This publication outlines the services Procurement Services Unit (PSU) offers to country offices and partners to ensure efficient and transparent procurement. For contact details, see page 27, and visit the PSU website for more information. PSU looks forward to working with you to develop sustainable and innovative management solutions for any procurement issues you are facing.
Who we are

UNDP manages one of the largest procurement operations in the UN, procuring around USD 3 billion worth of goods, works and services each year to ensure that developing countries have access to life-saving medicines, emergency relief supplies and a host of other needed items. UNDP sustains this service by developing lasting procurement capacities among clients and partner countries.

The Procurement Services Unit (PSU) provides direct support to Country Offices and other business units worldwide to ensure transparent purchasing processes that deliver best value for money. This is achieved through direct assistance, innovative tools and systems to facilitate the procurement process. By employing modern supply chain management practices, PSU helps Country Offices and other client units to keep pace with the dramatic growth in volume and complexity of procurement at UNDP.

PSU sustains procurement and supply among clients by designing and implementing procurement capacity development programmes at individual, organisational and partner country levels. PSU partners with global industry leaders such as the Chartered Institute of Procurement and Supply (CIPS), ensuring compliance with the highest international qualification standards. With a dynamic and expanding portfolio of services, PSU is committed to helping business units to not only secure the goods and services they require, but also to sustain the procurement qualifications and competencies they need to empower communities and build resilient nations.

Procurement accounts for nearly two thirds of all UNDP expenditures
What we do

With teams in Copenhagen, New York and Kuala Lumpur, PSU provides procurement support and capacity development to Country Offices and business units on a broad range of areas.

In short, PSU offer services related to

- **Specialized procurement:** Applying a strategic risk management approach to the procurement of complex goods and services is vital to UNDP’s implementation of global health projects (in partnership with the Global Fund to Fight AIDS, Tuberculosis and Malaria, GFATM) as well as elections, crisis prevention and recovery, energy and environment, and sustainability efforts. The goal is to reduce purchase costs by consolidating global volumes and standardizing categories through centrally-managed long term agreements (LTAs) and corporate partnerships.

- **Organizational and programme support:** Providing customized procurement assistance enhances business units’ procurement performance. PSU’s assistance is focused on:
  - Strengthening procurement functions, including support in formulating optimal procurement strategies and plans; and
  - Supporting project design, planning and implementation of procurement and supply-chain management in electoral, GFATM, crisis prevention and recovery, and sustainability projects.

More about what we do in the following chapters.
Procurement strategy and policy

The Strategy and Policy Unit formulates procurement policies, rules and regulations which support and strengthen the ability of UNDP to achieve development results and enable delivery.

The Unit consists of procurement specialists with field and operational experience. This allows PSU to provide strategic advisory services and practical, innovative solutions to support business units in handling numerous complex procurement processes – while minimizing costs, maximizing quality and improving turnaround time.

Strategy and Policy also supports adherence to procurement policies and procedures, audit implementation, contract management, conflict resolution and provides strategic direction on the improvement of the procurement function in UNDP. The Unit works in close collaboration with Programme, Finance, Legal, Operations, Bureaus and Country Offices in providing these services, and also supports continuous improvements in UNDP procurement based on:

- Defining and updating the procurement strategy, policies and processes based on delivery results and lessons learned;
- Professional one-on-one training of procurement and programme personnel on procurement rules and procedures within UNDP;
- Information about best practice procurement principles and flexibilities that are allowed within the procurement rules and regulations; and
- Monitoring of procurement practice and improvement of procurement policies, procedures, and bidding / contractual templates.

In 2015 and 2016, several new policies were adopted to help COs and business units in their procurement activities. These include a policy on engaging CSOs/NGOs as responsible parties, a new innovation challenge policy, revised modifications to the IC policy, and an increased threshold for RFQs to USD 150,000. For more information about recent policies, please visit our intranet page.
Advisory support and tools for Country Offices

PSU has a proven track record of helping projects deliver by helping Country Offices prepare for, respond to, and recover from sudden events that may put UNDP at risk. On-demand advice can be provided free of charge.

More complex situations may be addressed through solutions-focused service packages tailored to specific contexts. PSU can leverage its experience, market knowledge and wide array of professionals to support Country Offices with policy interpretation and business partnering when they need it the most, ensuring capacity development for project teams as well as bureaus through the sharing of lessons learned. We provide support in a number of ways:

- **Project support to COs engaged in high value or high risk procurement** – as they offer ever more complex services to governments.
- **Field support** – an average of 10 Countries are supported on a weekly basis to resolve various high value, complex and critical procurement issues, including contract management disputes, ways to address performance issues, bidding processes and others.
- **Capacity building** – specialized procurement training to over 7,000 students, including key government procurement officials.
- **Procurement hubs** – PSU has three offices (New York, Copenhagen and Kuala Lumpur) to assist Country Offices in designing and delivering projects.
- **Transactional procurement support** – to all five regional bureaus, as well as an integrated support team in Kuala Lumpur.
- **Programme support across the UN system** – UNDP chairs the High Level Committee on Management (HLCM) Procurement Network, serving 33 agencies, funds and programmes.
- **Data capture and reporting** – Procurement Capacity Assessments, spend mapping and reporting, and new systems to ensure that competitive processes are fair, open and rules-based (e.g. eTendering).
Government capacity development

The Quality Assurance and Professionalisation (QAP) unit helps partner governments, ministries and national institutions to develop and sustain critical procurement capacities. PSU designs and implements:

- Capacity development programmes;
- Procurement policies, strategies and standards;
- Procurement quality assurance schemes; and
- Training and certification standards.

Working at the individual, procurement team, institutional and partner government levels, the QAP unit sustains procurement capacities through tailored programmes and services.

UNDP adds value to international capacity development efforts by partnering with one of the leading industry bodies in this domain, the Chartered Institute of Purchasing and Supply (CIPS). This unique partnership combines expertise and experience in:

- Assessments and capacity building of country procurement systems;
- Initiatives to raise the profile of procurement as a strategic function for development;
- Research, analysis and curriculum development for procurement practitioners; and
- Capacity building strategies for national institutions.
The Public Procurement and Concessions Commission (PPCC) with support from the UNDP’s Strengthening National Capacities for Development (C4DE) Program is working on a nationwide procurement capacity development programme harmonizing policies and regulations with international best practices in public procurement.

UNDP’s support to this initiative is pursuant to a study which revealed that there is a huge capacity deficit in the field of public procurement which must be adequately addressed to ensure the effective and efficient administration of procurement across the government.

UNDP in partnership with CIPS therefore develops policies, practices and rolls-out a countrywide training and certification programme, which will enhance procurement capacities aligned to international best practices.

The conduct of this UNDP/CIPS intervention is a part of the PPCC’s capacity-building strategy aimed at addressing the human resource constraints faced by many government institutions in the administration of procurement, with the view to enhance the levels of effectiveness and efficiency in public procurement.

Delivering a special remark at the start of the training and certification component, PPCC’s Chief Executive Officer, James Dorbor Jallah, said PPCC will continue to champion the cause for a professionalized public procurement system with a view to strengthen institutional capacity within procuring entities. “The Public Procurement and Concessions Commission envisions providing this training to all qualified public procurement practitioners over the next few years, as the certification to be obtained thereafter will become a requirement for practice within the public sector”, Mr. Jallah accentuated.
Level 2
Procurement Planning
Principles and Processes
Procurement Rules and Procedures

Level 3
Advanced Procurement Planning
Communication and Negotiation
Advanced Contract Management

Level 4
Strategic Procurement Planning
Strategic Procurement Negotiations
Strategic Contract Management

Introductory Certificate in Public Procurement
UNDP/CIPS Level 2

Advanced Certificate in Public Procurement
UNDP/CIPS Level 3

Diploma in Strategic Public Procurement
UNDP/CIPS Level 4
Training

UNDP offers specialised procurement training and certification to staff from the UN system, governments, non-governmental organisations and international development financing institutions and their borrowers.

UNDP procurement certification courses are accredited by the Chartered Institute of Procurement and Supply (CIPS) assuring compliance with high international quality standards. All training and certification programmes are tailored to reflect UN and public procurement rules, procedures and common best practises. The programme consists of Level 2 (Introductory Certificate), Level 3 (Advanced Certificate), and Level 4 (Diploma) in UN and public procurement.

From an initial focus on UNDP qualification requirements, the UNDP/CIPS partnership has quickly gained momentum and has now been adopted by more than 20 other UN system organisations, as well as hundreds of Government, Non-Governmental Organisation (NGO) and International Financial Institution (IFI) staff – a testament to its applicability and quality. Today more than 6000 UN and public sector staff have been fully certified at the Introductory (Level 2), Advanced (Level 3) and Diploma (Level 4) levels.

The certification programme has a unique value proposition. The specialized UNDP/CIPS certification programme has been fully customised to reflect the public sector procurement environment and factors in the special procurement policies, privileges and legal immunities of UN system organisations.

UNDP and CIPS have received several prestigious international awards in recognition of its success in professionalising the UN and public procurement sector.

Read more about the training opportunities offered by PSU on training.undp.dk.

UNDP was a finalist for the World Procurement Award 2016 for Learning and Development Excellency.

UNDP was nominated for the respected 2015 CIPS Supply Management Award in the domain of Training and Certification.

UNDP and CIPS were awarded the prestigious European Supply Chain Excellence Award 2012/2013 for Training and Professional Development.
SPECIALIZED PROCUREMENT
Elections

The Electoral Procurement Team provides continued and integral procurement support to Country Offices and electoral projects for increased capacity, effectiveness and efficiency – enhancing UNDP’s key strengths as implementing partner.

The Elections Team has extensive experience in electoral procurement. Since 2008, we have supported more than 40 UNDP COs, primarily in the Middle East, Africa and Asia-Pacific Regions, for whom we conducted procurement for over USD 250 million, and provided expert advice and guidance. Our Team is composed of 7 fully dedicated and specialized members, with capacity in English, French, Russian and Spanish languages.

Our support is in line with the EC-UNDP Operational Guidelines for the Implementation of Electoral Assistance Projects, which recommends that “sensitive, highly specific or costly election materials and equipment should preferably be procured with the close collaboration and involvement of the UNDP Office for Sourcing & Operations”. More concretely our support includes:

- Conducting procurement, especially for complex, urgent and International processes, in relation to election day operations and registration projects;
- Providing advice and guidance in planning, budgeting, policy, strategy, and operational areas; and
- Supporting training and workshops.

The main items and services we regularly procure range from complex systems for biometric registration, IT data centers, and software development, data transfer and communication; to the always-needed materials such as ballot boxes, voting booths, indelible ink, electoral kits, security printing (ballots, forms, cards), and others.

As reported by COs, 75% of cases we supported involved high complexity and critical deliveries. We helped in mitigating risks, gaining economic savings and ensuring delivery of quality items. Through our experience and resources, we can add significant value to UNDP’s role in Electoral Assistance Implementation.
SPECIALIZED PROCUREMENT

Photos: The Global Fund/John Rae
Our team of 9 dedicated and professional members are available to provide support in:

• Procurement of high risk goods and services including first-line TB drugs; lab equipment; medical supplies; RDTS; insecticides and other lifesaving supporting equipment;
• On site as well as remote support and guidance in procurement planning, developing strategies and supporting your operational needs; and
• Knowledge sharing through training, workshops and open discussions in English, Russian, Spanish and French languages.

The team has extensive experience in supporting over 35 UNDP Country Offices and governments with procurement in the health sector (in partnership with the Global Fund to Fight AIDS, Tuberculosis and Malaria, GFATM), conducting annual procurement valued over USD 50 million and delivering over 400 shipments annually of highly complex and specialised medical products and health services.

The Health Team continually work towards expanding their portfolio of LTAs with Suppliers and Freight forwarders to ensure that goods and services provided to CO’s is efficient, cost effective and in line with global quality standards.
SPECIALIZED PROCUREMENT
Crisis response, energy and environment

PSU’s Crisis Response and Energy/Environment (CREE) Procurement Team has managed a number of key procurement projects and has a wide knowledge and service provision range across the Energy/Environment sectors.

General procurement support to country offices includes:

- System development and guidance to country offices to strengthen procurement preparedness and responsiveness to crises and emergencies;

- Procurement of goods and services for Emergency Livelihoods through Community Infrastructure, Debris/Solid Waste Management, Emergency Employment, and Enterprise Recovery, including immediate response to crises and emergencies;

- Procurement of specialized goods such as vehicles and armoured vehicles, containerized building solutions, hydrological/meteorological equipment etc.;

- Advisory services to country offices as part of a Procurement Support Package, including on-site and remote advisory procurement support, procurement planning, and training;

- A pre-approved Roster of Procurement Experts specializing in areas such as strategic advisory services, operational procurement, capacity building etc.;

- Support to the deployment mechanism and implementation of procurement plans for SURGE, as well as advisory services on the implementation of Fast Track Procurement Procedures; and

- A NOREPS-IN funded UNDP crisis/emergency pre-positioning facility including pre-positioned solar appliances, as well as a number of technical agreements with external partners for prepositioned stock.

The team has expanded our portfolio of LTAs which now includes Renewable Energy LTAs (e.g. larger renewable energy appliances such as Hybrid Generators, small Wind Turbines, and Solar Street Lights) and we have also developed multiple LTAs for Turnkey Solar PV Systems as well as LTAs for Climate-related Early Warning Systems. The team has also partnered with UNDP’s Office of Information Management & Technology (OIMT) in order to offer comprehensive technical and procurement packages for those systems in Country Offices wishing to go green!
UNDP’s 2015-2017 Procurement Strategy represents a meaningful commitment to UNDP’s mission of helping countries achieve the simultaneous eradication of poverty and significant reduction of inequalities and exclusion, as articulated in its Strategic Plan. The fulfillment of UNDP’s vision and mandate requires the efficient and effective provision of goods and services, making procurement a strategic function essential to delivering results globally.
The Global Procurement Hub was officially launched in Malaysia in April 2015. It provides innovative and value-added procurement services for UNDP business units globally.

To ensure process efficiency, timeliness, transparency and cost-effectiveness for high volume/risk and complex projects, the hub offers a number of procurement services including:

- Managing high volume/risk and complex biddings (goods and services);
- Conducting pre-qualification (NGOs, vendors);
- Establishing global LTAs (IT, Hybrid & Electrical Vehicles etc.) and local LTAs (travel, security etc.);
- Conducting biddings for construction projects (Pre-qualification, ITB for works and RFP for engineering services);
- Advisory services to Country Offices as part of a procurement support package;
- Managing global logistics/shipment services for corporate contracts (IT, Polycom, Cisco etc.); and
- On-the-job procurement operations training for Government and other institutions at the PSU premises.

Since April 2015 several business units and UN Agencies have leveraged the Hub’s services on a cost-recovery basis - actual cost. For example, HQ Units, UN Afghanistan, Myanmar, UN PNG, Thailand, Kenya, UN Malaysia, Pakistan and UNITAR. As of August 2016, procurement volume handled by the Hub reached approximately USD 52 million. Benefits of procuring through the hub include

- Management of A to Z procurement process with technical inputs from clients;
- Better coordination and support from HQ units;
- Increased DPA up to USD 500,000;
- Better client service via Service Delivery Agreement that govern the roles, responsibilities and services to be delivered;
- Professionalized and CIPS certified team;
- Lower operating cost and better communication facilities (Lync, Skype, SharePoint, Polycom, Cisco etc.);
- Annual Client Survey; and
- Asia-Pacific time zone
Sustainable procurement means making sure that the products and services we buy are as sustainable as possible, with the lowest environmental impact and most positive social results.

The 2015-17 UNDP Procurement Strategy represents a commitment by the organization to realize the benefits sustainable procurement offers. As part of the strategy, UNDP procurement will focus on:

- Incorporating sustainability criteria in the organization’s purchasing evaluations;
- Developing monitoring mechanisms and assessments to promote vendor compliance in the UNDP supply chain;
- Stimulating innovation through crowdsourcing, functional specifications and piloting other innovative technologies;
- Better integration of procurement at the project design stage;
- Promoting and utilizing public-private partnerships with companies that focus on innovation and sustainability; and
- Enhancing the already high

transparency standards in UNDP’s procurement activities.

PSU supports Country Offices in implementing sustainability criteria in their procurement processes and can offer advice and guidance on how to best realize the strategy.

In 2015, PSU, initiated a pilot study on integrating Sustainability criteria in our tenders, progress to date includes criteria added to 50+ tenders, covering USD 8.4 million in 11 countries.
Central procurement

The Central Procurement Unit (CPU) provides procurement support services for UNDP business units by centrally coordinating all procurement transactions over USD 5,000.

The unit serves central UNDP bureaus (BMS, BPPS, and BERA) to ensure cost and time efficiency, required compliance and added value to clients.

Services include:

- Providing support in strategic procurement planning and articulating the procurement strategy and risks of each case;
- Providing guidance and advice in the preparation of TORs/Requirements;
- Facilitating and executing the competitive selection process for the procurement needs of bureaus while ensuring due diligence in the procurement process;
- Guiding clients in performing their roles in a manner that ensures compliance with procurement policies and Financial Rules and Regulations;
- Liaising with the Legal Office and PSU on vendor protests and contract negotiations;
- Ensuring that each contract signed by UNDP includes all necessary information, particularly the contract’s General Terms and Conditions;
- Concluding commercial contracts subject to the recommendations of the Advisory Committee on Procurement or Contracts, Assets and Procurement Committee, or as a result of transparent and clear procurement processes (depending on the value of the contract); and
- Establishing the offeror as a vendor in ATLAS and issuing the contract and ensuring creation and processing of purchase orders in ATLAS corresponding to the payment of fees as per contract terms.

The bureaus identify procurement needs and make decisions, while CPU provides procurement services and guides the client through the process and decides on the best sourcing strategy. Routing procurement requests through CPU will lead to a quicker turn-around time, and a higher quality, cost effective outcome.

CPU also provides advisory and procurement support services to other HQ units (outside of the above bureaus) on a cost recovery basis.
eTendering is an online tendering tool fully integrated in ATLAS that allows procurement practitioners to manage complete tender processes and communication with bidders online, which enables a smooth transfer of information and a streamlined workflow and audit trail.

PSU supports the implementation of eTendering in UNDP Country Offices through online or on-site trainings, webinars, the development of training materials for bidders and UNDP users, as well as ad-hoc support as needed to the countries using the system.

Over 25 UNDP Country Offices are already using eTendering to various degrees, and a global launch to all UNDP offices is in the planning stages. Some of the benefits of eTendering include:

- Process efficiency gains and cost savings by automating several of the procurement steps, such as email alerts to bidders, approval of solicitation documents, automation of vendor and PO creation, system generated Public Bid Opening and Non-Award Notifications;
- Increased confidence in the transparency and accountability of UNDP procurement;
- Digital stamping of bids received, with no possibility for anyone except the bidder to view before deadline or to make amendments; and
- Eliminates the need to receive physical bids which reduces workload and increases workspace, and at the same time supports UNDP’s efforts towards green procurement.

Bidders can find more information such as FAQs and video guides about how to use eTendering via procurement-notices.undp.org.
Contact us

To learn more about the services we offer, do not hesitate to contact us. We look forward to working with you to develop sustainable and innovative management solutions for any procurement issues you are facing.

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