Doing Business with the World Food Programme (WFP)

International food procurement

This document is aimed at companies interested in doing business with WFP, providing food commodities procured by WFP's International food procurement team in Headquarters.





About WFP

WFP is the largest humanitarian organization fighting hunger worldwide. WFP operates in more than 80 countries around the world, providing assistance in emergencies to meet immediate food and nutrition needs, and supporting communities to build resilience, laying the foundations for a better future.

To fulfil its mandate, WFP works with governments and private donors, with suppliers and local communities, and procures the food, goods and service supplies needed through its Supply Chain division.

In 2023, WFP purchased approximately 2.4 million metric tons (MT) of food commodities for a total value of approx. USD 1.87 billion.

WFP food procurement

All WFP procurement processes are managed in line with the public procurement principles of best value for money, competition, fairness, transparency and in the best interests of WFP. WFP strives to ensure that food commodities are purchased at competitive market prices; conform to international food quality and safety standards; and are delivered in a timely manner.

WFP procures food globally, using an Import Parity Price comparisons to assess whether commodities should be purchased from international, regional, or local markets. Final delivered costs (commodity cost plus transport expenses to destination) together with other factors: including donor and recipient country constraints; impact on local markets; timing, etc., are taken into consideration.

What does WFP purchase?

WFP purchases food commodities listed on WFP's website <u>here</u>. Companies are requested to carefully read the technical requirements indicated in the relevant specifications.

Canned Food, 76,233 MT, 3% Wheat Flour 469,154 MT, 19% Wheat 373,432 MT, 16% Pasta 37,681 MT, 2% Pluses 214,665 MT, 9% Vegetable Oil 119,302 MT, 5% Specialised Nutritious Food 216,996 MT, 9% Sorghum/Millet 275,302 MT, 11%

WFP Food Procurement in 2023 (indicating purchased percentages)

^{* &}quot;Other" includes foods such as barley, maize meal, dried milk powder, etc.



For food commodities not in the list of commodities presently purchased by WFP, interested suppliers can contact WFP's New Foods Committee through hq.newfoodscommittee@wfp.org. This committee facilitates WFP's internal decisions to include new food formulations or products in WFP's operations.

Roster of suppliers for international food procurement

International food procurement is centrally coordinated and mainly administered at WFP's Headquarters in Rome. WFP maintains wide and diverse lists of approved supplier rosters (WFP Rosters), organized by various food commodities.

Companies can apply to be registered on one or multiple commodity rosters, if they meet the minimum requirements outlined below. Only qualified, approved suppliers will be included in WFP rosters and may be invited to participate in WFP's tenders, in accordance with established requirements, rules and regulations.

Minimum requirements for inclusion in WFP International Food Procurement Rosters

To be considered for inclusion in WFP Rosters, companies must:

- Supply food commodities of interest to WFP (see *Error! Reference source not found.* section above).
- Have **legal capacity** to enter a contract.
- Be licenced to operate as an exporter.
- Have at least three (3) years of international experience in the production and/or trading of food commodities.
- Have proof of financial capacity, with an annual turnover of a minimum of **USD five (5) million** for the last three (3) consecutive fiscal years.
- Accept the <u>United Nations Supplier Code of Conduct</u>.
- Not appear in the United Nations Security Council Consolidated List available here, nor in the lists of sanctioned or suspended suppliers maintained by various donors, UN organizations and Independent Financial Institutions.
- Not be engaged in any Fraud, Corruption or any other Prohibited Practices (as defined by WFP's Anti-Fraud and Anti-Corruption Policy, available here) or any other unethical or illicit practices. Any information in this respect is to be promptly reported to WFP in accordance with the Policy.
- Disclose to WFP, any Conflict of Interest, whether actual, perceived, or potential, including but not limited to; any WFP employee having an interest or economic relationships in the supplier's business.

WFP encourages suppliers to be inclusive of persons with disabilities and to make a dedicated, consistent, and measurable effort to implement disability-inclusive practices in their entity. Disability-inclusiveness can be undertaken through a variety of means: having an organizational policy on disability inclusion, recruiting, and hiring people with disabilities, offering reasonable accommodation to candidates and personnel with disabilities, provide accessible premises, or ensuring that supply chains are disability-inclusive.

WFP also encourages suppliers to set up appropriate management systems to ensure compliance with basic Environmental, Social, and Governance (ESG) principles. To use sustainable methods, materials, and products; run operations that reduce waste and emissions; promote fair labour practices and ensure diversity. Suppliers must also take a preventive approach to protecting the environment, comply with environmental legislations and foster initiatives that promote greater environmental responsibility.



How to register on WFP Rosters

Once a company meets the minimum requirements (see *Minimum requirements for inclusion in WFP International Food Procurement Rosters* section above), the registration process begins. Registration to WFP Rosters is free of charge.

To register to one or more WFP Rosters, the process below refers:



NB: Subsidiaries of companies already registered in WFP Rosters are not automatically registered alongside those companies. Each subsidiary is required to undergo separate vetting processes in relation to the food commodity roster of interest.

STEP 1: REGISTRATION ON THE UNITED NATIONS GLOBAL MARKETPLACE (UNGM) PORTAL/ LEVEL 2

A) Expression of Interest

To apply for one or more WFP Rosters, please send an e-mail to WFP: wfpsuppliers.srm@wfp.org presenting the company and clearly indicating which food commodities they wish to provide on the international level.

B) Registration on the UNGM Portal up to Level 2 - Submission of all Required Documents

Companies must register on the UNGM portal (available here), and submit all required documents for registration at levels 1 and 2 (a step-by-step guide on how to register on UNGM is available here).

Companies must:

- Register on UNGM with the exact name indicated on the company's certificate of incorporation.
- Upload the certificate of incorporation or an equivalent document (e.g., deed of establishment, by-laws, articles of association as the legal document issued by a national authority or the national registrar of companies).
- If the company changed its legal name since establishment, upload the certificate of Name change in the "Optional documentation" section.
- Upload the audited or certified financial statements for the past three (3) fiscal years.
- Upload three (3) reference letters from most recent contractual partners, indicating company name, contact name and e-mail address proof of successful fulfilment of similar contracts.

STEP 2: INITIAL PAPER ASSESSMENT (IPA)

Companies are required to complete an IPA questionnaire and provide complete sets of technical documents as listed in the IPA. All required documents are in addition to those provided on the UNGM portal and must be sent via e-mail to wfpsuppliers.srm@wfp.org. These documents are important to assess suppliers' capacities, status of required certification and various aspects of quality control and quality assurance system in place.

Trading companies should clearly indicate the names and addresses of the subcontracted manufacturing facilities. Full sets of technical documents must be provided for each subcontracting facility and commodity included in the IPA.



N.B. All documents required in Step 1 and Step 2 must be provided in English. If the documents are not available in English, companies are expected to submit translated versions together with the original document. Each translation must be certified by the stamp and signature of the authorised translating entity.

STEP 3: REVIEW OF APPLICATION

The submitted paperwork is initially screened from a corporate and financial point of view. If vetting is successful, companies are accepted by WFP on the UNGM platform at Level 2 and are directly informed of acceptance through UNGM. The application then moves forward for technical, quality and safety reviews.

Additional information from companies on occasion, for clarity purposes. When deemed necessary, a technical assessment and/or audit of the manufacturing facility may be required. In these instances, the application is kept on hold and the company informed accordingly.

STEP 4: DECISION ON APPLICATION

The WFP Vendor Management Committee (VMC) makes the decision to approve or reject a supplier for inclusion on the respective commodity roster. VMC decisions are then communicated via email regardless of the result.

STEP 5: FINAL ACTIVITIES FOR APPROVED COMPANIES

Approved companies will be requested to:

- A) Register on the WFP's e-tendering platform (In-Tend). Outgoing tenders are released through this platform, so registering here ensures each accepted supplier can access and respond to imminent tenders.
- B) Submit Supplier Registration/Payment Details form with banking details (These banking details must be reflected in the invoices where WFP will transmit funds upon accomplishment of potential contracts).
- C) Maintain and update all information in UNGM in case of changes.

The UN Supplier Code of Conduct

Suppliers doing business with WFP are required to accept and comply with the <u>United Nations Supplier Code</u> <u>of Conduct</u>. It provides a framework within which suppliers are expected to operate, as they work with the United Nations. It details expected behaviours regarding:

- Conflict of interest disclosures
- Ethical conduct
- Employment of former UN staff members
- Environmental attention
- Gifts or hospitality acceptance
- Labour practices

Non-compliance to these norms could result in being barred, suspended or terminated, in accordance with United Nations procurement policies and procedures.

Terms and Conditions

Contractual terms and conditions are clearly outlined in the tendering document as well as in the final contract signed with the winning bidder.

WFP uses INCOTERMS® 2020 in its tenders and contracts. Majority of international purchases are done on Free on Board (FOB) basis. However, Cost and Freight (CFR) terms could also be applied whenever



appropriate. At regional and local levels Ex Works (EXW), Free Carrier (FCA) and Delivered at Place (DAP) terms are generally used.

Companies are expected to comply with all applicable contractual terms. Any breach of the applicable contractual terms entitles WFP to apply the remedies stipulated in the applicable contract.

WFP reserves the right to post details of tender awards on the corporate website, including details such as the company's name and contract value. Further information in this respect is available <a href="https://example.com/here-example.com/he

INSPECTION, QUALITY, QUANTITY

All commodities purchased by WFP are inspected in terms of quality, quantity and compliance to food and packaging specifications.

To mitigate the risk of non-confirming commodities being delivered to a distant destination where they may be rejected, WFP appoints an independent third-party inspection company to verify that consignments conform to the applicable contractual terms. Further information about the scope of work of such inspection companies can be found here.

WFP reserves the right to (i) inspect the consignment at any point in the process prior to or after the handover; and (ii) reject commodities if inspections indicate deviations from the contractual specifications. Companies must guarantee the quality, safety, and nutrition of the delivered food commodities.

PACKAGING

WFP delivers most of the food commodities to some of the most remote parts of the world. In extreme circumstances, packaging represents an essential element to safeguard food commodities to destination. Therefore, in addition to WFP's minimum packaging requirements set in the specifications, it is the responsibility of the supplier to ensure that the packaging preserves the food along the required shelf life and prevents from mechanical damages occurring during transport and handling of the packaging.

The type of packaging depends on the type of commodity to be packed. WFP's food packaging specifications and markings are standardized for most of WFP's food commodities and are available here. Additional specifications may be required on a case-by-case case, as per the applicable contractual terms.

In support of WFP's ESG objectives, suppliers are also encouraged to uphold environmentally sustainable practices in packaging materials and processes. This includes, but is not limited to, adherence to the following principles:

- 1. **Reduction of Single-Use Plastics:** Suppliers shall minimize the use of single-use plastics in packaging materials wherever feasible, opting instead for biodegradable or recyclable alternatives.
- 2. **Recyclability and Reusability:** Suppliers commit to utilizing packaging materials that are easily recyclable or reusable, promoting circular economy principles and minimizing waste.
- 3. **Sustainable Sourcing:** Suppliers warrant that all packaging materials used in the provision of goods are sourced from environmentally responsible and ethically sound suppliers, with preference given to materials derived from renewable resources.
- 4. **Waste Reduction:** Suppliers shall implement measures to minimize packaging waste throughout the supply chain, including efficient packaging design, right-sizing of packaging, and optimizing transportation logistics to reduce carbon emissions.
- 5. **Transparency and Reporting:** Suppliers agree to provide transparent reporting on the environmental impact of packaging materials used, including metrics such as carbon footprint, recyclability rates, and waste reduction initiatives.
- Compliance with Regulations: Suppliers shall comply with all relevant environmental regulations
 and industry standards pertaining to packaging materials, ensuring full adherence to legal
 requirements and best practices.



TAX EXEMPTION

WFP is exempt from taxes and custom duties. However, in rare cases, recipient governments may levy taxes and customs duties. In such cases, WFP expects companies to immediately contact WFP to determine a mutually acceptable solution.

Exclusion from WFP Rosters

WFP reserves the right to suspend or remove a company from any WFP Rosters at any time, for any reasons, including, but not limited to, poor performance, prohibited acts and engagement in proscribed or unethical behaviour, terrorism, or any other reasons deemed relevant by WFP at its discretion.

Suppliers that consistently are unable to participate in floated tenders without due cause may similarly be removed from WFP rosters. If you are not interested or unable to participate in more than three concurrent tenders, contact wfp.upgliers.srm@wfp.org to update/maintain your roster participation.

Food procurement - Regional and Local activities

Food procurement is decentralised within WFP and is undertaken at Headquarters, Regional Bureau and Country Office levels. Suppliers interested in working with WFP at these different levels therefore need to register separately on all rosters of interest to them.

Companies wishing to do business with WFP in a specific region or country can contact the relevant WFP Regional Bureau or Country Office, who will provide the applicable criteria and registration steps to register on their rosters. Contacts for each respective office are available on WFP's website here.

Contacts

For any additional information on doing business with WFP and specifically on the registration of suppliers in WFP's International rosters, please contact us via the e-mail address wfpsuppliers.srm@wfp.org.