

## **2017 UN Business Seminar**

## **UNIDO Procurement Activities**



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- Department of Partnerships and Results Monitoring
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### Mandate of UNIDO

### **Inclusive and Sustainable Industrial Development (ISID)**

## **Sustainable Development Goals (SDGs)**

### **Advancing Economic Competitiveness**

Advancing economic and industrial growth

### **Creating Shared Prosperity**

Advancing poverty eradication and inclusiveness

### **Safeguarding the Environment**

Advancing environmentally sustainable growth











INDUSTRY, INNOVATION AND INFRASTRUCTURE



8 DECENT WORK AND ECONOMIC GROWTH





6 CLEAN WATER ø



17 PARTNERSHIPS FOR THE GOALS













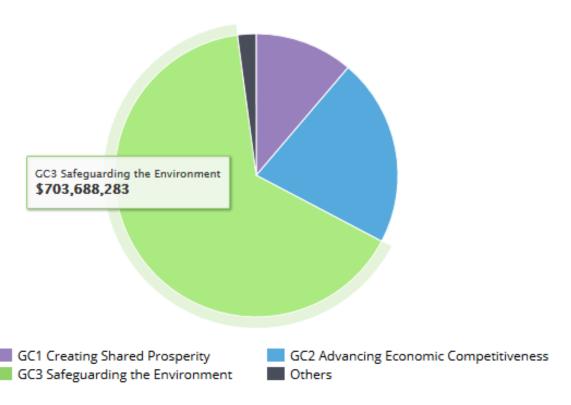








Total Budget of Ongoing Projects by Thematic Priority

















## **Circular Economy**

UNIDO promotes a model of industrial development that is inclusive and sustainable

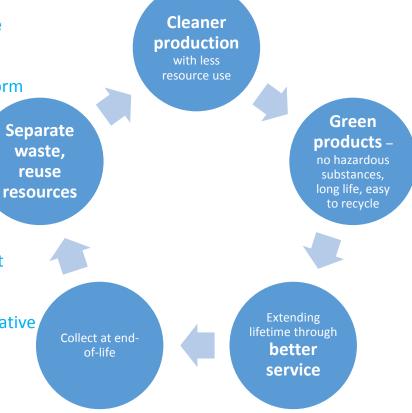
The Department of Environment helps transform industries into contributors to the

circular economy by:

· Reducing or eliminating the production of pollution or waste

 Re-using resources or ensuring their safe re-absorption by the environment

A circular economy is restorative and regenerative by design



















## **Montreal Protocol Programme**

UNIDO as **Partner in Promoting Climate Change Mitigation**:

UNIDO is an implementing agency of the Climate and Clean Air Coalition (CCAC). UNIDO has already submitted proposals focusing on the elimination of HFCs for the consideration of the working group. One proposal (retail sector) has been approved:

- Phase-out ODS
- Avoid high-GWP alternatives; and
- Provide energy savings in the range 13-18%



Projects have also been approved by the Global Environment Facility (GEF) to promote energy efficiency in the Room Air Conditioning (RAC) manufacturing and servicing sectors (fishery/food processing), transitioning away from HCFCs and leapfrogging HFCs.

UNIDO is constantly investigating best alternatives in the refrigeration sector, while partnering with the private sector → natural refrigerants.

Potential partnership with bilateral partners.

















## **Montreal Protocol Programme: Kigali Amendment**

Growing concern: rapidly multiplying air conditioning and refrigeration installations especially in developing countries  $\rightarrow$  rapid growth in the volume of HFCs being used, since they are not controlled in these countries. (GWP is 2,000-4,000 times the GWP of CO2).

As an Implementing Agency of the Montreal Protocol, UNIDO has an important role in assisting developing countries to comply with the phase-out targets of the Montreal Protocol.

In order to do so, UNIDO helps to develop, implement and manage investment projects that deal directly with the conversion of industrial sectors as well as institutional strengthening activities.

UNIDO has extensive experience and technical expertise in the conversion of sectors that use HFCs.

### To slash or to trim Emission reductions by policies/actions, bn tonnes CO2 equivalent

	Cumulative emissions	Period	Annual emissions*		
Montreal protocol <sup>1</sup>	135.0bn	1989-2013	5.6bn		
Hydropower worldwide <sup>2</sup>	2.8bn	2010	2.8bn		
Nuclear power worldwide <sup>2</sup>	2.2bn	2010	2.2bn		
China one-child policy <sup>3</sup>	1.3bn	2005	1.3bn		
Other renewables worldwide <sup>2</sup>	600m	2010	600m		
US vehicle emissions & fuel economy standards†4	6.0bn	2012-25	460m		
Brazil forest preservation <sup>5</sup>	3.2bn	2005-13	400m		
India land-use change <sup>6</sup>	177m	2007	177m		
Clean Development Mechanism	<sup>7</sup> 1.5bn	2004-14	150m		
US building & appliances codes	4 3.0bn	2008-30	136m		
China SOE efficiency targets8	1.9bn	2005-20	126m		
Collapse of USSR <sup>9</sup>	709m	1992-98	118m		
Global Environment Facility <sup>10</sup>	2.3bn	1991-2014	100m		
EU energy efficiency <sup>11</sup>	230m	2008-12	58m		
US vehicle emissions & fuel economy standards‡4	270m	2014-18	54m	CATEGORIES:	
EU renewables <sup>11</sup>	117m	2008-12	29m	Energy production	
US building codes (2013) <sup>12</sup>	230m	2014-30	10m	Om Transport	
US appliances (2013) 12	158m	2014-30	10m	Other regulations Global treaties Land & forests Other	
Clean technology fund 13	1.7bn	project lifetime	na		
EU vehicle emission standards	4 140m	2020	na		

See following panel for sources and explanations \*Annual emissions are cumulative emissions divided by the relevant period. The estimate for the current emissions avoided under the Montreal protocol is eight billion tonnes of CO2e. The annual figure for the collapse of the USSR refers to the years 1992-98. Cars and light trucks Heavy trucks

















## Climate and Technology Centre & Network (CTCN)

### **Mandate**

CTCN mission is **Stimulating technology cooperation and enhance the development and transfer of technologies to developing country Parties at their request**.

### **Services**

- 1. Technical assistance to developing countries;
- 2. Knowledge sharing and training;
- 3. Fostering collaboration on climate technologies (including linking climate technology projects with financing opportunities).

### **Structure**

CTCN hosted by UNEP in collaboration with UNIDO and supported by 12 partner institutions with expertise in climate technologies





















### **CTCN**

International network of 300+ academic, multilateral, NGO and private sector institutions. 220+ Network Members in 80+ Countries

























































































































































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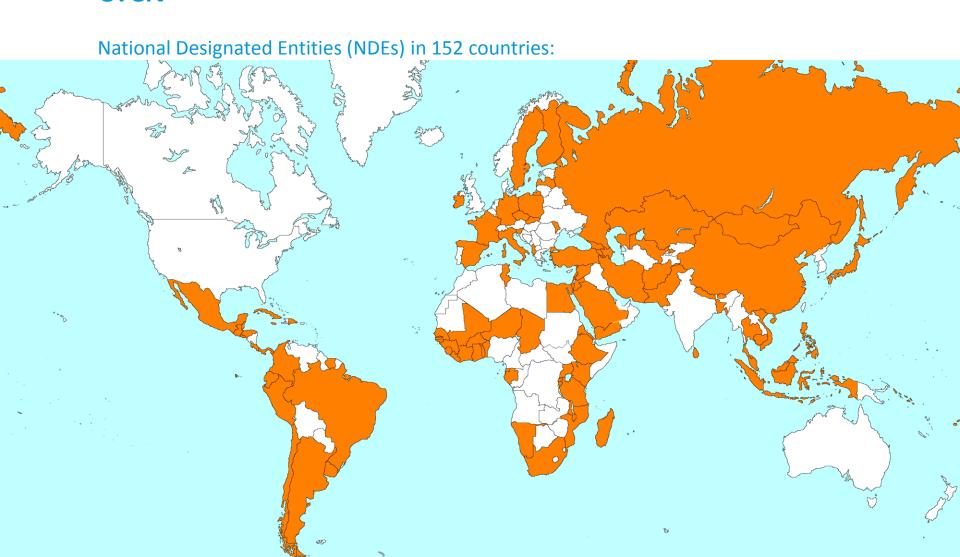








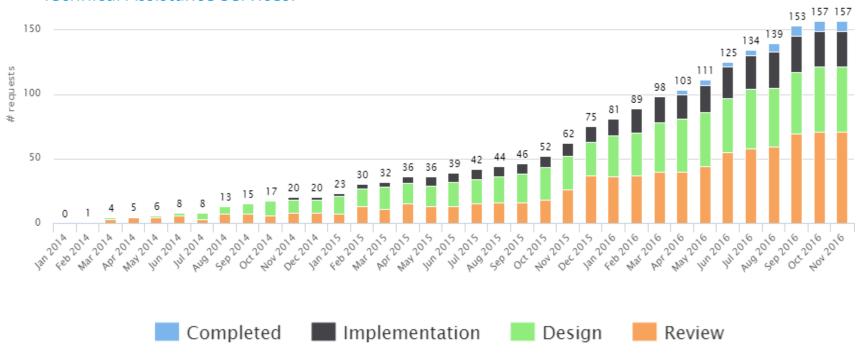
## **CTCN**





### **CTCN**

### **Technical Assistance Services:**

















## **Private Financing Advisory Network (PFAN)**

Multilateral public-private partnership that nurtures low carbon, climate resilient projects by bridging the gap between investors and clean energy entrepreneurs and project developers

### **Advice and Guidance**

- Financial structuring
- Sourcing of equity and debt
- **Business** growth
- Strategy, preparation and presentation of business plans

### **Matching Projects with Investors**

- Selected projects introduced to investors financing forums
- Direct introduction to network investors and other potential investment sources

### **87 Projects Closed**

- USD 1.2 billion raised
- 2.6 m tonnes CO2e reduction pa
- High level of financial leverage for donors: 1 / 80
- 358 projects in the pipeline
- Representing USD 8.7 billion of investments





















## **Private Financing Advisory Network (PFAN)**

**Clean Energy Investment Accelerator:** PFAN advises low-carbon, climate resilient businesses in developing countries, and matches projects to appropriate private financing.

PFAN mobilizes **private financing** to **reduce GHG emissions** and **build climate resilience**, contributing to Paris Agreement and SDGs:

- Contribute to 2020 USD 100 billion financial mobilisation target
- SDGs 7 (Energy), 9 (Industry), 13 (Climate Action), and 17 (Partnership).

PFAN is one of few actors in the climate finance space addressing key barriers for Small and Medium-sized Enterprises (SMEs) in developing countries and emerging economies:

**DEMAND** 

Oversupply of poorly structured projects

Lack of financial & commercial skills

### **SUPPLY**

Large financing supplies
Underdeveloped investment cultures
and risk assessment
Low familiarity with technologies &
business models







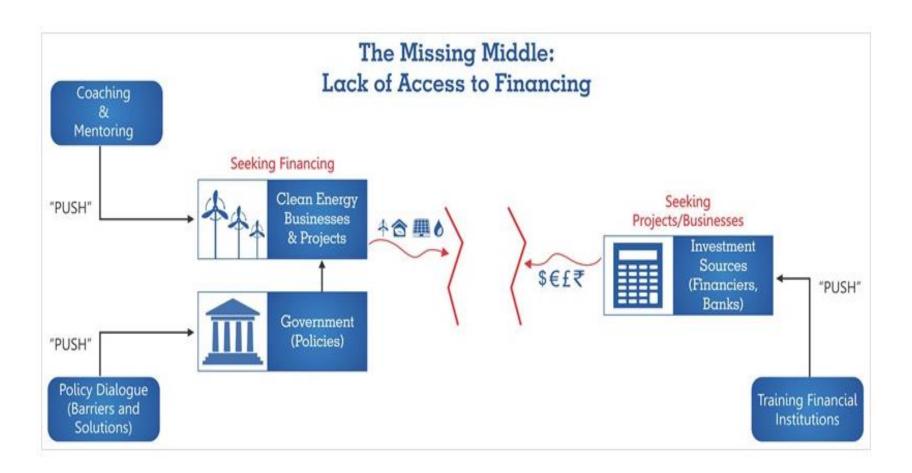








## **Private Financing Advisory Network (PFAN)**

















## **PFAN Core Functions and Funding Partners**

**Unlock frontier** markets for climate technologies

**Build financial** service ecosystems

**Help businesses** develop investor-ready proposals

**Mitigate** investor risk

**Facilitate** project-tofinance matchmaking

**Build project** pipeline & portfolios for large-scale investment

**Best practice** application for scale-up and replication















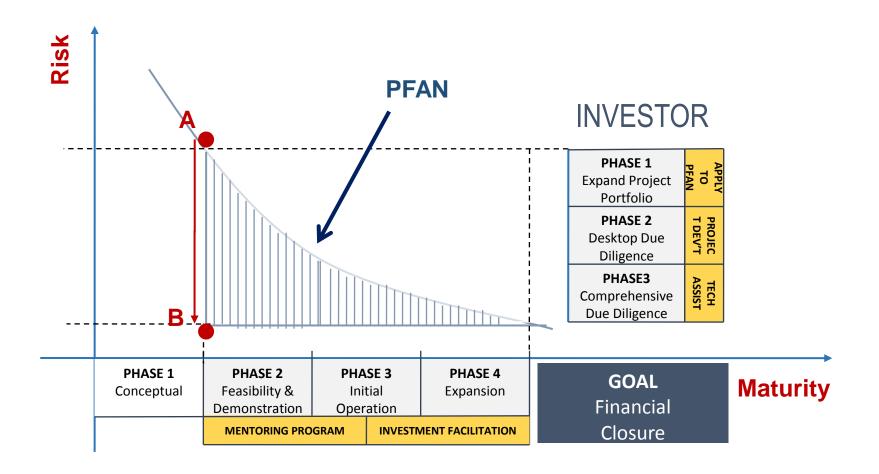








## **PFAN: Clean Energy Project – Technology Deployment**





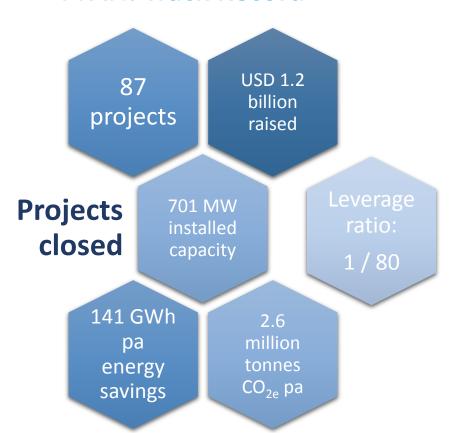


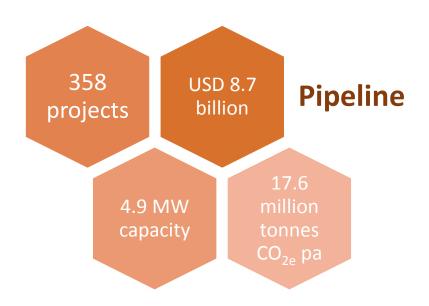






### **PFAN: Track Record**



















Department of Partnerships and Results Monitoring

## **Global Environment Facility**

### UNIDO as **GEF Implementing Agency** provides assistance in the following areas:

- ✓ Resource-efficient and low-carbon industrial production;
- ✓ Clean energy access for productive use;
- ✓ Cleaner production, chemical management and promoting of green industries; and
- ✓ Capacity-building for the implementation of multilateral environmental agreements

### **Focus areas:**

- ✓ Climate change mitigation (industrial energy efficiency and renewable energy)
- ✓ Climate change adaptation (resilient value chains and industries)
- ✓ Persistent organic pollutants (POPs)
- ✓ Sound chemicals management (mercury, e-waste)
- Ozone depleting substances (ODS)
- ✓ International waters











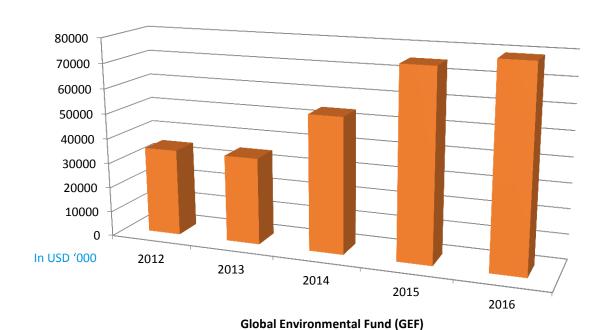






**Department of Partnerships and Results Monitoring** 

## **GEF Net Approvals**

















## **Procurement Supporting Technical Cooperation Initiatives**

Deployment of technical solution and capacity building

Policy Review and National Frameworks **Country Programme** Framework

















Climate and Technology Centre & Network (CTCN):







### Private Financing Advisory Network (PFAN)

Multilateral public-private partnership that nurtures low carbon, climate resilient projects by bridging the gap between investors and clean energy entrepreneurs and project developers

#### Advice and Guidance · financial structuring

- sourcing of equity and debt
- · strategy, preparation and presentation of business plans

#### Matching Projects with Investors

· selected projects introduced to investors financing forums direct introduction to network investors and other potential investment sources

- 63 Projects Closed

  USD 680 million raised
- · 2.3 m tonnes CO2e reduction pa
- High level of financial leverage for donors: 1 / 80
- 297 projects in the pipeline · representing USD 6.9 billion of investments





Monitoring and Evaluation/ Scale up/

replication potential









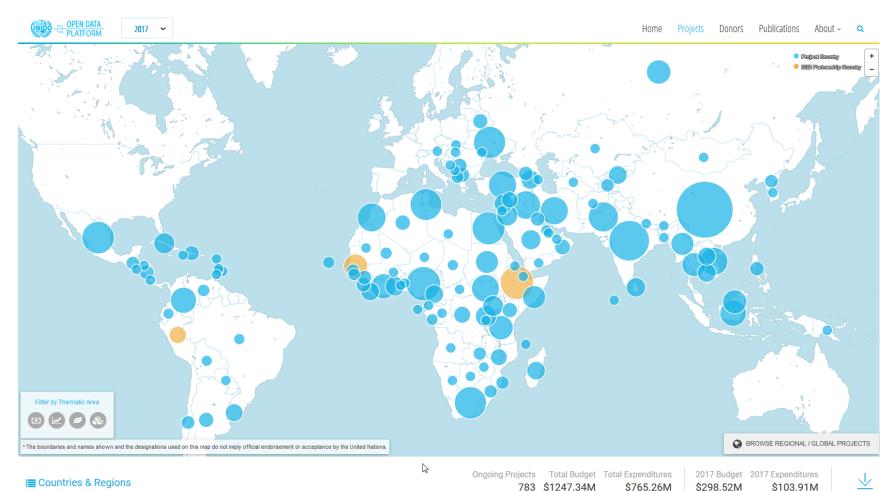








## **UNIDO Procurement at a Global Level**















## **Training Contracts**

Successfully completed 100 over Training Institutions Contracts with (training 3000 more than trainees/students) on Food Safety, VTCs, TOTs, IT, Financial, Language, Accreditations of Labs and much more

























### Service Contracts

Successfully completing over 100 Contracts related to everything from workshops, events, to verification, end of project evaluation reports, from upgrade of industrial service sectors to regional and global benchmarking tools networking services and so on.....



















Procurement Services Unit oversees and ensures the successful purchase and delivery of the widest range of equipment, from the simplest tool kits to the most complicated and complex production lines. The list of equipment includes: Various training equipment, Environmental Equipment (ODS, retrofitting equipment, chillers, POPS detection equipment, complex decontamination processes) Renewable Energy equipment (Turbines, solar, wind), ICHET Food processing (Tractors, Production lines)...Purchase, delivery, customs, installation, commissioning, training, warranty....continuous Equipment delivery valued for over € 20,000,000



## Purchase of Equipment

























Successfully completing over 50 Construction works Contracts in:

Iraq (Workshops, VTCs, Rehab. works

Burundi (Mini Hydro Plants)

Zambia (Mini Hydro Plants) Rwanda (Mini Hydro Plants)

Palestine (Concrete Institution)

Sierra Leone (Fisheries Training Institute)

Sudan (5 VTCs, Fish Landing Sites)

Kenya (Mini Hydro Plants)

Congo (Oil Mills)

Nigeria (Mini Hydro Plants)

Etc.

(over€10,000,000 worth of Contracts)

### **Construction Contracts**





















## **Most Frequently Procured Goods**

- Ozone depleting substance replacement and phase-out equipment (in the refrigeration, solvents, aerosols and foam manufacturing sector);
- Equipment for the replacement of methyl bromide measuring, checking & testing instruments;
- Laboratory, calibration and testing equipment;
- · Agricultural produce and materials;
- Equipment for textile apparel & leather production;
- Wood and timber products;
- Vocational toolkits;
- Chemicals;
- Hydrogen production and storage;
- Agricultural & food processing machinery and equipment;
- IT HW & SW equipment and supplies;
- Building and construction materials and supplies;
- Renewable and rural energy systems and infrastructure
- Motor vehicles, parts, accessories;
- Leather and leather products, footwear;

- Office furniture and accessories;
- Engines, turbines and similar machinery and equipment (hydroelectric, others)
- Security and safety equipment;
- Wind mills and motors;
- Solar energy systems and related equipment;
- Pumps; compressors, valves, etc.;
- Air conditioning equipment, controls and machinery;
- Water treatment systems, equipment and machinery;
- Ventilation systems and equipment;
- Mining, quarrying and construction machinery and equipment;
- Recycling and waste management systems, equipment and machinery;
- Design, publication and training materials;
- Telecommunications equipment;
- Fishing testing equipment;
- Metrology equipment;















## **Most Frequently Procured Services**

- Phase-out ozone depletion in refrigeration, foam, aerosols and solvents sector (ODS, POPS)
- Phase-out of methyl bromide
- Trade promotion and technology information exchange
- Standardization and laboratory accreditation
- Energy Policy and management (electricity and alternative systems)
- Advisory services for environmental protection
- Water management services
- Training
- Engineering design, research and development;
- Agro related services (textile, leather, fisheries, food…)
- Revolving credit support facilities;
- Office leases, maintenance and repair services:
- Construction works and site management;
- Technical assistance and advisory services;
- Air conditioning work and maintenance;
- Environmental engineering and science;
- Thematic mapping and evaluation services;

- Trade and business related services;
- Maintenance and repair services;
- Design, publication and advertising services;
- Telecommunication services
- Financial advisory services and insurance;
- Freight, transportation, storage and logistics services;
- Audit and accounting services;
- Laboratory testing and calibration services;
- Translation services;



















## **Most Frequently Procured Services**

- Electrical /mechanical installation works;
- Consulting/advisory services on environmentally sound technology and practices;
- Technology assessments and information exchanges;
- Repair and maintenance services;
- Consulting/advisory services on agriculture produce;
- Consulting/advisory services related to renewable energy and environmental systems and infrastructures;
- Technology conversion, retrofit and rehabilitation projects;
- Energy policy and management;
- Environmental management related advice and consulting services;
- Consulting/advisory services related to environmental protection;
- Waste disposal related advice and services;
- Cleaner technology promotion services;
- Water pollution related services;
- Industrial surveys and consulting services;
- Management advice and consultancy services;
- Training and development services;

- Consulting/advisory services related to nanotechnology;
- Security services;
- Catering services;
- Conference services;
- Business seminars and conferences;
- Professional & vocational training and workshops
- IT SW and internet related services.







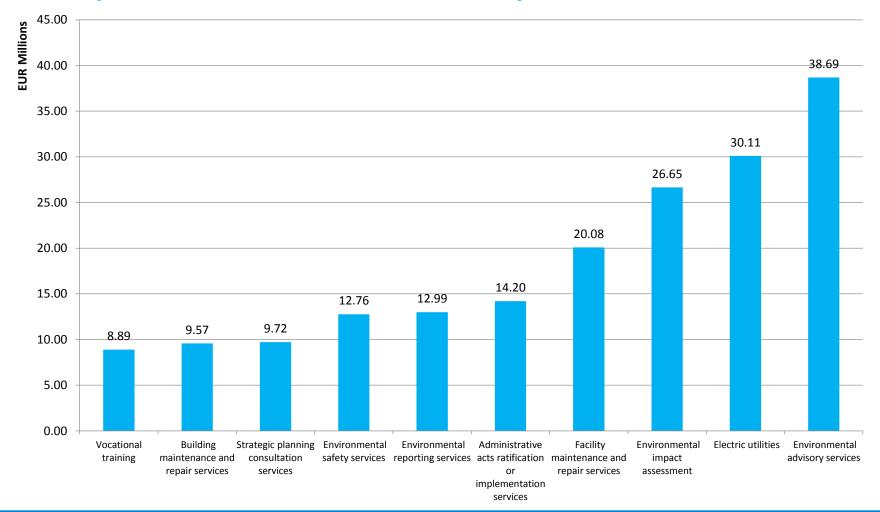








## **Top Ten Goods/Services Procured by UNIDO in 2013-2016**















## **Top Goods and Services from Japan**

### Goods:

- Renewable energy systems
- Energy control systems
- Agro-industry processing equipment
- Industrial equipment

### **Services:**

- Advertising services
- Facility maintenance and repair services
- Infrastructure maintenance. and repair services
- Writing and translation
- Banquet and catering services
- Management support services















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### eProcurement Workflow

### (Shopping Cart)

Records of previous procurements in SRM should allow easier planning of costs and list of items to create Shopping Cart ("what to buy")

Fast Track (Procurement < €5,000) and LTA Call Offs

For procurements > € 5,000

### **Bidding (RFx Event)**

Created from details of Shopping Cart; Bidding process ("how to buy").



### **Evaluation (RFx Event)**

To the extent possible, to be carried out within the RFx Event:

Clarification notes, responses, etc interactive with all potential bidders;

Based on system input, reports on comparison and evaluation (vendor comparisons) are generated out of system and can be exported to excel.

For procurements < € 200,000

### **Purchase Order Approval**

Fast Track (up to € 5,000): SAP SRM automatically generates Purchase Order (PO) from the Shopping Cart;

Data from RFx Event will be used to populate PO in PDF flexi-field format. Some of the fields will be editable while the majority will be standard.

For procurements > € 200,000

### **Award**

Procurement case submitted to **UNIDO Procurement Committee for** recommendation and Managing Director, PSM, for approval.

### **Contract/Purchase Order Management**

System supported creation of Contract/PO documents;

System generated reports on deliverables, reports, outstanding payments;

Planned freight forwarding services LTA to reduce shipment costs and allow for monitoring and tracking of shipments;

TC cargo insurance LTA to insure all equipment transportation world-wide to final project site;

System embedded goods/service receipt, invoice receipt and payment;

Electronic banking services LTA (covering approximately 60 developing countries);

Contract terms and conditions toolbox;

Deliverable monitoring.

























### **UNIDO's eProcurement Portal**

### Please visit: <a href="https://procurement.unido.org/">https://procurement.unido.org/</a>



☐ UNIDO - PROCUREMENT PORTAL

### **Welcome to UNIDO Procurement Portal**

Registered bidders can access the Tender Details by clicking on the "Bidder Access" link.

If you are not a registered bidder, please register now by clicking on the "Request Bidder Account" link.

If you are a registered bidder and have forgotten your password, you may request for a new password by clicking the "forgotten Password" link.



For information on how to access the e-portal, please view A Bidder's Guide to the Procurement e-portal.

### **Browser Detection**



You are using Firefox 30.0

### **Browser Plugin Detection**

Pop-up Blocker: Disabled

Adobe Reader: installed, please set Adobe Reader as default PDF

viewer.

JAVA: Installed & enabled















## **UNIDO's eProcurement Portal: Procurement Notices**

Title	Beneficiary Country	Deadline	Туре	Event Number	Registration	-
RFx for the supply of various fishing equipment per attached tech specs.	South Sudan	03.07.2017 00:00:00 CET	Request f. Quotation	7000002409	Click here for more information	
Provision of services and works to provide material needed, install and provide training on use/maintinence of biodigestors.	Uganda	03.07.2017 18:00:00 CET	RFP (1 env.)	7000002397	Click here for more information	
RAC tools	Senegal	07.07.2017 17:00:00 CET	Inv. to Bid (1 env.)	7000002403	Click here for more information	
Provision of sustainable office paper for copying purposes and related services for UNIDO, UNOV, IAEA and CTBTO	Austria	12.06.2017 16:00:00 CET	Inv. to Bid (1 env.)	7000002341	Click here for more information	
Processing Tools and Equipment for Beles Fruits, Ethiopia	ETHIOPIA	12.06.2017 17:00:00 CET	Request f. Quotation	7000002357	Click here for more information	
Commercial Refrigaretor 600 I, ETHIOPIA	ETHIOPIA	12.06.2017 17:00:00 CET	Request f. Quotation	7000002354	Click here for more information	
Mobile Solar-Powered Beles Seeds Dryer - Ehiopia	Mekelle and Adigrat, ETHIOPIA	12.06.2017 17:00:00 CET	Request f. Quotation	7000002352	Click here for more information	
SSI Innovation Survey on Paper and Pulp	India	12.06.2017 18:00:00 CET	Request f. Quotation	7000002394	Click here for more information	
Firm Innovation Survey on Paper and Pulp	India	12.06.2017 18:00:00 CET	Request f. Quotation	7000002393	Click here for more information	
Firm Innovation Survey Cement	India	12.06.2017 18:00:00 CET	Request f. Quotation	7000002392	Click here for more information	
SSI Innovation Survey Cement	India	12.06.2017 18:00:00 CET	Request f. Quotation	7000002391	Click here for more information	
Supply of rubber expansion joints for heating and cooling for the Vienna International Centre	Austria	14.06.2017 16:00:00 CET	Request f. Quotation	7000002390	Click here for more information	,
		14.06.2017			Click here for more	











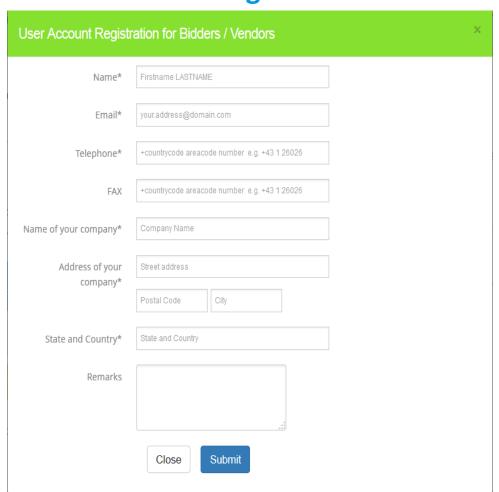


## **UNIDO's eProcurement Portal: Bidder Registration**

1. Click on "Request Bidder Account"

Request Bidder Account

The bidder
 registration form
 will pop up. Fill out
 all information and
 submit.









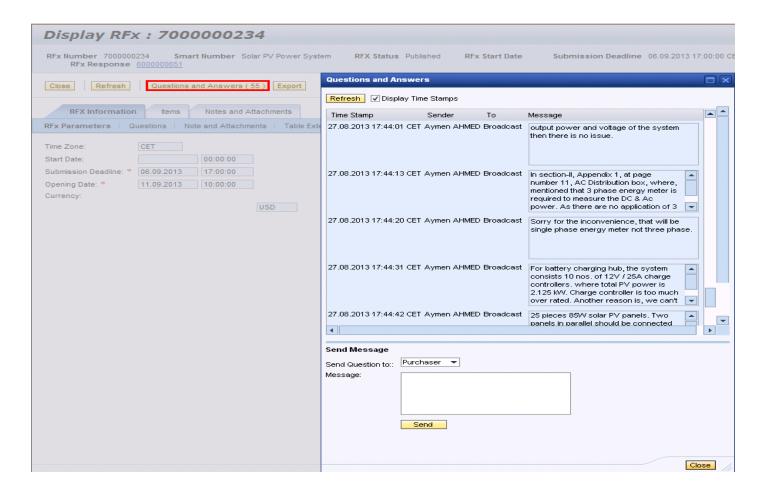








## **ERP Supported Communications with Bidders**

















### Forms of Collaboration with UNIDO

Which Type of Organization should Companies Normally Adopt?



**Sub-Contracting or Consortia** 



What are UNIDO's Rules on Collaborations With Local Business Partners?



Please refer to the Instructions to Bidders section in the RFx Event, requiring bidders to specify in their Offers:

the **names and qualifications** (including description of activities, number of personnel employed, references to the clients and completed projects) of the proposed sub-contractor(s) and/or equipment manufacturers, if any, and **the extent and nature of such sub-contracting** and/or equipment











## **Sub-Contracting**

Most common form of collaboration among companies dealing with UNIDO:

UNIDO concludes contract with one company ("the Contractor")



Contractor concludes individual contracts with sub-contractors









- Sub-contractors need to be indicated in the Technical Bid which will become part of the Contract under consideration;
- In case of non-performance, UNIDO only deals with the Contractor, not with sub-contractors.











### **Consortia**

In principle, permitted by UNIDO – and due to the complexity of procurement cases increasingly applied.

### **Requirements:**

- Bidders need to provide written declaration indicating:
  - members of consortium
  - nomination of the leading company with whom contract would be signed
  - purpose of establishment of a consortium
  - depending on the 'form' of a consortium attach all 'legal' documents
- Once declaration has been received and accepted, separate bids by individual member(s) of the consortium are not permitted and may be disregarded.











Procurement at the right price:



## **Procurement and Innovative Solutions**

Trocarement at the right price,					
Balance customer requirements with market readiness and value for money;					
Open competition: Once size fits it all?					
Beware of over-specified requirements;					
Limit your terms and conditions to risks relevant to the type of procurement concerned [time of delivery, warranty, SLA, etc];					
Adapt, as far as you can, to vendor conditions;					
Adapt, as far as possible, to market-ready products and services;					
You get the right prices only when customers and providers understand each other;					
Right size customer versus right size provider;					
How important is it for the provider to have you as a customer?					
Long term relationship;					
Cultural affinities;					













■ Seasonal trends;

Economic cycles.



## **Procurement Tips**

ш	Make use of information/publications available on the procurement page of UNIDO's website: www.unido.org/procurement
	Register on the UNIDO eProcurement portal and UN Global Marketplace (UNGM) at <a href="https://www.ungm.org">www.ungm.org</a>
	Regularly monitor procurement opportunities published on UNIDO and UNGM websites;
	Always respond when invited to submit a bid, even if you should not be in a position to participate
	Read UNIDO's generic model of contract and general conditions carefully
	Use your right to ask for clarification if anything in the bidding documents is unclear
	Ensure that your bid meets all requirements; if you cannot meet all requirements consider to sub-contract or form joint-venture/consortium
	Submit required certficates, financial statements, catalogues, reports, etc. in the required format and language
	Ensure sufficient time to preapre offers carefully
	Prepare the offer to facilitate the work of UNIDO
	Study bidding documents carefully
	Understand the ethics and confidentiality provisions
	Clearly mark and sign bids as required
	Meet deadline for submission of bids













# **THANK YOU**











