



IFAD and its Procurement

UN Business Seminar
June 2017

What is IFAD



International
Fund for
Agricultural
Development
(IFAD)

- Established as an **international financial institution** and **specialized UN agency** in 1977 as one of the major outcomes of the 1974 World Food Conference
- Current membership: **176 countries**
- Only IFI dedicated to **Rural/Agricultural Sectors**
- **Loans** and **grants** to governments of developing countries
- **Use government and local management systems** rather than managing project ourselves

Investing in Rural People



*Animated story about the
power of a simple idea:
Investing in rural people*

“Making Good Things Grow”

- **IFAD works where poverty and hunger are deepest:** in the most remote regions of developing countries and fragile situations, where few development agencies venture.
- By investing in rural people, and in small and medium-sized enterprises, our work **reduces poverty and hunger** and results in **greater resilience**.

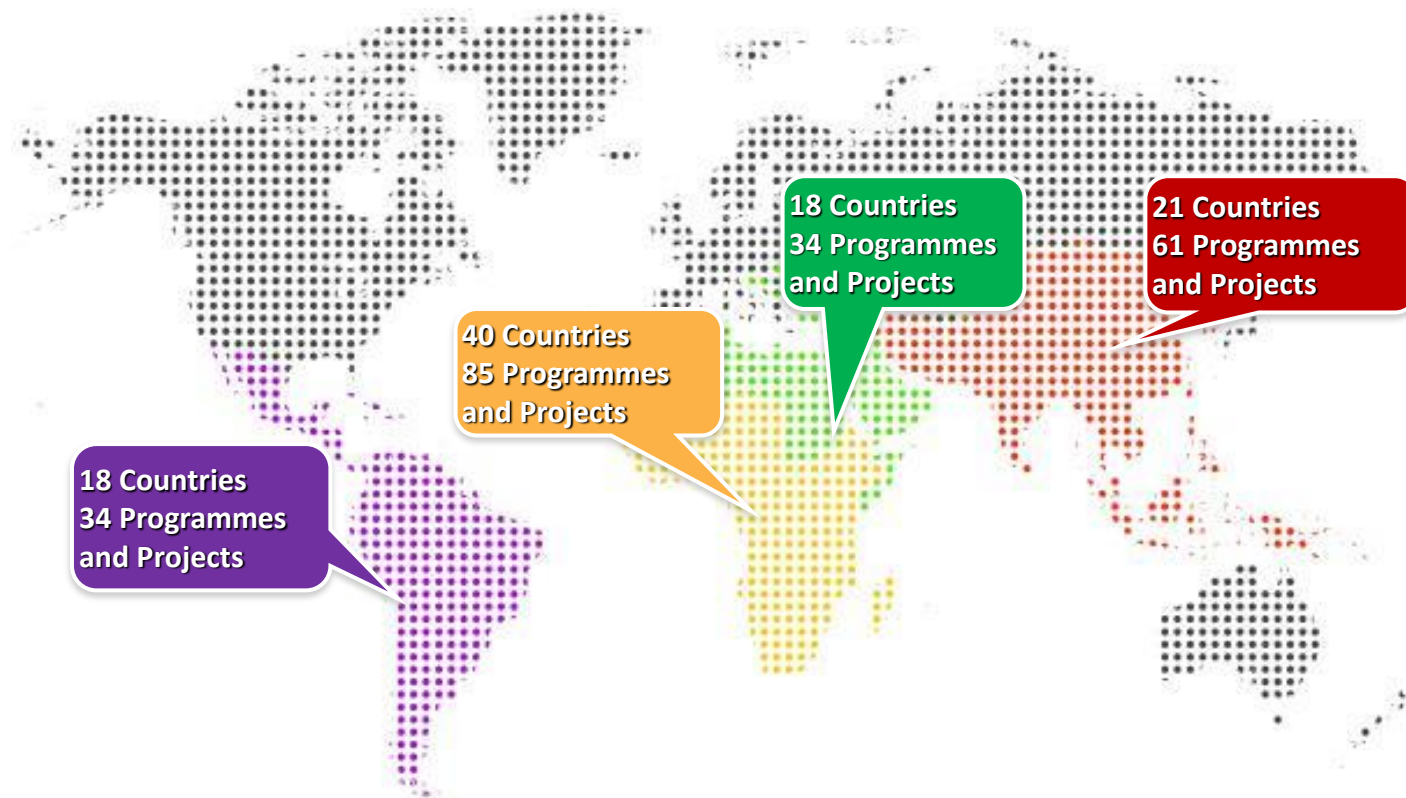
IFAD invests in rural people

Since 1978, IFAD has..

- invested about **US\$17.6 billion** in grants and low-interest loans to developing countries through rural development projects
- supported **1,013 programs and projects** in partnership with **123 recipient governments**
- empowered approximately **459 million people** to grow more food, better manage their land and other natural resources, learn new skills, start small businesses, build strong organizations and gain a voice in the decisions that affect their lives.



Where we work



* As of 31 December 2016



Procurement at IFAD

Corporate Procurement



- Most of high value procurement is centralised at **IFAD HQ**, carried out by the Procurement Section
- Procurement in **IFAD Country Offices** are mainly carried out by the hosting organizations (UNDP, FAO, WFP, etc), except for when low-value procurement is delegated

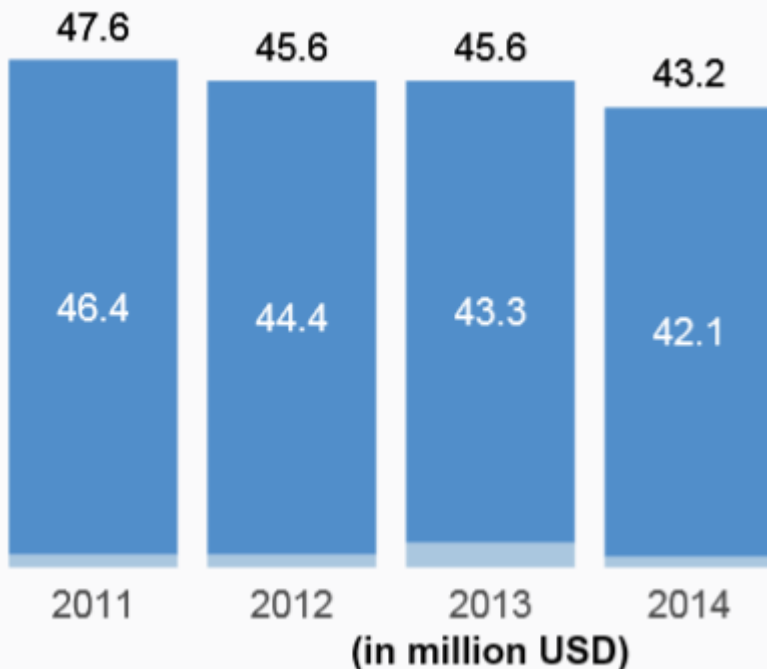
Project Procurement



- **Carried out by the Borrowers / Recipients (not done by IFAD!)**
- IFAD's Direct Supervision of Projects include monitoring of Procurement (prior/post reviews and no objection)

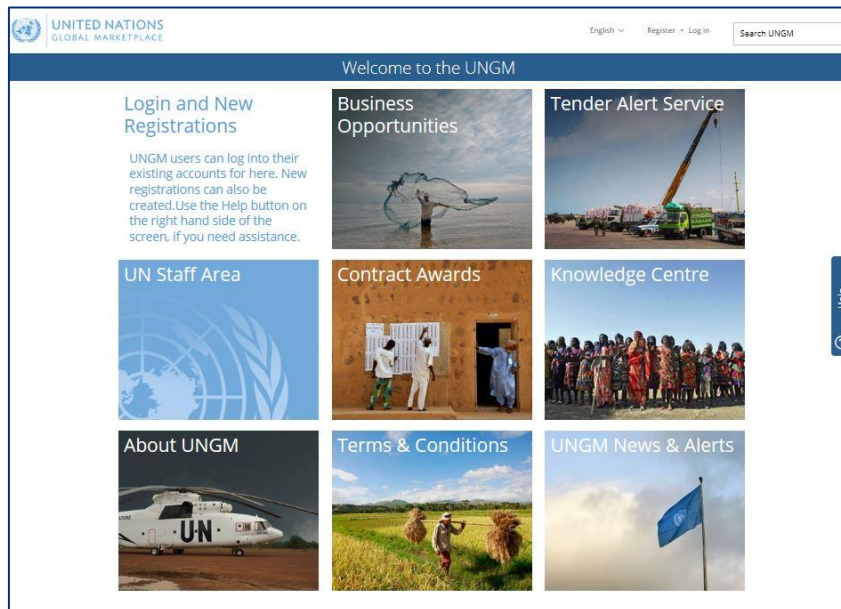
Procurement at IFAD

IFAD's Procurement Volume




- IFAD procures approximately **45 million USD** annually.
- IFAD's **corporate procurement** includes:
 - **Commercial contracts**
 - Institutional Contracts with **non-commercial entities** (NGOs, UN agencies, non-profit organizations, etc.)

Doing Business with IFAD



- Suppliers who want to do business with IFAD should register as **potential vendors with the United Nations Global Marketplace (UNGM) portal** (www.ungm.org).
- Registration is simple and **free** and gives access to a single portal for the **entire UN system**.
- Vendors need to agree on the **UN Supplier Code of Conduct** and declaration of eligibility and then specify the products an/or services they can offer.

Typical IFAD Procurement Process (RFP/ITB above 100K €)

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- Tender notice (RFP/ITB) published on **UNGM portal**
 - Submission of proposals/bids through **UNGM e-tendering system**
 - **Technical & Commercial Evaluation** of bids received
 - Evaluation Results to **Contracts Review Committee**
 - Final Recommendation to **Chief Procurement Officer**
 - **Award and Contract** finalization & signature

UN Interagency collaboration

Increased participation in the **UN Global Marketplace** portal
(www.ungm.org)



UNITED NATIONS
GLOBAL MARKETPLACE

Collaboration with other UN Agencies , in particular

Common Procurement Team with FAO and WFP,

- Share plans (tenders, training) and information
- Carry out joint tenders
- Harmonise our procedures and bidding documents
- Piggy back of contracts



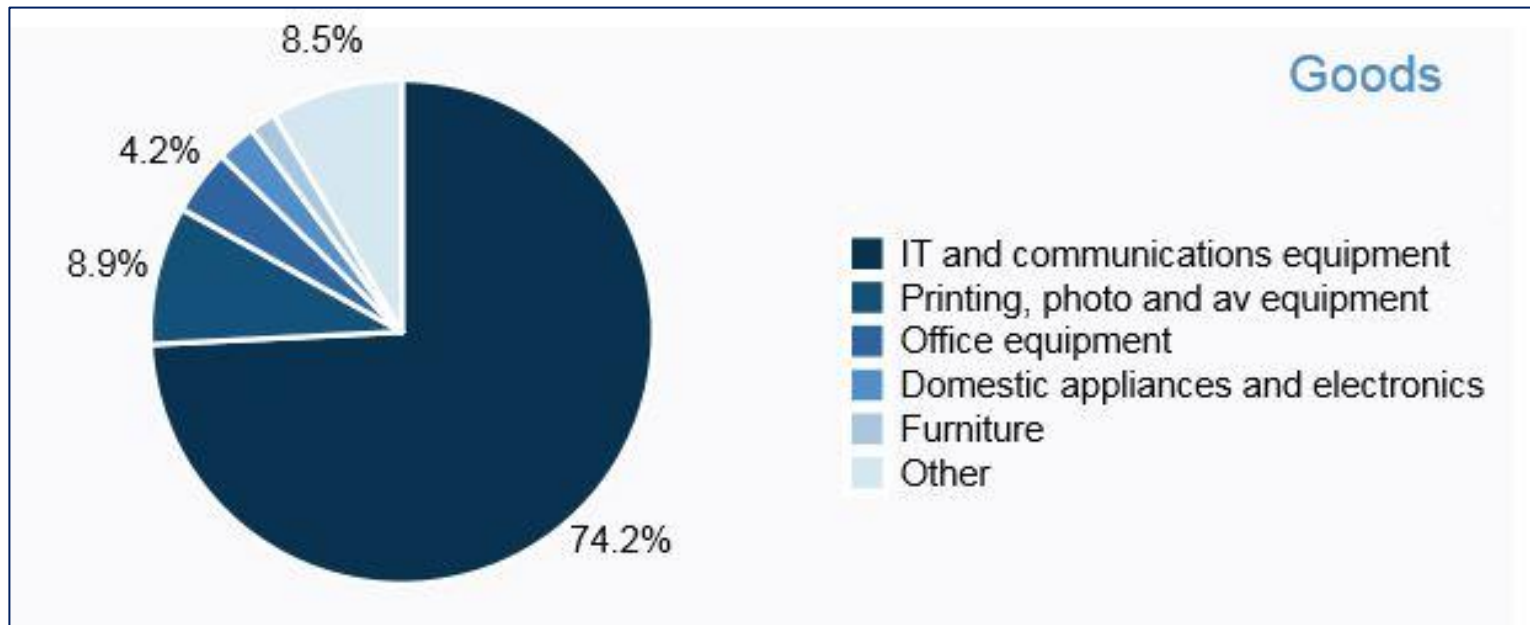
**COMMON PROCUREMENT TEAM
OF FAO, IFAD, WFP**



Investing in rural people

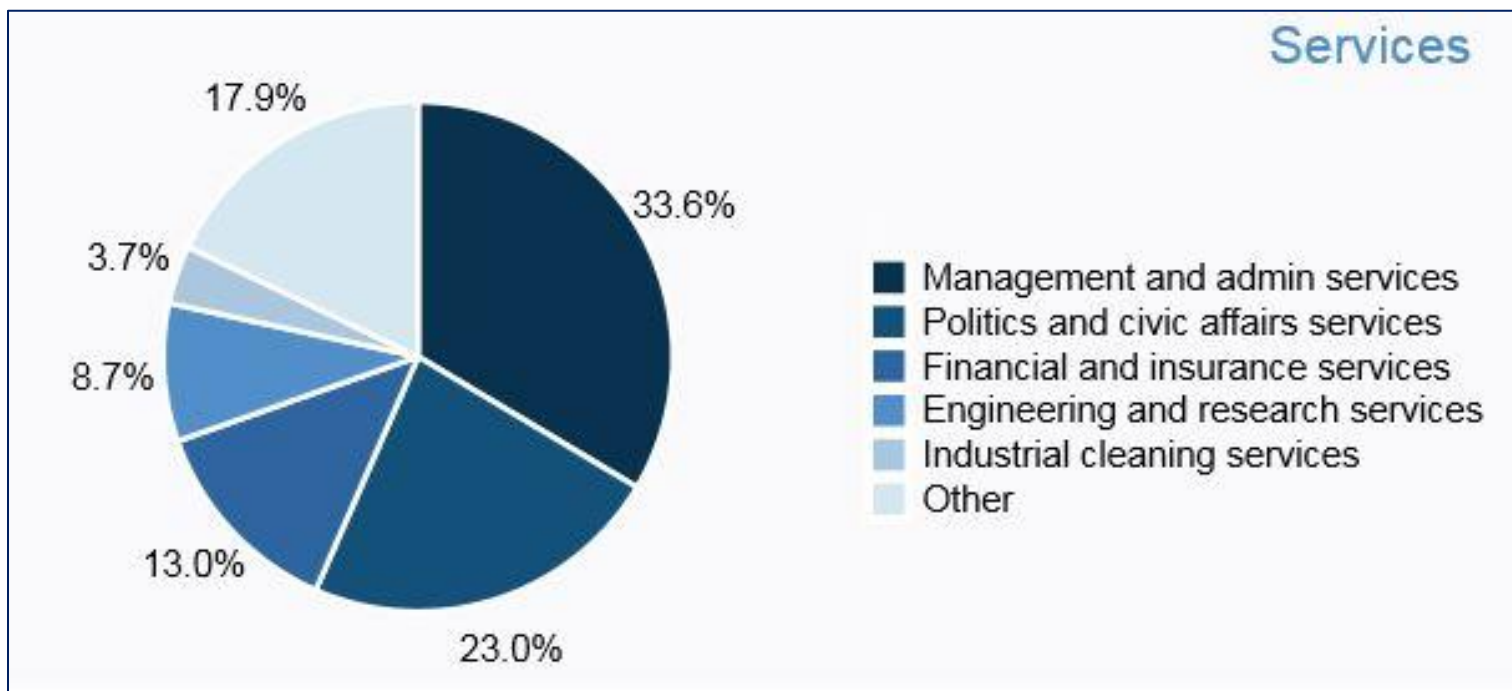
Goods procured by IFAD

Main categories of procurement of goods (2015)



Services procured by IFAD

Main categories of procurement of services (2015)



Thank you!

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