

Practical UN-Procurement tips



Jacob Willemsen

New Amsterdam Trade & Consultancy LLC

Goal of this presentation

- Quick overview of tender processes
- Practical tips
 - Initial assessment stage
 - During market research and company introduction stage
 - When submitting proposals
 - When doing business with the UN

Different types of Solicitations

- **RFQ** Request for Quotation
- **ITB** Invitation to Bid
- **RFP** Request for Proposal

Request for Quotation (RFQ)

- Informal method of solicitation
- Invitees selected from vendor database, no advertisement
- Total estimated value < US \$40,000
- Used for the procurement of simple, uncomplicated goods of standard and firm specifications
- Award in the form of a Purchase Order to the lowest technical compliance response

Invitation to Bid (ITB)

- Formal method of solicitation
- Total estimated value > US \$40,000
- Advertisement required
- For the procurement of goods and services of standard and firm specifications
- Public Bid Opening
- After the completion of the technical evaluation, award is made to the lowest acceptable bid

Request for Proposal (RFP)

- Formal method of solicitation, advertisement required
- Total estimated value > US \$40,000
- For procurement of more complex requirements that require a proposal based on Scope of Work (SOW) or Statement of Requirements (SOR)
- Response required in two separate sealed envelopes: Technical Proposal and Financial Proposal
- Public Bid Opening
- After the completion of the technical evaluation, financial evaluation will only be carried out for those technical compliance proposals
- Award in form of written contract based on combined (weighted) evaluation of technical and financial proposals

Request for expression of interest

- ❑ Advertising required for all formal solicitations (ITB, RFP) with est. value > \$ 40,000 but not for informal solicitations (RFQ)
- ❑ Advertising generally means the announcement of the tender solicitation through the posting of a Request for Expression of Interest (REOI) on UN/PD's website (www.un.org/depts/ptd) and / or the UNGM (www.ungm.org)
- ❑ At UN/PD prospective vendors who respond to REOI, and who are deemed qualified upon completion of an objective evaluation of their submission, will receive the final tender solicitation document in addition to Vendors on in PD/UNGM Vendor database

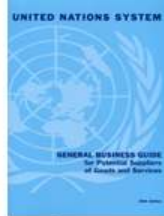
Solicitation Documents

- Cover Letter – closing date and general instructions
- Annexes:
 - Scope of Work/Statement of Requirements
 - Terms and Conditions to Submit a Proposal
 - Acknowledgement Letter
 - Evaluation Criteria and Special Instructions
 - United Nations General Conditions of Contract
 - Bid Bond Form
 - Performance Bond Form
 - Draft contract

Practical Tips market research via www.ungm.org

Links

Supplying the UN
Publications
UN Useful Links
UN System of Organizations
Global Compact



General Business Guide

Business guide for potential suppliers of goods and services. This 148-page booklet describes the procurement needs and procedures of all UN organizations (with addresses and phone/fax numbers) and indicates the dollar value of goods and services purchased during the year.

ENGLISH (PDF: 1021kb/148 pages)
SPANISH (PDF: 1021kb/148 pages)



Practical Tips

Practical information and tips on how to do business with the United Nation System.

ENGLISH (PDF: 78kb/14 pages)



Emergency Relief Items Vol. 1 Compendium of Generic Specifications

This compendium lists generic specifications for Telecommunications, Shelter & Housing, Water Supply, Food, Sanitation & Hygiene, Materials Handling and Power Supply.

N.B. this publication was revised in May 2000, as such some of the specifications for technical equipment may be dated and should be used as a broad reference only.

ENGLISH (PDF: 8 MB/268 pages)

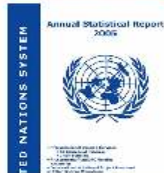


Emergency Relief Items Vol. 2 Compendium of Basic Specifications

This compendium lists basic specifications for Medical Supplies and Equipment, Selected Essential Drugs, Guidelines for Drug Donations, Guidelines for the Safe Disposal of Unwanted Pharmaceuticals, The New Emergency Health Kit.

N.B. this publication was revised in July 1999, as such some of the specifications and guidelines may be dated and should be used as a broad reference only.

ENGLISH (PDF: 15 MB/316 pages)



Annual Statistical Report 2007

The Annual Statistical Report provides data on procurement of goods and services from 40 UN organizations, and UNDP's network of country offices.

ENGLISH (PDF: 1.4 MB/271 pages)

Assessment: Is the UN a market for you?

- Market and portfolio knowledge
 - Building capacity, programs, etc.
- Export experience / references
 - Global and/or Local operation
- Languages
- Competitive prices/quality, operational and emergency or humanitarian requirements
- Country knowledge, after sales services
- Capacities: Financial, personnel, equipment
 - Mobilization
 - Acquisition project size
- Persistence, endurance, patience
- Analysis, feedback and adjustment takes time

Preparation: So you decided to go after the UN market?

- ❑ Your continued market research
- ❑ Identification of and marketing towards relevant UN-organizations and people within the organizations
 - How does the UN want your product/service
 - Innovations vs. tested concepts
- ❑ Register
 - UNGM vs. Individual organizations
 - UN Codes
- ❑ Learn Principles, procedures, Terms and Conditions
 - UN Global Compact, Millennium Development Goals
 - UN General T&C for procurement
- ❑ Staying up-to-date
 - You about UN and vice versa

Preparation: gaining experience

- ❑ Start participating in the tender process!
- ❑ Bid according to tender documents & instructions
 - Administrative mistakes: rejection, late bid
 - Observe international norms and standards or equivalent
 - Seek clarification in case of questions
 - Obtain debrief for your strength & weakness
 - Recommended highest standards and values
- ❑ Expect no overnight success

Practical tips in the tender process

- ❑ Legal status of UN
- ❑ Proprietary information
 - Resume's & proposals
- ❑ Over-qualification
 - ITB vs. RFP
 - Computer vs. typewriter
- ❑ Realistic pricing vs. Cost of doing business with the UN
 - Bid/performance bond
 - Evaluation time
 - Shipping cost
 - Financing
- ❑ Partnering (with local organizations)
 - There is always a main contractor who carries responsibility for the sub-contractors

Practical tips in the tender process (cont'd)

- Long Term Agreements
 - Not to exceed (NTE) amount vs. actual PO's
 - Marketing your LTA
 - Performance Bond
 - Split awards
 - Anticipate in proposal
 - Non exclusive
 - Smaller deliveries
 - Unbalanced towards last years
- Payment terms UN
 - R&I
 - X% net 30?

Why would you do business with the UNO's?

- ❑ UNO's are major buyers in some product/service sectors
- ❑ Can be a profitable market
- ❑ It is a great marketing tool and looks good on reference list
- ❑ It can be a jumping board into a developing country

Thank you!

- For questions or additional information, please contact:

New Amsterdam Trade & Consultancy

228 E 45th street, Suite 9E

New York, NY 10017

Tel. +1 212 681 2566

Jacob@new-amsterdam.com

www.new-amsterdam.com