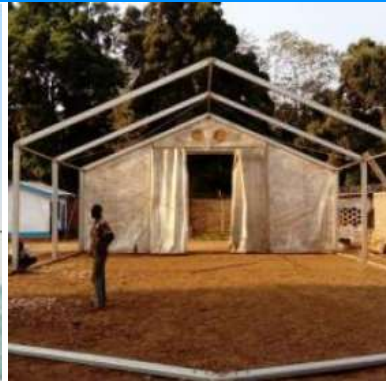


Introducing WFP procurement

Rome, 24 October 2017



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 75 countries

In 2016 3 billion USD of food, goods and services to support the distribution of approx. 3.8 million metric tons of food.



WFP buys food, goods & services and logistics items to support our operations, our regular programs and the emergency relief;

WFP also buys to support the global humanitarian community (UN, non-UN, NGOs, Governments)

Procurement of food, relief items, and operational equipment

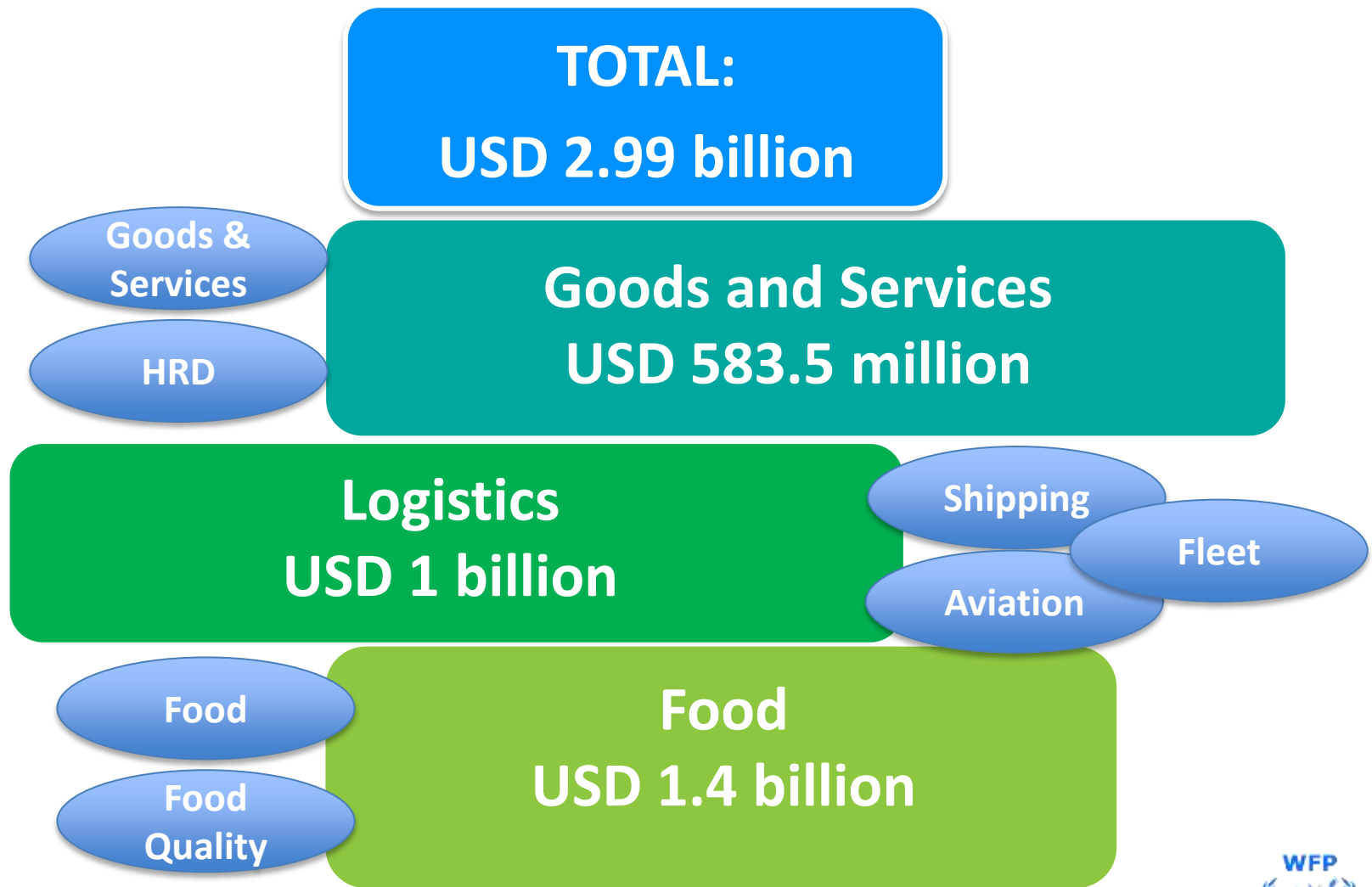
- Emergency stockpiling and pre-positioning
- Cargo transportation
- Telecommunications and IT services
- Air passenger transport
- Warehousing and handling
- Engineering support
- Medical wellness and accommodation services

1

1



WFP Procurement in 2016



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

Goods & Services (G&S) Procurement

1



2016 Key Categories: Goods & Services

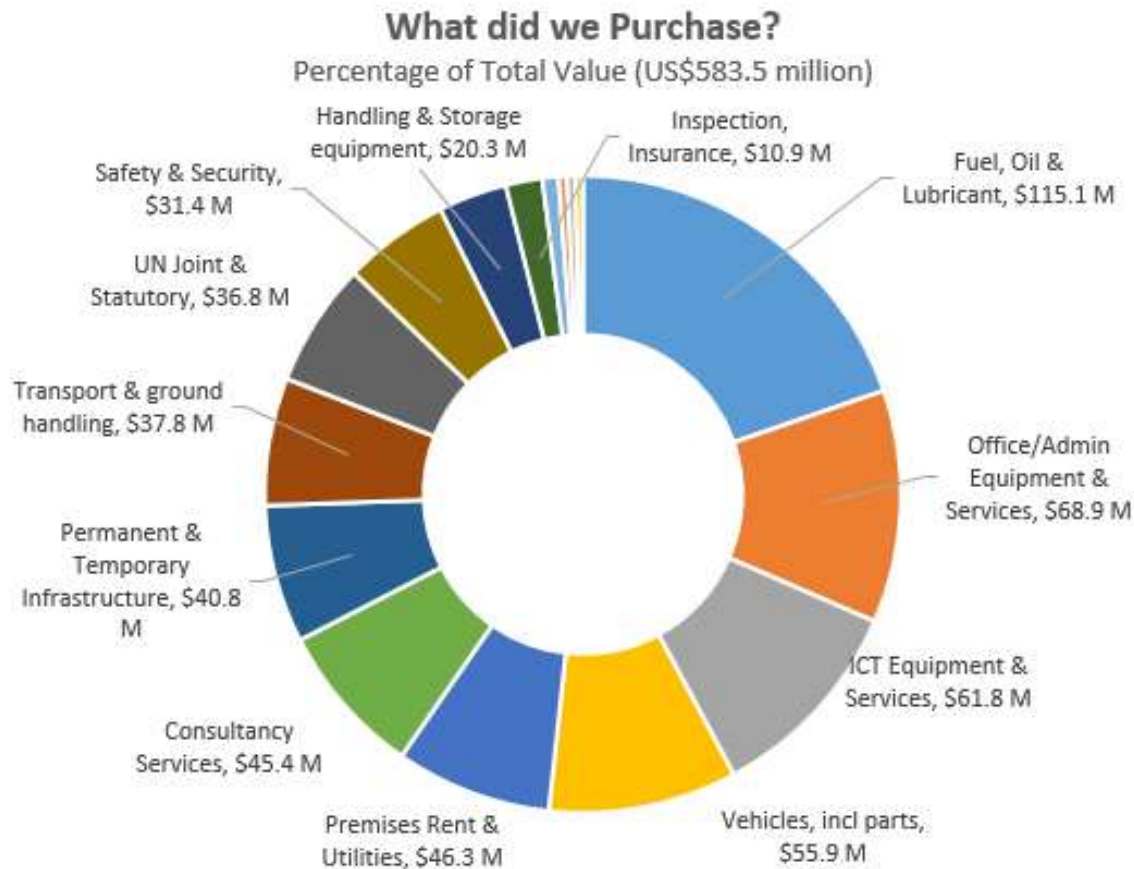
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TOTAL:
USD 2.99 billion

Goods and Services
USD 583.5 Million

Logistics
USD 1 billion

Food
USD 1.4 billion



*UN Joint and Statutory relates to payments made internally between UN Agencies, Funds, and Programmes (AFP)

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

G&S Procurement

1

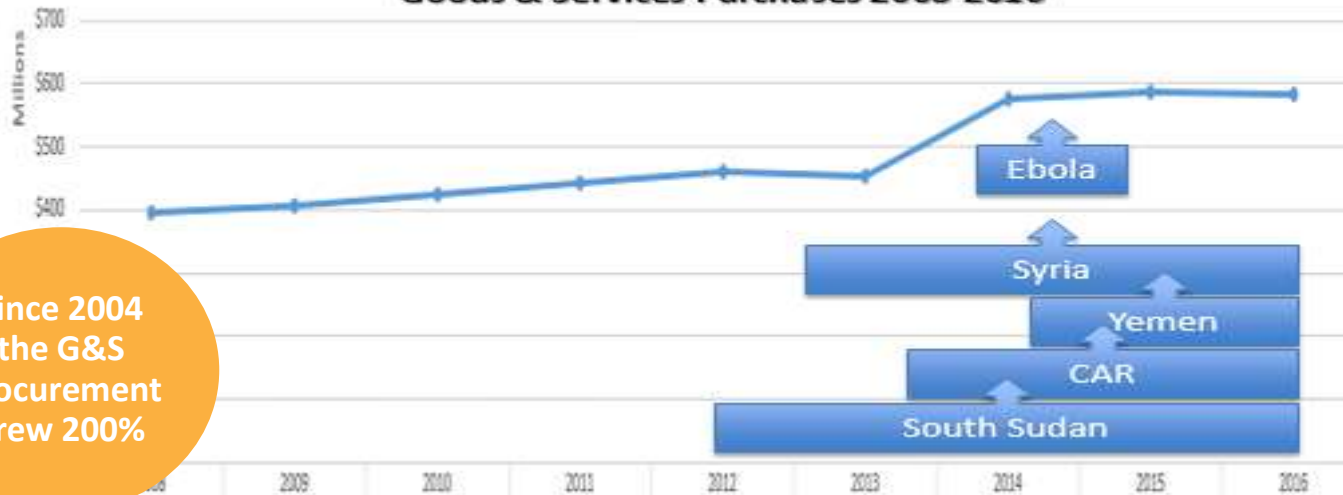
Contracts with commercial providers are managed by WFP's Goods & Services Procurement Branch.

- Headquarters at Rome, Italy
- Regional Bureaux at 6 locations worldwide
- Field Offices in 82 countries worldwide

The G&S Procurement branch procures for WFP, however, some linked structures like UNHRD also procure on behalf of the wider UN and governmental/non-governmental agencies.

In 2016 WFP Procurement purchased \$583.5 m of G&S.

Goods & Services Purchases 2008-2016



Since 2004
the G&S
procurement
grew 200%

2014-2016 Procurement G&S

1

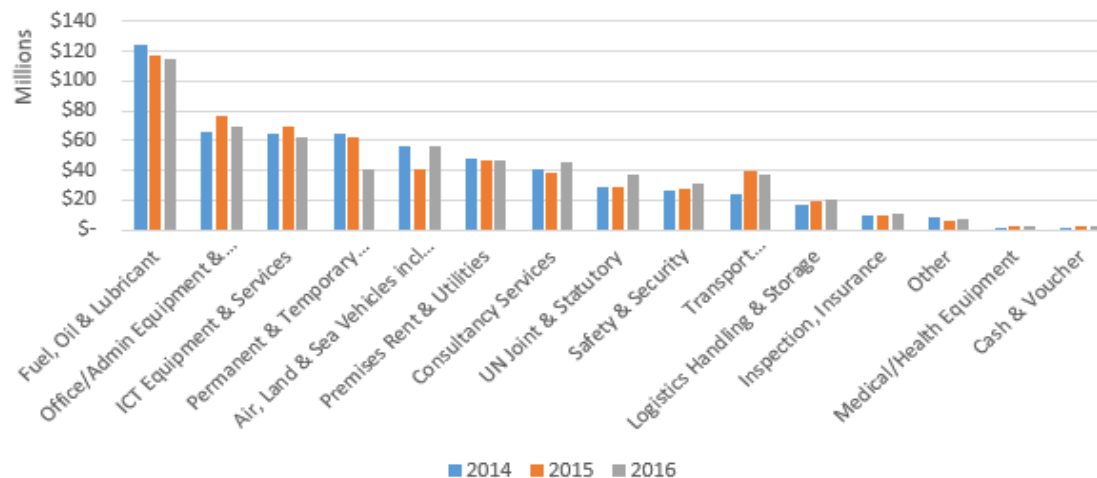
In 2016 WFP Procurement purchased \$583.5m of G&S.

Vendor countries in 2016	2016
EU 27 (w.out UK)	\$ 87,545,879.05
Ethiopia	\$ 45,842,704.99
South Sudan	\$ 45,420,878.05
USA	\$ 39,201,142.13
Sudan	\$ 28,849,930.92
Kenya	\$ 26,482,986.54
Utd.Arab Emir.	\$ 23,307,632.69
Yemen	\$ 17,863,681.07
United Kingdom	\$ 17,007,589.31
Afghanistan	\$ 16,913,997.91
Dem. Rep. Congo	\$ 12,104,229.67
Norway	\$ 11,967,618.20
Pakistan	\$ 9,448,820.80
Jordan	\$ 9,306,733.60
Switzerland	\$ 8,704,920.70
Others:	\$183,550,153.08
TOTAL	\$583,518,898.71

Top 10 vendor countries	
Ethiopia	\$ 45,842,704.99
South Sudan	\$ 45,420,878.05
USA	\$ 39,201,142.13
Italy	\$ 34,343,125.83
Sudan	\$ 28,849,930.92
Kenya	\$ 26,482,986.54
Utd.Arab Emir.	\$ 23,307,632.69
Yemen	\$ 17,863,681.07
United Kingdom	\$ 17,007,589.31
Afghanistan	\$ 16,913,997.91

Goods & Services expenditure
2014-16

Main Goods & Services purchased in 2016	Sum of Value US\$
Fuel, Oil & Lubricant	\$ 115,106,633.81
Office/Admin Equipment & Services	\$ 68,938,086.77
ICT Equipment & Services	\$ 61,805,158.70
Vehicles, incl parts	\$ 55,944,406.24
Premises Rent & Utilities	\$ 46,332,674.91
Consultancy Services	\$ 45,410,861.31
Permanent & Temporary Infrastructure	\$ 40,806,627.66
Transport & ground handling	\$ 37,807,750.71
UN Joint & Statutory	\$ 36,825,698.34
Safety & Security	\$ 31,411,427.91
Handling & Storage equipment	\$ 20,342,481.71
Inspection, Insurance	\$ 10,853,812.73
Other	\$ 4,753,946.08
Food and Food related expenses	\$ 2,562,245.26
Medical/Health Equipment	\$ 2,432,449.60
Cash & Voucher	\$ 2,184,636.97
Grand Total	\$ 583,518,898.71



Goods & Services procurement from Italy 2016

1

What we purchased from Italian vendors?

2016

Row Labels	Sum of Value US\$
Office/Admin Equipment & Services	\$ 10,777,848.55
Premises Rent & Utilities	\$ 8,400,280.74
Consultancy Services	\$ 7,170,294.44
ICT Equipment & Services	\$ 4,158,614.15
Permanent & Temporary Infrastructure	\$ 1,775,328.66
UN Joint & Statutory	\$ 1,649,025.13
Safety & Security	\$ 255,458.07
Air, Land & Sea Vehicles incl parts	\$ 67,100.91
Inspection, Insurance	\$ 64,833.28
Logistics Handling & Storage	\$ 16,382.36
Transport Air/Ocean/Landside	\$ 6,780.15
Medical/Health Equipment	\$ 618.17
Fuel, Oil & Lubricant	\$ 561.22
Grand Total	\$ 34,343,125.83

Maintenance, cleaning, meetings, visibility items, printing, furniture...

Rent, electricity, gas...

ICT, HR, Strategic...

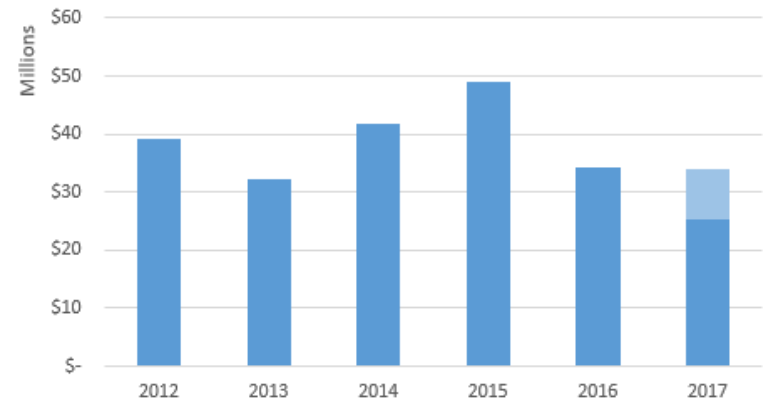
Prefab, tents, containers...

In 2016 Italy was 4th vendor country worldwide
(6% of the G&S expenditure)

2015

Row Labels	Sum of Value US\$
Office/Admin Equipment & Services	\$ 17,167,027.95
Premises Rent & Utilities	\$ 9,046,479.70
ICT Equipment & Services	\$ 8,223,180.56
Permanent & Temporary Infrastructure	\$ 7,180,584.02
Consultancy Services	\$ 6,032,212.85
UN Joint & Statutory	\$ 672,412.78
Logistics Handling & Storage	\$ 453,947.29
Safety & Security	\$ 106,962.89
Air, Land & Sea Vehicles incl parts	\$ 97,549.01
Inspection, Insurance	\$ 72,197.67
Fuel, Oil & Lubricant	\$ 11,964.90
Other	\$ 11,226.31
Transport Air/Ocean/Landside	\$ 1,637.49
Medical/Health Equipment	\$ 222.49
Grand Total	\$ 49,077,605.91

G&S purchases from Italy 2012-2017



Transport systems

1



In 2016 WFP's
vehicle-related
expenditure
exceeded
\$50 m

WFP's moves million MT of key relief items and food every year through air, land and sea. In addition to this, WFP also moves thousands people through UNHAS and its WFP vehicle fleet.

WFP keeps large fleets of light vehicles in each country it has operations in, and in its Global Humanitarian Hub in Dubai. WFP trucks are used when commercial transport services on the ground are not available.

WFP also keeps workshops with spare parts and tyres around the globe to support its fleet.

Food is usually moved on liners or chartered ships, and planes are also leased.

WFP also buys ground handling services, transshipment services, and fuel.

Vehicle-related Goods & Services expenditure	Sum of Value US\$
VEHICLES, OTHER	\$ 12,151,104.23
TRUCKS	\$ 7,580,818.75
ARMOURED VEHICLES	\$ 5,623,009.96
VEHICLE RUNNING COST	\$ 5,398,471.28
VEHICLE LEASING	\$ 5,367,162.15
VEHICLE SPARE PARTS	\$ 5,078,972.09
CONSTRUCTION	\$ 2,390,608.56
PASSENGER, 4WD	\$ 1,895,568.14
TYRES	\$ 1,701,106.88
MOTORCYCLES	\$ 1,272,569.36
BUS MINI BUS VAN	\$ 1,150,594.53
Other	\$ 425,519.38
Grand Total	\$ 50,035,505.31

G&S Procurement – Construction

1

Construction
was **7%** of
WFP's Goods
and Services
budget in
2016

Construction accounts for the third-largest goods and services spending category. WFP uses its in-house expertise in the areas of logistics, procurement and engineering to successfully carry out numerous construction projects around the globe.



WFP Ebola
response
entailed more
than **35.5**
million USD
(2014 and
2015)

This involves building roads, bridges, airstrips and ports, offices, guesthouses, warehouses, schools and camps. WFP undertakes construction to support the longer-term needs of national governments, the humanitarian community and WFP's own operations. Projects vary in scale and complexity depending on their location, the local context, and scope.



Food Procurement

2



2016 Key Categories: Food

2

TOTAL:
USD 2.99 billion

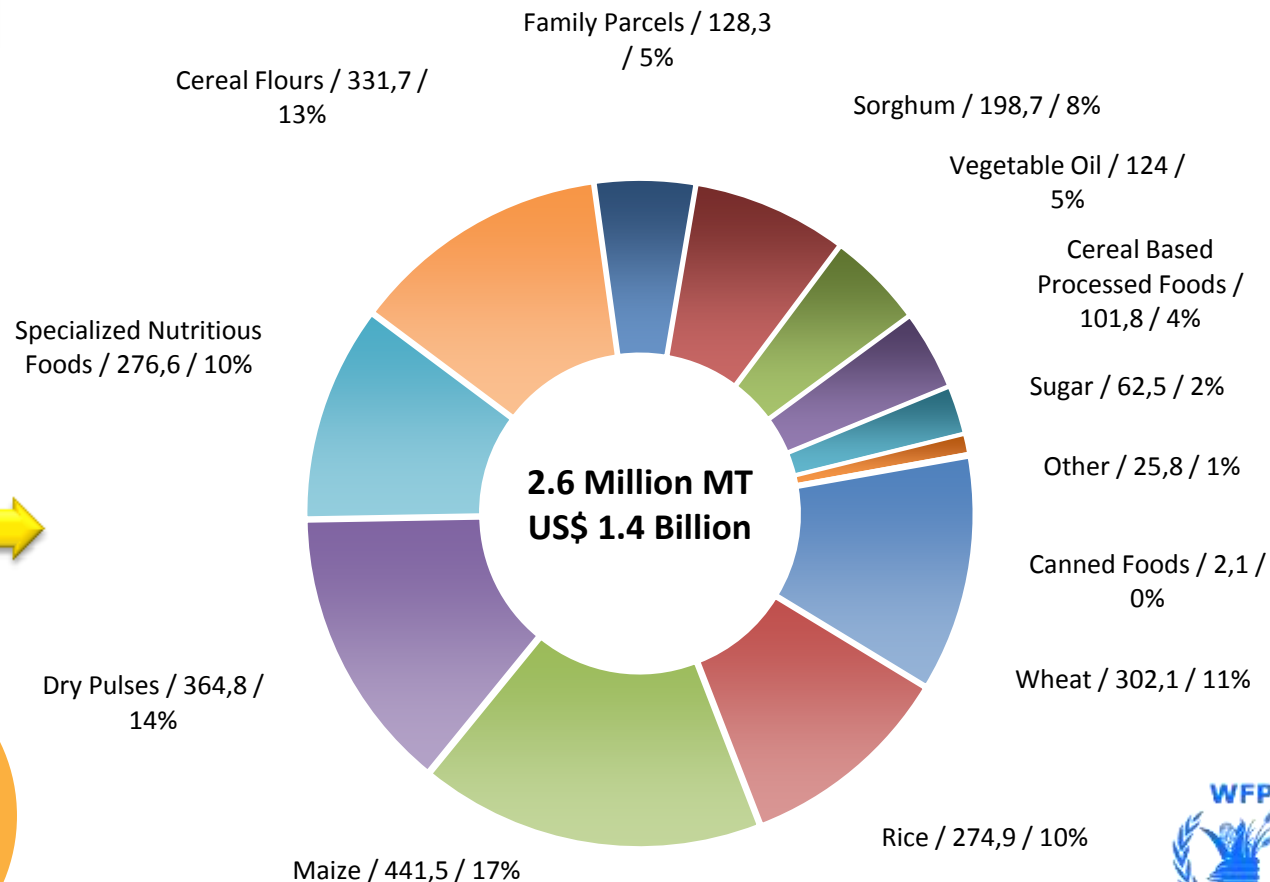
Goods and Services
USD 583.5 Million

Logistics
USD 1 billion

Food
USD 1.4 billion

FOOD
suppliers
undergo a
specific
Vendor-
evaluation
process

WFP Global Food Purchases in 2016 (in thousands of MT and %)



Food procurement: HQ vs local

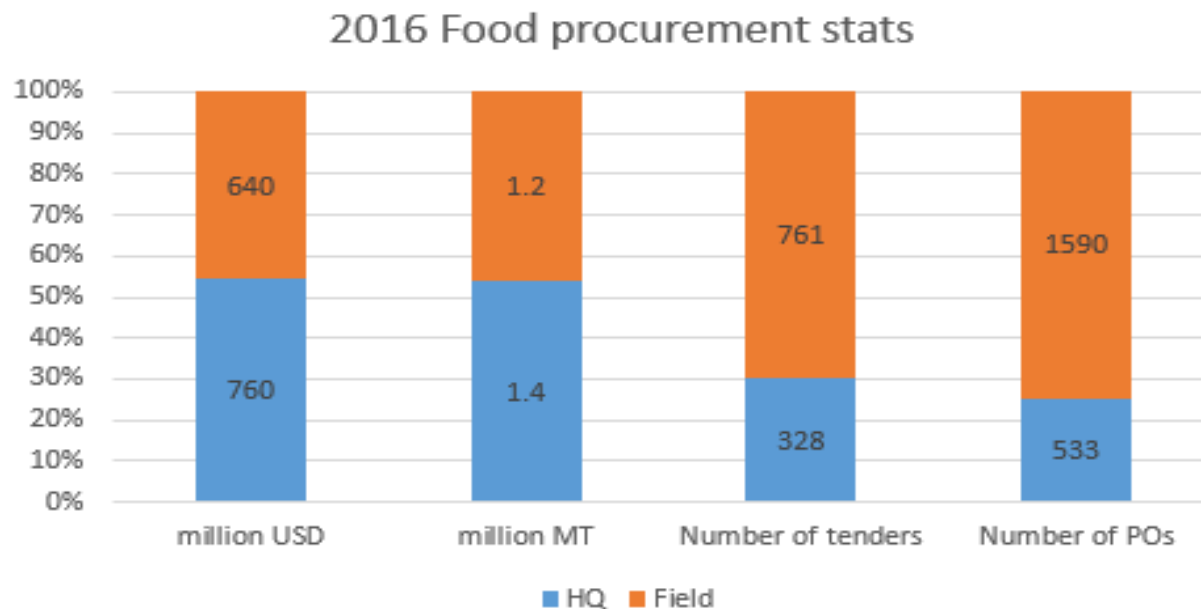
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TOTAL:
USD 2.99 billion

Goods and Services
USD 583.5 Million

Logistics
USD 1 billion

Food
USD 1.4 billion



1.4 billion USD
2.6 million MT

Logistics



2016 Key Categories: Logistics

4

Logistics Division – 1,017 m USD

In 2016, logistics handled **4.41million metric tons of food**

TOTAL:
USD 2.99 billion

Goods and Services
USD 583.5 Million

Logistics
USD 1 billion

Food
USD 1.4 billion

Land	447 Million	
Ocean	149 Million	
Air*	245 Million	
Other transport related costs **	176 Million	
TOTAL Procured Services	1,017 Million	

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?

Types of Relationships

4

Commercial Relationships

- Contract - 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

Participating in WFP Tenders

- WFP tenders electronically using corporate tendering system “In-tend”
- WFP tenders directly to pre-selected vendors
- Solicitation can be
 - Request for Quotation (RFQ) for Food and G&S,
 - Invitation to Bid (ITB) and Request for Proposal (RFP) for G&S only
- Tender evaluations in accordance with UN procurement rules
- Contracts based on UN General Terms and Conditions; not subject to discussion/amendment.
- Language of Contracts are English, save for in some specific circumstances.

How to do business with WFP?

4

Understand
WFP'S
Requirements

Promote
your
products

Register on
UNGM (and
In-tend)

Participate
to WFP
tenders

1. Check out procurement page on www.wfp.org
2. Understanding WFP's G&S requirements
3. Send a presentation of your products to WFP at newsuppliers@wfp.org
4. Read & acknowledge the UN Supplier Code of Conduct
5. Register on www.ungm.org to be in the Vendor lists of UN
6. When requested, register on WFP e-tendering platform In-tend
7. Respond to solicitation requests, when invited

UNGM

It is the UN global marketplace and serves as point of entry and for sourcing vendors for entire UN

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.

World Food Programme

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