



2021 ANNUAL STATISTICAL REPORT

ON UNITED NATIONS PROCUREMENT





2021 ANNUAL STATISTICAL REPORT ON UNITED NATIONS PROCUREMENT

The Annual Statistical Report on United Nations Procurement (ASR) provides an overview of the procurement of the United Nations (UN) system in support of its operations, projects and programmes.

In the 39th session of the General Assembly in 1984, UN procurement activities were presented for the first time in a report prepared by the Inter-Agency Procurement Services Office of the United Nations Development Programme. The General Assembly established a need for continued reporting on these types of activities later that year. The report has been compiled on behalf of the UN system by the United Nations Office for Project Services (UNOPS) since 2008.

This 38th edition of the report presents an analysis of key trends in UN procurement and is complemented by the full statistics published [online](#). The ASR includes a breakdown of procurement by UN organization, category of goods and services procured, and supplier country. It also contains information on procurement related to the UN response to COVID-19, collaboration within the UN system, and organizations' efforts to integrate sustainability considerations into their procurement processes in the context of the ongoing focus on sustainable development by the UN.

UNOPS is grateful to participating UN organizations for their continued support and contributions that make this publication possible, as well as their combined efforts to improve data quality and comparability of the information each year.



Copyright © 2022
UNOPS Headquarters
Marmorvej 51, PO Box 2695
2100 Copenhagen, Denmark

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, without prior permission of UNOPS.

Cover photo: Colombia © UNOPS/John Rae

TABLE OF CONTENTS



1	WHAT DID THE UNITED NATIONS PROCURE IN 2021?
	Total United Nations procurement in 2021
	Procurement by sector
	<i>UNESCO: Reviving the spirit of a war-torn city</i>
	Procurement by category of goods and services
	Procurement in response to COVID-19
9	WHO SUPPLIED THE UNITED NATIONS IN 2021?
	Procurement by region of supplier
	Major countries of supply
	<i>ESCAP: Market research for hazardous material testing project</i>
	Procurement from least developed countries
16	HOW DO WE DO PROCUREMENT WITHIN THE UNITED NATIONS SYSTEM?
	Procurement by organizations of the United Nations system
	Collaborative procurement
	<i>UNICEF and PAHO: Together delivering 912 million COVID-19 vaccines to the world</i>
	Sustainable procurement
26	FIND OUT MORE
28	APPENDIX
	Methodology



WHAT DID THE UNITED NATIONS PROCURE IN 2021?

TOTAL UNITED NATIONS PROCUREMENT IN 2021

United Nations (UN) procurement rose to a record high in 2021. The total volume reached \$29.6 billion, an increase of \$7.3 billion or 32.5 per cent compared to 2020. Of the total, 59.0 per cent, or \$17.4 billion, represented the procurement of goods while 41.0 per cent or \$12.1 billion was for services.

Two new organizations commenced reporting in the ASR in 2021, bringing the total number of organizations to 41. The International Civil Aviation Organization (ICAO) reported \$35 million in procurement, while the World Trade Organization (WTO) procured \$28 million in goods and services. Total UN procurement excluding those

two organizations was \$29.5 billion, up by \$7.2 billion or 32.2 per cent, compared to 2020.

→ Figure 1. Total procurement of goods and services and number of reporting organizations, 2011-2021



PROCUREMENT BY SECTOR

Of the total \$7.3 billion increase between 2020 and 2021, \$5.2 billion was within the Health sector. Two key factors drove increased procurement in the sector. The first was procurement related to COVID-19 vaccines and their distribution by the United Nations Children's Fund (UNICEF) and the Pan American Health Organization (PAHO). The second was a large project by the United Nations Office for Project Services (UNOPS) in Mexico, procuring pharmaceuticals and medical devices on behalf of the Mexican government.

Total procurement within the Health sector almost doubled, to \$10.6 billion, in 2021, compared to \$5.5 billion in 2020. UNICEF was the largest procurer in the sector, with \$5.1 billion (up 88.1 per cent), followed by UNOPS (\$2.7 billion, up 666 per cent), and PAHO, with \$1.2 billion (up 48.7 per cent). Key categories in the sector were *Pharmaceuticals, contraceptives and vaccines* with \$8.0 billion, and *Medical equipment and supplies* with \$2.4 billion.

The second largest sector was Construction, Engineering and Science. Procurement within that sector rose by \$490 million to \$3.5 billion. The largest categories within the sector were *Building and maintenance services* (\$1.6 billion, up 26.9 per cent) – the International Labour Organization (ILO) was responsible for \$131 million of the increase – followed by *Engineering and research services* (\$836 million, up 31.5 per cent), with the United Nations Development Programme (UNDP) being the largest procurer and seeing the largest increase (\$324 million total in 2021, up by \$71 million compared to 2020).

Procurement of *Laboratory and testing equipment* (total \$550 million) fell by 13.6 per cent, primarily due to the decreased procurement of equipment used in laboratories as part of the COVID-19 response. However, procurement in the segment as a whole was up by \$360 million compared to 2019.

Food and Farming was the third largest sector, totalling \$3.0 billion in 2021, up by \$434 million or

17.2 per cent, compared to 2020. Procurement by the World Food Programme (WFP) in the sector was up by \$404 million, to \$2.2 billion. In this sector, 22.3 per cent of procurement was sourced from suppliers in least developed countries (LDCs).

The top five sectors accounted for a total of \$22.0 billion or almost three-quarters of the total UN procurement for 2021.

→ Table 1. Procurement by sectors, 2021

Category (ASR sector level)	Total 2021 (\$ millions)	Total 2020 (\$ millions)	Total change 2020-2021 (\$ millions)	Total change 2020-2021 (%)
Health	10,642.9	5,472.0	5,170.8	94.5%
Construction, Engineering and Science	3,526.9	3,036.5	490.4	16.2%
Food and Farming	2,958.7	2,524.8	434.0	17.2%
Transportation and Storage	2,562.6	2,316.2	246.4	10.6%
Administration and Operations	2,331.6	2,038.2	293.4	14.4%
Media, IT and Communications	2,122.6	1,818.1	304.5	16.7%
Finance, Insurance and Real Estate	1,099.3	1,165.0	-65.7	-5.6%
Travel, Accommodation and Catering Services	1,013.3	776.9	236.4	30.4%
Utilities	924.5	931.3	-6.8	-0.7%
Humanitarian Aid, Peace, Security and Safety	848.2	824.9	23.3	2.8%
Other Goods and Services	547.0	713.1	-166.1	-23.3%
Education, Training and Recreation	511.7	317.8	193.9	61.0%
Motor Vehicles, Industrial Machinery and Heavy Equipment	505.3	403.0	102.3	25.4%
UN total	29,594.5	22,337.8	7,256.8	32.5%



Installation of a monitoring system on the Al Hadba Minaret
Iraq © UNESCO/Moamin Al Obaidi

UNESCO

REVIVING THE SPIRIT OF A WAR-TORN CITY

For centuries, the city of Mosul, Iraq, was one of the most populous urban centres of the region and home to people of diverse backgrounds, ethnicities, and religious beliefs. In the aftermath of the destruction and displacement caused by conflict in 2014, many buildings in the city, including one of its most emblematic religious landmarks – the Al Hadba Minaret – required reconstruction and rehabilitation. The complex reconstruction phases called for advanced engineering and architectural practices, comprehensive risk management, and procurement of specialized services, equipment and materials.

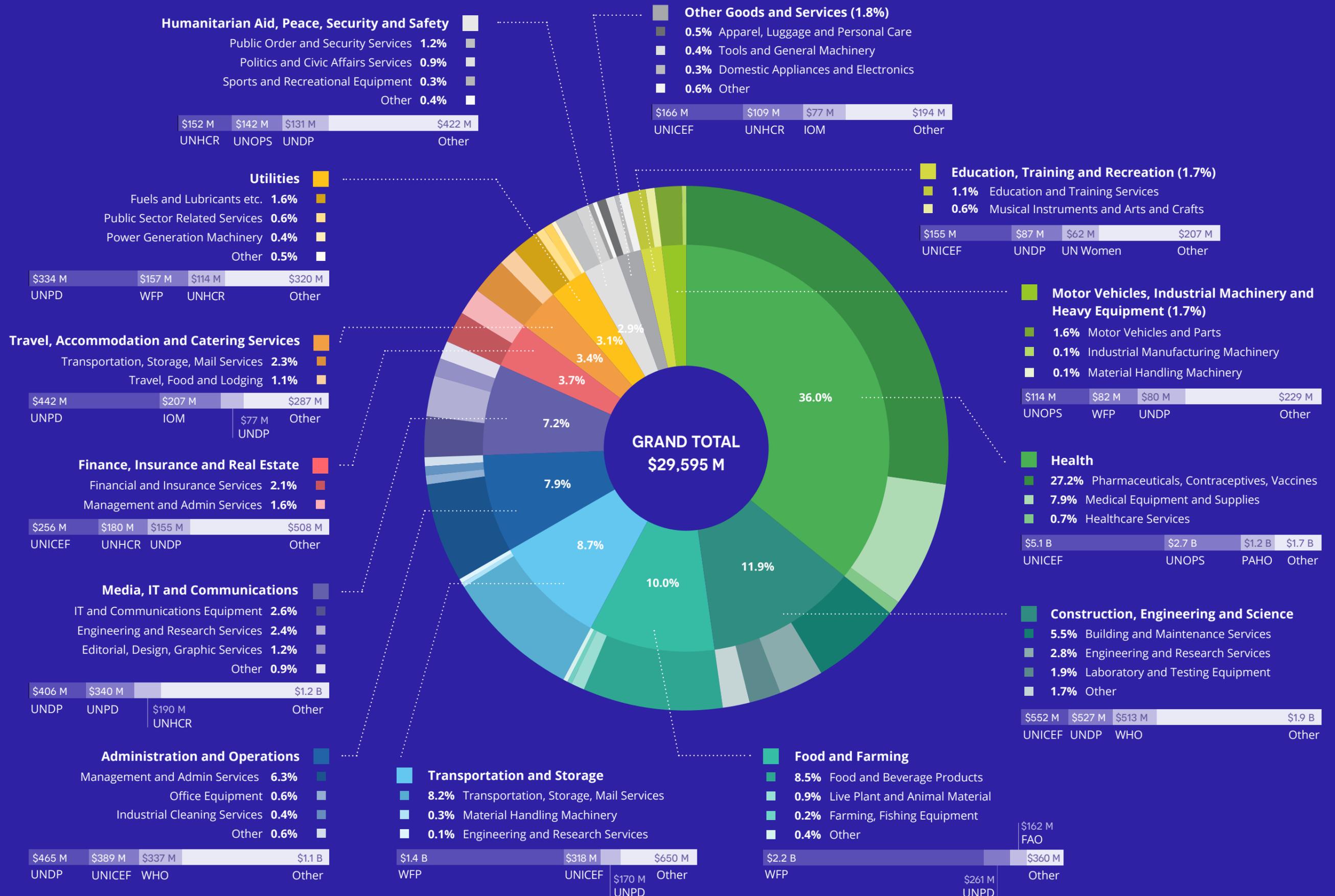
The Revive the Spirit of Mosul programme, a flagship multi-donor initiative of the United Nations Educational, Scientific and Cultural Organization (UNESCO), was launched in 2018 to help in the recovery of one of Iraq's iconic cities and facilitate the reconstruction of important cultural landmarks affected by conflict. As part of this initiative, hundreds of historical houses in the Old City of Mosul are being rehabilitated, as well as two churches and four monumental sites, including Al Nouri Mosque and Al Hadba Minaret.

In 2021, UNESCO signed contracts at \$21.2 million to procure goods and services related to the multi-year project. Preparatory phases for reconstruction were completed, including assessment and documentation, scientific studies, archaeological excavations, clearance, and security works. In the process, 9,940 tons of rubble were removed and 52,218 historical fragments were recovered, cleaned, and catalogued. Major reconstruction works of the city's historical monuments are planned to commence in 2022.

The economic situation of the country and city has been taken into consideration and accordingly, the project uses local resources and reserves a portion of contracted labour opportunities for local communities, providing jobs for more than 3,000 local people.

Global procurement by UNESCO totalled \$194 million in 2021, including \$3.5 million from suppliers in Iraq.

→ Figure 2. Overview of UN procurement by sector and category



PROCUREMENT BY CATEGORY OF GOODS AND SERVICES

Within the previously mentioned ASR sectors, the ASR uses segments defined in the United Nations Standard Products and Services Code (UNSPSC) to report by category. The top 10 categories of procurement by volume at the segment level remained the same in 2021, although the order of the top segments changed (*see Table 2*).

The largest segment in 2021 was *Pharmaceuticals, contraceptives and vaccines*, with a total of \$8.1 billion in 2021 – up by \$5.0 billion compared to 2020. Within this category, there was procurement of immunomodulating drugs (including vaccines) worth \$5.4 billion. UNOPS experienced the largest increase in percentage terms in the segment – chiefly due to its project in Mexico – with an increase of \$2.0 billion, up from \$147 million in 2020. Most of this increase came from suppliers registered in Mexico.

Procurement by UNICEF within the segment rose by \$2.7 billion to \$4.2 billion, while PAHO increased its procurement by 43.0 per cent, or \$316 million. UNDP recorded an increase of 29.1 per cent in the segment (reaching \$222 million), while the United Nations Population Fund (UNFPA) experienced a decrease of 28.8 per cent or \$55 million.

The second highest segment, *Transportation, storage and mail services*, increased by \$383 million or 14.1 per cent compared to 2020, reaching \$3.1 billion. That growth was influenced by a rebound in passenger transport and transport services, both of which had fallen in 2020 due to the COVID-19 pandemic. WFP was the highest procurer in the segment, with \$1.4 billion – \$100 million more than in 2020.

→ Table 2. Top 10 categories of procurement by volume, UNSPSC segment level, 2021

Category (UNSPSC segment level)	Total 2021 (\$ millions)	Total change 2020-2021 (%)	Share of procurement from least developed countries 2021 (%)
Pharmaceuticals, Contraceptives, Vaccines	8,055.8	165.4%	0.3%
Transportation, Storage, Mail Services	3,099.7	14.1%	30.0%
Food and Beverage Products	2,503.5	15.1%	20.4%
Medical Equipment and Supplies	2,353.6	5.7%	8.7%
Management and Admin Services	2,348.2	12.3%	18.1%
Building and Maintenance Services	1,638.0	26.9%	28.6%
Engineering and Research Services	1,629.0	22.7%	10.7%
IT and Communications Equipment	779.0	16.9%	7.7%
Financial and Insurance Services	616.8	-2.9%	33.0%
Laboratory and Testing Equipment	550.6	-13.5%	4.8%
Top 10 total	23,574.2		
UN total	29,594.5		

The International Organization for Migration (IOM) reported a 55.7 per cent – or \$65 million – increase in the segment; however, its procurement was still \$33 million lower than in 2019.

Food and beverage products returned to being the third-largest segment in 2021, increasing by \$329 million, or 15.1 per cent, compared to 2020. WFP continued to be the largest procurer in this segment and was responsible for most of the increase in procurement. The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) increased its procurement in the segment by \$27 million or 39.3 per cent, while the United Nations Procurement Division (UNPD) decreased procurement by \$87 million, or 25.0 per cent.

There were four further categories with total procurement exceeding \$1 billion. *Medical equipment and supplies* worth \$2.4 billion were procured. In this segment, procurement by UNICEF and the World Health Organization (WHO) decreased by a combined \$428 million, offset by the \$665 million increase by UNOPS and WFP. *Management and administrative services* increased by \$258 million, or 12.3 per cent, to \$2.3 billion; 10.6 per cent of the total in this segment was sourced from suppliers in the United States of America. There was a 26.9 per cent increase in the procurement of *Building and maintenance services*, up by \$348 million to \$1.6 billion, while *Engineering and research services* reached \$1.6 billion, \$301 million more than in 2020.

PROCUREMENT IN RESPONSE TO COVID-19

The response to the COVID-19 pandemic continued to form a significant part of UN operations in 2021, consequently featuring prominently in UN procurement. The total reported volume of procurement related to COVID-19 in 2021 was \$2.1 billion, up by \$34 million compared to 2020.

Notably, the volume of COVID-19 vaccine procurement by UNICEF and PAHO, while included within the overall annual statistical report totals for 2021, is not included in the procurement figures related to COVID-19, due to confidentiality reasons that prevent the publication of detailed procurement statistics at present. Additionally, analysis of UNICEF's procurement activities related to the COVID-19 response are not included in this section, due to the nature of the organization's approach to procuring in advance for preparedness and distributing from logistics hubs, as detailed in the 2020 report. In 2021, UNICEF delivered goods worth \$352 million to 130 countries in response to the COVID-19 pandemic, excluding immunization related supplies.

This section details the procurement related to COVID-19 reported by 35 organizations in 2021, 16 of which reported procurement worth over \$1 million. The largest among them, by value, was WHO, with a total of \$635 million – this was \$116 million or 15.4 per cent lower than the amount reported in 2020. WHO was one of many organizations reporting lower procurement related to COVID-19 in 2021 compared to 2020, including the United Nations High Commissioner for Refugees (UNHCR) (\$123 million lower), UNFPA (down \$39 million) and WFP (\$35 million lower). This reflects the changing nature of the response for many organizations.

→ Table 3. COVID-19 procurement, top 10 organizations by volume, 2021

Organization	COVID-19 procurement 2021 (\$ millions)	COVID-19 share of total 2021 (%)	COVID-19 procurement change 2020-2021 (%)	Total (incl. COVID-19 procurement) change 2020-2021 (%)
WHO	634.6	38.3%	-15.4%	-3.5%
UNDP	570.1	21.7%	14.8%	2.3%
UNOPS	499.9	13.0%	125.2%	201.4%
PAHO	230.9	13.9%	42.2%	44.0%
UNHCR	64.2	4.8%	-65.8%	-3.2%
FAO	35.3	7.9%	74.1%	-2.1%
UNRWA	14.0	5.0%	1.8%	23.1%
IOM	9.7	1.0%	-58.3%	28.2%
UNFPA	8.4	2.3%	-82.4%	-21.9%
WFP	4.7	0.1%	-88.1%	23.5%
Top 10 organizations reporting COVID-19 procurement	2,071.8	11.4%	5.5%	29.4%
All other organizations reporting COVID-19 procurement	13.9	0.3%	-82.6%	8.5%
Total organizations reporting COVID-19 procurement	2,085.7	9.4%	2.1%	25.0%
Total				32.5%

On the other hand, UNDP, UNOPS and PAHO were among the organizations to report increased procurement related to COVID-19 in 2021, with a combined \$420 million increase between them. Those organizations were responsible for a combined \$1.3 billion procurement related to the response.

As in 2020, procurement related to the COVID-19 response was multi-faceted and related to both the direct pandemic response and the broader recovery effort. This is reflected in the wide range of categories procured. While *Medical equipment and supplies* remained the largest category of procurement, with a total of \$493 million, it was \$162 million below the 2020 level. Similarly, procurement of *Laboratory and testing equipment* needed for the COVID-19 response decreased by \$83 million. However, procurement of *Pharmaceuticals, contraceptives and vaccines* increased by \$131 million thanks to UNDP and PAHO, which procured supplies worth \$147 million in the segment. UNOPS reported \$140 million of *Live plant and animal material* (specifically wheat) as part of a COVID-19 response project.

The largest countries of supply for procurement related to the COVID-19 response were Switzerland (\$158 million), India (\$149 million) and the United States of America (\$127 million). Procurement from those countries grew, while procurement from suppliers in China fell, by \$195 million, to \$114 million (a reduction of 63.1 per cent).

→ Table 4. Top 10 categories of COVID-19 procurement by volume, UNSPSC segment level, 2021

Category (UNSPSC segment level)	COVID-19 procurement 2021 (\$ millions)	COVID-19 share of total 2021 (%)	COVID-19 procurement change 2020-2021 (%)
Medical Equipment and Supplies	492.6	33.0%	-24.8%
Laboratory and Testing Equipment	301.0	56.5%	-21.5%
Pharmaceuticals, Contraceptives, Vaccines	169.7	4.4%	334.9%
Management and Admin Services	162.7	8.2%	28.1%
Live Plant and Animal Material	154.0	56.8%	1155.2%
IT and Communications Equipment	140.9	19.0%	-15.5%
Transportation, Storage, Mail Services	134.8	4.9%	13.0%
Engineering and Research Services	111.4	8.0%	42.5%
Land, Building and Structures	72.0	34.2%	33.3%
Motor Vehicles and Parts	54.0	12.3%	26.1%
Top 10 total	1,793.1	13.1%	6.9%
Total	2,085.7	9.4%	1.7%

→ Table 5. COVID-19 procurement, top 10 supplier countries by volume, 2021

Supplier country	COVID-19 procurement 2021 (\$ millions)	COVID-19 share of total 2021 (%)	COVID-19 procurement change 2020-2021 (%)
Switzerland	158.0	13.9%	185.5%
India	149.5	26.1%	316.8%
United States of America	126.9	8.2%	53.4%
China	114.0	26.5%	-63.1%
Argentina	101.8	71.9%	119.5%
Denmark	93.8	11.6%	-52.9%
Austria	91.2	31.8%	-17.2%
Netherlands	79.6	14.7%	63.0%
United Arab Emirates	69.9	9.3%	149.3%
Republic of Korea	61.3	33.3%	35.4%
Top 10 total	1,045.9	16.4%	8.9%
Total	2,085.7	9.4%	1.7%



WHO SUPPLIED THE UNITED NATIONS IN 2021?

PROCUREMENT BY REGION OF SUPPLIER

In 2021, procurement from suppliers across all geographical regions rose, the rise being most pronounced in Latin America and the Caribbean, Europe, and Asia.

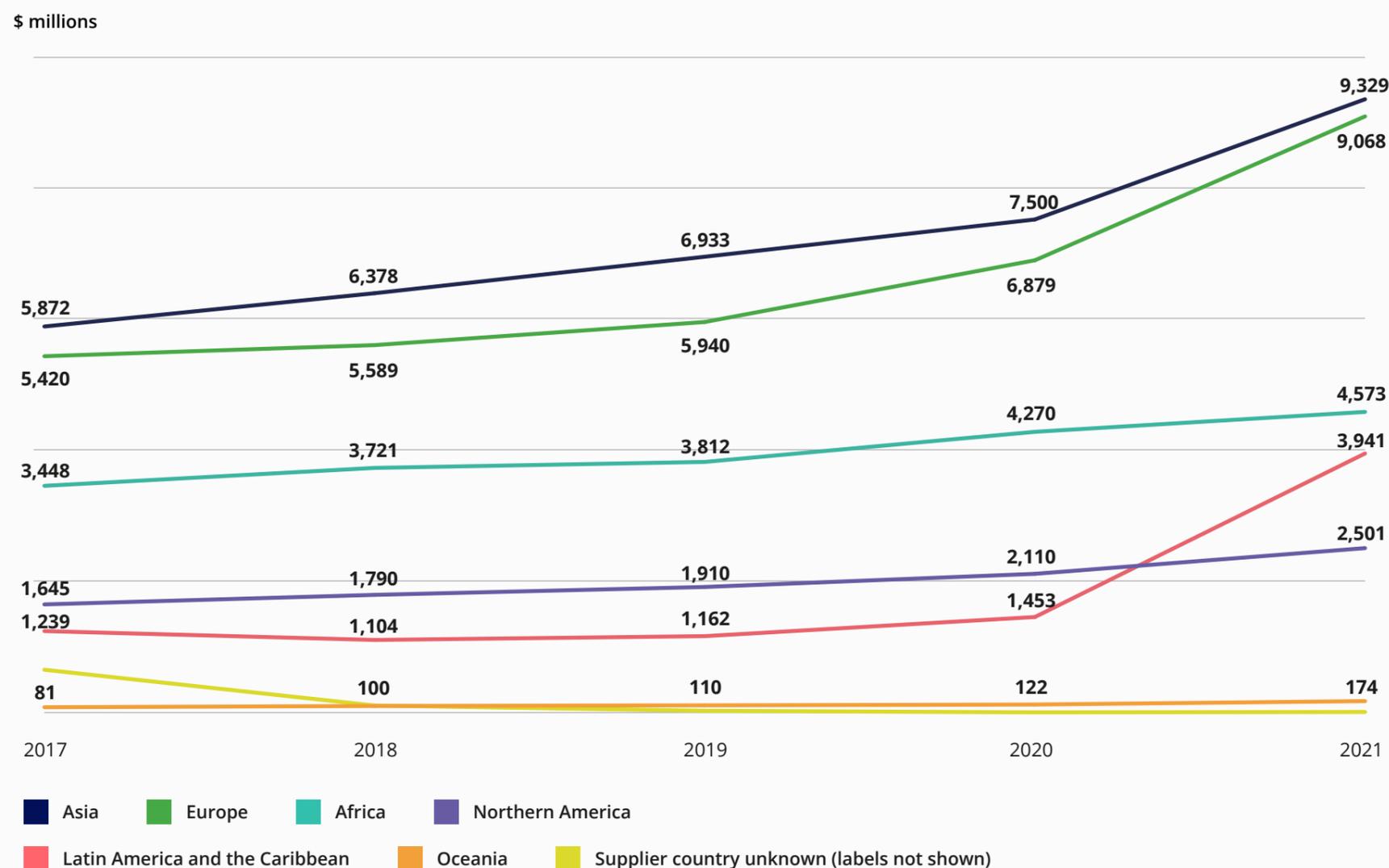
Procurement from suppliers in Latin America and the Caribbean rose by \$2.5 billion or 171 per cent, primarily due to the UNOPS health sector project in Mexico.

Mexico accounted for 58.1 per cent of the regional total – and even when that is excluded, procurement from the region rose by \$310 million, or 23.1 per cent, due primarily to increases in Guatemala, Colombia and Brazil.

Europe saw the second largest increase of \$2.2 billion, or 31.8 per cent. This was thanks to procurement from Swiss

suppliers more than doubling (up from \$741 million in 2020 to \$1.7 billion), with increases of goods and services in the Health, Construction Engineering and Science, and Food and Farming sectors. Sweden, Belgium and the United Kingdom of Great Britain and Northern Ireland experienced increases of over \$100 million in procurement (\$405 million, \$282 million and \$130 million, respectively).

→ Figure 3. Total procurement by region, 2017-2021



Asia continued to be the largest supplier region by volume with \$9.3 billion or almost one-third of total UN procurement. China was the largest country of supply with a total of \$1.7 billion, up by \$717 million compared to 2020. The largest category from Chinese suppliers was *Pharmaceuticals, contraceptives and vaccines*, with \$1.3 billion. Goods and services worth \$1.2 billion were procured from suppliers in India, while Türkiye experienced an increase of \$191 million to reach a total of \$698 million in 2021. Türkiye was the largest supplier for the *Food and beverage products* segment.

Procurement from suppliers in Africa rose by \$303 million overall due to increased procurement activity by WFP, IOM and UNICEF in particular. Kenya, the largest country by procurement volume in the region, experienced a \$67 million decrease in procurement between 2020 and 2021, while procurement from suppliers in Nigeria and Ethiopia increased by \$92 million and \$89 million, respectively.

Procurement from Northern America increased by \$391 million, while in Oceania it was \$51 million higher. Total procurement from suppliers in Oceania was \$174 million, with an additional \$40 million procurement from suppliers in the Marshall Islands and \$53 million from Australian suppliers.

MAJOR COUNTRIES OF SUPPLY

The United States of America remained the largest supplier country by procurement volume in 2021, increasing its supplies by \$398 million to \$2.3 billion. UNICEF increased its procurement from suppliers in the country by \$291 million, while UNPD was the second largest procuring organization with a total of \$426 million. The country is the top supplier for *Management and administrative services, Engineering and research services, and IT and communications equipment*.

Total procurement from Mexico was just \$38 million lower, making it the second-largest supplier country in 2021, up from the 44th largest in 2020. While UNOPS was the largest procuring organization from suppliers registered in Mexico (total \$2.2 billion), UNHCR increased its procurement there by \$9.4 million and WFP by \$6.4 million.

China was the third-largest supplier country in 2021 due to a 70.5 per cent increase in procurement from suppliers there. It also became the second-largest country of supply for *Pharmaceuticals, contraceptives and vaccines* and *Medical equipment and supplies*, after Mexico.

A \$978 million increase took Switzerland from seventh to fourth largest. The increase included \$174 million more of *Building and maintenance services*, making Switzerland the largest supplier country in this segment. It was followed by India which, despite recording an additional \$300 million of procurement, moved from the fourth to fifth-largest country of supply.

Denmark, the second-largest country of supply in 2020, was the sixth largest in 2021, with a total of \$1.1 billion, \$413 million of which was for *Transportation, storage and mail services* and \$208 million for *Pharmaceuticals, contraceptives and vaccines*. One quarter of its total (or \$348 million) was procurement with a UN organization as the supplier – more details are in the collaborative procurement section.

Belgium was the seventh largest, with a total of \$988 million, 73.6 per cent (or \$727 million) of which was for *Pharmaceuticals, contraceptives and vaccines*.

France, with \$820 million, was the eighth largest and the top supplier country for *Laboratory and testing equipment*. The United Arab Emirates was the ninth largest with \$795 million, and the United Kingdom of Great Britain and Northern Ireland moved into the top ten with \$726 million.

Yemen, which was the ninth largest in 2020, moved to eleventh place, even though procurement from the country increased by \$42 million. Kenya, which was tenth in 2020, saw a \$67 million reduction and became the fourteenth-largest supplier country.

→ Table 6. Top 10 supplier countries by procurement volume, 2021

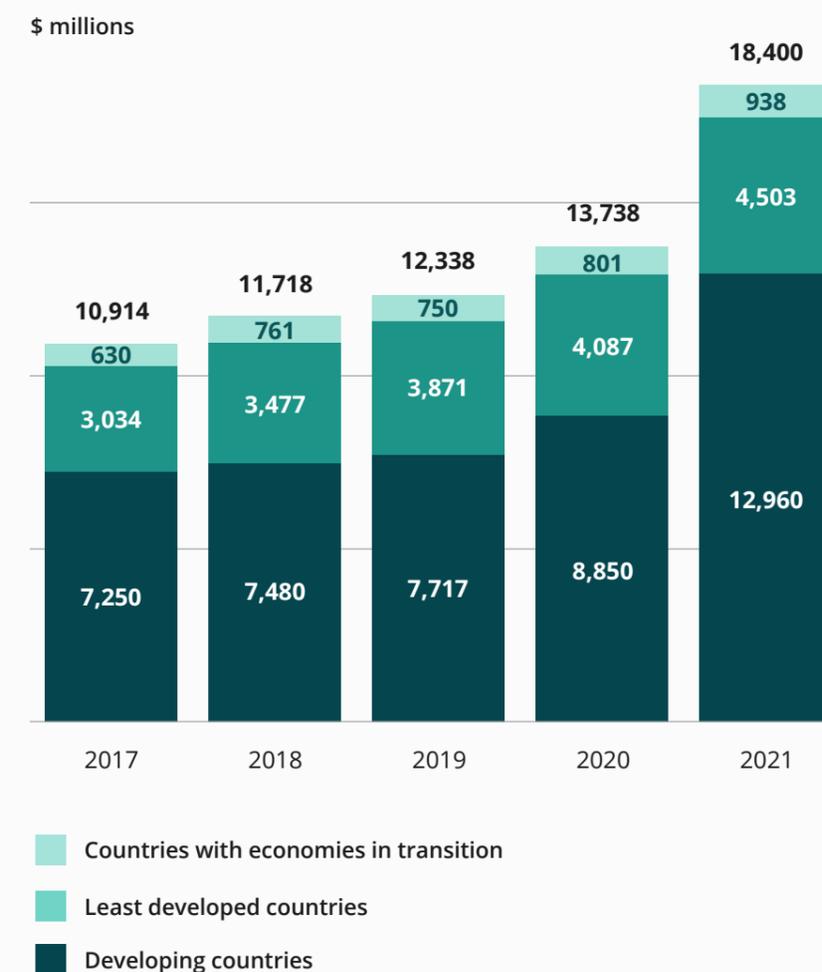
Supplier country	Goods 2021 (\$ millions)	Services 2021 (\$ millions)	Total 2021 (\$ millions)	Share of UN total 2021 (%)	Total change 2020-2021 (%)
United States of America	1,327.4	1,000.0	2,327.5	7.9%	20.6%
Mexico	2,226.1	63.7	2,289.9	7.7%	1951.3%
China	1,618.1	115.0	1,733.1	5.9%	70.5%
Switzerland	871.3	847.6	1,719.0	5.8%	132.0%
India	1,049.9	197.2	1,247.1	4.2%	31.7%
Denmark	488.4	628.0	1,116.4	3.8%	2.5%
Belgium	904.3	83.6	987.9	3.3%	40.0%
France	580.7	239.1	819.8	2.8%	9.5%
United Arab Emirates	530.6	264.6	795.2	2.7%	0.6%
United Kingdom of Great Britain and Northern Ireland	305.7	420.1	725.8	2.5%	21.7%
Top 10 total	9,902.6	3,859.0	13,761.6	46.5%	58.6%
UN total	17,450.0	12,144.6	29,594.5		32.5%



Four of the top ten supplier countries are classified as developing countries: Mexico, China, India and the United Arab Emirates. Those four countries accounted for \$6.1 billion in 2021.

Total procurement from developing countries was worth \$18.4 billion, with \$4.5 billion from LDCs (see Figure 4). There was \$938 million of procurement from countries with economies in transition. The Russian Federation was the largest supplier country among these, with \$282 million (up from \$272 million in 2020). Kyrgyzstan had the largest increase within the group, with procurement rising by \$51 million to a total of \$71 million in 2021.

→ Figure 4. Procurement from developing countries, countries with economies in transition and least developed countries, 2017-2021





Site inspection for hazardous material testing at the supplier's location
Thailand © UNESCAP

ESCAP

MARKET RESEARCH FOR HAZARDOUS MATERIAL TESTING PROJECT

The Economic and Social Commission for Asia and the Pacific (ESCAP) initiated a number of activities under an occupational safety and health framework for its building compound in Bangkok, Thailand. One such activity is laboratory testing to identify and quantify the presence of hazardous building materials and components within the compound – mainly asbestos, heavy metals and total polychlorobiphenyls – that may require special handling or disposal during any future demolition, retrofitting or construction activities. ESCAP sought a qualified supplier to sample, test and report on the building materials at the compound.

After seeking technical advice from ILO, ESCAP conducted market research to understand the sampling and testing laboratory capacity in Thailand for these hazardous substances and its ability to comply with international standards.

The ESCAP procurement unit held a series of information sessions and site visits to local laboratories where potential suppliers confirmed the types of testing they could do in Thailand or with other laboratories as international partners. ESCAP inspected the laboratory facilities to understand the analysis process and applied protocols.

A supplier was selected, and the testing and analysis at the ESCAP compound completed. The final test reports resulted in an ESCAP handbook on handling hazardous materials during construction and maintenance.

ESCAP procured \$4.4 million worth of Building and maintenance services in 2021, \$4.2 million of which were procured from suppliers in Thailand.

PROCUREMENT FROM LEAST DEVELOPED COUNTRIES

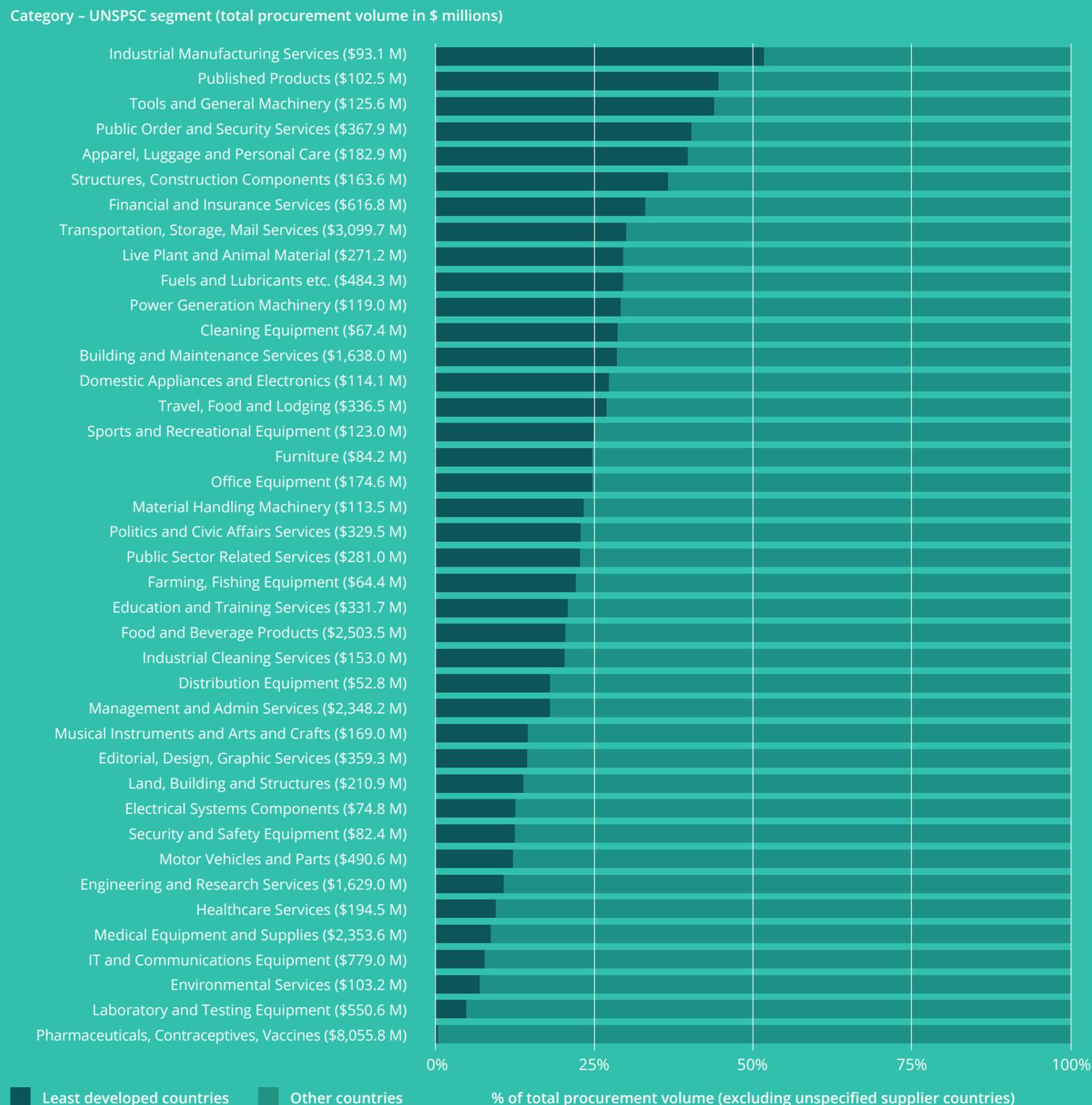
The UN established the category of least developed countries in 1971 to acknowledge the additional support such countries need. The number of countries on the list peaked at 51 in 1991 and, as of 2021, stood at 46. Only six countries have progressed enough to leave the list, the most recent being Vanuatu in 2021. Supporting economic activity in LDCs is essential to help them meet their sustainable development goals and aspirations. One way to do this is by procuring from suppliers in these countries.

UN procurement from LDCs has increased year on year since 2016. In 2021, total procurement from these countries reached \$4.5 billion, representing a \$416 million or 10.2 per cent increase compared to 2020. Yemen had the largest procurement volume in 2021, totalling \$721 million.

A number of LDCs saw increases in procurement compared to 2020 (*see Table 7*). Procurement from suppliers in Ethiopia rose by \$89 million, or 28.5 per cent, compared to 2020, due in part to a \$53 million increase in *Transportation, storage and mail services*. Procurement in this segment represented more than half of the total procurement from Ethiopian suppliers.

Afghanistan experienced a 33.3 per cent increase in procurement, up by \$88 million to \$351 million in 2021. This included \$97 million of *Food and beverage products*, up by \$62 million compared to 2020. Procurement rose by \$55 million from suppliers in Sudan and by \$54 million in South Sudan. In all three countries, increased procurement by WFP was partially responsible for the higher procurement volume.

→ Figure 5. Procurement by category – total procurement volume by segment and proportion procured from least developed countries, 2021 (UNSPSC segments with procurement volume above \$50 million; unspecified goods and services excluded)



→ Table 7. Top 20 countries by procurement volume – least developed countries, 2021

Supplier country	Goods 2021 (\$ millions)	Services 2021 (\$ millions)	Total 2021 (\$ millions)	Share of UN total 2021 (%)	Total change 2020–2021 (%)
Yemen	187.7	532.9	720.6	2.4%	6.2%
Ethiopia	120.3	282.9	403.2	1.4%	28.5%
Afghanistan	168.0	182.8	350.9	1.2%	33.3%
Sudan	155.6	185.1	340.7	1.2%	19.4%
South Sudan	87.6	195.5	283.1	1.0%	23.5%
Democratic Republic of the Congo	55.8	136.1	191.9	0.6%	-16.5%
Bangladesh	97.5	90.0	187.5	0.6%	-17.3%
Uganda	72.6	114.1	186.6	0.6%	1.1%
Somalia	17.6	129.4	147.0	0.5%	4.9%
Mozambique	80.6	57.9	138.5	0.5%	42.2%
Mali	23.0	100.2	123.2	0.4%	16.8%
Niger	46.2	65.6	111.8	0.4%	-10.7%
Burkina Faso	48.7	57.9	106.7	0.4%	17.0%
Chad	34.9	61.0	95.9	0.3%	-0.3%
United Republic of Tanzania	40.9	47.9	88.8	0.3%	-7.3%
Rwanda	61.4	24.7	86.1	0.3%	61.3%
Madagascar	44.4	40.0	84.4	0.3%	114.9%
Myanmar	57.0	26.2	83.2	0.3%	-13.4%
Central African Republic	24.8	52.8	77.7	0.3%	-19.4%
Haiti	22.9	48.5	71.4	0.2%	14.2%
Top 20 total	1,447.5	2,431.5	3,879.0	13.1%	10.5%
LDCs total	1,662.8	2,840.3	4,503.2	15.2%	10.2%
UN total	17,450.0	12,144.6	29,594.5		32.5%

The greatest decreases in procurement from LDCs were in Bangladesh (down by \$39 million), the Democratic Republic of the Congo (\$38 million decrease) and Malawi (down by \$36 million).

Transportation, storage and mail services was the segment with the largest volume procured from LDCs, totalling \$929 million (\$97 million more than in 2020). Procurement from LDCs in this segment has increased 34.1 per cent since 2018. The second largest category supplied from LDCs was *Food and beverage products* (up by \$100 million to \$510 million). The category with the largest proportion of procurement from LDCs was *Industrial manufacturing services* (\$48 million out of the total \$93 million, or 51.7 per cent).

WFP continued to be the largest procurer from suppliers in LDCs in 2021, with a total of \$1.6 billion. This was \$295 million higher than in 2020 and accounted for 36.5 per cent of all UN procurement from LDCs. UNICEF was the second largest procurer from LDCs, with \$810 million, followed by UNDP with \$399 million.



HOW DO WE DO PROCUREMENT WITHIN THE UNITED NATIONS SYSTEM?

PROCUREMENT BY ORGANIZATIONS OF THE UNITED NATIONS SYSTEM

Reporting organizations recorded significant changes in procurement volume in 2021 compared to 2020 (see Table 8). Many organizations reported an increase in procurement activity, either relating to the COVID-19 pandemic or, in some cases, a return to pre-pandemic levels as restrictions to operations were eased.

UNICEF was the largest procuring organization with a total of \$7.2 billion in 2021, up by \$2.7 billion, or 60.7 per cent, compared to 2020. Its procurement of *Pharmaceuticals, contraceptives and vaccines* increased by 171 per cent to \$4.2 billion, partly due to procurement of COVID-19 vaccines. Its procurement of *Medical equipment and supplies* was \$283 million lower than in 2020, but still 81.8 per cent, or \$387 million, more than in 2019. This reflects the changing nature of its procurement in response to the pandemic.

PAHO saw an increase of \$506 million in its volume, in part due to the procurement of COVID-19 vaccines and associated goods and services. Its procurement of *Pharmaceuticals, contraceptives and vaccines* reached \$1.1 billion, while procurement of *Transportation, storage and mail services* doubled, to \$108 million.

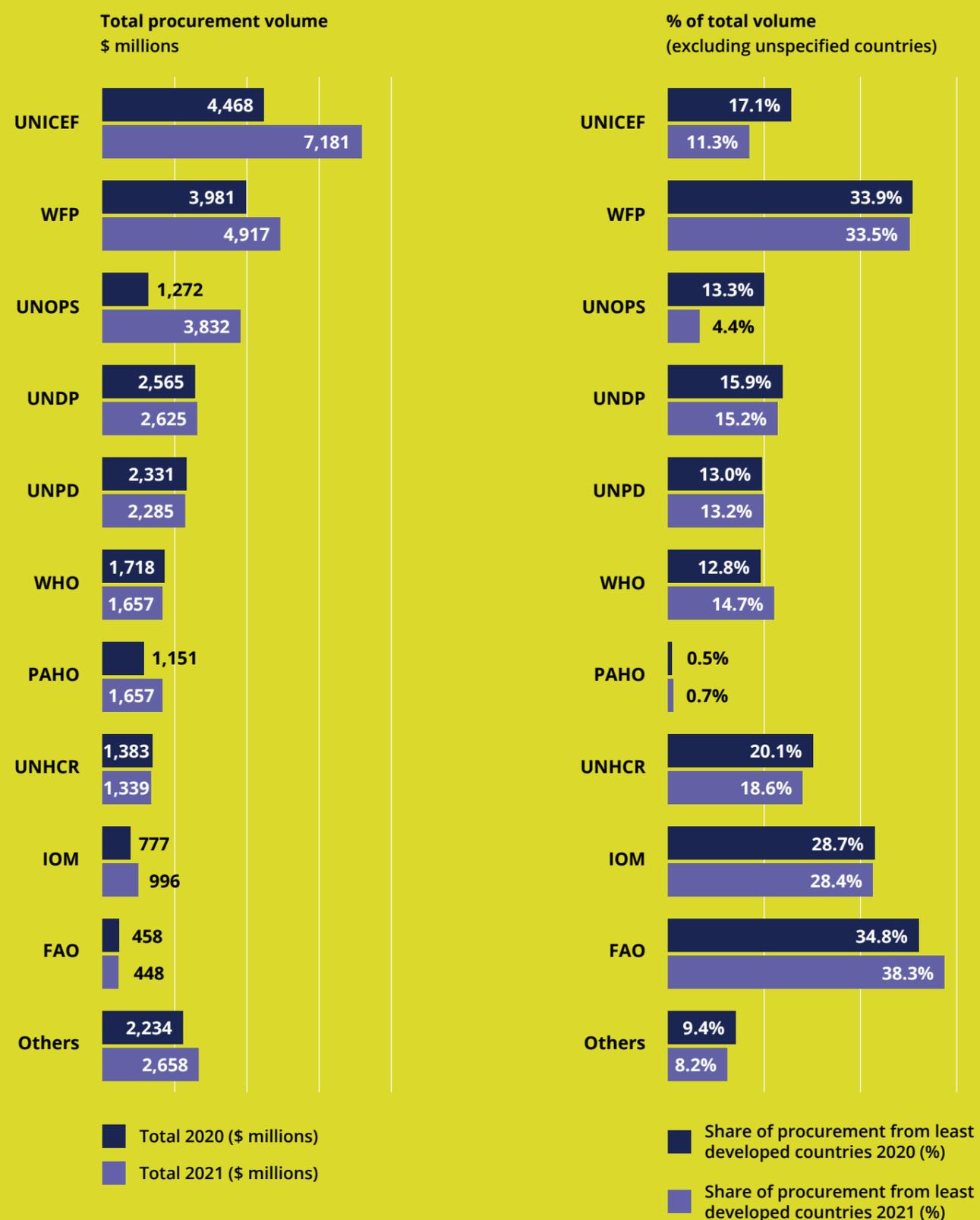
WFP was again the second largest organization by procurement volume, with a total of \$4.9 billion, \$936 million higher than in 2020. The increase was driven by a rapid expansion of food aid and related transport activities throughout 2021, with many emergencies requiring sustained quantities of cereals and pulses. WFP procured an additional \$394 million of *Food and beverage products*.

→ Table 8. Procurement by UN organization, 2021

Organization	Total 2021 (\$ millions)	Total change 2020-2021 (%)	Share of procurement from least developed countries 2021 (%)
UNICEF	7,180.8	60.7%	11.3%
WFP	4,916.7	23.5%	33.5%
UNOPS	3,831.8	201.4%	4.4%
UNDP	2,624.9	2.3%	15.2%
UNPD	2,284.7	-2.0%	13.2%
WHO	1,657.2	-3.5%	14.7%
PAHO	1,656.8	44.0%	0.7%
UNHCR	1,338.5	-3.2%	18.6%
IOM	996.3	28.2%	28.4%
FAO	448.4	-2.1%	38.3%
ILO	409.2	86.2%	11.9%
UNFPA	369.6	-21.9%	14.6%
UNRWA	277.6	23.1%	0.1%
IAEA	207.2	8.2%	0.3%
UNESCO	194.2	63.2%	13.1%
UNOG	180.2	27.7%	0.2%
UN Women	157.6	17.7%	16.8%
UNIDO	151.6	-2.2%	8.2%
WIPO	134.0	2.2%	0.3%
UNOV	93.0	4.1%	16.4%
UNON	64.3	4.4%	5.9%
IFAD	59.1	10.7%	11.0%
OPCW	39.6	60.7%	0.0%
UNAIDS	38.6	7.4%	13.9%
ICAO	35.2	*	0.2%
UNECA	28.4	64.1%	24.0%
WTO	27.5	*	0.0%
ITU	25.2	34.0%	0.9%
ITC	23.7	14.7%	34.0%
UNFCCC	23.0	77.0%	0.0%
ESCAP	16.9	28.2%	1.3%
IRMCT	15.2	-3.0%	14.8%
WMO	14.7	14.0%	0.1%
IMO	14.7	-24.4%	0.0%
ESCWA	12.9	115.2%	0.3%
UPU	12.6	8.1%	2.0%
UNU	10.1	5.3%	0.2%
UNV	9.8	7.4%	0.2%
ECLAC	9.4	1.3%	0.0%
UNWTO	2.4	48.7%	0.0%
UNAKRT	0.9	102.9%	51.6%
UN total	29,594.5	32.5%	15.2%

Note: Calculation of share of procurement from LDCs excludes data where the supplier country is unknown.
* ICAO and WTO reported for the first time in 2021.

→ Figure 6. Procurement by UN organizations from least developed countries, 2020-2021 (top 10 organizations by total procurement volume)



Procurement reported under the *Medical equipment and supplies* segment increased by \$339 million, but this was due to an improvement in the reporting of clinical nutrition products (previously reported under the *Food and beverage products* segment). The second largest category for WFP was *Transportation, storage and mail services*.

UNOPS procurement tripled compared to 2020, reaching \$3.8 billion in 2021. Of this, \$2.2 billion was related to procurement under a significant health project in Mexico. Apart from that project, UNOPS procurement reached \$1.6 billion, representing a 27.5 per cent increase compared to 2020. The largest UNOPS categories overall were *Pharmaceuticals, contraceptives and vaccines* (\$2.2 billion) and *Medical equipment and supplies* (\$500 million).

Several other organizations experienced significant increases in percentage terms. ILO increased its procurement by \$189 million, or 86.2 per cent, to \$409 million. This was driven by a \$131 million increase in *Building and maintenance services* related to a building renovation project. Procurement by the United Nations Framework Convention on Climate Change increased by 77.0 per cent, to \$23 million, in 2021 – procurement in 2020 was lower than usual due to the pandemic, and in 2021 the organization procured new technologies to support virtual and hybrid operations. Procurement by UNESCO increased by 63.2 per cent, or \$75 million, including \$43 million of *Building and maintenance services* through high-value construction contracts for projects in Iraq and Lebanon, and at its Paris headquarters.

Procurement by UNRWA increased by \$52 million, including \$15 million more in *Building and maintenance services*, in line with increased construction activity as COVID-19 restrictions eased.

Procurement by the International Atomic Energy Agency (IAEA) increased by \$16 million overall, partially influenced by major ongoing construction projects. UNDP reported increased demand from governments for support on health procurement, particularly for *Pharmaceuticals, contraceptives and vaccines*. UNDP procurement in that category increased by 29.1 per cent or by \$50 million to \$222 million. At the same time, its procurement of *Medical equipment and supplies* declined by 22.2 per cent to \$184 million.

While 31 organizations increased their procurement volume in 2021, 8 saw a decrease in their procurement. The largest reduction in absolute terms was for UNFPA – its procurement declined from an all-time peak level of \$473 million in 2020 to \$370 million in 2021, closer to the organization’s long term average level of procurement. This was due to uncertainty regarding longer-term donor funding. The reduction was primarily in the categories of *Pharmaceuticals, contraceptives and vaccines* (down \$55 million) and *Medical equipment and supplies* (down \$32 million). Procurement by WHO fell by \$61 million to \$1.7 billion; which was still \$764 million higher than its 2019 level. In percentage terms, the International Maritime Organization reported the largest decrease, down 24.4 per cent, or \$4.7 million, to \$15 million.

In 2021, 19 organizations procured at least 10 per cent of their goods and services from LDCs, while 5 organizations procured more than 25 per cent. WFP procured the most in terms of volume (\$1.6 billion total), while the United Nations Assistance to the Khmer Rouge Trials (UNAKRT) procured the most from LDCs in terms of percentage of total procurement (51.6 per cent, or \$0.5 million).



COLLABORATIVE PROCUREMENT

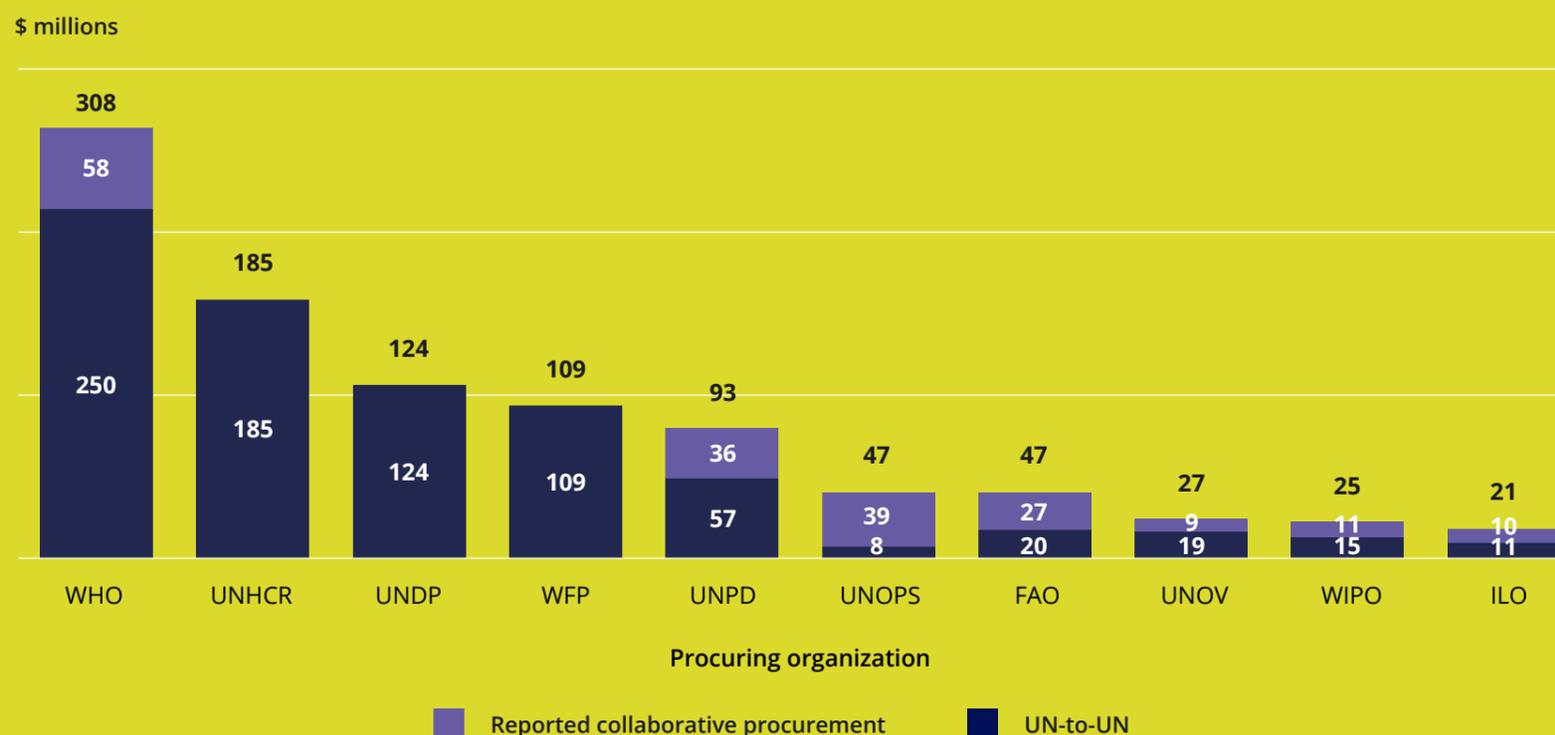
In response to General Assembly resolution 71/243 on the Quadrennial Comprehensive Policy Review, information on collaborative procurement has been collected since 2016. The resolution called on organizations to further their synergies and inter-organization efforts. It requested that UN system entities explore further opportunities for collaborative procurement at the global, regional and country levels. That resolution was further reinforced by the 'Mutual Recognition' statement, to which many UN organizations are signatories.

The objective of collaborative procurement is to achieve reduced prices or better service through economies of scale, and to reduce inefficiency and duplication across UN organizations.

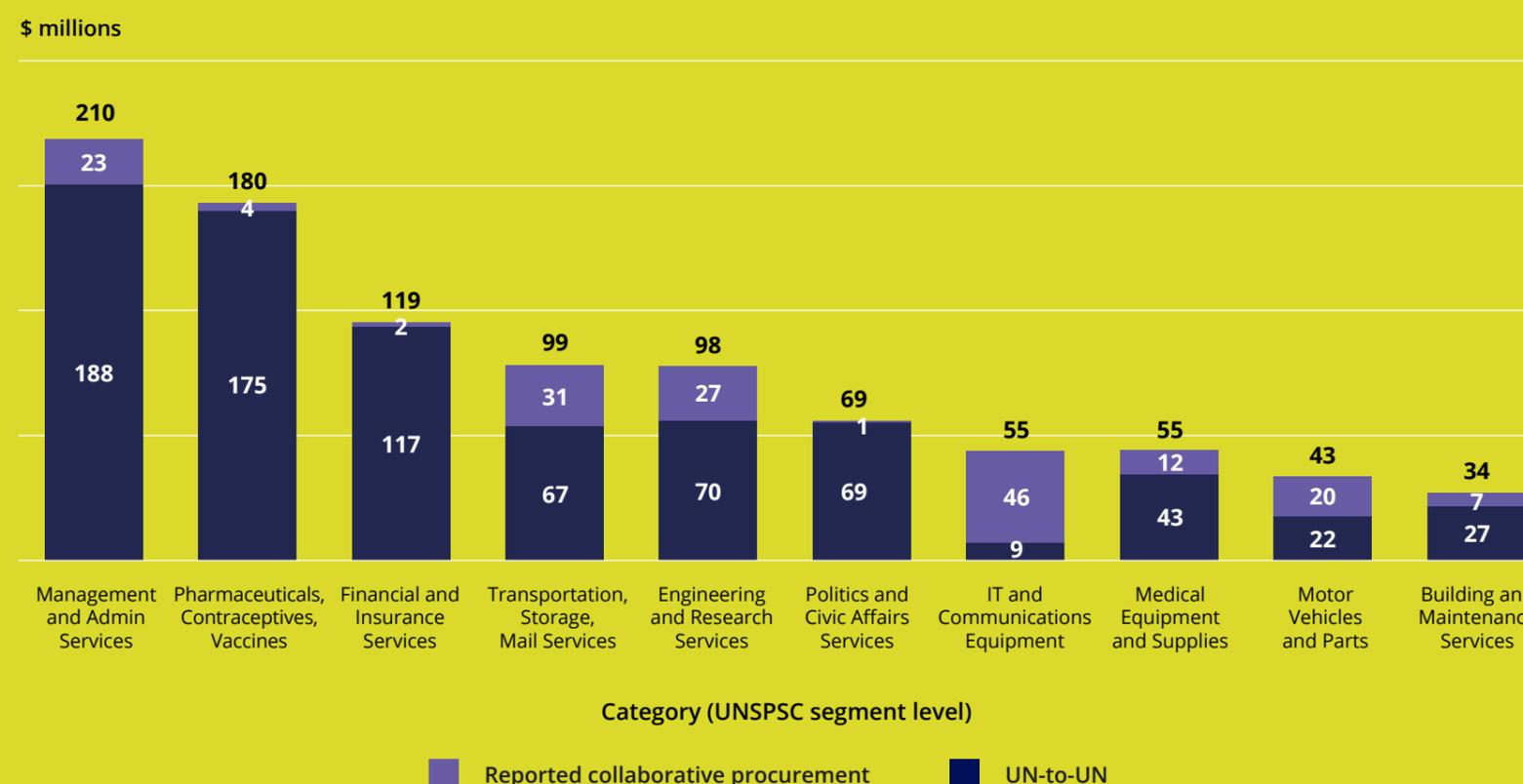
In 2021, for the first time since reporting began, all 41 participating organizations used collaborative procurement approaches, reaching \$1.1 billion of collaborative UN procurement in total. With a slight increase of \$14 million since 2020, collaborative procurement represented 3.9 per cent of the total procurement volume in 2021. Within the total reported collaborative procurement amount, transactions where an organization procured goods and services from another UN organization accounted for 80.7 per cent, or \$922 million, whereas other procurement reported by organizations as collaborative totalled \$220 million, or 19.3 per cent.

Technical challenges in reporting collaborative procurement data at a transactional level do not allow some organizations to identify the exact figure of collaborative procurement volume. Reported numbers are therefore likely to reflect a conservative estimate of UN system collaboration.

→ Figure 7. Collaborative procurement reported by organizations (top 10 procuring organizations)



→ Figure 8. Collaborative procurement reported by category (top 10 UNSPSC segments procured)



In this analysis, total collaborative procurement is divided into UN procurement from other UN organizations ('UN-to-UN') and reported collaborative procurement, which represents collaborative activities outside UN-to-UN procurement.

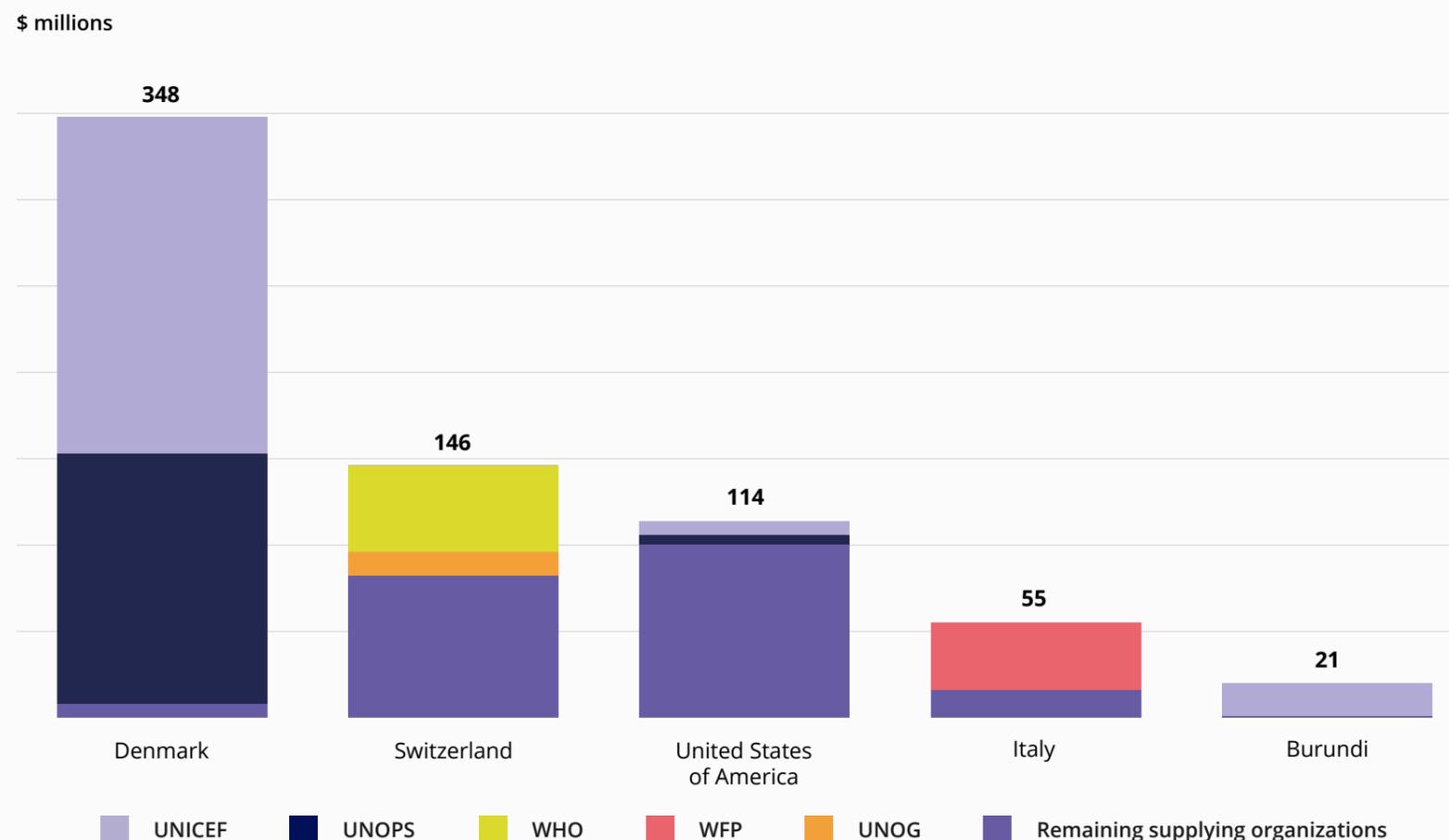
Reported collaborative procurement activities amounted to \$220 million in 2021 – a decrease of \$42 million from 2020. This corresponds to the fact that fewer organizations reported such collaborative procurement in 2021: 29 organizations, compared to 34 in 2020.

Despite the overall decrease in reported collaborative procurement (excluding UN-to-UN procurement), 12 organizations reported more of such activity since 2020. UNPD had the largest increase, with an additional \$14 million reported as collaborative compared to 2020, followed by WHO (up by \$6.9 million) and FAO (up by \$3.4 million).

The largest category for reported collaborative procurement remained unchanged from last year – *IT and communications equipment* amounted to \$46 million, procured primarily from suppliers in the United States of America and Denmark. This was followed by *Transportation, storage and mail services*, with \$31 million, including \$19 million procured from suppliers in Denmark, and *Engineering and research services* with \$27 million, of which \$11 million was procured from suppliers in Switzerland.

The total amount of UN-to-UN procurement increased by \$56 million, or 6.5 per cent, compared to 2020, and totalled \$922 million. The increase was driven mainly by UNPD, whose volume procured from other UN organizations increased by \$33 million in 2021, with a significant part consisting of *Management and*

→ Figure 9. UN-to-UN procurement 2021, by supplier country and supplying UN organization



administrative services. Considerable increases in UN-to-UN procurement were also observed in UNDP (up by \$25 million) and WHO (up by \$17 million).

Those three organizations were also the largest procurers from other UN organizations in 2021 overall (see Figure 7). WHO had the largest UN-to-UN procurement volume for the second consecutive year, with \$250 million procured from other UN organizations in 2021. The main components were *Pharmaceuticals, contraceptives and vaccines* from UNICEF (\$154 million) and *Management and administrative services* (\$44 million), procured mainly from UNOPS.

The top 10 largest categories in UN-to-UN procurement remained the same as in the previous year, with the exception of *Sports and recreational equipment*, for which the volume increased by \$18 million since 2020, moving the segment from twelfth place in 2020 to eighth in 2021. This was due primarily to increased procurement of mosquito nets, which protect people from mosquito-borne illnesses, but fall under the *Sports and recreational equipment* segment in the UNSPSC classification.

Looking at the supplying UN organizations, UNICEF was the key supplier to other UN organizations, totalling a record high of \$245 million in 2021, mainly in the

category of *Pharmaceuticals, contraceptives and vaccines* (\$175 million). The second organization by volume of supply provided to other UN organizations was UNOPS, with \$162 million, including \$105 million in *Financial and insurance services*. UNDP was the third-largest organization for the second consecutive year, supplying \$124 million worth of goods and services to other UN organizations, \$32 million of which was for *Management and administrative services*.

The five countries with the highest volumes of UN-to-UN procurement had increased their supplies by \$63 million since 2020 and totalled \$685 million in 2021. While the top four countries remained in the same positions as in the previous year, Burundi moved from fifteenth place in 2020 to fifth in 2021, recording a total of \$21 million (up by \$14 million). This was driven by the procurement of mosquito nets by UNDP from UNICEF and reported in the country. The three largest countries also host some of the main operational hubs of the UN system.

Supply-chain management collaboration is a form of collaboration distinct from those activities outlined previously, following the definition by the High-Level Committee on Management Procurement Network (HLCM-PN). UNICEF is the only organization that reports this type of collaboration. In 2021, 83.4 per cent of its goods procurement volume was conducted through supply-chain management collaboration, totalling \$4.7 billion.





Health-care workers in the Colombian Amazon region
Colombia © WHO/Blink Media – Nadège Mazars

UNICEF AND PAHO

TOGETHER DELIVERING 912 MILLION COVID-19 VACCINES TO THE WORLD

In 2021, UNICEF and PAHO strengthened their partnership to procure and transport life-saving vaccines to low- and middle-income countries on behalf of COVAX.

The COVAX Facility is the only global initiative aiming to ensure that countries have fair and equitable access to COVID-19 vaccines, regardless of wealth or whereabouts. It is the largest vaccine supply operation ever undertaken.

UNICEF, at the global level, and PAHO, in the region of the Americas, worked together to ensure that quality-assured COVID-19 vaccines were procured and delivered to countries without delay as soon as vaccines were available. This meant that high-risk and vulnerable groups – including front-line health-care workers – could be protected from infection, helping prevent severe illness, save lives, and keep health systems running.

Together, UNICEF and PAHO delivered more than 912 million COVID-19 vaccines (including vaccines directly procured or donated) to 133 countries by the end of 2021. As soon as vaccines touched down at airports, UNICEF and PAHO supported governments in rolling out their vaccination campaigns, including in difficult-to-reach areas such as mountain villages, Pacific islands, the Amazon basin, and conflict settings.

This work, on behalf of COVAX, was built on the foundation of the UNICEF and PAHO joint vaccine tender launched in late 2020 and the long-standing partnership between both organizations.

SUSTAINABLE PROCUREMENT

Since the adoption of the [Sustainable Procurement Statement](#) by the HLCM-PN in 2009, sustainable procurement has become increasingly prominent and important within UN organizations. The Annual Statistical Report on UN Procurement includes data on the extent to which sustainability considerations are incorporated into the procurement processes of these organizations, as reported voluntarily. For the 2021 report, 39 of the 41 organizations submitted sustainable procurement information. UN Women and the IAEA did not report on this occasion.

Among the highlights in 2021 were: the development and implementation of new sustainability policies by some UN organizations; revision of existing sustainability policies; development of guidance and tools for sustainable procurement implementation; inclusion of sustainability considerations in tenders; and adoption of e-procurement systems. Notably, some organizations moved from planned implementation in key areas, as reported in 2020, to implementation in 2021. The following is a snapshot of the key trends in 2021. More detailed information can be found on the [ASR website](#).

The number of organizations that have adopted or plan to adopt formal sustainable procurement policies increased marginally in 2021. Out of 39 reporting UN organizations, 34 had either existing or newly implemented policies, or planned to develop them in 2022. The share of organizations that had moved from planned adoption of sustainable procurement policies in 2020 to actual implementation in 2021

increased by 10 per cent. The number of reporting UN organizations that had plans to develop or had developed and implemented sustainable procurement strategies rose from 29 to 30. Less than 50 per cent of organizations had adopted or had plans to adopt measurable sustainability targets or objectives, but that was a slight increase over the previous year. It is common practice for the adoption of measurable targets to follow adoption of strategy and policy implementation.

The number of organizations conducting internal capacity development of staff declined slightly in 2021, with 25 out of 39 organizations training their procurers on sustainable procurement practices during the last three years. Training was delivered mostly internally, externally or in hybrid forms such as self-paced or virtual training sessions.

The number of UN organizations that had made or planned to make additional investments in activities to enhance internal sustainable procurement capacity increased from 17 to 21. Some of the investments included recruiting staff to support sustainable procurement; developing e-procurement and other related procurement software; providing training programmes for staff; and producing guidance resources and tools. Two organizations reported moving from planned implementation in 2020 to actual implementation in 2021. A further six organizations plan to make additional investments in 2022.

→ Figure 10. Status of sustainable procurement policy, strategy and target adoption, 2021



→ Figure 11. Internal capacity development, 2021



From 2019 to 2021, there has been an increase in the proportion of organizations that have included or plan to include sustainability-related content into contract clauses. In 2021, 72 per cent of organizations reported that they included sustainability considerations in their contractual clauses, an 8 per cent increase from the previous year. The use of total cost of ownership in the financial evaluation of tenders rose slightly to 87 per cent, with one more organization implementing it in 2021.

The inclusion of sustainability criteria in requirements definitions showed a negative trend, decreasing from 82 per cent in 2019 to 77 per cent in 2021. Inclusion of sustainability criteria in requirement definitions contributes positively to the development of beneficiaries when considered well and early in the procurement process. It ensures that suppliers and the goods, services or works they provide meet the sustainability expectations of the procuring

organization. On average, the inclusion of sustainability criteria in the requirements of technical and administrative procurement categories remained the same in 2021. However, there was a 5 per cent increase in the number of organizations that included sustainability criteria in over 20 per cent of their procurement in technical categories.

The integration of the three recognized pillars of sustainability (environmental, social and economic) became more balanced in 2021. The inclusion of social considerations in procurement processes increased sharply, from 79 per cent in 2020 to 97 per cent in 2021. This shows the sustained efforts of organizations to address social issues – such as gender inclusion and labour standards – through procurement. Environmental and economic considerations were also more widely incorporated, with 95 and 85 per cent of organizations respectively reporting the inclusion of these aspects

in procurement processes. Thirty-two organizations reported integrating all three pillars of sustainability in procurement processes.

Suppliers will always be integral to improving sustainable procurement. Supplier engagement through the verification of adherence to the UN Supplier Code of Conduct and collaboration with suppliers fell to 64 per cent and 51 per cent respectively in 2021. The three principal ways organizations checked suppliers' adherence to the Code of Conduct were: through the maintenance of the United Nations Global Marketplace (UNGM) roster, supplier questionnaires, and site visits by either the organization or a third party. Furthermore, organizations collaborated with suppliers to enhance sustainability through procurement by considering sustainability criteria, monitoring supplier performance in projects, and establishing supplier programmes or initiatives.

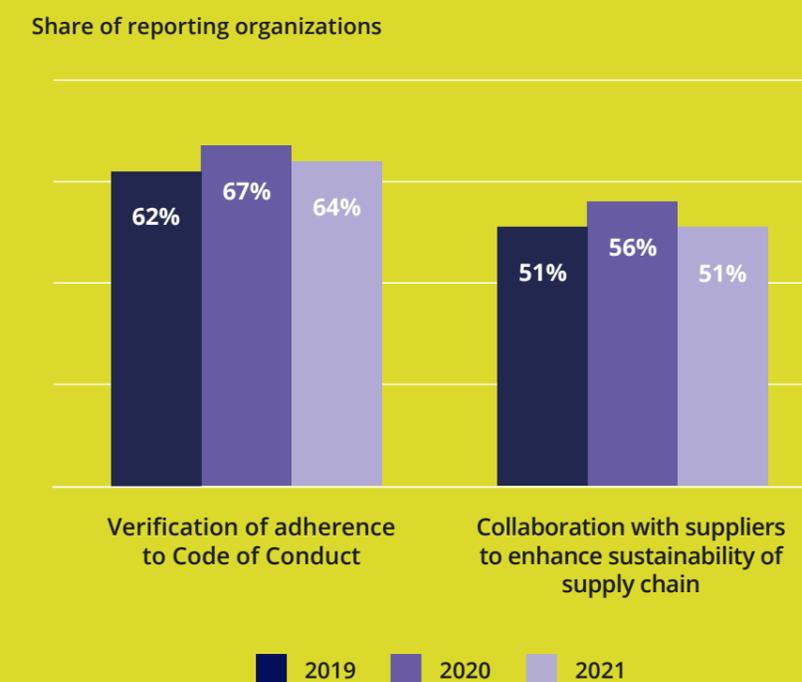
→ Figure 12. Year to year comparison of sustainable procurement integration in the procurement process of reporting organizations, 2019-2021



→ Figure 13. Considerations integrated into procurement processes, 2019-2021



→ Figure 14. Supplier engagement, 2019-2021





FIND OUT MORE

FIND OUT MORE

The insights in this report only scratch the surface of the data available in the ASR. Online interactive and user-friendly dashboards containing procurement data from 2013 to 2021 are available on the UNGM website. These dashboards provide the ability to delve deeper into procurement statistics, analyze procurement from certain countries, organizations and spend categories, find details of major contracts, and much more.

There is also a dedicated section on sustainable procurement, where you can get more information on UN organizations' progress with incorporating sustainability into the procurement process.

GO TO

WWW.UNGM.ORG/ASR

TO FIND OUT MORE.

The screenshot displays the UNGM website interface with several key components:

- Procurement by category (ungm.org/ASR):** A dashboard with filters for 'Procurement by year (USD)', 'Procurement by organization', and 'Procurement by category (segment)'. It includes a bar chart for years 2013 and 2014, and a table of UNSPSC segments:

UNSPSC segment	Procurement value (USD)
Pharmaceuticals, Contraceptives, Vaccines	19,7 mil M
Transportation, Storage, Mail Services	16,8 mil M
Food and Beverage Products	12,7 mil M
- Collaborative Procurement (ungm.org/ASR):** A dashboard showing:
 - Total procurement value (USD): \$22,34 mil M
 - Collaborative procurement value (USD): \$1.128,31 M
 - Pie chart for 'Collaborative procurement Proportion of total procurement': 94,9% Collaborative, 5,1% Non-collaborative.
 - Pie chart for 'Type of collaborative procurement Proportion of collaborative procurement': 76,7% UN to UN, 23,3% Other collaborative procurement.
 - Number of organizations with collaborative procurement: 38
 - Number of categories with collaborative procurement: 57
- Website Navigation:** The top navigation bar includes the United Nations Global Marketplace logo, language selection (English), Help Center, and Log in/ Register buttons.
- Main Content Area:** Titled 'ANNUAL STATISTICAL REPORT ON UN PROCUREMENT', it features a search bar and four main sections:
 - Report:** The latest and historical versions of the ASR.
 - Data:** Interactive UN procurement data.
 - Sustainable procurement:** Advancing sustainable development through procurement.
 - About:** Methodology and history of UN procurement statistics, and how to use the dashboards.
- Footer:** A 'UN Procurement Statistics - from the Annual Statistical Report on United Nations Procurement (ASR)' section with introductory text and a 'Help' button.



APPENDIX

METHODOLOGY

PARTICIPANTS

In 2021, 41 UN organizations participated in the ASR, two more than in 2020 with the addition of ICAO and WTO, which reported for the first time. Where this report mentions procurement by the UN system or by UN organizations, it refers to the procurement activities of those 41 organizations.

Note that within the dashboards on UNGM, the statistics for IRMCT encompass procurement previously reported as under the United Nations International Criminal Tribunal for the former Yugoslavia (UN-ICTY/MICT).

PROCUREMENT DATA

UNOPS requests statistical data from UN organizations on the procurement of goods and services for operational activities. This data is based on purchase orders raised in the reporting calendar year.

Procurement is defined (as per the [UN Procurement Practitioner's Handbook](#)) as the acquisition through purchase or lease of real property, goods or other products (including intellectual property), works or services.

Goods include objects of every kind and description, including raw materials, products, and equipment and objects in solid, liquid or gaseous form. Services incidental to the supply of the goods may also be included if their value does not exceed that of the goods themselves.

Services include work, duty or labour performed by a contractor under a contract. Rendering of services may involve the associated provision of utilities or facilities

→ Organizations participating in the ASR, 2021

ECLAC	Economic Commission for Latin America and the Caribbean
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCWA	Economic and Social Commission for Western Asia
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IMO	International Maritime Organization
IOM	International Organization for Migration
IRMCT	International Residual Mechanism for Criminal Tribunals
ITC	International Trade Centre
ITU	International Telecommunication Union
OPCW	Organisation for the Prohibition of Chemical Weapons
PAHO	Pan American Health Organization
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNAKRT	United Nations Assistance to the Khmer Rouge Trials
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNOG	United Nations Office at Geneva
UNON	United Nations Office at Nairobi
UNOPS	United Nations Office for Project Services
UNOV	United Nations Office at Vienna
UNPD	United Nations Procurement Division
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UNU	United Nations University
UNV	United Nations Volunteers
UNWTO	World Tourism Organization
UPU	Universal Postal Union
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization
WTO	World Trade Organization

if specified in the contract. Typical examples of services include security, catering, cleaning, travel management, event management, IT services, training, freight forwarding and consulting.

While UN organizations may have different systems and methodologies to record and report on procurement data individually, for the ASR, a common definition of procurement is used, and data is collected in a standardized format. Some organizations may therefore publish procurement statistics that differ from those published in the ASR. For example, UNDP, in addition to its own direct procurement portfolio, includes the National Implementation Modality (NIM) – one of the organization’s distinct activities – in its own procurement data (you can find more information about this on the [UNDP website](#)). However, NIM is not included in UNDP statistics for the ASR.

Participating organizations upload procurement data into an online system hosted by UNGM, where it is subject to an initial verification. UNOPS then conducts detailed data quality and consistency checks to ensure the data is comparable across organizations and years. Each reporting organization is ultimately responsible for the accuracy and completeness of the data it submits.

UNPD extracted, validated and submitted procurement data on behalf of its affiliate organizations that implemented Umoja, a common enterprise resource planning (ERP) system used by several UN organizations. Each organization confirms its data submission and is individually represented in the report. The 11 organizations subject to this process in this reporting year were: UNPD, Economic Commission for Latin America and the Caribbean (ECLAC), Economic and Social Commission for Asia and the Pacific (ESCAP), Economic and Social Commission for Western Asia (ESCWA), International Residual Mechanism for Criminal Tribunals (IRMCT), International Trade Centre

(ITC), United Nations Assistance to the Khmer Rouge Trials (UNAKRT), United Nations Economic Commission for Africa (UNECA), United Nations Office at Geneva (UNOG), United Nations Office at Nairobi (UNON) and United Nations Office at Vienna (UNOV). Similarly, UNDP prepared and submitted data on behalf of United Nations Volunteers (UNV), as well as submitting its own data.

PROCUREMENT VOLUME AND CURRENCY

Purchase orders and contracts for services are reported by contract amount and not by expenditures incurred. Many organizations are unable to report actual expenditures due to technical limitations.

Organizations can submit data in one of three currencies: United States Dollars (USD), Euros (EUR) or Swiss Francs (CHF). This report uses only United States Dollars. Where organizations have submitted data in Euros or Swiss Francs, these values have been converted to US Dollars using an average exchange rate based on operational rates of exchange published by the United Nations Treasury. The rates used for this reporting year are:

- 1.00 USD = 0.842 EUR
- 1.00 USD = 0.914 CHF

Most participating organizations operate across various locations and procure in multiple currencies. Each organization determines how it converts from the original currency into currency reported for the ASR.

Unless otherwise stated, changes in procurement volume in either absolute or percentage terms refer to year-on-year changes from the previous reporting year to the current one.

There may be slight differences between sums of numbers presented in tables and figures and the given totals. This is due to rounding.

CATEGORIZATION

To enable reporting on categories of goods and services across all UN organizations, participating organizations are requested to provide procurement data based on the UN Standard Products and Services Code® ([UNSPSC](#)) standard, at the most detailed level possible. The UNSPSC is a publicly available multi-sector standard for the classification of goods and services. It is a four-level category hierarchy – the four levels are segment, family, class and commodity. Minor adaptations have been made for the purposes of presentation in the ASR. These include abbreviating segment names for presentation purposes and categorizing condoms under the *Pharmaceuticals, contraceptives and vaccines* segment. In 2021, the abbreviation of *Medical equipment* was changed to *Medical equipment and supplies* to better reflect the inclusion of products related to clinical nutrition.

The ability to specify UNSPSC categories significantly improved for reporting organizations in 2021. In some limited cases, organizations cannot provide information on the categorization of goods and services procured, in which case this data is reported as “unspecified goods” and “unspecified services”. The amount of data reported against unspecified categories decreased from 0.6 per cent, or \$137 million, in 2020 to only 0.02 per cent or \$5.3 million in 2021.

Where categories are known, the overall specificity of the goods and services categories reported by the organizations increased. The amount of goods and services reported at the most general segment level decreased from 17.7 per cent in 2020 to 15.7 per cent in 2021, while the procurement volume reported at the most specific class and commodity levels increased from 53.3 per cent or \$11.8 billion in 2020 to 62.6 per cent or \$18.5 billion in 2021. This was mainly due to the growth in the *Pharmaceuticals, contraceptives and vaccines* segment,

in which 81.1 per cent of total procurement was reported at the most detailed levels.

The specificity of reported procurement varies based on the organization and category concerned. Care should be taken when analyzing data at more specific levels, as it may not be a true representation of total spending in that sub-category.

As a complement to the UNSPSC hierarchy, the categories are further summarized into sectors for the ASR. The sectors were extensively updated for the 2020 edition and had minor changes in 2021 to better reflect the key areas of UN procurement. Each sector includes goods and services categories from different UNSPSC segments, the highest level in the UNSPSC hierarchy. Some of these segments are split into different sectors based on the nature of the goods and services and their predominant purpose in the UN context, including:

- The *Pharmaceuticals, contraceptives and vaccines* and *Medical equipment and supplies* segments both have portions related to veterinary products grouped under the Food and Farming sector, while the rest is reported under the Health sector
- The *Transportation, storage and mail services* segment is divided between the Transportation and Storage sector and the Travel, Accommodation and Catering Services sector to distinguish between transportation of goods and people
- The *Management and administrative services* segment is split between the Administration and Operations sector and the Finance, Insurance and Real Estate sector
- The *Engineering and research services* segment is split between the sectors of Construction, Engineering and Science, Media, IT and Communications, Administration and Operations, and Transportation and Storage

- The *Motor vehicles and parts* segment is divided between the Motor Vehicles, Industrial Machinery and Heavy Equipment sector and the Transportation and Storage sector
- The *Apparel, luggage and personal care* segment is split between Health and Other Goods and Services

More information about the categorization used in the ASR can be found on the [UNGM website](#).

SUPPLIER COUNTRY

Throughout this report, the terms ‘country’ or ‘countries’ refer to countries and territories. Unless otherwise stated, they refer to supplier countries reported by the submitting organizations. Tables and charts show UN Member States only – other countries or territories are grouped and displayed as ‘remaining countries’.

Country names follow the Standard Country or Area Codes for Statistical Use, referred to as the [M49 standard](#) (prepared by the Statistics Division of the United Nations Secretariat). The designation of countries by geographic region is also based on this standard.

There is no established convention for the designation of development status countries or areas in the UN system. However, for analytical purposes, the ASR reports on procurement from LDCs as defined under the M49 standard. The ASR also reports procurement under the groupings of developed countries, developing countries, and countries with economies in transition as defined by [UNCTADstat](#); however, these groupings will no longer be maintained from 2022.

The designations employed do not imply the expression of any opinion whatsoever on the part of the UN concerning the legal status of any country, territory, city or area, or of its authorities, or concerning the delimitation of its

frontiers or boundaries. The assignment of countries or areas to specific groupings is for statistical convenience and does not imply any assumption regarding political or other affiliation of countries or territories by the UN.

Some UN organizations cannot report supplier country data due to the technical limitations of the procurement systems in use. Where organizations cannot provide supplier country information, data is reported under ‘unspecified countries’.

Reporting on supplier country information remained the same as in the previous year, with information provided for 99.9 per cent of the total UN procurement volume. While \$44 million could not be reported against a specific country, \$35 million could be attributed to a region.

Where comparisons are made between supplier country and total procurement (for example, the proportion of procurement from developing countries as a percentage of procurement from all countries), adjustments have been made to only include data where the supplier country is known. For more information on country designations for the ASR, visit the [ASR website](#).

SUPPLIER NAMES

Supplier names are published on the [ASR website](#) under data on major contracts.

Where organizations are unable to provide the supplier name, the data is reported under ‘unspecified supplier’. If the supplier name is protected for security reasons, the name is reported under ‘Name withheld for security reasons’. If the supplier is an individual, the name is reported as ‘Name withheld for privacy reasons’. If publishing the supplier name with other contract-related information could potentially breach confidentiality agreements, this information is not included in the major contracts data on the ASR website.

For analysis based on suppliers, adjustments have been made to only include data where the supplier name is known (not unspecified nor withheld for security, confidentiality or privacy reasons).

COVID-19 PROCUREMENT

For the 2020 and 2021 reports, organizations were invited to submit information on the procurement of goods and services directly related to the COVID-19 pandemic response. Noting the differing mandates of the participating organizations, each defined the most appropriate approach to identifying relevant transactions (for example, based on project or product). However, organizations were asked to refrain from flagging procurement for internal purposes (e.g., furniture or IT equipment for personnel working remotely) and instead focus on goods and services procured for beneficiaries.

Detailed information on the procurement of COVID-19 vaccines cannot be published in the report or dashboards for confidentiality reasons. However, the value of this procurement is included within the aggregated ASR data.

COLLABORATIVE PROCUREMENT

The collection of collaborative procurement data aligns with the definition of common procurement provided in the 2015 'Harmonizing UN Procurement: Common UN Procurement at the Country Level' [guidelines](#) by the High-Level Committee on Management Procurement Network (HLCM-PN) Working Group on Harmonization.

The types of common procurement considered in the document are:

- Using existing long-term agreements (LTAs) or contracts of other UN organizations ('piggybacking')
- Using the solicitation results of other UN organizations to establish own LTA

- Establishing and using joint LTAs and contracts through 'lead agency' approach
- Using procurement services of other UN organizations
- Procuring from another UN organization
- Using a joint procurement unit

For most organizations, this information is not recorded in ERP systems and requires estimation and approximation by reporting organizations. In the analysis of collaborative procurement, data where the supplier name matches a recognized UN entity, as well as data flagged as collaborative by reporting organizations, is considered to be collaborative procurement.

In October 2019, the HLCM-PN defined the following activities as supply-chain management collaboration (separate from those defined as collaborative procurement):

- Sharing technical requirements (specifications, terms of reference, statement of works) or developing common technical and performance requirements
- Leveraging technical expertise of other UN organizations and non-UN partners to collaborate on quality assurance of products and services
- Joint forecasting, logistics and warehousing with UN and non-UN partners for the purpose of market shaping activities or joint assessments of manufacturers' capacity with UN and non-UN partners
- Joint strategies with UN and non-UN partners, e.g. to stimulate and create product development and markets, to ensure product tracking, etc.

In 2021, only UNICEF submitted information on supply-chain management collaboration.

SUSTAINABLE PROCUREMENT

As in previous years, to enable reporting on the extent to which UN organizations have integrated sustainability

considerations into their procurement processes, a voluntary online survey was conducted in parallel with the data collection process for the ASR.

Recognizing the limitations in capturing sustainable procurement data, the survey included both qualitative and quantitative metrics on sustainable procurement across the following key themes:

- Policy and strategy
- Integration in procurement processes
- Internal capacity development
- Supplier engagement
- UN Global Compact

The analysis of sustainable procurement presented in the report does not reflect any judgements on any individual organization's progress on sustainable procurement. Rather, the report aggregates data to provide a snapshot of noteworthy trends within the UN system.



This document is available online at www.ungm.org/asr and www.unops.org.
Published in July 2022.