Doing Business with UNIDO

Michael Dethlefsen
Chief
Procurement Services Division
Contents

Procurement Supporting Technical Cooperation Initiatives

✓ Procurement – Definition and Scope
✓ UNIDO Procurement Principles
✓ UNIDO Procurement At A Global Level
✓ Procurement Volume
✓ Top Ten Goods/Services Procured
✓ Most Frequently Procured Goods and Services
✓ Top Goods/Services Procured from Spain
✓ UNIDO eProcurement Portal
✓ How Are Vendors Identified?

United Nations Global Marketplace

Forms of Collaboration with UNIDO

Procurement Tips
Procurement Supporting Technical Cooperation Initiatives
CTCN - Global Distribution of Consortium Partners Network Members in 50+ Countries
Private Financing Advisory Network (PFAN)

**Multilateral public-private partnership** that nurtures low carbon, climate resilient projects

PFAN **bridges the gap** between investors and entrepreneurs, and matches financing with innovative low carbon, climate resilient projects in developing countries via a small public investment.

PFAN **mobilizes the expertise** of private sector companies in financing climate-friendly projects and technologies to screen business plans and select the most economically viable and environmentally and socially beneficial projects.

For the **entrepreneurs and businesses** selected, PFAN provides guidance on economic feasibility, project structure, investment and financing, preparation of business plan, and introductions to investors.
PFAN Track Record

Projects closed:
- 87 projects
- 701 MW installed capacity
- 2.6 million tonnes CO$_2$e pa
- 141 GWh pa energy savings
- Leverage ratio: 1 / 80

USD 1.2 billion raised

USD 8.7 billion

Pipeline:
- 358 projects
- 4,900 MW capacity
- 17.6 million tonnes CO$_2$e pa
- 141 GWh pa energy savings

USD 8.7 billion raised
Procurement - Definition and Scope

Definition

Procurement is defined as the overall process of acquiring goods, works, and services, which includes all related functions including planning, forecasting, supply chain management, identification of needs, sourcing and solicitation of offers, preparation and award of contract, as well as contract administration until the final discharge of all obligations as defined in the relevant contract(s). The procurement process covers activities necessary for the purchase, rental, lease or sale of goods, services, and other requirements such as works and property.

Scope

1. Implementation of UNIDO Technical Cooperation Programmes and Projects (TC Procurement), and
2. Maintenance and functioning of the Vienna International Centre, including UNIDO Headquarters (Non-TC Procurement).
UNIDO Procurement Principles

- Best interest of UNIDO
- Best Value for Money
- Effective competition
- Fairness, integrity and transparency
UNIDO Procurement at a Global Level
UNIDO Procurement Volume

2008 - 2016 Total UNIDO Procurement in USD
UNIDO Procurement: Goods vs. Services

<table>
<thead>
<tr>
<th>Year</th>
<th>Material</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>23.95</td>
<td>74.44</td>
</tr>
<tr>
<td>2014</td>
<td>22.05</td>
<td>82.75</td>
</tr>
<tr>
<td>2015</td>
<td>22.39</td>
<td>106.67</td>
</tr>
<tr>
<td>2016</td>
<td>13.86</td>
<td>87.93</td>
</tr>
</tbody>
</table>

EUR Millions
UNIDO Procurement Volume – By TC / non-TC

Procurement Volume
as of 2016.11.22

TC
NON-TC
SERVICE
MATERIAL

Procurement Volume
$ 132,351,067
TC / Non-TC
$ 108,897,749 / $ 23,453,318
Services / Material
$ 107,674,605 / $ 24,676,461

Show Detail in Portal
Top Ten Goods/Services

- Vocational training: EUR 8.89
- Building maintenance and repair services: EUR 9.57
- Strategic planning consultation services: EUR 9.72
- Environmental safety services: EUR 12.76
- Environmental reporting services: EUR 12.99
- Administrative acts ratification or implementation services: EUR 14.20
- Facility maintenance and repair services: EUR 20.08
- Environmental impact assessment: EUR 26.65
- Electric utilities: EUR 30.11
- Environmental advisory services: EUR 38.69
Most Frequently Procured Goods

- Ozone depleting substance replacement and phase-out equipment (in the refrigeration, solvents, aerosols and foam manufacturing sector);
- Equipment for the replacement of methyl bromide measuring, checking & testing instruments;
- Laboratory, calibration and testing equipment;
- Agricultural produce and materials;
- Equipment for textile apparel & leather production;
- Wood and timber products;
- Vocational toolkits;
- Chemicals;
- Hydrogen production and storage;
- Agricultural & food processing machinery and equipment;
- IT HW & SW equipment and supplies;
- Building and construction materials and supplies;
- Renewable and rural energy systems and infrastructure;
- Motor vehicles, parts, accessories;
- Leather and leather products, footwear;
- Office furniture and accessories;
- Engines, turbines and similar machinery and equipment (hydroelectric, others);
- Security and safety equipment;
- Wind mills and motors;
- Solar energy systems and related equipment;
- Pumps; compressors, valves, etc.;
- Air conditioning equipment, controls and machinery;
- Water treatment systems, equipment and machinery;
- Ventilation systems and equipment;
- Mining, quarrying and construction machinery and equipment;
- Recycling and waste management systems, equipment and machinery;
- Design, publication and training materials;
- Telecommunications equipment;
- Fishing testing equipment;
- Metrology equipment;
Most Frequently Procured Services

- Phase-out ozone depletion in refrigeration, foam, aerosols and solvents sector (ODS, POPS)
- Phase-out of methyl bromide
- Trade promotion and technology information exchange
- Standardization and laboratory accreditation
- Energy Policy and management (electricity and alternative systems)
- Advisory services for environmental protection
- Water management services
- Training
- Engineering design, research and development;
- Agro related services (textile, leather, fisheries, food...)
- Revolving credit support facilities;
- Office leases, maintenance and repair services;
- Construction works and site management;
- Technical assistance and advisory services;
- Air conditioning work and maintenance;
- Environmental engineering and science;
- Thematic mapping and evaluation services;
- Trade and business related services;
- Maintenance and repair services;
- Design, publication and advertising services;
- Telecommunication services
- Financial advisory services and insurance;
- Freight, transportation, storage and logistics services;
- Audit and accounting services;
- Laboratory testing and calibration services;
- Translation services;
Most Frequently Procured Services

- Electrical /mechanical installation works;
- Consulting/advisory services on environmentally sound technology and practices;
- Technology assessments and information exchanges;
- Repair and maintenance services;
- Consulting/advisory services on agriculture produce;
- Consulting/advisory services related to renewable energy and environmental systems and infrastructures;
- Technology conversion, retrofit and rehabilitation projects;
- Energy policy and management;
- Environmental management related advice and consulting services;
- Consulting/advisory services related to environmental protection;
- Waste disposal related advice and services;
- Cleaner technology promotion services;
- Water pollution related services;
- Industrial surveys and consulting services;
- Management advice and consultancy services;
- Training and development services;
- Consulting/advisory services related to nanotechnology;
- Security services;
- Catering services;
- Conference services;
- Business seminars and conferences;
- Professional & vocational training and workshops;
- IT SW and internet related services.
UNIDO Procurement Volumes from Spanish Companies

- 2013: EUR 3.00 million
- 2014: EUR 2.00 million
- 2015: EUR 3.00 million
- 2016: EUR 0.50 million

EUR Millions

UNIDO Procurement Volumes from Spanish Companies
Top Goods and Services Procured From Spanish Companies

Goods
• Power plants
• Hydro-treating machinery
• Greenhouse equipment
• Air pollution
• Heavy equipment components
• Pumps
• Constant temperature and humidity chamber
• Industrial machinery components and accessories
• Manufacture of machinery
• Irrigation

Services
• Environmental reporting services
• Energy or utility consulting service
• Trade facilitation
• Environmental advisory services
• Freight forwarders services
• Industrial plant construction services
• Management support services
• Feasibility studies or screening of project ideas
• Development
• Vocational training
UNIDO’s eProcurement Portal

Please visit: https://procurement.unido.org/.
| Training of the accreditation assessors of the Nigeria National Accreditation Service (NiNAS) in Nigeria. | NIGERIA | 13.05.2016 17:00 00 CET | RFP (1 env.) | 7000001562 |
| Development and Implementation of a Concept for Modern Thematic Gardens | The Kingdom of Morocco | 13.05.2016 17:00 00 CET | RFP (1 env.) | 7000001647 |
| Establishment of a National Solar Thermal Roadmap | Malaysia | 13.05.2016 17:00 00 CET | RFP (1 env.) | 7000001620 |
| Provision of Services Related to Fisheries Resource Assessment and Management | South Sudan | 13.05.2016 17:00 00 CET | RFP (1 env.) | 7000001595 |
| ODS alternatives survey in Nicaragua | Nicaragua | 16.05.2016 08:00 00 CET | Request for Quotation | 7000001649 |
| PROVISION OF EVENT MANAGEMENT SERVICES FOR UNIDO PROJECT | Egypt | 16.05.2016 17:00 00 CET | RFP (1 env.) | 7000001593 |
| RAC Taining Equipment for DPR Korea | Democratic People’s Republic of Korea | 17.05.2016 08:00 00 CET | Request for Quotation | 7000001564 |
| Supply of Food Drying Equipment | Republic of Armenia | 17.05.2016 17:00 00 CET | Inv. to Bid (1 env.) | 7000001648 |
| Recovery, recycling and refrigeration tools/equipment. | Niger | 17.05.2016 17:00 00 CET | Inv. to Bid (1 env.) | 7000001634 |
| Provision of Services for the Implementation of coffee quality improvement activities in Deilo Mona, Balo Zone, Cromia Region | The Federal Democratic Republic of Ethiopia | 18.05.2016 17:00 00 CET | RFP (1 env.) | 7000001561 |
| Provision of Services for the Implementation of coffee quality improvement activities in Aletawondo Woreda, Sidam Zone, SNNP Regio | The Federal Democratic Republic of Ethiopia | 18.05.2016 17:00 00 CET | RFP (1 env.) | 7000001553 |
| Consultancy Services related to Multimedia and Conference Systems Projects in the Vienna International Centre (VIC) on a call-off | Austria | 19.05.2016 16:00 00 CET | RFP (1 env.) | 7000001646 |
| Development and Implementation of an Eco Quartier concept | The Kingdom of Morocco | 19.05.2016 17:00 00 CET | RFP (1 env.) | 7000001557 |
1. Click on “Request Bidder Account”

2. The bidder registration form will pop up. Fill out all information and submit.
ERP Supported Communications with Bidders
How Are Vendors identified?

✓ Competitive contractors from previous procurement (past performance)
✓ Suppliers of the required goods or services found on the UN Global Marketplace (UNSPSC codification)
✓ Through Calls for Expression of Interest
✓ Search of World Wide Web
✓ Databases e.g. Kompass, DACON
✓ Trade Missions, Chambers of Commerce
✓ Exchange with other UN Agencies and International Organizations
United Nations Global Marketplace (UNGM)
UNGM – Business Opportunities

Keeping abreast of upcoming business opportunities

Free access to procurement notices

Published by over 40 UN organizations and entities

Over 350 active notices at any one time
UNGM – Tender Alert Service

TENDER ALERT SERVICE

Identifying relevant tender is a time-consuming task
Deadlines are often short

Tender Alert Service

By subscribing to the Tender Alert Service, vendors can receive relevant business opportunities emailed directly as soon as they are published

- Optional service
- The subscription costs USD 250 a year
Forms of Collaboration with UNIDO

Partnerships:

Which Type of Organization should Companies Normally Adopt?

Sub-Contracting or Consortia

What are UNIDO’s Rules on Collaborations With Local Business Partners?

Please refer to the Instructions to Bidders section in the RFx Event, requiring bidders to specify in their Offers:

the names and qualifications (including description of activities, number of personnel employed, references to the clients and completed projects) of the proposed sub-contractor(s) and/or equipment manufacturers, if any, and the extent and nature of such sub-contracting and/or equipment
Sub-Contracting

Most common form of collaboration among companies dealing with UNIDO:

UNIDO concludes contract with one company (“the Contractor”)

Contractor concludes individual contracts with sub-contractors

- Sub-contractors need to be indicated in the Technical Bid which will become part of the Contract under consideration;
- In case of non-performance, UNIDO only deals with the Contractor, not with sub-contractors.
Consortia

In principle, permitted by UNIDO – and due to the complexity of procurement cases increasingly applied.

Requirements:

- Bidders need to provide written declaration indicating:
  - members of consortium
  - nomination of the leading company with whom contract would be signed
  - purpose of establishment of a consortium
  - depending on the ‘form’ of a consortium attach all ‘legal’ documents

- Once declaration has been received and accepted, separate bids by individual member(s) of the consortium are not permitted and may be disregarded.
Procurement Tips

- Make use of information/publications available on the procurement page of UNIDO’s web site www.unido.org/procurement;
- Register on the UNIDO eProcurement portal and UN Global Marketplace (UNGM) at www.ungm.org;
- Regularly monitor procurement opportunities published on UNIDO and UNGM web sites;
- Always respond when invited to submit a bid, even if you should not be in a position to participate;
- Read UNIDO’s generic model contract and general conditions carefully;
- Use your right to ask for clarification if anything in the bidding documents is unclear;
- Ensure that your bid meets all requirements; if you cannot meet all requirements consider to sub-contract or form joint-venture/consortium;
- Submit required certificates, financial statements, catalogues, reports, etc in the required format and language;
- Ensure sufficient time to prepare offers carefully;
- Prepare the offer to facilitate the work of UNIDO;
- Study bidding documents carefully;
- Understand the ethics and confidentiality provisions;
- Clearly mark and sign bids as required;
- Meet deadline for submission of bids.
50 YEARS

TOGETHER
for a sustainable future