

SUPPLY DIVISION

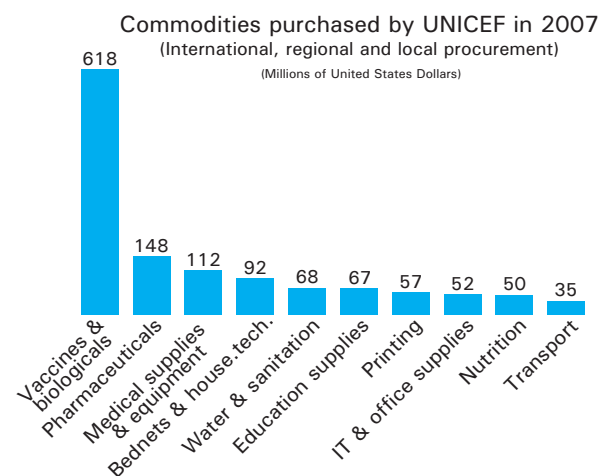
SUPPLIES FOR CHILDREN

- IN FIGURES

UNICEF is a world leader in the procurement of supplies for children. In 2007, UNICEF procured over \$1.4 billion worth of supplies (an increase of 15 per cent over 2006) of which nearly \$1.1 billion was international procurement. The Organization supplied vaccines reaching 55 per cent of the world's children. UNICEF also procured antiretroviral medicines for 56 countries, and remained one of the world's largest buyers of mosquito nets and oral rehydration salts. UNICEF assisted 66 countries to respond to emergencies through the urgent provision of essential commodities.

Over 12 million children went back to school in 2007 with UNICEF educational supplies. In addition, over \$11 million worth of in-kind assistance (including for instance a major donation of Vitamin A from the Canadian Government) was managed, as well as \$64 million worth of international freight. Some \$671 million worth of procurement services were provided to 100 governments and other partners, leveraging further supplies to children in need.

WHAT UNICEF BUYS GLOBALLY...



Immunization

Record high levels of vaccines were procured in 2007 (3.2 billion doses with a value of \$617 million). The procurement of Global Alliance for Vaccines and Immunization (GAVI)-funded supplies rose by 76 per cent to over \$230 million, delivered to 60 countries. The use of combination vaccines has increased and UNICEF now supplies to 37 countries. UNICEF also supports safe vaccine delivery through the procurement of \$42 million worth of auto-disable syringes and \$27 million of cold chain equipment

Malaria

UNICEF procured nearly \$17 million worth of ACTs, representing nearly 17 million treatments. UNICEF and its partners continue to support the implementation of new, more effective antimalarial treatments. For many countries the cost of ACTs is a challenge,

... AND WHERE WE BUY IT

Top 20 supplier countries 2007 (millions of United States Dollars)			
India	353	Kenya	26
Belgium	198	United Kingdom (the)	22
Switzerland	156	South Africa	15
France	111	Ethiopia	14
Denmark	111	Bangladesh	14
Japan	43	Pakistan	14
Germany	37	Sudan	12
Italy	33	Indonesia	12
United States (the)	31	Cyprus	11
China	28	Sweden	9

but in 2007 the average cost of the main ACTs decreased significantly, with adult doses now less than \$1 per treatment.

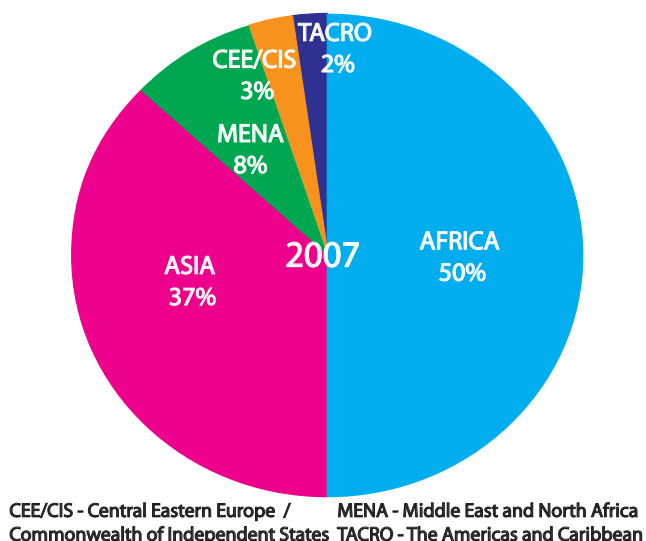
The value of UNICEF's procurement of mosquito nets fell from \$116 million in 2006 to \$83 million in 2007 (18 million nets). This reflects the successful transfer of procurement capacity from UNICEF to the governments concerned.

Medicines and medical equipment

UNICEF continues to support activities to increase access to medicines, procuring a total of \$148 million worth in 2007. The products in highest demand were vitamin A, albendazole and mebendazole, iron and folic acid tablets and injectable and low-cost antibiotics like cotrimoxazole. The procurement of medical equipment and supplies reached \$112 million in 2007.

In 2007, the Micronutrient Initiative and the Canadian Government provided in-kind assistance of some 440 million vitamin A capsules to UNICEF.

DESTINATION OF UNICEF SUPPLIES



Nutrition

Under-nutrition exacerbates the impact of disease and is the main underlying cause of half of all under-five deaths. In 2007, Supply Division procured \$50 million worth of nutritional products to fight acute malnutrition in children, focusing mainly on ready-to-use therapeutic food (RUTF) and therapeutic milk.

In 2007, UNICEF doubled its procurement of RUTF to nearly \$18 million, principally of the nutritional paste plumpy'nut® from Nutriset, and delivered to 41 countries. UNICEF has now qualified - and procures from - local Nutriset franchises in Niger, Malawi and Ethiopia.

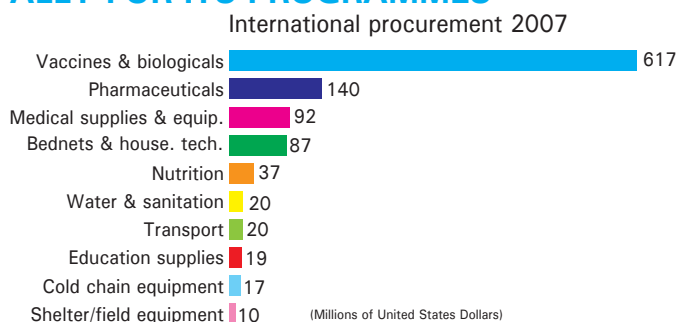
Water and sanitation

Over 1.1 billion people still do not have access to safe water. Simple, low-cost supply interventions at the household level and in schools are key to saving children's lives. UNICEF procured some \$68 million worth of water and sanitation supplies in 2007.

HIV/AIDS and children

The procurement value of HIV test kits increased from \$7.3 million in 2006 to \$11 million in 2007. A similar growth has been observed in HIV/AIDS-related diagnostic equipment, reagents and consumables, which reached over \$5 million in 2007.

WHAT UNICEF BUYS INTERNATIONALLY FOR ITS PROGRAMMES



The procurement of antiretrovirals (ARVs) almost doubled from \$37 million to nearly \$66 million worth of supplies in 2007. Almost all of this was for Procurement Services customers. The number of treatment packs procured grew from 2.8 million to over 5 million in 2007, partly due to a substantial fall (19 per cent) in the price of the most common treatments.

Education

Access to appropriate educational supplies is essential to the fulfilment of children's right to education. In 2007, UNICEF shipped educational kits and supplies for over 12 million children and over 100,000 teachers, working closely with Country Offices and governments on planning, procurement, packing and distribution. Global procurement for education items reached \$67 million.

Inspection

Goods received in the Copenhagen warehouse are inspected by quality assurance staff (over 2,500 inspections in 2007), and inspection companies conducted over 280 pre-delivery inspections at supplier premises of goods being shipped directly to the field. As part of the procurement tendering process the quality of over 700 product samples was also evaluated.

Warehousing

UNICEF maintains a stock of some 750 items and produces 37 different kits, including the school-in-a-box, the emergency health kit and safe-delivery kits. UNICEF central warehouse throughput reached \$93 million in 2007, representing a 27 per cent increase over 2006. Supply Division managed over 8,500 international shipments, to a total freight value of \$64 million - including 26 charter flights (mainly for vaccines, medicines, tents, therapeutic food and other emergency relief supplies).

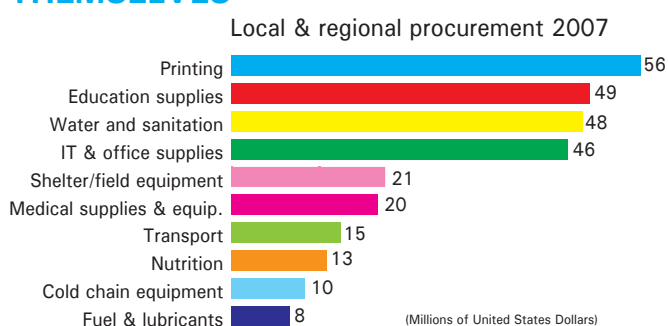
UNICEF Kits

Over 350,000 kits (an increase of 43 per cent over 2006) were shipped either from the Copenhagen warehouse or field locations with supervision and training provided by Supply Division warehouse experts.

In-Country Logistics

UniTrack, a UNICEF developed stand-alone warehouse management software, is tailored for environments where UNICEF is asked to manage or support in-country logistics. In 2007, over 150 staff were trained, and UniTrack was installed in 9 countries - bringing to 14 the number of countries equipped with UniTrack. The roll-out will continue through 2009.

...AND WHAT FIELD OFFICES BUY FOR THEMSELVES



Emergencies

Supply Division assisted 66 countries to respond to emergencies in 2007 - notably in DR Congo, Sudan and Pakistan - shipping goods with a value of \$48 million. Most emergency supplies were sent to 34 countries in Sub-Saharan Africa. With a network including the Copenhagen warehouse and hubs, suppliers, other UN and NGO partners (such as WFP Humanitarian Response Depots), UNICEF ensures a global reach in its emergency response, and can deliver emergency supplies to cover the needs of a population of 250,000.

Partnerships

Almost 80 per cent of UNICEF procurement was undertaken with inter-UN agency collaboration in 2007, and some 31 per cent of Supply Division's procurement was on behalf of external partners. UN coherence and external partnerships leverage resources for children and share technical and supply expertise.

More information can be found at: www.unicef.org/supply.