Introduction to UNHCR Procurement

Dr. Alexander Blecken
Senior Supply Chain Planning Advisor
International Procurement Seminar
15-16 November 2016, Bonn
UNHCR is mandated to help refugees and acts in different ways to ensure the well-being of refugees

Mandate

- **Lead and coordinate** international action for the worldwide protection of refugees
- Safeguard the rights and **ensure the well-being of refugees**
- Provides **complete protection, support and assistance** to refugees and other persons of concern
UNHCR at a glance

Founded in 1951

Approximately 9,300 employees

Present in 125 countries with a total of 455 offices

7 strategic stockpiles, ability to serve 500,000 people in 72 hours

Procurement volume strongly increased from 389 mUSD (2010) to 951 mUSD (2015)

Headquarters in Geneva, Budapest and Copenhagen

89% of staff works in the field

Local procurement represents approx. one half of UNHCR’s direct procurement

Budget 2015: 6.8 bnUSD, funded by private, governmental and intergovernmental contributions

Source: Doing business with UNHCR (2015)
UNHCR serves a high variety of persons of concern in many countries around the world

A total of nearly 57 million people (in m)

- Refugees: 15.1
- Asylum seekers: 3.9
- Returned IDPs: 2.3
- Returned refugees: 0.1
- Stateless: 1.4
- Internally displaced persons (IDPs): 34.0

3 out of 4 are in Asia or Africa (in m)

- Africa: 27.4
- Asia: 27.4
- Latin America and the Caribbean: 4.9
- Europe: 2.4
- Various / Stateless: 7.1
- South Sudan: 16.1
- Sudan: 7.1
- CAR: 4.9
- Somalia: 2.4
- Ukraine: 7.1
- South Sudan: 16.1
- Sudan: 7.1
- CAR: 4.9
- Somalia: 2.4
- Ukraine: 7.1
- South Sudan: 16.1
- Sudan: 7.1
- CAR: 4.9
- Somalia: 2.4
- Ukraine: 7.1

Source: Annual Statistic Report 2015

11/15/2016  Page 4
UNHCR’s operations determine its global procurement needs

- UNHCR helps and protects some of the world’s most vulnerable people
- UNHCR operates in many different places and types of environment
- UNHCR’s procurement needs range from fleets of heavy duty vehicles for use in South Sudan to needles and thread for a self-help project in Pakistan
- UNHCR also hires consultants and specialized companies for projects
Strong increase of 20% p.a. of procurement volume since 2010

- Strong increase of procurement volume from 389m USD (2010) to 951 mUSD (2015), an average of 20% p.a.
- Growth in procurement volume over proportional in services
- Step increase from 2012-2013 mainly due to crises in Syria and South Sudan

Source: Annual Statistics Report

11/15/2016  Page 6
### Top procurement categories for goods and services (2015, in mUSD)

**Top goods categories mainly core relief (non-food) items**

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bedclothes/Mattresses</td>
<td>43</td>
</tr>
<tr>
<td>Blankets</td>
<td>42</td>
</tr>
<tr>
<td>Plastic Products</td>
<td>30</td>
</tr>
<tr>
<td>Clothing</td>
<td>26</td>
</tr>
<tr>
<td>Outdoor Equipment</td>
<td>26</td>
</tr>
<tr>
<td>Diesel</td>
<td>21</td>
</tr>
<tr>
<td>Kitchenware</td>
<td>20</td>
</tr>
<tr>
<td>Fuels</td>
<td>18</td>
</tr>
<tr>
<td>Soap/Hygiene</td>
<td>15</td>
</tr>
<tr>
<td>Lamps</td>
<td>15</td>
</tr>
</tbody>
</table>

**Business, administration, transport and construction among top service categories**

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business/Administration</td>
<td>154</td>
</tr>
<tr>
<td>Transport Support</td>
<td>51</td>
</tr>
<tr>
<td>Maintenance/Construction</td>
<td>36</td>
</tr>
<tr>
<td>Financial Services</td>
<td>34</td>
</tr>
<tr>
<td>Security/Safety</td>
<td>33</td>
</tr>
<tr>
<td>Civil affairs</td>
<td>32</td>
</tr>
<tr>
<td>Advertising/Information</td>
<td>26</td>
</tr>
<tr>
<td>Computer Services</td>
<td>22</td>
</tr>
<tr>
<td>Telecoms Services</td>
<td>18</td>
</tr>
<tr>
<td>Storage/Package</td>
<td>16</td>
</tr>
</tbody>
</table>

**Further procurement categories** include insurance, IT equipment, health, rental of properties and buildings, printing, training/workshops, drugs, medical supplies, generators, and many others.

Top supplying and destination countries (2014-2015)

Top supplying countries
- Lebanon: 223
- Denmark: 130
- Jordan: 124
- Iraq: 122
- Turkey: 94
- Kenya: 93
- India: 90
- UAE: 89
- Switzerland: 86
- USA: 71

Top destination countries
- Syria: 205
- Iraq: 196
- Lebanon: 187
- Jordan: 157
- Switzerland: 145
- Turkey: 126
- Kenya: 100
- South Sudan: 75
- Ethiopia: 65
- Afghanistan: 49

Source: Annual Statistics Report
11/15/2016  Page 8
Some tips for doing business with UNHCR

1. Procurement rules of all UN organizations very similar and published in respective UN organization’s procurement manual

2. Register with UNGM to become a supplier with UNHCR and monitor published procurement notices

3. Respond timely to published procurement notices

4. Address all requirements in procurement notices carefully

5. Submit competitive bids / proposals
UNHCR procurement rules in a nutshell

- UNHCR procurement is based on fairness, integrity and transparency through competition and best value for money, taking into consideration the best interest of the organization.
- UNHCR uses competitive bidding to obtain goods and services.
- Priority is to source in areas of operation (when prices are competitive and other conditions allow).
- Exceptions to this are limited to a few cases only.
Core Relief Items catalogue for improved acquisition and delivery of frequently used items

- Product development and innovation carried out in partnership with other international organizations as well as the private sector
- Core Relief Items catalogue developed to improve acquisition and delivery of widely used relief items
- Core Relief Items catalogue facilitates communication with manufacturers and suppliers supporting procurement and quality processes
- Core Relief Items catalogue includes specifications and quality requirements for 13 life-sustaining items
- Available online at cms.emergency.unhcr.org
Thank you for your interest in becoming a supplier to UNHCR

Visit our website: www.unhcr.org www.unhcr.org/supply

Detailed information on how to do business with UNHCR can be found online at http://www.unhcr.org/doing-business.html
BACKUP
UNHCR process of Procurement using Tendering methods

Tendering methods to UNHCR
- Open international tender
- Limited international tender
- Local tender
- Informal competition
- Join procurement activities

Visit us at
www.unhcr.org/supply
Doing Business
Learn about your business opportunities at
www.ungm.org
UNHCR
When submitting offers, adhere strictly to the requirements in the solicitation documents

Always **read carefully** the required manner of submission!

- Address all requirements as stated in the ToR
- Check that there are no prices in technical offers
- Do not send your final submission to the wrong address (i.e. buyer)
- Avoid late submissions

**Be patient**, the buyer will update you on any new developments. If questions arise, contact the buyer only. Do not contact other UNHCR colleagues
UNHCR values and conditions of Procurement

• UNHCR does not purchase from companies engaged in the sale or manufacture, either directly or indirectly, of antipersonnel mines or any components produced primarily for the operation thereof.

• UNHCR does not purchase from companies engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child.

• Building on the philosophy and achievements of the UN Global Compact, UNHCR envisions a world in which the private sector plays a constructive role in finding durable solutions for people forced to flee their homes, including refugees and the internally displaced, as well as returnees.

• To achieve this, we proactively engage with corporations and foundations eager to help drive change and find innovative solutions to refugee issues. This collaboration can take many forms ranging from special events to cause-related marketing campaigns reaching millions of people.
UNHCR Procurement process

Competitive Bidding
Published on UNHCR and UNGM website

Evaluation
Technical and financial

Contracting
Purchase Order (PO) | Frame Agreement (FA)

RFP (Request for Proposal)
ITB (Invitation to Bid)
RFQ (Request for Quotation)

Tender method takes into account complexity of the item and monetary value
The mission of UNHCR facing sustainability, environment and local economy

To obtain:

• The right goods and services
• At the right prices
• To be delivered at the right time and the right place

UNHCR works for a policy of sustainable procurement, to benefit the environment, society and local economy
Current suppliers come from almost all countries