

# Collaboration: Driving Procurement



**BRYAN COOK**  
WORLD BANK GROUP



**NIKI NEUMANN**  
STANDARD BANK GROUP



# Collaboration – Driving the Supply Chain

# Supply Chain Management and Procurement - Overview

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# The Reality of Procurement and SCM

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- Procurement and Supply Chain Management defined
- The role and influence of Procurement and SCM in development
  - The role of Procurement and SCM as a delivery mechanism
  - Approximately 50% of Official Development Assistance (ODA) spend of goods and services is through procurement
  - ODA expenditure in 2020 was approximately US\$161.2 bn
  - Former Secretary General of United Nations, Ban Ki Moon (2012) suggested that **“30% of ODA is lost to corruption and fraud”** globally.

# Procurement Value and Measurement

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- How is money spent in international development?
  - Where does the money go? (Easterly & Pfutze, 2008)
  - Criticisms of international development effectiveness
  - Effect of corruption and waste in international development
- What are the effectiveness and value measurements?
  - Current measurement of Development Effectiveness (DE)
  - Value for Money (VFM) in international development

# Measurements: SDGs, ESGs

## Sustainable Development Goals (SDGs)



## Environment, Social, Government (ESGs)



# Measurement of SDGs

<b>Specific Sustainable Development Goals</b>	<b>Targets</b>	<b>Indicators</b>
SDG 3: Good Health and Well-being	13	27
SDG 5: Gender Equality	9	14
SDG 6: Clean Water & Sanitation	8	11
SDG 7: Affordable and Clean Energy	5	6
SDG 8: Decent Work & Economic Growth	12	17
SDG 10: Reduced Inequalities	10	11
SDG 11: Sustainable Cities & Communities	10	15
SDG 12: Resp. Consumption & Production	11	13
SDG 13: Climate Action	5	8
<b>Total of all SDG Goals</b>	<b>169</b>	<b>249</b>

# New Reality of Supply Chain Management

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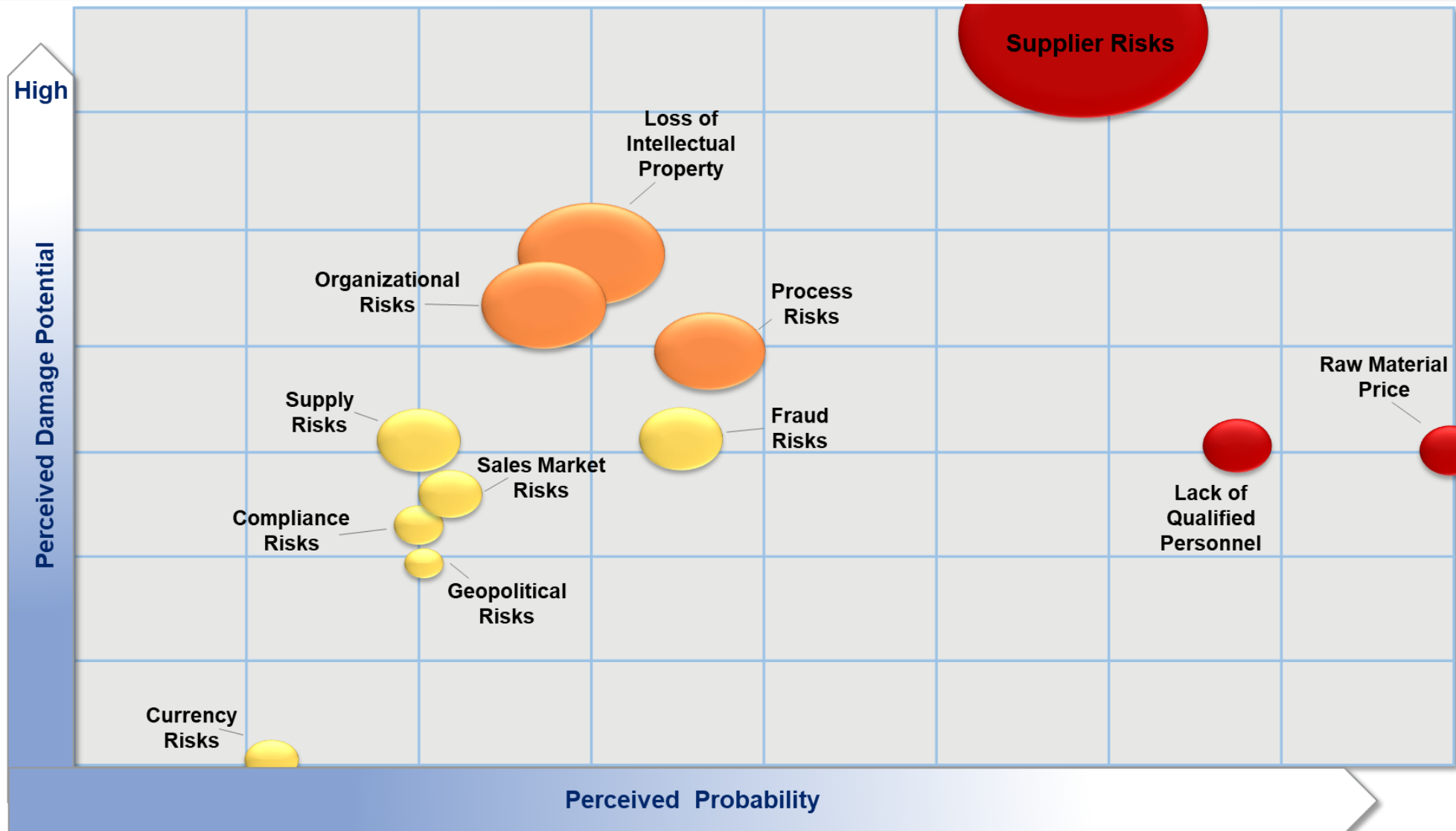
- Post-Covid
- Supply Chain Disruptions
- Volatile Prices
- Localization of Inventory (Risk Trade-Offs)
- ESG and Procurement
- Risk Management and Mitigation



# Process & Risk Management

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# Supply Chain – Risk Management



# Collaboration



# Contract & Supplier Management

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Pre-RFP

- Contract Scope and Specification
- Supplier Qualification & Risk

During RFP

- Procurement Evaluation
- Contract Terms and Conditions (Insurance)

Post-Award

- Contract Management
- Supplier Performance Monitoring

# Contract Management (Treasury)

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Pre-RFP

- Counter-party Risk Assessment
- Requisition, Purchase Order and Invoicing (3-way match)

During RFP

- Terms & Conditions – Cross Default; Events of Default
- Interest Rates / Default Rates
- Commodity Prices
- Foreign Exchange – Rates & Protection – Netting / Hedging
- Financing Solutions
  - Letters of credit; performance guaranty
  - Coordination supplier or bank financing

# Contract Management (Insurance)

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During RFP

- Contract Terms and Conditions
  - Indemnification (Legal / Insurance / Third Party Risks)
  - Insurance coverage
    - Physical damage/Non-physical damage
    - Political risks
    - Civil or military actions
    - Business interruption / delay
    - Risk during transport / storage (Shipping: air, land, marine)
    - Inco terms (transfer of ownership)

Post-Award

- Claims, Litigation, Arbitration
- Loss Prevention; Accident, Damage, Theft, Fraud, Waste

# Keys to Success

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- Planning & Forecasting
- Vigilant & Consistent Process Management
- Relationships & Teamwork
- Communications
- Shared knowledge
- SCM Technology and Innovation

A photograph of a solar farm with workers on a roof installing panels. The text "THANK YOU" is overlaid in the center. The image shows a large array of blue solar panels mounted on a metal structure. Two workers are visible: one on the left wearing a grey and red jacket, and one on the right wearing a red shirt. The sky is clear and blue. A solid blue vertical bar is on the left side of the image.

**THANK YOU**





# **CREATING MULTI-STAKEHOLDER IMPACT ACROSS THE AGRICULTURE SUPPLY CHAIN**

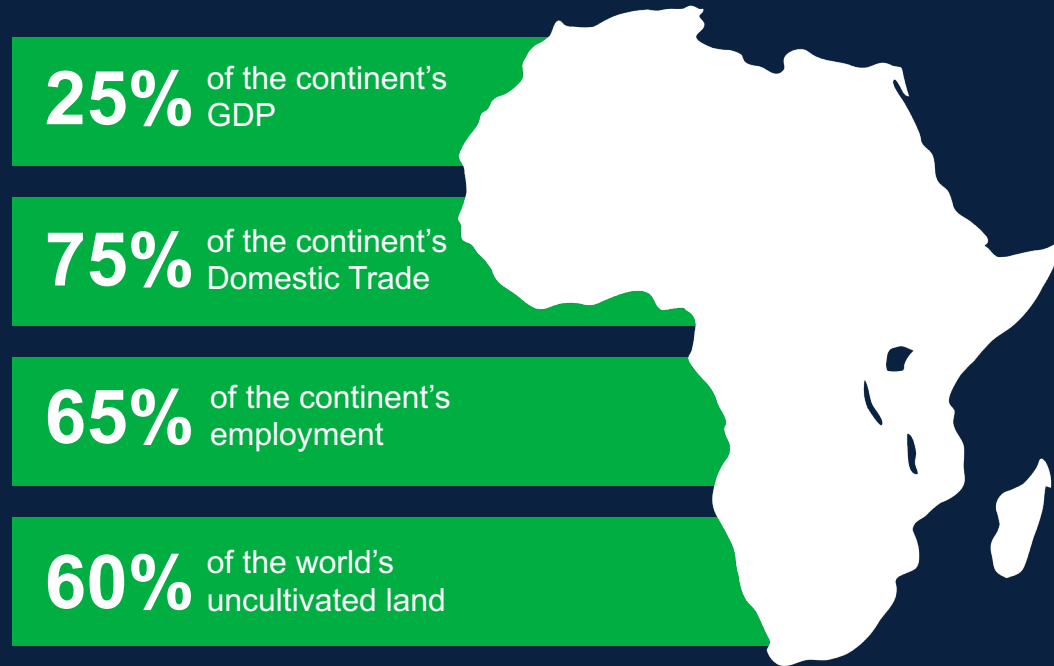
**TREASURERS ROUND TABLE | JUNE 2022**

**IT CAN BE..**



# AGRICULTURE IS ONE OF THE LARGEST AND FASTEST GROWING SECTORS ON THE AFRICAN CONTINENT – THE OPPORTUNITIES ARE NUMEROUS

## AGRICULTURE'S IMPACT IN AFRICA



**Commercial Farmers**  
±100-200k in SSA

**Smallholder Farmers**  
±10m in SSA

**Subsistence Farmers**  
±100m in SSA



**\$35bn** of food imported into Africa\*



Africa is poised to be the next **World Bread Basket**\*\*



**\$55bn** of ODA to Sub-Saharan Africa in 2019\*\*\*



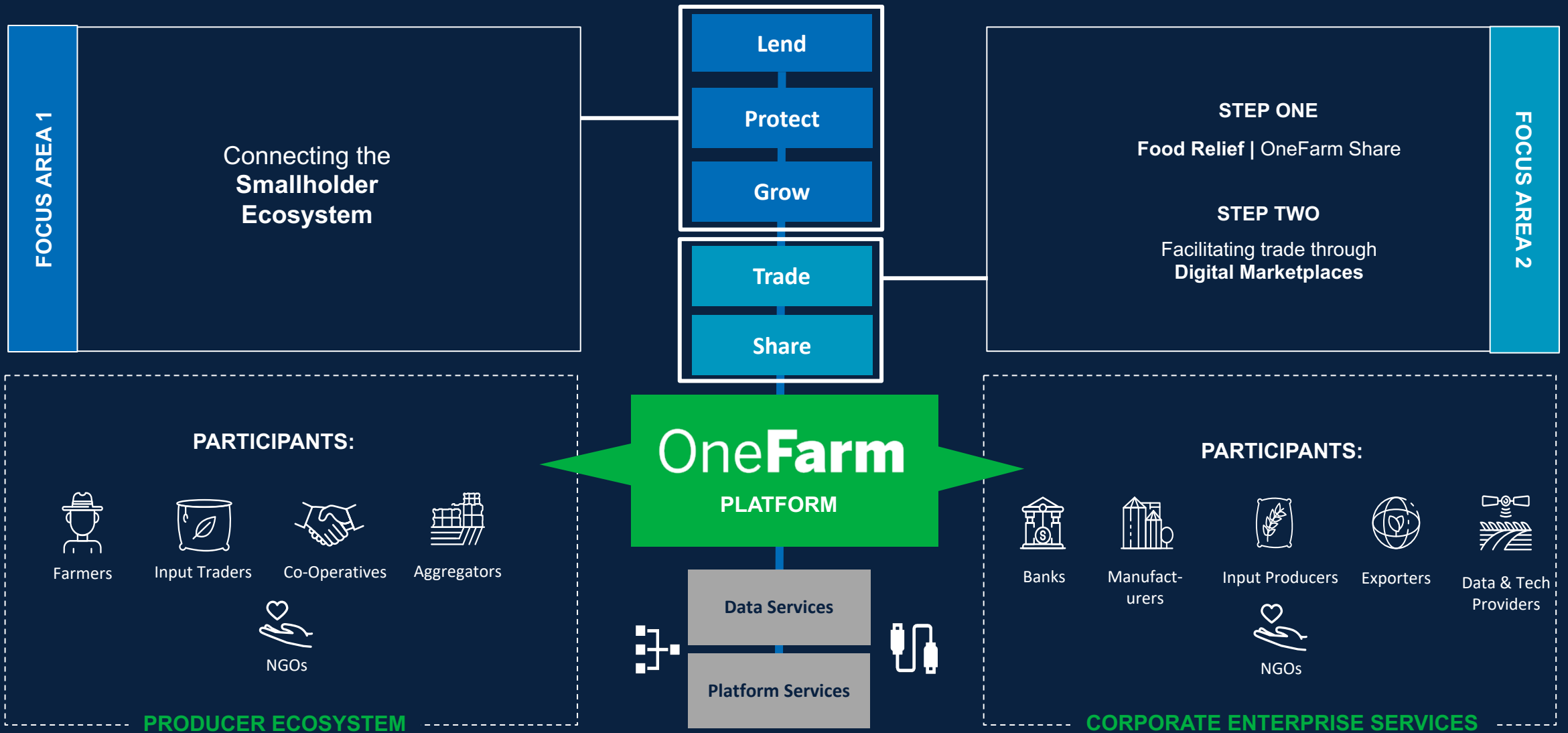
**24%** of SSA population has severe food insecurity. Up 5% between 2014-2019\*\*\*



# ACROSS THE AGRI VALUE CHAIN, THERE ARE SEVERAL PAIN POINTS AND INEFFICIENCIES IMPACTING MULTIPLE STAKEHOLDERS



## THE ONEFARM STRATEGY ADDRESSES MULTIPLE STAKEHOLDER NEEDS ACROSS THE AGRI VALUE/SUPPLY CHAIN





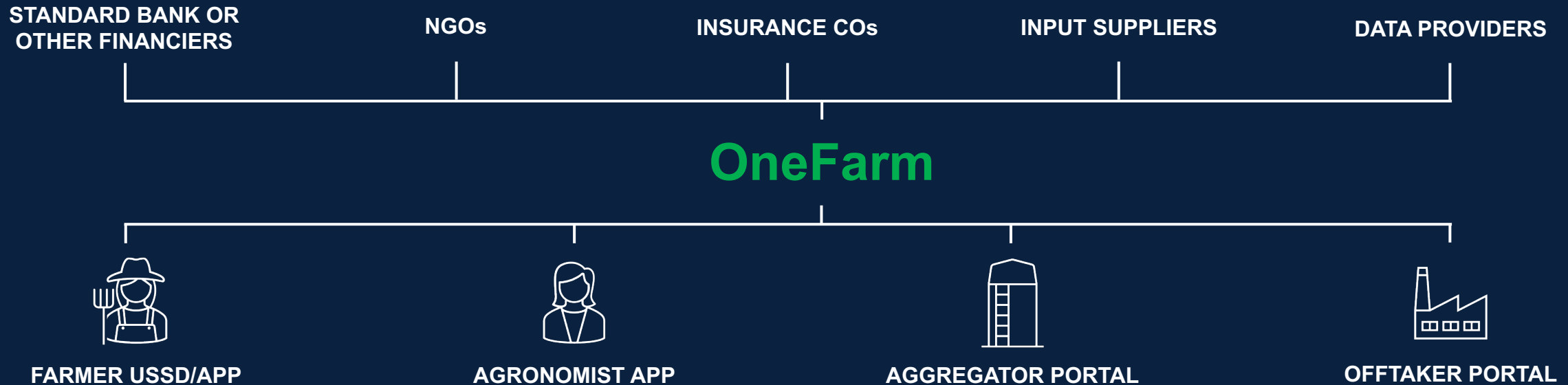
## **CASE STUDY: NILE BREWERIES | UGANDA**

**IT CAN BE...**



# PLATFORMS AND TECHNOLOGY ARE THE ENABLER OF TRANSPARENT, EFFICIENT SUPPLY CHAINS

*B2B2C technology that digitises the value chain for the offtaker, as a service, creating transparency. Then, the platform matches the value chain participants to relevant service providers.*





## **CASE STUDY: ONEFARM SHARE | SOUTH AFRICA**

**IT CAN BE..**



**OneFarm **Share** is a platform that provides a secure and transparent way to channel essential food directly to those who need it.**

It does this by acting as a **digital match-maker**, connecting food requests from registered charities to available (excess) fresh produce from local farmers.



# ONEFARM SHARE SUCCESS IN NUMBERS – END JUNE 2022

## OVERALL

 **9477** tonnes of fresh produce

 **38M** meals provided

 **1.2M** people fed

 **1800** registered charities

 **378** programme contributors


 **56** food basket products

 **1.59** commercial farmer multiplier

 **9** provinces country-wide

## SUPPORTING WOMEN\*

 **94** of the 291 emerging farmers are women

 **2641** tonnes or 28% of volume supplied by women farmers

 **10.6m+** Meals provided by female farmers

 **R15.7m** paid to female farmers

## FOOD RESCUE

 **7** Market agents

 **311** tonnes rescued: on-farm and on-market

 **760k** meals created with rescued food

 **3.57** food rescue multiplier

## AWARDS

 **Gold** EFMA-Accenture Innovation in Banking: Sustainability

 **Winner** BankingTech Awards: Covid Response

 **Top 3** Gartner Eye on Innovation: Banking

 **Runner Up** BRICS Solutions for Sustainable Goals: Livelihood Category

## EMERGENCY RELIEF

 **149** tonnes for Flood Relief

 **126** tonnes for Unrest Relief

# OneFarm Share

THE PROGRAMME HAS DIRECT ALIGNMENT WITH THE  
FOLLOWING SDG GOALS

**1** NO  
POVERTY



**2** ZERO  
HUNGER



**3** GOOD HEALTH  
AND WELL-BEING



**5** GENDER  
EQUALITY



**8** DECENT WORK AND  
ECONOMIC GROWTH



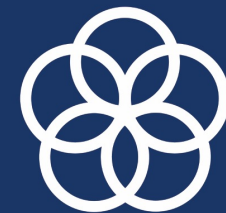
**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



**13** CLIMATE  
ACTION



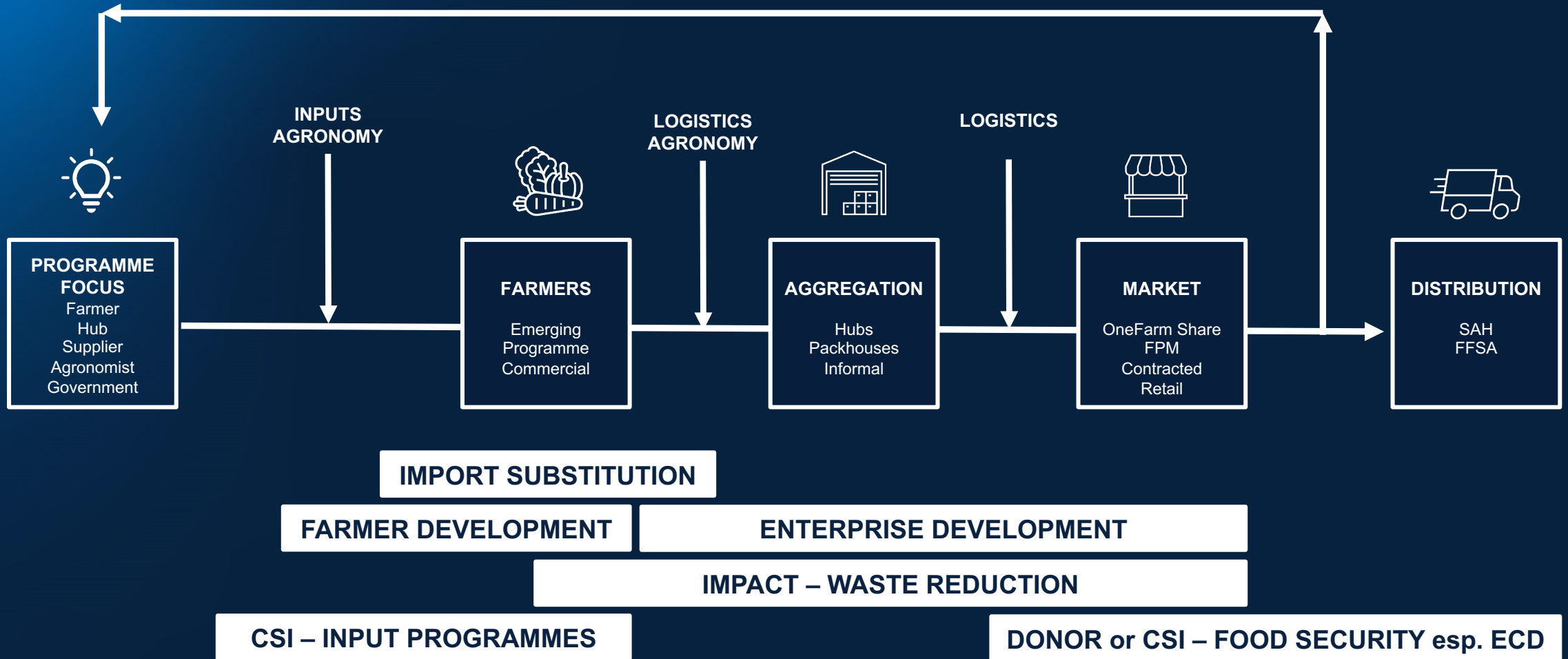
**17** PARTNERSHIPS  
FOR THE GOALS



**NEW APPROACH TO PROCUREMENT THAT ALIGNS TO NGO PILLARS  
MULTIPLIES THE IMPACT ACHIEVED**

	<b>FOOD SECURITY &amp; HUNGER RELIEF</b>	<b>SMALLHOLDER FARMER DEVELOPMENT</b>	<b>WOMEN EMPOWERMENT</b>
<b>IMPACT</b>	<ul style="list-style-type: none"> <li>Nutritional Food Distribution</li> <li>Turnkey CSI Delivery Partner</li> <li>High Performing Funds Multiplier</li> <li>Food-waste Reduction</li> </ul>	<ul style="list-style-type: none"> <li>Enterprise Development</li> <li>Market Access</li> <li>Path to Commercialisation</li> <li>Agronomic Support</li> </ul>	<ul style="list-style-type: none"> <li>Plus:</li> <li>Economic Independence</li> <li>Supply Aggregation Support</li> <li>Customised Financial Services*</li> </ul>
<b>VISIBILITY</b>	<ul style="list-style-type: none"> <li>Quarterly Report:</li> <li>Beneficiary Statistics</li> <li>Multiplier Tracking</li> <li>Geographic Distribution</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly Report:</li> <li>Smallholder Statistics</li> <li>Production Insights</li> <li>Geographic Distribution</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly Report:</li> <li>Programme Statistics</li> <li>Production Insights</li> <li>Geographic Distribution</li> </ul>

**ONEFARM SHARE ALIGNS DONOR FOCUS TO THE AGRICULTURE VALUE CHAIN**





# SUMMARY

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**IT CAN BE..**



# THE ABILITY TO TEST AND LEARN HAS ENABLED US TO EFFECTIVELY BEGIN SCALING THROUGH COLLABORATION



Drive effectiveness and efficiency of the Agri supply chain



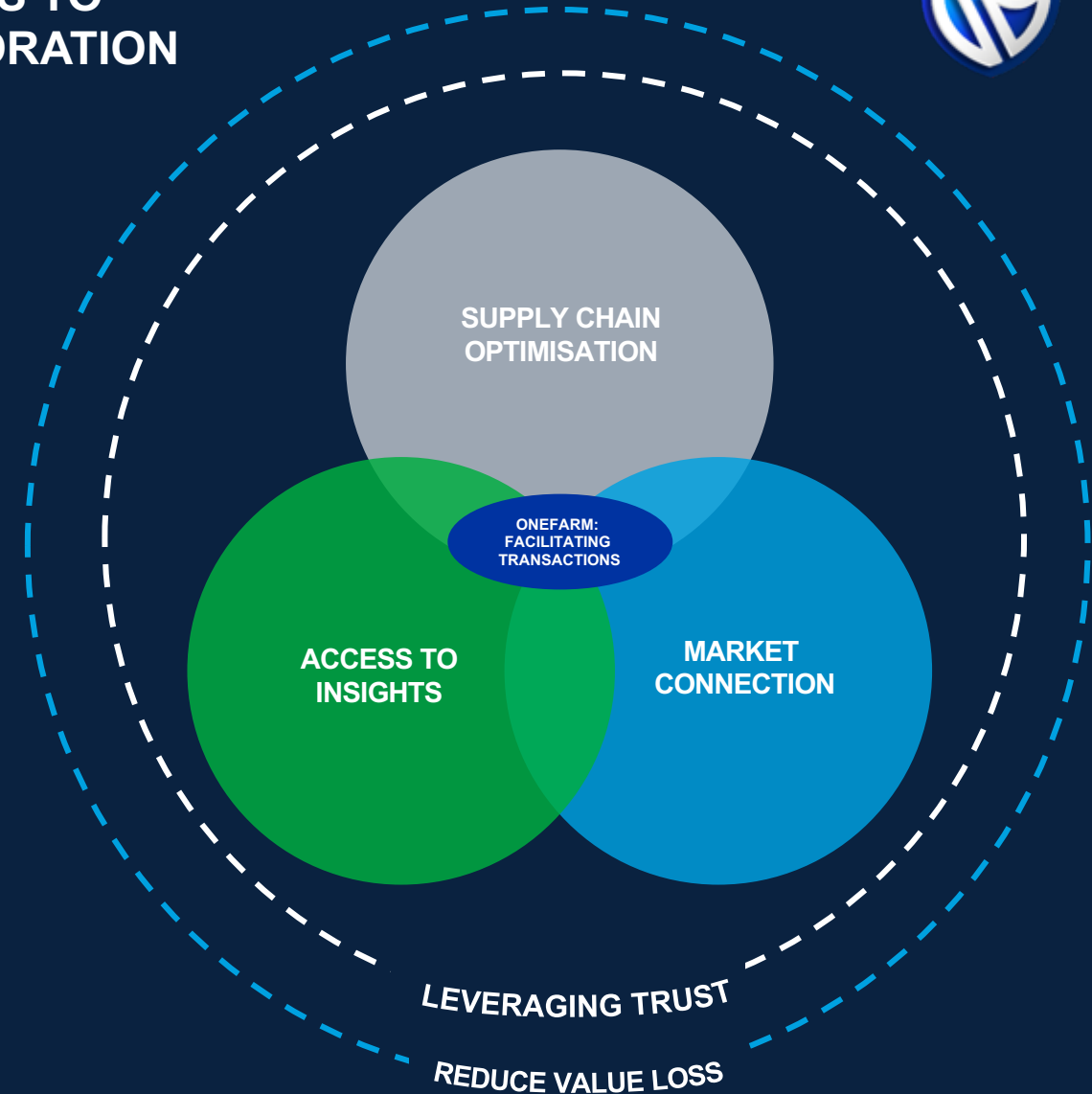
Matching of buyer and seller to improve margins



Reduce value loss by providing visibility



Fostering trust and transparency





## FINANCIAL AND CORPORATE INSTITUTIONS ALIGNING WITH INTERNATIONAL DEVELOPMENT ORGANISATIONS TO CREATE SUSTAINABLE IMPACT

### Our Vision

Driving Africa's growth by innovating in the agriculture ecosystem

### Goals for 2023

Distribute 10,000t of nutritious food into relief channels, and digitise 90k farmers

### Approach

Partnering with Corporate Off-takers and NGO's to maximise Value For Money and Sustainable Impact

### Geographic Reach

Accelerating Kenya, Uganda & South Africa, and Expand to rest of Sub-Saharan Africa



*With the right partnerships and supply chain interventions, the impact of procurement spend and development funding can be multiplied for maximum impact.*



**THANK  
YOU**