United Nations Development Programme - Procurement

Empowered lives. Resilient nations.
Scope of Presentation

1. UNDP - who we are?

2. UNDP procurement

3. How to do business with UNDP
UNDP at a glance

A strategic practice that contributes to effective program delivery.

170+ The number of countries and territories where UNDP is working on the ground

3 Primary Focus Areas:
• Sustainable development
• Democratic governance and peacebuilding
• Climate and disaster resilience

On average UNDP supports 25+ elections every year around the world

7+ million Have received HIV testing and counselling since 2003 through UNDP-administered grants
Procurement Trend (million USD)

The UNDP procurement function is implemented through a decentralized business model across all Country Offices.

In 2018, UNDP’s procurement volume was $2,146,494,997.62

11.37% of total UN Procurement

Goods Services

UNDP Procurement by Region
UNDP has a truly global profile

Visit http://open.undp.org
Which are the major products?

- Pharmaceuticals
- Laboratory & Medical Equipment
- Vehicles & Parts
- IT Equipment – Hardware & Software
- Renewable energy systems
- Election Equipment
- Office Equipment
- Agricultural & Forestry Equipment
- Environmental monitoring equipment
- Shelter Items
Which are the major services?

- Construction & Engineering Services
- Travel Services
- Security Services
- Facility Rental/Leasing
- Project Management
- Conferencing Services
- Workshops & Training
- Transport
- Telecom Services
- Printing & Publishing
How is procurement organised?

- Decentralized to our country offices (165+)
- Every country office is a potential business partner
- Specialised HQ procurement centres (health, CPR, elections, energy and environment)
- Move towards regionalisation of procurement / clustering
- 70% of total spend with top 30 country offices
- Consult and review their websites at www.undp.org
Procurement Services Unit

Copenhagen, Denmark
• Procurement Support to Country Offices (advise, training, project management, purchasing & supply services)

New York, USA
• The main responsibility of the Procurement Support Office in NY is policy-making and oversight

Malaysia
• Operational procurement support and management of corporate LTAs and infrastructure

5 x Regional advisors
• Guidance and procurement advice to COs
How to do Business with UNDP

Procurement at UNDP

In order to fulfill its mandate and achieve its vision of empowered lives and resilient nations, UNDP must procure a significant volume of goods and services. As a public organization entrusted with donor funds and committed to supporting developing economies, UNDP abides by the following principles:

Best Value for Money, which consists of the selection of the offer that best meets the end-users’ needs and that presents the best return on investment. Best Value for Money is the result of several factors, including quality, experience, the vendor’s reputation, life-cycle costs and benefits, and parameters that measure how well the good or service allows the organization to meet its social, environmental or other strategic objectives.

Fairness, Integrity and Transparency, which ensures that competitive processes are fair, open and rules-based. All potential vendors should be treated equally, and the process should feature clear evaluation criteria, unambiguous solicitation instructions, realistic requirements, and rules and procedures that are easy to understand.

Effective International Competition, understood as giving all potential vendors timely and adequate information on UNDP requirements, as well as equal opportunity to participate in procurement actions, and restricting them only when it is absolutely necessary to achieve UNDP development goals.

In the best interest of UNDP, which means that any business transactions must conform to the mandates and principles of UNDP and the United Nations.

UNDP has to strictly observe its financial rules and regulations. While this may sometimes lengthen the procurement process, UNDP delegates a significant amount of authority to its Country Offices, has introduced more flexible methods for low-value/low-risk purchasing, and
Key success factors

- **Understand your client(s)** – a targeted approach focused on countries or projects that are most relevant to your offering is better than a broad approach.

- **Read documentation carefully**; if in doubt, request clarifications. Pay attention to details.

- **Invest resources in understanding the requirements of tenders** – too many tender responses fail to meet minimum requirements.

- **Performance is key** - problems will arise, how you respond to them will distinguish your company from others.
Innovation in procurement

- **UNDP procurement principles apply** – UNDP principles of fairness, transparency, effective competition and value for money govern all commercial engagements. UNDP can’t ‘promote’ specific products/brands

- **Demand and supply** – is there a clear demand for the product and does your product address this? Do you have relevant experience? Local network?

- **Commercial vs. Non-commercial arrangements** – There are specific avenues for non-commercial collaboration such as partnerships, donations and innovation facilities – still governed by UN principles – separate from procurement

- **Innovation within existing contracts** – Are there opportunities to innovate within existing contracts? Collaboration with existing LTA holders?
Democratic Governance and Peacebuilding

- UNDP supports, on average, 25 elections every year (including for example in 2018 Afghanistan, Madagascar, Libya, Myanmar, Malawi, Armenia, and Guinea Bissau, among others).

- UNDP supports procurement of all traditional elections material i.e. Ballot boxes, seals, Voting booths, Polling and Registration kits, Indelible ink, UV ink, etc.

- Security printing: a large range of items from ballot papers, forms, voter cards, etc. to plastic smartcards in National ID Projects. A vast scope of IT Solutions, including Biometric (AFIS/FRS) registration mobile equipment (BR Kits) and complex/customized systems. Mobile solar power supplies, telecommunications and customized SW/HW solutions are usually sourced as well.

- Political visibility, operational and reputational risks, large volumes and compressed timelines are typical characteristics of the projects supported in this area.
UNDP and its partners respond to natural disasters all over the world. Examples:

In the aftermath of the Hurricane Matthew October 2016, UNDP supported recovery efforts and crisis management in Haiti creating 123,680 work days, replacing key damaged equipment (e.g.: computers, electricity supply), removing mountains of debris such as fallen trees, rocks or waste (40 800 m³ of debris and waste were collected), 3 600 meters of roads at critical junctions were cleaned, 19 200 meters of irrigation canal were cleaned.


‘Enhancing Preparedness Capacity for Immediate Crisis Response and Early Recovery in Crisis Countries.’:

Supporting recovery after earthquake in Nepal - UNDP’s initial response started with activities such as debris removal and management, emergency livelihoods and early recovery coordination.
Sustainable Development

- **15 Hospitals in Libya** - Solar energy is saving lives in Libya's hospitals - [https://www.bbc.co.uk/programmes/p05fd6yk](https://www.bbc.co.uk/programmes/p05fd6yk)
- **UNDP’s Solar for Health initiative installs solar panels at hospitals, rural clinics and medical warehouses**, providing low-carbon power supply for essential services - [http://news.trust.org/item/20181221075449-rr88p](http://news.trust.org/item/20181221075449-rr88p)
- **34 Public Offices** in Afghanistan and **Lithium-ion flagship Project in the UN House, Afghanistan**
- **11 Schools** equipped with Solar in **Maldives**
- More than **400 Clinics and First Care Centres** in **Zimbabwe**
- **300 Public Facilities** and **Hospitals** in **Sudan**
- **10,000+ Solar Street Lamps**; 5,000+ Solar Lighting Kits and Solar Appliances such as solar fridges, lanterns, etc. in Libya, South Sudan, Togo, Mali, Yemen, Gabon or DPRK
THANK YOU!

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