

How to do Business with the United Nations System of Organizations

Overview of the United Nations	
Procurement Statistics	
How to Identify Business Opportunities	
UN Procurement Procedures	
Practical Tips	
United Nations Procurement Service	
The UN Global Compact	



Overview

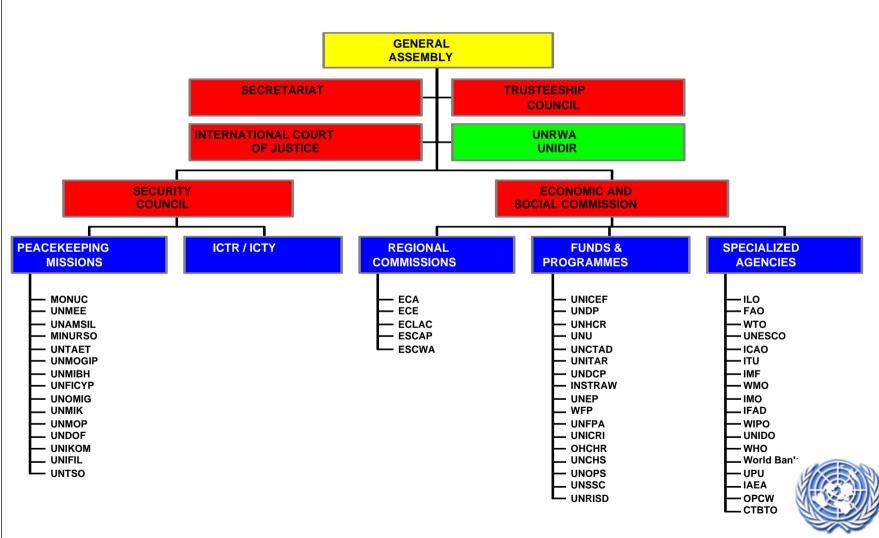


Overview

- The United Nations is made up of a variety of organizational entities (agencies, organizations, commissions, programmes, funds, etc).
- Each entity has a distinct and separate mandate (covering the political, economic, social, scientific and technical fields).









Overview

EACH ORGANISATION.....

- has its own special requirements for goods and services
- may conduct its own procurement activities
- follows, in general, common principles for procurement rules and regulations
- constitutes a separate and distinct customer





Useful Addresses

www.unbiz.un.int

www.ungm.org

www.unsystem.org

www.iaea.org

www.iapso.org

www.ilo.org

www.intracen.org

www.un.org/Depts/ptd/

www.unesco.org

www.unfpa.org

www.unhcr.ch

www.unicef.org

www.unido.org

www.unops.org

WWW.anopolorg

www.undp.org

www.unrwa.org

www.wfp.org

www.wipo.int

tellus@iapso.org

(Hyperlinks to UN Agencies)

(UN Global Marketplace)

(UN Web Site Locator)

(International Atomic Energy Agency)

(Inter-Agency Procurement Services Office)

(International Labour Organisation)

(International Trade Centre)

(UN Procurement Services)

(UN Educational, Scientific and Cultural Organization)

(UN Populations Fund)

(UN High Commissioner for Refugees)

(UN Children's Fund)

(UN Industrial Development Organisation)

(UN Office for Project Services)

(UN Development Program)

(UN Relief and Works Agency)

(World Food Programme)

(World Intellectual Property Organisation)

(e-mail based helpdesk service)

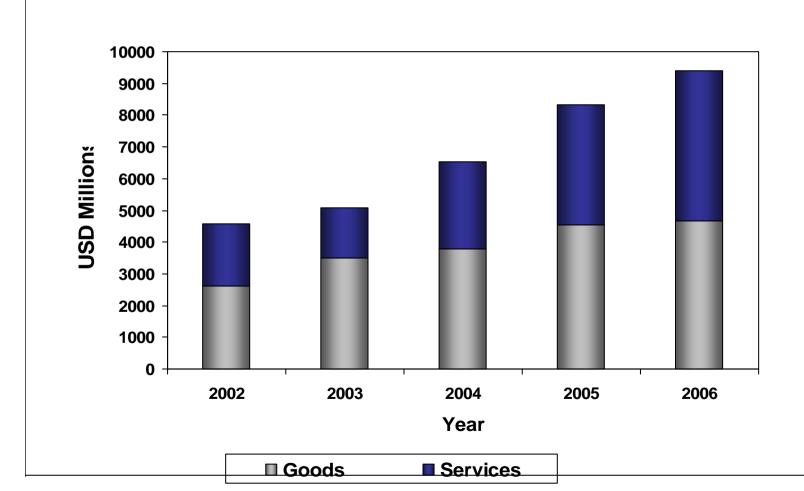




Statistics

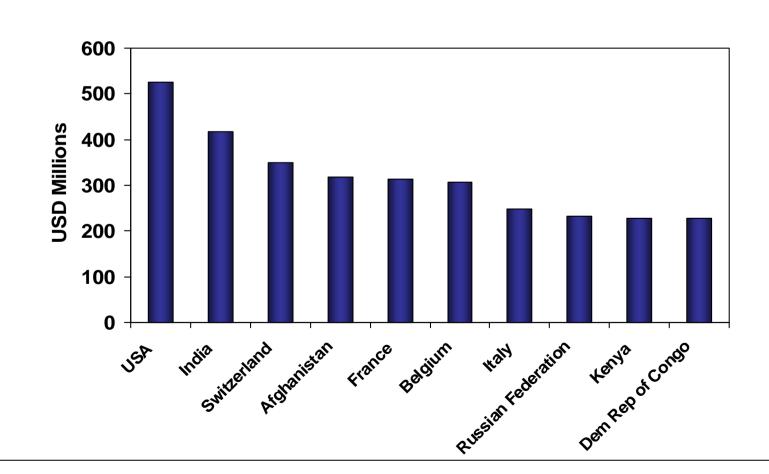


Total UN Procurement of Goods and Services (UN System) 2006





Ten Major Countries of Supply to the UN System 2006







Major Items procured by the UN System

Equipment

- Food
- Pharmaceutical Supplies
- Vehicles
- Computers and Software
- Shelter and Housing
- Telecommunications Equipment
- Laboratory Equipment
- Chemicals (POL)
- Building Materials

Services

- Security Services
- Outsourced Personnel Services
- Engineering Services
- Construction
- Corporate Services
- Freight Services
- Printing Services and Equipment Rental
- Consultancy Services
- Telecommunication Services





How to Identify Business Opportunities



Are you ready to supply the UN (1/2)?

- Market knowledge
 - UN structure, procedure and value
- Export experience / references
 - Global and/or Local operation
- Languages
 - Employees, documents
- Competitive prices Quality
 - International competition best value





Are you ready to supply the UN (2/2)?

- Networks / partner
 - Country knowledge, after sales services
- Capacities
 - Financial, personnel
- Flexibility and accuracy
 - Operational tempo
- Persistence, endurance, patience
 - Analysis, feedback





Step-by-Step Towards Success (1/2)

- Extensive market research
 - Planning acquisition, contract awrard, UN information
- Identification of relevant UN Organization
 - Match capacity and requirements
- Registration
 - Mandatory
- Thorough information about procurement
 - Principles, procedures
- Obtain systematic / regular information about current procurement activities / opportunities
 - Keep yourself up-to-date



Step-by-Step Towards Success (2/2)

- Bid according to tender documents & instructions
 - Administrative mistakes: Rejection
- Observe norms and standards
 - International
- Seek clarification in case of questions
 - Recomended & suggested
- Performance
 - Highest standards





Web Based Information

Towards one single commercial and procurement portal: UN Global Market Place (UNGM)

Additional information: www.iapso.org

- The Annual Statistical Report
- The General Business Guide (GBG)
- Practical Tips-Doing Business with the UN
- Procurement notices







Business Information

The Annual Statistical Report

UN procurement by country

- UN Agency procurement by country, commodity or service
- Purchase orders and Contracts (over USD 30,000)
 placed by agency, by country of vendor, value and description of goods or services
- Top Ten items procured by Agency

The General Business Guide

 Lists all UN Organizations, fields of activity, contact persons, procurement activities and requirements and registration procedures

Available from www.iapso.org

Both publications are updated on an annual basis





UN Procurement Procedures



Common Guidelines for UN Procurement

Procurement activities of the UN system are based on the following principles:

- The objectives/needs of the UN Organization concerned
- Fairness, integrity & transparency through competition
- Economy & effectiveness
- Best value for money

These Common Guidelines cover procurement stages from sourcing to execution of a procurement contract





How are vendors shortlist compiled? (sourcing)

- Competitive suppliers of previous procurement
 - Past performance
- Suppliers of the required goods or services, found on the UN Global Market
 - Codification
- Through calls for Expression of Interest (EOI)
 - Notices
- Search of World Wide Web
- Trade Missions, Chambers of Commerce
- Exchange with other UN Agencies





Types of Solicitation

- Expression of Interest (EOI)
 Written communication by a supplier to provide information about its products, resources, qualifications and experience
- Request for Quotation (RFQ)
 Less formal solicitation, lower-value, standard specifications, readily available on the market
- Invitation to Bid (ITB)
 Formal solicitation, lowest evaluated price, compliant and technically compliant
- Request for Proposal (RFP)

Formal solicitation, requirements possibly met in a variety of ways, overall best solution will win the award (Combining technical solution and price considerations) -- not necessarily the lowest price



Thresholds/Award for types of solicitation

- Up to 30,000 USD
 - Informal, simplified acquisition procedure
 - Requests for Quotation (RFQ)
- Above 30,000 USD
 - ITB and RFP
 - Open and formal: advertised (on the web) generally larger shortlist (minimum 6 potential bidders)
 - Public bid opening
- Contract award Contract authority
 - Individual
 - Review and recommendation for higher value contracts





Bid Evaluation Criteria

- Acceptance of UN payment terms, terms & conditions, contract template, liability, legal capacity, etc.
- Delivery Terms (INCOTERMS 2000)
- Delivery Time
- Technical Requirements
- Recognized International/National Standards
- Supporting Documentation
- Proven Production Capacity & Financial Strength
- Warranty Conditions
- Appropriate After-sales Service
- Previous Contract References
- Price

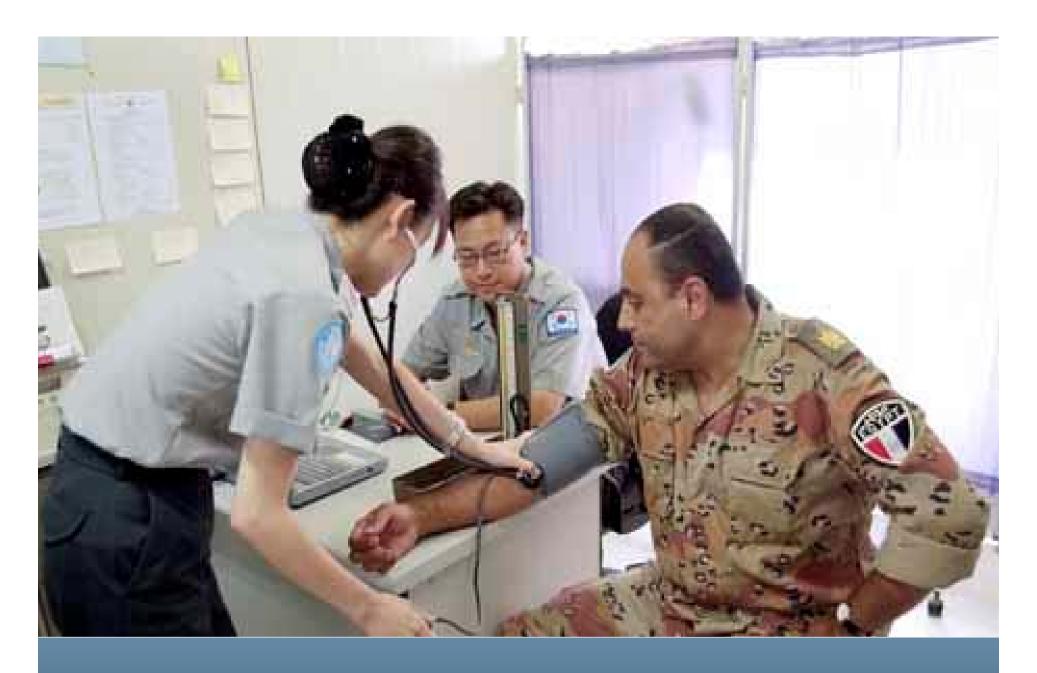




Common General Terms & Conditions

- Cover both the procurement of goods and the contracting of services and both.
- Most provisions are common within the UN procurement system, however some provisions may vary in text depending on individual agency requirements
- Potential suppliers are encouraged to familiarise themselves with the UN Terms & Conditions





Practical Tips



Practical Tips for Potential Vendors (1/3)

- Make use of information/publications available on UN Web sites:
 - Market analysis
- Register on the UN Global Marketplace and with other relevant UN agencies
- No pre-judgment, perception:
 - Doing business with the UN system is not more complex than any other public / international procurement entity
- Regularly monitor procurement opportunities: UN Agency Websites and others
- Express interest, bid and perform
 - Seek advice from national governmental, mission to UN, etc.
 - Not alone!



Practical Tips for Potential Vendors (2/3)

General

Always respond to bid invitations

- if you cannot offer inform the UN Organisation accordingly

Bid Preparation

Study bid documents, conditions and requirements carefully

In case of uncertainty - ask for clarifications

Ensure that your offer meets **ALL** bidding requirements

Technical specifications: read carefully and meet the minimum requirements

Quality statements: Norms and international/national standards

Alternative proposal may be provided (give brief explanation)



Practical Tips for Potential Vendors (3/3)

Bid Preparation (cont.)

- Submit bid, catalogues, etc. in the requested language
- Prepare bid to facilitate work of the Procurement Officer
 - requested format use submission forms complete tender documents

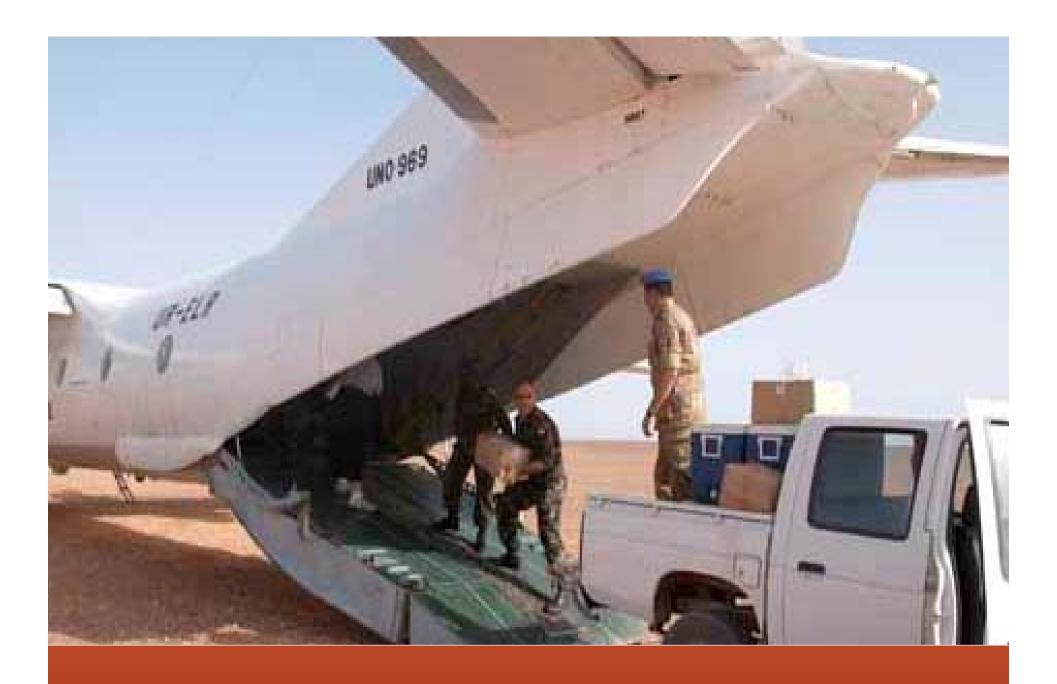
Bid Submission

- Meet deadline for the submission of bid and proposal
- Attend public bid openings, whenever called (if possible)

Remember

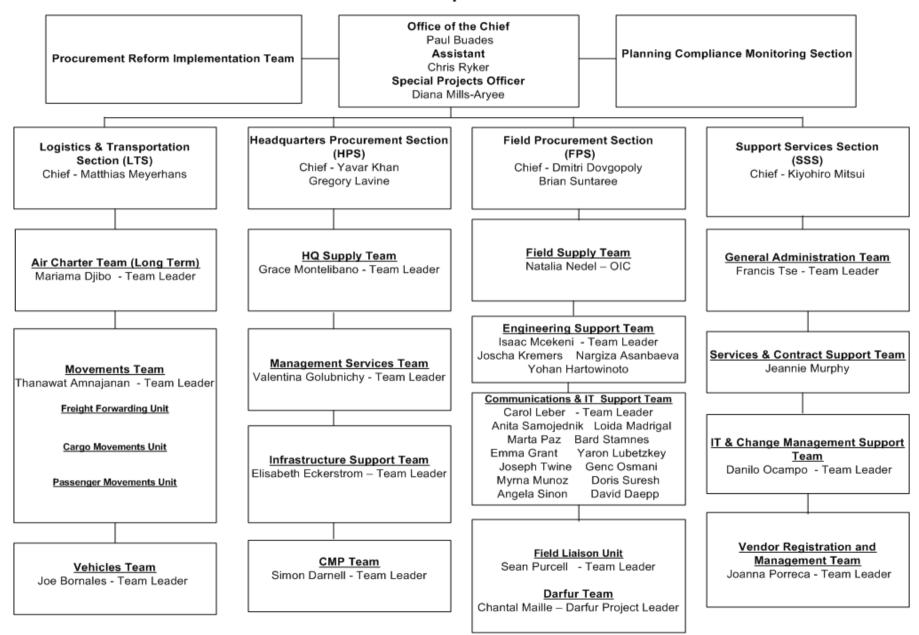
- Learning process
- Take advantage of UN Agencies websites





United Nations Procurement Service

PROCUREMENT SERVICE As of 24 September 2007





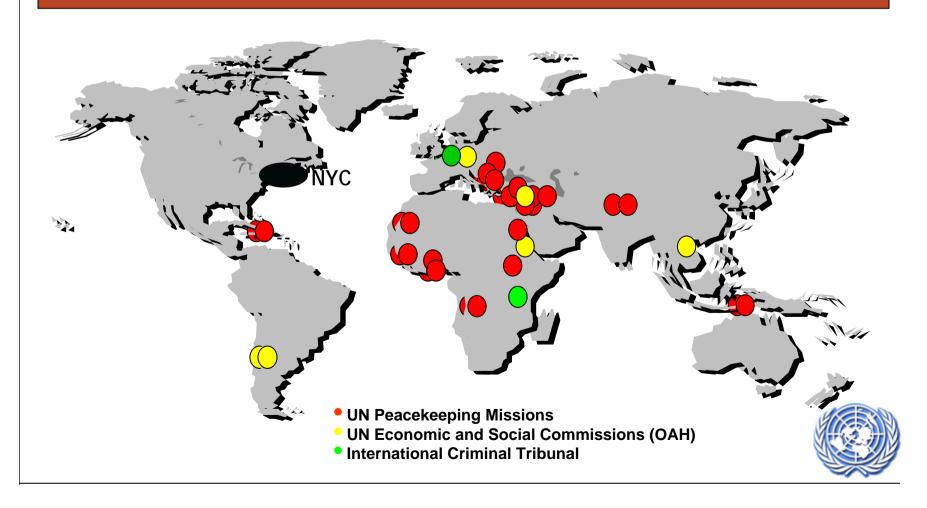
Contacts

Detailed contact information available at: http://www.un.org/depts/ptd/contact.htm





The United Nations System





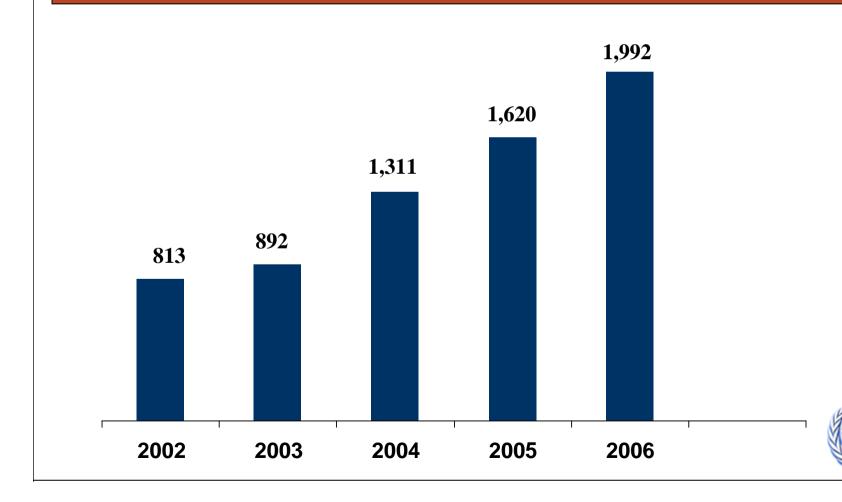
New York HQs Types of Equipment, Goods and Services Procured

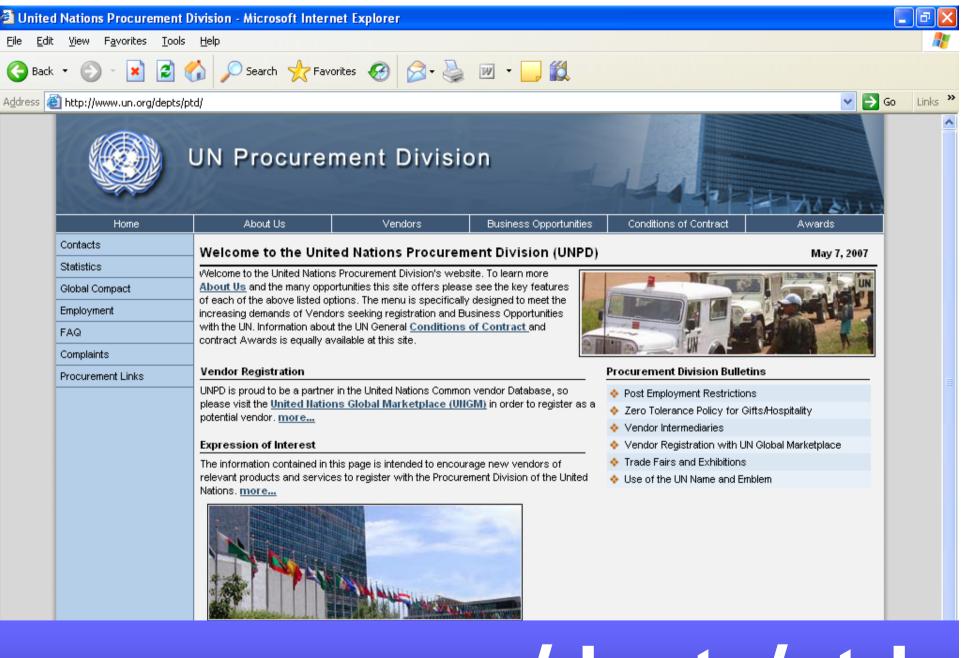
- Air Transportation Services
- Chemical & Petroleum Products
- Telecommunication Equipment & Services
- Food Rations & Catering Services
- Motor Vehicles/Parts & Transportation Equipment
- EDP Equipment & Maintenance Services
- Logistics & Freight Forwarding
- Prefabricated Buildings

- Inspection & Related Services
- Architecture, Engineering & Construction
 Related Services
- Electrical Apparatus & electronic component
- Real Estate Lease & rental
- Banking & Investment
- Security Equipment
- Pharmaceutical products and vaccines
- Medical Equipment

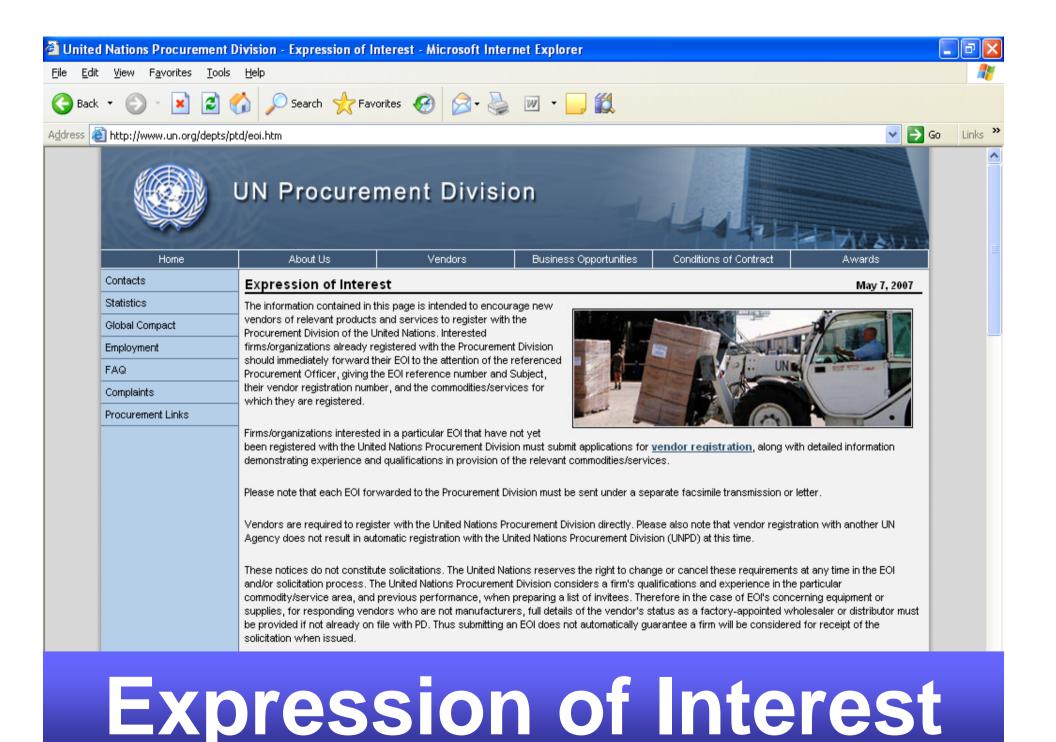


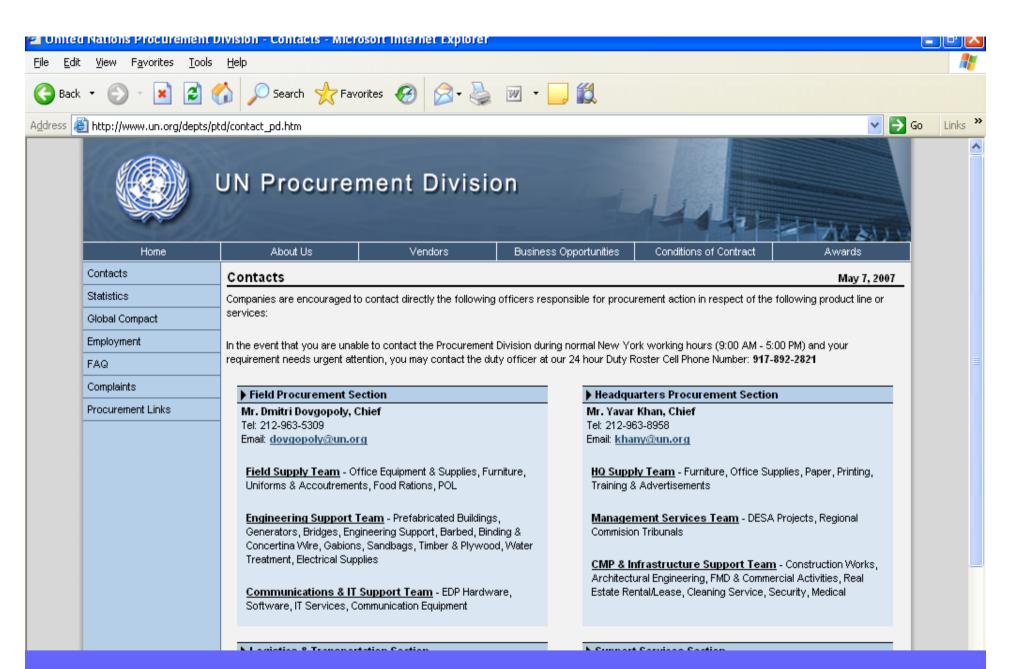
Procurement Trend 2002-2006 (in US\$ millions)



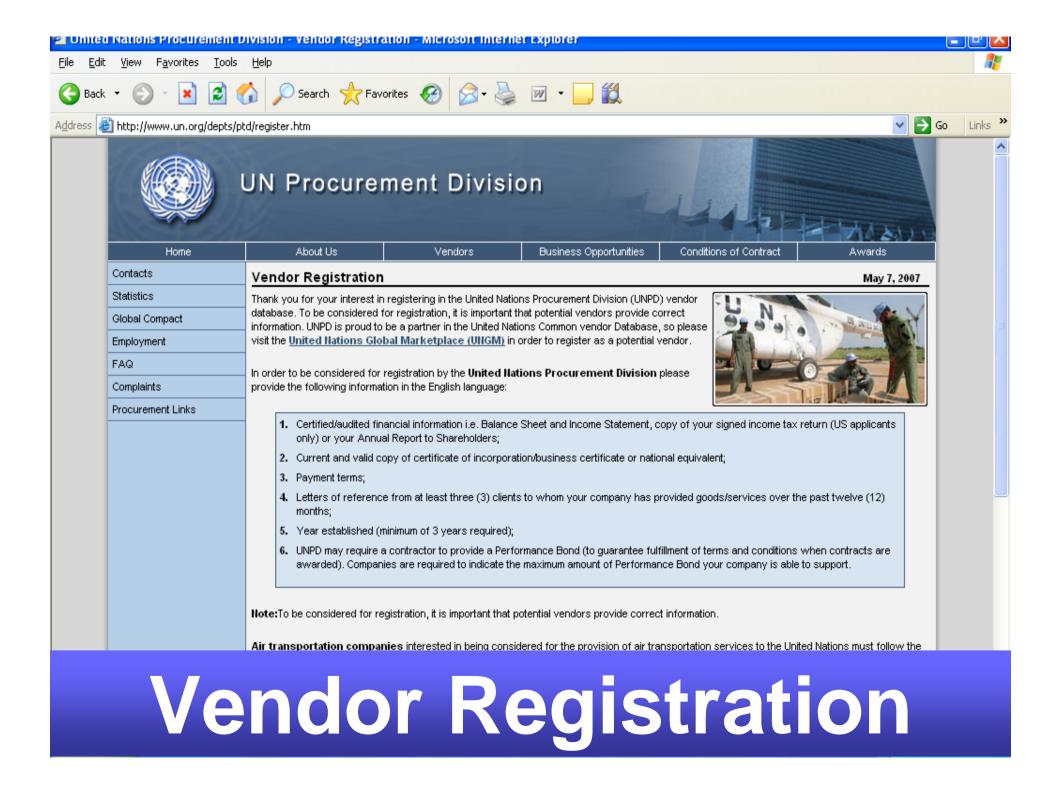


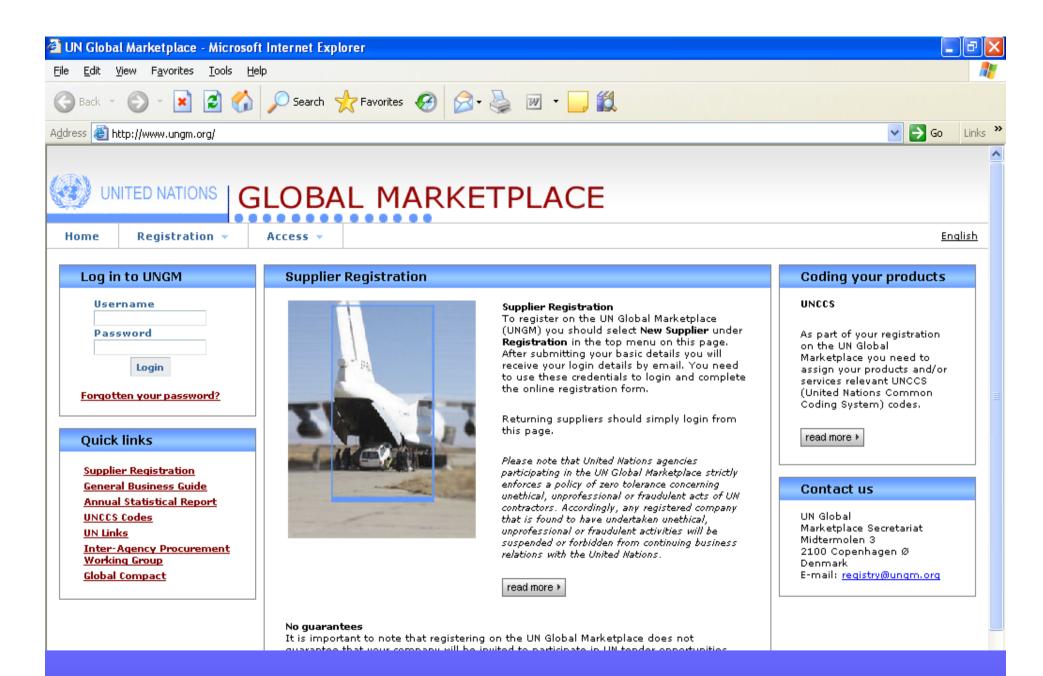
www.un.org/depts/ptd





Contacts/UNPD





www.ungm.org



The Global Compact



The UN Global Compact

Human Rights Labour Environment Anti-Corruption

Voluntary international corporate citizenship network initiated to support the participation of both the private sector and other social actors to advance responsible corporate citizenship and universal social and environmental principles to meet the challenges of globalization







The UN Global Compact

Ten Principles:

- 1. Business should support and respect the protection of internationally proclaimed human right; and
- 2. Make sure that they are not complicit in human rights abuses.
- 3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4. The elimination of all forms of forced and compulsory labour;
- 5. The effective abolition of child labour; and
- 6. The elimination of discrimination in respect of employment and occupation.
- 7. Business should support a precautionary approach to environmental challenges;
- 8. Undertake initiatives to promote greater environmental responsibility; and
- 9. Encourage the development and diffusion of environmentally friendly technologies.
- 10. Business should work against all forms of corruption, including extortion and bribery.

www.unglobalcompact.org



The UN Global Compact

Benefits of Participation

➤ Multi-stakeholder dialogue and problem-solving

Addressing issues before crisis (e.g. human rights)

- ➤ Improved risk management (legal liabilities)
- ➤ Contributing to development
- ➤ Restore trust general corporate reputation
- ➤ Trust-building in the developing world
- ➤ Good corporate governance



THE GLOBAL COMPACT

www.unglobalcompact.org





Thank you & good luck