

## Agenda

- Who are we
- Supply & service delivery
- Japan and UNICEF
- Procurement principles and processes
- How to become a supplier to UNICEF
- Influencing markets and innovating
- Questions and Answers



### UNICEF – how we work

- Works across 190 countries and territories
- Works with governments based on country specific agreements to address country specific needs and contexts
- Supports global efforts and works in partnerships with governments, other UN organizations
- Is entirely funded by voluntary contributions from the public and the private sector; it does not receive funding from the UN
- Has an annual budget of approximately USD 5 billion to achieve results for children
- Works in Programmes, Advocacy, Innovation, Technical Assistance,
- Supplies are an important component of this budget and are a direct expression of children's rights

## Supply Division's critical functions

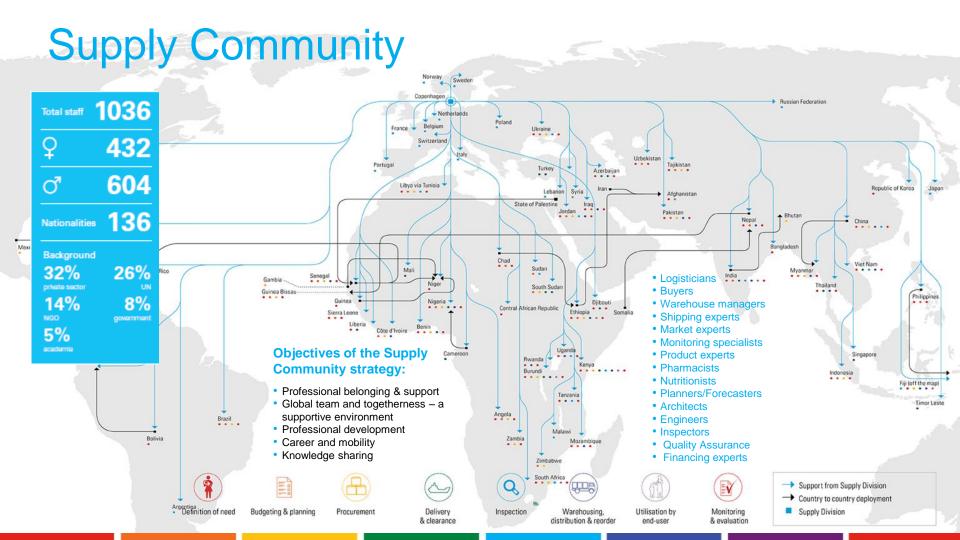
- Support results for children with an effective, efficient supply operation
- Help meet UNICEF's Core Commitments for Children in emergencies by providing rapid response to emergency supply and logistics needs
- Contribute to influencing markets to ensure sustainable access to essentials supplies for children
- Serve as a centre of expertise and knowledge on essential supplies for children and supply chains and build capacities of national governments
- Provide procurement services to governments and development partners on strategic-essential supplies
- Establish policies for supply chain activities
- Use product innovation to increase results and decrease costs

UNICEF Supply Division is UNICEF's **supply & logistics** headquarters located in Copenhagen, Denmark

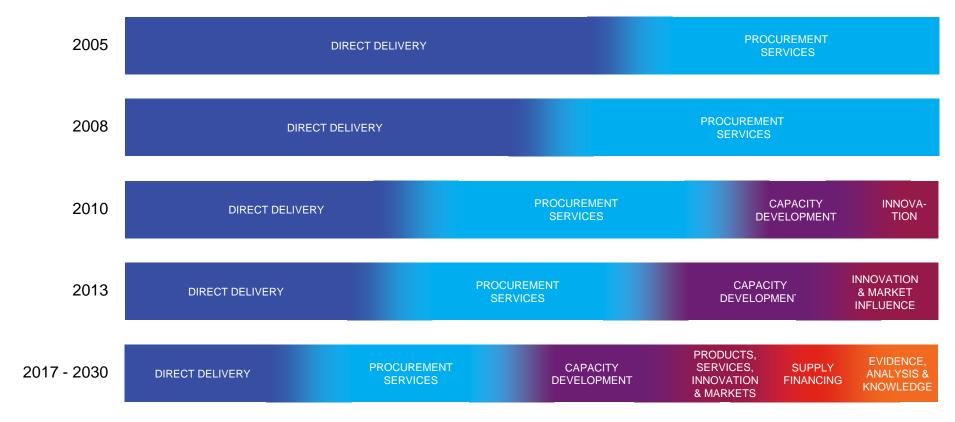
It is also home to the **largest** humanitarian warehouse

Other UNICEF warehouse hubs are located in **Dubai**, **Shanghai**, **Panama**, and **Djibouti** 

UNICEF's Supply
Community of **1,036 supply**and logistics staff serve
children in 94 countries



## UNICEF Supply Function – high level vision



### Global Supply Strategies 2018 – 2021

### **UNICEF SP Goals**

Goal 1: Every Child Survives and Thrives

Goal 2: Every Child Learns

Goal 3: Every Child is Protected from Violence and Exploitation

Goal 4: Every Child lives in a Safe and Clean Environment

Goal 5: Every Child has an Equitable Chance in Life

**Cross Cutting Priorities** 

Humanitarian action

Gender equality

### **UNICEF Global Supply Strategies**

### **UNICEF SP Change Strategies**

- 1. Programming for at-scale results for children
- 2. Gender responsive programming
- Winning support for the cause of children from decision makers and the wider public
- 4. Developing and leveraging resources and partnerships for children
- 5. Harnessing the power of business and markets for children
- 6. UN working together
- 7. Fostering innovation for children
- 8. Harnessing the power of evidence as a driver of change for children

#### **Products & Markets**

Science of Delivery

Services

Humanitarian Development Continuum

National Systems Strengthening

Financing & Domestic Resource Mobilization

**Supply Community** 

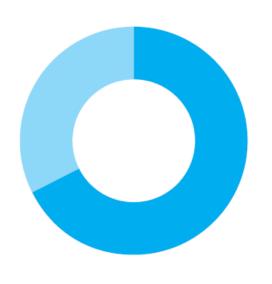
Monitoring

Optimizing UNICEF Supply

Strengthening Organizational Excellence



### UNICEF Procurement Value – 2017



TOTAL GOODS AND SERVICES PROCURED **FOR 150 COUNTRIES AND AREAS** 

\$3.46 billion

Goods

**\$2.342 billion \$1.118 billion** 

Services

# UNICEF procurement value by major commodity groups (2017)



Vaccines \$1.317 billion



Pharmaceuticals \$164.2 million



Water & Sanitation \$109.2 million



Nutrition \$219.9 million



Medical supplies \$108.7 million



**Bed nets** \$39.7 million



**Education** \$72.4 million



Cold Chain Equipment

\$80.1 million

\$2.342 billion supplies

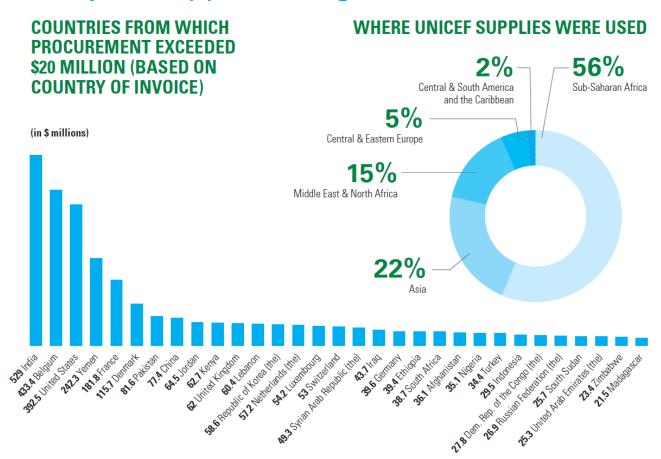
\$1.438 billion

in procurement on behalf of self-financing governments and partners

78%

of UNICEF goods procurement is in collaboration with other UN agencies and partners

### Country of Supplier / Region of Use



UNICEF has development programmes in two thirds of the countries where procurement exceeded \$10 million



- Local kit packing
- Warehouse assesment
- Warehouse inventory management
- **Training**

§ 98.7m from Copenhagen

**\$ 6.2m** from Shanghai

\$ 2.8m from Dubai

**\$ 78,000** from Panama

8,500 shipped from Dubai

125 shipped from Panama

39% of outgoing orders were for emergency response

Average inventory in SD controlled warehouse/hubs, in 2017, was \$48.4 million.

### Emergencies: Critical supply responses in 2017

THIS MAP PROVIDES AN OVERVIEW OF THE HIGHEST-LEVEL EMERGENCIES THAT **CALLED FOR UNICEF** WIDE MOBILISATION



#### CARIBBEAN REGION

In September, Hurricanes Irma, Jose and Maria battered Caribbean islands including Anguilla, Antigua & Barbuda, Barbados, British Virgin Islands, Cuba, Dominica, Haiti, Turks and Caigos, and the US Virgin Islands. The scattered geography of the islands presented logistical challenges for efficient coordination of supply shipments, customs clearance, temporary warehousing and distribution to those in need. More than 1.4 million people needed emergency assistance, and over a guarter of them were children, UNICEF responded with water & sanitation supplies, education and shelter supplies.



lotal procurement \$1.7 million international

#### SYRIA & SURROUNDING REGION

Seven years of conflict in the Syrian Arab Republic have driven more than 5 million people, half of whom are children, into neighbouring countries Turkey, Lebanon, Jordan, Iraq and Egypt. An additional 6 million people are internally displaced. UNICEF continued to send vaccines, education supplies, and clothing and footwear, among other supplies.



\$115 million Total procurement 844 9 million interesting

#### CENTRAL AFRICAN REPUBLIC

Since 2012, the humanitarian crisis in the Central African Republic has continued to displace children and their families amid violence and instability. Nearly one in four Central Africans is displaced. with 600,000 displaced internally and 538,000 living as refugees in neighbouring countries. In this protracted crisis, some of the most important supplies sent by UNICEE in 2017 included vaccines, shelter and field equipment and nutrition supplies.



\$7.6 million \$6.1 million interesteral

\$1.5 million local

#### NIGERIA & THE LAKE CHAD BASIN

Ongoing conflict in the Lake Chad basin affected more than 17 million people in Cameroon, Chad, the Niger and Nigeria, exaperbating the situation of displaced children and families. In northern Nigeria, where violence and conflict-related displacement also continued, an estimated 400,000 children were suffering from severe acute malnutrition in 2017. UNICEF responded with vaccines, nutrition supplies and medical kits.



#### THE DEMOCRATIC REPUBLIC OF THE CONGO

A surge of violent conflict in 2017 displaced more than 1.7 million people from their homes, disrupting access to basic sanitation, health and education. A cholera outbreak further complicated the crisis and over 2 million children suffered from severe acute malnutrition, UNICEF responded with water & sanitation, nutrition and transport supplies.



\$3.7 million Total procurement \$1.1 million interestional \$2.5 million issue

#### IRAO

Armed violence in Iraq contributed to ongoing demand for humanitarian assistance, including access to safe water and sanitation facilities, and protection and schooling for displaced children, as well as psychosocial support and vaccinations for those returning to formerly besieged areas. Nearly 335,000 internally displaced school-aged children were out of school. UNICEF responded with water & sanitation, clothing and education supplies.



\$34.7 million Total amourament \$4.9 million intertalianal



#### ETHIOPIA, KENYA. SOMALIA

Droughts in the Horn of Africa, in addition to conflict in Somalia, left 9.7 million people in need of humanitarian assistance. This heightened the risk of disease outbreaks, and some 700,000 children were severely malriourished. An increasingly local approach to sourcing nutrition supplies improved LINICEE's efficient and sustainable response in the region. (See full story on page 30.)



\$140.3 million Total procurement \$101.1 million international \$39.2 million local

#### SOUTH SUDAN

Four years into the conflict, more than 4 million children were affected by famine, disease, forced recruitment by armed groups and lack of access to schooling. Vaccines were the biggest supply component to protect children from disease. in addition to nutrition and water & sanitation supplies.



\$37.3 million Total procurement \$25 million interestional \$12.3 million issal

#### BANGLADESH

The large-scale displacement of Undocumented Myanmar Nationals fleeing violence in Myanmar left 720,000 children in need of humanitarian assistance in 2017. Asthe Rohingya refugee crisis escalated in August, UNICEF responded with essential commodities arriving by air charter, alongside other UN agencies and partners setting up camps in Cox's Bazar, Bangladesh. Vaccines, water & sanitation, nutrition and education supplies comprised the bulk of UNICEF's supply response.



\$8 million Total procurement \$6.4 million intersaltural \$1.6 million local

#### YEMEN

Three years into the protracted conflict and humanitarian crisis, nearly the entire population of Yemen - 22 million people - was affected by famine and a crumbling health system. More than 11 million children required urgent assistance. In response to large-scale outbreaks of Acute Watery Diarrhoea or cholera, UNICEF sent WASH supplies including water purification tablets to improve access to safe water. (See full story on age 32.)



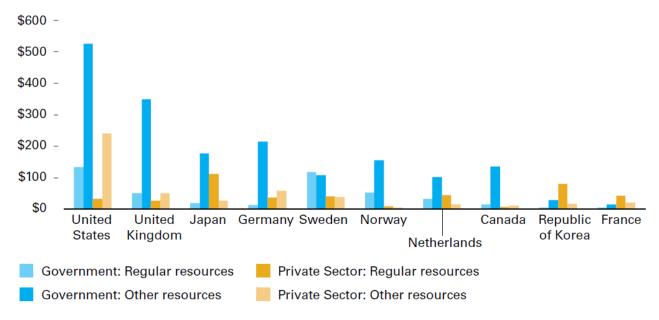


Tasneom, agod 3, receives a vitamin A supplement from a health worker in Helwanish neighbourhood in the eastern part of Aleppe, Syrian Arab Republic.



### How is UNICEF funded

Top 10 countries by donor and funding type, 2016\* (in millions of US dollars)

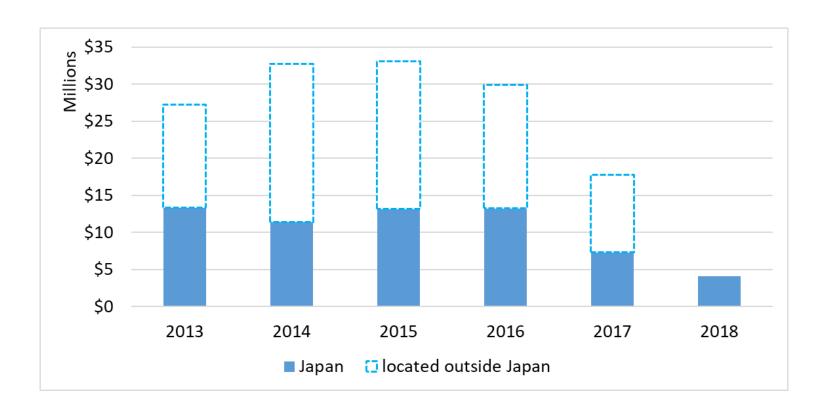


<sup>\*</sup> Includes contributions from governments and UNICEF National Committees; excludes intergovernmental, non-governmental, inter-organizational and pooled funds contributions.

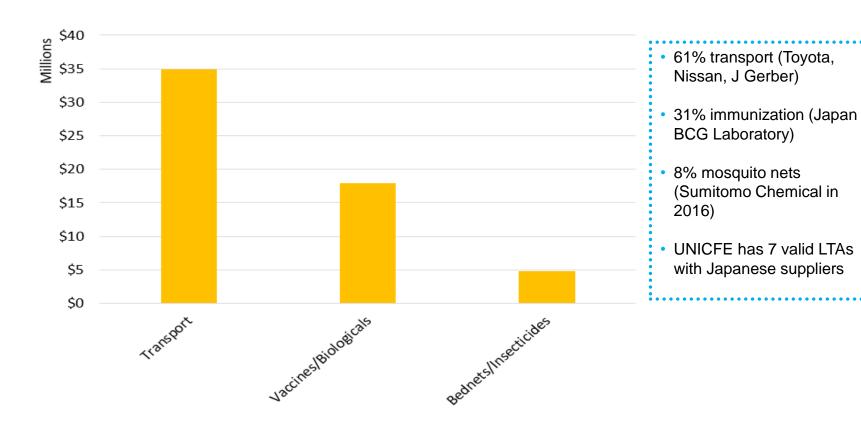
Note: Numbers may not add up because of rounding.

- Japan plays a prominent role in global policies with interest in: human security, global health, polio eradication; and humanitarian assistance to fragile states
- In 2016 Japan ranked 6<sup>th</sup> among government donors to UNICEF with a total contribution of \$194 million

# UNICEF's global procurement from Japanese suppliers (2013-2018)



# UNICEF's global procurement from Japanese suppliers by sector (2014-2017)





## UNICEF guiding procurement principles (1)

Each UN organization has a different mandate

but

all UN organizations share the same procurement principles

Fairness, integrity and transparency through competition

(clear & appropriate regulations/rules applied to all suppliers, fair process, equal treatment of suppliers, transparent system)

- Economy and effectiveness
   (meet requirement in terms of quantity, quality, timeliness at the right place. Economy=minimize cost, Effectiveness=meet end-user interest)
- Best value for money
   (Consider the optimum combination of factors in meeting the end user needs; BVM does not mean lowest cost but best ROI)
- Promotion of objectives of UNICEF (fulfilling the mandate, goals and objectives)

## UNICEF guiding procurement principles (2)

- only purchases goods and equipment to implement its mandate
- purchases primarily from manufacturers and authorized representatives
- evaluates and registers suppliers with which it does business
- uses competitive tendering for all procurement (procurement policies)
- invites an appropriate geographical range of suppliers to tender
- purchases products that comply with recognized <u>technical standards</u>
- does not purchase from companies employing <u>child labor</u>, nor manufacturers of <u>land mines</u> and their components (Supplier Code of Conduct)
- does not purchase from companies found to have undertaken unethical, unprofessional or fraudulent activities

## Control and Oversight of Procurement Function

### **Internal Oversight**

- UNICEF Financial Rules and Regulations
- UNICEF Procurement Procedures
- Ethical Code
- Contracts Review Committee (independent from contracting staff)
- Procurement Training and Certification of contracting staff

### **External Oversight**

- UN External Audit
- UNICEF Internal Audit
- Donor specific country audits

### **UNICEF Procurement Process**

- Procurement Planning
- Requirement Definition
- Sourcing/Invitee list (REOI / UNICEF Vendor Roster / UNGM...)
- Preparation and Issuance of Solicitation Documents
  - Request for Quotation (RFQ) → USD 2,500 USD 30,000
  - Invitation to Bid (ITB) → USD 30,000 and over
  - Request for Proposal (RFP) → no threshold
- Receipt and Opening of Submissions
- Evaluation (Technical/Quality and Commercial)
- Adjudication & Award Recommendation
- Contract Finalization and Issuance
- Contract Management

/ Monitor **End-user** Implement Plan

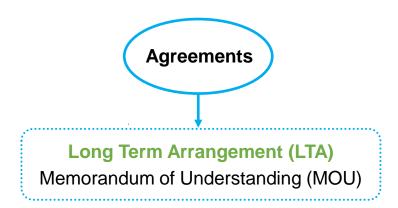
### Sustainable Procurement

UNICEF internal procedure on Sustainable Procurement launched on Feb 2018

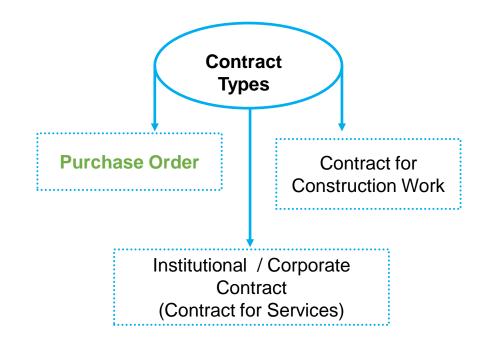
Sustainable Procurement implementation in UNICEF:

- LLINs
- RUTF
- SIE

### Contractual instruments



- Framework
- Long-term
- Not binding but with a projected total volume
- Non-exclusive
- Contractual obligations only begin once purchase order is issued





## Familiarize yourself with UNICEF Supply

### Supplies and Logistics

Supply home

About Supply

The UNICEF Supply Chain

Partnerships

Influencing markets

Commitment to transparency

Supplies on the way to...

Procurement and Supply Management Systems

Warehouse operations

The Supply Community

Annual Report

For suppliers and service providers

Procurement Services

ngthening supply

### Supply Annual Report 2016



<< Previous page

#### Supply Annual Rep

In 2016, UNICEF pro children in 147 count strategic procuremer supplies, that saved

Throughout 2016, UI saving commodities social inclusion for e achieving economic

The Report features health systems: vac commodity compare 2016, UNICEF procu children under 5.

The report's breakdown of key detailed annexes identifying support value is a useful information source

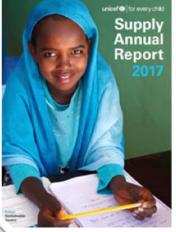
ous nade

#### PDF

To download a copy of the Annual report click here. (pdf)

suppliers by country.

### Supply Annual Report 2017

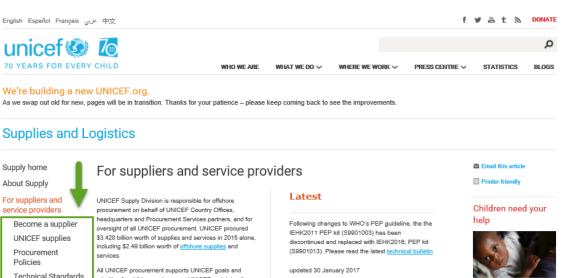


Supply Annual Report 2017: Sustainable Access

In 2017, UNICEF procured \$3.46 billion in supplies and services for children in 150 countries and areas. Partnerships, competition, and strategic procurement contributed to price reductions for vaccines and other supplies, saving \$394.6 million for governments and donors.

Throughout the year, UNICEF's focus on delivering sustainable access to life-saving commodities yielded results in health, education, protection and social inclusion. While uninterrupted and reliable supply addressed a wide range of needs for children and their families, strategic procurement and logistical approaches also contributed to social, economic and environmental sustainability. This was achieved through collaborations with industry, governments, partners and beneficiaries, and a dedicated and agile professional community in the UNICEF supply function.

## Find out how to become a supplier to UNICEF



Technical Bulletins

Quality Assurance

Bidding

Opportunities

Tender Calendars Contract Awards

Supplier meetings

Target Product Profiles

Procurement Services

All UNICEF procurement supports UNICEF goals and priorities for children and women. UNICEF maintains the highest level of integrity in its procurement activities. The organization evaluates and registers suppliers with which it does business. It also ensures that all potential suppliers are subject to the same conditions and that information received is confidential.

Information on key commodities, large contract awards, and top supplier countries can be found in the Supply Annual Report 2015. Please consult the <u>Supply Catalogue</u> for specifications for the 2.000 standard UNICEF commodities.

Suppliers should also refer to pages under the relevant programme areas, e.g. Immunization, Medicines, etc., where other useful information may be posted, such as details of supplier meetings. UNICEF requires suppliers and their employees to comply with the highest ethical and legal standards of conduct. UNICEF – and the UN – has a zero tolerance policy on gifts and hospitality. Suppliers are reminded not to send or offer gifts or hospitality to UNICEF personnel. Letters in English. French and Spanish give more detail and contact information.

updated 13 December 2016

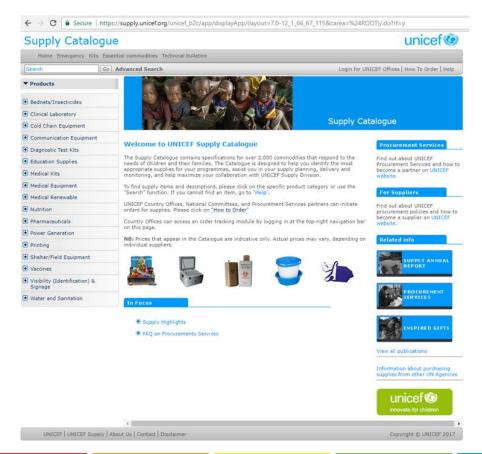
WHO priority list of applications for pre-qualification of vaccines to fight major childhood diseases, such as polic. Hith manipolitic pneumonia diserrhoes



French and Spanish

WWW.UNICEF.ORG/SUPPLY

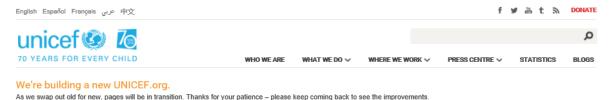
## Find out what UNICEF procures



### UNICEF SD product portfolio:

- More than 2,000 standard products
- 800 standard products in UNICEF Cph warehouse
- Approximately 60 standard and customized kits
- Estimated prices and technical specifications

## Become a supplier and express interest



### Supplies and Logistics

Supply home

About Supply

For suppliers and service providers

#### Become a supplier

UNICEF supplies

Procurement Policies

Technical Standards

Technical Bulletins

Quality Assurance

Bidding Opportunities

Tender Calendars

Contract Awards

Supplier meetings

Target Product Profiles

Procurement Services

#### Become a supplier

#### **UNICEF** supplier

UNICEF:

- only purchases goods and equipment to implement its mandate;
   purchases primarily from manufacturers and authorized representatives;
- evaluates and registers suppliers with which it does business:
- uses competitive tendering for all procurement;
- invites an appropriate geographical range of suppliers to tender;
- purchases products that comply with recognised <u>technical standards</u>;
- does not purchase from companies employing child labour, nor manufacturers of land mines and their components.
- . does not purchase from companies found to have undertaken unethical, unprofessional or fraudulent activities.

If your company sells items of interest to UNICEF, complies with our <u>procurement policies</u> and has export capabilities, you are invited to send your company profile following the steps described below. If your profile matches our needs, we will contact you for further information.

#### Application to become a UNICEF supplier

UNICEF is interested in diversifying its supplier base and in finding new suppliers that can provide quality goods at competitive prices. By searching in the on-line UNICEF Supply Catalogue, companies can determine if they can supply products that either exactly match, or are similar to the products we procure.

ShareThis

RSS feed

Printer friendly

☑ Email this article

Children need your help



Children worldwide need your help right now. Please donate what you can today.

DONATE NOW >

Invitations for Expressions of Interest (EOI)

WWW.UNICEF.ORG/SUPPLY

## **UNGM** – Register and check bidding opportunities





Register · Log in

#### Welcome to the UNGM





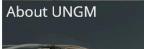








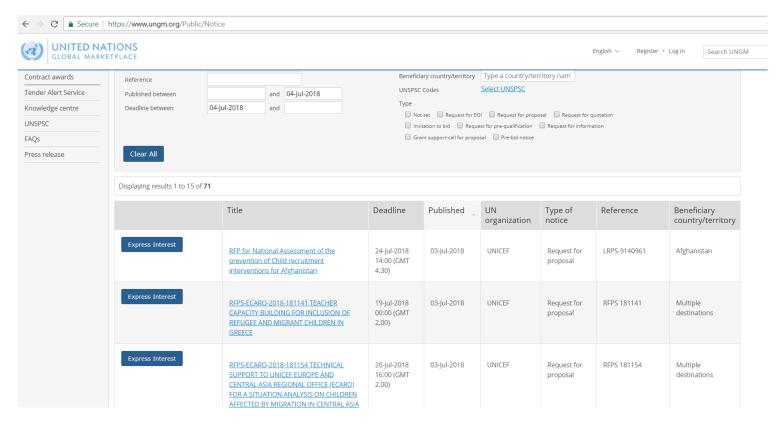








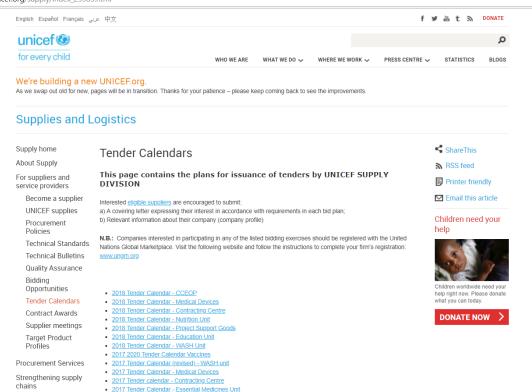
## Regularly check procurement opportunities (1)



## Regularly check procurement opportunities (2)

https://www.unicef.org/supply/index 25983.html

Immunization



2017 Tender Calendar - Education Unit

INFLUENCING MARKETS & INNOVATING



### Market information resources

Supply home

About Supply

For suppliers and service providers

**Procurement Services** 

Strengthening supply chains

Immunization

Health emergency supplies

HIV

Malaria

Medical devices

Supplies for children with disabilities

Medicines

Nutrition

Water & sanitation

Education

**Emergencies** 

### Market Influencing

#### A strategic focus on essential supplies

UNICEF focuses on commodities that are essential for the needs of children and contribute to the achievement of the Sustainable Development Goals (SDGs). Some commodities are easily available and affordable, while the availability of others is limited, or in some instances, non-existent in the quality and price required. UNICEF places a strategic focus on these supplies to shape healthy markets. UNICEF seeks to inlfuence the market to achieve affordable prices, diversified supplier bases, competitive market landscapes, and quality products, fit for purpose, and in the right form for children.

UNICEF seeks to reduce the market barriers and constraints for existing and future products, as well as help develop new products to meet the programmatic needs of children, and build local level capacity to sustain development. Influencing markets requires an understanding of market forces, accurate forecasting, analysis, information transparency, engagement with industry, and a drive to achieve the best possible outcome for children.

#### Some of UNICEF's Key Market Information Resources

#### Market Notes



Key product and market information anaylsis

#### Market Dashboard



supply markets

#### Price Database



High-level analysis of 69 key Price transparency based on commercial terms

#### Supplier financing



Financing options and sources in support of SMEs

ShareThis

RSS feed

Frinter friendly

✓ Email this article.

#### Children need your help

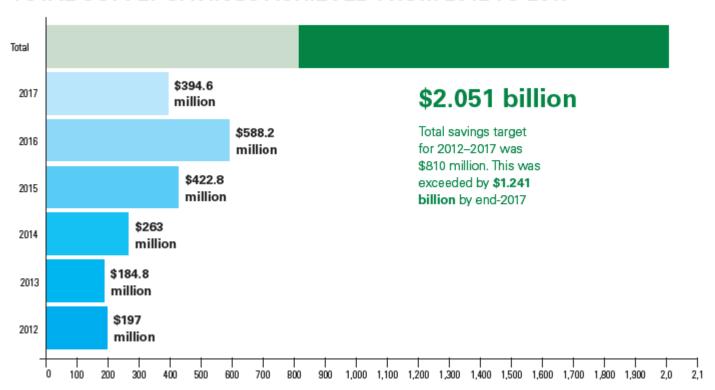


Children worldwide need vour help right now. Please donate what you can today.

**DONATE NOW** 

## Cumulative savings from 2012-2017

### TOTAL SUPPLY SAVINGS ACHIEVED FROM 2012 TO 2017



\$ millions

## Product Innovation Ecosystem

Fit for purpose and value for money supplies for children in UNICEF's programme areas such as

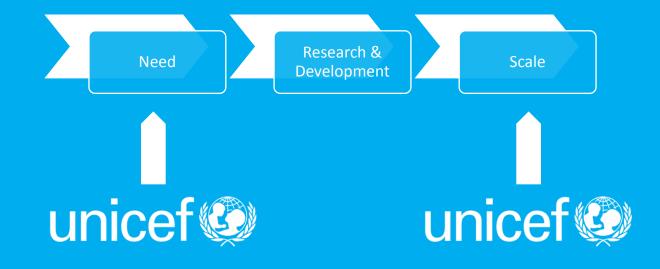
Medicines

Vaccines

**Nutrition** 

Water, Sanitation, Hygiene

Education



### Research and Product Development

### Guiding principle: Transparent, non-exclusive dialogue prior to competitive process



Ongoing dialogue, allowing for questions and inputs to the TPP.

Industry consultations to allow a more in-depth dialogue, including between developers.

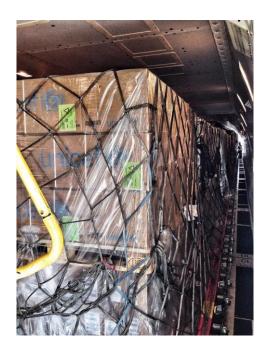




Facilitating user feedback as basis for co-creation within the framework of competitive tendering.

Survey of R&D pipelines, RFI, RFPs utilized when appropriate to gain formal feedback from developers.





## Target Product Profiles

The purpose is to communicate requirements for products which are currently not available.

Less prescriptive than a RFP to allow for creativity and innovation flexibility. Not final procurement specifications

Useful tool to gain understanding of UNICEF and partners' product needs and to gain internal buy-in for driving R&D

To date, 8 Target Product Profiles have been published

Available online here:

https://www.unicef.org/supply/index 91816.html

Supply home

About Supply

For suppliers and service providers

Become a supplier

UNICEF supplies

Procurement Policies

Technical Standards

Technical Bulletins

Quality Assurance

Bidding Opportunities

Tender Calendars

Contract Awards

Supplier meetings

Target Product Profiles

Procurement Services

Strengthening supply chains

Immunization

Health emergency supplies

ΗI

Malaria

Medical devices

Supplies for children with disabilities

Medicines

Nutrition

Water & sanitation

Education

Emergencies

Publications & Multimedia

Supply Highlights

Innovation

#### **Target Product Profiles**



UNICEF/UNI100818/Asselin

Community health volunteer Mariam Diarra uses a device to time the breathing of eight-month-old Gimbala in Mali

UNICEF creates Target Product Profiles (TPPs) to communicate requirements for products which are currently not available on the market but which fulfil a priority need to be used in the unique context in which UNICEF and its partners operate. TPPs include information on how the new product will be used, by or for whom, and the minimum and ideal performance criteria. The purpose of TPPs is to guide industry to develop products that meet UNICEF's needs, however they do not act as the final procurement specifications but rather as a list of desired requirements that combined describes the ideal product considering the context.

UNICEF recognizes that innovation is an iterative process, and that suppliers must balance sometimes competing requirements against product development progress. To allow for creativity,

and the innovation process to take its course, TPPs are less prescriptive than procurement specifications, and can therefore be challenged by the industry. The process that follows the release of a TPP varies pending the maturity of the market/technology but would usually follow these steps:

- 1) A stakeholder/industry consultation is held to provide stakeholders with an opportunity to question the requirements in the TPP, and for UNICEF to provide clarity on requirements and learn of any challenges industry may have, in order to accelerate product development.
- 2) Based on the feedback from the consultation process a revised TPP is released.
- 3) UNICEF monitors the progress of the market and when products responding to the performance requirements of the TPP become available, a tender is launched to identify solutions to be field trialled in UNICEF's context (in some cases the date of the tender is announced at the time of the TPP release).
- 4) The products which yield positive field trial results, will be considered for procurement.

It is important to note that TPPs are independent from UNICEF procurement cycles and therefore remain active and accessible on this page to inform new and existing suppliers of minimum and ideal product requirements.

Below are a list of TPPs developed by UNICEF and partners, which informs on product requirements for a new/improved solution. For UNICEF bidding opportunities, please go to <a href="UNICEF">UNICEF</a> bidding Opportunities page or <a href="UniCEF">UniCEF</a> bid

#### Target Product Profiles:

Height/length Measurement Device - Issued December 2016

Introduction: UNICEF is seeking solutions for portable and accurate height/length measurement devices as feedback from the field and recent reviews of household survey data quality have shown that the current device used to measure height and length of infants, children and adults do not yield accurate results.

Status: The TPP is open for questions and will be followed up with a Request for Proposals Q3 2017.

Comments: If you are a supplier developing devices responding to the requirements outlined in the TPP and are interested in proposing those to UNICEF, then please consult the TPP brief for further information.

Resources: TPP Brief, Project Page, Q&A

Emergency Structures: Multipurpose Tents Version 2.0 - Issued December 2016, Revised March 2017

Introduction: UNICEE has received feedback from Country Offices calling for emergency structures that can serve a variety



Thank You

