



Food and Agriculture Organization of the United Nations (FAO)

Procurement of ULV pesticides for
Locust Control:

Process and key data Overview 2013-15



FAO Procurement Objectives

- FAO procurement is based on the fundamental principles of **Best Value for Money**, fairness, transparency, economy and effectiveness.
- **Promote use of Framework Agreements.**



FAO and Vendors

- Formal contract award procedure following a competitive process.
- Participation to the solicitation process based on invitation to registered, pre-identified Vendors.
- FAO intends to build sustainable relationships with Vendors and relies on input from Vendors to improve its procurement activities.

FAO relies on its Vendors to meet its mandate



Vendor Registration

- Carefully identify the products or services your firm supplies and accurately indicate them during the registration process.
- Submission of a completed application through the UNGM does not guarantee invitation to tender.
- Details of the Vendor registration can be found on the FAO Procurement Internet: www.fao.org/unfao/procurement/general-information/en/.



Solicitation Process

Submit by secure facsimile, courier or electronic tendering (In-tend).

Submission Deadlines*:

- **2 weeks - ITBs for goods**
- **4 weeks - ITBs for services**
- **6 weeks – RFPs**

Validity of bids: minimum 2 months

IMPORTANT: Follow the instructions when submitting offer as non compliance may result in an invalid offer.

*** For emergencies these deadlines may be significantly reduced.**



Incoterms

FAO requests Vendors to provide for delivery to final destination.

DAP (final destination – incoterms 2010)

DAT (final destination incoterms 2010)

On exceptional basis, for some destinations FAO organizes the transport (FCA incoterms 2010).



Payment Terms

FAO is a reliable payer – 30 days from receipt of required documentation

Purchase Orders:

- No advance payment or letters of credit accepted

Contracts:

- Payment is determined by the type of services provided with possibility of 20% advance payment upon receipt of bank guarantee



Inspection: loading/unloading

- Inspection is contracted by FAO with 3rd party independent superintendency companies
- Inspections are carried out at loading to verify the quality, quantity, bagging, marking, etc. and at unloading to identify damage/loss during transport.
- Due meet tight deadlines and avoid delays FAO instructs Vendors to dispatch goods without waiting for inspections results.
- Vendors should inform if they choose not to accept this condition.



Ethics

- FAO has a strict “No-gifts, no-hospitality” policy which is applicable to all Vendors. Vendors wishing to do business with FAO may not offer gifts or hospitality to any FAO staff member.
- Vendors must adhere to the UN Supplier Code of Conduct.



Major constraints encountered with procurement of ULV pesticides over the past three years(2013-15)

- Low participation rate to tenders.
- Low responsive rate due to certifications/registration requirements and/or delivery requirements.
- Delayed delivery.
- Non-compliance with packaging requirements (quality of drums).
- Abnormal Corrosion of spraying equipment.



Most Frequently Procured ULV pesticides (2013-15)

Quantities (liters/kg)					
Country \ Pesticide	Chlorpyrifos	Teflubenzuron	Bio-pesticide (Green Muscle)	Fenitrothion	
Madagascar	318,000	278,000	1,500	-	
Eritrea	-	-	-	7,300	
Malawi	-	-	320	3,500	
Yemen	25,000	-	180	-	
Kyrgyz Rep	8,900	-	-	-	
Tajikistan	6,400	-	-	-	
Mauritania	-	-	45	-	
TOTAL	358,300	278,000	2,045	10,800	
AVERAGE PER YEAR	119,433	92,667	682	3,600	



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ULV pesticides triangulated by FAO (2013-15)

Quantities (liters/kg)				
From - to	Pesticide	Chlorpyrifos	Teflubenzuron	Bio-pesticide (Green Muscle)
From Morocco to Madagascar		321,600	-	-
From Algeria to Madagascar		30,000	-	-
From Algeria to Kenya		7,000	-	-
From Mauritania to Madagascar		30,000		
From Malawi to Yemen		-	-	180
TOTAL		388,600	-	180
AVERAGE PER YEAR		129,533	-	60



Procurement and Delivery Lead time (month) (2013-15)

Pesticide type	Average duration of procurement process (from PR to final award)	Average delivery time to final destination (from PO issuance to receipt of goods)*	Total Average lead time
Chlorpyrifos	2	3	5
Teflubenzuron	2	4	6
Bio-pesticide (Green Muscle)	1	7	8
Fenitrothion	2	5	7

* NB-This is not necessarily in line with
FAO requested delivery time