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

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
UNDP has a truly global profile

Visit http://open.undp.org
Procurement Trend (million USD)
Which are the major products?

- Pharmaceuticals
- Laboratory & Medical Equipment
- Vehicles & Parts
- IT Equipment – Hardware & Software
- Election Equipment
- Office Equipment
- Agricultural & Forestry Equipment
- Environmental 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 (140)
- 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 Support Office

Copenhagen, Denmark
• Procurement Support to Country Offices (advise, training and procurement and supply services)

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

Regional representation
• KL - Operational procurement support
• Regional advisors
How to do Business with UNDP

Procurement at UNDP

In order to fulfill its mandate and achieve its vision of empowered 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 adheres to 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 ensure 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
Procurement from Nordic Vendors (2015)

Procurement by Country of Vendor (USD)

- **Denmark**: $3,749,105
- **Norway**: $4,430,959
- **Sweden**: $1,914,147
- **Finland**: $1,602,772
- **Iceland**: $65,705

Top 10 Vendors (by Expenditure)

1. DANOFFICE IT A/S (DK)
2. KUEHNE & NAGEL A/S (DK)
3. ADVISING IT A/S (DK)
4. ASTRIUM SERVICES ENTERPRISE (NOR)
5. NET DESIGN A/S (DK)
6. PHOENIX DESIGN AID (DK)
7. GRUE & HORNSTRUP A/S (DK)
8. COPENHAGEN ELECTION A/S (DK)
9. DANIMEX (DK)
10. KJAER & KJAER A/S (DK)

Top 10 Item Categories (by Expenditure)

- Computer Equipment and Accessories
- Transport Services
- Consultancy Services
- Computer Services
- Communications and Networking Equipment
- Marketing and distribution
- Batteries, Generators and Kinetic Power Transmission equipment
- IT Software
- Motor Vehicles and Accessories
- Electoral Equipment and Supplies
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?
THANK YOU!

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