC. STRUCTURES - OFFICE/LIVING	\$ 1,451,232.71
CONSULTANCY SERVICES - OTHER	\$ 1,438,054.09
MEET./TRAIN./WORKSH. - OTHER RELATED COSTS	\$ 1,338,589.29
RENT & UTILITIES - ELECTRICITY	\$ 1,146,339.92
ICT SERVICES - TELECOMMUNICATION SERVICES	\$ 1,033,992.94
Other	\$ 12,295,517.84
Grand Total	\$ 40,962,785.10



Israel 2018	
INSURANCE - VEHICLE INSURANCE	\$ 24,472.76
ICT SERVICES - TELECOMMUNICATION SERVICES	\$ 24,045.71
RENT & UTILITIES - RENT (WFP ONLY)	\$ 23,408.08
RENT & UTILITIES - ELECTRICITY	\$ 19,943.98
VEHICLES - SPARE PARTS & ACCESSORIES	\$ 14,357.61
VEHICLES - VEHICLE RUNNING COSTS AND MAINTENANCE, OTHER	\$ 6,073.70
CONSULTANCY SERVICES - ICT	\$ 4,675.86
OFFICE SERVICES - RECRUITMENT ADVERTISEMENTS	\$ 4,507.52
SAFETY & SECURITY - SECURITY SERV. (OTHER)	\$ 4,500.00
IT EQUIPMENT - IT EQUIPMENT, OTHER	\$ 3,403.81
Other	\$ 14,962.23
Grand Total	\$ 144,351.26

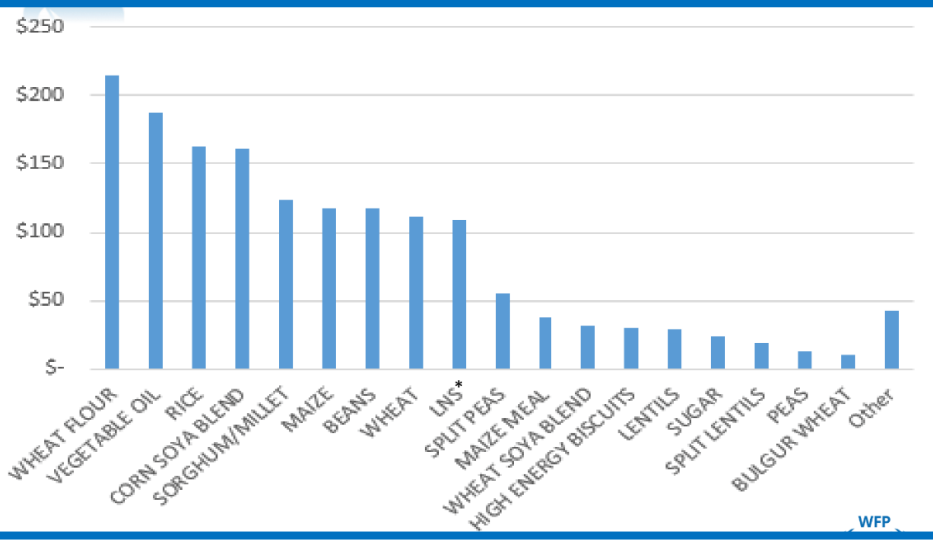


Malta 2018	
HUMAN RESOURCES - DOCUMENT TRANSLATION	\$ 3,213.28
CONSULTANCY SERVICES - OTHER	\$ 948.89
Grand Total	\$ 4,162.17

- 41 million US Dollars- G&S purchased from Italian Vendors
- Since 2011, a total of **1125 Italian Vendors** have received Purchase Orders from WFP.
- The Goods and Services purchased by Israeli Vendors in 2018, have amounted to 144,351.26 US Dollars, with **45 Israeli vendors** since 2011.
- **4 Maltese Vendors** since 2011, 4,162.17 US Dollars has been spent on Goods and Services from Malta.



PROCUREMENT OF FOOD & LOGISTICS



- In 2018, over **4.5 million metric tons of food** have been handled
- Land transportation- 460 million USD
- Sea transportation- 245 million USD
- Air transportation-215 million USD
- Other transportation related 216 million USD

The top 5 categories of Global Food Purchases in 2018 include:

1. Wheat Flour
2. Vegetable oil
3. Rice
4. Corn soya blend
5. Sorghum and Millet





Land
USD **460** million



Ocean
USD **245** million



Air*
USD **215** million



Other transport related costs**
USD **216** million

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

For new vendors

How to do business with WFP?

Understand WFP'S Requirement

Promote your products

Register on UNGM (and In-tend)

Participate to WFP tenders



Goods & Services
USD 763 million

1. Check out procurement page on <https://www1.wfp.org/do-business-with-wfp>
2. Understanding UN 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



Food
USD 1.6 billion



Logistics
USD 1.13 billion

**In 2018 WFP procured
3.5 billion USD**





For **Vendor registration** and **Business opportunities** (tenders) with the UN Agencies, please go to: www.ungm.org

Login and New Registrations

Business Opportunities

Doing Business with the UN Agencies

Here you will find information on doing business with the UN



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1st Thematic Panel

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Moderator: Giorgio Fraternali, Director, Procurement Division, ILO

Panel Members:

Davide Blancato, Procurement Officer, FAO

Marieclaire Colaiacomo, Corporate Procurement Specialist, IFAD

Sandro Luzziatti, Corporate Procurement Manager, IFAD

Michael Dethlefsen, Chief, Procurement Services, UNIDO

Aldo Luca Spainini, Head, Goods & Services Procurement, WFP