

SUPPLY DIVISION

SUPPLIES FOR CHILDREN - IN FIGURES

UNICEF is a world leader in the procurement of supplies for children. In 2005, UNICEF procured over \$ 1.1 billion worth of supplies, of which \$846 million was offshore procurement (with an additional \$46 million worth of freight for offshore procurement). This represents a 38 per cent increase over 2004. The notable increase in 2005 is attributable to higher procurement volumes for a range of commodities including water and sanitation (up by 69 per cent), pharmaceuticals (increasing by 43 per cent) and bednets (up by 190 per cent). The exceptional emergencies UNICEF responded to also had an impact on its procurement. In addition, the Division handled over \$25 million worth of in kind assistance.

UNICEF continued to procure vaccines for 40 per cent of the world's children, antiretroviral medicines for 42 countries, and remained the largest buyer of mosquito nets in the world, as well as the largest buyer of Oral Rehydration Salts for developing countries. In 2005, Supply Division sent out educational supplies to help nine million children go back to school.

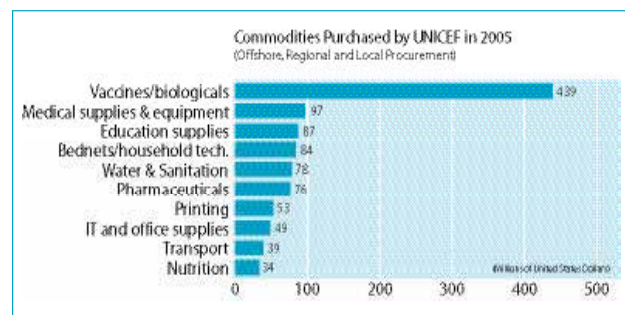
TOP 20 SUPPLIER COUNTRIES 2005 (millions of United States Dollars)			
Belgium	222	Pakistan	29
India	205	China	26
France	82	Kenya	21
Japan	54	Indonesia	20
Switzerland	43	Thailand	14
Denmark	40	Sudan	11
United States	33	South Africa	11
Italy	33	Sweden	10
Germany	31	United Arab Emirates	9
United Kingdom	31	Republic of Korea	9

Nine out of 20 of UNICEF's top supplier countries were countries where UNICEF supports programmes for children. In fact, nearly half of UNICEF's global procurement is done in developing countries.

In 2005, the value of all Procurement Services transactions totalled \$305 million (including \$18 million in freight services). UNICEF Procurement Services works with governments and other partners to help them in their own efforts to procure supplies for children and their communities.

In 2005, the warehouse throughput reached an unprecedented \$81.5 million. Some 62,000 emergency kits worth approximately \$11.6 million were assembled. In 2005, approximately 8,000 sea and air shipments were managed by Supply Division, including nearly 100 full charter flights.

WHAT UNICEF BUYS GLOBALLY



Emergency Supplies in 2005

Supply Division procured an unprecedented level of emergency supplies in 2005. Despite the sharp differences from emergency to emergency, several overarching facts determined the year's humanitarian crises and responses: the scale was enormous, virtually no continent was spared, and emergency preparedness, technical support and inter-agency collaboration continued to improve.

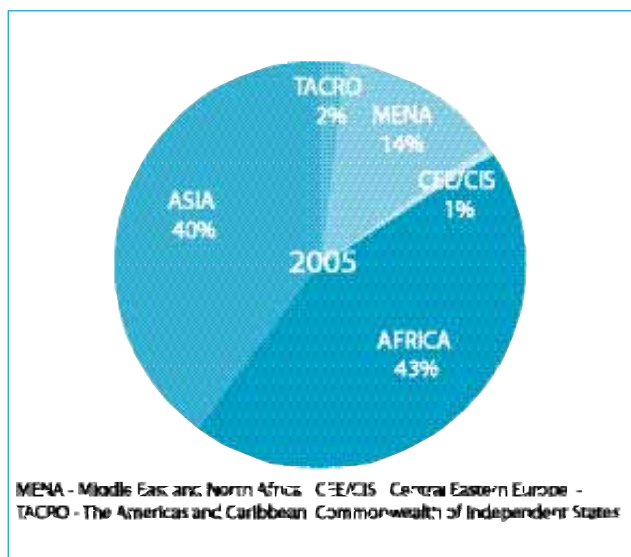
The procurement from Supply Division to tsunami-affected countries is estimated at over \$20 million in 2005, consisting mostly of medicines and medical equipment, vaccines and related supplies, education and recreation kits, and water and sanitation supplies. Supply Division also deployed seven members of its staff to the tsunami zone to provide logistics support.

The Division sent over \$18 million worth of supplies to Darfur. The warehouse in Copenhagen packed a total of 42,559 kits and sets for Sudan. In addition, Supply Division sent out half a million blankets and 157,000 mosquito nets to the country. Between 2004 and 2005, Supply Division provided 3.4 million doses of measles vaccines to immunize the same number of children in Darfur.

From early in 2005 until the crisis peaked in August, UNICEF began stockpiling supplies in chronically malnourished and under-funded Niger, in an effort to reach 800,000 children affected by a food crisis. The supply effort focused on therapeutic food (UNIMIX, therapeutic milk and PlumpyNut®), antimalarials and other essential medicines, mosquito nets, family water kits and measuring boards.

In the first days after hurricane Stan hit central America Supply Division helped deliver more than 50,000 oral rehydration salts sachets, some 2,000 family hygiene kits and 2,000 educational and recreational kits to El Salvador.

PERCENTAGE OF UNICEF SUPPLIES USED IN:



After the earthquake in Pakistan and India, Supply Division shipped nearly \$8 million worth of emergency supplies to Pakistan and about \$500,000 to India in 17 charters and in commercial flights.

Young Child Survival and Development

In 2005, the total value of procurement for Immunization represented \$492 million, with \$439 million spent on vaccines, and \$53 million spent on safe injection supplies and cold chain equipment. The procurement of Oral Polio Vaccines reached a historical high in 2005 with 2.1 billion doses purchased by Supply Division in support of the Global Polio Eradication Initiative.

In 2005, UNICEF supplied 168 million doses of measles vaccines to countries around the world, of which about 60 per cent were used in campaigns pursuing the Measles Mortality Reduction strategy. The organization also procured over 700 million auto-disable syringes.

The supply of mosquito nets and insecticides to sub-Saharan countries has increased significantly – up 175 per cent to 17 million nets (70 per cent of which were long-lasting nets) in 2005 for a value of \$73 million. In 2005, Supply Division procured \$10.5 million worth of antimalarials, including \$8.5 million worth of artemisinin-based combination therapies (ACTs). This represented over nine million ACT treatments, procured primarily for countries in Africa.

In 2005 UNICEF procured \$34 million worth nutritional supplies, from therapeutic food for malnourished children to scales and cooking kits. The procurement of micronutrient products significantly increased to reach \$23 million. Vitamin A procurement reached \$10.4 million, including \$8.3 million in donations. The main focus was on supplies requested for emergency situations. The procurement of therapeutic spread (made of peanut-butter with added vitamins and minerals) was supplied at a value of \$6.4 million.

HIV/AIDS and Children

The procurement of antiretrovirals and HIV/AIDS test kits has shown remarkable growth from 2004 to 2005, increasing respectively from \$18.4 million to \$33.5 million and \$2.9 to \$8 million worth of supplies.

The value of paediatric ARVs constituted around nine percent of the total value of the ARV procurement in 2005. In 2005, UNICEF delivered HIV/AIDS-related supplies to 42 countries.

Education

In 2005, Supply Division procured \$86.5 million worth of education supplies. The school-in-a-box and the recreation kit have become part of the UNICEF standard response in emergencies. Supply Division procured and packed student and teacher kits for nearly three million children and over 45,000 teachers in the Democratic Republic of Congo (DRC).

In Iraq, Supply Division procured \$17 million worth of educational supplies for children last year. This represented 1.5 million school bags and 4.5 million educational kits for the same number of children.

Partnerships

Supply Division is making important strides to bring UN Reform into the mainstream of its operations. UN Reform is seen as an opportunity to procure supplies for children and their families faster, better and at an affordable cost. By consolidating their procurement, UN agencies are also able to use the additional leverage of very large procurement, allowing them to better negotiate collectively.

Nearly half of Supply Division's procurement is done on behalf of external partners. This is done through the Procurement Services strategy, which served approximately 400 customers, composed of governments, NGOs, UN agencies, academic institutions and philanthropic organizations in 2005. Procurement of vaccines and injection safety equipment for GAVI amounted to \$130 million.

Nearly 70 per cent of UNICEF procurement is done in collaboration with other UN agencies. Supply Division works with partners on procurement norms and strategies. WHO and UNFPA in particular are strong partners on immunization, medicines, malaria and HIV/AIDS.

During emergencies, UNICEF works closely with the World Food Programme, the UN High Commissioner for Refugees and the United Nations Joint Logistics Centre (UNJLC) on shipping, logistics and distribution.

Dissemination of information on procurement and supplies is another area of collaboration, which helps developing countries make informed decisions on the procurement of quality, affordable supplies.

More detailed information on UNICEF supplies can be found in the Supply Division Annual Report 2005, and on the UNICEF website at www.unicef.org/supply.