FOOD PROCUREMENT

Buying the right food at the right place at the right time is the first crucial step in WFP’s fight against hunger

Food Procurement is a core function across all WFP operations, enabling the organization to provide life-saving food assistance to more than 80 million people worldwide fairly, transparently and cost-effectively.

Taking into account local contexts and beneficiary preferences, in 2018 the Food Procurement Unit procured 3.6 million mt of food worth US$1.6 billion locally, regionally and internationally.

Despite the operational challenges of procuring food for delivery into complex emergency environments, the unit continues to innovate. For example, Food Supply Agreements (FSA) and advance funding allow food stocks to be prepositioned, thereby amplifying the effectiveness of WFP’s response.

Moreover, when an emergency strikes, food procurement teams are often the first on the ground, conducting on-the-spot assessments of what can be procured in local markets for immediate distribution.

FOCUS ON DEVELOPING COUNTRIES

Ranging from cereals and pulses to complex nutrition products and fortified cereals, the food assistance in 2018 was bought from 93 countries by a network of procurement teams spanning headquarters, the six regional bureaux and 62 countries. Buying 79 percent of the food from developing countries helped strengthen those markets and contributed to local economic development.

In 2018, 50 percent (1.8 million MT) was procured in countries where WFP has ongoing operations. Local purchases are undertaken in countries with surplus stock, and WFP carries out market assessments before buying in order to avoid distorting local prices and availability in the market.

2018 KEY ACHIEVEMENTS

- **3.6M** MT OF FOOD WORTH **US$1.6B** PROCURED
- **411MT** OF FOOD BOUGHT PER HOUR
- WEIGHT OF **103** ASIAN ELEPHANTS

November 2019
COLLABORATION AND MARKET INTELLIGENCE

The Food Procurement Unit collaborates with other WFP functions such as Nutrition, Programme, Vulnerability Analysis and Mapping, as well as external stakeholders, to understand immediate and longer-term food needs and create effective sourcing strategies. This complex undertaking is bolstered by the rigorous use of market intelligence – from sources as diverse as market assessments, government entities, trade fairs, cross-organizational knowledge sharing and specialized market tools and publications – to answer the following crucial questions:

\[ \begin{align*} 
01 & \quad \text{WHAT TO BUY?} \\
02 & \quad \text{HOW MUCH TO BUY?} \\
03 & \quad \text{WHAT PRICE?} \\
04 & \quad \text{WHERE TO BUY?} \\
05 & \quad \text{WHEN TO BUY?} \\
06 & \quad \text{WHOM TO BUY FROM?} 
\end{align*} \]

RESPONSIBLE AND SUSTAINABLE PURCHASING

By constantly monitoring and updating market prices and conditions (lean season, for example), the unit avoids any inadvertent adverse impact on local markets. Additionally, the unit strives to “green” its procurement practices in different ways, with one important way of doing so being the procurement of food as close to where it’s needed, whenever feasible. This contributes significantly to minimizing WFP’s carbon footprint.

The effectiveness of a procurement action is determined by

- Cost efficiency
- Timeliness of delivery
- Appropriateness of commodities to meet the dietary needs of beneficiaries
- Impact on local/ regional markets
- Donor/country specific restrictions