# Introduction to United Nations Procurement

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### **U.S.** Commercial Service

- The U.S. Commercial Service is part of the International Trade Administration, an agency of the United States Department of Commerce
- \* Trade specialists in over 100 U.S. cities and 70 countries worldwide
- **Our mission:** 
  - To promote the export of goods & services from the United States, particularly by small and medium-sized businesses
  - >> To represent U.S. business interests internationally
  - To help U.S. businesses find qualified international buyers, distributors and agents



#### About the United Nations







#### \$19.9 Billion Annual Procurement Market

Figure 1. Total UN Procurement of Goods and Services (USD Millions),

2010-2019



#### 2019 Annual Statistical Report on United Nations Procurement

U.S. Department of Commerce | International Trade Administration | U.S. Commercial Service Source: 2019 United Nations Annual Statistical Report 5

### **Distribution of Procurement by** Sector

#### FIGURE 2. DISTRIBUTION OF UN PROCUREMENT BY SECTOR (USD MILLIONS), 2019





## Categories of Procurement: Key Goods

Rank	Good	Total	%
	Total	\$8.25 billion	41.45%
1	Pharmaceuticals incl. Contraceptives and Vaccines	\$3.23 billion	39.28%
2	Food and Beverage Products	\$2.07 billion	25.11%
3	Medical Equipment and Accessories and Supplies	\$740 million	8.98%
4	Fuels and Fuel Additives and Lubricants and Anticorrosive Materials	\$599 million	7.27%
5	Information Technology Broadcasting and Telecommunications	\$461 million	5.59%
6	Motor Vehicles and their Accessories and Components	\$411 million	4.98%
7	Office Equipment and Accessories and Supplies	\$210 million	2.55%
8	Laboratory and Measuring and Observing and Testing Equipment	\$190 million	2.30%
9	Apparel, Luggage, and Personal Care Items	\$176 million	2.13%
10	Structures and Building and Construction and Manufacturing Components and Supplies	\$148 million	1.80%
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### Categories of Procurement: Key Services

Rank	Service	Total	%
	Total	\$9.34 billion	46.96%
1	Transportation and Storage and Mail Services	\$2.65 billion	28.40%
2	Management and Business Professionals and Administrative Services	\$1.78 billion	19.08%
3	Building and Facility Construction and Maintenance Services	\$1.37 billion	14.67%
4	Engineering and Research and Technology Based Services	\$1.09 billion	11.63%
5	Travel and Food and Lodging and Entertainment Services	\$572 million	6.12%
6	Financial and Insurance Services	\$557 million	5.97%
7	Healthcare Services	\$350 million	3.75%
8	Public Order and Security and Safety Services	\$340 million	3.64%
9	Education and Training Services	\$330 million	3.54%
10	Editorial and Design and Graphic and Fine Art Services	\$298 million	3.19%



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# U.S. Supplier Data 2019

2.000.0

1,800.0

1,600.0

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1.200.0

1,000.0

800.0

600.0

400.0

200.0

0.0



Source: 2019 United Nations Annual Statistical Report

### Top 4 UN Procurers – 61%

International Children's Fund UNICEF	World Food Programme WFP	Secretariat - UN Procurement Division UN/PD	UN Development Programme UNDP		
\$3.83 Billion	\$3.64 Billion	\$2.51 Billion	\$2.08 Billion		
<ul> <li>Vaccines</li> <li>Pharmaceuticals</li> <li>Nutrition</li> <li>Medical Supplies &amp; Equipment</li> <li>International Freight</li> <li>Water &amp; Sanitation</li> <li>Bed Nets &amp; Insecticides</li> <li>Construction</li> <li>Education</li> </ul>	Food Commodities <ul> <li>Wheat</li> <li>Rice</li> <li>Maize</li> </ul> <li>Logistics <ul> <li>Land</li> <li>Ocean</li> </ul> </li> <li>Air Goods &amp; Svcs</li> <li>Fuel</li> <li>Office/Admin Equipment &amp; Svcs</li> <li>ICT Equipment &amp; Svcs</li>	<ul> <li>Air Transportation Services</li> <li>Fuels and lubricants</li> <li>Food Rations/Catering Svcs</li> <li>Engineering &amp; Construction</li> <li>Related Svcs</li> <li>Freight Forwarding &amp; Delivery Services</li> <li>IT and Communications Equipment</li> </ul>	<ul> <li>Laboratory &amp; Medical Equipment</li> <li>Vehicles</li> <li>Voter Registration Kits</li> <li>IT and Communications Equipment</li> <li>Consulting Svcs</li> <li>Construction Services</li> <li>Transportation Svcs</li> </ul>		

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# Top 10 Procuring Agencies

Rank	Agency	Total Spending
1	UNICEF	\$3.83 billion
2	World Food Programme (WFP)	\$3.64 billion
3	UN Secretariat	\$2.51 billion
4	UN Development Programme (UNDP)	\$2.08 billion
5	UN High Commissioner on Refugees (UNHCR)	\$1.14 billion
6	UN Office for Project Services (UNOPS)	\$1.10 billion
7	Pan American Health Organization (PAHO)	\$1.01 billion
8	International Organization for Migration (IOM)	\$960 million
9	World Health Organization (WHO)	\$893 million
10	UN Population Fund (UNFPA)	\$404 million



#### **UN Procurement Division**

#### In 2020, UNPD purchased USD 61.7 million dollars in the Pharma and Health Category

#### UN Secretariat Procurement Volume (2015-2020)





#### **UN Procurement Division**

#### MAJOR MEDICAL COMMODITIES PROCURED BY THE UN







#### UNICEF

#### **UNICEF procurement value for health-related supplies (2020)**

UNICEF procured \$4.68 billion worth of goods and services in 2020 out of which \$3.23 billion was on goods. The health-related commodity groups and most common items procured are listed below, including the percentage from total procurement value





# UNICEF Current and Expected Trends

#### **Covid Devices and Supplies**

- \* Diagnostics, Oxygen Therapy, and Vaccines
- \* Digital Health Services for low resource settings



#### Evolution of UNDP health procurement

- \* UNDP's procurement of medicines and other health products started in 2003 with the inception of the partnership with the Global Fund
- In line with and making strong contribution to 2030 Agenda, UNDP's Strategic Plan, UNDP's HIV, Health and Development Strategy and 'leave no one behind' pledge
- Building on successful experience and arrangements: increased country demand for support in accessing and delivering quality, affordable health products and strengthening their procurement and supply chain management capacities



Primary focus of this procurement volume = medicines and diagnostics for communicable diseases + lab and hospital equipment. Increasingly, UNDP is asked to also procure medicines, diagnostics and medical equipment for noncommunicable diseases (NCDs)

#### **UN Development Programme**

- \* Solutions and support services capacity strengthening
- Always done in partnership with key UN partners UNICEF, UNFPA, UNOPS/Stop TB/GDF, WHO
- Presents unique and significant risks --> requires specialized, integrated end-toend support, and at the same time should be approached as being inseparable from capacity strengthening work to strengthen national systems and frameworks, in close collaboration with WHO and other partners
- Uniquely specialized: health products specialization + other technical (supply chain), policy aspects
- Integrated support (procurement and systems/capacities strengthening) generates economies of scale and best value



#### **UN Development Programme**

#### 2020 - the year we fought a virus - opportunities

UNDP leveraged its \$18 Global Fund to Fight AID5, Tuberculosis and Malaria partnership to:







## UN High Commissioner on Refugees (UNHCR)

Historical expenditure of Essential Medicines and Medical Supplies from January to December 2019:

\* Medicines: USD 11,912,096

\* Medical Supplies: USD 9,691,376



#### Is My Business a Fit for the UN?





#### **General Requirements**

- \* Company in business at least 3 years
- \* Has financial standing to honor a contract typically looking at revenues of some multiple of contract value
- International capacity
- \* Agree to the UN Supplier Code of Contact



#### How to Find Out More?





#### United Nations Global Marketplace



- Potential vendors may register with any of the 26 UN organizations using UNGM as their vendor database (=99% of the total UN procurement spent)
- \* UNGM provides and excellent springboard for vendors to introduce their products and services to many UN organizations, countries and regions

#### **UNGM** Homepage



United Nations Global Marketplace – <u>www.ungm.org</u>

### Business Opportunities → Tender Notices



Displaying results 1 to 15 of 45777

Title	Deadline	Published _	UN organization	Type of notice	Reference	Beneficiary country
ITB-2017-099-I-TIP Services	11-Jul-2017 14:01 (GMT 1.00)	21-Jun-2017	WTO	Invitation to bid	Invitation To Bid to seek a company to provide a s	Switzerland
MAINTENANCE AND SERVICING OF AUXILLARY MACHINES AT THE UNON PUBLISHING SERVICES SECTION	06-Jul-2017 00:00 (GMT 0.00)	21-Jun-2017	UN Secretariat	Request for EOI	EOIUNON14008	Kenya
<u>Thrid party monitoring services for Iraq</u> Humanitarian Pooled Fund (IHPF)	05-Jul-2017 00:00 (GMT 0.00)	21-Jun-2017	UN Secretariat	Request for EOI	EOIUNOG14006	Iraq
PROVISION OF UNARMED SECURITY GUARD	06-Jul-2017 00:00 (GMT 0.00)	21-Jun-2017	UN Secretariat	Request for EOI	EOIUNIOGBIS14005	Guinea- Bissau
Supply and Delivery of Plumbing and Drainage Materials to Various Mission Destinations.	05-Jul-2017 00:00 (GMT	21-Jun-2017	UN Secretariat	Request for EOI	EOIRPO14003	Congo, The Democratic Republic of



# Current U.S. Opportunities

Title			Hide advance criteria
Description		UN Organization Type organization	abbreviatic
Reference		Beneficiary Country/area Type a country/ar	rea name
Published between	and	UNSPSC Codes Select UNSPSC	
Deadline between	and	1200000 - Immunomodulating drugs (remove)	
		Туре	
		Not set 📄 Request for EOI 📄 Request for prop	osal
		Request for quotation Invitation to bid	
		Request for pre-qualification	mation
		Grant support-call for proposal Pre-bid notice	
Clear All			

#### Displaying results 1 to 15 of 136

Title	Deadline	Published 🖕	UN organization	Type of notice	Reference	Beneficiary country
Expression of interest for prequalification of companies to provide services for provision of work force management (Human and Financial Resource Management) for Communication Network and Community-ba	10-Jul-2017 14:00 (GMT 5.00)	18-Jun-2017	UNICEF	Request for EOI	EOI CBV	Pakistan
Pre-bid conference - Combined pharmaceuticals and medical devices	30-Jun-2017 23:59 (GMT 2.00)	16-Jun-2017	UNFPA	Pre-bid notice	UNFPA/DNK/ITB/17/017	Multiple destinations
UNICEF wishes to receive Proposals for Pneumococcal Vaccines for Delivery under the terms and conditions of the Advance Market Commitment	04-Jul-2017 12:00 (GMT 2.00)	06-Jun-2017	UNICEF	Request for proposal	RFP-DAN-2017-502488	Multiple destinations
Meningococcal W - Containing Conjugate Vaccine for Armenia, Nigeria and State of Palestine.	14-Jun-2017 16:00 (GMT	01-Jun-2017	UNICEF	Request for proposal	RFP-2017-502522	Multiple destinations



#### **Contract Awards**

#### 1. Search with keywords and UNSPSCs

		Search	contract awards						
Title vehicles Description Reference Supplier Award Date between and		25171901 - Automobile r 25172504 - Automobile c	Type a country/area name Select UNSPSC						
Clear All			25181601 - Automobil 72121007 - Truck and 78111811 - Vehicle lea	General	Supplier	Contacts	UNSPSC		
Showing awards 1 to 15 of 28				General information			7		
Title	Vendor Award date		UN organization	Title UN organization		Supply of tires for Shrek-I Mine Protected Vehicles United Nations Office for Project Services			
Supply of tires for Shrek-I Mine Protected Vehicles in UNMAS Mali Program 17- 0038/17-0087 Revised	RX Tooling Corporation	30-May- 2017	UNOPS	Reference Award date		ITB/2017/713 30-May-2017			
Freight forwarding services for shipment of mine protected vehicles         Kuehne + Nagel A/S		09-May- 2017	UNOPS	Contract value (\$) Description		149420.00			
Supply of spare parts for puma mine protected vehicles for UNMAS Mali         P C A GENERAL TRADING         03-Feb-2017         UNOPS           Programme         L.L.C					Tender description: Supply of tires for Shrek-I Mine Protected Vehicles in UNMAS Ma				
2. Click for Contract Supply of tires for Shrek-I Mine Protected Vehicles in UNMAS Mali Program 17- 0038/17-0087 Revised	ay- UNOPS	IMPORTANT NOTE: Interested vendors <b>must respond to this tender using the UNOPS</b> full UNOPS tender details, request clarifications on the tender, and submit a vendor registered as a UNOPS vendor at the UNGM portal and be logged into UNGM. For gui UNOPS tenders in the UNOPS eSourcing system, <b>please refer to the user guide and o at:</b> <u>https://esourcing.unops.org/#/Help/Guides</u>							
USCOMMERCIAL SERVICE United State of America Department of Commerce	epartment of Commer	ce   Inte	rnational Trade Ac	Countries Mali		ommercial	Service	20	

### **Registration Process on UNGM**

#### 3 registration levels

Level is determined by the monetary value of potential contracts

Level 1

Basic registration

<form><form><form>

Common registration process

Some UN organizations require additional information

Certificate of Incorporation & References

Reference letters & Financial statements

Level 2

## **Basic Registration**

#### Contract Awards Up to \$40,000

- \* Basic vendor information (name, address, etc.)
- \* Acceptance of UN Supplier Code of Conduct
- \* Information on countries in which you do business
- Classification of your goods and services (UNSPSC Codes):
  - A Raw Materials, Chemicals, Paper, Fuel
  - B Industrial Equipment & Tools
  - C Components & Supplies 🔹 🕨
  - D Construction, Transportation & Facility Equipment & Supplies
  - E Medical, Laboratory & Test Equipment & Supplies & Pharmaceuticals
  - F Food, Cleaning & Service Industry Equipment & Supplies
  - G Business, Communication & Technology Equipment & Supplies
  - H Defense, Security & Safety Equipment & Supplies 🕨
  - I Personal, Domestic & Consumer Equipment & Supplies 🕨
  - J Services 🔹 🕨



## Level 1 Registration

#### Contract Value Less than \$500,000

- \* The vendor has been in business for a minimum of 3 years
- \* Current certificate of incorporation or equivalent document verifying legal status/capacity
- \* Details and email addresses of at least 3 independent, non-affiliated references whom you have done business with
- Names of owner(s) and principals (including parent company, subsidiaries/affiliates, CEO/Managing Director, and those with controlling interests, if applicable). The names of intermediaries, agents and/or consultants, (if any) used in relation to United Nations contracts or bids/proposals.



## Level 2 Registration

#### Contract Value \$500,000 and Above

- Reference letters from three independent, nonaffiliated clients/companies, you have done business with
- Financial documents including Income Statements and Balance Sheet (audited/certified financial statements or equivalent) for the last three years, to be submitted with auditors report



### More Information

- \* www.trade.gov/united-nations
- \* www.UNGM.org



#### Questions?

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