

# WFP Supply Chain

## Annual Report 2015



**World Food Programme**

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# Foreword

To reach the people we serve and assist partners, our supply chain operates a complex network of sourcing, contracting, storing and transporting food, goods and services. Our planning, logistics and procurement capacity is core to our success.

Following a consultative and analytical review process, recommendations to institutionalise integrated supply chain management across the organization were put forward during the 2013 Business Process Review. Since then WFP has embraced this approach, and established the Supply Chain Division in November 2015.

Despite insecure and volatile operating environments, we have demonstrated how end-to-end supply chain management supports operational excellence in WFP's largest and most complex emergencies. For instance, WFP was able to considerably reduce lead times in Syria by 40 days since the start of the operation, leveraging corporate facilities such as the Global Commodity Management Facility (GCMF). In addition, we achieved significant cost savings by optimizing our global delivery network and sourcing strategies.

Now it is time to apply an end-to-end supply chain approach to our global operations. The Supply Chain Division has four objectives:

1. to ensure reliability while also targeting savings across global supply chain operations;
2. to flexibly respond to changes in demand and switch between transfer modalities as required;

3. to maintain quality and safety throughout its operations, products and services; and
4. to help governments and local markets strengthen their ability to achieve Zero Hunger.

Through these ambitious objectives, we aim to enhance WFP's ability to deliver food, cash, services and equipment within hours of an emergency being declared, anywhere in the world.

To reach and maintain a world without hunger, WFP must continue to adapt in order to meet the often complex, and constantly evolving, humanitarian needs. We are therefore re-engineering our business model to support WFP's strategic shift to enhance its engagement with national systems and governments; strengthen local supply chains to enable the scale-up of cash-based transfers, including e-vouchers and multi-purpose cash; and ensure WFP retains its long-standing direct operational capacity and excellence in food assistance logistics and supply chain management.

The creation of the Supply Chain Division comes at the right time. Leveraging our global presence and expertise, we have a unique responsibility to ensure the operational capacity, partnerships and networks are in place to support governments make Zero Hunger a reality.

**Corinne Fleischer,**  
*Director, Supply Chain Division*

*From WFP's forward operating relief hub in Deurali, the UNHAS helicopter offloads relief supplies at a distribution point in Kerauja VDC in Gorkha District in Nepal. WFP/Angeli Mendoza*



# Supply Chain Statistics for 2015

## In 2015, WFP:

- purchased 2.2 million mt of food, valued at USD 1.07 billion, from 97 countries
  - delivered 3.2 million mt of food, of which 2 million mt travelled by sea
- 

## Every day, WFP coordinates:

- an average of 5,000 trucks, 40 ocean shipments and 70 aircraft
  - a worldwide network of 650 warehouses
  - more than 800 WFP-owned trucks and 35 fleet workshops
- 

## Shared Humanitarian Services

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### United Nations Humanitarian Response Depot (UNHRD)

UNHRD is a global network of six strategically positioned response hubs mandated by the United Nations to hold stockpiles of emergency food and relief supplies ready for immediate dispatch on behalf of donors, United Nations agencies and non-governmental organizations (NGOs): In 2015, UNHRD:

- handled 625 shipments, carrying 7,845 mt of supplies
  - reached 108 countries
  - dispatched supplies worth USD 53 million
- 

### United Nations Humanitarian Air Service (UNHAS)

WFP manages the only humanitarian air service mandated by the United Nations to transport aid workers to inaccessible areas where no safe, reliable alternative exists. In 2015, UNHAS:

- served 19 countries
  - had 317 regular destinations
  - transported 287,106 passengers
  - carried out 1,832 medical and security evacuations
  - transported 5,868 mt of light cargo
- 

## Bilateral services

On request, WFP provides partners with specialized services for all stages of the supply chain. In 2015, these included shipping and chartering services, land transport, storage and fuel provision supporting 85 United Nations agencies, NGOs and governments in 26 countries.

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## Logistics Cluster

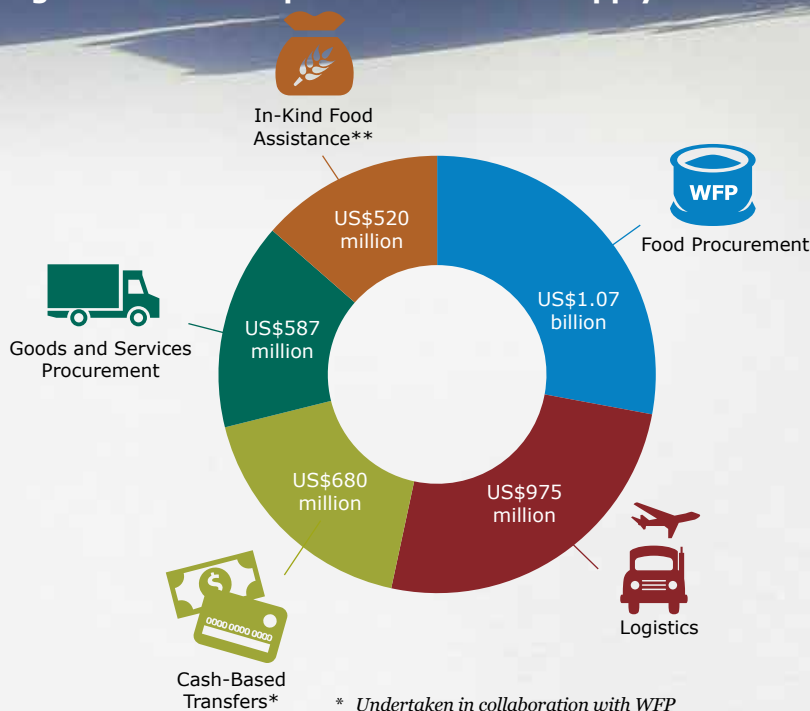
WFP leads this interagency coordination mechanism through which humanitarian organizations work together to ensure efficient and effective logistics in humanitarian emergency responses. In 2015, the Logistics Cluster:

- was activated in 13 operations
- operated in 15 countries
- transported 90,000 mt of relief supplies through its partners
- supported 400 organizations

# An Overview of WFP's Supply Chain



Figure 1: Five Components of WFP's Supply Chain







WFP's supply chain manages the entire process of end-to-end planning, procuring and delivering assistance. It provides shared supply chain services and safe and quality food, goods and transport worth an average of USD 3 billion per year for WFP, its partners and the entire humanitarian community.

WFP-owned trucks deliver essential food assistance to remote villages, travelling long distances across the mountains of Afghanistan  
WFP/Photolibrary

# A Supply Chain for Zero Hunger

WFP works with partners to achieve a world without hunger. For more than 50 years it has provided food assistance in some of the world's most remote and insecure areas. Today, it is active in half of the world's countries as a favoured partner in humanitarian response and increasingly in supporting countries to achieve the Sustainable Development Goals (SDGs).

As crises deepen and multiply, WFP seeks to protect existing development gains. At any given time, vast numbers of its people, food items and services are on the move. WFP works with governments, non-governmental organizations (NGOs), suppliers and local communities, engaging the private sector and smallholder farmers and investing in local economies, markets and businesses.

In both its emergency assistance and its resilience-building projects, WFP turns first to local companies and national first responders. Each year, more than USD 2 billion of WFP's supply chain costs are spent in the countries and regions where WFP operates. By contracting local businesses and working with NGOs and other actors, WFP contributes to more sustainable local food systems, more dynamic retail sectors, and more robust transport networks.

WFP's supply chain expertise and its demand for food, goods and services can help to strengthen these sectors, lower costs and - as a result - increase the purchasing power of the people it serves. For example, in its cash-based transfer operations, WFP supports contracted retailers in optimizing their transport and bulk buying strategies so that they can cut their costs and reduce prices on the shelves, enabling people in need to buy more nutritious food for their families. WFP designs optimal planning, sourcing and delivery strategies to facilitate these improvements, make the most of its donor resources and help professionalize commercial markets, thereby boosting economic growth.

Together with global and local actors, WFP and its partners use a commercial, market-based approach to secure long-term demand for smallholder farmers' harvests. WFP implements its corporate strategy for increasing procurement from smallholder farmers to 10 percent of its annual food purchases through initiatives such as the Patient Procurement Platform. By mobilizing private-sector interest and investment, the platform connects smallholder farmers to demand beyond WFP while providing them with access to quality supply services and products through multi-year commitments from buyers, agribusinesses, financial service providers and other value chain actors.



WFP works to create demand-led change along the value chain to empower smallholder commerce in markets beyond WFP  
WFP/Riccardo Gangale



By strengthening local supply chains, markets, food systems and their capacities, WFP is helping to improve the very fabric of society - creating the right conditions to support inclusive economic growth and prosperity for all. Throughout these joint efforts, WFP makes its global capacity and expertise available to United Nations agencies, NGOs and governments. WFP is responsible for offering shared services that enable its partners to reach people and communities in need, such as:

- safe and reliable transport for aid workers via the United Nations Humanitarian Air Service (UNHAS);
- management, storage and rapid dispatch of relief items from the six global hubs of the United Nations Humanitarian Response Depot (UNHRD); and
- coordination of operations through interagency mechanisms such as the Logistics Cluster.

## Planning

WFP's integrated supply chain management approach ensures end-to-end planning, yielding benefits for WFP and its partners.

Integrated supply chain planning is based on WFP's capacity to design, organize and plan its operations strategically. Through this approach, WFP generates reliable demand forecasts that support the design of optimal operations for all transfer modalities. The approach also enables WFP's supply chain staff

to identify challenges and opportunities in sourcing and delivery operations, including through analysis of sourcing options, transport routes and transfer modalities.

Collaboration is crucial: the success of WFP's operations depends on coordinating with experts in resource mobilization, pipeline, programme design, sourcing and delivery operations, while leveraging WFP's own facilities such as the Global Commodity Management Facility (GCMF). As a result, WFP is able to have the operational visibility it needs for optimal planning and evidence-based decision-making - ultimately improving the reliability, cost-efficiency, agility and delivery of food assistance.

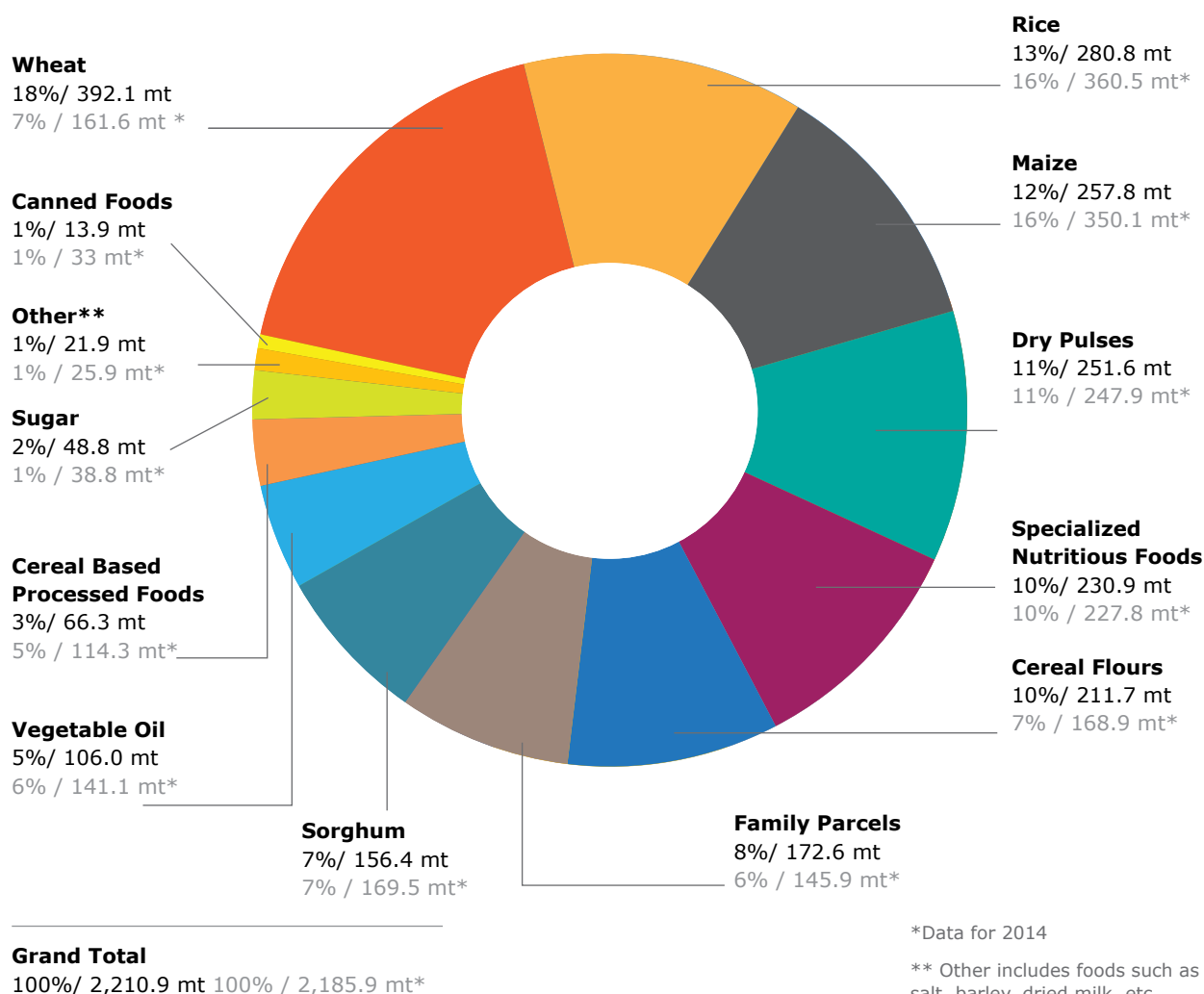
To reduce costs and lead times further, WFP is rolling out new tools and innovations. The Supply Chain Management Dashboard (SCM-D) provides an overview of essential information via a single analysis, facilitating evidence-based decision-making. In the Supply Chain Management Working Group, operational staff from WFP's core supply chain functions work on forward-looking operational plans supported by tools such as the SCM-D, which has led to better integration of supply chain functions, including procurement, ocean and land transport, and warehousing. The dashboard is available to all WFP personnel and provides information on all active operations.



Relief food distribution at Hadew village in Jijiga district, Somali Region, Ethiopia  
WFP/Michael Tewelde

# What kind of food did WFP purchase?

Figure 2: Percentage of total quantity 2,210.9 mt - 2015 ('000 mt)



## Sourcing

Every year, WFP's team of procurement experts source food, goods and services across international, regional and local markets to meet the needs of WFP's operations and the people it serves. In 2015, WFP purchased 2.2 million mt of food, worth USD 1.07 billion, and USD 587 million of goods and services from more than 90 countries.

WFP's global procurement plan aims to reduce process times, increase purchases from smallholder farmers, ensure that food is safe and of good quality, and generate savings. Once the primary objectives of secure supplies and timely deliveries have been met, WFP's procurement staff explore ways of reducing

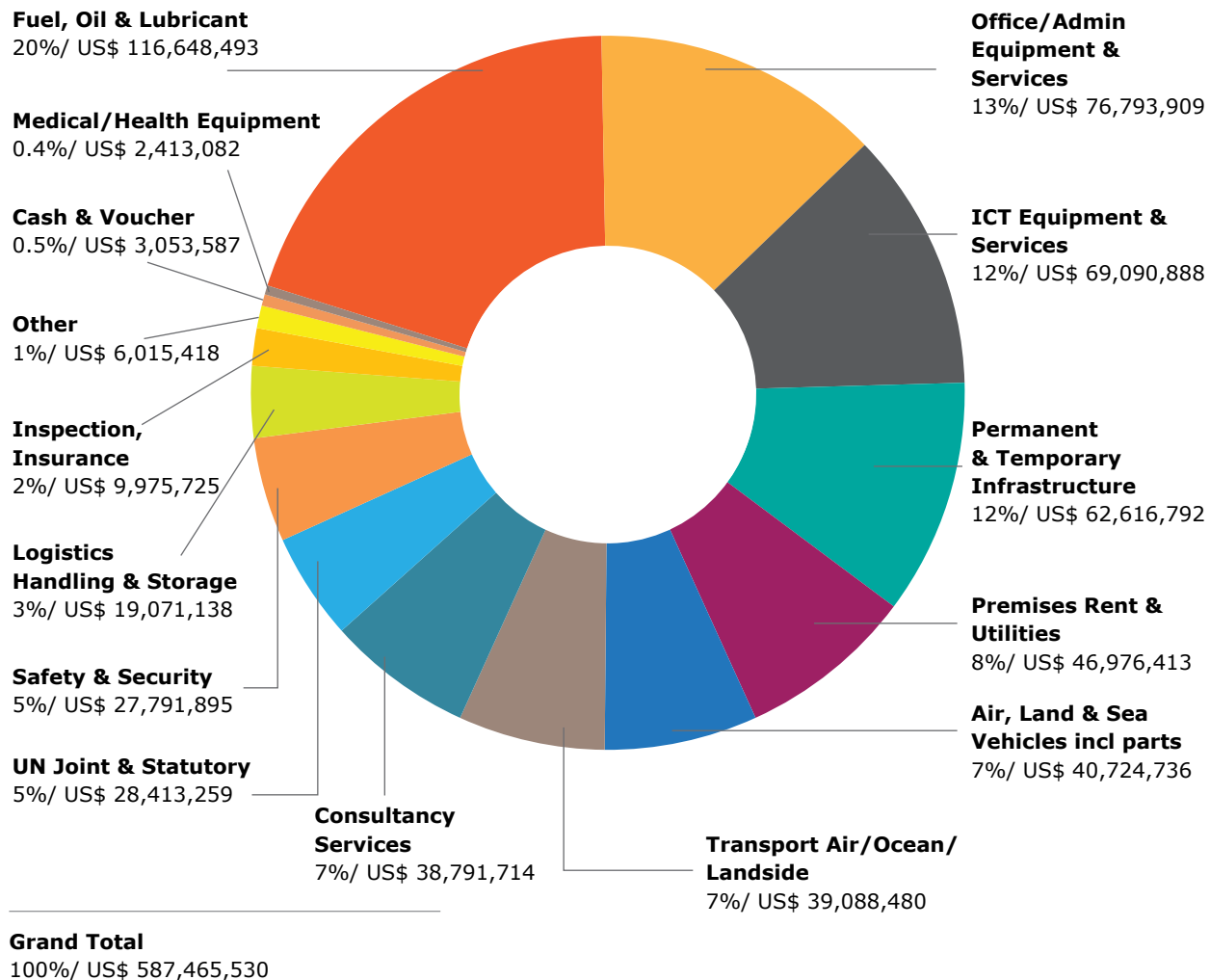
costs. An integrated supply chain approach helps generate savings as it entails collaboration, mutual support and sharing of market knowledge among country offices, regional bureaux and Headquarters.

WFP secured USD 87 million in savings on food procurement from mid-2013 to the end of 2015 - representing an average of 3 percent of annual purchases. Three factors contributed to WFP's achievement of these savings

- **Seasonality.** WFP secures significant savings by purchasing foods when supplies are highest and associated prices lowest - the period following harvest. Roughly 800,000 mt of WFP's 2.2 million mt in annual purchases is seasonal.

# What types of goods and services did WFP purchase?

Figure 3: Categories of goods and services purchased, 2015



For example, WFP seeks to make bulk purchases at optimal times, based on the seasonal availability of commodities and using advanced financing. This approach also facilitates increased local purchases, which benefit smallholder farmers.

- **Market intelligence.** WFP produces market intelligence reports on commodities such as wheat, rice and vegetable oil. Covering about ten indicators, such as futures, trading volumes and volatility, these reports are used to identify market opportunities for prime purchases of large quantities of major commodities at favourable prices. The information also helps procurement experts for specialized nutritious foods to understand suppliers' cost structures, improving

relationships with suppliers to achieve savings in lead times and costs while maintaining quality assurance.

- **Optimal contract modality.** Use of the best contract type often allows WFP to obtain discounts on bulk purchases. In addition to securing value savings, optimal contract modalities can also result in significant reductions in lead times and increased flexibility in scaling programmes up or down

A stronger investment in market intelligence, along with taking well-informed and measured risks, such as advance purchase of higher volumes when market prices are optimal, will secure more substantive savings.



## The Global Commodity Management Facility

The GCMF allows WFP to better plan its purchases according to when the time is right in the markets, and can significantly shorten the delivery times for operations. The mechanism is an essential tool for WFP responses and operations, especially in Africa. In 2015, WFP purchased 847,152 mt through the GCMF.

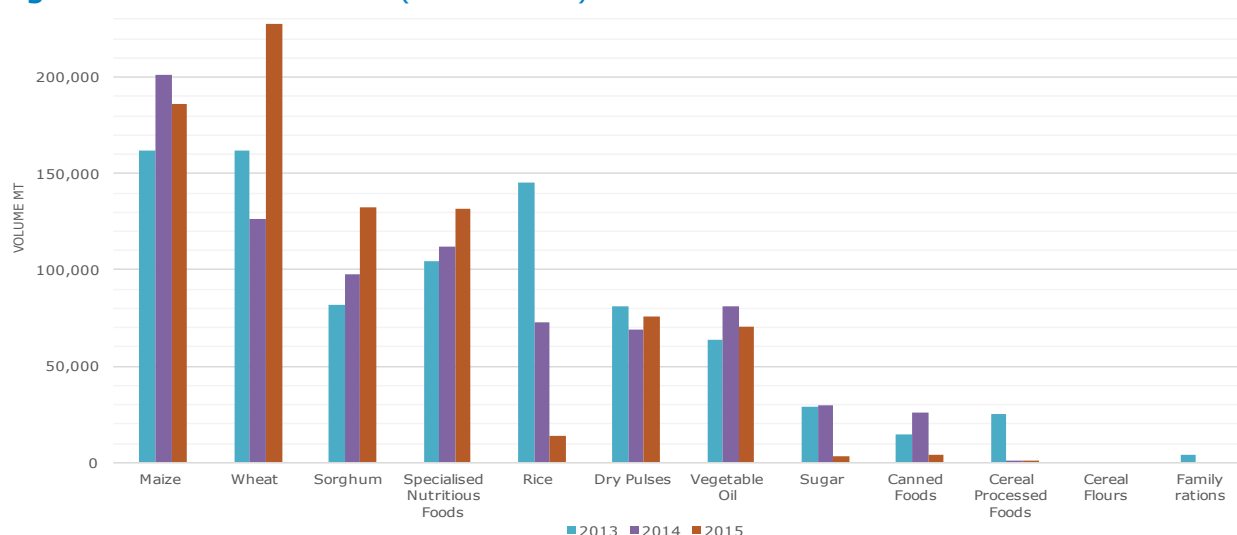
### Goods and services procurement

Efficient purchasing of goods and services is essential to supporting WFP's operations around the world. Items purchased range from office stationery to kitchen equipment for schools to materials and services for the construction of warehouses, roads and bridges. In 2015, WFP procured USD 587 million

of goods and services worldwide to support its own activities. The range of goods and services purchased reflects the complexity of WFP's operations. Some of the largest purchases undertaken directly support WFP's global supply chain operations, such as fuel, vehicles and transport, office space, and information and communication technology products.

Over the past ten years, the procurement of goods and services has grown substantially in WFP. This steady increase reflects WFP's expanded operations, increased needs and shift from food aid to food assistance. WFP's goods and services procurement team coordinates with internal and external clients to procure the goods or services required.

**Figure 3: GCMF Purchases (2013 - 2015)**



Commodity	2013	2014	2015
Maize	161,592	201,491	186,185
Wheat	161,916	126,225	227,548
Sorghum	82,000	97,967	132,476
Specialized Nutritious Foods	104,273	112,196	131,369
Rice	145,129	72,723	14,178
Dry Pulses	80,840	68,709	76,038
Vegetable Oil	63,791	81,382	70,885
Sugar	29,056	30,001	3,352
Canned Foods	14,836	26,202	4,399
Cereal Based Processed Foods	25,492	505	722
Cereal Flours	n/a	n/a	n/a
Family Parcels	4,058	n/a	n/a
<b>Grand Total (mt)</b>	<b>872,984</b>	<b>817,401</b>	<b>847,152</b>

## Delivery

### Shipping

Every year, WFP transports an average of 2 million mt of cargo by sea. Shipping plays a crucial role in WFP's supply chain by ensuring cost-efficient and effective ocean transport services for more than half of WFP's annual food requirements. A Headquarters-based team of shipping experts ensure that WFP is able to reduce lead times and that shipping services are flexible and reliable.

When emergency strikes, WFP's shipping team has the capacity to divert shipments at short notice to ensure that life-saving food arrives to the people who need it. Flexibility is the key to responding to evolving humanitarian needs, as illustrated in the following section on the Yemen conflict response. WFP will continue to increase the efficiency and agility of its shipments and will enhance forward planning by establishing long-term freight agreements with shipping lines and using more flexible contracting modalities, such as time charters, consecutive voyage charters and freight carrier contracts. WFP's shipping team works closely with internal and external partners, thus broadening and strengthening its support to the humanitarian community, including for the transport of non-food items.

### WFP Shipping in 2015

**2 million** mt of cargo was

shipped by sea using:

- 45,218 containers
- 141 charter voyages

**5 time-chartered vessels**

hired for emergency response

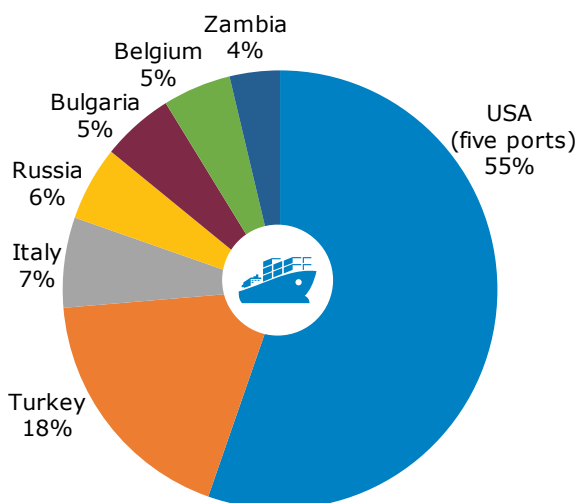
**2 rescue voyages** to evacuate humanitarian staff from Yemen

**USD 5.6 million** in savings achieved

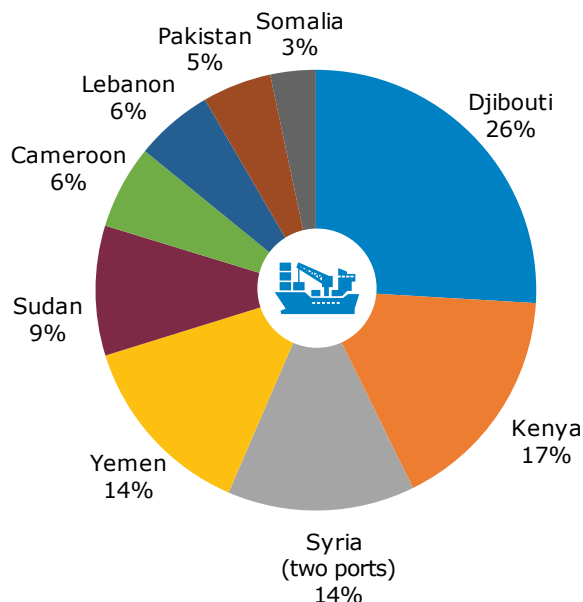
**0 delays** through having the right shipping assets in place at the right time

Figure 4: Top ten load and discharge ports, 2015

#### Top ten origins



#### Top ten destinations



## Responding to the Yemen crisis

Ocean transport was essential in responding to the crisis in Yemen as sea access was the most viable option for ensuring that cargo reached the country. Despite operational challenges such as port closures, naval activities, insecurity, port congestion, suspension of liner services and piracy, WFP delivered more than 220,000 mt of life-saving food to Yemen by sea. WFP's shipping team provided tailored shipping solutions to support the response, as well as humanitarian partners,

successfully delivering food and non-food items, fuel and medical equipment. These achievements were made possible by an agile system of deliveries to the ports of Al Saleef, Hodeidah and Aden, combined with the use of a staging area in Berbera, Somalia to complement the Djibouti transshipment hub. WFP also established an innovative service for passenger transport and evacuation by sea to support humanitarian staff assigned to Yemen. The service organized two evacuations of humanitarian staff out of Aden and Hodeidah.



*As humanitarian needs soared in Yemen, a WFP-chartered ship carrying urgent food assistance docked at Aden port on 21 July 2015, despite the volatile security situation. The MV Han Zhi carried 3,000 mt of food – enough to feed 180,000 people for one month*  
WFP/Ammar Bamatraf



## Aviation

In 2015, WFP's aviation team facilitated the flow of humanitarian assistance in more than 20 countries, providing air transport to support emergency responses and external clients. Air operations - including strategic food and nutrition airlifts, airfreight and airdrops - carried food and non-food items on behalf of organizations that were implementing activities aimed at achieving zero hunger and the SDGs. WFP supported the humanitarian and development community in the following ways:

- The WFP-managed UNHAS provided passenger and light cargo services in some of the world's most remote and challenging locations, which are difficult to reach by land because of vast distances, limited infrastructure and insecurity. UNHAS is a common service for the entire humanitarian community. When communities cannot be reached by other means, humanitarian partners can count on UNHAS to provide safe and dependable access.
- In 2015, UNHAS transported about 287,000 humanitarians to more than 310 regular destinations in 19 countries. More than 50 percent of these passengers were from NGOs, and about 40 percent from the United Nations. As well as serving implementing and supporting partners such as NGOs, donors and foundations, UNHAS can also be used by the media reporting on humanitarian needs and issues.

WFP Aviation provides comprehensive, specialized aviation solutions on a cost-recovery basis to support the interventions of humanitarian partners such as the Cooperative for Assistance and Relief Everywhere (CARE), the International Organization for Migration (IOM), the World Health Organization (WHO) and the United Nations Children's Fund (UNICEF). In addition to managing UNHAS operations, WFP's portfolio of aviation services includes international airlifts of relief items, airfreight services for the transportation of cargo, maintenance of dedicated aircraft, and bilateral passenger services not covered by UNHAS. In 2015, WFP Aviation chartered aircraft for the United Nations Department of Safety and Security (UNDSS) in Somalia/Kenya and South Sudan, and for the Office of the United Nations High Commissioner for Refugees (UNHCR) in the Democratic Republic of the Congo, Ethiopia and the United Republic of Tanzania. These services are fully funded by the requesting partner.

WFP also organizes airdrops when no other transport options exist to reach communities living in remote or cut-off locations. During an emergency, significant quantities of food may be needed to save lives. For inaccessible areas, WFP Aviation will

## WFP Aviation in 2015

**45,203 mt** of food delivered through **1,636** airdrops

**287,106** passengers transported on UNHAS to over **310** regular destinations in **19** countries

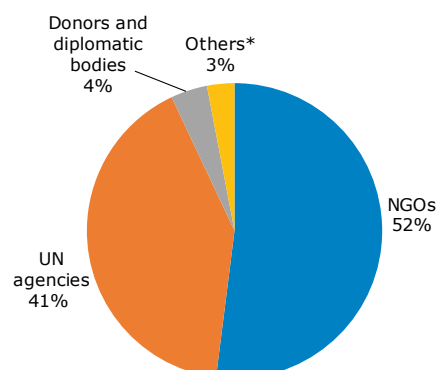
**52** percent of UNHAS passengers were from NGOs

consider using helicopters and planes to deliver food. However, because of high costs, airdrops are considered when they are the only method for delivering food directly into the crisis area.

### Focus on South Sudan

Relief operations in South Sudan remained the largest and most complex in the world. Due to insecurity, many people in need were isolated across the country and only accessible by air. Poor infrastructure combined with heavy rains during the rainy season severely impacted the humanitarian response with over 60 percent of the entire country inaccessible by surface means due to seasonal flooding. In addition, more than 95 percent of the airstrips in the country are unpaved and many become inaccessible for fixed wing aircraft during the rainy season. To increase operational efficiency, WFP piloted innovative delivery methods, such as airdropping vegetable oil by parachute, as well as designing a new delivery system to airdrop Super Cereal Plus, a specialized nutritious food for children. Not only was the team able to swiftly reach those in need with food assistance, but they also saved costs (see the article entitled 'Pioneering new ways to deliver South Sudan' on page 31 for more).

**Figure 5: Breakdown of UNHAS passengers by category**



\* Others includes entities such as host government representatives and the media.

## Surface transport

Approximately 85 percent of WFP's land transport activities are contracted through local commercial markets, directly supporting the development of the private sector and benefiting local economies in more than 70 countries. Surface transport includes not only transportation, but also landside logistics services such as warehousing, storage and fumigation. In 2015, WFP awarded thousands of commercial contracts with a total value of USD 776 million.

In difficult operational environments, where needs exceed the capacities of commercial transporters, WFP relies on its own fleet of more than 800 heavy-duty trucks that are designed to cope with the toughest road conditions. When required, WFP shares its trucking capacity through the Logistics Cluster to enable the transport of relief items for United Nations agencies and NGOs and to contribute directly to the collective humanitarian response.

### Operational effectiveness: WFP fleet management

Agility is one of WFP's greatest strengths. Staff seek to achieve the optimal balance among reliability, speed and cost-effectiveness. Where commercial transport is limited or unavailable, WFP's fleet of heavy-duty trucks reaches some of the world's most remote, insecure or inaccessible locations, delivering nearly 400,000 mt of food in 2015. Most of this food would otherwise have been delivered by air, so its truck fleet allowed WFP to make significant savings. Although the amount of cargo transported by WFP's fleet increased by 25 percent since 2014, WFP was able to reduce the average delivery cost from USD 55 to USD 42 per metric ton.

### Enhancing efficiency in fleet management

In November 2015, WFP merged its fleet management systems into a single database, enabling different services to work in synergy while cutting overlap and duplication. The new database also facilitated enhanced oversight of all WFP vehicles, including the more than 800 all-terrain trucks and 3,000 light vehicles, allowing staff to make informed decisions leading to greater cost reductions and efficiencies. To improve operational transparency and cost-effectiveness, WFP is developing automated report sharing, cost analyses and fleet tracking.

## WFP Surface Transport in 2015

Over 800 trucks in WFP's fleet

Nearly 400,000 mt of food delivered by WFP's fleet

US\$ 776 million in contracted landside logistics services

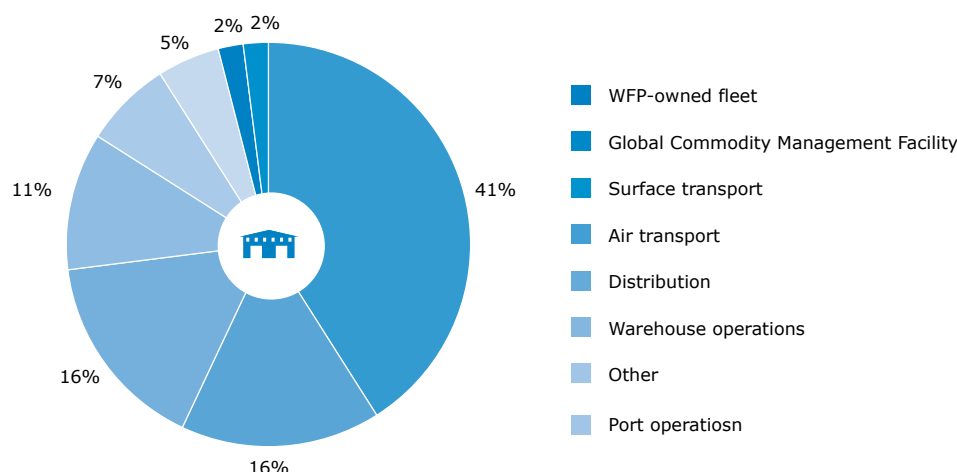
### Enhancing agility through the provision of trucks

In 2015, WFP's global fleet management shifted from capital investments in trucks for country offices to the provision of trucks, training and technical and operational management support to field offices through internal service agreements. Under the new arrangement, offices have greater flexibility to request short-term deployment of trucks in line with operational needs, allowing them to scale up and down without investing in expensive trucking assets.

Supported by the Russian Federation's donation of 218 KAMAZ trucks, WFP aims to continue renewing and optimizing its fleet of trucks to improve efficiency and environmental sustainability. The fleet can be deployed to emergencies when needed and supports operations globally by enhancing efficiency.

In 2015, a fleet of trucks for transport from Accra, Ghana to the Central African Republic was deployed within 1.5 months of being requested – compared with the six months it took to deploy new trucks in the past. The Central African Republic, the Democratic Republic of the Congo, South Sudan and Uganda also benefited from service provision from the global fleet.

**Figure 6: Landside transport, storage and handling costs, 2015**



## Ensuring food quality and safety

WFP's food basket is evolving with the expansion of local and regional procurement and the inclusion of increasingly sensitive nutritious products. The growing share of specialized nutritious foods (SNFs) in WFP's food basket presents a number of procurement and logistics challenges due to their limited availability, longer production cycles, sensitivity to temperature and humidity, and comparatively short shelf-lives, which require product-sensitive purchasing, storage, handling and transport practices. The growing complexity of WFP's food basket, with its larger quantities of processed and nutritious foods, makes quality and safety critical.

To ensure the quality of SNFs and other highly sensitive, processed foods, WFP works with producers and partners throughout the supply chain – from sourcing to delivery. In 2015, WFP assessed and audited suppliers, focusing on high-risk commodities such as SNFs, wheat flour, vegetable oil, pasta, high-energy biscuits (HEBs), date bars, canned food and food rations. These assessment and audit findings facilitate decision-making by the Vendor Management Committee and recommendations are shared with suppliers to help them strengthen their own quality management practices. In 2015, four long-term agreements were signed with inspection companies in order to leverage WFP's consolidated, long-term demand to attract more robust inspection and laboratory services.

WFP's supply chain expertise also supports the scale-up of nutrition strategies and priorities. In 2015, WFP's food quality team worked with the Nutrition Division and other partners, including UNICEF, the United States Agency for International Development (USAID) and Médecins sans frontières (MSF), to strengthen and harmonize commodity specifications for SNFs, including lipid nutrient supplements such as Plumpy products, Wawa and Acha Mum, SuperCereals and micronutrient powders. The improved specifications help to ensure that WFP beneficiaries receive high-quality foods that meet their specific nutritional needs.

Research and analysis have expanded WFP's understanding of shelf-life and nutritional content over time. In 2015, with technical support from its private-sector partner Kemin Industries of the United States, WFP launched a shelf-life study on locally sourced emergency foods such as HEBs. WFP also conducted more than 20 spot checks to verify product compliance; these checks reveal any deviations in quality or nutritional value after food enters WFP's supply chain. Such testing and analysis allow WFP to strengthen the formulation of nutritious and processed products, and ensure the stability of WFP food throughout the humanitarian supply chain. Food quality and safety is an increasingly important area for both WFP and its national and international partners.



# Enabling collective humanitarian response

Partnerships are essential to achieving the SDGs. WFP works within the humanitarian and development community to enhance coordination, reduce the duplication of efforts and increase efficiency in humanitarian response. It supports governments to achieve SDG 17, which focuses on strengthening partnerships for sustainable development.

## **Enhanced coordination and collective efficiency of humanitarian actors**

WFP and partners work together to facilitate collective and coordinated international responses by governments, United Nations agencies and NGOs. With its expertise and capacity in logistics, engineering and emergency telecommunications, WFP ensures greater coherence, effectiveness and cost-efficiency.

Through coordinated and shared services such as UNHAS and UNHRD, and its leadership and co-leadership of humanitarian clusters, WFP helps to identify and address duplication in humanitarian assistance, thus increasing efficiency and reducing costs for the organizations served.

In 2015, UNHRD, UNHAS and the Logistics Cluster supported more than 400 NGOs, United Nations agencies and government institutions in more than 100 countries. Together, WFP and partners scaled up the delivery of assistance to reach vulnerable people in conflict-affected states such as South Sudan, the Syrian Arab Republic and Yemen, where access is limited and additional operational capacity is required.

Each shared service offers unique expertise and capacities. WFP promotes and supports enhanced emergency preparedness, rapid response and stronger national capacities at all stages of the humanitarian supply chain.

Having provided these crucial services for several years, WFP is now focusing on the greater consolidation that partners require by enhancing coordination among United Nations agencies, NGOs and local actors, with the aim of reducing duplication and management costs.

For example, WFP will: i) leverage economies of scale to ensure rapid response and cost-effective humanitarian operations; ii) reduce duplication through enhanced coordination and leadership of UNHRD, UNHAS and the Logistics Cluster, thus increasing efficiency and reducing costs; and iii) promote a multi-sectoral approach to emergency preparedness by cultivating public-private partnerships.

In this work, WFP will build on its experience during the Ebola response in West Africa, where it demonstrated the importance of aggregating the transport needs of the humanitarian community. For instance, WFP adapted its operations to facilitate the flow of food, medical supplies and relief cargo into the affected countries, supporting the international community to fight the Ebola outbreak. With in-kind support from UPS and Cologne Bonn Airport, WFP established a staging area in Cologne, Germany, to offer common air transport to the humanitarian community. Services included free bonded storage and daily stock reporting and were coordinated by the Logistics Cluster. With support from the private sector, WFP transported nearly 1,000 mt of relief cargo for 40 aid organizations via ten large interagency chartered flights. Through common logistics arrangements for strategic airlifts of relief items, WFP saved USD 1.5 million.

## Box 1: Supporting humanitarian partners in responding to Cyclone Pam

In March 2015, Tropical Cyclone Pam struck the Pacific island nation of Vanuatu, causing serious damage to infrastructure and affecting more than 150,000 people on more than 20 islands. WFP's shared services worked with the humanitarian community to support the many Vanuatu residents displaced from their homes. For instance, UNHRD and its partners delivered 115 mt of cargo in the first days after the cyclone.

Two UNHRD hubs were involved in coordinating the delivery of relief cargo for partners. In Dubai, UNHRD staff worked with the Government of the United Arab Emirates through the International Humanitarian City (IHC), which provided transport from Dubai to Port Vila in Vanuatu. At the hub, a Boeing 747 was loaded with relief items such as water purification

units, tarpaulins, tents and generators. On its way to Vanuatu, the aircraft stopped at UNHRD's hub in Kuala Lumpur, Malaysia to load additional shelter and hygiene items. Partners supported included Save the Children, Catholic Relief Services, the Adventist Development and Relief Agency, the Lutheran World Federation, World Vision International and WFP.

Because of weight limitations at Vanuatu's Port Vila airport, arrangements were made with the Australian Government to route the cargo through Brisbane, where WFP's aviation team had pre-positioned a smaller aircraft for multiple flights to Port Vila, thereby establishing a reliable transport route for partners to deliver critical assistance to the affected population.

## Emergency response

In 2015, WFP responded to an unprecedented number of emergencies. Six of these were classified as Level 3 corporate emergencies - the United Nations' highest rating in terms of scale and complexity of the humanitarian response required. These six emergencies were the crises in Central African Republic, Iraq, South Sudan, the Syrian Arab Republic and Yemen, and the Ebola virus disease outbreak.

With so many emergencies ongoing, WFP had to expand its operational capacities to reach people in need and deliver food assistance. The organization also provided high volumes of shared and bilateral logistics services to humanitarian partners.

### Emergency support through Special Operations

A portfolio of 45 special operations were undertaken with a total budget of USD 1.1 billion over their lifespans, of which USD 622 million was needed in

2015. These interventions included providing shared logistics services for the humanitarian community; building local and government capacity; augmenting WFP's ability to deliver food; and constructing or rehabilitating critical transport infrastructure.

### Standby Partners

Standby partnerships are a vital mechanism in enabling WFP to augment its capacity rapidly through:

- surge deployments during emergencies; and
- specific technical skills and packages of capacity services and equipment, such as base camps.

In 2015, WFP signed two new agreements with United States-based NetHope and the Argentine White Helmets, extending its network of standby partners from 19 to 21. Partners provided the equivalent of USD 16.6 million in in-kind contributions, 12 percent more than in 2014.

With 147 deployments to 47 countries, standby partners contributed significantly to the success

of WFP operations in 2015, particularly in responses to the Ebola virus disease outbreak and the Nepal earthquake. In 2016, WFP is developing its partnerships further.

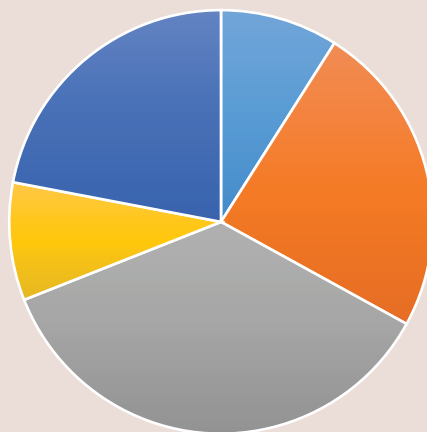
### Private-sector support and coordination

UPS supported logistics projects with cash grants of USD 336,000, and provided an airlift of nearly 100 mt of HEBs from UNHRD Dubai to Athens to support the response to the European refugee crisis. The UPS Foundation also supported the first rapid response team training, held in November 2015 at UNHRD in Brindisi, Italy.

In support of the Ebola response, UPS made available a 3,000-m2 staging area in Cologne, Germany for consolidating air shipments, and provided financial support for cargo handling and screening services at the airport. In coordination with WFP's Logistics Emergency Team, WFP's partner Agility, a global logistics company, led the processing of requests for private-sector logistics support, and was on standby to provide overland transport of relief items from suppliers in Europe to the staging area in Cologne. For example, Agility swiftly transported a shipment from Italy to Germany when suppliers and transporters were operating at reduced capacity during December.

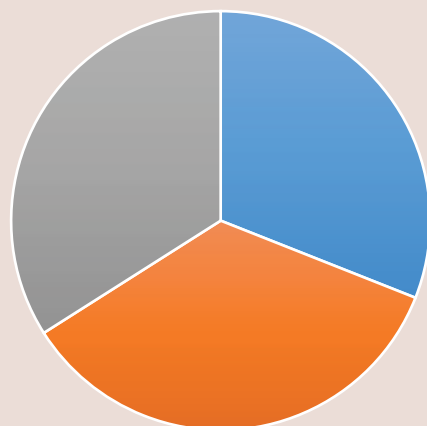
**Figure 7: WFP Special Operations by type and level of emergency, 2015**

**45 Special Operations. US\$ 291 million resourced.**



#### Special Operations by type

- Logistics and Emergency Telecommunications Clusters 24%
- UNHAS 36%
- Food Security 9%
- Logistics Augmentation 22%
- Combined Services 9%



#### Special Operations by level of emergency

- Level 1 and other (31%)
- Level 2 (35%)
- Level 3 (34%)



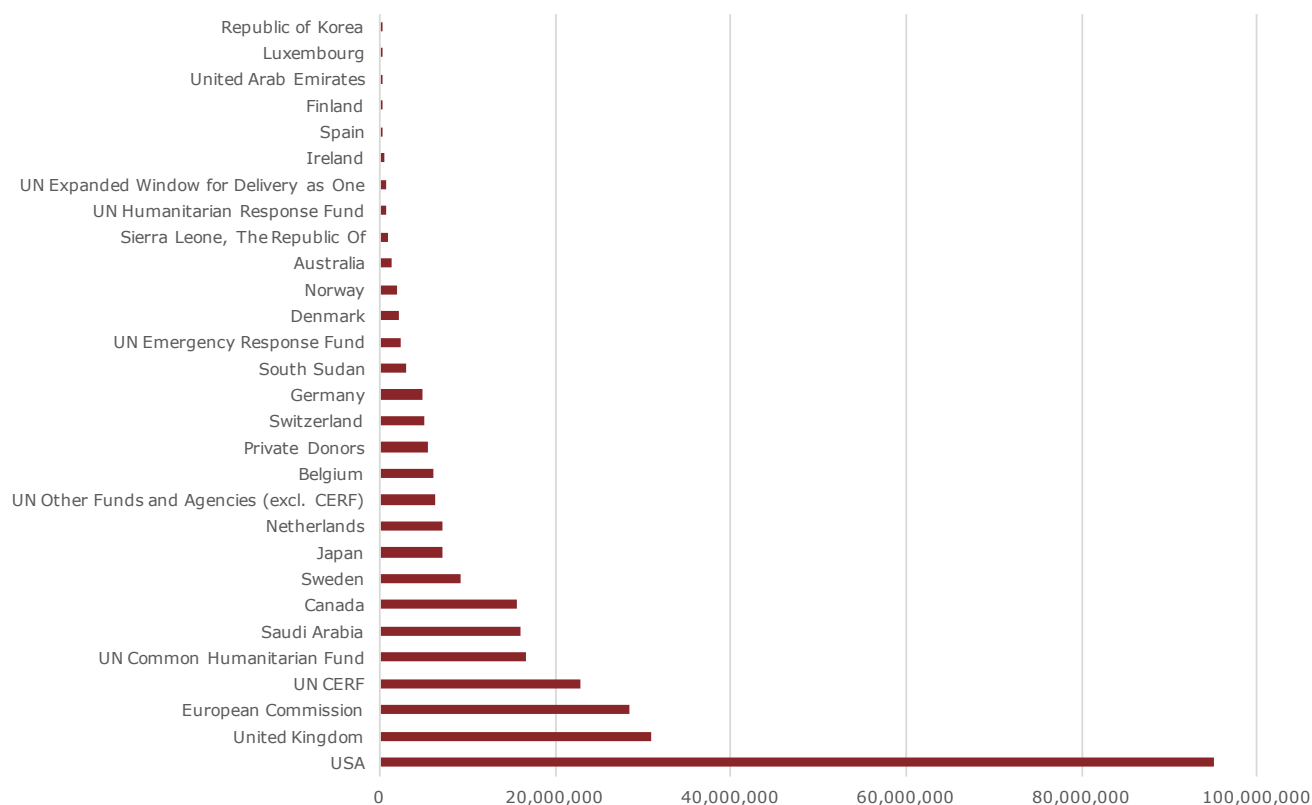
## Box 2: Emergency preparedness and response in Nepal

During the 2015 Nepal earthquake, the Humanitarian Staging Area (HSA) – constructed by WFP as part of the 2013 logistics response plan and inaugurated a month before the earthquake struck – proved to be an essential investment for the humanitarian community. The HSA served as the primary hub for coordinating the movement of supplies and personnel arriving in Kathmandu, with significant benefits in reduced response times. Thanks to the pre-positioned items at the HSA, WFP did not have to import significant amounts of operational stock, thereby saving precious time and enabling a speedier response. In total, WFP's HSA provided storage space for more than 5,600 mt of relief items for more than 90 agencies.



Urgent relief items are sent off for delivery to support people affected by the Nepal earthquake  
WFP/Photo Library

**Figure 8: Contributions received for WFP special operations, 2015 (USD millions)**



# YEMEN EMERGENCY RESPONSE

# 2015

Shared Humanitarian Services  
powered by WFP



**21.1 MILLION**  
people in need of  
humanitarian assistance



**7 MILLION**  
are children



**12.2 MILLION**  
affected by conflict

**460**

humanitarian staff evacuated  
by air and sea due to insecurity



**60**  
partners served  
to ensure that assistance  
was always delivered

**663 m<sup>3</sup>**   
cargo transported, facilitated  
by Logistics Cluster

**64**   
Logistics Cluster  
coordination meetings

**9**   
security evacuations  
performed for aid workers

**26**   
shipments from UNHRD Dubai and Djibouti  
valued at US\$ 3.3 million

## SERVICES PROVIDED

Services offered at Djibouti staging area

**9,902 mt**   
transported by air

**2,666**   
aid workers transported by UNHAS  
Djibouti - Sana'a

**981 mt**   
transported by WFP-chartered vessels

**183**   
Logistics Cluster information  
management products

## Fuel distributed to Yemen

**2.5 million**

liters  
procured by WFP

distributed to **60**  
aid organizations  
facilitated by  
Logistics Cluster

## Top 5 items shipped by mt from UNHRD Dubai and Djibouti



Prefabs



Armoured  
vehicles



Medicine



Medical kits



Biscuits



Aid workers board an UNHAS aircraft travelling from Djibouti to Yemen  
WFP/Photo Library



# NEPAL EARTHQUAKE RESPONSE

# 2015

Shared Humanitarian Services  
powered by WFP



**2.8 MILLION**  
people in need of  
humanitarian assistance



**1.1 MILLION**  
children



**400+**  
partners served  
to ensure that assistance  
was always delivered



**1**  
Pre-established, WFP-constructed Humanitarian  
Staging Area at Kathmandu airport



**64**  
Logistics Cluster  
coordination meetings



**11,200 m<sup>2</sup>**  
Total cargo stored, facilitated by  
Logistics Cluster



**26**  
shipments from UNHRD  
valued at US\$ 4.4 million

## SERVICES PROVIDED



**1,044 mt / 637 mt**  
of food and relief items transported  
by porters and animals



**3,632**  
aid workers transported by UNHAS



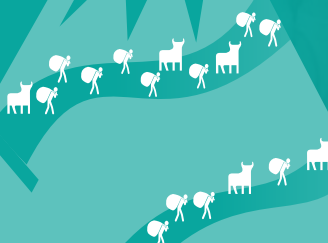
**2,699 mt**  
of light cargo transported by UNHAS



**31,600 m<sup>3</sup>**  
cargo handled and facilitated  
by Logistics Cluster

**888 km**  
of trails rehabilitated

**22,269**  
local porters engaged



## Top 5 items shipped by mt from UNHRD



Shelter kits



Tarpaulins



Tents



Blankets



High Energy  
Biscuits





Logistics Cluster staff at the Chautara logistics hub, which was established following the 2015 Nepal earthquake to facilitate the storage and dispatch of crucial relief items on behalf of the humanitarian community

WFP/Edmondo Perrone



**6.2 MILLION**  
people in need of  
humanitarian assistance



**235,000**  
children suffering  
from acute malnutrition



**929,000**  
refugees



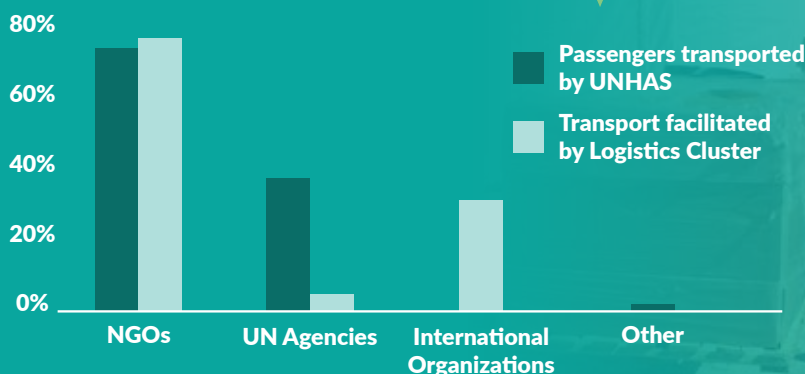
**1.9 MILLION**  
internally displaced people



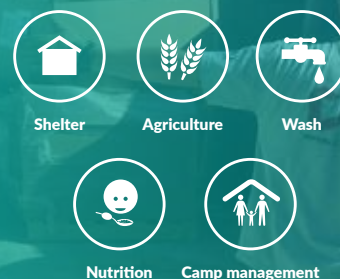
**248**  
partners served  
to ensure that assistance  
was always delivered



## Partners Served



## Top 5 types of cargo delivered



**839 m<sup>3</sup>**  
transported by road facilitated  
by Logistics Cluster



**64**  
Logistics Cluster  
coordination meetings



**11,200 m<sup>2</sup>**  
total cargo stored facilitated  
by Logistics Cluster



**10**  
shipments from UNHRD Dubai  
valued at US\$ 2 million

## SERVICES PROVIDED



**4,583 mt**  
transported by air



**81,203**  
aid workers transported by UNHAS



**1,254 mt**  
transported by WFP-chartered vessels



**160**  
Logistics Cluster information  
management products





*A helicopter lands in remote South Sudan  
WFP/George Fominyen*



## Scaling up support to health interventions

The Ebola virus disease outbreak demonstrated how crucial it is for the entire international community to coordinate efforts in complex, large-scale humanitarian and health emergencies. It also demonstrated that partnerships and preparedness are essential.

To mitigate the risk of future health crises, WFP is leveraging its global network and expertise by cultivating multi-sectoral approaches to emergency preparedness. For instance, WFP has teamed up with public- and private-sector actors – including WHO, the World Bank, UNICEF, the United States Centers

for Disease Control and Prevention, NEC of Japan, UPS, Becton and Dickinson of the United States, the University of Minnesota in the United States and the World Economic Forum – to develop a supply chain platform for enhanced pandemic preparedness and response. As supplies account for a large share of the costs of responding to a pandemic, and delays in the delivery of supplies seriously compromise the timeliness of health interventions, the supply chain is a critical element for an effective response.

### Focus on Zimbabwe

In Zimbabwe, at the request of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund), WFP has been using its logistics





*Kakoli Nandi ensures that her baby receives the right nutrients to lead an active, healthy life, thanks to complementary nutritious products from WFP*  
WFP/Ranak Martin

expertise to make anti-retroviral treatment and other medical supplies and equipment more widely available. While high costs and poor distribution of medicines initially prevented many HIV-positive people from obtaining the help they needed, these challenges are now more manageable.

Through nationwide deliveries of essential treatment for people living with HIV, the Global Fund and WFP have ensured the timely delivery of drugs and medicines, providing the right treatment at the right time to the people who need it. Logistics services provided by WFP directly support the partnership between the Global Fund and Zimbabwe's Ministry of Health and Child Welfare, enabling many people infected

with HIV to live healthy lives through better access to high-quality, free treatment across the country. In 2015, WFP transported more than 1 million health and medical items, including first-response HIV kits, patient care booklets, and HIV testing and counselling registers.

In addition to the Global Fund, WFP also supports a range of government, United Nations and NGO partners, such as FAO, the United Nations Population Fund (UNFPA), UNHCR and World Vision, with logistics services including customs clearance, warehousing and transport and handling. Through this growing portfolio, WFP is contributing to strengthened supply chains and stock management throughout the country.

# Cost-efficiency and effectiveness

WFP continually looks for ways to deliver more with fewer resources. The Supply Chain Division is establishing end-to-end integrated supply chain planning for all of WFP's operations, with the goal of increasing efficiency and effectiveness by reducing costs and lead times. In 2015, WFP increased the value of its expenditures through several achievements.

## **Syrian Arab Republic: Increasing agility and flexibility to meet complex humanitarian needs**

WFP must ensure an agile and flexible supply chain that can quickly scale up various assistance modalities, such as deliveries of food or cash-based transfers, according to the context and humanitarian needs. For instance, limited and unpredictable access to land corridors into the Syrian Arab Republic meant that most WFP-purchased food had to be shipped by sea.

Despite the complex operating environment, WFP was able to ensure a constant flow of food supplies into the country, thanks to long-term food supply agreements. By providing advanced forecasts of commodity requirements, WFP secured price cuts from its food suppliers. The forecasts also contributed to reducing lead times, as WFP's suppliers held rolling food stocks ready to be dispatched as required. This enhanced predictability allowed WFP's shipping team to negotiate long-term freight arrangements with five container carriers.

At the same time, WFP provided greater operational visibility of WFP's tonnage requirements to ocean carriers so that they could maintain their services to Syrian ports. WFP used a combination of available container lines regularly serving the Syrian ports and WFP-chartered vessels through long-term, predictable arrangements such as time charters, or spot charters for single voyages - to ensure the reliability of its food deliveries.

In 2015, WFP transported more than 325,000 mt of food into the Syrian Arab Republic by sea, saving approximately USD 2 million by securing a single shipping rate for the entire year.

## **Powering humanitarian operations**

In 2015, following analysis of WFP goods and services (G&S) categories, the G&S team developed a sourcing strategy, which focused on applying best international practices in WFP procurement.

As a first step, WFP redesigned the procurement strategy for its largest G&S category, jet A1 aviation fuel. In 2015, this fuel constituted 20 percent of WFP's non-food procurement and was valued at approximately USD 120 million. The new strategy involved increasing the number of suppliers in the database, aggregating quantities to achieve economies of scale, centralizing contracting and management, and recording cost elements in greater detail to ensure due diligence activities related to price application and invoicing. The strategy commenced with a mini-tender that covered 24 countries in May, followed by a second, expanded tender in July covering 48 countries. In total, WFP achieved total savings of 5 percent of the total category spend.

## **Innovation**

WFP is continuously developing new ways to increase operational effectiveness, reduce costs and deliver a swift, flexible response for the benefit of the people it serves. As part of efforts to scale-up efficiencies, the Supply Chain Division applies a strategic approach to innovation leading to the development and implementation of new initiatives to increase WFP's agility and cost-effectiveness. In 2015, WFP developed and piloted several innovations, which will be developed further in the years to come.

## Pioneering new ways to deliver in South Sudan

In 2015, as part of work to amplify the food and nutrition response in South Sudan, WFP began testing new and more cost-effective ways of delivering assistance, particularly through airdrops.

“Airlifts have worked well, but the quantity of oil we move by helicopters is quite small when you look at the scale of the need,” said Peter Schaller, WFP Chief of Logistics in South Sudan. “We could vastly improve our efficiency and save money with the delivery of oil through airdrops.”

### Cost savings with airdrops

In a bid to cut by 50 percent the use of helicopters for air delivery of vegetable oil, in 2014, WFP’s logistics teams began developing a system for airdropping vegetable oil from a plane flying 200 m above the ground. Tins or plastic containers of oil were wrapped in a bag and placed in a padded box attached to a 1.5-m parachute. In May 2015, WFP successfully tested these parachutes in the village of Ganyiel, in southern Unity State, South Sudan. The WFP logistics team in South Sudan is now perfecting the system to ensure minimal losses and operational efficiency.

WFP has also had success in airdropping SuperCereal Plus, a specialized nutritious food used to prevent and treat acute malnutrition in children. Creatively designed packaging allows the food to withstand the impact of being dropped by plane from 300 m above the ground. Airdrops of SuperCereal Plus allowed WFP to save approximately USD 9 million in 2015.

## UNHRD Lab: Research and development for humanitarian operations

The UNHRD Lab, located in Brindisi, Italy, is a research and development unit that helps to develop innovative products for humanitarian operations, and reviews, optimizes and tests existing ones. It provides organizations with specifications for optimal field items that incorporate new and green technologies and have user-friendly parts.

For example, in collaboration with the University of Bologna in Italy and W. Giertsen Hallsystem AS of Norway, the UNHRD Lab helped develop an insulated mobile storage unit (MSU) to provide cool storage for medicines, specialized nutritious foods and other items requiring temperature-controlled storage. In addition to insulated inner liners, the MSU has 250 m<sup>2</sup> of solar panels that provide enough energy to run a refrigerated system, allowing items and goods to be kept at temperatures below 25 °C.



*WFP successfully airdrops vegetable oil by parachute in Ganyiel, South Sudan in 2015  
WFP/George Fominyen*



## **At your fingertips: WFP's food supply chain management system**

The Logistics Execution Support System (LESS) is WFP's first on-line system for management of the food supply chain providing accurate and real-time information on all of WFP's food resources, from point of receipt to delivery to cooperating partners or direct distribution. By the end of 2015, LESS had been rolled out to 30 WFP country offices in the East, Central and Southern Africa regions, and covering all the resources managed through the Global Commodity Management Facility (GCMF), equivalent to 62 percent of WFP's annual food requirements.

In 2015, more than 1.3 million mt of commodities were tracked on-line through LESS. The system is fully integrated into corporate systems such as the WFP Information Network and Global System (WINGS) - WFP's corporate emergency response and preparedness system for all WFP staff globally. By the end of 2016, LESS will be available at more than 650 locations across the globe.

## **The supply chain optimization model**

WFP has developed a supply chain optimization model that assists country offices in identifying the most effective and efficient supply plan in line with funding and operational constraints, while maximizing programmatic outcomes, nutritional intake and value for money. The model considers all commodities, sourcing options, routes and transfer modalities to find the optimal project design. It takes into account beneficiaries' preferences, nutrition requirements, the optimal mix of transfer modalities, the seasonality of commodities and the most efficient elements of the supply chain network, such as ports, warehouses and routes. WFP is working with academia - Georgia Tech and the Massachusetts Institute of Technology in the United States and Tilburg University in the Netherlands - to design tailored and practical solutions to support its operations, maximizing efficiencies, facilitating nutrition outcomes and contributing to overall supply chain gains.

## **Focus on Iraq**

Through its emergency operation launched in 2014, WFP is reaching the most vulnerable people in need of food assistance in all 18 governorates of Iraq, providing assistance through monthly family food parcels (FFPs), vouchers and ready-to-eat, immediate-response rations. In October 2015, in order to continue providing vital support in the face of limited resources, WFP redesigned the food basket and adopted an optimized FFP that supplies 1,761 kcal, which is equivalent to 98 percent of the 1,800 kcal target and costs USD 10.89 per beneficiary per month; this represents a cost reduction of 17 percent. The new FFPs have been delivered to 500,000 beneficiaries every month, allowing WFP to realize USD 1.12 million in monthly savings.

## **The aviation performance management tool**

WFP Aviation's performance management tool informs management decisions regarding air operations. In July 2015, the enhanced tool version 2.0 was launched with an improved user interface and new functionalities that allow users to analyse their operations at increasing levels of detail.

The tool computes and visualizes a vast quantity of live operational data, which it makes available to aviation managers and staff, providing them with the information they need to make evidence-based strategic and operational decisions. Different performance indicators and metrics, such as percentage of bookings served, cost per passenger, aircraft utilization and statistics on the timeliness of departures, have been combined into single views, enabling users easily to compare data as needed.

WFP Aviation also cooperated with industry experts to design three training workshops with modules on aircraft financing and contracting, optimization of route networks, traffic demand analysis, needs assessment, schedule design and planning, network strategies, fleet planning and management, and business concepts in aviation.





WFP shares its supply chain expertise and leverages its global demand to support local communities and markets, partnering governments, empowering women and working with local actors throughout the value chain to support grassroots-level sustainable development  
WFP/Ranak Martin



# Strengthening national capacities and markets

WFP leverages its buying power to stimulate local economies by working directly with governments, first responders and the private sector to deliver humanitarian assistance in more than 70 countries each year. This includes purchasing commodities, contracting private-sector companies such as transporters and retail service providers, and delivering in the countries and regions where WFP provides food assistance to local communities.

## Strengthening local retail supply chains

WFP utilizes its extensive supply chain expertise to increase the purchasing power of the people it serves. Through an innovative approach to cash-based transfers, WFP aims to strengthen the purchasing power of people in the countries where it operates by 10 percent. It will do this by helping local retail supply chains become more efficient.

Following extensive collaboration with private sector retail supply chain experts and strategic units within WFP such as the Policy and Programme Division, WFP has launched a strategy for engaging with retail supply chains. The strategy aims to:

- lower shelf prices to increase the purchasing power of WFP beneficiaries and other customers;
- leverage itemized sales data to support its own needs for traceability, contracting along the supply chain and effective internal controls; and
- develop capacity in the retail sector by introducing basic retail systems to meet the needs of all consumers.

WFP's retail supply chain engagement strategy has increased the purchasing power of 80,000 Syrian refugees living in Zaatar Camp in Jordan by 6 percent, providing each family with an extra USD 2 per month to buy additional food and serve their families' needs. In Lebanon, by contracting different actors in the food value chain, WFP has increased beneficiaries'

purchasing power by 7 percent. WFP works with retailers to itemize retail point-of-sale data to determine buying habits and make supply chains more efficient. This information allows WFP to aggregate demand and develop other innovative ways of helping shopkeepers achieve savings on their own purchases. This commercial supply chain approach to cash-based transfers - WFP's retail engagement strategy - aims to lower shelf prices by an additional 5 percent before the end of 2016.

While its retail engagement strategy aims to improve the lives of the people it serves, WFP also helps to improve local retail supply chains, ultimately lowering shelf prices for all consumers and strengthening local economies. In 2016, WFP plans to scale up its retail strategy to five additional countries beyond Jordan and Lebanon.

## The Supply Chain Assessment for National Governments

Using WFP's extensive experience in food assistance programmes to deliver technical advice to governments, the supply chain assessment for national governments approach and toolkit aim to provide an end-to-end view of supply chains, identify areas requiring enhancement, develop recommendations for guiding improvements, and support the formulation of technical assistance interventions. The objective of the assessments is to support national governments in strengthening the supply chains for their food security programmes through business models, value for money, and quality services for recipients of assistance, ultimately leading to social impacts. A rapid, holistic and in-depth assessment is carried out to examine supply chains from both operational and managerial perspectives using sophisticated data collection and analysis tools.

In 2015, WFP was invited to assess the supply chains for national school feeding programmes in Panama and India. In Panama, the WFP team focused on remote geographical areas where the Government faces challenges related to access for logistics and control of implementation. In India, the team supported the Government of the State of

Odisha in identifying opportunities for improving the rice supply chain for the Mid-Day Meal Scheme, the largest school feeding programme in the world, which serves hot meals to more than 100 million children a day. In both countries, WFP leveraged its expertise and capabilities to design innovative and high-impact solutions for government partners.

## **Demand-led market development for smallholder farmers**

WFP supports smallholder farmers to transition from subsistence farming to market-oriented agriculture, thereby contributing to the achievement of systemic market change. Through the Patient Procurement Platform initiative, WFP works with seven global members: Alliance for a Green Revolution in Africa, Bayer Crop Science AG of Germany, Grow Africa, the International Finance Corporation, Syngenta Crop Protection AG of Switzerland, Rabobank of the Netherlands and Yara International ASA of Norway.

At the 2016 World Economic Forum Annual Meeting in Davos, Switzerland, participants confirmed their commitment to utilizing market-based initiatives to transform value chains for greater engagement of smallholder farmers.

The Platform was launched in 2015 in Rwanda, the United Republic of Tanzania and Zambia. Its three-year target is to secure a total of USD 750 million of aggregated purchasing demand to be met by approximately 75,000 smallholder farmers in each target country in Africa, Asia and Latin America.

Drawing on the combined buying power of partners, and building on lessons from Purchase for Progress and related initiatives, the Platform is working to create demand-led change along the value chain through the development and introduction of innovative aggregation models, transparency tools, a risk-sharing approach and financing solutions. The aim is to facilitate smallholder commerce in markets outside WFP. Through the Platform, global members are working to ensure sustainable demand and access for smallholder farmers to quality supply services and products through multi-year commitments from major agricultural actors.

WFP supports pro-smallholder aggregated demand through the design and facilitation of multi-year pre-planting contracts - predominantly with private-sector buyers - to ensure that farmers have access

to a predictable market, financing, insurance and the agricultural inputs needed to plant and harvest standard-quality crops, helping the farmers to become food-secure. Building on its deep-field presence for country-level implementation and its experience of local and regional value chains, WFP can provide insights for strategy development while utilizing its own demand as the initial catalyst for change.

## **Focus on Uganda: Zero Hunger starts with zero food loss**

As a result of post-harvest losses, farmers in sub-Saharan Africa can lose up to 30 percent of their crops in the first month after harvest. Crops can also become damaged, spoiled or lost during harvesting, handling, processing, storage and transport. With limited knowledge of proper handling and storage techniques, farmers can lose a significant portion of their crops before they reach the market or the table. For rural farming families, lost food means lost land use, labour, water, fertilizer and income.

To combat food loss and the resulting loss of livelihoods, in 2013, WFP launched the Zero Food Loss Initiative. Through WFP's training in post-harvest management and the provision of airtight storage equipment, this initiative has enabled farmers in Uganda to reduce losses to less than 2 percent. After only one harvest, participating farmers were able to repay their investments in the new storage devices, and could triple their incomes within the first year, on average.

After a successful initial pilot with 200 farmers, WFP and partners rapidly scaled up the initiative, organizing training on improved post-harvest handling practices and offering subsidized storage equipment for 58,000 smallholder farmers in Uganda.

Thanks to the Zero Food Loss Initiative, many farmers will have surplus grain for both consumption and trade for the first time in their lives. Not only do these results increase national and international trading opportunities for the countries in which WFP operates, but they also improve individuals' incomes and community livelihoods. Building on the success in Uganda, WFP is scaling up the initiative.



## Where did WFP purchase in 2015?

### Food

**97 Countries:** 79 Developing / 18 Developed

DAC: Development Assistance Committee

LDC: Least Developed Countries

LIC: Other Low-Income Countries (per capita GNI < US\$1,045 in 2013)

LMIC: Lower Middle-Income Countries (per capita GNI US\$1,046 - 4,125 in 2013)

UMIC: Upper Middle-Income Countries (per capita GNI US\$4,126 - 12,745 in 2013)





## Origin of Food as per DAC Category

By each category

DAC Category	Quantity mt	% mt	Value (US\$ thousand)	% US\$
LDC	542,848	25%	204,635	19%
LIC	47,206	2%	16,851	2%
LMIC	559,034	25%	280,028	26%
UMIC	474,481	21%	279,868	26%
<b>Sub Total</b>	<b>1,623,568</b>	<b>73%</b>	<b>781,381</b>	<b>73%</b>
Developed	587,283	27%	286,541	27%
<b>TOTAL</b>	<b>2,210,851</b>	<b>100%</b>	<b>1,067,923</b>	<b>100%</b>

# Detailed annex

## Where WFP Purchased Food in 2015

Country	Quantity mt	Value (US\$ thousand)	Country	Quantity mt	Value (US\$ thousand)
Afghanistan	22,207	8,753	Ethiopia	119,641	37,525
Algeria	16,036	5,621	Fiji	183	586
Argentina	2,397	1,827	France	35,233	43,283
Australia	18,330	8,183	Gambia	63	27
Bangladesh	2,628	2,177	Germany	5,352	2,393
Belgium	61,112	37,726	Ghana	7,710	4,403
Benin	712	367	Guatemala	8,962	6,388
Bolivia	441	419	Guinea	1,927	1,254
Brazil	8,718	3,685	Guinea-Bissau	766	406
Bulgaria	98,496	22,025	Haiti	780	693
Burkina Faso	3,096	1,553	Honduras	20,338	15,746
Burundi	8,873	4,055	India	199,470	89,461
Cambodia	4,321	1,549	Indonesia	61,955	45,974
Cameroon	1,588	1,116	Iran	3,240	2,138
Canada	15,511	13,023	Iraq	6,088	8,511
Central Afr. Rep.	46	32	Italy	110,017	58,826
Chad	4,653	2,521	Japan	3,323	2,445
China	3,045	2,570	Jordan	28,389	23,717
Colombia	237	141	Kazakhstan	8,691	3,994
Côte d'Ivoire	628	381	Kenya	46,786	16,734
Dem.Rep.Congo	14,708	8,686	Kuwait	67	51
Denmark	11	375	Kyrgyzstan	7,501	5,844
Egypt	29,947	25,726	Laos	19	10
El Salvador	6	12	Lebanon	9,651	7,501
Estonia	336	475	Liberia	948	675

<b>Country</b>	<b>Quantity mt</b>	<b>Value (US\$ thousand)</b>
Madagascar	1,758	818
Malawi	23,199	12,335
Malaysia	1,456	1,270
Mali	30,788	11,264
Mauritania	28	3
Mexico	1,054	1,141
Moldova	2,183	577
Mozambique	7,674	3,792
Myanmar	45,658	17,395
Namibia	1,261	99
Nepal	6,279	3,077
Netherlands	2,339	2,378
Nicaragua	2,336	2,682
Niger	29,868	9,242
Oman	562	572
Pakistan	44,548	23,559
Philippines	573	416
Poland	1,026	317
Romania	19,700	4,920
Russian Federation	200,437	76,623
Rwanda	17,346	7,352
Senegal	5,135	2,835
Sierra Leone	2,112	1,341
Solomon Islands	31	123

<b>Country</b>	<b>Quantity mt</b>	<b>Value (US\$ thousand)</b>
Somalia	1,500	699
South Africa	49,073	20,466
South Sudan	657	340
Sri Lanka	2,116	953
State of Palestine	12,778	5,083
Sudan	63,328	21,405
Syria	5,806	2,262
Tajikistan	270	35
Tanzania	37,538	11,397
Thailand	4,939	3,012
Timor Leste	167	225
Togo	400	213
Tunisia	662	793
Turkey	328,634	192,398
Uganda	58,823	20,855
Ukraine	147,811	48,175
United Arab Emirates	12,791	6,654
Uruguay	727	399
USA	2,643	6,271
Viet Nam	2,337	851
Yemen	13,854	5,061
Zambia	11,317	4,581
Zimbabwe	150	82
<b>Grand Total</b>	<b>2,210,851</b>	<b>1,067,923</b>



## Where WFP Purchased Goods and Services in 2015

Country	Sum of Value (US\$)	Country	Sum of Value (US\$)
Afghanistan	19,517,638	Ecuador	459,491
Albania	5,371	Egypt	1,976,690
Algeria	692,108	El Salvador	1,317,781
Antigua/Barbuda	81,995	Eritrea	102,120
Argentina	7,546	Ethiopia	50,801,169
Armenia	425,991	Fiji	9,750
Australia	1,248,919	Finland	1,087,753
Austria	15,424	France	11,151,017
Bangladesh	2,458,799	French Guiana	3,572
Belgium	957,602	Gambia	343,719
Benin	517,556	Georgia	277,956
Bolivia	439,381	Germany	9,401,751
Brazil	707,419	Ghana	5,052,262
Burkina Faso	1,161,812	Gibraltar	938,426
Burundi	2,035,514	Guatemala	1,460,678
Cambodia	741,113	Guinea	7,512,788
Cameroon	2,949,894	Guinea-Bissau	397,688
Canada	1,949,814	Haiti	4,098,138
Cape Verde	40,510	Honduras	1,013,340
Cen.African Rep	3,132,674	Hong Kong	42,526
Chad	7,018,421	Hungary	510
Chile	120,240	India	2,936,432
China	2,015,503	Indonesia	965,459
Colombia	1,628,914	Iran	138,159
Congo (Brazzav)	635,125	Iraq	3,260,884
Côte d'Ivoire	1,065,344	Ireland	2,775,719
Cyprus	331	Israel	454,651
Czech Republic	2,410	Italy	49,077,606
Dem. Rep. Congo	13,695,768	Japan	7,200,781
Denmark	8,268,549	Jordan	5,857,405
Djibouti	2,964,900	Kazakhstan	1,680
DPR Korea	724,098	Kenya	26,520,458

<b>Country</b>	<b>Sum of Value</b> (US\$)
Kuwait	1,457
Kyrgyzstan	1,489,976
Laos	1,314,004
Lebanon	3,916,723
Lesotho	1,767,152
Liberia	8,587,555
Libya	1,563
Luxembourg	25,230
Madagascar	1,501,668
Malawi	3,623,503
Malaysia	441,168
Mali	5,623,913
Mauritania	1,819,327
Mexico	22,000
Morocco	5,880
Mozambique	1,427,152
Myanmar	2,129,115
Namibia	170,746
Nepal	5,370,188
Netherlands	3,452,964
New Zealand	263,732
Nicaragua	808,759
Niger	6,697,336
Nigeria	27,803
Norway	9,475,033
Oman	701,173
Pakistan	9,035,014
Palestine	1,571,021
Panama	995,163
Pap. New Guinea	3,144
Paraguay	57,134
Peru	573,278
Philippines	5,731,366
Portugal	6,723
Russia	1,617,985

<b>Country</b>	<b>Sum of Value</b> (US\$)
Rwanda	2,994,048
Senegal	3,267,448
Sierra Leone	5,906,334
Singapore	557,910
Slovakia	11,107
Somalia	6,623,155
South Africa	4,321,331
South Korea	26,284
South Sudan	43,209,129
Spain	537,827
Sri Lanka	594,646
Sudan	48,787,050
Swaziland	248,473
Sweden	128,960
Switzerland	8,047,948
Syria	5,372,133
Tajikistan	752,038
Tanzania	2,148,042
Thailand	1,294,973
Timor-Leste	65,726
Togo	171,986
Tunisia	248,728
Turkey	3,354,528
Uganda	5,725,853
Ukraine	362,785
United Kingdom	15,342,645
USA	35,207,915
Utd.Arab Emir.	30,121,718
Vanuatu	68,021
Vietnam	10,897
Yemen	6,044,878
Zambia	788,436
Zimbabwe	1,001,589
<b>Grand Total</b>	<b>587,465,530</b>

# Acronyms used in the document

<b>FFP</b>	Family Food Parcel
<b>G&amp;S</b>	Goods and Services
<b>GCMF</b>	Global Commodity Management Facility
<b>HEB</b>	High-Energy Biscuit
<b>HSA</b>	Humanitarian Staging Area
<b>LESS</b>	Logistics Execution Support System
<b>MSU</b>	Mobile Storage Unit
<b>NGO</b>	Non-Governmental Organization
<b>SCM-D</b>	Supply Chain Management Dashboard
<b>SDG</b>	Sustainable Development Goal
<b>SNF</b>	Specialized Nutritious Food
<b>UNHAS</b>	United Nations Humanitarian Air Service
<b>UNHCR</b>	Office of the United Nations High Commissioner for Refugees
<b>UNHRD</b>	United Nations Humanitarian Response Depot
<b>UNICEF</b>	United Nations Children's Fund
<b>WHO</b>	World Health Organization







The UNHAS team with partners from Aviation Sans Frontières France and Handicap International at Bangui International Airport in the Central African Republic Copyright: Zeppelin