





FOR A WORLD WITHOUT HUNGER

UN Procurement/Italian Companies
Rome 24 October 2017

Food and Agriculture Organization of the United Nations (FAO)

- Help elimin
- Make agric
- Reduce rur
- Enable incl
- Increase th

- Outreach
- Informatio
- FAO gover
- Administra

Turning ki

**Established in 1945 to lead
international efforts to
eliminate hunger**



MANDATE

Achieve 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.



WHAT DOES FAO DO?

5 Strategic Objectives

- Help eliminate hunger, food insecurity and malnutrition
- Make agriculture, forestry and fisheries more productive and sustainable
- Reduce rural poverty
- Enable inclusive and efficient agricultural and food systems
- Increase the resilience of livelihoods to threats and crises

4 Functional Objectives

- Outreach
- Information technology
- FAO governance, oversight, direction
- Administration

Turning knowledge into action to achieve food for all

WHAT DOES FAO DO?

CLICK PLAY
FOR VIDEO



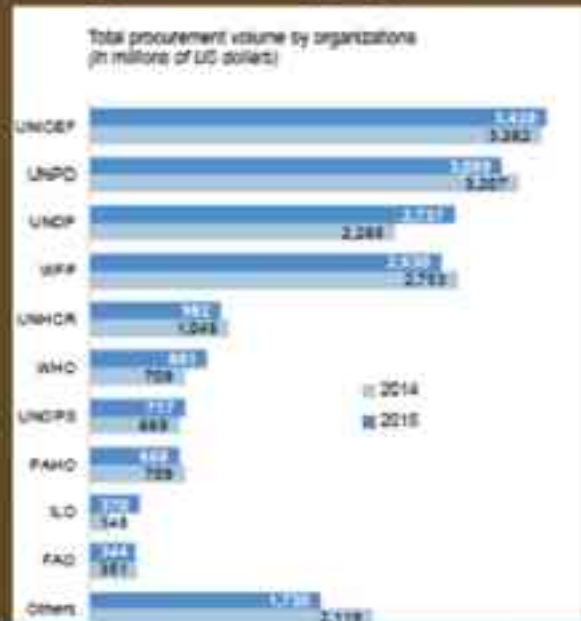
FAO STRATEGIC OBJECTIVES

CLICK PLAY
FOR VIDEO



4 Big Players

Top 10 Agencies by Percentage of Total UN Procurement



Agency	Total Procurement 2014	Total Procurement 2015
UNICEF	3382	3428
UN/PO	3207	3089
UNDP	2285	2737
WFP	2753	2630
UNHCR	1045	982
WHO	709	851
UNOPS	669	717
PAHO	709	668
ILO	148	370
FAO	351	344
OTHERS	2119	1730

(in Millions of US Dollars)

FAO PROCUREMENT OBJECTIVES

- ① Best value for money
- ② Fairness
- ③ Transparency
- ④ Economy
- ⑤ Effectiveness



- Promote use of **Framework (Long Term) Agreements.**

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CRABTREE-KASSEL, 1980

Favor cooperation with other UN entities

- Common Procurement Team (FAO, WFP and IFAD)
- Piggy-backing on existing UN contracts

The image features a large, dark teal circle on a brown background. A blue diagonal band cuts across the bottom right of the circle. The text "FAO has 194 member nations" is centered within the circle in a white, sans-serif font.

FAO has 194
member nations

DECENTRALIZED OFFICES



- 5 Regional Offices
- 9 Sub-regional Offices
- 5 Liaison Offices
- 80 FAO Representations

Representations of the FAO in
Member States and
Non-Member States



FAO has 194
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Decentralized offices have a
procurement authority
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USD 100,000 to USD 500,000.

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Information on FAO's
decentralized offices
is available on the
FAO website



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

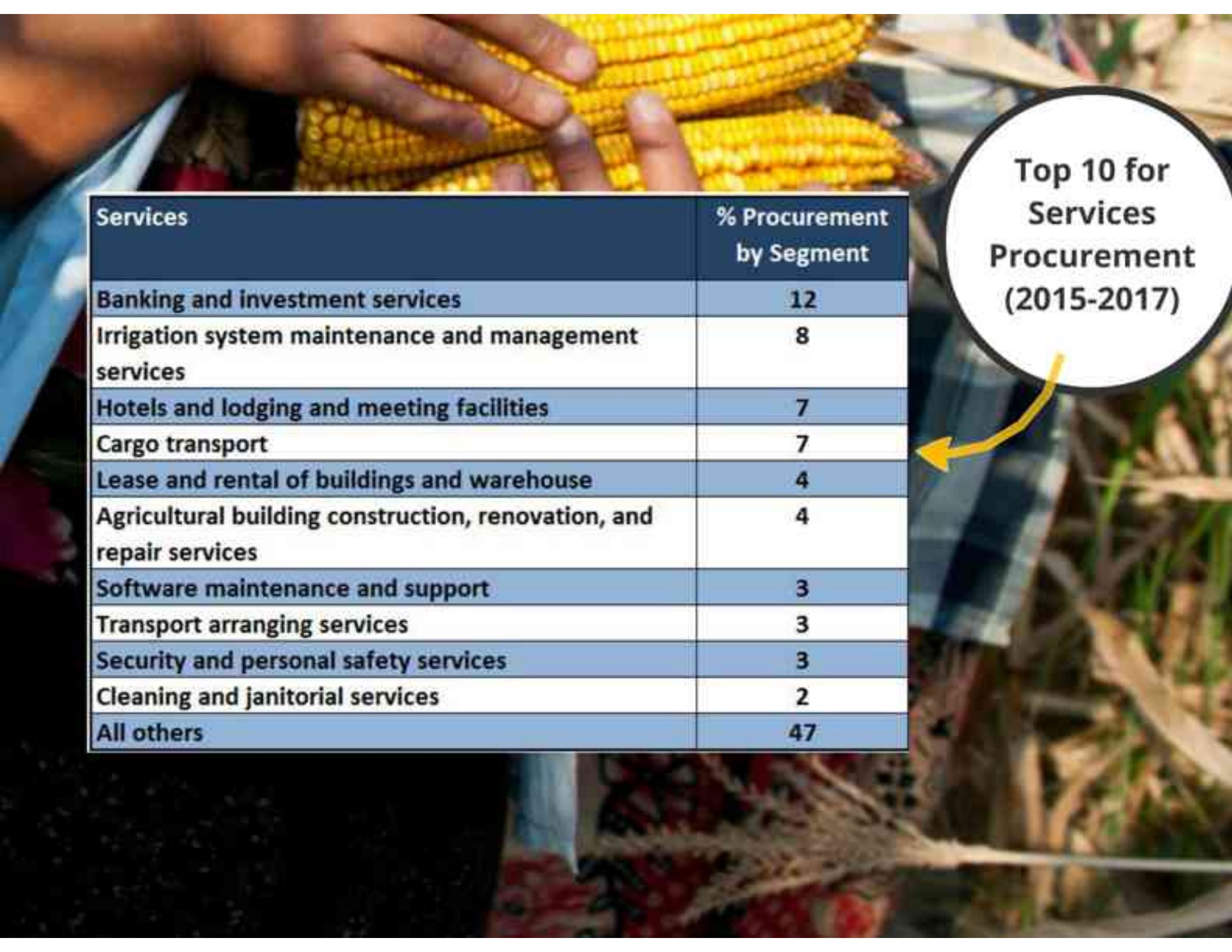
SERVICES

- Small scale construction (laboratories, irrigation, milk processing, etc.)
- Information dissemination activities
- Information technology
- Transportation, storage and materials handling
- Communications
- Technical studies
- Inspection services, surveys and studies
- Building infrastructure and maintenance
- Aerial Spraying and Surveying (locust)



**Top 10 for
Goods
Procurement
(2015-2017)**

Goods	% Procurement by Segment
Cereal (crop) seeds	11
Vegetable seeds and seedlings	10
Agriculture, forestry and garden handtools and accessories	5
Passenger motor vehicles	4
Livestock (including bovine) feed	4
Livestock	3
Chemical fertilizers and plant nutrients	3
Organic fertilizers and plant nutrients	3
Computers	3
Veterinary products and supplies	3
All others	51



**Top 10 for
Services
Procurement
(2015-2017)**



Services	% Procurement by Segment
Banking and investment services	12
Irrigation system maintenance and management services	8
Hotels and lodging and meeting facilities	7
Cargo transport	7
Lease and rental of buildings and warehouse	4
Agricultural building construction, renovation, and repair services	4
Software maintenance and support	3
Transport arranging services	3
Security and personal safety services	3
Cleaning and janitorial services	2
All others	47



FAO AND VENDORS

VENDOR BASICS

- Expressions of interest.
- Competitive-based awards.
- Participation generally extended to registered Vendors.
- **FEEDBACK ENCOURAGED!** Please share your thoughts and input with us!

FAO relies on its Vendors to meet its mandate.

SUBMISSION DEADLINES

- 2 weeks - ITBs for goods
- 4 weeks - ITBs for services
- 6 weeks - RFPs

For **emergencies** these deadlines may be **significantly reduced**.

VALIDITY OF BIDS



- Goods: minimum 2 months
- Services: minimum 6 months

Tender proposals may be re-used for 12 months.

SUBMIT BY SECURE...



email (preferred)



facsimile



courier



electronic tendering (In-tend)

Solicitation Process



IMPORTANT

- Non compliance may result in an invalid offer.

- General Terms & Conditions and/or clauses not accepted require notification to FAO

may be signi

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FAO Contractual Instruments

- **Purchase Orders for goods**
- **Contracts for Services**
- **Long Term Agreements/
Framework Agreements**
- **Letters of Agreement**

requests
to provide
delivery to
destination.

DAT (final destination
Incoterms 2010)

required, FAO organ
transport (FCA
Incoterms 2010)



Incoterms[®] 2010

by the International Chamber of Commerce (ICC)

FAO requests
Vendors to provide
for delivery to
final destination.

DAP (final destination
Incoterms 2010)

DAT (final destination
Incoterms 2010)

Exceptions: When
required, FAO organizes
transport (FCA
Incoterms 2010).



Incoterms® 2010

by the International Chamber of Commerce (ICC)

INSPECTION: LOADING/UNLOADING

- Inspection contracted by FAO with **3rd party** independent superintendency companies.
- Inspections are carried out at **loading** to verify the quality, quantity, bagging, marking, etc. and at **unloading** to identify damage/loss during transport.
- FAO instructs Vendors to **dispatch goods without waiting for inspections results.**

If suppliers do not agree with conditions they should notify FAO.



PAYMENT TERMS

FAO IS A RELIABLE PAYER
30 days from receipt of required documentation

- **No** advance payment or letters of credit.
- **Contracts:** possibility of 20% advance payment upon receipt of bank guarantee.

Emergency Procurement !

Transparency

Competitiveness

Efficiency

*Emergency situations require **very short delivery times** for Vendors.*

- **If suppliers cannot meet FAO requests, they should notify FAO with alternatives.**



- Strict “No-gifts, no-hospitality” policy.
- Vendors must adhere to the **UN Supplier Code of Conduct**.

<http://www.fao.org/unfao/procurement/codedeconduitethique/en/>



FAO Vendor Sanctions Policy

Sanctions include: *(from less to more severe)*

1. Reprimand
2. Conditional Non-Debarment
3. Debarment with Conditional Release
4. Debarment
5. Restitution or Remedy



FAO is the steward of public funds.



FAO must make every effort to prevent and deter actions that could be construed as fraud or misconduct.

"Sanctionable Actions"

- Corruption
- Fraud
- Collusion
- Coercion
- Unethical practice
- Obstruction



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(from less to more severe)

1. Reprimand
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4. Debarment
5. Restitution or Remedy



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"S

SANCTIONS COMMITTEE



Vendors have a reasonable time (**30 working days**) to prepare a **response**, provide arguments as well as evidence.



FAO will **share information** concerning sanctions with the rest of the UN System **through UNGM**.



Sanctions Committee will **only recommend debarment** when there is **sufficient evidence**.



POOR PERFORMANCE



Right to apply damages for Goods & Services not meeting specifications or for late delivery.



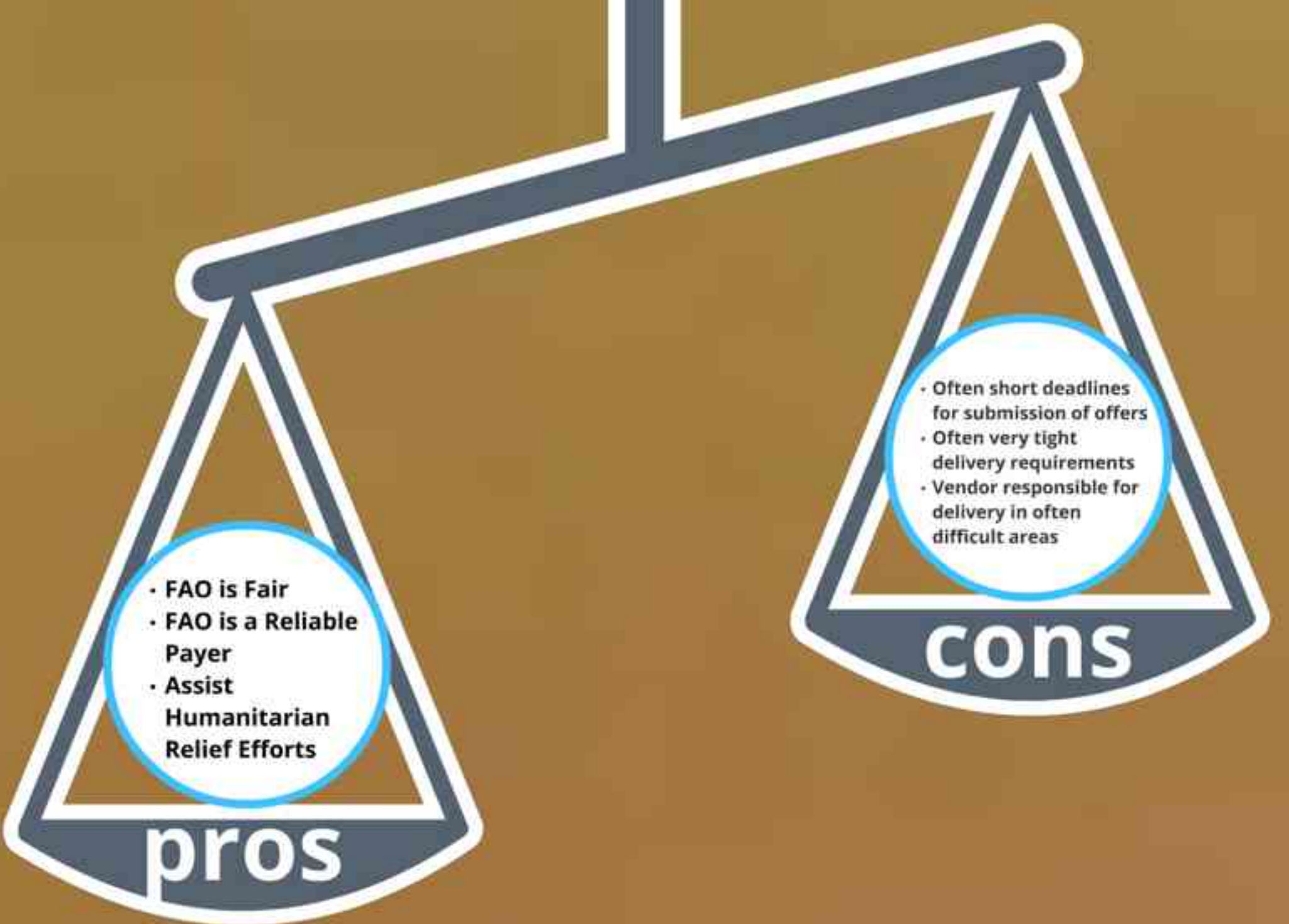
Consistent poor performance could be considered in future tenders.

7 TIPS FOR DOING BUSINESS WITH FAO

1. Companies are requested to register in UNGM.
2. They should check opportunities in the UNGM and FAO website.
3. They should keep their company info updated.
4. They should prepare Responsive Offers meeting the requirements.
5. They must meet tender deadlines and instructions in the solicitation documents.
6. If at first they don't succeed we ask them to try again.
7. **WE WELCOME FEEDBACK & INPUT!** We ask them to let us know why they did not respond to a solicitation.



PROS & CONS

- 
- FAO is Fair
 - FAO is a Reliable Payer
 - Assist Humanitarian Relief Efforts

pros

- Often short deadlines for submission of offers
- Often very tight delivery requirements
- Vendor responsible for delivery in often difficult areas

cons

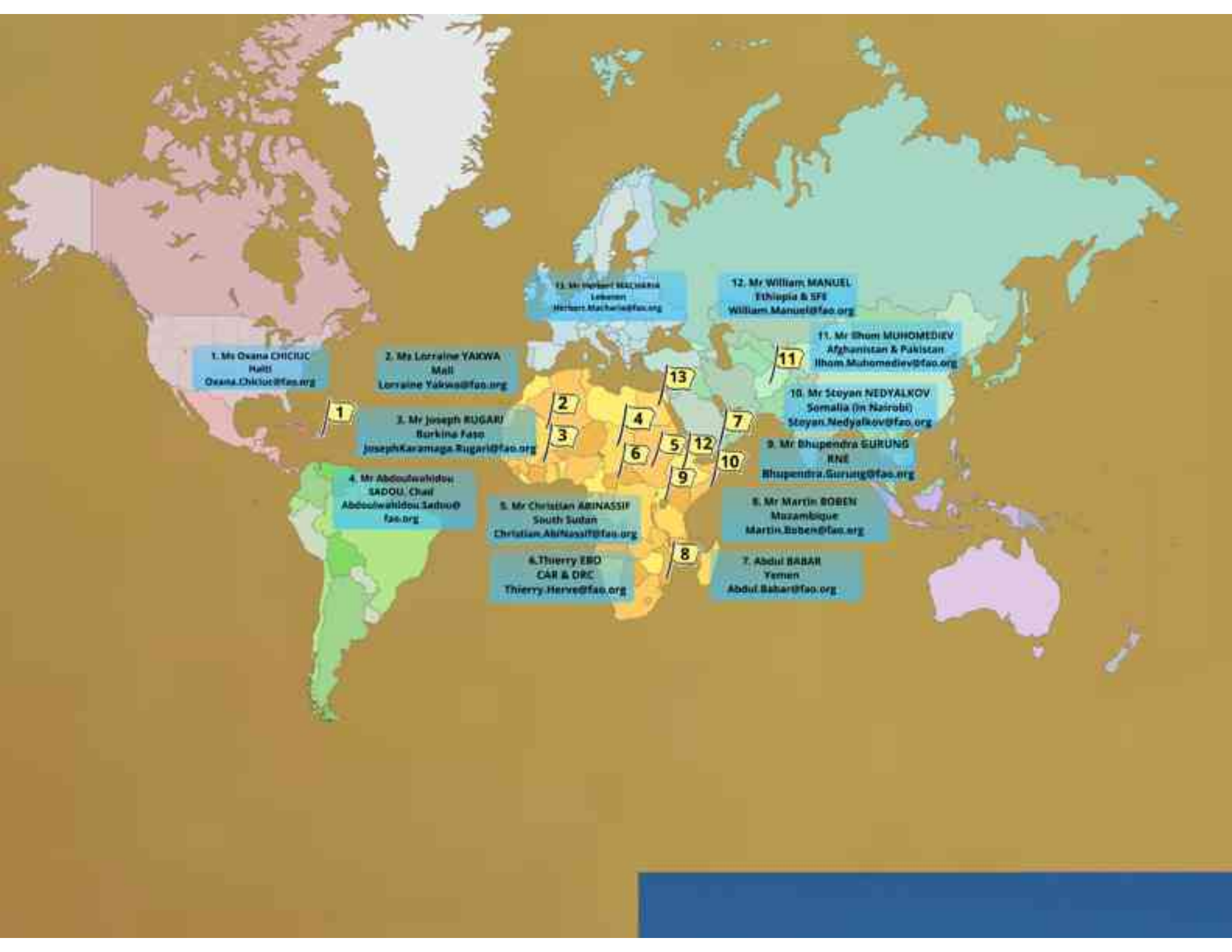


**Liaising with
country
offices may
be a
challenge:**

**But our team of
International
Procurement
Officers
in the field
makes the task
easier**

International Procurement Officers around the globe...





1. Ms Oksana CHICUC
Haiti
Oksana.Chicuc@fao.org

2. Ms Lorraine YAKWA
Mali
Lorraine.Yakwa@fao.org

3. Mr Joseph RUGARI
Burkina Faso
JosephKaramaga.Rugari@fao.org

4. Mr Abdoulwahidou
SADOU Chai
Abdoulwahidou.Sadou@
fao.org

5. Mr Christian ABINASSIF
South Sudan
Christian.Abinassif@fao.org

6. Thierry EBO
CAR & DRC
Thierry.Herve@fao.org

7. Abdul BABAR
Yemen
Abdul.Babar@fao.org

8. Mr Martin BOBEN
Mozambique
Martin.Boben@fao.org

9. Mr Bhupendra GURUNG
RNE
Bhupendra.Gurung@fao.org

10. Mr Stoyan NEDYALKOV
Somalia (in Nairobi)
Stoyan.Nedyalkov@fao.org

11. Mr Ighom MUHOMEDIEV
Afghanistan & Pakistan
Ighom.Muhomediev@fao.org

12. Mr William MANUEL
Ethiopia & SPS
William.Manuel@fao.org

13. Mr Herbert MACHARIA
Kenya
Herbert.Macharia@fao.org

Bidding Opportunities Online

FAO Procurement							
CATEGORY CODE	SHORT DESCRIPTION OF SERVICES / GOODS	ESTIMATED DATE OF TENDER	TENDERING ENTITY	STATUS OF TENDER	Est	AWARDED COMPANY	AWARD IN US\$
Planned Services for HQ Operations							
	Running and Maintenance of A/C Services	08/01/2016	FAO Rome	To be issued	☐		0
	Freight Shipping and Import Services	01/06/2017	FAO Rome	To be issued	☐		0
	Provision of Autodesk /WMS (Integrated Work Management System)	03/07/2017	FAO Rome	To be issued	☐		0
	Regional Observer Programme (ROP) on earlier vessels resulting consignments from large-scale longline fishing vessels affecting transshipments at sea in the Indian Ocean-Tuna Commission Area (IOTC) Seychelles	12/08/2017	FAO Rome	To be issued	☐		0
	Internal Accounting/Financial System for Budget Planning and Monitoring	01/09/2017	FAO Rome	To be issued	☐		0
	Video walls for FAO Offices	01/08/2017	FAO Rome	To be issued	☐		0
	Video camera and cabling for FAO Offices	01/08/2017	FAO Rome	To be issued	☐		0
	IT Sourcing Tender	27/06/2017	FAO Rome	Cancelled	☐		0
	Data Collection and Management (Project Evaluation of Home-grown School Feeding (HGSF) & Agriculture Soaring Up (ASU) Programmes in Drones)	16/08/2017	FAO Rome	Issued on UNDO	☐		0
	Provision of Ordinary and Extraordinary Maintenance in FAO Offices (renovation and construction works)	15/08/2017	FAO Rome	To be issued	☐		0
	Application Management, acceptance of applications, provision of maintenance, 2nd tier support on JaaS and ICC hosting	01/05/2017	FAO Rome	Cancelled	☐		0
	HR and licenses for CTRM	01/05/2017	FAO Rome	Cancelled	☐		0
	Digital records management and archival replacement	01/04/2017	FAO Rome	To be issued	☐		0
	WAN Connectivity	01/04/2017	FAO Rome	To be issued	☐		0
	Provision of Acrobat, Photoshop, Dreamweaver and other web software, Justice Educational Licenses & Maintenance Services (JCLP)	13/05/2017	FAO Rome	Under evaluation	☐		0
	Supply and installation of new windows in FAO HQ	01/03/2017	FAO Rome	To be re-tendered	☐		0

Further information available at <http://www.fao.org/unfao/procurement/bidding-opportunities/user-form/en/>

FAO Procurement Statistics



FAO Procurement

Food and Agriculture Organization of the United Nations

Google Custom Search

FAO Home

About FAO procurement

Doing Business with FAO

Bidding Opportunities

Ethics Code of Conduct

Frequently Asked Questions

Vendor Registration

Frequently procured Goods and Services

Statistics from 2010 - 2016

Contact Information

Statistics for Procurement Activities from 2010 to 2016

- Statistics 2016
- Statistics 2015
- Statistics 2014
- Statistics 2013
- Statistics 2012
- Statistics 2011
- Statistics 2010

Contact us | Terms and Conditions | About 2017

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Additional statistics and information on vendors with procurement actions over USD 100,000* available at <http://www.fao.org/unfao/procurement/statistics-from-2010-2015/en/>

*Data does not contain information on unit prices or other commercially sensitive information



Questions relating to Vendor Registration
AP-Services@fao.org



FAO Procurement Internet: www.fao.org



THANK YOU!