



**HIGH-LEVEL COMMITTEE ON MANAGEMENT (HLCM) PROCUREMENT NETWORK (PN)**

**Summary of Conclusions of the Nineteenth Session of the  
High Level Committee on Management's Procurement Network**

(UN/PD & UNU, Tokyo – 12-14 April 2016)

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## INTRODUCTION

*Documentation:*     [List of participants](#)  
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                          [Summary Agenda](#)

1. The 19<sup>th</sup> session of the High Level Committee on Management's Procurement Network (HLCM PN) was hosted by UN Procurement Division (UN/PD) in collaboration with the UN University (UNU) in Tokyo on 12-14 April 2016, under the Chairmanship of Mr. Dominic Grace (Director, Sourcing & Operations, UNDP) with the support of the Vice-Chairperson, Ms. Neris Baez Garcia de Mazzora (Director, Procurement Services, IAEA).
2. The meeting was attended by 33 colleagues representing 24 of the 40 organisations registered as members of the HLCM PN. Colleagues from UNU also attended the meeting.
3. The meeting followed the format of three working days with closed meetings and discussions for PN members around an agreed agenda. In addition, there were separate sessions held for the UNGM Membership, the UNGM Steering Committee and the Collaborative Vehicle Procurement & Fleet Management Project Group on two of the afternoons. Prior to the PN meeting, the PN Management Board and some PN members met with officials from the Japanese Ministry of Foreign Affairs as well as with a range of potential Japanese suppliers, in order to advocate for and promote UN business activities in Japan.
4. The agenda adopted by the PN members is reflected in the table of contents and in the Summary Agenda. All documents<sup>1</sup> related to the meeting are available on the PN Workspace on [www.ungm.org](http://www.ungm.org).
5. Mr. Stephen Cutts (Assistant Secretary-General for Central Support Services, UN Secretariat) opened the meeting by welcoming the PN members to Tokyo and thanking UNU for providing the meeting facilities. He stressed the importance of the procurement function and commended the Network for its great spirit, professionalism and many great achievements to date.
6. The PN Chairperson also welcomed the participants to the meeting. He acknowledged that the procurement function of the UN has developed considerably over the years and has become a more modern and effective operation. As the pressure to 'deliver more for less' continues, it is important that the PN continues to optimise its processes and transform its culture. Increasing transparency is an important element in modernising the procurement function; dialogue with vendors has been somewhat limited in the past, but now it is important for the UN to begin regarding vendors as partners. Establishing trusted partnerships is a key element of modern business and the UN must undergo this cultural shift to boost transparency, competition and effectiveness. He added that his expectations for the meeting were for the PN to focus on collaboration, innovation and establishing partnerships. Finally, he encouraged all participants, regardless of the size or the function of their organisation, to actively contribute to the meeting deliberations.
7. The Vice-Chairperson welcomed PN members to Tokyo. She provided PN members with some historical and general facts about Tokyo and concluded with helpful tips and information regarding Japanese culture.

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<sup>1</sup> All documents and presentations can also be obtained from the HLCM PN Secretariat on [kerry.kassow@undp.org](mailto:kerry.kassow@undp.org)

8. The opening session also included a round of introductions by all participants.

## **I. AN OVERVIEW OF THE HLCM PROCUREMENT NETWORK**

*Documentation:*      [Presentation - An overview of the HLCM PN](#)  
[Summary Sheet - An overview of the HLCM PN](#)

9. The PN Secretariat, Ms. Kerry Kassow (UNDP), provided a brief overview of the network, in particular the working groups and projects – how they are managed, their main objectives, etc.
10. This next part of the session was presented by the PN Chair, Mr. Dominic Grace (UNDP).

### ***The PN Secretariat position***

11. Following discussions at the last PN meeting, the PN Management Board sent a letter to the HLCM explaining that UNDP would no longer be in a position to fund the PN Secretariat post and requesting its advice and support in identifying a sustainable solution to funding it. This endeavour unfortunately did not yield an outcome.
12. Several PN members underlined the unfairness of the HLCM providing funding for the secretariat functions of all of its networks except the PN.
13. The CEB Secretariat informed the PN membership that the PN became a part of the HLCM after the other networks. Although secretariat support has been raised a number of times in the past, it has not been possible to secure funding for such support for a new network through the normal cost-sharing mechanism. In order for this to change, the best approach would be for PN members to seek the support of their individual HLCM representatives so that they in turn can provide their support to any decision regarding the HLCM funding the PN Secretariat position in the future.
14. Given the urgency in resolving the matter, and that support from the HLCM is seemingly not imminent, the PN Management Board presented the following options to the membership:
  - (i) Sharing the costs amongst all members on the basis of the current cost-sharing modality.
  - (ii) Splitting the costs equally across all members.
  - (iii) Another agency providing partial funding and PN members covering the balance either on the basis of the current cost-sharing formula or on equal terms (dependent on amount of funding from the agency).
  - (iv) UNOPS takes over the post fully under an ICA contract.
15. In fairness to the incumbent, several PN members urged for the post to remain with UNDP in Copenhagen and under the existing contractual modality.
16. PN members agreed to vote on the options that were presented. This resulted in all members, bar one, voting for option (ii), i.e. the total cost of the post (\$140,000) would be split by the 40 member organisations, meaning, a contribution of \$3,500 each per annum from 2017. The one member that was unable to cast a vote will present the background information on the situation to her management for review and revert to the PN

Management Board on her organisation's decision<sup>2</sup>. For 2016, PN members will continue to share the operational costs (\$40,000) based on the cost-sharing modality agreed on in 2013.

### *Venues for future meetings*

17. Over the years the PN meetings have been held in a variety of locations; mostly in Europe, close proximity to the majority of PN members, but sometimes further afield, such as this occasion in Japan. Regardless of the location, PN meetings have always enjoyed good attendance, but this has not been without implications (financial, environmental, perceptions, etc.) The PN Management Board therefore asked the membership whether a more measured approach should be introduced for selecting meeting locations in the future.
18. There was a general consensus that the decisions surrounding venue selection have been taken based on sound and explicit reasoning. For example, the PN meeting in Japan allowed for potentially very valuable discussions with the Japanese Ministry of Foreign Affairs as well as promotion of UN business to the Japanese business community, which has low representation in UN procurement statistics and in the vendor roster on the UN Global Marketplace. It has also given the agencies the opportunity to meet with key vehicle manufacturers, which has been very timely in view of the current collaborative procurement project.
19. In cases where a remote venue is put forward, PN members asked for time to be allocated in the agenda in order that the potential host organisation can present its case. It was felt that this would provide for a fairer and more transparent decision-making process and would limit post-decision discussions and concerns, such as those raised after Japan was voted for.
20. Although several members were concerned about choosing long-distance locations, there was an overall consensus that the venue selection process should remain flexible and not be overly procedural. However, selection should continue to be based on valid and strategic reasoning.

## **II. HLCM/CB SECRETARIAT BRIEFING**

21. The Senior Coordinator of the CEB Secretariat, Mr. Ronny Lindstrom (UNOG), provided a brief update on the status of the HBP Trust Fund. Available funds currently total approximately \$400,000 with an additional \$200,000-300,000 expected from Sweden and Switzerland later this year. If the PN wishes to submit any new requests for project funding to the HBP Steering Committee, it is recommended that the amount requested is modest, and that the project is of strategic interest to the HLCM, in order to be considered. The CEB Secretariat is actively seeking additional funding from donors. However, should PN members have the opportunity to engage with donors, they are also encouraged to raise the issue of funding and promote how it has benefited the work of the Network to date.
22. The HLCM Secretary of the CEB Secretariat, Mr. Remo Lalli (UNOG), provided the second part of the briefing. He informed the PN that a paper would be shared shortly reporting on the HLCM's Strategic Results for 2013-2016. The important role that the PN has played in contributing to the HLCM agenda over the past 3 years has been recognised and will be reflected in this paper. Towards the end of the paper, a number of priority areas have been outlined as the way forward over the coming years. A top priority will be to implement sustainable business solutions and at the core of this will be the mainstreaming

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<sup>2</sup> Since the meeting, the remaining agency has confirmed that it is in a position to accept the new cost-sharing approach.

of the global service delivery approaches and policy platform for joint and more efficient provision of services in operational areas. The approaches that have been worked on over recent years are considered as ‘seed’ projects, and the next step will be to truly mainstream them at all levels. In this regard communication to the field will be key; the appropriate messages and direction need to come from Procurement Management at HQ level to ensure that the various tools that have been developed are utilised by practitioners in the field.

23. It will also be important to proceed with new initiatives. The HLCM, having recently approved the PN’s proposal to undertake a Collaborative Procurement Prioritization Exercise to identify and prioritise strategic commodity areas for collaboration, will expect the PN to take the outcomes of the study forward and ensure they are implemented. The HLCM Secretary asked the PN to be visionary and suggest other areas of strategic value that it could collectively engage in order that these can be reflected in the new HLCM Strategic Plan.
24. The PN Chair agreed that it was important to concentrate efforts on mainstreaming tools and approaches developed into business practices. The Model Policy Framework for Vendor Sanctioning is a good example of where such efforts have proved successful. It is a considerable undertaking for PN members to ensure that the policy is implemented, but it has been demonstrated that with the required efforts, this is possible. He also agreed that it is important to identify new initiatives, but it has been demonstrated over the years that for projects to move forward, it is essential that seed funding is provided.
25. It was noted that there is a diminished appetite from some donors to continue providing funding for coordinated activities. In their view it is the responsibility of the UN to take the initiatives forward after seed money has been provided. Therefore, it is important to continually demonstrate to donors the positive results of investments in order to encourage them to provide funds for new initiatives. In certain cases, PN members may consider approaching donors alongside the CEB Secretariat; UNFPA has taken this approach when having discussions with DFID.

### **III. STRATEGIC VENDOR WORKING GROUP UPDATE**

**Documentation:** [Presentation - Strategic Vendor Management WG - Main Activities](#)  
[Presentation - Proposal for the Development of a Supplier](#)  
[Performance Evaluation Scorecard on UNGM](#)  
[Proposal for a Supplier Performance Evaluation Scorecard on UNGM](#)  
[Supplier Performance Evaluation Survey Results](#)

#### ***Main WG Activities – New UNGM Knowledge Centre***

26. The first part of this session was presented by the Strategic Vendor Management Working Group (SVM-WG) Chair, Mr. Sandro Luzzietti (IFAD), which included in introductory demo of the extensive new Knowledge Centre (KC) in the UNGM, with particular emphasis on the Virtual Business Seminar area<sup>3</sup>, the area dedicated to the Model Policy Framework for Vendor Sanctions, the area dedicated to the HLCM PN and its Working Groups, as well as a new area dedicated to UNGM Management and enhancement projects. The WG Chair also showed the collaborative area dedicated to Procurement Topics and Category Management, soliciting contributions from the agencies in order to further

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<sup>3</sup> This area has recently been launched and replaces the UN General Business Guide.

develop these sections. Progress relating to the Model Policy Framework was also reported on, including the creation of a Governance Group and the results of a recent survey among agencies showing that 13 agencies are working on implementing/revising their Vendor Sanction policy.

27. The WG Chair solicited the active collaboration of PN members in utilising, developing and promoting the new UNGM Knowledge Centre as an engine for collaboration, harmonisation, knowledge-sharing, innovation, partnership, and efficiency. The PN Members expressed their support to the SVM-WG and encouraged it to continue with the planned activities.
28. In addition to the above, the SVM-WG Vice Chair, Mr. Niels Ramm (UNOPS), provided a demo of new functionality based on the Annual Statistical Report (ASR) on UN Procurement now also available in the KC. The functionality will be further enhanced and expanded on over the coming weeks. It was noted for the future that it would be useful to be able to determine a more exact description of goods procured under the overarching categories in order to more accurately inform suppliers on which agencies would be most relevant to their field of business.
29. On a separate note, the PN was informed that the new data upload tool for the ASR, developed under the HLCM-funded project for the automation of data compilation, has been functioning exceptionally well and has greatly reduced the response time from the agencies in submitting their data.
30. In response to concerns raised regarding administration and coordination of content in the new KC, the WG Chair emphasised that various individuals and groups would be responsible for managing specific parts of the space<sup>4</sup>. In addition, he proposes that a content coordinator joins the UNGM team from 2017 (budget permitting) to manage, monitor and expand on content, report on site utilisation, etc.
31. It was also explained that, due to dynamic user-role functionality within the UNGM, it will be possible limit certain areas in the KC to individuals with designated user rights.
32. PN members were informed that traffic and usage of the new KC would be monitored in order to assess the value of the various sections. Furthermore, a user satisfaction survey of the UNGM in general will be launched later in the year and is expected to yield valuable input.

### ***Supplier Performance Evaluation***

33. In the second part of the session, the WG Vice Chair presented a concept for Supplier Performance Evaluation (SPE) scorecard on UNGM and a potential common approach for conducting SPEs, with a view to the PN membership endorsing that the SVM-WG continues to explore and develop the concept further.
34. Many PN members agreed that it was important and timely to address supplier performance criteria collectively and that the UNGM could be the ideal platform for this. However, some agencies flagged a number of concerns that would have to be addressed. For example: who

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<sup>4</sup> Each Topic is managed by a volunteer, possibly with a University; each Procurement Category is managed by a Lead Agency; the MPF Area is managed by MPF Governance Group; the VBS Area is managed by SVM-WG; UNGM Areas are managed by UNGM SC and UNGM Team; HLCM-PN Area is managed by HLCM-PN Secretariat and Board; Working Group and Project Areas are managed by the respective groups.

within organisations would be responsible for reporting on performance; would providing access to a wider group threaten UNGM data security; how could consistency in rating suppliers fairly be achieved; how could suppliers benefit from good performance ratings; how can the duplication of existing efforts being undertaken by certain agencies be avoided, etc. It was also suggested that performance criteria should be determined by and linked with category management.

35. In conclusion, the PN members encouraged the SVM-WG to further explore the concept of the Supplier Performance Evaluation tool in the UNGM. Furthermore, it requested the WG to elaborate on the policy and operational aspects of the proposal, and to report on and present its results for discussion and possible decision at the next PN meeting.

#### **IV. COLLABORATIVE VEHICLE PROCUREMENT AND FLEET MANAGEMENT PROJECT**

*Documentation:*      [Presentation - Strategic Vehicle Procurement Summary Sheet - Collaborative Vehicle Procurement & Fleet Management Project](#)

36. An update on this HLCM-funded project, led by Mr. Dominic Grace (UNDP), was presented by the new Project Manager, Mr. Robert McConnell (UNDP). The presentation focused primarily on the value of strategic vehicle procurement and Phase III of the project; specifically, operationalising a Fleet Management Framework.
37. The presentation demonstrated that substantial savings can be achieved by planning vehicle procurement and thus limiting buying from stockists. However, a number of agencies indicated that their procurement from stockists is often not due to poor planning, but rather tends to be client driven, or is driven by the environment the agency is operating in or is owing to receiving donor funds towards the end of a year. The latter has been confirmed by an analysis carried out by UNHCR, which has shown that 90% of vehicle procurement occurs at the end of the year. However, this should not prevent strategies being put in place to remedy the situation; UNHCR has used revenues from the disposal of vehicles to purchase new vehicles, which allows for more flexibility and relieves the pressure of relying on donor funds.
38. PN members flagged the issue of assets belonging to finance rather than to procurement, or that there is a risk that revenues achieved will not be directed back to procurement. UNHCR and WFP have demonstrated, however, that all of these types of obstacles can be addressed and overcome through compelling argumentation and negotiation within the organisation. The notion of directing income from vehicle disposal into an internal vehicle rental scheme, makes the concept very attractive to Operations Management. It also supports the case for (early) disposal of vehicles. The challenge can be to convince current suppliers to change the way in which they operate, despite the fact that central management of vehicle fleets can be advantageous to them as it is less of an administrative burden to handle larger orders placed centrally than smaller ones from numerous field operations. While initiatives like these can result in better pricing, the vehicle manufacturers continue to try and ‘divide and conquer’ the UN agencies by not sharing the terms agreed with one agency with all interested agencies. This has been a major barrier to UN collaborative efforts. Nevertheless, most PN members remain committed to a collaborative approach and presenting a united front to suppliers.

39. UNOPS explained that it operates on a cost recovery basis and the fees associated with agencies/clients buying vehicles through its UN Web Buy system cover the cost of the service it provides. However, UNOPS would be willing to discuss how and under what terms it can support the collaborative project.
40. The Strategic Vendor Management WG Chair informed that an area dedicated to Vehicle Fleet Management has been created in the new Knowledge Centre on UNGM and can be used to support the sharing of information, documentation, LTAs etc. relating to this procurement category.
41. The Network noted the successful delivery and conclusion of Phase II. The project will now move forward with Phase III activities as described in the presentation for this session and, in parallel, remaining vehicle categories will be re-tendered

## V. PROFESSIONAL DEVELOPMENT WORKING GROUP UPDATE

*Documentation:*      [Presentation - Professional Development Working Group Update](#)  
[Summary Sheet - Professional Development WG, PPH Update](#)  
[Appendix 1 TOR for Steering Committee for Update of UN PPH](#)  
[Appendix 2 TOR PPH Consultancy](#)  
[Appendix 3 PPH Chapter Distribution](#)

42. This session was presented by the Professional Development Working Group Chair, Mr. Torben Soll (UNDP) and focused primarily on the project on updating the Procurement Practitioners' Handbook (PPH); as agreed at the last PN meeting, a consultant has now been engaged to substantially update the PPH, based on funds provided by IAEA and UNICEF. A Steering Group has also been established to handle interactions with the consultant and coordinate certain inputs from PN members.
43. UNICEF underlined that it has provided funding to the project in lieu of allocating staff time to the actual writing task and, therefore, sought assurance that its staff member on the Steering Group would not be assigned to writing content. The WG Chair clarified that the main task of the Steering Group would be to review and suggest amendments to the content of the handbook, while the onus would be on the consultant to undertake the bulk of the writing. Some of the new more specialised chapters may require expert input from the agencies. For example, UNHCR will provide content for the chapter on Emergency Procurement to enable the consultant to carry out the drafting.
44. While it was suggested that for future projects it could be worthwhile engaging a consultancy firm who could provide a team of varied subject-matter experts, others felt that having one consultant would ensure better consistency throughout the document.
45. It was queried whether the PPH would be aligned with the standardised Table of Contents, developed by the Harmonisation WG. The WG Chair responded that, while the Steering Group had considered this, it was decided that, since the PPH is a collection of good practices, as opposed to being a policy document or procurement manual, it would not be re-structured to comply with the standardised Table of Contents.
46. In response to a query regarding whether input had been obtained from procurement practitioners prior to embarking on the update, the WG Chair informed that while no survey as such had been undertaken, feedback is received on an ongoing basis from a broad base of individuals using the current handbook.

47. PN members asked the WG Chair to consider including new content in the areas of cash-based initiatives and reverse/e-auctioning. To support this, PN members were requested to provide any input or guidelines they have on the subjects. WFP has worked with reverse auctioning and UNRWA will follow suit shortly.
48. Given that new procurement-related topics tend to emerge on an ongoing basis, the Steering Group was asked to consider how the revised PPH can be maintained as a living document, which can readily be updated.
49. The Strategic Vendor Management WG Chair encouraged the Professional Development WG to take ownership of the new UNGM knowledge-sharing space relating to Procurement Topics. This user-friendly tool and area for publishing material on a wide range of subjects could be a useful source of content for the PPH and vice versa.

## **VI. UN GLOBAL MARKETPLACE STEERING COMMITTEE (UNGM SC) BRIEFING**

*Documentation:*      [Summary Sheet - UNGM SC Member Nomination](#)  
                                  [Summary Sheet - UNGM Post Factum Financial Review 2015](#)  
                                  [Summary Sheet - UNGM Operational Report 2015](#)  
                                  [UNGM Post Factum Financial Review 2015](#)  
                                  [UNGM Operational Report 2015](#)

50. The UNGM SC Chair, Mr. Giorgio Fraternali (ILO), provided a summary of the discussions of the UNGM Membership, which took place the previous afternoon.
51. The UNGM Membership has agreed that the upcoming Chief of Procurement from ITU and the Acting Chief of Procurement from FAO, Mr. Arslan Bounemra, will replace the recently retired representatives from both organisations on the UNGM SC for the remaining period of the current incumbent SC.
52. The UNGM SC Chair highlighted that in 2015 there has been a significant increase in the registration of companies from developing countries in the UNGM. These registrations have now surpassed the number of companies registered from industrialised countries, and is a direct result of the improved and simplified registration process. While revenues from the Tender Alert Service (TAS) have greatly strengthened the financial viability of the UNGM, there is still potential to increase these revenues further; out of the approx. 100,000 companies registered in the database, only around 4,000 are TAS subscribers.
53. Given the poor attendance at the UNGM Membership meeting, the UNGM SC Chair urged for the meeting of this group to take place in the middle of the day at the next PN meeting.
54. There was a discussion on the challenges UNDP has in posting its tenders both on its own website and on the UNGM; despite policy that is in place, the tenders often do not get posted in both places. This is largely due to the decentralised nature of the UNDP procurement function, which makes it more difficult to ensure that Country Offices post their notices on the UNGM. An added barrier is that UNDP does not use the UNSPSC codes when posting its notices; the latter is a requirement when posting on the UNGM as the TAS functionality is based on these codes. The TAS subscription is promoted to vendors as an assurance that they will be notified of any relevant tenders. While the issue persists regarding UNDP's tender notices, which account for a large amount of the total UN business opportunities, the message being conveyed is not entirely true. UNDP is aware of

these issues and is interested in working towards an automated approach of linking tenders on the UNDP website to the UNGM.

55. UNDP also expressed interest in obtaining statistics in order to determine the level of UNGM usage by staff in the various locations.
56. The UNGM SC Chair informed that a UNGM user satisfaction survey would be launched and subsequently reported on later in the year. He encouraged UNGM members to take this opportunity to put forward their ideas for improvement and expansion of the UNGM.

## VII. THE UNGM STRATEGIC ENHANCEMENT PROJECT UPDATE

*Documentation:*      [Presentation - UNGM Strategic Enhancement Project](#)  
[Summary Sheet - UNGM Strategic Enhancement Project](#)

57. The Project Coordinator, Mr. Kiyohiro Mitsui (UN/PD) provided an update on this HLCM-funded project, which has successfully delivered the following interconnected strategically important functionalities:
  - (i) ERP and e-procurement systems integration
  - (ii) a technical platform for innovation, harmonisation and knowledge sharing
  - (iii) functionality for the Annual Statistical Report
  - (iv) integration with One-UN Country Portals
58. The intended next steps are to undertake development work to capture information on fraudulent implementing partners; modify the UNGM to allow for registration of individual consultants; develop a flagging system for those vendors suspended, censured and those demonstrating performance issues; and to develop functionalities for the Chambers of Commerce. These activities are expected to be funded from residual funds from the current project and from the UNGM reserve fund.
59. PN members clarified that the responsibility of engaging with implementing partners varies from agency to agency; it falls under the procurement function of some agencies and the HR function or technical departments of others. While the UNGM might be the ideal platform, and is already equipped for flagging and capturing information on some types of implementing partners, before any further investment is made in this area, it is necessary to have a clear decision from the various business owners on whether it is a solution that can be used by all units for dealing with fraudulent implementing partners.
60. UNDP informed that it is already using the MPF to sanction fraudulent implementing partners. It can take some time to feel comfortable with publishing information on sanctioned vendors. In the case of implementing partners, this can often be even more sensitive as in some cases they are governments.
61. It was also noted that, despite efforts to combat the actions of fraudulent implementing partners, they can easily re-emerge under a new name. UNDP has made progress in addressing this by not only sanctioning the entity, but by also sanctioning the CEO and others implicated, keeping records of banking details, etc.
62. It was agreed that the UNGM Project Steering Team would continue to explore the technicalities and budget requirements for modifying the UNGM to handle fraudulent implementing partners, pending a clear higher level decision on the way forward.

63. In terms of the functionality for integrating One-UN Country portals with the UNGM, the CEB Secretariat asked to be kept informed on this initiative, in particular should any issues arise following the handover to UNDG in June/July this year.

## **VIII. SHOW AND TELL: AN INTRODUCTION TO THE UN UNIVERSITY**

*Documentation:*      [Presentation - An Introduction to the UNU](#)

64. This topic was presented by guest speaker, Ms. Angela Lee, Procurement & Administrative Officer at the United Nations University (UNU). The presentation provided background information on the UNU, its programmes, organisational structure etc., but also gave an overview of its procurement activities and the challenges it faces in obtaining an adequate number of bids from Japanese vendors.
65. The latter point resonated with the UNGM SC Chair who informed that Japanese companies also have very low representation on the UNGM. Following the visit to Japan, efforts will be made to try and resolve the issues that exist, deterring companies from registering. UNU added that it requires vendors to register in UNGM when taking part in a tender, but otherwise has little influence on whether or not Japanese companies register.
66. There was an enquiry into the possibility of having subject-matter experts associated with the UNU give brief (virtual) sessions to the PN to share their insights on contemporary issues, e.g. sustainability issues, the SDGs etc.

## **IX. SHOW AND TELL: MEDIA RELATIONS MANAGEMENT - UNIC**

*Documentation:*      [Summary Sheet - UNIC](#)

67. Procurement professionals are sometimes required to deal with media inquiries about their contracting activities or contractors unexpectedly, when their staff or contractors are reported to have been engaged in unethical or fraudulent business practices. Guest speaker, Ms. Kaoru Nemoto, Director of the United Nations Information Centre (UNIC) in Tokyo, provided PN members with practical advice on how to manage their relations with media and deal with media inquiries in crisis situations effectively.
68. The following video clips were used to highlight examples of good, and in some cases poor, performance when in the media spotlight.

<http://www.rte.ie/news/player/2016/0107/20907786-calls-for-cologne-police-chief-to-resign-after-new-years-attacks/>

<https://m.youtube.com/watch?v=uwUyYohaB54>

<https://m.youtube.com/watch?v=x2PMuWWIqwY>

<https://m.youtube.com/watch?v=nHV9j9Zx828>

<https://m.youtube.com/watch?v=xYvWH0toknE>

[https://m.youtube.com/watch?v=BNbh\\_0M4a5A](https://m.youtube.com/watch?v=BNbh_0M4a5A)

69. Some of the key advice conveyed to the PN were:
- Prepare your talking points in advance
  - Prepare for all potential questions
  - Rehearse repeatedly
  - Avoid using jargon or abbreviations
  - Take deep breaths

- Keep sentences short when reporting on crisis situations
- Wear appropriate attire - use your judgement and common sense
- Be mindful of posture
- Choose what is most comfortable for you - sitting, standing, having your colleagues or experts next to you, etc.
- Have a glass of water at hand
- Learn from others – review press conferences given by others

## **X. SHOW AND TELL: EXPERIENCES AND LESSONS LEARNED FROM THE GREAT EAST JAPAN EARTHQUAKE – HOSEI UNIVERSITY PROF. SAKANE**

*Documentation:*      [Presentation - Experiences and Lessons Learned from the Great East Japan Earthquake](#)  
[Summary Sheet - Hosei University Prof. Sakane](#)

70. This topic was presented by guest speaker, Prof. Toru Sakane, Ph.D., Faculty of Law of Hosei University in Tokyo, based on his research activity funded by the Japan Society for the Promotion of Science.
71. The Great East Japan Earthquake that occurred in March 2011 severely damaged the people, society, infrastructure and land of the Pacific coastal area in the Tohoku region of Japan. Five years have passed since then. This five-year period was officially named as the Intensive Reconstruction Period by the government of Japan. Many administrative efforts, including procurement-related efforts, were undertaken to ensure rapid recovery and reconstruction. This presentation explained the procurement issues that were faced, such as, procurement and transportation of vital goods, debris treatment, infrastructure, housing and community reconstruction works. Finally, key lessons learned from the process were highlighted.
72. PN members were impressed at the speed in which Japan responded to this natural disaster and in particular how quickly infrastructure was repaired. Prof. Sakane explained that it is very much the nature of the Japanese people to assist voluntarily in many ways. This, coupled with the relatively strong administrative function of the Japanese Government and with various measures to foster and receive such voluntary assistance, was instrumental particularly in the early recovery process. In addition, the importance of cooperation with various industrial associations after the disaster was pointed out. Prof. Sakane also highlighted that the people of Japan were deeply appreciative of the international assistance, solidarity, encouragement and sympathy shown to them in the aftermath of the disaster.

## **XI. HARMONISATION WORKING GROUP UPDATE**

*Documentation:*      [Presentation - Harmonisation Project Status](#)  
[Summary Sheet - Harmonisation Working Group](#)

73. This session was presented by the Harmonisation Working Group Chair, Mr. Eric Dupont (UNFPA).
74. The Harmonisation Project, Phase II, has been completed; only some minor tasks remain. Approval of the funding proposal for Phase III is still pending with the HLCM. Meanwhile, a number of outreach activities have taken place with DFID, in collaboration with UNDG and the CEB Secretariat. It has emerged that there is little willingness from DFID to

provide funding, but this will be discussed further during an upcoming visit of DFID to Copenhagen. In the meantime, UNFPA has recruited a JPO who will provide support to some of the activities envisaged under Phase III, in particular with regards to working with target duty stations on their capacity building and procurement collaboration activities.

75. An evaluation of duty stations under the BOS<sup>5</sup> programme has revealed that 80% of the collaborative work they must undertake is procurement-related. Thus, the Modalities for Common Procurement that have been developed under Phase I of the Project are of utmost importance. In this regard, the CEB Secretariat urged PN members to release rostered staff to carry out training/workshops, if approached by UNDG. In addition, many of the countries have indicated that to implement collaborative procurement activities, there is a need for resources to coordinate efforts. To address this initially, UNFPA will contribute with its new JPO but, ideally, further coordinating resources are needed on the ground.
76. Several PN members expressed interest in re-opening Harmonisation Working Group discussions in order to explore whether some of the activities planned for Phase III could be undertaken through a joint effort, pending receipt of funds for additional resources. It was agreed that a WG teleconference would be arranged following the PN meeting.

## **XII. THE JIU REPORT ON CONTRACT MANAGEMENT**

**Documentation:** [Presentation - UNDP – Effective Programme and Procurement Teamwork](#)  
[Summary Sheet - JIU Report on Contract Management](#)  
[JIU Report on Contract Management](#)

77. The JIU Report on Contract Management includes 12 Recommendations. Recommendation no. 12 states:
- “The Secretary-General of the United Nations, in his capacity as Chair of the Chief Executives Board for Coordination, should ensure that post-award contract management issues become an agenda item of the High-Level Committee on Management-Procurement Network and are addressed in the ongoing initiatives to professionalize and harmonize the procurement process within the United Nations system.”*
78. Mr. Dominic Grace (UNDP) presented the 12 recommendations, which the agencies have largely been responding to and addressing individually.
79. Mr. Torben Soll (UNDP) then presented a training initiative UNDP offers Programme staff that includes a module dedicated to Contract Management – effectively addressing recommendation no. 5 in the report.
80. Several other PN members informed that their organisations also provide internal training courses on Contract Management. This was seen as a welcome activity as it may help clarify the roles in Contract Management i.e. it is typically not the responsibility of the procurement unit, rather, the requester is the primary manager of the contract.

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<sup>5</sup> [UNDG’s Business Operations Strategy](#)

81. It was recognised that some agencies might be in a position to more readily accept the JIU recommendations than others. A number of agencies have disagreed, for example, with recommendation no. 10 on ensuring there is a clause on Liquidated Damages in contracts and which is enforced.
82. There was strong interest among PN members in responding to the JIU in a more coordinated, collaborative and consistent manner in future. There are several ways that the agencies/WGs can collaborate to address the JIU recommendations, and the new Knowledge Centre on the UNGM is the ideal platform to support and monitor this. In addition to training programmes on offer, a number of other initiatives are already underway that will strengthen Contract Management activities. For example, under the Professional Development WG's project to update the Procurement Practitioner's Handbook, the section on Contract Management will be updated and can be used by the agencies to supplement Procurement Manuals and to better guide practitioners. In addition, the Strategic Vendor Management WG will be further developing the concept for a supplier performance evaluation tool and will continue to support implementation of the Model Policy Framework for vendor sanctions.
83. As another next step, it was suggested that the Harmonisation WG undertakes the collation of PN members' policies on Contract Management and works towards identifying a harmonised position on the subject. The UNGM Knowledge Centre will be used for sharing information on the matter, which can also include best practices and KPIs recommended for inclusion in TORs, etc.
84. To ensure a more collaborative approach in addressing JIU recommendations or studies in the future, the PN Chair proposed that the topic of JIU reports becomes a regular agenda item at PN meetings. The CEB Secretariat informed that the next study would be launched shortly and would be focused on Common Services.

### **XIII. BREAK-OUT SESSIONS**

85. In consultation with PN members, the PN Management Board identified a number of topics for informal discussion. The PN members were subsequently divided into 3 groups and asked to briefly brainstorm on the following 3 topics:
  - (i) **Associate PN Membership** - At the last PN meeting it was agreed that a simple protocol should be established to manage the acceptance of new Associate Members into the PN. The group was asked to discuss a process for accepting new Associate Members, what information/facilities membership will give them access to, expectations surrounding attendance at PN meetings, etc.
  - (ii) **Ideas for Future PN Meeting Agendas** - The PN meetings tend to follow the same agenda structure from meeting to meeting. This group was asked to explore ways to reinvigorate the structure, introduce new/innovation approaches, attract new speakers from external organisations, etc.
  - (iii) **Multi-Agency Business Seminars** - The Strategic Vendor Management WG has drafted a business case for a new approach to the Multi-Agency Business Seminars. The overall intention with the business case is to consolidate the seminars across several Member States and host 2-3 per year in different regions. There are, however, many considerations to be taken into account as to how this should take place in reality. The

group was asked to brainstorm further on this topic in order to facilitate the finalisation of the business case for the PN meeting in the Autumn.

86. Each group reported back to the plenary of its discussions. The following ideas were noted, but no decision was taken on their acceptability or implementation at this stage.

***(i) Associate PN Membership***

87. Potential Associate Members should have the opportunity to present their organisation and reasons for their interest in joining the PN, either at a PN meeting or by virtual means. The decision on whether or not to accept the request to become an Associate Member should however not be taken until the following PN meeting and should be without the presence of the requesting organisation.
88. It could be considered whether any new acceptance process should be applied to existing Associate Members over, for example, a 1-2 year period.
89. Associate Members should only have access rights to specific areas of the UNGM, which should be agreed on by the UNGM Steering Committee.
90. Associate Members should be active participants in PN meetings e.g. attendance at one in every three meetings.
91. Associate Members should be active participants in PN Working Groups, in particular, if they are not able to attend many PN meetings.
92. At PN meetings, some sessions should be dedicated to core PN Members only and others open to Associate Member participation.
93. In response to the group's suggestions, the PN Chair proposed that the PN Vice-Chair, in her upcoming capacity as PN Chair, leads the work on incorporating protocol on PN Associate Membership into the PN Statutes and present it for decision at the next PN meeting.

***(ii) Ideas for Future PN Meeting Agendas***

94. The PN's work and agenda should be structured in the context of the HLCM's global objectives.
95. The PN agenda could include: broad supply chain issues (upstream and downstream); outcomes from surveys undertaken on key topics; presentations of the procurement strategies of the various PN member organisations; presentations by new speakers (e.g. programme staff, ex-procurement practitioners etc.) either in person or virtually.
96. There should be improved preparatory efforts and detailed agendas for Working Group sessions held in parallel PN meetings.
97. Training sessions could be provided in conjunction with PN meetings.
98. A summary of the key outcomes of the meeting could be provided in advance of the meeting report.

99. The PN Chair acknowledged the feedback and informed that the PN Management Board would take the suggestions into consideration when formulating the agendas for upcoming PN meetings.

***(iii) Multi-Agency Business Seminars***

100. The main approaches for Multi-Agency Business Seminars that were discussed were: for the Strategic Vendor Management WG to agree on a calendar/fixed schedule for seminars each year and allow Members States to host on a 'first come, first served' basis (although still adhering to the existing terms regarding frequency a Member State may host a seminar); to have the seminars in conjunction with PN meetings; to link the selection of venues for PN meetings to the schedule of business seminars managed by UN/PD.

101. The PN Chair agreed that this area is extremely complex and that the interests of many stakeholders need to be considered. He encouraged the Strategic Vendor Management WG to continue its discussions and explore all the possibilities further.

**XIV. THE ERP INTER-OPERABILITY STUDY**

***Documentation:***      [\*Presentation - ERP Inter-Operability Study\*](#)  
[\*Summary Sheet - ERP Interoperability Study\*](#)  
[\*2015 HLCM 16 - ERP Interoperability Study - Executive Summary\*](#)  
[\*and Report\*](#)  
[\*ERP Interoperability Study - HLCM Procurement Network Review\*](#)

102. This session was presented by Ms. Etleva Kadilli (UNICEF) and Mr. Francesco Giusso (WFP).

103. An ERP Inter-Operability Study was commissioned by the HLCM to explore establishing systems inter-operability mechanisms which could result in greater efficiency within the UN System. Following the issuance of the report, the HLCM established functional Task Forces (TF) to review and assess the findings. UNICEF, UNFPA and WFP have represented the TF on procurement, and further to feedback received from other PN members, submitted a review to the HLCM at the beginning of 2016. A consolidated review of all TF inputs was presented in the recent HLCM meeting.

104. The overall conclusions reached by the TF on procurement were that: the PN strongly supports the principle of collaboration among agencies; the progressive harmonisation and collaboration achieved through the work of the PN is deemed to achieve efficiencies with a much lower investment compared to the proposed large-scale ERP centralisation specified in the Study; and the ERP inter-operability initiative would bring more costs than benefits and a loss of efficiency in the overall supply chain management of the agencies.

105. The CEB Secretariat added that the conclusion reached by the PN was similar to that of the other networks, and that the PN would not be expected to elaborate any further on the matter. However, there will be high expectations from the HLCM for the PN to deliver on collaborative procurement efforts, which were outlined in its response to the study. Therefore, it will be of utmost importance for the PN to act on the outcomes of the upcoming study on prioritising strategic commodity areas for collaboration. In this regard, UNICEF urged PN members involved in undertaking the prioritisation study to take the recommendations and information compiled by the TF into consideration.

106. The PN Chair welcomed the conclusion of activities surrounding the ERP Inter-Operability Study and agreed that the key focus of the PN in moving forward will be on collaborative procurement activities, where the potential benefits are much greater.

## **XV. SHOW AND TELL: UNOPS E-SOURCING SYSTEM**

*Documentation:*      [Presentation - UNOPS eSourcing System](#)  
[Summary Sheet - UNOPS eSourcing System](#)

107. This topic was presented by Ms. Patricia Moser (UNOPS).
108. UNOPS has recently launched its e-tendering system (UNOPS eSourcing), which has been developed in-house and is integrated both with the UNGM and with UNOPS's ERP system. UNOPS is now in the roll-out phase of the project with the aim to be operational in 75% of all offices by the end of 2016. The scope, functionality and advantages of the system were briefly outlined.
109. After analysing the various solutions that were available, including In-Tend, which is being used by many other agencies, UNOPS determined that its needs could be best met by building its own system. This approach was supported by UNFPA who has chosen to use a module in its ERP for e-tendering as it had difficulty in integrating with In-Tend. Given its previous challenges, UNFPA flagged to UNOPS the importance of ensuring that when changes are made in the UNGM that the impact on the e-tendering system is managed closely.
110. The Strategic Vendor Management WG Chair welcomed the addition of yet another solution that can be offered to agencies who have not yet implemented e-tendering. In addition, he was very supportive of the increased opportunity that systems' integration gives vendors to use UNGM.
111. In terms of roll-out, UNOPS explained that this has taken place in phases, with offices being given ample opportunity to test the tool. A couple of its larger offices were chosen as the first to start using the system.
112. At a later stage, UNOPS intends to build a robust Contract Management system to replace the more rudimentary module it currently has in its ERP system.

## **XVI. SHOW AND TELL: UAVS FOR LAST MILE DELIVERY**

*Documentation:*      [Presentation - UAVs for Last Mile Delivery](#)  
[Summary Sheet - UAVs for Last Mile Delivery](#)

113. This topic was presented by the Mr. Eric Dupont (UNFPA).
114. Drones or unmanned aerial vehicles (UAVs) have the potential to provide better access to life-saving health commodities, particularly in remote areas and areas facing a range of supply chain obstacles. UNFPA has been exploring ways in which this new technology can help improve maternal health services by overcoming some of the obstacles faced by traditional transportation of small medical goods in remote, heavily congested areas and other challenging settings.

115. The presentation highlighted some of the testing that has taken place to date. Pursuant to these tests, a 'proof of concept' findings report and business model study will be compiled. Second pilot testing will be carried out in Tanzania later in the year and a UAV Advisory Group, with experts from an array of entities, will be established.
116. UNFPA explained that work had yet to be undertaken to establish SOPs for handling of the UAVs, for example, when they are received at the destination point.
117. There was interest from the PN in receiving information on cost analysis once this is available.
118. WFP informed that it has been experimenting with new parachute technology for last mile delivery (for loads of 10-20kg). However, since this involves the use of aircraft, it is considerably more expensive than the use of UAVs.

## **XX. SHOW AND TELL: CLEAN SUPPLY CHAINS**

*Documentation:*      [Presentation - UNHCR Clean Supply Chains](#)  
                                 [Summary Sheet - UNHCR Clean Supply Chains](#)

119. This topic was presented by Mr. Stephen Ingles (UNHCR) and focused on the findings from visits to 17 factories in India that supply UNHCR. Under the initiative, a review was undertaken of manufacturing facilities, processes and equipment used. There was also an assessment of the implementation of policies and principles focusing on working conditions, health and safety as well as an assessment of quality management systems.
120. The findings from the visits were, in some cases, of high concern; unsafe and dangerous working practices and insanitary working conditions were encountered. Assessment results were communicated to the manufacturers who in turn have been asked to submit Corrective Action Plans.
121. PN members agreed that factory audits are crucial and send an important signal to the market. Since it is not feasible to carry out factory visits on all suppliers, several PN members agreed that it would be ideal to collaborate, particularly with offices in-country who can more readily undertake visits than HQ offices.
122. UNICEF welcomed the initiative and sharing of information by UNHCR, especially in light of that fact that it piggybacks on a number of UNHCR contracts. UNICEF places a high emphasis on factory audits, in particular concerning its LTA holders.
123. The questionable conditions and practices of suppliers can sometimes be a result of the weak government frameworks they are operating under in their country. This can be politically sensitive to address, and may be better addressed by the UN as a whole rather than individual agencies. Moreover, it could be worth identifying and examining some strong model initiatives that exist in other countries, such as, the UK Government's Modern Slavery Act.
124. The dilemma concerning off-the-shelf products was also flagged. In an effort to address this, UNHCR invited some of its traders to join the factory visits. However, not all agreed to come. In its upcoming tender for core relief items, UNHCR will insist on clarity surrounding source suppliers and factory visits will be included as part of the process.

125. While the Global Compact is not an enforceable tool, the UN Supplier Code of Conduct (SCOC) is. The SCOC is not only included in the UN's General Terms & Conditions, but vendors registering on the UNGM are asked to indicate their acceptance of it before proceeding with their registration in the system. The PN agreed that the MPF should be used for any violation of the principles described in the SCOC. The Strategic Vendor Management WG Chair suggested that this could be further discussed during the next meeting of the MPF Governance Group.

## **XXI. SHOW AND TELL: JOINT FREIGHT FORWARDING TENDER**

*Documentation:*      [Presentation - UN Joint Freight Forwarding Tender - UNICEF](#)  
[Summary Sheet - UN Joint Freight Forwarding Tender - UNICEF](#)

126. Ms. Etleva Kadilli (UNICEF) provided an update on the global Freight Forwarding tender it launched earlier in the year in collaboration with seven other UN agencies<sup>6</sup>. This strategic and collaborative approach is expected to ensure greater efficiency and benefits. The general service requirements included in the tender, as well as a number of other value-added services, were outlined. The new contracts with service providers are expected to be issued and signed in July 2016.
127. UNICEF invited any other interested agencies to join the tender. There will, nevertheless, be a clause included in the contracts to allow for piggy-backing by other UN agencies.
128. Given the issues that emerged from vendors during the last joint freight forwarding tender regarding the UN's Terms and Conditions, UNICEF stated clearly in the pre-consultation stage this time that the UN agencies would not be able to proceed with any vendor that could not accept the Terms and Conditions. To date, only one vendor has indicated that this will be an issue. The only change that has been made to the Terms and Conditions this time is a point concerning Incoterms.
129. UNICEF informed that secondary bidding will not be built into the contracts. Furthermore, given the complexity of the process, the contracts will run for 3 years with possible extension by 2 + 2 years, depending on vendor performance.
130. While it would be ideal to be able to quantify the savings that will be achieved through the joint tender, UNICEF explained that this had proved to be a major challenge with the previous joint tender; while UNICEF could supply some of the data, it was difficult to collect the data from the other agencies. In general, it is much more complex to calculate savings on services than it is on goods.
131. The UN agencies expressed their appreciation to UNICEF for leading this collaborative effort which is very complex in nature.

## **XXII. SHOW AND TELL: UNHCR'S CENTRALISED VEHICLE PROCUREMENT INITIATIVE**

*Documentation:*      [Presentation - UNHCR's Centralised Vehicle Procurement Initiative](#)  
[Summary Sheet - UNHCR's Centralised Vehicle Procurement Initiative](#)

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<sup>6</sup> UNHCR UNDP, UNOPS, UNFPA, UNFCCC, FAO, UNRWA

132. This topic was presented by Mr. Stephen Ingles (UNHCR) and Mr. Rob McConnell (formerly of UNHCR). The presentation explained how UNHCR applied a strategic approach to its vehicle procurement, which resulted in significant and sustainable savings in a short timeframe. Through the initiative, UNHCR has managed to significantly reduce its fleet size, lower the average age of the fleet and reduce costs by 21%.
133. UNHCR has opted for buying vehicles as opposed to leasing them as it has proved to be significantly more cost-effective to do so. It also undertakes maintenance and repair via local partners or authorised dealers where services are available as opposed to through Toyota. This has allowed UNHCR to remove warranty conditions from its contracts with Toyota and, as a result, reduce costs. Repair decisions are considered carefully and take place centrally.
134. By centralising vehicle procurement, UNHCR has also been able to significantly reduce the number of transactions and, in turn, the costs associated with those. It has also achieved savings in transit costs by using hubs in Belgium and the UAE. UNHCR was asked to share data on this if possible.
135. It was clarified that when a vehicle is disposed of it is the responsibility of the purchaser to pay the taxes on it. One challenge in terms of disposal, however, has been in compiling a package of auctioneering contracts; this has been a learning process and refinement is ongoing.
136. To further reduce fleet management costs, the sharing of vehicles is also being explored by some agencies; UNFPA is currently leading a project with UNDP and UNICEF to explore the opportunities for pooling vehicles at shared facilities. Car-pooling is already taking place at the offices in Kenya. In addition, four other locations are currently being identified for this.
137. To reduce costs and environmental impact, UN/PD informed that it plans to introduce bicycles and golf carts for transportation within compounds and enquired whether PN members had contracts or specifications for these that they could share. UNICEF responded that it has an LTA for bicycles and this would be re-tendered in 2017.

### **XXIII. SHOW AND TELL: A BUSINESS MODEL FOR PROCUREMENT AT AFDB**

*Documentation:*        [Presentation - Business Model for Procurement at AfDB](#)  
                                  [Summary Sheet - Business Model for Procurement at AfDB](#)

138. This topic was presented by Ms. Yvette Glele Ahanhanzo (AfDB) who presented the transformation process that AfDB's Corporate Procurement function has been undergoing since 2013 in order to increase its Return on Investment in a sustainable manner. The strategic focus of this transformative journey has been identifying a clear business model and aligning it with stakeholder expectations. The presentation highlighted priority focus areas, such as, supplier development, advanced certification, capacity building and systems development.
139. AfDB clarified that its procurement function is centralised with dedicated authorities in field offices.
140. In response to a query regarding its KPIs, AfDB explained that they are primarily used within the department to identify areas for improvement. However, on an annual basis, the

results are presented to its Board and therefore used as a means to promote and market its work.

141. AfDB has availed of the services of CEB Global in implementing its strategy. This has been based on an annual subscription as opposed to via an LTA. UNOPS informed that it has established KPIs across all of its units and has a subscription with a different company; should any other PN member be interested, further information can be shared.

#### **XXIV. ELECTION OF PN VICE-CHAIRPERSON**

142. Mr. Eric Dupont (UNFPA) was nominated and welcomed by the PN as the new PN Vice Chair for the 2016-2017 period.

#### **XXV. VENUES FOR FUTURE SESSIONS, MEETING CLOSE**

##### *Venues*

141. The PN accepted the offer from UNFCCC in Bonn to host the meeting in Autumn 2016. Decisions concerning 2017 venues will be taken at the next PN meeting. Offers were received with appreciation from WIPO and ICAO for hosting meetings in Spring and Autumn 2017, respectively.

##### *Announcements*

142. The PN Chair informed that the HLCM-funded Collaborative Procurement Prioritisation Exercise, originally intended to be led by the World Bank, would instead be led by UNHCR. UNHCR added that it will examine the UN's procurement spend in various commodity groups, explore the agreements that are already in place for key common commodities, and determine where there is potential to establish new and improved agreements. The PN will then be expected to implement the recommendations resulting from the study. UNHCR will undertake a recruitment process to identify an appropriate consultant for the project and asked PN members to forward details of any recommended candidates.
143. The Strategic Vendor Management WG Chair offered to support the project and informed that the UNGM can support activities through the new Knowledge Centre and allowing for the extraction of important information concerning LTAs.
144. The CEB Secretariat reminded the PN that it will be expected to deliver on the recommendations resulting from the study without any additional funding from the HLCM.
145. The PN Chair underlined that while collaborative procurement may appear straightforward, it can be extremely challenging and resource-intensive, as has been demonstrated by the collaborative project on vehicles. He suggested that small tactical groups for collaborative projects could be created to approach donors on an individual basis to seek additional funds, if required.

##### *Close*

146. The PN Chair thanked the PN members for a successful meeting and the Working Groups for having demonstrated significant progress in moving core activities forward. In addition, he highlighted the importance of the presentation of new topics, such as the work being

done on clean supply chains, the testing of drone technology etc. and he commended the PN for its open-mindedness, interest and willingness to cooperate on new technologies. He expressed his appreciation to UN/PD for hosting the meeting and to UNU for providing the facilities. Finally, he emphasised that the PN should be proud of the great work it is doing and reminded members of the value its work adds to improving the lives of those the UN serves.

147. The PN Vice Chair thanked the PN Chair for having resumed the role of Chair again following the early retirement of Ms. Regina Gambino (FAO) at the end of 2015. She also thanked the PN Secretariat for the support provided between and during the PN meetings. She added that she looked very much forward to the year ahead and working with the new Vice Chair.