

Doing Business with the United Nations



Spain, 18-22 November 2013

Overview of today's program

- Introduction to the UN Procurement Market and various UNOs
- How to register with the UN
- Practical tips on UN Procurement

- Criteria for selecting companies for March 2014 New York

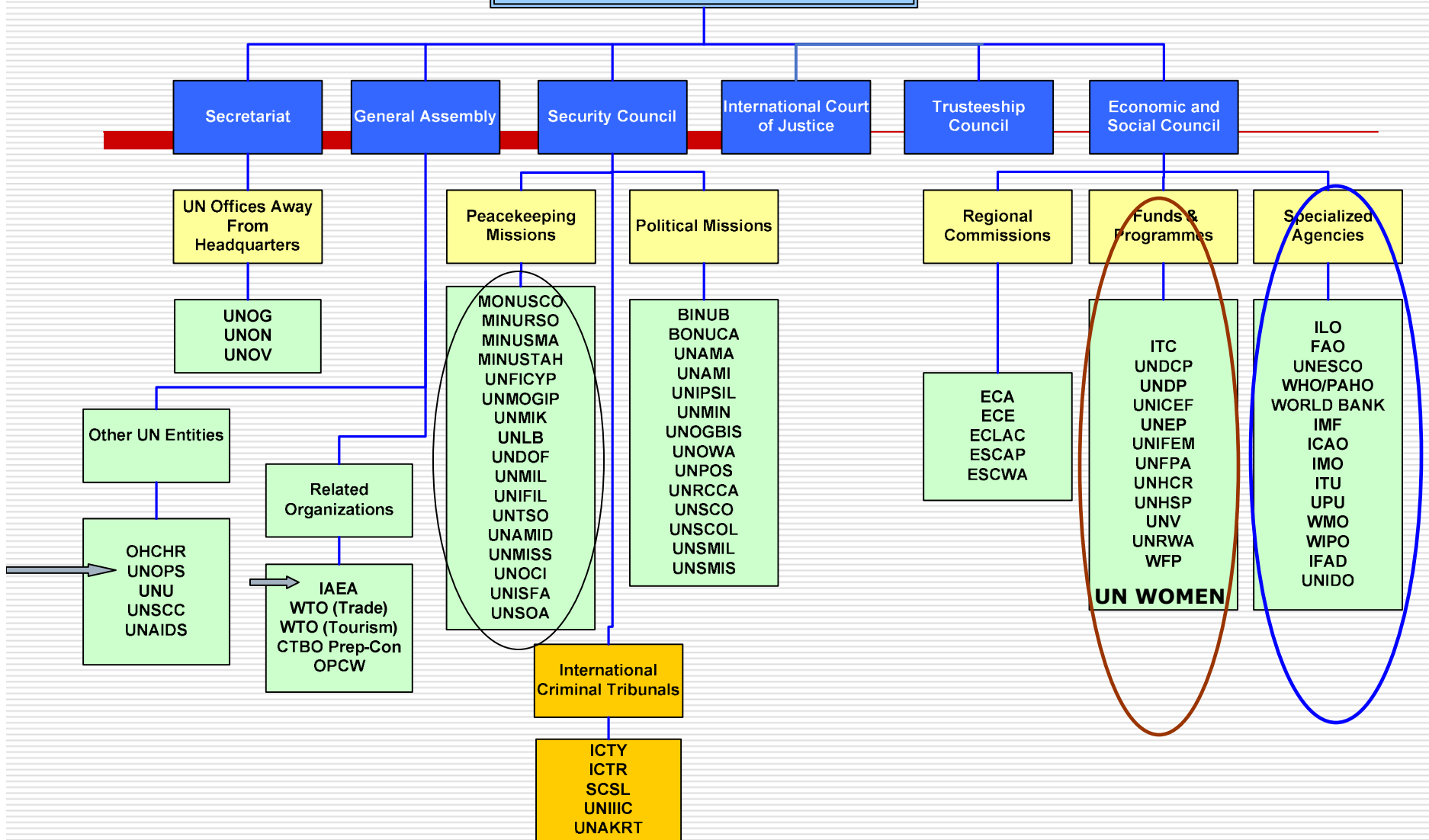
New Amsterdam Trade & Consultancy

- Assisting private sector and governments with UN Procurement since 1997
- UN Procurement Seminars (New York) for EUPF since 2003

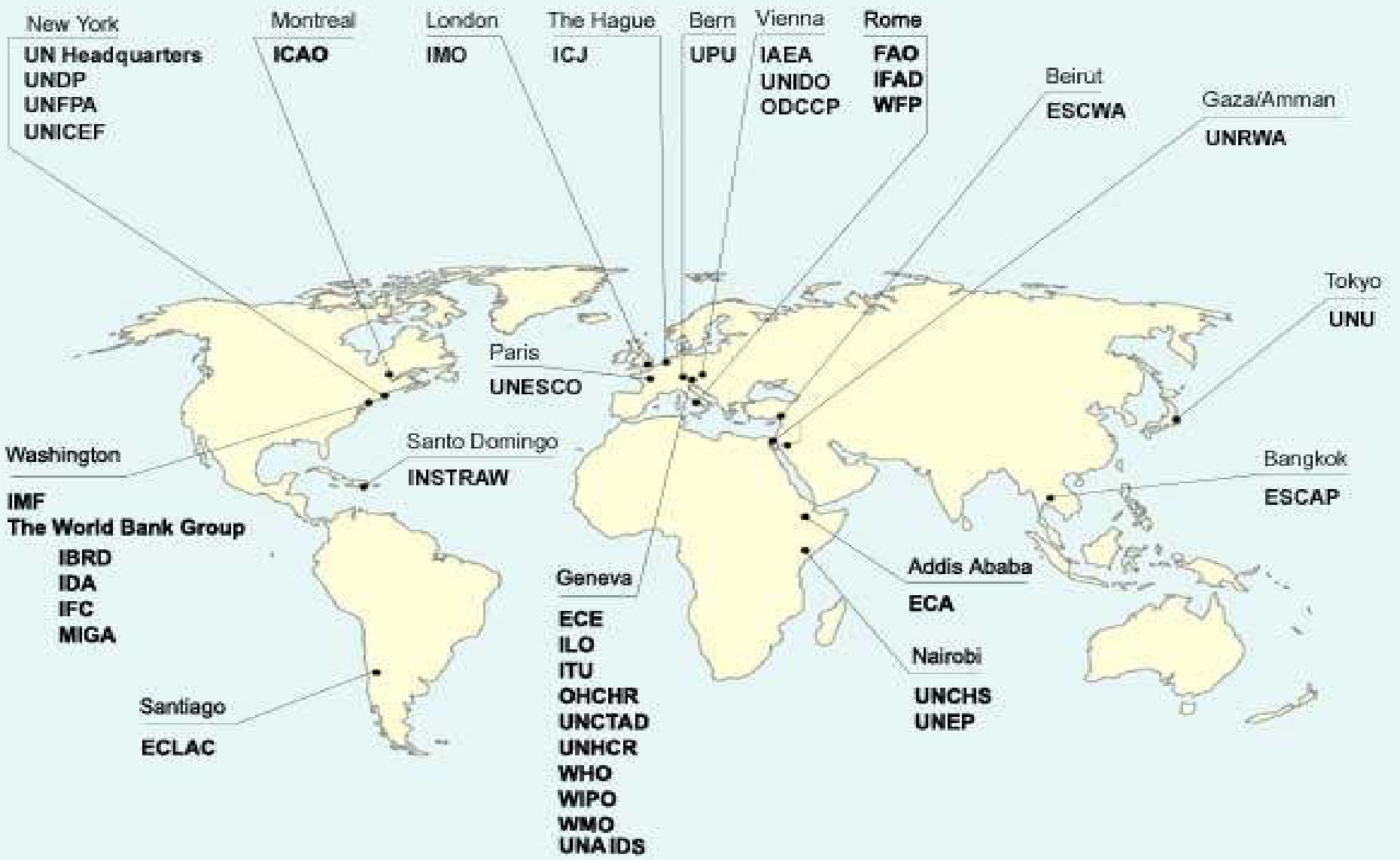
Overview of the UN System

- Overview of United Nations procurement family
- Impact of mandate on procurement
 - What do they buy, why, where
 - Centralized / decentralized
 - Size of the Market and top 10's
 - Trends in UN Procurement

The United Nations

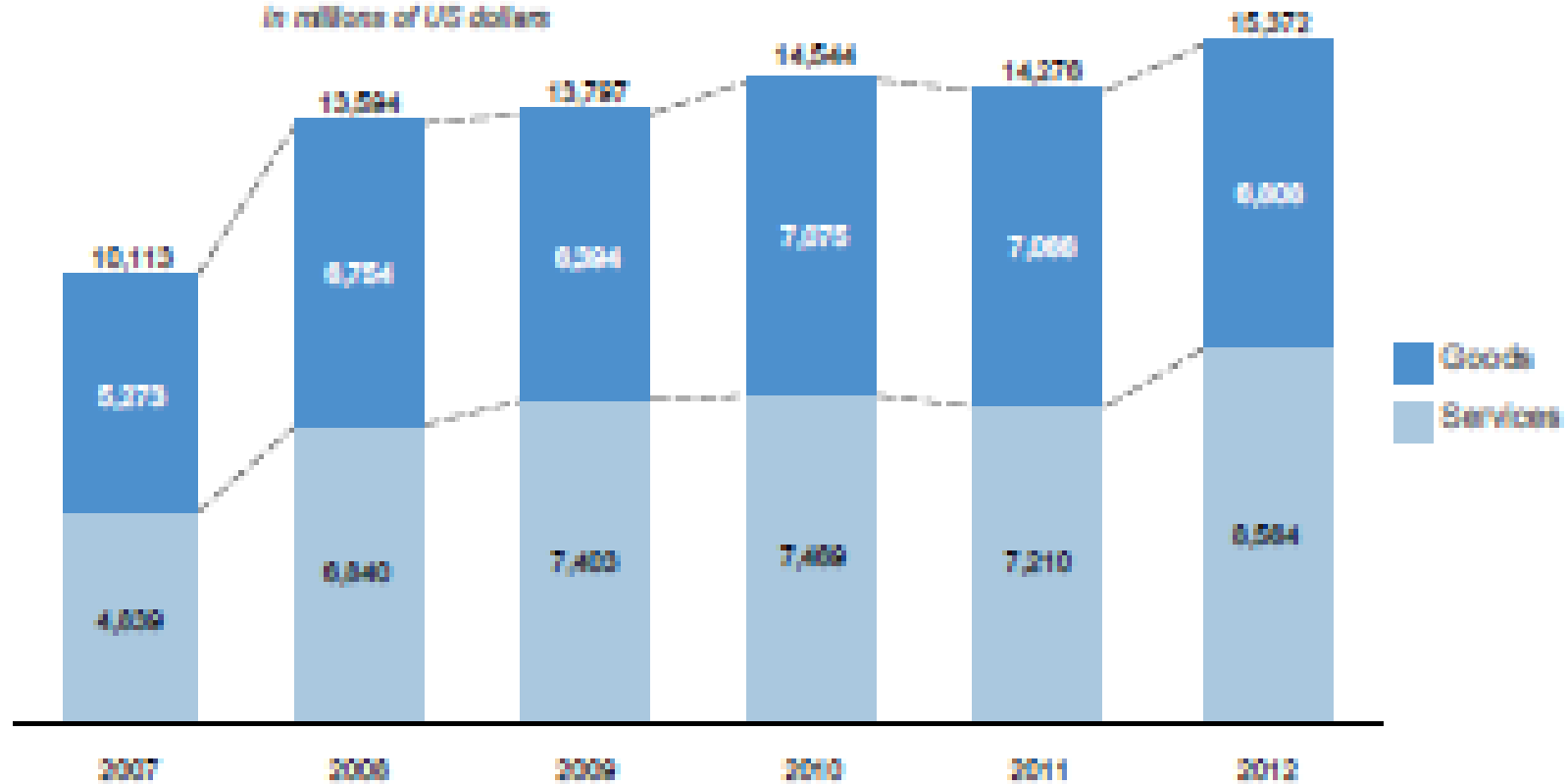


PRINCIPAL UNITED NATIONS OFFICES AROUND THE WORLD



Total UN procurement volume

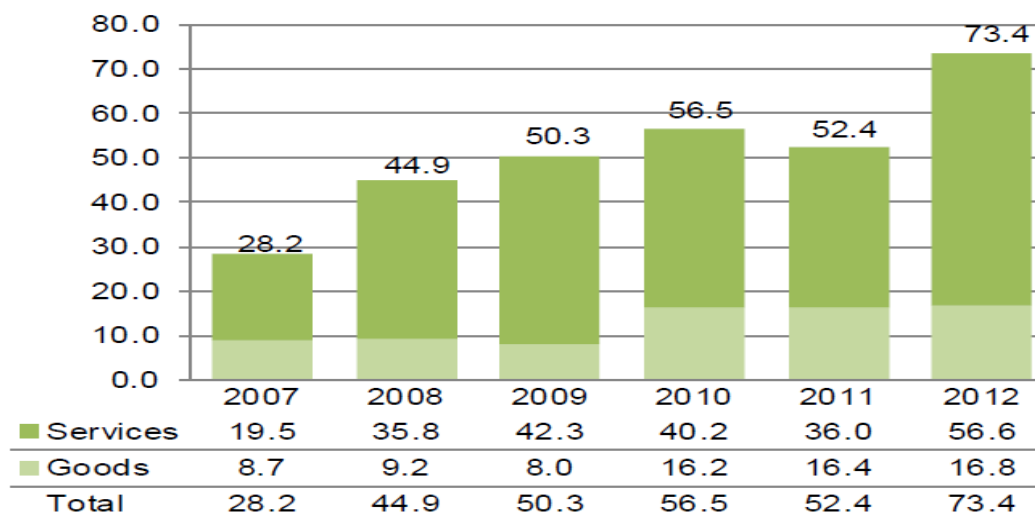
Figure 1 Total procurement of goods and services, 2007-2012
in millions of US dollars



Procurement volume from Spain (2007-2012)

Share of Total Procurement Value 2012
 Goods & Services
 UN SYSTEM USD 73.4 mill. 0.48%

1. Procurement Trend (\$ Million)



Procurement from Spain

by UNO's and common goods/services (2012)

2. Procurement by Agency of Goods & Services (\$ Million)

UN/PD	33.33
UNDP	17.01
UNOPS	7.45
UNIDO	4.31
WFP	1.93
UNICEF	1.86
WTO	1.69
PAHO	1.12
UNFPA	0.85
FAO	0.76
UNHCR	0.57
UNESCO	0.43
UNWOMEN	0.41
UNOG	0.39
IAEA	0.38
ILO	0.31
ITC	0.20
UNOV	0.12
OTHER	0.26

3. Commonly Procured Goods & Services

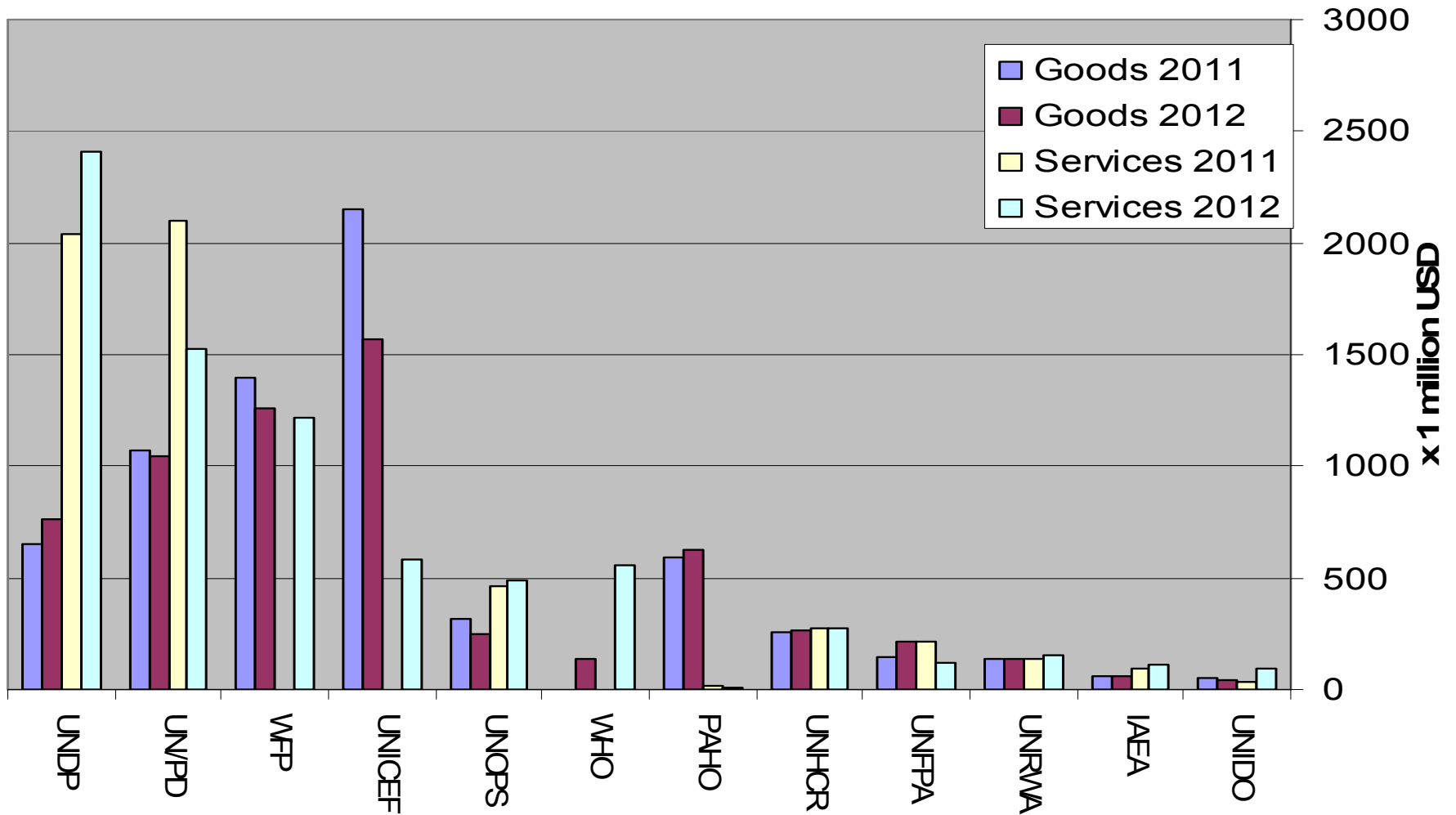
Goods

- Prefabricated Buildings
- Hand Tools
- Published Products
- Office Supplies
- Medical Equipment

Services

- Air Charter and Operations
- Information and Printing Services
- Electrical Installation Services
- Construction Services
- Advisory Services

Procurement volume per UN organization (only top 12 UN organizations, Goods vs Services)



UN/Procurement Division, (Peacekeeping & Secretariat), New York

- ❑ Biggest procurement entity in UN family*
- ❑ Procurement for operations in NY and for peacekeeping missions
- ❑ Central contracting NYC vs local PO's
- ❑ Increase in Long Term Agreements

UN/Procurement Division (Continued)

UN/PD Rank	Group of Goods/Services	No. of PO's	Value (USD)
1	Transportation and Storage and Mail Services		878,436,123.04
2	Fuels and Fuel Additives and Lubricants and Anti corrosive Materials		363,875,388.30
3	Management and Business Professionals and Administrative Services		260,141,878.56
4	Building and Facility Construction and Maintenance Services		233,766,016.12
5	Engineering and Research and Technology Based Services		216,880,462.49
6	Food Beverage and Tobacco Products		206,120,758.41
7	Information Technology Broadcasting and Telecommunications		106,994,664.45
8	Commercial and Military and Private Vehicles and their Accessories and Components		63,458,955.13
9	Public Utilities and Public Sector Related Services		58,492,068.43
10	Financial and Insurance Services		36,127,715.48
			2,424,294,030.42
Total number of orders & contracts raised during 2012:		14,736	

United Nations Development Program (UNDP) HQ

- Democratic Governance
- Poverty Reduction
- HIV/AIDS (GFATM)
- Environment & Energy
- Women's Empowerment
- Crisis Prevention & Recovery

UNDP (Continued)

UNDP HQ Rank	Group of Goods/Services	No. of PO's	Value (USD)
1	Management and Business Professionals and Administrative Services		264,648,862.66
2	Drugs and Pharmaceutical Products		162,055,249.95
3	Engineering and Research and Technology Based Services		131,213,315.29
4	Structures and Building and Construction and Manufacturing Components and Supplies		54,375,185.01
5	Travel and Food and Lodging and Entertainment Services		49,070,381.67
6	Building and Facility Construction and Maintenance Services		45,524,352.47
7	Medical Equipment and Accessories and Supplies		41,568,181.41
8	Information Technology Broadcasting and Telecommunications		38,290,252.91
9	Transportation and Storage and Mail Services		35,047,642.56
10	Education and Training Services		34,425,515.92
			856,218,939.85
Total number of orders & contracts raised during 2012:		30,486	

UNDP Major goods purchased

- Electrical Equipment
- Telecommunications Equipment
- Laboratory Equipment
- Motor Vehicles
- Agricultural Equipment
- Medical Supplies and Equipment
- Power Generators
- Water Supply Systems
- Construction Equipment and Materials
- Election Supplies

UNDP Major Services Procured

- Information Technology
- Public Administration
- Education, Training and Social Services
- Crisis Prevention
- Banking Services
- Transportation
- Water Supply
- Environment
- Freight Forwarding
- HIV/AIDS Awareness Programme

UN Office for Project Services (UNOPS, Copenhagen & a.o. New York)

- UNOPS provides sustainable project management services in peacebuilding, humanitarian and development environments.
- Significant Latin American Division
 - Regional LAC HQ in Panama
 - Country offices in Nicaragua, Guatemala, Haiti, Peru, Argentina, Uruguay

UNOPS

Major categories for procurement

UNOPS Rank	Group of Goods/Services	No. of PO's	Value (USD)
1	Engineering & Construction Services		267,790,541.47
2	Motor Vehicles, Parts & Other Transport Equ.		102,781,158.75
3	Humanitarian Aid & Mine action		102,267,562.19
4	Medical & Lab Equipm & Supply, Incl. Bednets		54,903,921.44
5	IT Equipment & Software		19,363,448.66
6	HR, consultants, management support		18,796,676.55
7	Transport Services, incl. vehicle mainten.		15,040,188.62
8	Workshop & Training Svc		14,610,659.63
9	Leasing & rental of premises, vehicles etc.		13,801,080.34
10	Environmental & regional devel/mgmt		13,667,208.62
			623,022,446.27
Total number of orders & contracts raised during 2012:		29,755	

What did UNOPS buy in 2012

Total volume for procurement of **goods** was approx. \$250 million:

- Motor vehicles, parts and other transport equipment
- Medical lab and surveillance equipment
- IT equipment and software
- Books, paper, office stationery and supplies
- Pharmaceutical
- Construction machinery and tools
- Telecom equipment and satellite
- Furniture
- Bednets, uniforms and textiles
- Electric motors, boards, panels wires

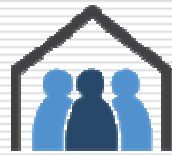
Total volume for procurement of **services** was approx. \$500 million:

- Construction, engineering and architectural services
- Political, humanitarian and mine action
- Travel
- Leasing and rental of equipment and premises
- Environmental management
- Transport
- Building, machinery maintenance and repair
- HR, consultants and project staff
- Consultancy
- Communications services

UNOPS Key Factors in 2012



2,631 km
of roads constructed or rehabilitated



more than
9,600
emergency relief structures such as shelters constructed or maintained



50
countries supported with environmental management



more than
21,000
people trained in subjects including disaster preparedness and the environment



2
court houses, 2 prisons and 4 detention centres constructed or rehabilitated



25
police stations and 2 police training centres constructed or rehabilitated



7
hospitals, 5 health clinics and 36 other medical facilities constructed or rehabilitated



40
schools constructed or rehabilitated



more than
2.4 million
labor days created for beneficiaries



14 countries
around the world implemented mine action programmes



more than
735 million USD
worth of goods and services procured



more than
9.6 million
doses of medicine were procured or distributed

United Nations Children's Fund (UNICEF), Copenhagen & a.o New York

UNICEF Rank	Group of Goods/Services	No. of PO's	Value (USD)
1	Drugs, Vaccines and Pharmaceutical Products		1,286,450,148.83
2	Unclassified		659,927,012.21
3	Medical Equipment and Accessories and Supplies		160,399,787.51
4	Transportation and Storage and Mail Services		108,831,368.44
5	Farming and Fishing and Forestry and Wildlife Contracting Services		47,025,710.95
6	Information Technology Broadcasting and Telecommunications		46,323,675.99
7	Educational Equipment and Materials and Accessories and Supplies		39,374,552.44
8	Editorial and Design and Graphic and Fine Art Services		38,829,831.44
9	Material Handling and Conditioning and Storage Machinery and their Accessories and Supplies		29,443,041.36
10	Domestic Appliances and Supplies and Consumer Electronic Products		13,044,012.44
			2,429,649,141.61
Total number of orders & contracts raised during 2012:		2,270	

WHAT DOES UNICEF BUY?

Major commodity groups 2011: \$2.14 billion



**Approx. \$1.2 billion funded via Procurement Services
(procurement on behalf of others)
89% of procurement is for essential supplies for children**

UNICEF Supplies then and now

2002		2011
<p>\$220 million Traditional vaccines were widely used for common childhood diseases, including: measles, diphtheria, pertussis, tetanus and polio.</p>	Vaccines	<p>\$ 1.03 billion New vaccines are being introduced in low income countries. For example: pentavalent (replacing DPT in many programme countries), pneumococcal, rotavirus and targeted formulations of OPV.</p>
<p>\$ 17 million Only small quantities of antiretrovirals and antimalarials procured.</p>	Pharmaceuticals	<p>\$ 192 million UNICEF procured ARVs totalling \$117 million and antimalarials worth \$26 million.</p>
<p>\$ 16 million There was only one supplier of RUTF. Procured \$370,000 worth of corn soya blend (CSB).</p>	Nutrition	<p>\$ 166 million Procured RUTF from 19 suppliers (7 of which are local). Procured \$30 million worth of CSB.</p>
<p>\$ 10 million Procured 4 million bed nets plus insecticide that gave the net one year of effective protection.</p>	Bednets	<p>\$ 111 million UNICEF procured 25 million Long-Lasting Insecticidal Nets from 10 WHO-approved suppliers. The LLINs are not only assessed on unit price and quality standards, but also durability.</p>
<p>\$29 million</p>	International freight	<p>\$ 104 million Increased volumes required more transportation. Shipments by sea are ten times cheaper than by air. In preparation for emergencies, sea freight is used to pre-position bulky supply items.</p>
<p>\$45 million</p>	Medical supplies & equipment	<p>\$97 million Notable increases include: diagnostic tests \$26 million, laboratory supplies \$16 million and medical equipment \$8 million.</p>
<p>\$38 million</p>	Water & sanitation	<p>\$ 70 million Notable increases include: hygiene kits \$11 million and water treatment supplies \$10 million.</p>
<p>\$52 million</p>	Education	<p>\$52 million</p>
<p>\$ 120 million UNICEF procures on behalf of governments and agencies. This figure is included in the total amount spent on supplies in 2002, which was \$541 million.</p>	Procurement Services	<p>\$ 1.15 billion This figure is included in the total amount spent on supplies in 2011, which was \$2.14 billion. The value of Procurement Services should decrease as low income countries evolve to self-financing economies.</p>

World Food Program (WFP)

Rome

WFP Rank	Group of Goods/Services	No. of PO's	Value (USD)
1	Food and Beverage		1,297,283,969.92
2	Transport & Freight Services, Logistics, Air Charter		886,729,321.09
3	Motor Vehicles		44,175,594.23
4	Structures, Building Equipment		36,991,784.77
5	Office & Building Maintenance		32,440,027.69
6	IT Services		32,370,652.73
7	Rental & Utilites		31,624,201.14
8	HR Services, Consultants		31,545,085.62
9	Security Services		16,378,558.62
10	Construction Etc.		15,806,285.53
			2,425,345,481.34

90%

Total number of orders & contracts raised during 2012:

UN Women, (New York)

UNWONMEN (formerly INSTRAW)		No. of	
Rank	Group of Goods/Services	PO's	Value (USD)
1	Management and Business Professionals and Administrative Services		54,057,372.12
2	Travel and Food and Lodging and Entertainment Services		6,532,706.63
3	Editorial and Design and Graphic and Fine Art Services		4,031,135.38
4	Commercial and Military and Private Vehicles and their Accessories and Components		2,153,908.76
5	Information Technology Broadcasting and Telecommunications		1,843,135.07
6	Financial and Insurance Services		1,726,026.12
7	Engineering and Research and Technology Based Services		1,703,233.36
8	Building and Facility Construction and Maintenance Services		866,057.71
9	Office Equipment and Accessories and Supplies		695,150.83
10	Furniture and Furnishings		622,669.65
			74,231,395.63
Total number of orders & contracts raised during 2012:		9,646	

Trends in UN Procurement

- More coordination between UNO's procurement
- Towards life cycle cost?
- Preferential treatment for developing countries?
- Sustainable procurement?
- Green procurement?
- Using technical innovations?
- Importance of UN Global Compact

The UN Global Compact

1. Business should support and respect the protection of internationally proclaimed human right; and
2. Make sure that they are not complicit in human rights abuses;
3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination of all forms of forced and compulsory labour;
5. The effective abolition of child labour;
6. The elimination of discrimination in respect of employment and occupation;
7. Business should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility;
9. Encourage the development and diffusion of environmentally friendly technologies;
10. Business should work against all forms of corruption, including extortion and bribery.

www.unglobalcompact.org

Thank you!

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