

PANEL

PROCUREMENT SERVICES

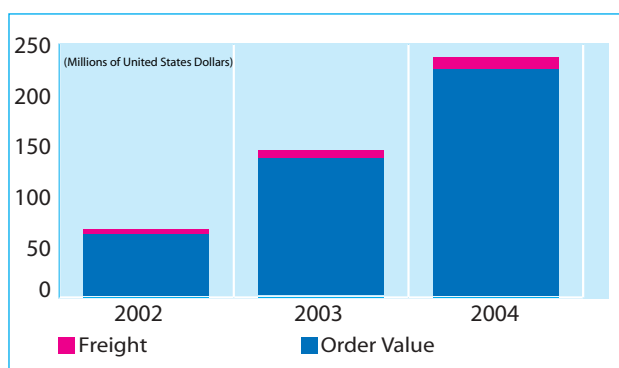
UNICEF Procurement Services works with governments and other partners to help them in their efforts to procure supplies for children and their communities, efforts which complement UNICEF-supported programmes and increase their scale and impact.

As part of Supply Division, Procurement Services staff coordinate the provision of supplies and related management services, in close collaboration with UNICEF Country and Regional Offices. Supply Division has developed a full supply management package in areas in which UNICEF has recognised leadership, such as vaccines, mosquito nets and pharmaceuticals. This package extends the reach of Procurement Services beyond the provision of supplies to include in-country logistics, capacity building, and project management, amongst other activities.

In 2004, the value of all Procurement Services procurement totalled \$235 million (including freight). Since 2003, orders have thus increased by 64 per cent, proving that there is a strong demand for UNICEF's values of integrity, transparency, reliability and operational ethics. Commodities are now shipped to more than 90 countries around the world. The impressive growth in recent years also underlines that UNICEF's procurement expertise, combined with its capacity to meet requests, is increasingly recognised by partners.

While vaccines still account for 76 per cent of the total Procurement Services value, ARV procurement grew to over \$18 million in 2004. Significant growth was also observed in Procurement Services for other commodity groups, namely pharmaceuticals, education supplies, bednets/household technologies, and medical and laboratory equipment. Supply Division plans to continue to step up efforts in these areas as well as in water and sanitation.

PROCUREMENT SERVICES ORDERS



Complementing project activities, Procurement Services has been active in orienting field office staff, government officials and UN colleagues on the benefits of working with UNICEF in procurement activities. Over 60 such visitors, from 17 countries, were introduced to Supply Division in 2004. Many came to participate in two orientation workshops, in May for an English-speaking audience, and in December for French-speaking participants. These workshops focused on UNICEF's ability to offer its partners a full supply package customized to individual project requirements through the Procurement Services mechanism. Participants left with a clear understanding of the strengths, added value and comparative advantages of UNICEF Procurement Services. The workshops directly resulted in new cost estimates and orders. Similar events are planned for 2005. In addition, a detailed brochure on the commodities and services available to partners was produced and distributed during the year.



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In a school near Antananarivo, the capital of Madagascar, Esperance and Sambata (centre) and their friends smile as they show the school bags they received for free at the beginning of the school year in 2004. These bags, which contain a kit with pencils, pens and other educational supplies, were procured and distributed by UNICEF Procurement Services on behalf of the Ministry of Education. These free bags have contributed to increasing the enrolment rate of first grade students by 18 per cent compared to 2003.

As well as governments and international financial institutions, new partners such as global funds and alliances, NGOs and UN agencies are increasingly using Procurement Services. Some of the most notable achievements in 2004 included:

Ministry of Health, Malawi – Procurement of HIV/AIDS-related products: During 2004, UNICEF delivered supplies for the HIV/AIDS programme in Malawi worth \$4 million, following a very tight delivery schedule. UNICEF will procure items for an estimated \$14 million in 2005. Thanks to this project, the first large-scale HIV/AIDS project for Procurement Services, UNICEF has been instrumental in raising the number of people receiving ARV treatment in Malawi to 10,000 at the end of 2004. The target for 2005 is 80,000.

HAPP Project, Bangladesh – Assisting the Government of Bangladesh in HIV/AIDS prevention measures: The unique element of this ongoing \$12 million project funded by the World Bank and the United Kingdom’s Department for International Development, is that UNICEF is procuring \$5 million worth of services from NGOs to work with vulnerable groups on HIV/AIDS prevention. UNICEF also assists the NGOs with their own procurement activities, in terms of screening grant requests, concluding grant agreements, disbursing funds, overseeing contracts, monitoring and reporting.

Government of Madagascar – Providing a range of health and education commodities, in cooperation with Government partners: Primarily funded by the World Bank, with additional inputs from the Ministries of Health and Education, the most notable success was the delivery of one million school bags, part of school kits delivered to the whole island.

JICA-sponsored malaria bednet campaign in 13 African countries: Supply Division procured more than 350,000 bednets for \$2.2 million, for Cameroon, Mozambique, Eritrea, Burkina Faso, Swaziland, Uganda, Namibia, Niger, Madagascar, the Democratic Republic of the Congo, Guinea, Benin and Djibouti.

The Global Fund to fight AIDS, Tuberculosis and Malaria/World Bank-assisted activities for the Ministry of Health, Guinea Conakry: UNICEF expedited \$1.3 million worth of orders for bednets, vaccines, ARVs, medical health kits and vehicles, including in-country transportation from the port of entry to the Central Medical Stores and Main Referral Hospital in Conakry.

OPV for India, funded by the World Bank and KfW: UNICEF purchase orders totalled \$100 million in 2004, the equivalent of over one billion doses of oral polio vaccine.