Key Features of UNICEF Supply Operations

UNICEF Executive Board Orientation

Leila Gharagozloo Pakkala
Director, Supply Division
11 January 2024
UNICEF STRATEGIC PLAN (2022 – 2025)

Supply is central to achieving the five goals of the UNICEF Strategic Plan, informed by the SDGs.

- Every child survives and thrives
- Every child learns
- Every child is protected from violence and exploitation
- Every child lives in a safe and clean environment
- Every child has a fair chance in life
SUPPLY STRATEGIC FRAMEWORK 2022 - 2025

UNICEF’s Strategic Plan informs our vision: Equitable access to essential supplies and services for every child

1. Emergency preparedness and response
2. Strategic procurement and delivery
3. Market influencing and product innovation
4. Financing partnerships and solutions
5. Systems strengthening
6. Digitalization of the supply chain
7. Strategic partnerships
8. People and culture
9. Sustainability
In 2019, UNICEF procured $3.826 billion for 150 countries and areas, of which $2.634 billion was for goods and $1.192 billion for services.
UNICEF PROCUREMENT VALUE

In 2022, UNICEF procured:

$7.383 billion

GOODS $5.555 billion

SERVICES $1.828 billion

for 162 countries and areas
In 2023*, UNICEF procured $4.959 billion for 158 countries and areas, of which $3.429 billion was for goods and $1.530 billion for services.

*Interim Figures
UNICEF PROCUREMENT

HIGHEST VALUE COMMODITY GROUPS - 2022*

$3.736 billion
VACCINES/ BIOLOGICALS

$392.4 million
NUTRITION SUPPLIES

$322.1 million
MEDICAL SUPPLIES AND EQUIPMENT

$188.7 million
WATER AND SANITATION SUPPLIES

$149 million
PHARMACEUTICALS

$134.3 million
EDUCATION SUPPLIES

$54.9 million
SHELTER/FIELD EQUIPMENT

$38.5 million
BED NETS/INSECTICIDES

*By procurement value
UNICEF PROCUREMENT

LARGEST SERVICE CATEGORIES - 2022*

$300 million
CONSTRUCTION SERVICES

$266.3 million
INTERNATIONAL FREIGHT SERVICES

$211.3 million
CASH AND VOUCHER ASSISTANCE

$190.9 million
LOCAL TECHNICAL WORKFORCE FOR PROGRAMME SUPPORT

$124.4 million
IN-COUNTRY LOGISTICS AND WAREHOUSING SERVICES

$117 million
RESEARCH, SURVEYS, MONITORING & EVALUATION SERVICES

*By procurement value
• Only 5 per cent of supplies procured by UNICEF pass through UNICEF Global Supply Hubs.
• Most deliveries (e.g. vaccines and Ready-to-Use Therapeutic Food) are shipped directly from suppliers to the destination country.

The UNICEF Global Supply and Logistics Hub in Copenhagen is the world’s largest humanitarian warehouse.

Global Hubs maintain three-months emergency stock for 250,000 people.

Strategic locations ensure emergency deliveries within 72 hours – wherever they are needed.

Copenhagen | Dubai | Panama City | Brindisi | Guangzhou
<table>
<thead>
<tr>
<th>Location</th>
<th>Response Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Türkiye-Syria</td>
<td>Extensive earthquake relief efforts; children's winter clothing, medical devices, nutrition, pharmaceuticals, tents &amp; WASH supplies</td>
</tr>
<tr>
<td>Haiti</td>
<td>Ongoing coordinated support to combat severe acute malnutrition, cholera outbreaks and insecurity</td>
</tr>
<tr>
<td>Libya</td>
<td>Hybrid emergency response &amp; early recovery post-flood; WASH, medical and education supplies</td>
</tr>
<tr>
<td>State of Palestine</td>
<td>Response to the escalating emergency with medical &amp; health supplies, WASH items, and winterization</td>
</tr>
<tr>
<td>Sahel (Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Togo)</td>
<td>Region-led response using stockpiles and supporting coordinated procurements</td>
</tr>
<tr>
<td>Ukraine</td>
<td>Sustaining support focused on WASH, education and winterization items</td>
</tr>
<tr>
<td>Sudan-Chad</td>
<td>Responding to the impact of conflict and displacement by delivering essential nutrition, WASH and medical supplies, incl. cross-border operation to Darfur via Chad</td>
</tr>
<tr>
<td>Democratic Republic of Congo</td>
<td>Supporting CO response to insecurity, displacement and hunger crisis through provision of RUTF; WASH, Health and midwifery kits; and high performance tents</td>
</tr>
<tr>
<td>Cholera</td>
<td>Addressing the widespread outbreaks (at least 30 countries in five regions) by deploying medical &amp; WASH supplies</td>
</tr>
</tbody>
</table>
In 2024, consultations with a target to seek Board approval for extension in Feb 2025.

In 2023, VII helped accelerate the procurement of vaccines and other supplies worth over $195M. The VII and the VII-backed RUTF Window facilitated ~$80M in advance payments, and $88M in special contracts with RUTF suppliers to support the Nutrition Crisis. The VII also bridged countries to cover their co-financing requirements on time.

In 2021, $649M in pre-financing and special contracts helped self-financing countries accelerate access to essential supplies.

The VII played a crucial role in securing supplies during the COVID-19 response.

In 2019, $649M in pre-financing and special contracts helped self-financing countries accelerate access to essential supplies.
Mature supply chains are built on well-functioning operations:

- **Upstream** (e.g., forecasting, planning and procurement)
- **Downstream** (e.g., warehousing and distribution)

Well-functioning supply chains require **cross-cutting “enablers”** such as people, data, and regulatory frameworks.
UNICEF accounts for 25% of total UN procurement

UN procurement across 41 organizations was 29.59 billion in 2022

UNICEF procurement as a percentage of overall UN procurement (2011-2021)

Sources: UNICEF Supply Division, data on file, 2022; UNGM—Annual Statistical Reports on United Nations Procurement
Through strategic procurement, UNICEF achieved $74.8 million in savings for donors and partners in the following product categories:

- **3.18 million** YELLOW FEVER VACCINE
  - Partners: Gavi, the Vaccine Alliance, WHO, suppliers

- **3.00 million** ANTIMALARIALS, ARTEMISININ-BASED COMBINATION THERAPIES
  - Partners: Medicins Sans Frontieres for Malaria Venture, PAHO, Roll Back Malaria, WHO, suppliers

- **2.64 million** RESUSCITATORS AND VOCATIONAL TRAINING MODELS
  - Partners: suppliers

- **2.33 million** FREIGHT SERVICE
  - Partners: UN agencies, suppliers

- **1.77 million** SCHOOL BAGS
  - Partners: suppliers

- **0.69 million** TETANUS TOXOID-CONTAINING VACCINES FOR ADOLESCENTS AND ADULTS
  - Partners: suppliers

- **0.48 million** SEROLOGICAL ASSAYS FOR HIV, MALARIA, AND HEPATITIS B AND C
  - Partners: suppliers

- **0.02 million** HYGIENE KITS (LOCAL MIDDLE EAST AND NORTH AFRICA REGION)
  - Partners: suppliers

- **0.01 million** HEPATITIS B VACCINE
  - Partners: suppliers

- **0.02 million** CHILDREN’S WINTER CLOTHES (LOCAL, MIDDLE EAST AND NORTH AFRICA REGION)
  - Partners: suppliers

**PROCUREMENT APPROACHES USED**
- UNICEF long-term arrangements (LTAs)
- Strategic procurement
- Special contracting
- Leveraging partnerships (e.g., coordinated forecasts and/or procurement, sharing LTAs)
- Price transparency
- Other (e.g., reduced material cost)
SUPPLY DIVISION

UNICEF Staff Team Award 2020

• Logisticians
• Planners/Forecasters
• Warehouse managers
• Nutritionists
• Architects
• Engineers
• Market experts
• Monitoring specialists
• Product experts

SUPPLY COMMUNITY

UNICEF Staff Team Award 2021

Copenhagen | Valencia | Budapest
New York | Addis Ababa | Geneva

1342 Supply Community staff
117 countries where staff are located
149 nationalities

EXPERTISE

- Market experts
- Monitoring specialists
- Product experts
- Logisticians
- Planners/Forecasters
- Warehouse managers
- Nutritionists
- Architects
- Engineers
- Pharmacists
- Financing experts
- Shipping experts
- Inspectors
- Buyers
- Quality assurance
THANK YOU