Welcome to Supply Division
Supply in the UNICEF structure
The Global Goals / The Sustainable Development Goals

1. No Poverty
2. No Hunger
3. Good Health
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace and Justice
17. Partnerships for the Goals

https://sustainabledevelopment.un.org/?menu=1300
UNICEF Strategic Plan - from MDGs to Sustainable Development Goals

UNICEF Outcome Areas

<table>
<thead>
<tr>
<th>Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIV/AIDS</td>
</tr>
<tr>
<td>WASH</td>
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<tr>
<td>Nutrition</td>
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<tr>
<td>Education</td>
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<tr>
<td>Protection</td>
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<tr>
<td>Inclusion</td>
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</tbody>
</table>

Changing context

- **Universality & Equity** - focus on subnational inequities-reaching every child and community
- A transition to LIC to MIC and Government’s access to ODA
- Climate Change
- Violence
- Urbanisation
- Disabilities
- NCDs
- Humanitarian-Development Continuum
- **Health Emergencies** & emerging pathogens / virus
20+ countries are predicted to enter GAVI-graduation through 2020.
## UNICEF Supply support to Gavi graduating countries

| ‘Sliding’ financial transition rather than cliff | • Country co-financing, including monitoring & advocacy at country level  
• Budgeting quantification support  
• Engagement with MoH + MoF |
| Vaccine prices | • Companies agreeing to maintain prices at Gavi price for 5-10 year post graduation  
• Closer engagement with RO/CO/Gov’t  
• Transparency  
• Special Contracting |
| Increase local fiscal space for immunization/health | • Advocacy  
• Tool-kit for local options (trust funds, other commercial)  
• Financing tools, including commercial and ring-fencing |
| Government self-procurement | • Support to more efficient payment & procurement systems;  
• Vaccine procurement practitioner's exchange |
| Buy or negotiate on behalf of Governments | • Expanding VII & making available PS  
• Establish reference prices |
| Work in Partnership | • WB, Gavi, bilateral donors, GFF  
• At local, regional and HQ levels |
### UNICEF in Middle Income Countries

UNICEF has programmes of cooperation with LIC, LMIC, and UMIC Governments. Countries in **blue** are where, as a part of such, UNICEF procures supplies for.

<table>
<thead>
<tr>
<th>LIC</th>
<th>LMIC</th>
<th>UMIC</th>
<th>HIIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIC Population</td>
<td>849 Million</td>
<td>2.561 Billion</td>
<td>2.41 Billion</td>
</tr>
<tr>
<td>% of total</td>
<td>12%</td>
<td>36%</td>
<td>34%</td>
</tr>
<tr>
<td>GNI</td>
<td>$709</td>
<td>$2,074</td>
<td>$7,598</td>
</tr>
<tr>
<td>GDP</td>
<td>$613 Billion</td>
<td>$5.2 Trillion</td>
<td>$18.7 Trillion</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>LIC</th>
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<tr>
<td>34</td>
<td>50</td>
<td>55</td>
<td>75</td>
</tr>
</tbody>
</table>
UNICEF Supply Strategies for 2014-2017

UNICEF Outcome Areas
- Health
- HIV/AIDS
- WASH
- Nutrition
- Education
- Protection
- Inclusion

UNICEF Global Supply Strategies
- Supply Strategies
  - Service Delivery
  - Emergency
  - Influencing Markets
  - Product Innovation
  - Strengthening Supply Chains with Governments
  - Monitoring
  - Institutional Contracting for Services

- Enabling Strategies
  - Evaluation
  - Partnerships
  - Supply Community
  - Optimising UNICEF Supply
  - Working Together for Results
Quality and timeliness across all segments of the supply chain so that the right supplies reach the right place at the right time.

Real-time Monitoring of:
✓ Timeliness
✓ Quality
✓ Value for money
✓ Compliance (ethics, transparency, etc.)
✓ Corrective & Preventive Action
## UNICEF Global Procurement 2014

UNICEF procured **$3.38 billion**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Details</th>
</tr>
</thead>
</table>
| Vaccines            | $1.48 billion | 2.71 billion doses for 100 countries  
UNICEF-supplied vaccines reach 40% of the world's children |
| Pharmaceuticals      | $251 million | 18.8 million Amoxicillin tablets to treat for example pneumonia  
Antiretrovirals providing 1.15 million people with first-line therapy  
74.3 million ORS sachets & 289.3 million zinc tablets |
| Nutrition           | $154 million | 30,440 MT of RUTF – 39% of which was sourced from programme countries  
$14 million Vitamin A tablets |
| Medical supplies & equipment | $140 million | 819 million immunization syringes & cold chain equipment worth $40.6 million  
10.5 million HIV rapid diagnostic kits & 9.9 million malaria rapid diagnostic kits  
91,853 medical kits shipped to 59 countries |
| International freight | $133.8 million | 10,200 international shipments |
| Water & sanitation  | $112 million | 701.5 million water purification  
tabs to clean 18.6 billion litres of water  
86,147 WASH kits |
| Bed nets & insecticides | $85 million | 26.4 million long lasting insecticidal nets to 35 countries |
| Construction        | $66 million | Support to 42 Country Offices, including facilities for Education/Child Development, Water & Sanitation and Health |
| Education           | $63 million | 141,173 education kits (i.e., Recreation Kits, Early Childhood Development Kits, School-in-a-Box kits) |

### Partnerships
- 86% of UNICEF procurement is undertaken in collaboration with other UN agencies.  
- Procurement Services to government and development partners resulted in $1.65 billion in supplies delivered to 99 countries.
Countries in which procurement exceeded $10 million (based on country of invoice, in $ millions)
Two thirds of these are countries where UNICEF has development programmes.
Global & local warehousing & transport

Inventory Value- Ave.
$199 M Globally
$44 M by SD

Kit-packing targets
Reduce lead-time (3 million items)
GMP health-kit-packing in Africa & India

SD CPH Warehouse
$128.5 M Value of throughput
319,173 kits packed and shipped
Emergency Preparation & Response

Provision of timely & appropriate emergency response via

✓ Supplies
✓ Supply chains
✓ People
✓ Preparation & Resilience (supplies, practitioners, supply chains)
Emergency response

Each emergency has its own unique characteristics:

- **Horn of Africa** (e.g., largest ever scale-up of RUTF, goods-in trust)
- **Pakistan** (e.g., > 60% of supplies were locally procured)
- **Syria** (protracted, logistics in the midst of conflict)
- **Philippines** (local inventory was key, deployed broader range of Supply staff, push logistics)
- **Iraq** (quick decision-making made it one of the largest & fastest supply response)
- **CAR & S. Sudan** (regionally led response)
- **Ebola** (able to quickly develop new specs/kits and sources, push logistics, investment in national health supply chains)

But many common issues:

- Timely decision-making
- Real-time Monitoring
- Preparation saves time and money
Adapting for rapid and efficient response

Product innovations

Forecasting and managing additional needs

Managing disruptions due to flight cancellations and/or limitations at the port of entry

Mobilizing resources and selecting the fastest and most efficient procurement method

Planning for storage capacity of the additional commodities and quality control

Distribution planning – sourcing willing transporters and gaining access to quarantined areas. Local logistics reaching community level in support of health systems

Waste management – ensuring availability of supplies and equipment for appropriate waste handling

Increased stock monitoring (supply monitoring dashboards for the affected countries)

Mitigating the impact of commodity availability on all the other life threatening diseases and health interventions e.g. vaccine introductions and campaigns and avoiding vaccine wastage, increased demand for essential medicines etc.
Healthy markets for essential supplies for children

Use analysis to address market issues that negatively impact access- short & long term
• Availability
• Quality
• Affordability
• Sustainability (including local production)
• Innovation

Employ Strategies
• Foster competitive markets
• Collaboration
• Volume guarantees
• Transparent markets
• Strategic procurement
• Forecasts
• Industry Forums
• Local markets
• Bridge financing
• Making public our QA for key products not covered by WHO or other SRA
• Establish clear, targeted results
• U.S. Fund for UNICEF, Bridge Fund
The Markets Dashboard

Taking inspiration from UNITAID’s Market Dynamics Dashboard, UNICEF developed and began publishing its own Markets Dashboard during 2013. The Dashboard monitors the market dynamics of more than 50 essential commodities for women and children. It provides a qualitative assessment of the determinants of a healthy market, including:

- Availability
- Affordability
- Competitiveness
- Quality
- Acceptability
- Delivery
- Funding security

This qualitative assessment helps to identify elements that contribute to gaps between supply and demand of particular products and suggests opportunities to catalyse frameworks and interventions that will achieve a more balanced market.

For example, some market shortcomings may call for engagement on a traditional procurement strategy basis where UNICEF may pool demand to achieve improved scale purchasing and better visibility for manufacturers.

Other contexts may suggest that UNICEF should support Country Offices in developing a quality local supplier base from which it can source the commodity. Where there are gaps in quality standard-setting, UNICEF may be well positioned to positively influence market dynamics by collaborating with partners and publishing the normative guidelines that it follows.

Dashboard context to continue to spur debate and build on transparency initiatives. Feedback is welcome and can be provided via the links at the UNICEF Supply website.

See the latest UNICEF Markets Dashboard at: http://www.unicef.org/supply/index_70578.html

http://www.unicef.org/supply/index_54214.html
Product innovation

http://www.unicef.org/innovation/
Product innovation for children

Greater opportunity for innovation

new technologies, materials and ways of manufacture
Growing private sector in LIC & investment in these markets
Users ‘closer’ to producers
Greater social awareness & responsibility

Product Innovation that

✓ Contributes to results or increases programme efficiency
✓ Is credible
✓ Is done efficiently (right combination of process & creativity)
Supply chain strengthening with Governments

Improve Performance e.g.,
- Reduce stock-outs
- Lower transportation costs
- Timely delivery
- Reduce waste
- Reach all children

http://www.unicef.org/supply/www.supplychainsforchildren.org
Supply chain Strengthening with Governments

Improving supply chain performance within different modalities

<table>
<thead>
<tr>
<th>Definition of Need</th>
<th>Budgeting &amp; Planning</th>
<th>Procurement</th>
<th>Delivery &amp; Clearance</th>
<th>Inspection</th>
<th>Warehousing, Distribution &amp; Reorder</th>
<th>Utilisation</th>
<th>Monitoring &amp; Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td></td>
<td>UNICEF</td>
<td></td>
<td></td>
<td></td>
<td>Government</td>
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<tr>
<td>b</td>
<td></td>
<td>UNICEF</td>
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<tr>
<td>c</td>
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</table>

**Different modalities of Service Delivery**

**Capacity Development**: Focus on sharing UNICEF added-value (expertise on markets, products, inventory, monitoring & convene StS (predominantly e)

**Strengthening together** (a, b, c, d)

**Optimising UNICEF** (a, b, c)

**Via**

- Supply Chain as professional discipline
- Monitoring dashboards
- Optimised design
- LMIS systems
- Focus & political will

**Working Together**

- Governments
- UNICEF
- Partners (WHO, Gavi, DFID, USAID, EU, JSI, GFATM, etc.)
Supply Engagement with Governments

Strengthening Capacities

Predominantly health
UNICEF’s Supply Community

- Logisticians
- Procurement
- Warehouse managers
- Market and monitoring analysts
- Product experts
- Pharmacists
- Nutritionists
- Planners/Foresters
- Construction Engineers
- Inspectors
- Quality Assurance Engineers
- & more

965 staff
136 nationalities
163 offices
94 countries

Aims:
- Supportive environment
- Professional development
- Professional belonging & support
- Career Mobility
- Knowledge sharing
The majority of vaccines deliveries arrive at night & supply staff still meet them to ensure safe arrival
## Monitoring supply chain performance

### Examples of monitoring activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Performance</strong></td>
<td>Monitoring tracks each segment of the UNICEF supply chain to understand the interplay between segments and processes.</td>
</tr>
<tr>
<td><strong>Markets</strong></td>
<td>Monitoring tracks the key characteristics of a healthy market to catalyse interventions and cost avoidance for supplies delivered to programmes and partners.</td>
</tr>
<tr>
<td><strong>Real-time monitoring</strong></td>
<td>Involves the timely collation and analysis of data to inform decision making.</td>
</tr>
<tr>
<td><strong>Results</strong></td>
<td>Monitoring tracks progress towards the achievement of expected results.</td>
</tr>
<tr>
<td><strong>Efficiency and effectiveness</strong></td>
<td>Monitoring tracks business activities to optimise productivity.</td>
</tr>
<tr>
<td><strong>Quality</strong></td>
<td>Monitoring tracks any quality issues related to the procurement and delivery of supplies and services, as well as tracking the level of quality of our work.</td>
</tr>
<tr>
<td><strong>Innovation</strong></td>
<td>Monitoring tracks progress towards innovative changes in products that will increase effectiveness and maximise benefits to programmes and partners.</td>
</tr>
<tr>
<td><strong>End use</strong></td>
<td>Monitoring collects and analyses users' experiences and perceptions regarding the appropriateness of supplies delivered and services provided.</td>
</tr>
<tr>
<td><strong>Supplier</strong></td>
<td>Monitoring tracks supplier risks and suppliers' compliance with contractual obligations.</td>
</tr>
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</table>
Thank you!