

Nordic IPS
Copenhagen, 13 Nov. 2018

UNICEF PROCUREMENT AND SUPPLY FUNCTION

Katinka Rosenbom
Chief Contracting
UNICEF Supply Division

unicef  for every child

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
\$188.8 million



Bed nets
\$39.6 million



Education
\$72.4 million

\$3.46 billion

of supplies + services for 146
countries and areas

\$1.438 billion

in procurement on behalf of 85
self-financing governments and
partners

\$2.342 billion

supplies

\$1.118 billion

services

78% of UNICEF procurement is in
collaboration with other UN agencies
and partners

Critical functions of UNICEF Supply Division

Supplies are a direct realization of a child's rights

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** and **Panama**

UNICEF's Supply Community of **1036 supply and logistics staff** serve children in **97 countries**

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

UNICEF Global warehousing & transport

2017 Data



Kit packing operation since 1963



Technical Support

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

\$107.7 million value of throughput:

- \$ 98.7m** from Copenhagen
- \$ 6.2m** from Shanghai
- \$ 2.8m** from Dubai
- \$ 78,000** from Panama

209,000 kits shipped:

- 140,000** shipped from Copenhagen
- 60,500** shipped from Shanghai
- 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.

UNICEF Supply Community

Total staff **1036**

♀ **432**

♂ **604**

Nationalities **136**

Background

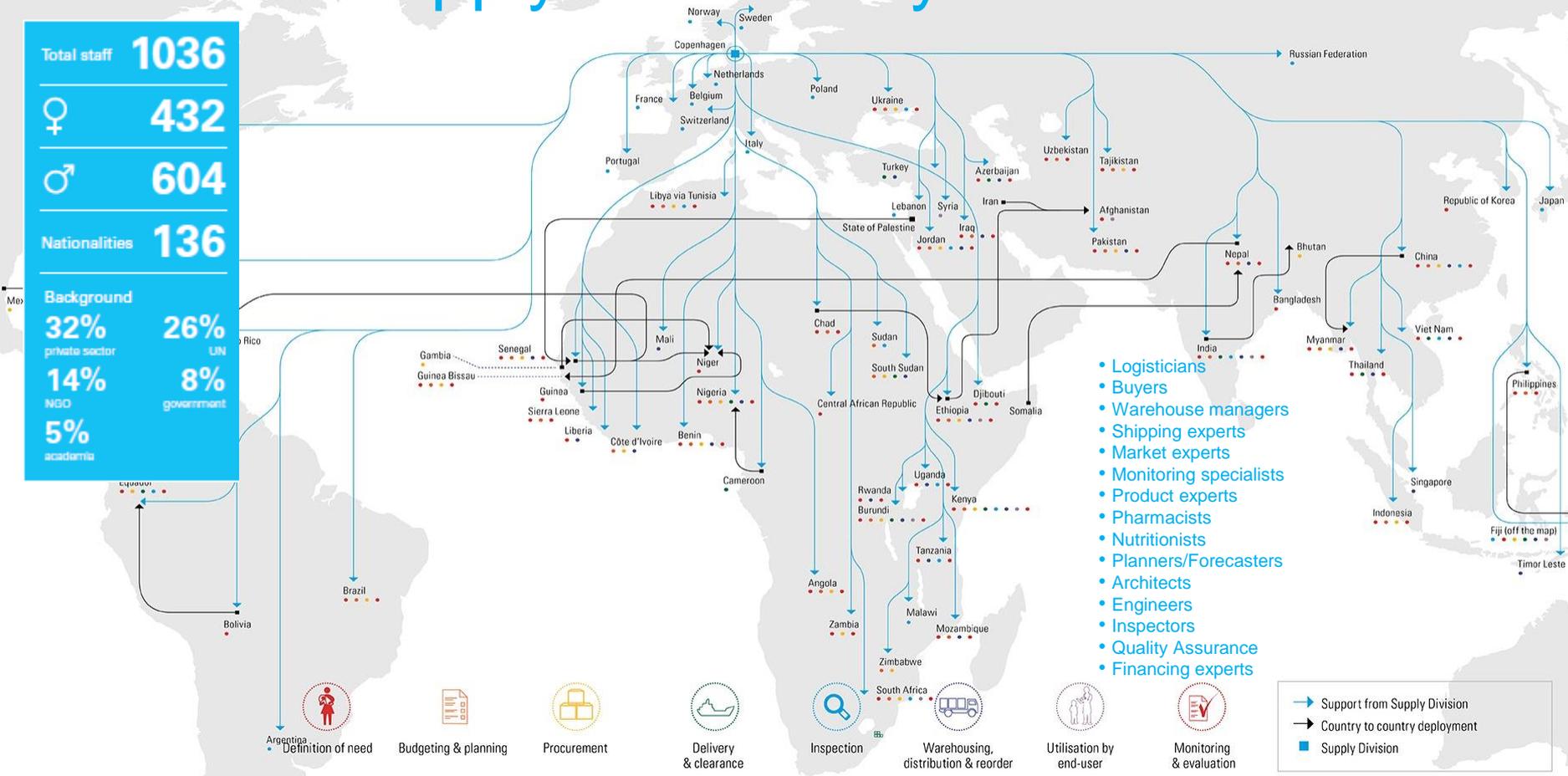
32% private sector

26% UN

14% NGO

8% government

5% academia



- Logisticians
- Buyers
- Warehouse managers
- Shipping experts
- Market experts
- Monitoring specialists
- Product experts
- Pharmacists
- Nutritionists
- Planners/Forecasters
- Architects
- Engineers
- Inspectors
- Quality Assurance
- Financing experts

→ Support from Supply Division

→ Country to country deployment

■ Supply Division

Argentina

• Definition of need

Budgeting & planning

Procurement

Delivery & clearance

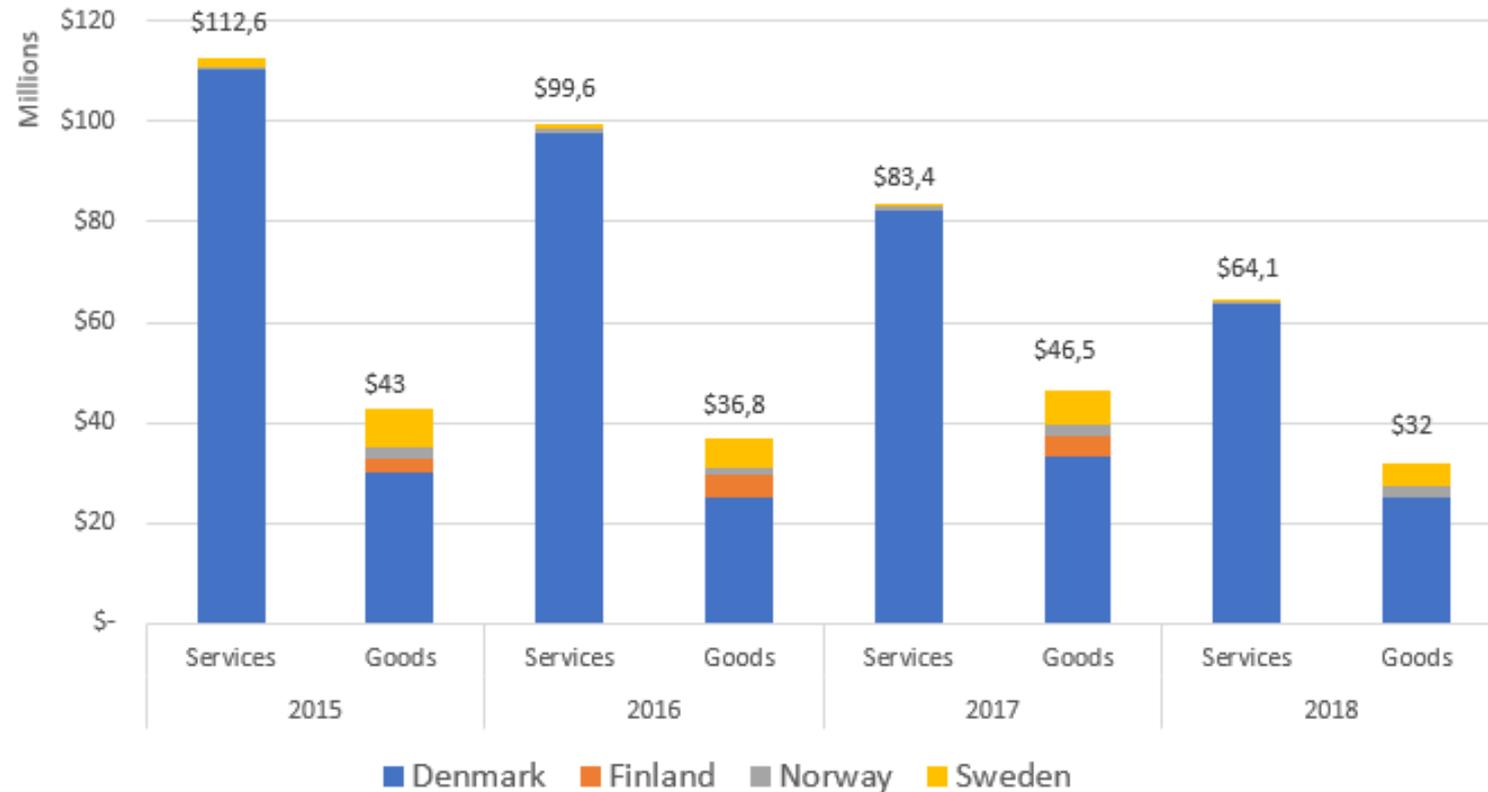
Inspection

Warehousing, distribution & reorder

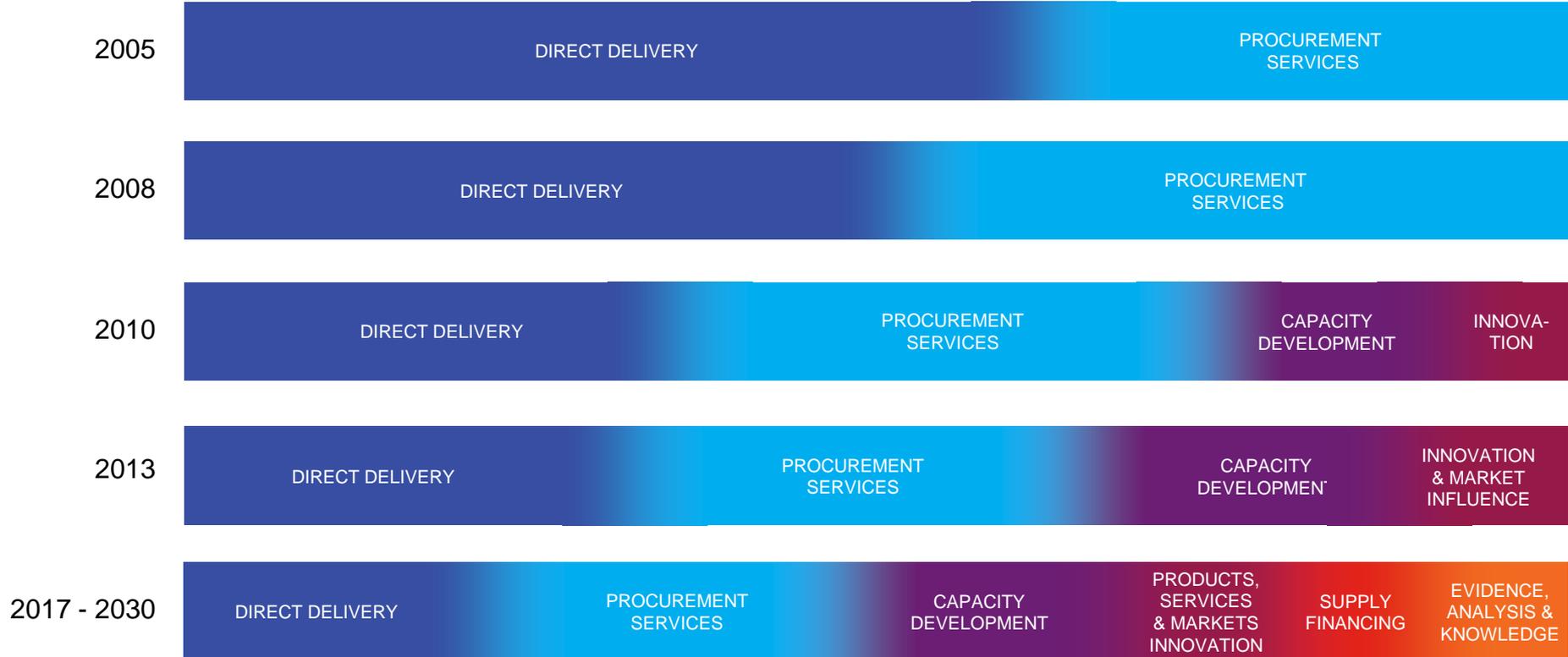
Utilisation by end-user

Monitoring & evaluation

UNICEF's global procurement value from Nordic suppliers is largely influenced by freight forwarding services from Danish providers



UNICEF Supply Function – high level vision



R&D Pipeline drivers of needs and gaps for children



Climate change,
Urbanization,
Migration, NCDs,
Neglected
diseases, GNI
relevance, other
macro trends

UNICEF outcome areas and results

- Scale-up of core programmes
- New products, services, & markets, incl. local
- Service delivery modes, incl. self procurement

Climate Change	Temp. stable products/vaccines ↑disease outbreak & natural disasters Disaster risk reduction (DRR) technologies Waterproof / floating technologies (flood-prone environments) Products / services that enhance resilience	Neglected disease	R&D pipeline of Dx, Vx, and Tx technologies Improved vector control technologies/ services
Urbanization	Low-cost domestic toilets ↑popn. density ↑disease transmission Technologies to minimize accident risks (e.g. improve visibility of children to avoid road accidents)	Non-communicable disease (NCDs)	Paediatric medicines/ preventives for NCDs (Oncology, Respiratory disease, Mental health...) Oral insulin, Anti-Obesity Anti-tobacco
Migration	Service delivery modes Access to internet / telephone services for displaced popns	Inclusion / equity	Products for children with disability Low-cost assistive devices (e.g. wheelchairs, optham.) 3D printed devices (e.g. local customised prostheses) Standards for equity, dignity, guidelines
Energy poverty	Solar as a power source Efficient batteries for power storage Lighting for temporary structures, and off-grid locations	Technology-driven	e-Book vs. Printed Drone delivery / drone mapping Laptop vs. paper/pencil approaches
Transitions (e.g. GNI)	Products, services for niche markets (e.g. MICs, regions)	Clean air, water	Air quality monitoring devices Novel clean water / purification technologies Clean cook stoves (to reduce respiratory illness)

Global Supply Strategies 2018 – 2021

UNICEF Strategic Plan Goals



UNICEF Global Supply Strategies

UNICEF Strategic Plan Change Strategies

1. Programming excellence for at-scale results for children
2. Gender responsive programming
3. Winning support for the cause of children from decision makers and the wider public
4. Developing and leveraging resources and partnerships for children
5. Leveraging the power of business and **markets** for children
6. United Nations working together
7. Fostering innovation in programming and advocacy for children
8. Using the power of evidence to drive 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

Product innovation, market influencing and partnering with business

Global and local markets oriented towards need of children, contributing to the achievement of Sustainable Development Goal (SDG) targets

Influence global and local markets – breaking down market barriers that inhibit children’s access to essential supplies.

Deepen our private sector partnerships, understanding their core businesses, innovation and advocacy to improve children’s lives.

Pursue a research and development pipeline of vaccines, medicines and technologies to drive progress for children.



Strategic procurement to orient markets towards the current and future needs of children

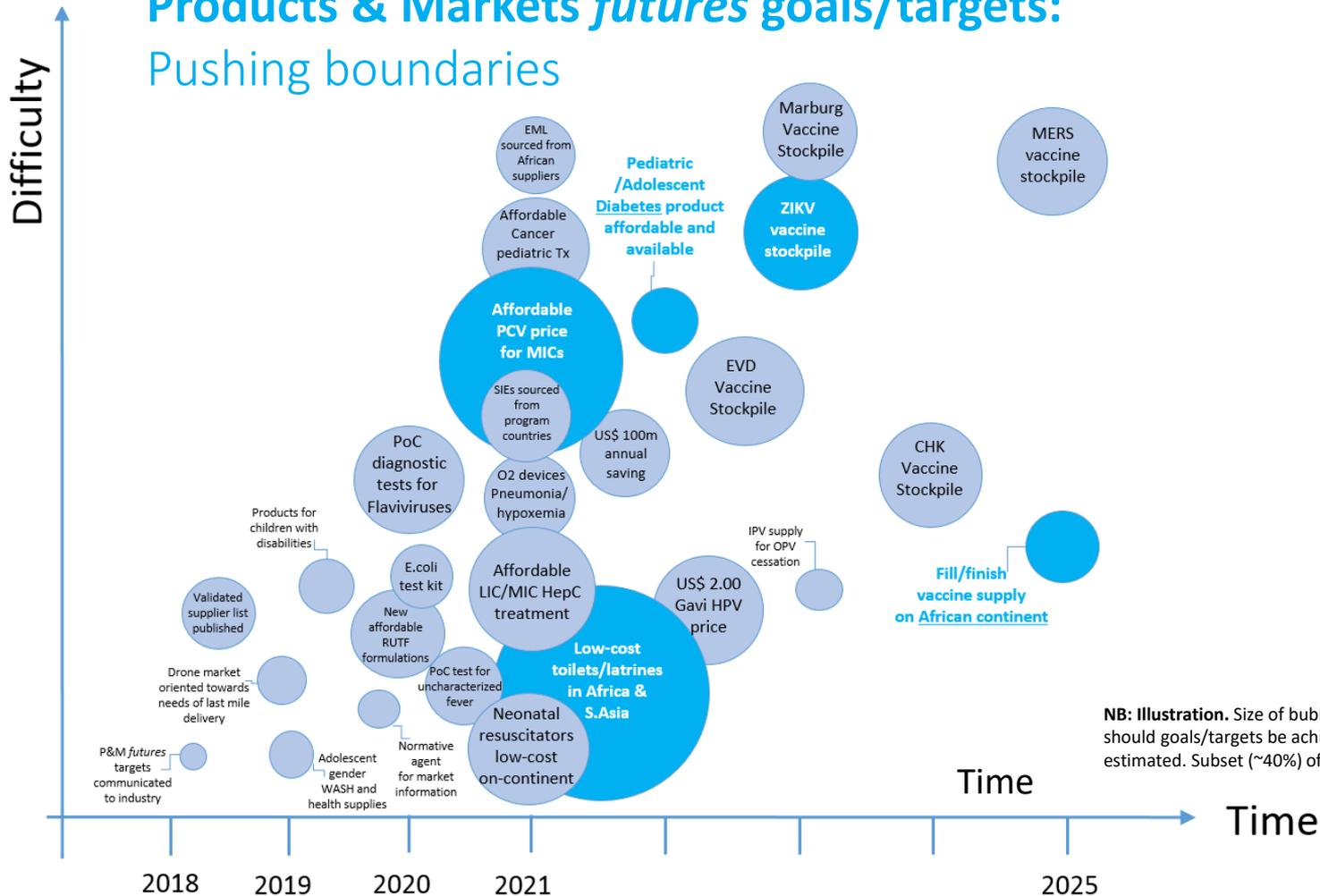


Collaboration to drive product development and consolidate market engagement across buyers/donors to benefit children



Product innovation to facilitate access to fit-for-purpose strategic essential commodities for children

Products & Markets *futures* goals/targets: Pushing boundaries



NB: Illustration. Size of bubbles denotes the potential impact should goals/targets be achieved. All information subjectively estimated. Subset (~40%) of all P&M futures targets.

How UNICEF drives R&D/product innovation: High-level tactics



Identification and communication of need

- **Market surveys and pipeline assessments** to ascertain product gaps
- **Creation and launch of target product profile (TPPs)** with key stakeholder to communicate desired performance and characteristics



Open and transparent engagement with partners and industry throughout

- Creation of **demand forecasts**
- **Convene partners & industry** to exchange knowledge, and communicate forecasts and TPP, and to gain understanding of stakeholders' challenge and needs.
- Open communication, pre-tender, to communicate procurement approach

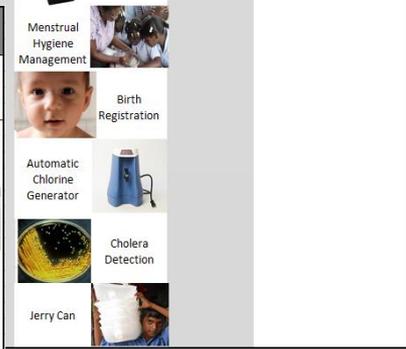
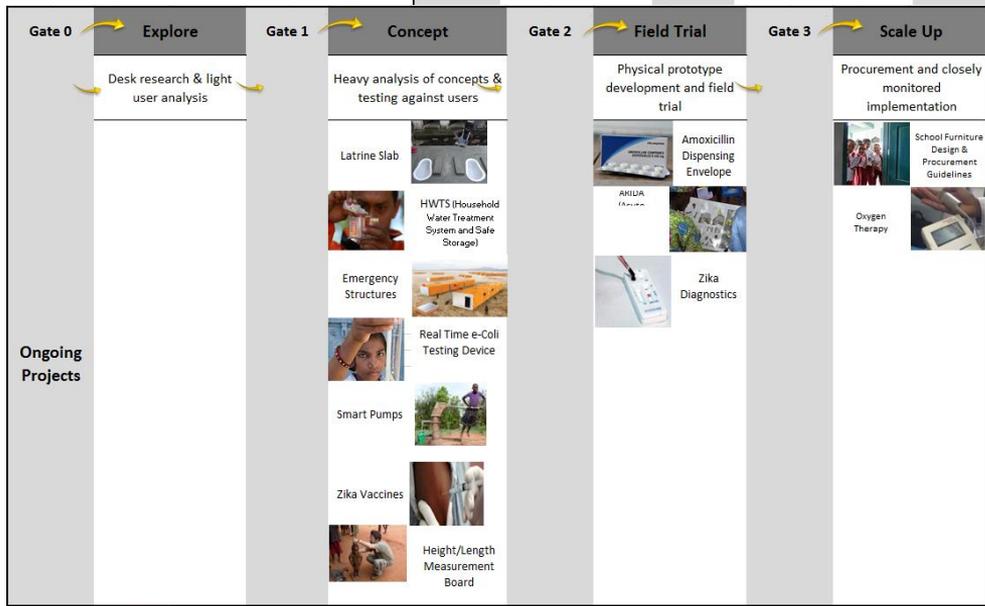
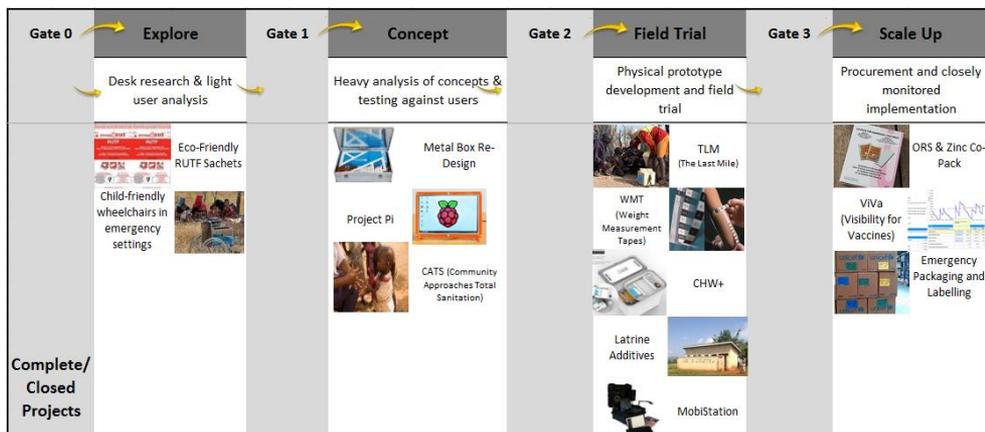


Incentivise development

- Establishment of an **pull mechanisms** such as Advance Purchase Commitment (APC) to reduce demand uncertainty risks for manufacturers who invest in R&D towards new products.
- Follow up with **procurement**
- Plan for **scale**

Product Innovation efforts— Progress and the stage-gate process

- During 2014–2017, SD refined its model for product innovation. Moved several projects into scale up phase
- For 2018–2021, expect to accelerate these efforts...
...with even more product innovations on pathway to scale between 2022 and 2025



How UNICEF influences markets and drives innovation: High-level tactics

Publicly share analysis of market

- Reduce asymmetries of information
- Set aspirational targets
- Reflect market planning horizons
- Work through different entry points
- Dialogue & take into account business views
- Convene industries for side-by-side discussions



Decide on tactics based on the target. E.g.,

- Type of procurement modality
- Duration of forecast
- Define and issue a Target Product Profile
- Employ special contracting (e.g. AMC, guarantee, pre-pay for quantities)
- Bring in advisory boards of experts / external stakeholders

Draw on different influence, tactics and mandate (e.g., UNICEF, MSF, BMGF, WHO)

- Debate
- Coordinate market actions
- Let others inside— while maintaining COI, confidentiality, authority

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for every child

Thank You



UNICEF information sources



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

Strengthening supply

on

suppliers by country.

Supply Annual Report 2016



[<< Previous page](#)

Supply Annual Report

In 2016, UNICEF procured supplies for children in 147 countries and areas. Strategic procurement and supply management saved \$394.6 million for governments and donors.

Throughout 2016, UNICEF's focus on delivering sustainable access to life-saving commodities yielded results in health, education, protection and social inclusion 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.

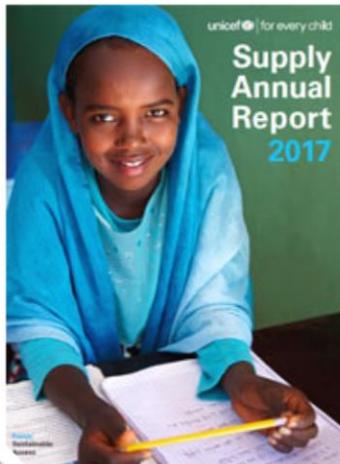
The Report features health systems; vaccine commodity comparison; and a dedicated and agile professional community in the UNICEF supply function.

The report's breakdown of key commodities and detailed annexes identifying suppliers and their value is a useful information source.

PDF

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

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.

WWW.UNICEF.ORG/SUPPLY

Find out what UNICEF procures

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

HIV

UNICEF supplies

Offshore Supplies

The bulk of UNICEF offshore (global) procurement is for essential commodities for children. These include:

- Vaccines and immunization supplies
- Pharmaceuticals and micronutrients
- Medical supplies and equipment
- Educational supplies
- Therapeutic foods
- Vehicles
- IT equipment

The 2,000 (approximate) standard commodities procured by UNICEF are listed in the [Supply Catalogue](#). The catalogue provides technical specifications for most items. **UNICEF does not procure any type of used or second-hand merchandise.**

Local Procurement

UNICEF Country Offices also procure a range of commodities. However, local procurement is not allowed for vaccines, auto-disable syringes, safety boxes (for disposal of injection equipment), pharmaceuticals, micronutrients and therapeutic foods. Suppliers should contact their [nearest UNICEF Country Office](#) for further information.

Food and Clothing

UNICEF does not procure food, other than specific therapeutic foods for use in emergency situations. Generally, UNICEF does not procure clothing, except in limited quantities for very specific emergency situations.

Special Projects

In rare cases, UNICEF procures goods and services that fall outside the major commodity groups listed above. These goods are usually for special projects or emergency programming, and need to be procured at short notice. Please consult our Expressions of Interest on a regular basis for current requirements.

[Technical Standards](#)

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Become a supplier and express interest

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WHO WE ARE WHAT WE DO WHERE WE WORK PRESS CENTRE STATISTICS BLOGS

We're building a new UNICEF.org.

As we swap out old for new, pages will be in transition. Thanks for your patience – please keep coming back to see the improvements.

Supplies and Logistics

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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 [technical standards](#);
- 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 [procurement policies](#) 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.

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Invitations for Expressions of Interest (EOI)

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Learn about our view on key markets

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[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 influence 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 analysis

Market Dashboard



High-level analysis of 69 key supply markets

Price Database



Price transparency based on commercial terms

Supplier financing



Financing options and sources in support of SMEs

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For suppliers and service providers

Tender Calendars

This page contains the plans for issuance of tenders by UNICEF Supply Division

Interested [eligible suppliers](#) are encouraged to submit:

- A covering letter expressing their interest in accordance with requirements in each bid plan
- Relevant information about their company ([company profile](#))

N.B.: Companies interested in participating in the UNICEF Supply Division's Global Marketplace. Visit the following www.ungm.org

- [2018 Tender Calendar - Project Support Unit](#)
- [2018 Tender Calendar - Education Unit](#)
- [2018 Tender Calendar - WASH Unit](#)
- [2017 2018 Tender Calendar Vaccines](#)
- [2017 Tender Calendar \(revised\) - WASH Unit](#)
- [2017 Tender Calendar - Medical Devices](#)
- [2017 Tender calendar - Contracting Centres](#)
- [2017 Tender Calendar - Essential Medicines](#)
- [2017 Tender Calendar - Nutrition Unit](#)
- [2017 Tender Calendar - Education Unit](#)
- [2017 Tender Calendar - Safe Injection Devices and Waste Management](#)
- [2017 Tender Calendar - Medical Devices](#)

Contract Awards

UNICEF procures commodities from suppliers worldwide since January 2001. Only contracts awarded from September 2006. From 1 October 2006, contracts awarded under Long Term Arrangements (LTAs) based on

Documents attached below are in PDF format.

For more information on the UNICEF Supply Commission's suppliers meetings

2017

[Supplier Meeting](#) [PDF]

Supplier meetings

[UNICEF Supply Division Bidders Conference Ready Made Kit Procurement for Education Items 7-8 November 2017, Copenhagen, Denmark](#)

[UNICEF Stakeholder Consultation on Real Time E. coli Testing Devices 22nd November 2016](#)

[UNICEF Zika Vaccine and Diagnostics Industry Consultation 11-12 May 2016](#)

[11-12 November 2014: UNICEF Industry Consultation on Personal Protective Equipment needs in Ebola response](#)

For information related to previous suppliers meetings please see below links.

[Long-Lasting Insecticidal Nets suppliers meetings](#)

[Contracting Centres suppliers meetings](#)

How we work with businesses and industries



- Targeted **bilateral engagement with companies** including at Executive/President-level to establish positive relationships, and to discuss strategic issues including to influence of R&D pipelines.



- Regular **engagement with industry associations** (e.g. IFPMA, DCVMN) for pan-industry reach and to understand industry trends.



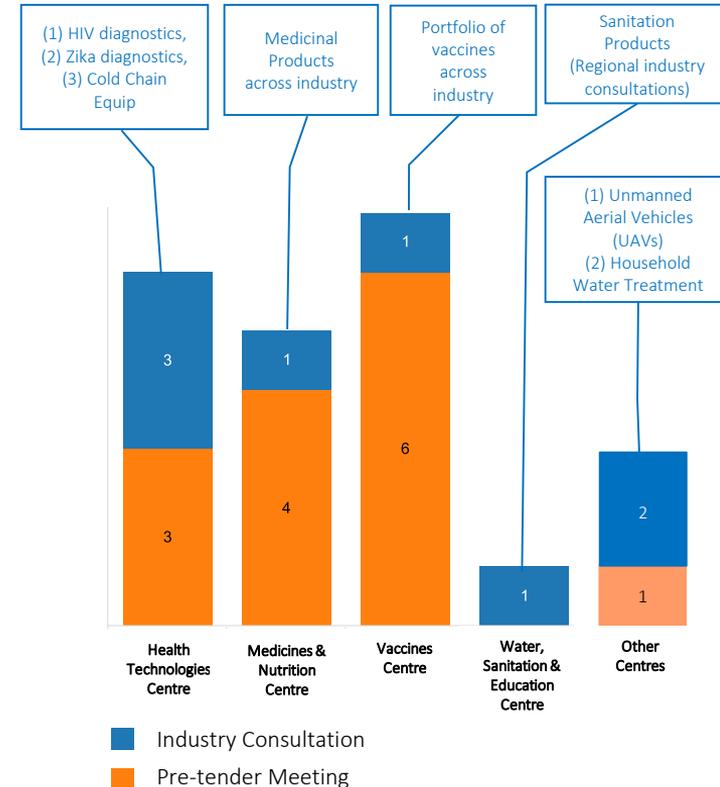
- **Convenes the industry-wide forums by segment/product group** on a (bi)annual basis for dialogues on strategic direction, to understand supplier challenges and market perspectives.
- These bring together **>1000 participants** across ~20 industry meetings per year.

- Various interaction with industry are based on **fairness, transparency**, while at the same time ensuring **confidentiality** of commercially sensitive information.



- **Publishes strategic market information** (e.g. market analyses, demand/supply volumes, pricing, procurement plans, etc.) to **reduce market information asymmetries** ultimately to improve market functioning.

2018 Industry Meetings

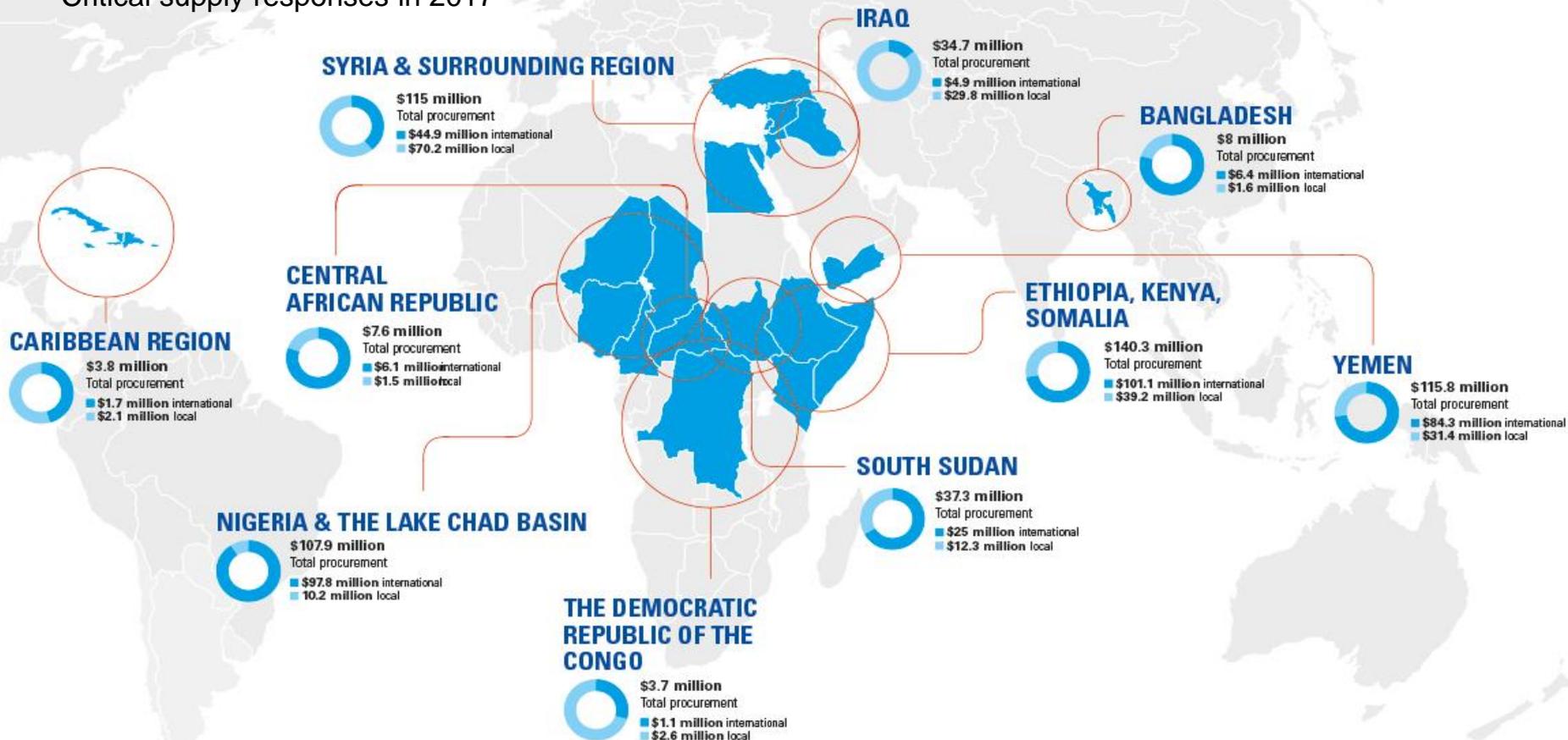




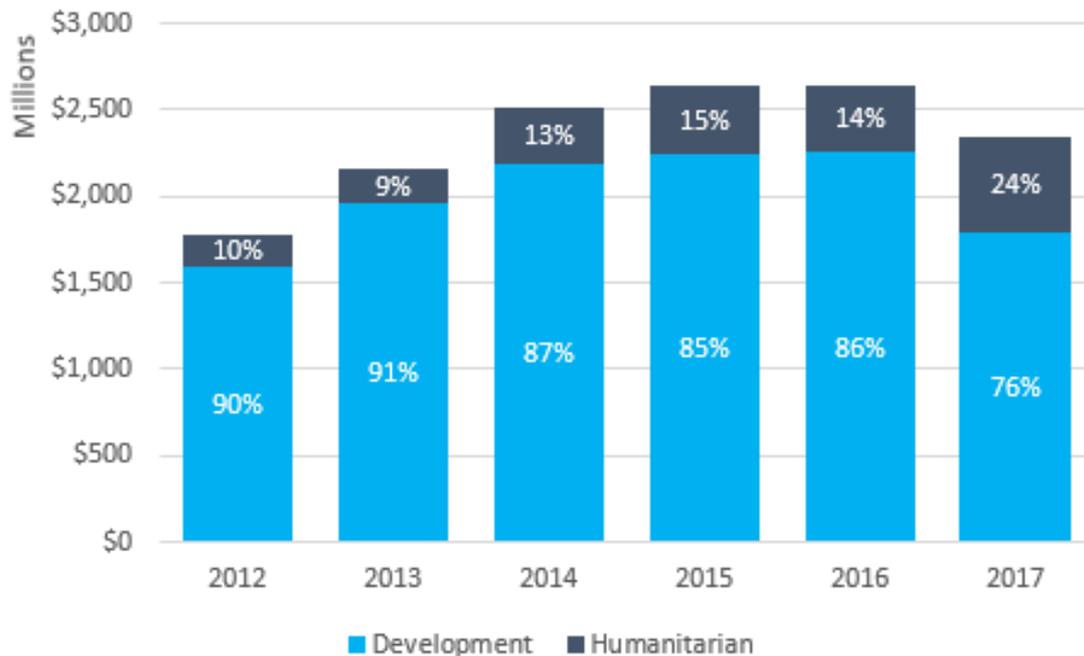
Procurement Overview

Emergencies

Critical supply responses in 2017



Humanitarian vs Development Supplies 2012-2017



Procurement for humanitarian response has grown steadily since 2013 – coincided with increasing number of countries in protracted crises

⇒ Humanitarian supply-side response is a growing part of UNICEF procurement efforts...

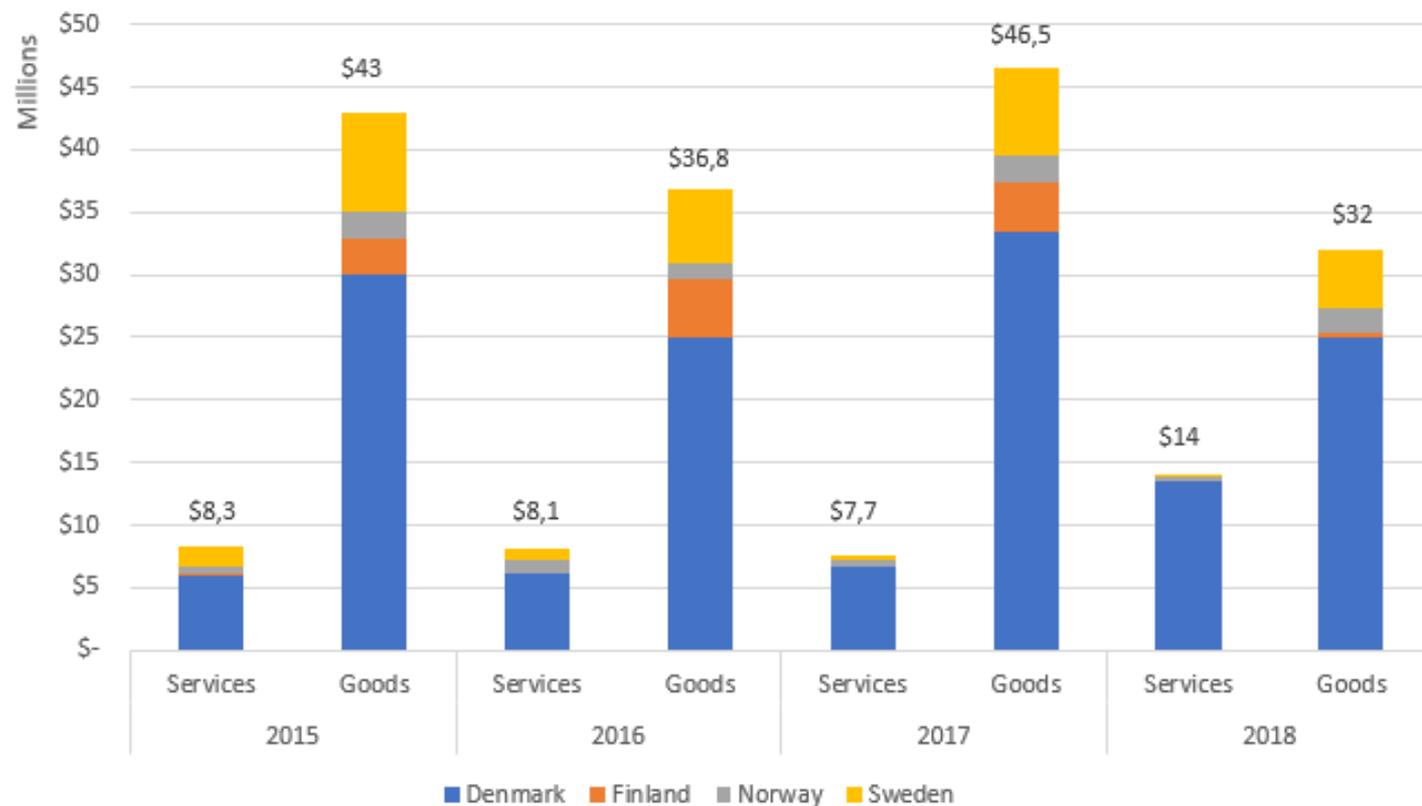
Sources: UNICEF Supply Division, data on file, 2018

NB: Value of goods received by UNICEF, both including Procurement Services and Programme orders. Excludes services.

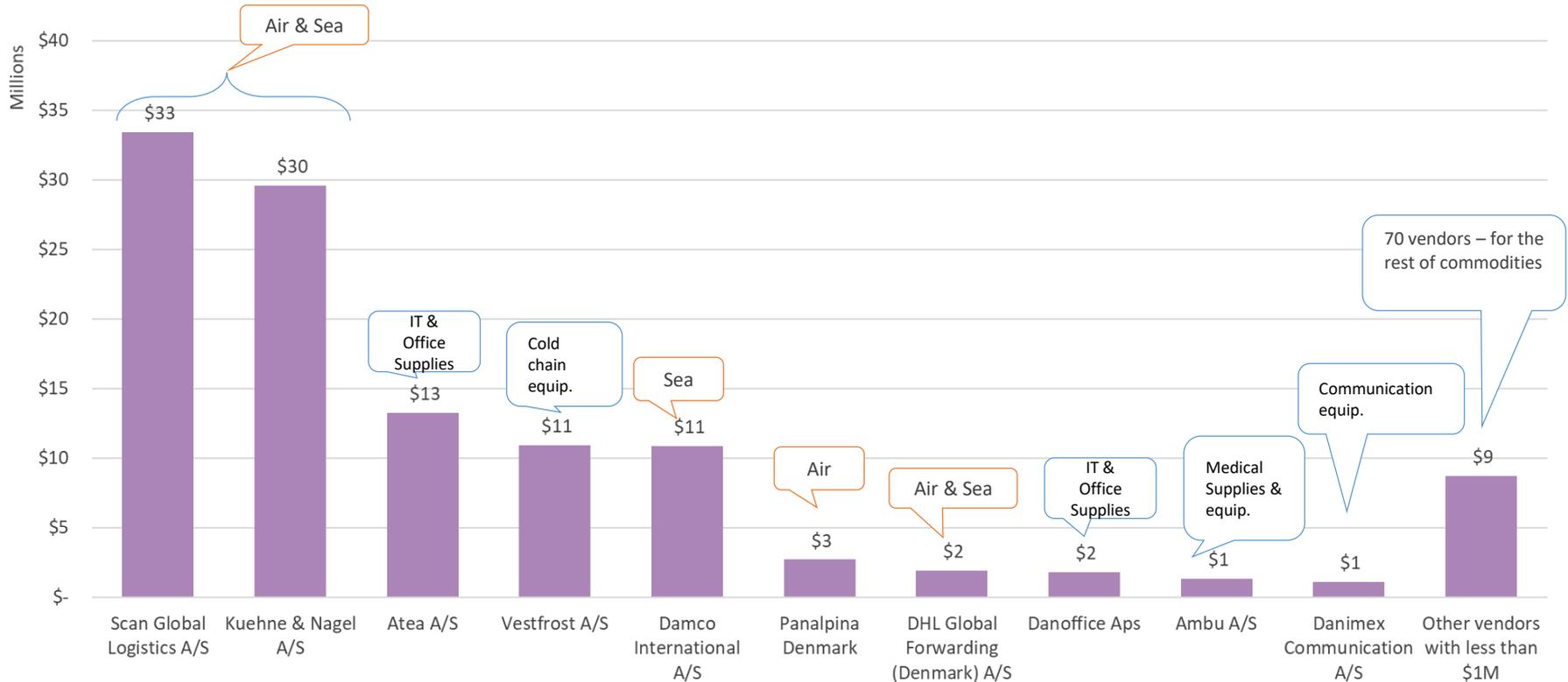
NB2: Assigned any procurement coded to a country categorized as L2 or L3 status at time of procurement humanitarian response. All other procurements assumed to be development-related procurement. Former will include procurements for routine programmes in protracted crises etc. => This underscores the false dichotomy between Humanitarian and Development efforts.

NB3: Data on L1-L2-L3 status only available from 2012 through end July 2017 (year to date—ytd)

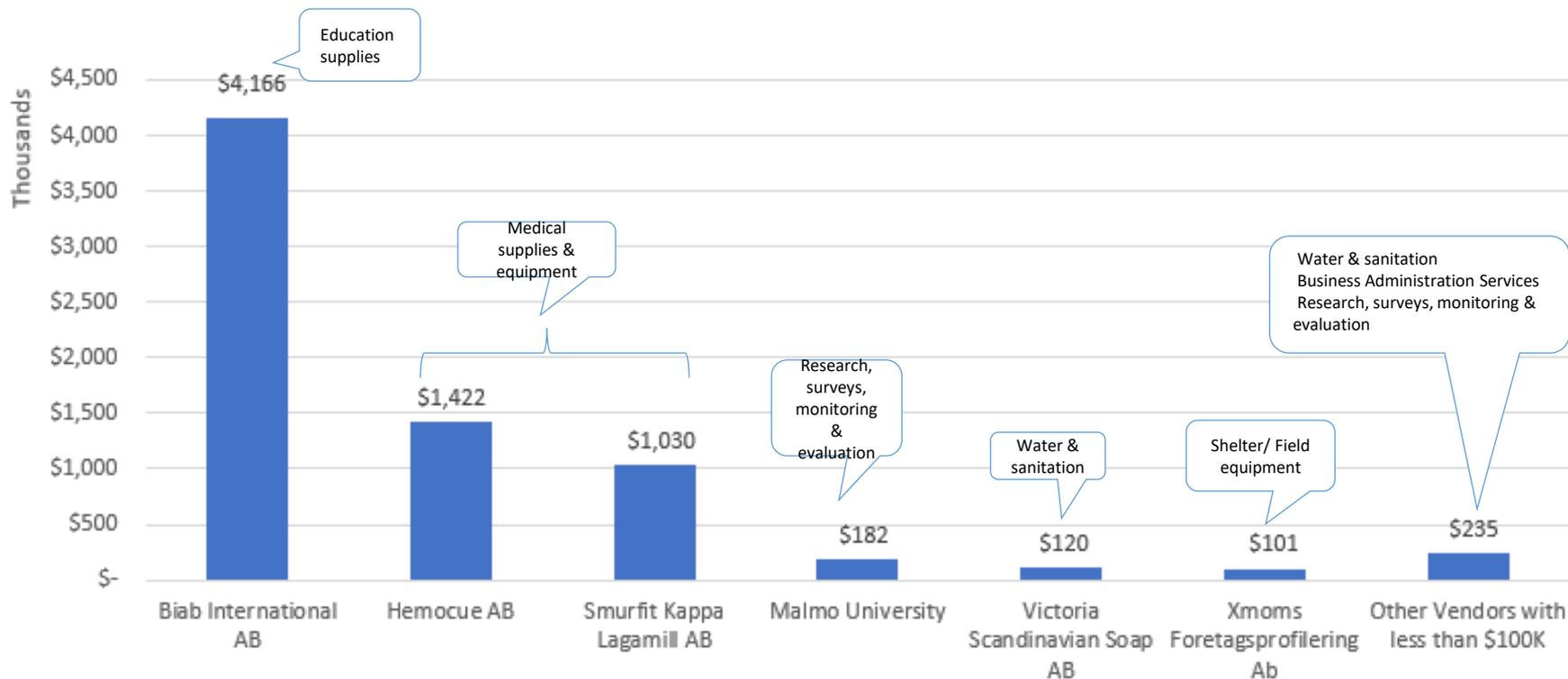
Excluding international freight services, UNICEF's global procurement value from Nordic suppliers shows a slight increase through the period



Focus on Denmark, 2017: 5 international freight forwarding service providers represented 68% of total procurement value; in addition, Danish suppliers provided mainly IT & office supplies and cold chain equipment and related services



Focus on Sweden, 2017: the main commodities provided by Swedish vendors are education supplies, medical supplies & equipment and the research & monitoring services



Focus on Finland & Norway, 2017: the main commodities provided by Finnish and Norwegian vendors are cold chain equipment, nutrition supplies and education supplies

