



# DOING BUSINESS WITH THE UNITED NATIONS (UN)

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# 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)



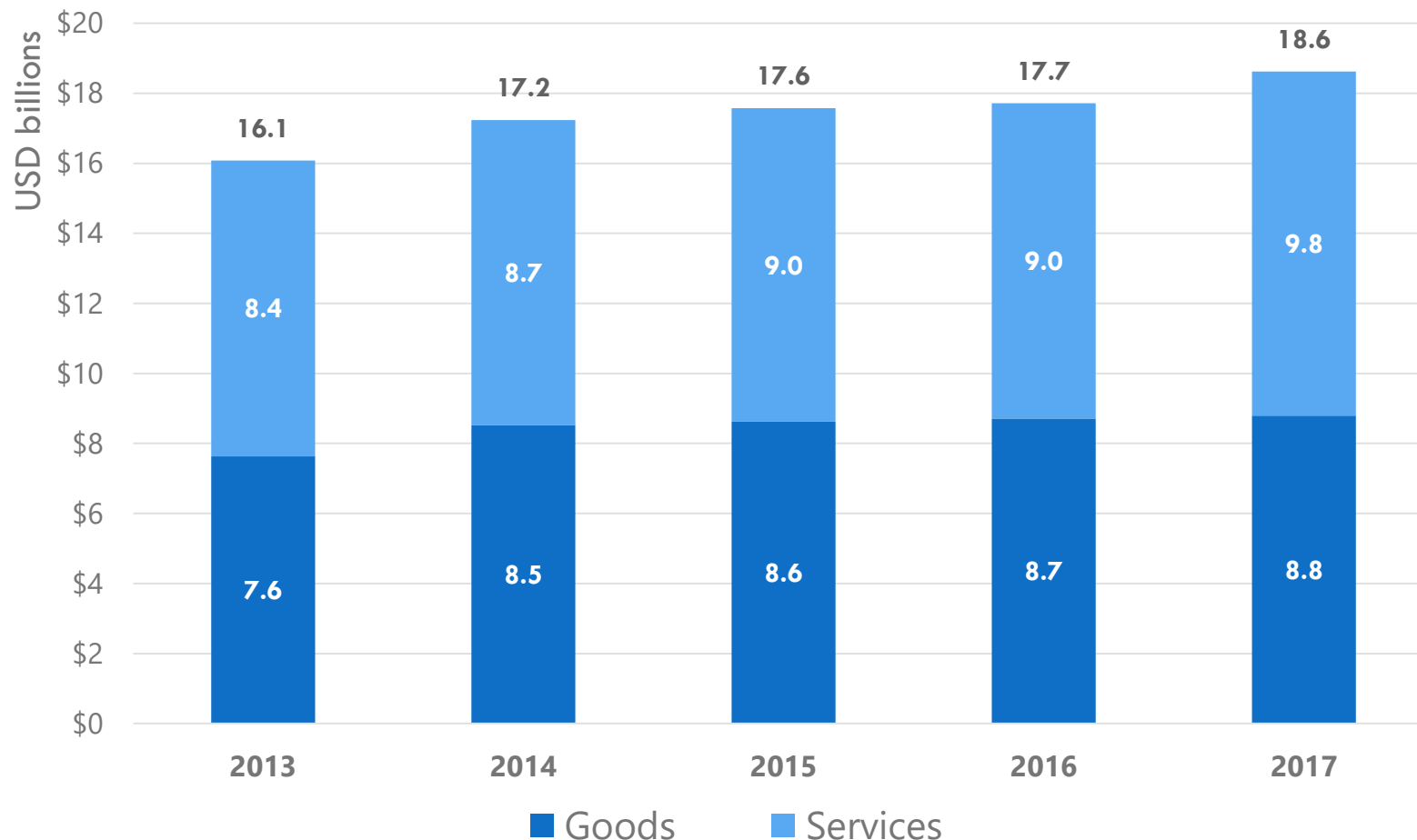
- ❖ The **UN Supplier Code of Conduct** based on same principles as above and should inspire business practices of suppliers

The UN Supplier Code of Conduct provides minimum standards expected of suppliers to the UN

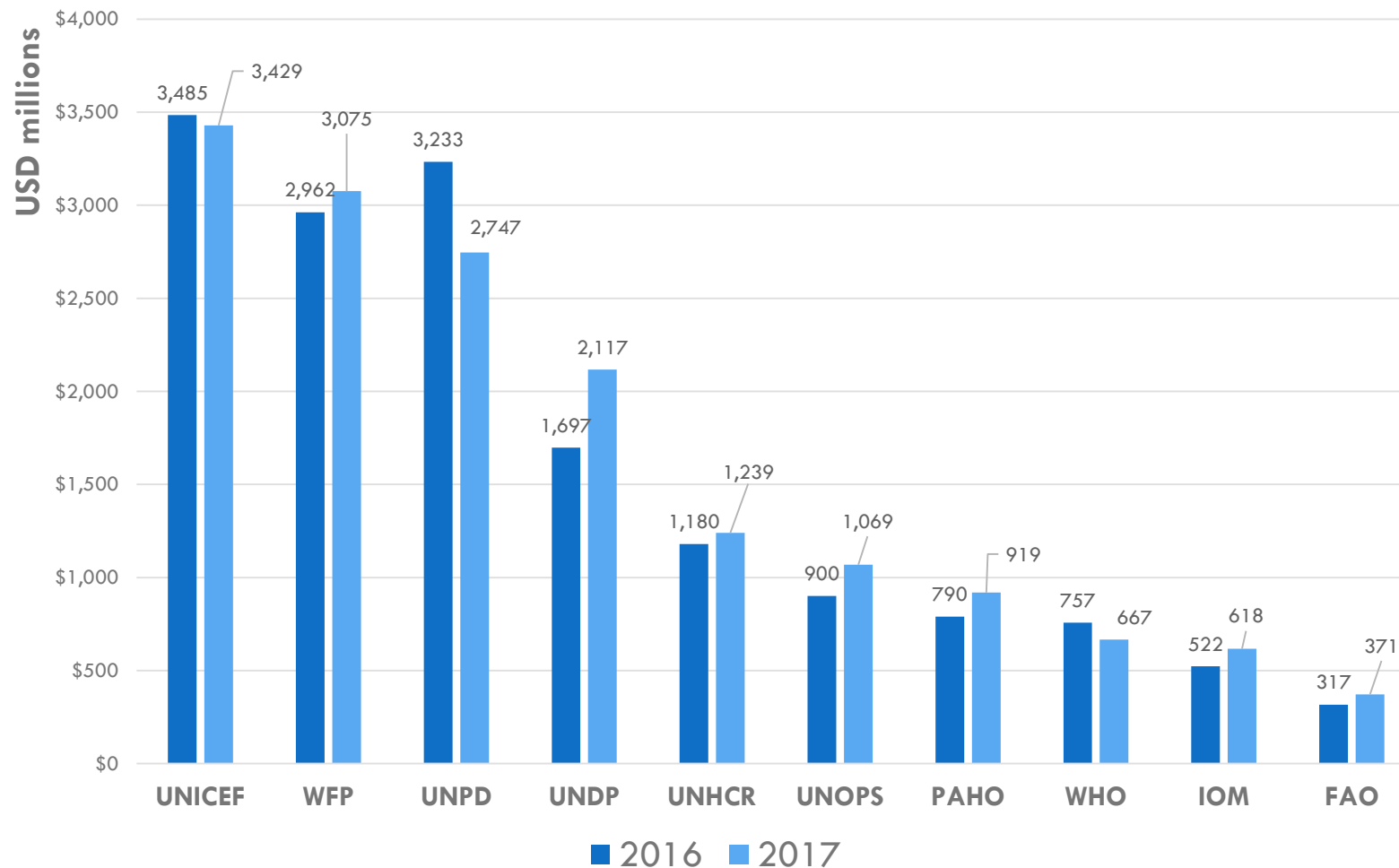
<https://www.un.org/Depts/ptd/about-us/un-supplier-code-conduct>



# Total UN procurement of goods and services 2013-2017

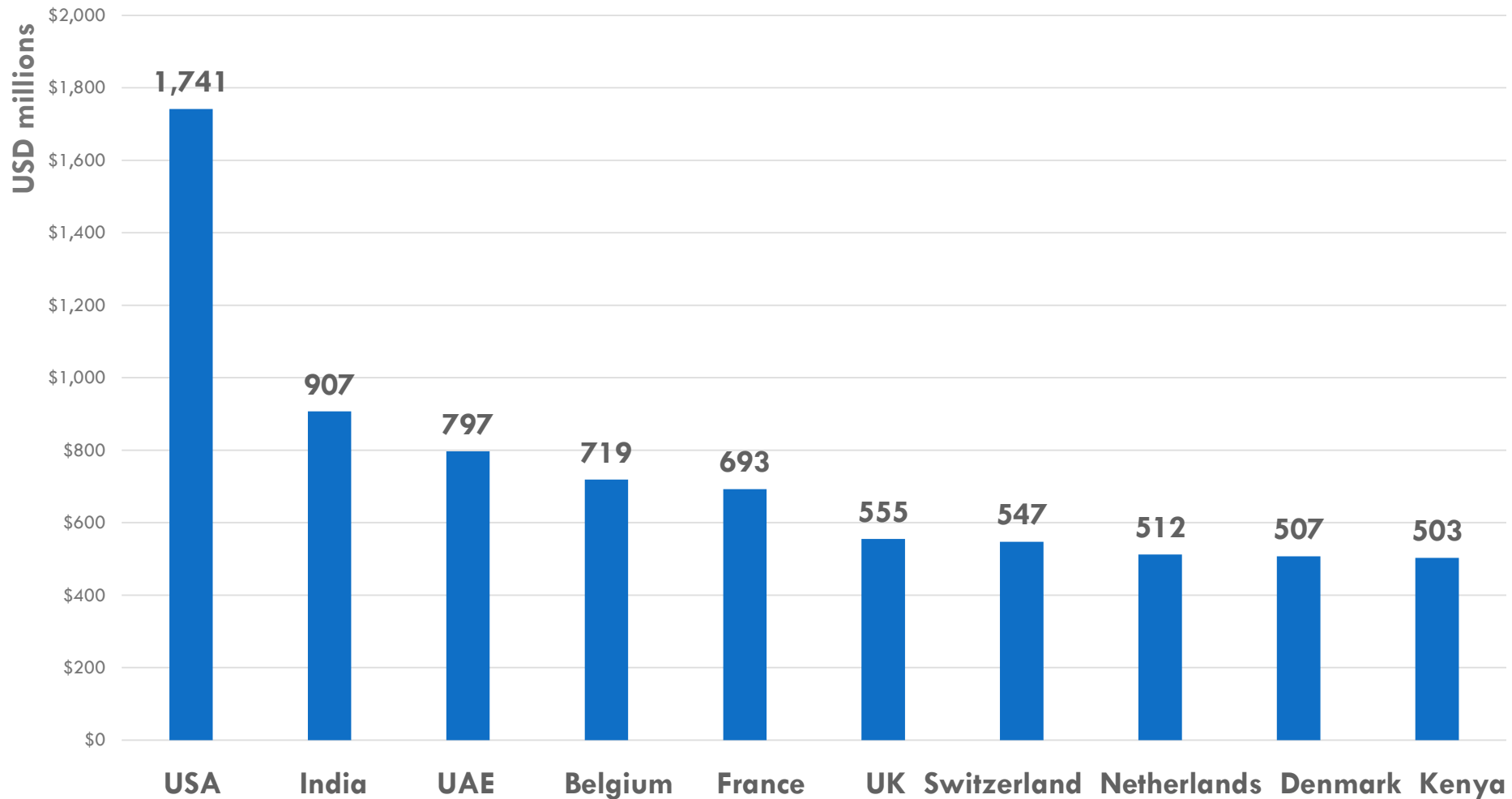


# Procurement volume of the 10 principal UN organizations 2016 and 2017



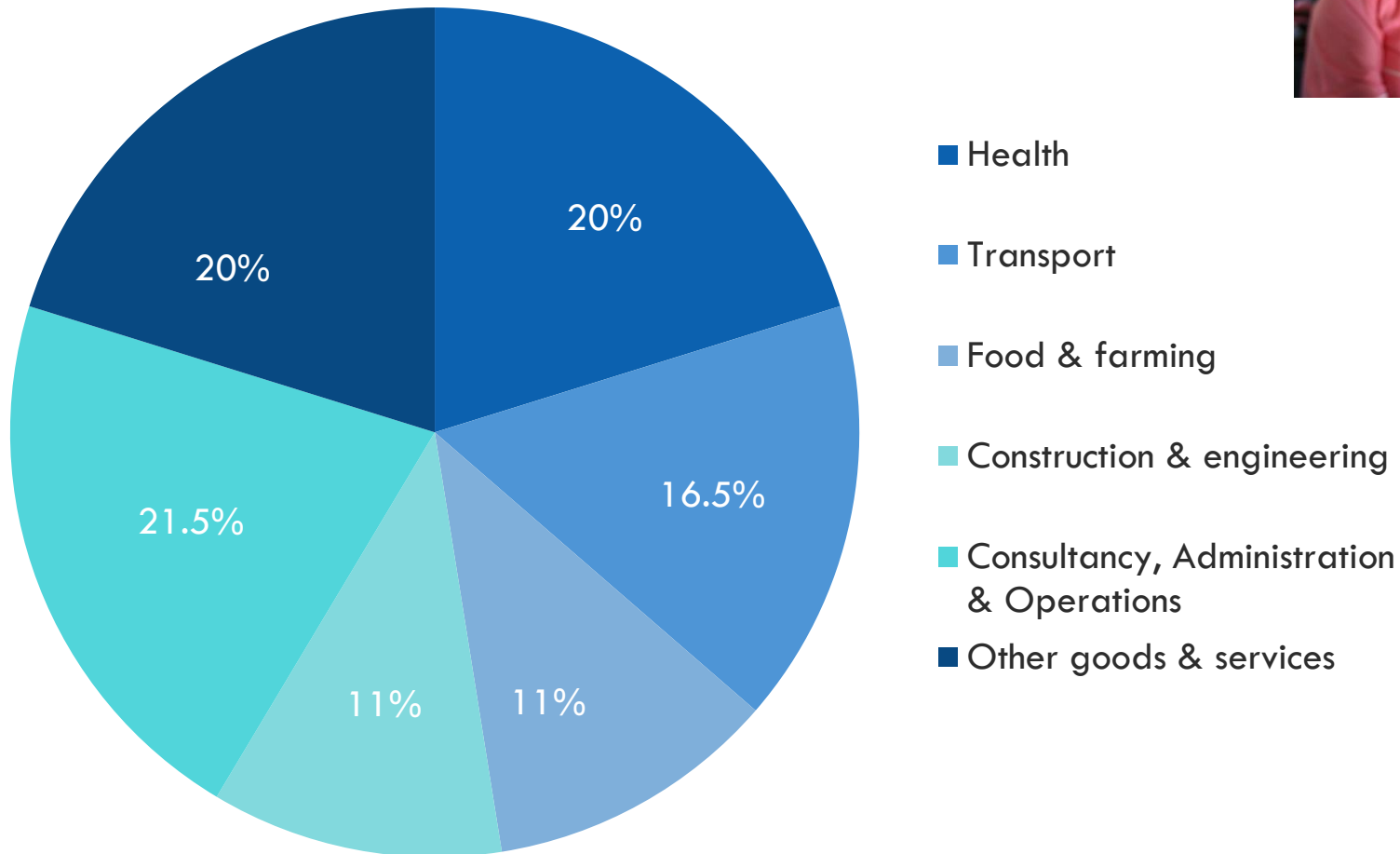


# Top 10 countries of supply to the UN System 2017

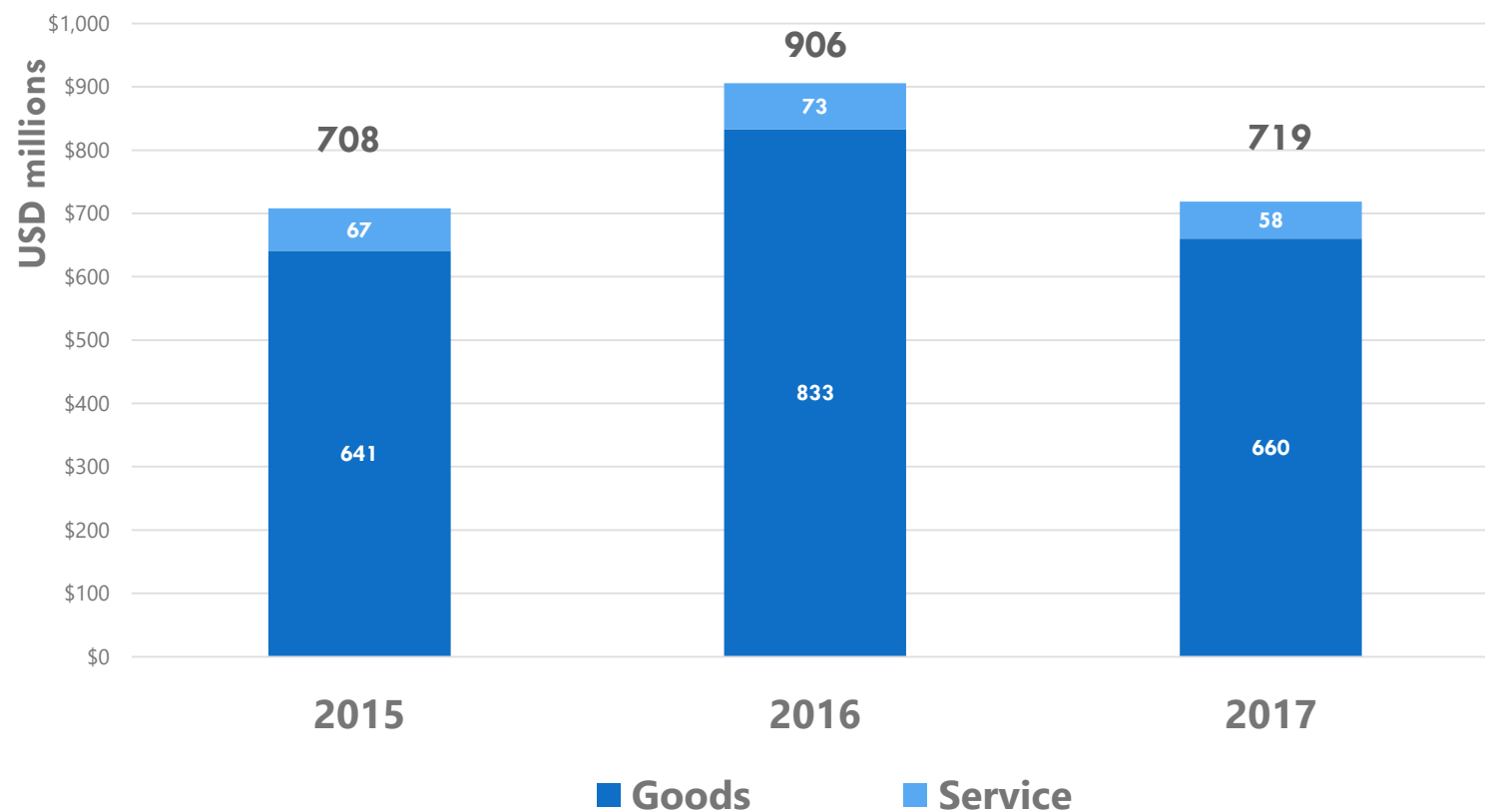


# What did the UN buy in 2017?

## Top 5 sectors (80% of total UN procurement)



# UN procurement from Belgium



## Top agencies

UNICEF

PAHO

WFP

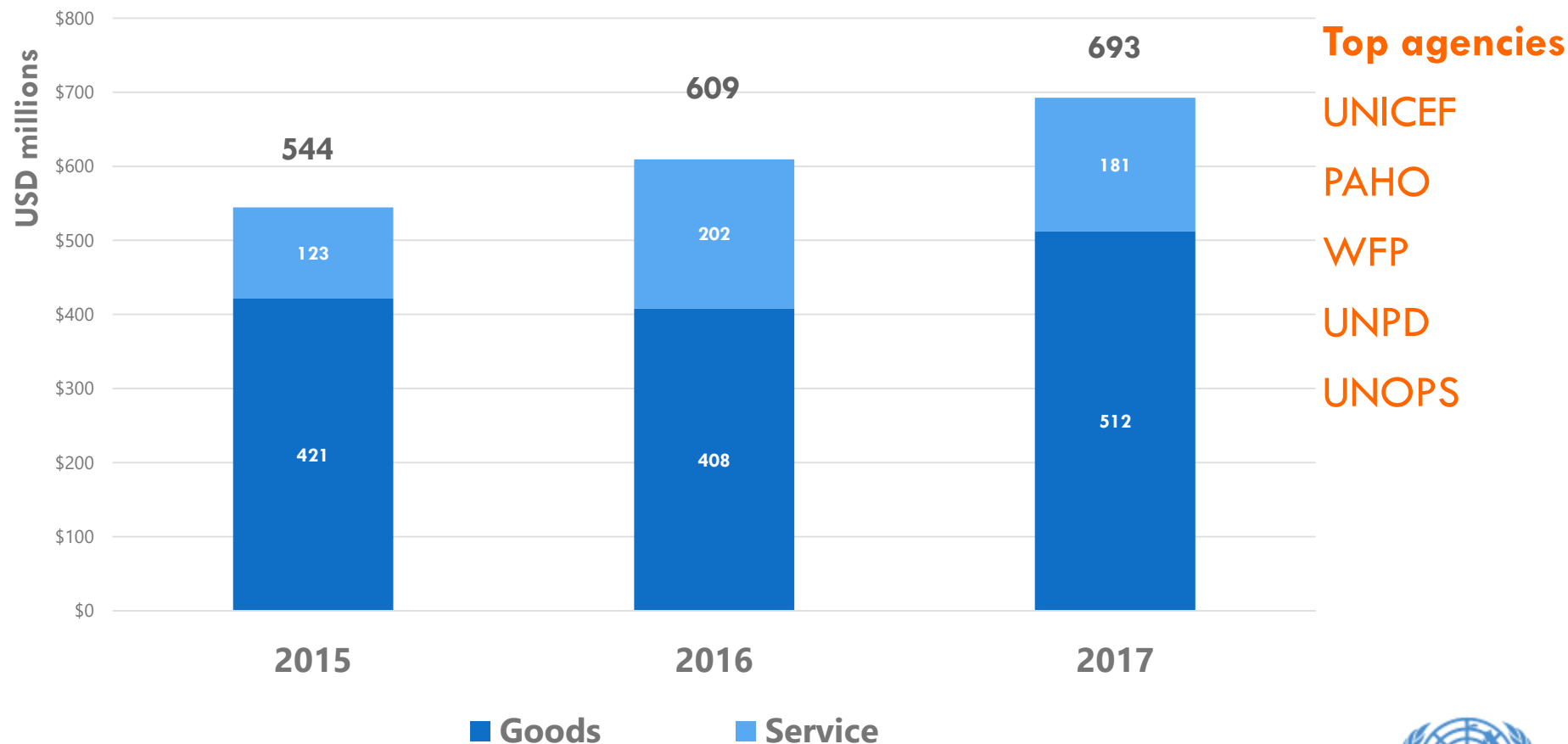
ITU

UNHCR

**Top sector:** Pharmaceuticals



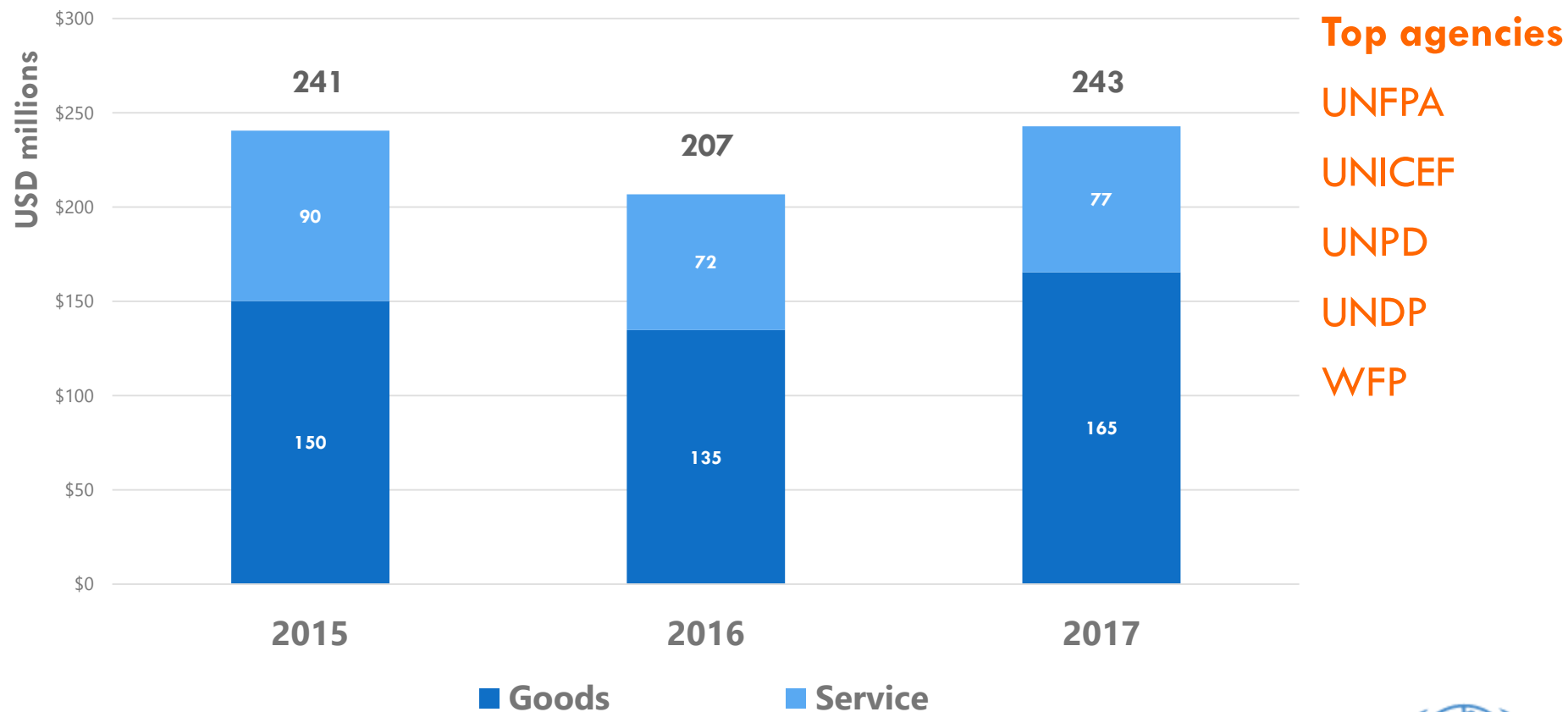
# UN procurement from France



**Top sectors:** Pharmaceuticals, lab/medical equipment, construction & engineering



# UN procurement from Germany

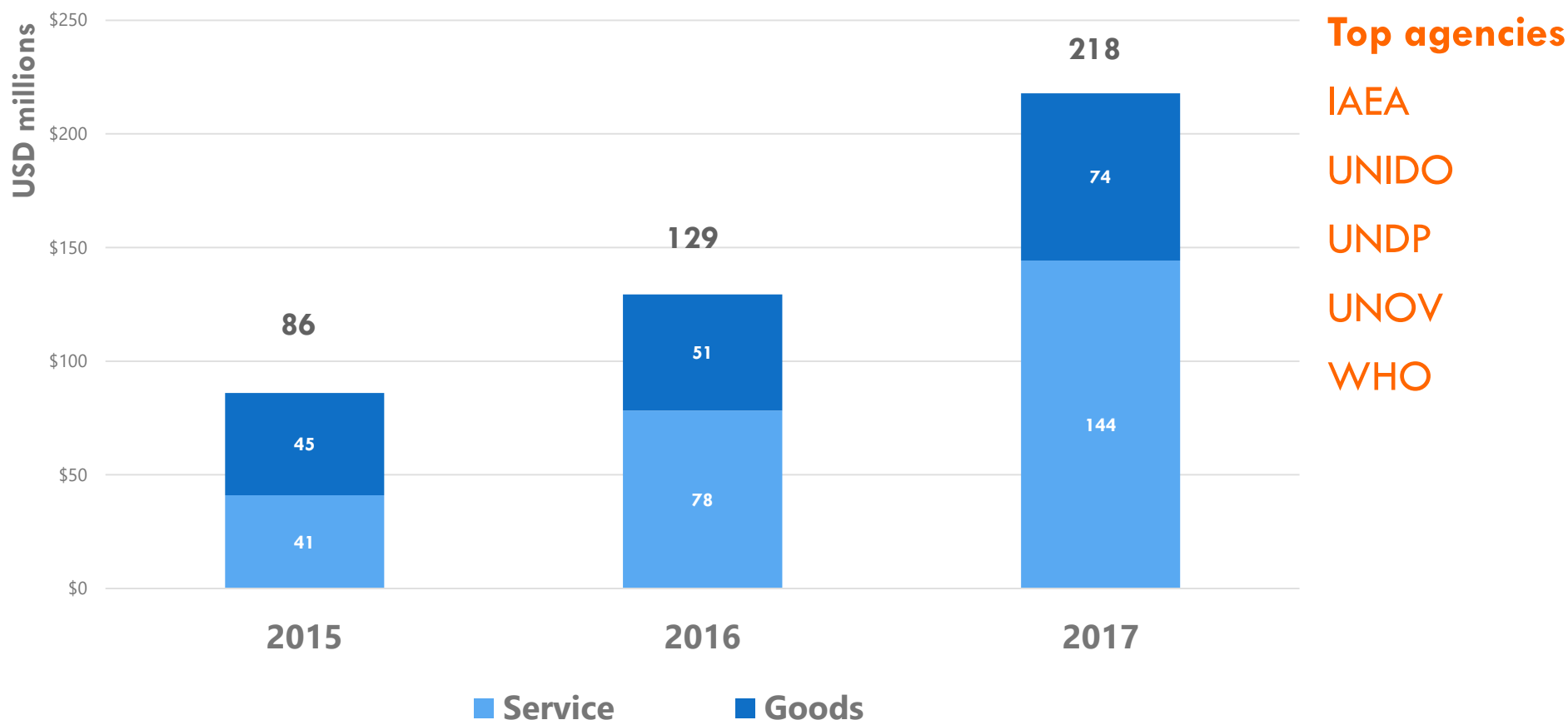


**Top sectors:** Contraceptives, vaccines, transportation, administrative services





# UN procurement from Austria



**Top sectors:** Lab/medical equipment, office equipment, facility construction & maintenance





# 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<sup>5</sup>

### Subsidiary Bodies

Main and other sessional committees  
Disarmament Commission  
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)

### 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

**UN-HABITAT** United Nations Human Settlements Programme

**UNHCR** Office of the United Nations High Commissioner for Refugees

**UNICEF** United Nations Children's Fund

**UNODC** United Nations Office on Drugs and Crime

**UNRWA**<sup>1</sup> 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 Interregional Crime and Justice Research Institute

**UNIDIR**<sup>1</sup> United Nations Institute for Disarmament Research

**UNITAR** United Nations Institute for Training and Research

**UNRISD** United Nations Research Institute for Social Development

**UNSSC** United Nations System Staff College

**UNU** United Nations University

### Other Entities

**UNAIDS** Joint United Nations Programme on HIV/AIDS

**UNISDR** United Nations International Strategy for Disaster Reduction

**UNOPS** United Nations Office for Project Services

### Related Organizations

**CTBTO PrepCom** Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization

**IAEA**<sup>2</sup> International Atomic Energy Agency

**OPCW** Organisation for the Prohibition of Chemical Weapons

**WTO**<sup>3</sup> World Trade Organization

### Advisory Subsidiary Body

UN Peacebuilding Commission

### Functional Commissions

Crime Prevention and Criminal Justice  
Narcotics 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

### Other Bodies

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, ad hoc and related bodies

### Departments and Offices

**EOSG** Executive Office of the Secretary-General  
**DESA** Department of Economic and Social Affairs  
**DFS** Department of Field Support  
**DGACM** Department for General Assembly and Conference Management

**DM** Department of Management  
**DPA** Department of Political Affairs  
**DPI** Department of Public Information  
**DPKO** Department of Peacekeeping Operations  
**DSS** Department of Safety and Security  
**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  
**OSRSG/CAAC** Office of the Special Representative of the Secretary-General for Children and Armed Conflict

**UNODA** Office for Disarmament Affairs  
**UNOG** United Nations Office at Geneva  
**UN-OHRLS** Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States  
**UNON** United Nations Office at Nairobi  
**UNOV** United Nations Office at Vienna

### Specialized Agencies<sup>4</sup>

**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  
**World Bank Group**  
• **IBRD** International Bank for Reconstruction and Development  
• **IDA** International Development Association  
• **IFC** International Finance Corporation  
• **MIGA** Multilateral Investment Guarantee Agency  
• **ICSID** International Centre for Settlement of Investment Disputes

**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

## NOTES:

<sup>1</sup> UNRWA and UNIDIR report only to the General Assembly.

<sup>2</sup> IAEA reports to the Security Council and the General Assembly.

<sup>3</sup> WTO has no reporting obligation to the General Assembly (GA) but contributes on an ad hoc basis to GA and ECOSOC work inter alia on finance and developmental issues.

<sup>4</sup> Specialized agencies are autonomous organizations working with the UN and each other through the coordinating machinery of ECOSOC at the intergovernmental level, and through the Chief Executive Board for Coordination (CEBC) at the inter-secretariat level. This section is listed in order of establishment of these organizations as specialized agencies of the United Nations.

<sup>5</sup> The Trusteeship Council suspended operation on 1 November 1994 with the independence of Palau, the last remaining United Nations Trust Territory, on 1 October 1994.

# 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](http://www.ungm.org)



UNITED NATIONS  
GLOBAL MARKETPLACE

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

\* Thresholds may vary

**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



# In summary

## Up to 30,000 USD\*

- Informal, simplified acquisition procedure
- Requests for Quotation (RFQ)
- Minimum 3 responsive quotes recommended
- Lowest priced, technically acceptable bidder or best value bidder

## Above 30,000 USD\*

- Invitation to Bid (ITB) and Request for Proposal (RFP)
- Open and formal: advertised (on the web) generally larger shortlist (minimum 6 potential bidders, 3 to comply)
- Public bid opening
- CPO approval after review and recommendation by Contract Committees

\* 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

- Exception to the rule

- 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



A decorative header consisting of two horizontal blue bars of different shades, followed by a small photograph of a group of children in a schoolyard.

# Thank you!



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