DOING BUSINESS WITH THE UNITED NATIONS (UN)

Eric Dupont, Chief Procurement Services Branch UNFPA & HLCM Procurement Network Advisory Chair

@UN_Procurement
Agenda

☐ UN Procurement & Statistics
☐ Supplying the UN
☐ General UN Procurement Procedures
☐ Practical Tips
UN Procurement & Statistics
High Level Committee of Management’s Procurement Network

Heads and Directors of 40 Agencies
Procurement & United Nations ultimate goals

The Sustainable Development Goals 2015-2030

https://sustainabledevelopment.un.org/
The UN Global Compact and the Supplier Code of Conduct

- The UN strongly encourages all vendors to actively participate in the **Global Compact**
  
  The Global Compact promotes principles of **human rights, labour, environment and ethical conduct**
  
  [www.unglobalcompact.org](http://www.unglobalcompact.org)

- The **UN Supplier Code of Conduct** based on same principles as above and should inspire business practices of suppliers
  
  The UN Supplier Code of Conduct provides minimum standards expected of suppliers to the UN
  
Total UN procurement of goods and services 2013-2017

USD billions

Procurement volume of the 10 principal UN organizations 2016 and 2017

<table>
<thead>
<tr>
<th>Organization</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNICEF</td>
<td>$3,485</td>
<td>$3,429</td>
</tr>
<tr>
<td>WFP</td>
<td>$3,075</td>
<td>$2,962</td>
</tr>
<tr>
<td>UNPD</td>
<td>$3,233</td>
<td>$2,747</td>
</tr>
<tr>
<td>UNDP</td>
<td>$2,117</td>
<td>$1,697</td>
</tr>
<tr>
<td>UNHCR</td>
<td>$1,180</td>
<td>$1,239</td>
</tr>
<tr>
<td>UNOPS</td>
<td>$1,069</td>
<td>$900</td>
</tr>
<tr>
<td>PAHO</td>
<td>$790</td>
<td>$919</td>
</tr>
<tr>
<td>WHO</td>
<td>$757</td>
<td>$667</td>
</tr>
<tr>
<td>IOM</td>
<td>$522</td>
<td>$618</td>
</tr>
<tr>
<td>FAO</td>
<td>$317</td>
<td>$371</td>
</tr>
</tbody>
</table>

USD millions
Top 10 countries of supply to the UN System 2017

USD millions

<table>
<thead>
<tr>
<th>Country</th>
<th>Supply (USD millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>1,741</td>
</tr>
<tr>
<td>India</td>
<td>907</td>
</tr>
<tr>
<td>UAE</td>
<td>797</td>
</tr>
<tr>
<td>Belgium</td>
<td>719</td>
</tr>
<tr>
<td>France</td>
<td>693</td>
</tr>
<tr>
<td>UK</td>
<td>555</td>
</tr>
<tr>
<td>Switzerland</td>
<td>547</td>
</tr>
<tr>
<td>Netherlands</td>
<td>512</td>
</tr>
<tr>
<td>Denmark</td>
<td>507</td>
</tr>
<tr>
<td>Kenya</td>
<td>503</td>
</tr>
</tbody>
</table>
What did the UN buy in 2017?

Top 5 sectors (80% of total UN procurement)

- Health: 21.5%
- Transport: 16.5%
- Food & farming: 16.5%
- Construction & engineering: 11%
- Consultancy, Administration & Operations: 11%
- Other goods & services: 11%
UN procurement from Denmark

Top agencies
- UNICEF
- UNDP
- UNPD
- WHO
- UNHCR

Top sectors
- Transportation, IT
- Equipment,
- Pharmaceuticals, Vehicles
UN procurement from Finland

Top agencies
UNICEF
UNDP
UNIDO
UNU
WMO

Top sectors
Transportation, Medical Equipment, IT Equipment, Education & Training
UN procurement from Norway

Top agencies
UNHCR
WFP
UNDP
WHO
UNICEF

Top sectors
Electrical Systems,
Buildings & Structures,
Engineering & Research
UN procurement from Sweden

Top agencies:
- UNICEF
- UNPD
- UNHCR
- UNDP
- WHO

Top sectors:
- Management & Admin,
- Medical Equipment,
- Transportation, Publication

(in million USD)
Supplying the UN
The United Nations System

UN Principal Organs
- General Assembly
- Security Council
- Economic and Social Council
- Secretariat
- International Court of Justice
- Trusteeship Council

UN Subsidiary Bodies
- Main and other sessional committees
- Standing committees and ad hoc bodies

Programmes and Funds
- UNCTAD United Nations Conference on Trade and Development
- ITC International Trade Centre (UNCTAD/WTO)
- UNDP United Nations Development Programme
- UNCDF United Nations Capital Development Fund
- UNV United Nations Volunteers
- UNEP United Nations Environment Programme
- UNFPA United Nations Population Fund

Other Entities
- UN-HABITAT United Nations Human Settlements Programme
- UNHCR Office of the United Nations High Commissioner for Refugees
- UNRWA United Nations Relief and Works Agency for Palestine Refugees in the Near East
- UN-Women United Nations Entity for Gender Equality and the Empowerment of Women
- WFP World Food Programme

Research and Training Institutes
- UNICRI United Nations International Crime and Justice Research Institute
- UNIDIR United Nations Institute for Disarmament Research

Related Organizations
- CBITO PrepCom Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization
- IAEA International Atomic Energy Agency
- OPCW Organization for the Prohibition of Chemical Weapons
- WTO World Trade Organization

Secretariat
- Treaty Bodies: Human Rights Council, International Law Commission
- Standing committees and ad hoc bodies

Subsidiary Bodies
- Counter-terrorism committees
- International Criminal Tribunal for Rwanda (ICTR)
- International Criminal Tribunal for the former Yugoslavia (ICTY)
- Military Staff Committee
- Peacekeeping operations and political missions
- Sanctions committees (ad hoc)
- Standing committees and ad hoc bodies

Functional Commissions
- Crime Prevention and Criminal Justice
- Narcotic Drugs
- Population and Development
- Science and Technology for Development
- Social Development
- Statistics
- Status of Women
- Sustainable Development
- United Nations Forum on Forests

Regional Commissions
- ECA Economic Commission for Africa
- ECE Economic Commission for Europe
- 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

Regional Commissions
- Committee for Development Policy
- Committee of Experts on Public Administration
- Committee on Non-Governmental Organizations
- Permanent Forum on Indigenous Issues
- United Nations Group of Experts on Geographical Names
- Other sessional and standing committees and expert panels

Specialized Agencies
- ILO International Labour Organization
- FAO Food and Agriculture Organization of the United Nations
- UNESCO United Nations Educational, Scientific and Cultural Organization
- WHO World Health Organization
- IMF International Monetary Fund
- ICAO International Civil Aviation Organization
- IMO International Maritime Organization
- ITU International Telecommunication Union
- UPU Universal Postal Union
- WMO World Meteorological Organization
- WIPO World Intellectual Property Organization
- IFAD International Fund for Agricultural Development
- UNIDO United Nations Industrial Development Organization
- UNWTO World Tourism Organization

Trusteeship Council
- JTUN/JTCL United Nations Trust Territory
- JTUN/JTS United Nations Trusteeship Council

Departments and Offices
- EOSG Executive Office of the Secretary-General
- DESA Department of Economic and Social Affairs
- DPI Department of Political Affairs
- DPKO Department of Peacekeeping Operations
- DSS Department of Safety and Security
- DGACM Department for General Assembly and Conference Management
- OCHA Office for the Coordination of Humanitarian Affairs
- OHCHR Office of the United Nations High Commissioner for Human Rights
- OIOS Office of Internal Oversight Services
- OLA Office of Legal Affairs
- OSAA Office of the Special Adviser on Africa
- OSRSO/CACCC Office of the Special Representative of the Secretary-General for Children and Armed Conflict
- UNHCR Office of the United Nations High Commissioner for Refugees
- UNICEF United Nations Children's Fund
- UNODA Office of Disarmament Affairs
- UNOP United Nations Office of Project Services
- UNRISD United Nations Research Institute for Social Development
- UNRWA United Nations Relief and Works Agency for Palestine Refugees in the Near East
- UNSSC United Nations System Staff College
- UNU United Nations University
- UNITAR United Nations Institute for Training and Research
- UNUS United Nations University

Other Agencies
- UNAIDS Joint United Nations Programme on HIV/AIDS
- UNISDR United Nations International Strategy for Disaster Reduction
- UNOPS United Nations Office for Project Services

United Nations System Staff College
- United Nations System Staff College
UN System of Organisations

- The United Nations is **not a single organisation**

- Each organisation is a **market in itself**
  - different functions, characteristics and requirements

- Important to **recognise** the above if you wish to do business with the UN
Are you ready to supply the UN?

- Market knowledge
- Suitable products/services
- Export experience, references
- Competitive prices
- Networks/partners
- Capacity - personnel/financial
- Intercultural skills, languages
- Flexibility, accuracy
- Persistence and patience
Step-by-step towards success

- Market research, identify relevant UN Organisations, register (with accurate coding)
- Understand the procurement practices, seek opportunities, subscribe to tender alerts
- Bid according to tender documents, seek clarification
- Performance
Web-based information

UN Procurement’s single commercial and procurement portal: United Nations Global Marketplace (UNGM) www.ungm.org

Welcome to the UNGM

Register
Business Opportunities
Tender Alert Service
UN Staff Area
Contract Awards
Knowledge Centre
UN Procurement Procedures
Guiding Principles for UN Procurement

Procurement activities of the UN system are based on the following:

- Best interests of the UN Organisation
- Best value for money
- Integrity, accountability, transparency
- Fairness, effective competition
Common General Terms & Conditions

- Cover both procurement of goods and contracting of services
- Most provisions are common within the UN system, but can be differences
- Potential suppliers are encouraged to familiarise themselves with the UN General Terms & Conditions

Other **specific Terms and Conditions** are part of the contract (e.g. deliverables, delivery timeline, payment schedules, TOR, etc.)
How is the procurement method decided?

- the value of the procurement
- the nature of the goods and services to be procured
- critical dates for delivery
Types of solicitation

Request for Quotation (RFQ) - less formal solicitation used for lower value procurement (< USD 30,000*)

Invitation to Bid (ITB) - formal solicitation method for well-defined goods (or services); contract award is based on lowest priced acceptable bid (> USD 30,000)

Request for Proposal (RFP) - formal solicitation, generally for services, whereby the contract award is based on a combined (weighted) evaluation of both the technical solution and price (> USD 30,000)

Pre-tender/market research:
- Request for Expression of Interest (REOI),
- Request for Information (RFI),
- Pre-qualification

* Thresholds may vary
In addition . . .

**Long Term Agreement/Frame Agreement**
- Based on ITB or RFP process
- 2-4 years period
- Potentially more than one LTA for same goods/service
- Single tendering exercise *reduces administrative effort*
- The supplier benefits in terms of *continuity of supply*

**Direct Contracting**
- Exceptional circumstances...
  - Extreme emergency
  - Sole source
- If competitive bidding process has failed for valid reason
- Very stringent controls and has to be well justified
Evaluation Criteria

- Acceptance of UN payment terms, terms & conditions etc.
- Technical requirements being met
- Delivery time & terms (Incoterms)
- Supply according to recognised international/national standards
- Sustainability criteria
Evaluation Criteria

- Supporting documentation provided incl. references
- Proven production capacity & financial strength
- Warranty conditions & appropriate after-sales service
- Price
Practical Tips

**General**
- Always respond to bid invitations — if you cannot submit an offer, inform accordingly

**Bid Preparation**
- Study bid documents, conditions and requirements carefully
- Ask for clarification if uncertain
- Ensure that your offer meets ALL bidding requirements
- Technical specifications — read carefully and meet minimum requirements
Practical Tips

- Provide quality statements – international/national standards
- Submit bid, catalogues etc. in requested language
- Prepare bid to facilitate work of procurement officer - requested format, use submission forms

Bid Submission

- Meet deadline
- Attend public bid openings, whenever called

Remember

- Learning process
Thank you!

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