



World Food Programme



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# Introducing WFP Procurement

Copenhagen, 12-13 June 2019



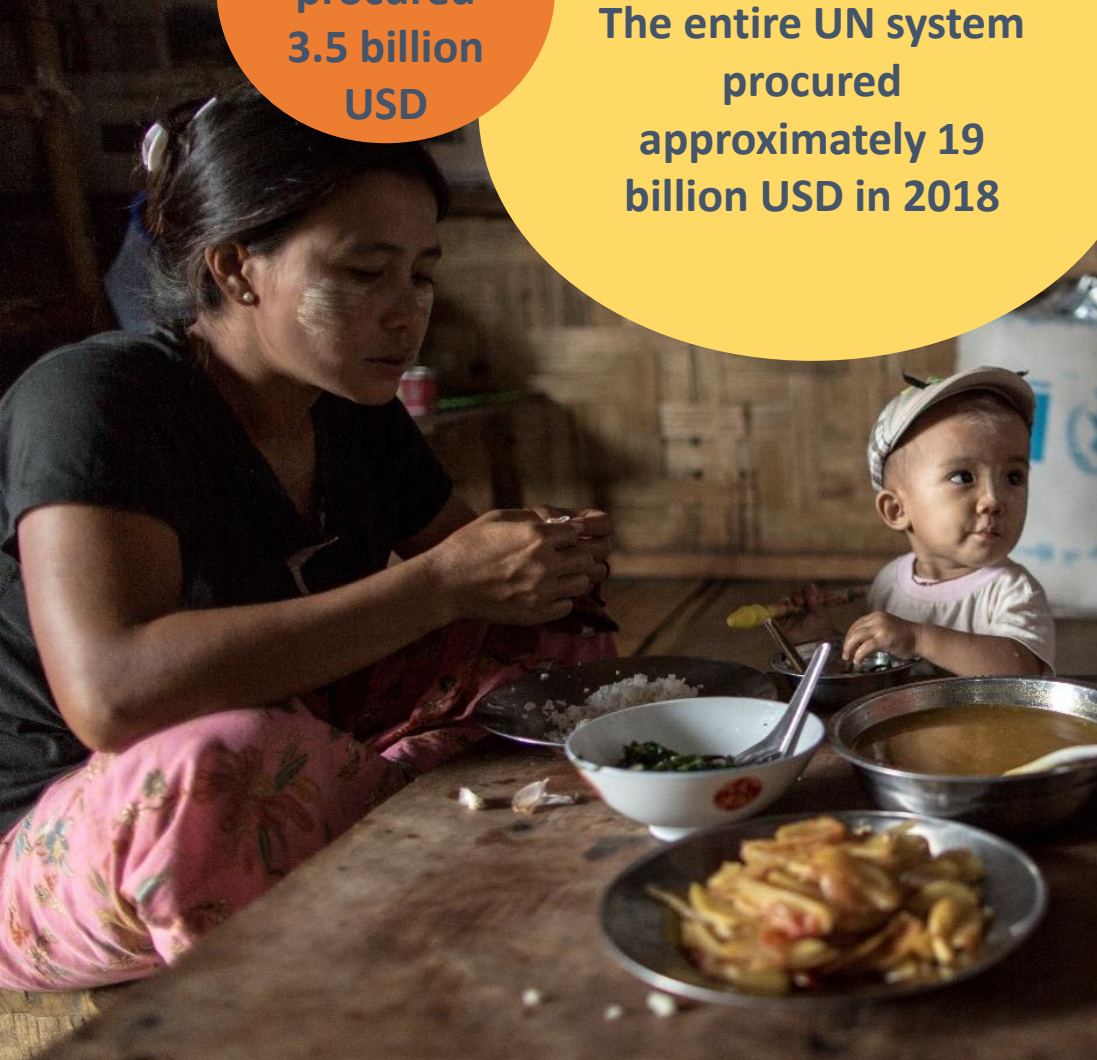
**In 2018  
WFP  
procured  
3.5 billion  
USD**

**The entire UN system  
procured  
approximately 19  
billion USD in 2018**

**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.**





## GLOBAL COMMITMENT

**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).







## FOOD DISTRIBUTIONS

**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**

Goods &  
Services

HRD



**Food**  
**USD 1.6 billion**

Food

Food  
Quality



**Logistics**  
**USD 1.13 billion**

Shipping

Fleet

Aviation

WFP operates with a **decentralized procurement model**, based on value thresholds to activate/approve procurement actions at local, regional and HQ level





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# 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

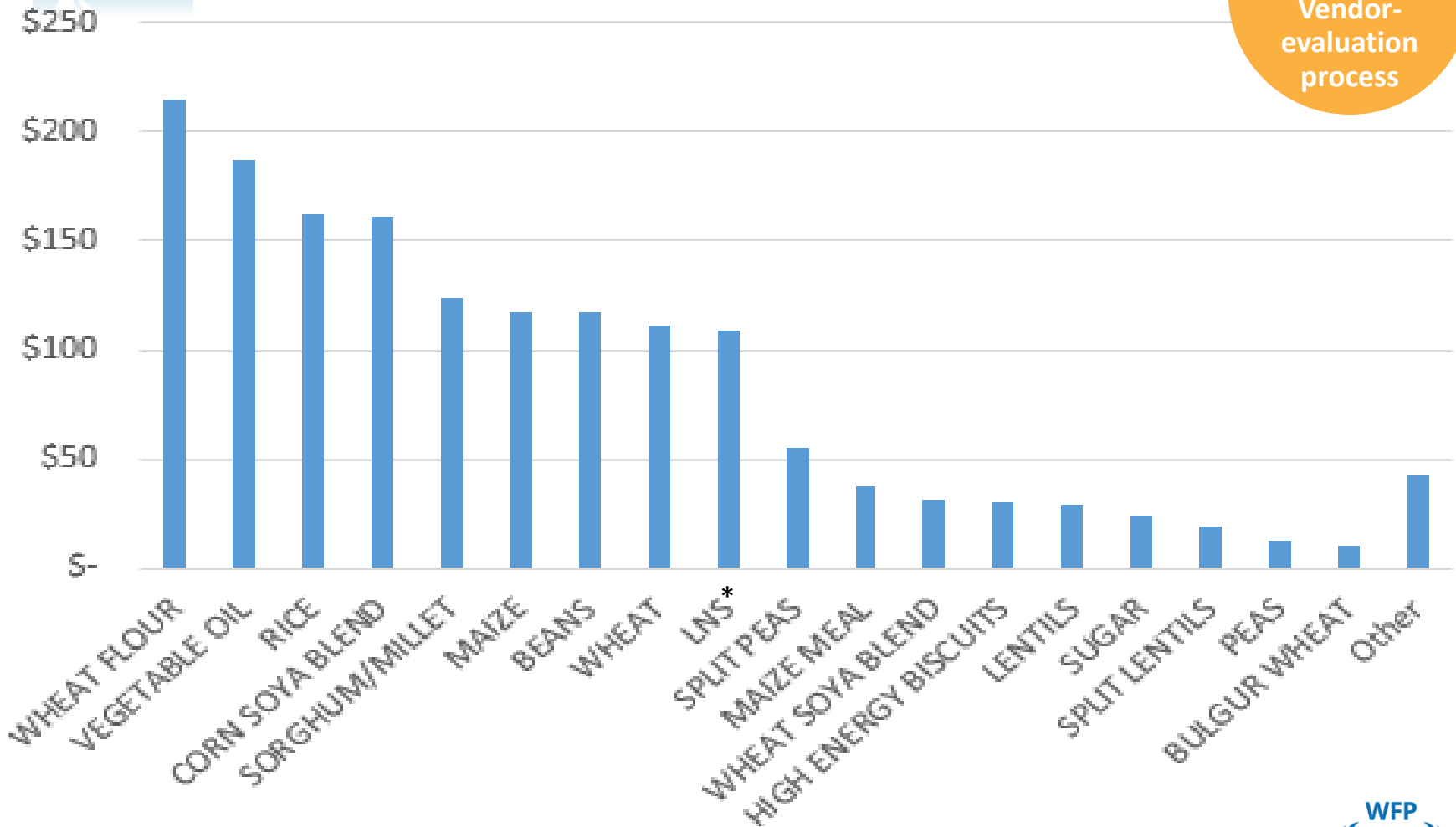




# Key Categories

## WFP Global Food Purchases in 2018: USD 1.6 billion

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)

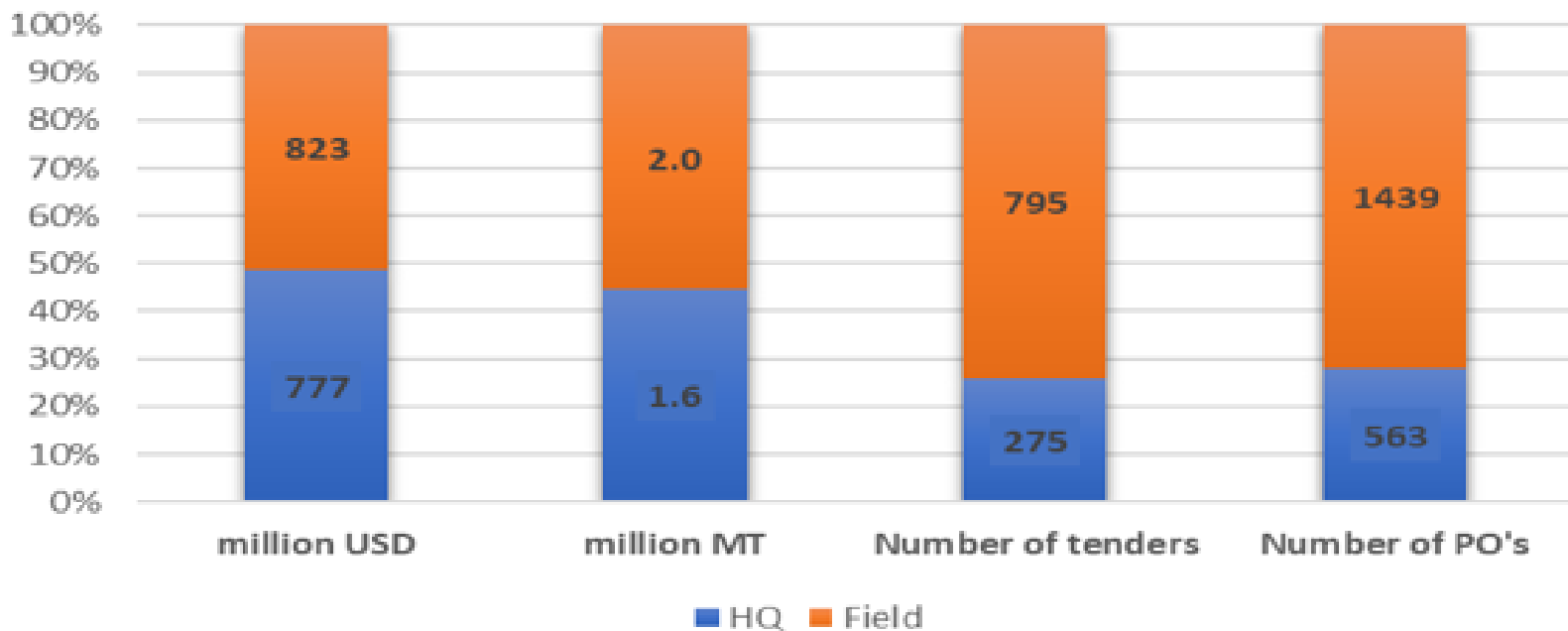




# Food procurement

## WFP Global Food Purchases in 2018: USD 1.6 billion Local vs Global

### 2018 Food Procurement stats



1.6 billion USD  
3.6 million MT





Production /  
trading  
capacity

Solidity of  
the  
company

Quality  
assurance

Supply  
chain

UNGM  
documents

Additional info  
submitted

Inspection  
and/or  
evaluation

FOOD  
suppliers  
undergo a  
Vendor-  
evaluation  
process



# Food Procurement

## WFP Global Food Purchases

Cash & Vouchers

1.6 billion USD  
distributed in 2018

Local vs Global

Decentralized  
procurement model  
with key categories

More research

Less food assistance





# Food Procurement

## 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](mailto:hq.newfoodscommittee@wfp.org)
4. For additional assistance for the international food suppliers, contact [newsuppliers@wfp.org](mailto: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:**

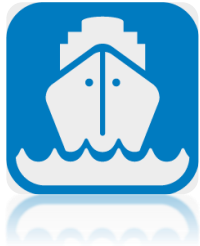
1. Legal capacity to enter into a contract with the United Nations.
2. Proven financial capacity (annual turnover of a minimum USD 5,000,000).
3. Proven ability to perform (supported by reference letters from reputable clients).
4. A minimum 3 years of experience in the production and trading of commodities 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](mailto:newsuppliers@wfp.org))





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# LOGISTICS PROCUREMENT







# Logistics Procurement

## In 2018 procured: USD 1.13 billion and handled over 4.5 million metric tons of food



Land  
USD **458** million



Ocean  
USD **245** million



Air\*  
USD **197** million



Other transport related costs\*\*  
USD **235** million

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

\*\* Other related products

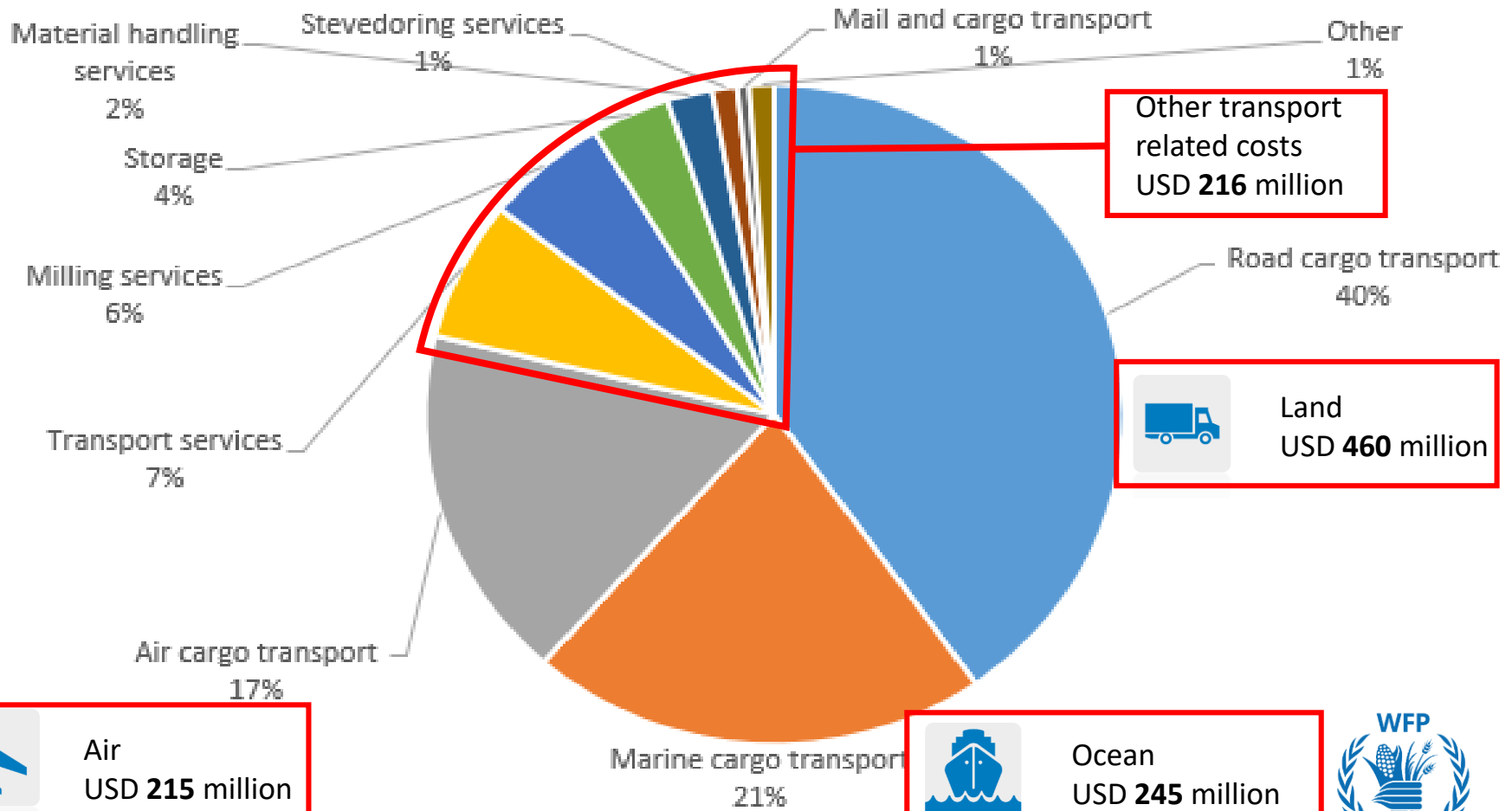




# Logistics Procurement

In 2018 procured: **USD 1.13 billion** and handled over **4.5 million metric tons of food**

Logistic/transport services procurement, 2018



Air  
USD 215 million



Ocean  
USD 245 million





# Logistics Procurement

## How to reach out WFP



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



Ocean  
USD **245** million

1. Registered at Level 2 in UNGM
2. Write to [hq.shippingliner@wfp.org](mailto:hq.shippingliner@wfp.org) if you are a liner company; [hq.shippingcharter@wfp.org](mailto: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



Air  
USD **215** million

1. Registered at Level 2 in UNGM
2. Write to [wfp.airtransportunit@wfp.org](mailto: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



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

\*\* Other related products





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# GOODS AND SERVICES PROCUREMENT

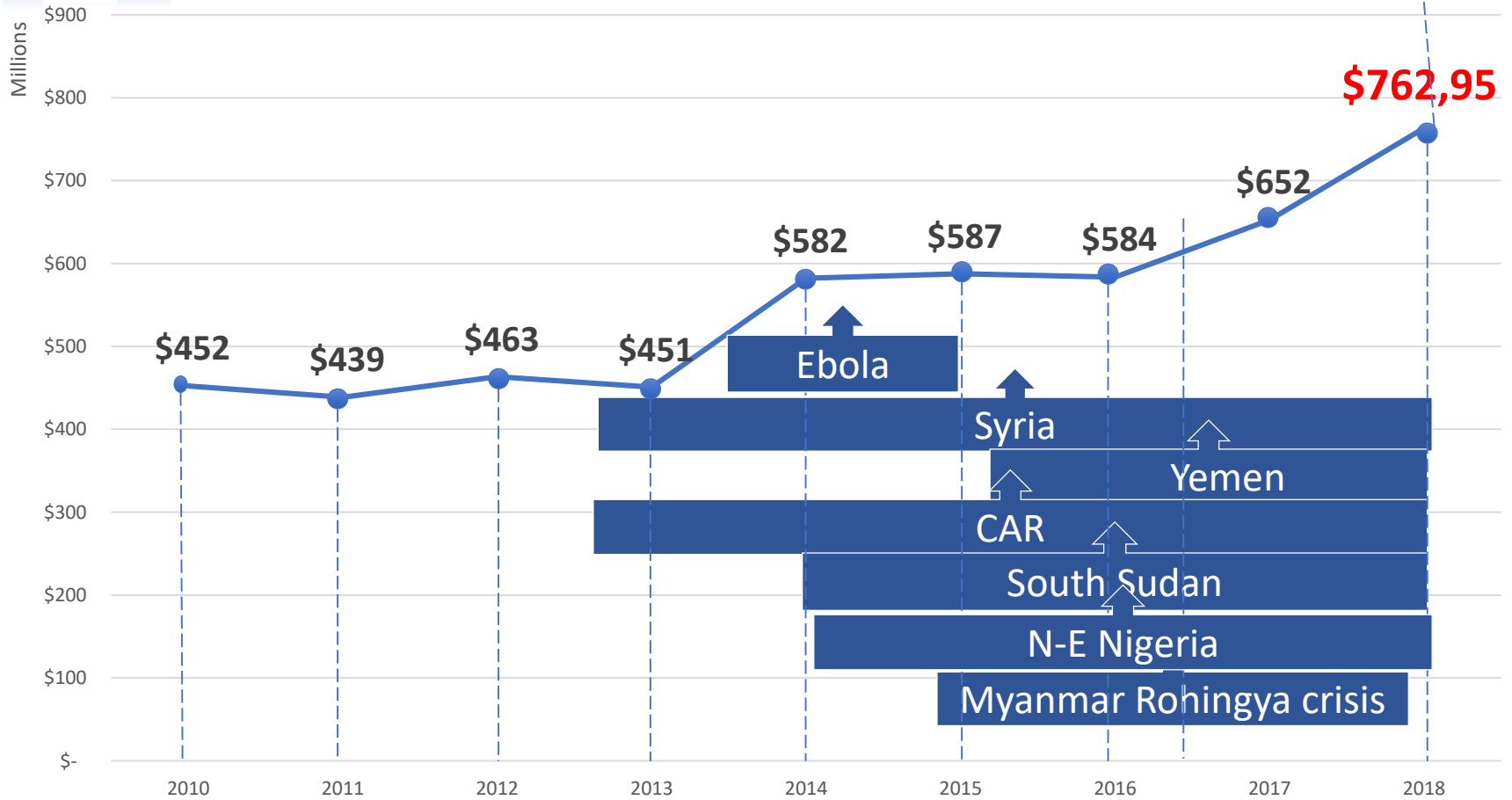




# G&S procurement

## TOTAL Goods & Services PURCHASE TREND: 2010-2018 WORLDWIDE

THE RECORD VOLUME

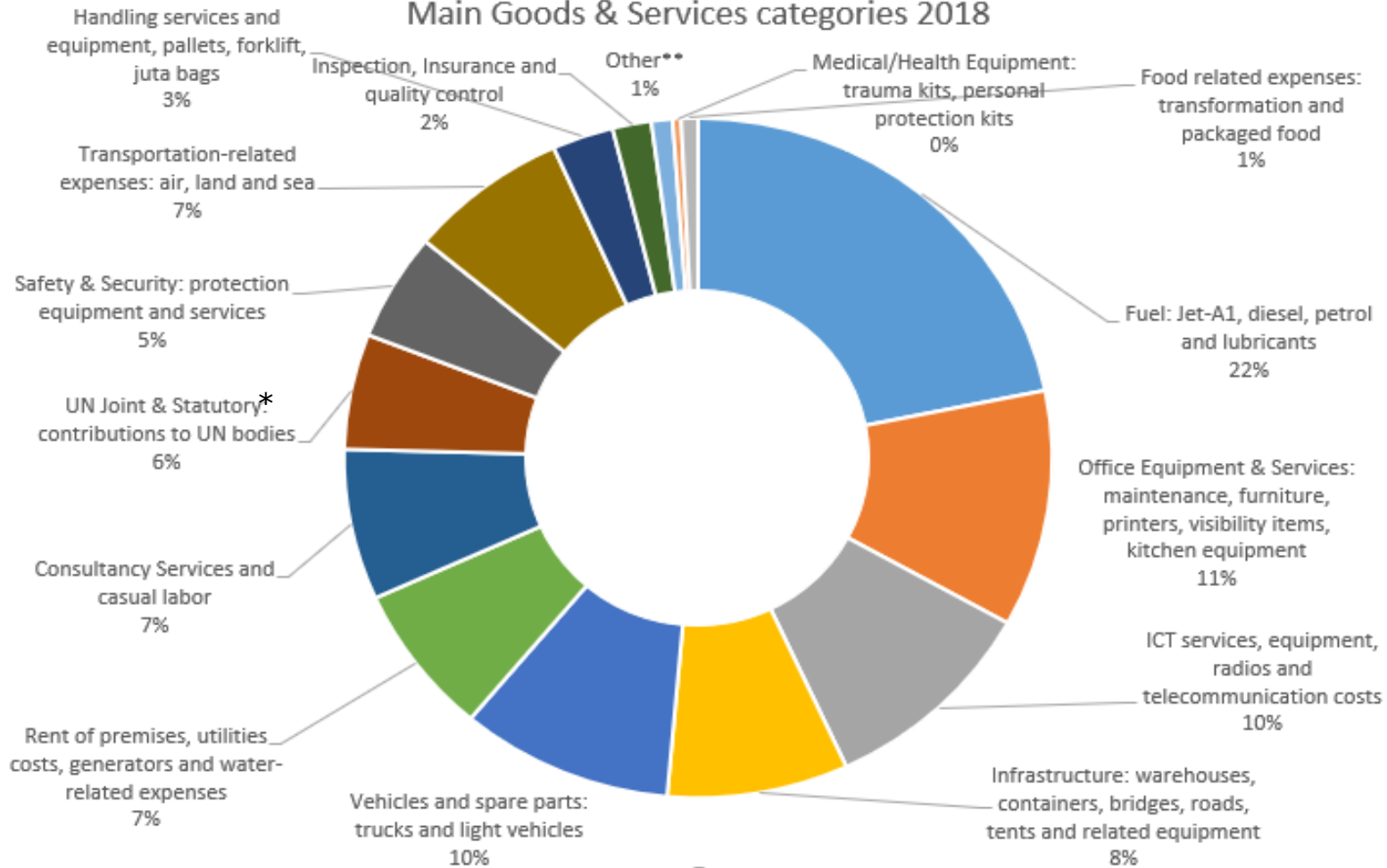




# Key Categories

## Goods & Services purchased in 2018: USD 763 million

Main Goods & Services categories 2018



\* UN Joint and Statutory relates to payments made internally between UN Agencies, Funds and Programmes





## Vendor countries

## 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.

Vendor country	Amount USD
<b>EU 28</b>	<b>\$ 137,670,243.50</b>
South Sudan	\$ 79,744,822.46
Ethiopia	\$ 52,412,489.87
Yemen	\$ 51,252,672.73
Utd.Arab Emir.	\$ 42,531,637.07
Kenya	\$ 30,112,619.15
USA	\$ 29,641,307.47
Sudan	\$ 23,376,161.94
Afghanistan	\$ 16,077,393.45
Dem. Rep. Congo	\$ 15,662,755.66
Other	\$ 284,468,799.43
<b>TOTAL</b>	<b>\$ 762,950,902.73</b>

2018





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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?

## In-tend

It is WFP's e-tendering portal. Vendor shall register there when requested so they can be invited to submit offers to specific tenders for their products.

Understand  
WFP'S  
Requirement

Promote  
your  
products

Register on  
UNGM (and  
In-tend)

Participate  
to WFP  
tenders



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



**Food**  
**USD 1.6 billion**



**Logistics**  
**USD 1.13 billion**

**In 2018 WFP procured  
3.5 billion USD**

1. Check out procurement page on <https://www1.wfp.org/do-business-with-wfp>
2. Understanding WFP's purchasing patterns on <https://www.ungm.org/Public/ASRDataArchive>
3. Register on [www.ungm.org](http://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](mailto: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





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# QUESTIONS, COMMENTS





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[www.wfp.org](http://www.wfp.org)

Medium channel:

[medium.com/@WFP](https://medium.com/@WFP)

Panorama channel:

[panorama.wfp.org](http://panorama.wfp.org)

Twitter: [@WFP](https://twitter.com/WFP)

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