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# Local and Regional Food Procurement Policy

10 DECEMBER 2021

# LRFP Policy Update



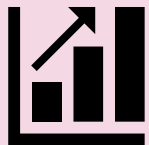
**Outlook on WFP Local Food Procurement**



**Policy Implementation: Key Achievements**



**Mainstream and Sustain Phase**



**LRFP Policy Investment Forecast**

# Value Proposition of the LRFPP

*“WFP’s demand for food and food system services can be a direct and indirect driving force towards the achievement of zero hunger, contributing to inclusive agricultural growth and sustainable social and economic transformation”*

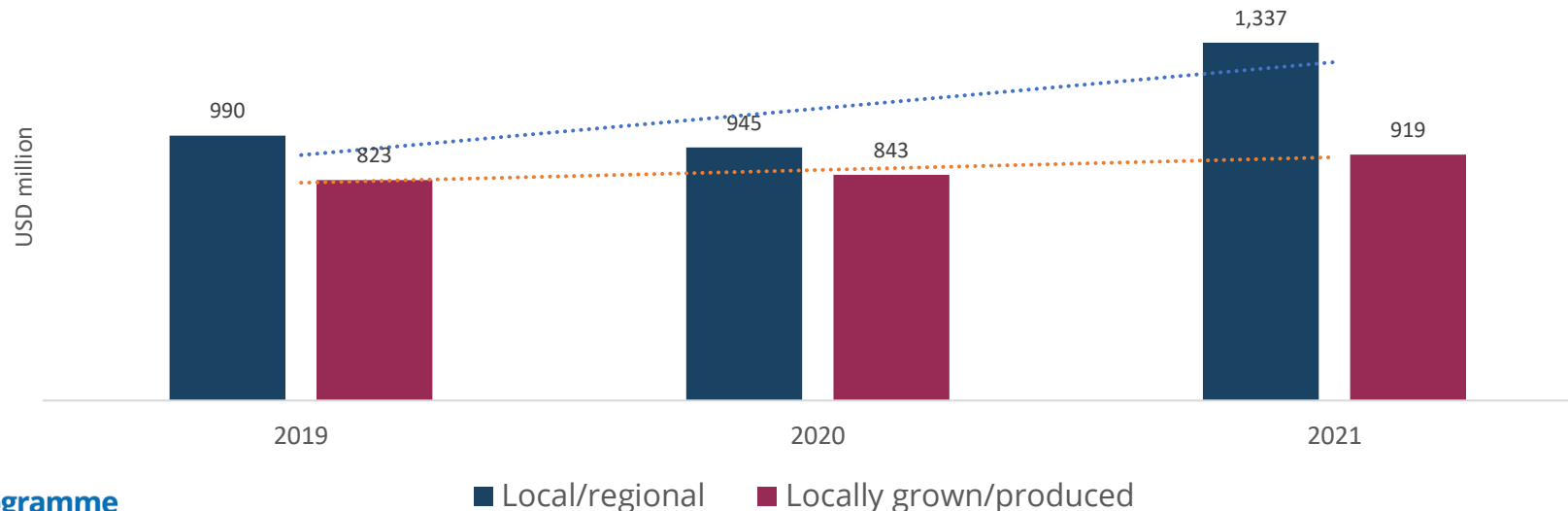
- Leveraging local food procurement to support reliable pipelines (saving lives) and simultaneously strengthen local food systems (changing lives).
- Leveraging WFP’s unique advantages:
  - *knowledge of food markets, toolkit of programmatic pro-SHF interventions to deploy along the value chains we use to procure food*
  - *convening power*



# WFP Local Food Procurement

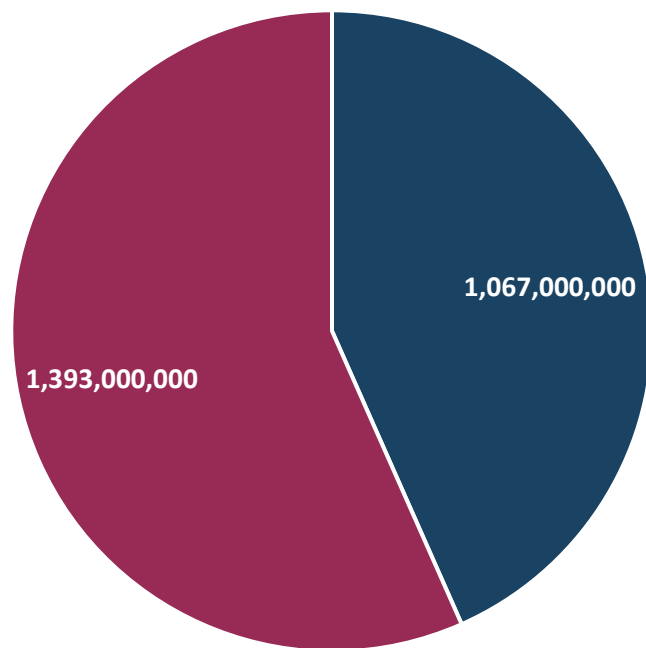
- In 2021 WFP purchased globally **4.23 Million MT** of food for a value of **USD 2.46 billion**
- **USD 940 million** is sourced locally/regionally - **38%** of WFP's procurement
- Since 2019 WFP **has steadily increased** the share of food procurement it carries out locally and regionally.

## Local & Regional Procurement, 2019-2021



# WFP Local Food Procurement

## WFP PROCUREMENT (USD, 2021)



■ International ■ Local/Regional



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## TOP 10 COUNTRIES FOR LOCALLY-GROWN COMMODITIES IN 2021

Origin country	Quantity (mt)
Sudan	159,000
Pakistan	136,000
Nigeria	128,000
Afghanistan	127,000
Yemen	113,000
Myanmar	75,000
United Republic of Tanzania	69,000
Egypt	59,000
Mozambique	55,000
Uganda	47,000
<b>TOTAL</b>	<b>968,000</b>

# Policy Implementation

The implementation of the policy entails two phases:

- I. The Transition Phase*** (2020-2022) - develop and test the required systems and tools to effectively operationalise the policy.
- II. The Mainstream and Sustain Phase*** (2023-2027) - systems and models will be mainstreamed into WFP business processes.

# Transition Phase: key achievements to date

- **Implementation framework:** key areas for investment (tools, systems and processes) validated with RBs.
- **Steering Committee**, co-chaired by the PRO and SC directors to oversee the implementation and provide guidance and support to the field.
- **11 Countries** are operationalizing the first phase of the implementation of the Policy in RBP, RBJ and RBN





# Transition Phase: key achievements to date

- **Interim implementation guidance** provides RBs and COs the tools to operationalize the policy framework (value chain analysis, use of new indirect pro-SHF contract modalities, etc.)
- **HQ and RBs** developed **workplans and budget** for the activities 2021/22
- **USD 4,5 million** committed to support the first phase of the implementation with **USD 2.6 million** allocated to support the implementation (HQ and RBs).



# Transition Phase: Regional Outlook

## *Guatemala, El Salvador, Nicaragua, Honduras (RBP)*

- Value chain analysis ongoing with CIAT and local research centres in the 4 countries;
- Leveraging the LRFP policy framework to support local government procurement schemes;
- Use of indirect pro-SHF modalities, development of traceability and M&E schemes, risk analysis to follow the completion of the value chain assessment.

## *Sudan and Uganda (RBN)*

- Value chain analysis (sorghum) conducted in Sudan in Q2/2021, the CO is currently developing procurement and programmatic interventions to leverage LRP against the findings of the VCA;
- Uganda testing new innovative pro-SHF indirect contract modalities and traceability options;
- Ethiopia discussions with traders about the SHF conditionality clause and trial on 1 or 2 tenders.

## *Mozambique, Zambia, Tanzania, Zimbabwe (RBJ)*

- Piloting forward contract modalities linked to GCMF to support purchasing from SHFs for anticipatory action responses.

# The Mainstream and Sustain Phase

- Builds on the tools and systems developed and piloted during the transition phase
- Requires investments to ensure effective mainstreaming and to sustain the mainstreaming in the long-term in the following areas:
  - i. Leadership and institutional set-up and processes
  - ii. Planning and programming: systems, tools and processes
  - iii. Capacity development
  - iv. Partnerships and accountability

# Investment Forecast 2021-2027- Full-fledged

KEY AREAS OF INVESTMENTS	BUDGET (USD)
<b>Planning and Programming</b> <i>Transition phase (2020/23)</i>	<b>4,470,000</b>
<b>Leadership and Institutional set up</b> <i>Mainstream (2023-27)</i>	<b>4,500,000</b>
<b>Planning and Programming</b> <i>Mainstream (2023-27)</i>	<b>19,000,000</b>
<b>Capacity Development</b> <i>Mainstream (2023-27)</i>	<b>7,000,000</b>
<b>Partnerships and accountability</b> <i>Mainstream (2023-27)</i>	<b>2,500,000</b>
<b>GRAND TOTAL</b>	<b>37,470,000</b>



# THANK YOU!



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