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Sustainable
Supply Chains

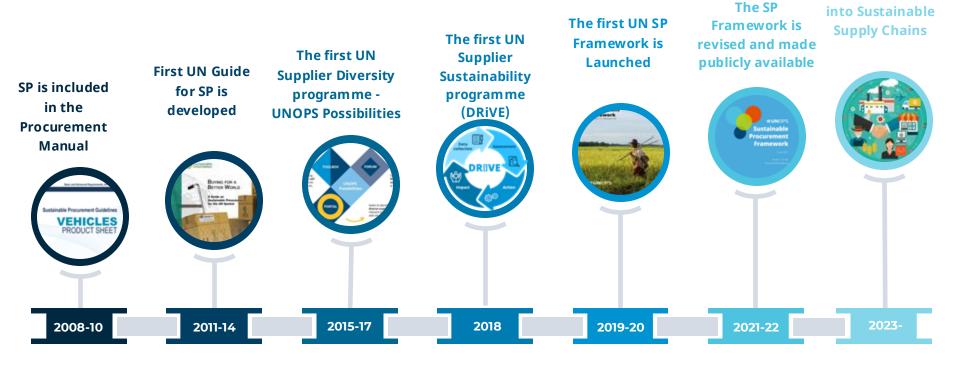
Enabling sustainable and resilient supply chains
Senthil Kumar SUBRAMANi
Procurement Senior Manager
UNOPS

PRACTICAL SOLUTIONS



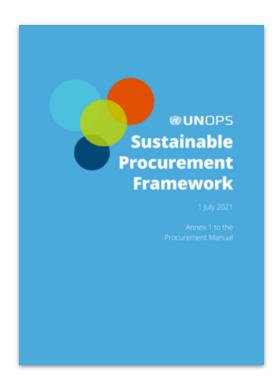
Brief history of SP at UNOPS

UNOPS journey with Sustainable Procurement (SP) over the last 16 years has not only led to procurement transformation - it has established our value proposition as a global leader in providing Sustainable Public Procurement solutions.



SP is transformed

UNOPS leadership in Sustainable Procurement







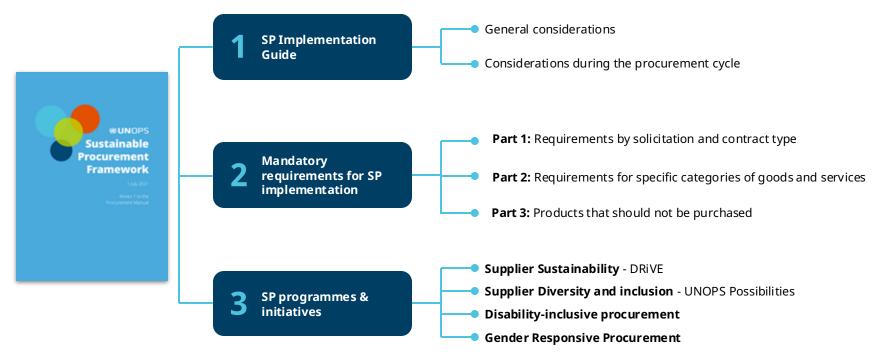






How do we do this at UNOPS? Implementation

The UNOPS Sustainable Procurement Framework





Our initiatives support UNOPS' procurement core values



Value for money

Best combination of whole life costs & quality



Fairness, integrity & transparency

Equal opportunities through open and clear rules



Effective competition

Full & diverse responses from the market



Best interest of partners

Alignment with mandates & objectives



Sustainability

Alignment with the Sustainable Development Goals



Sustainability criteria in tenders

SP Guidance and Resource tool is an interactive tool that provides procurement and project teams with tailored guidance and sustainability criteria examples to support decision-making around SP and facilitate effective and comfortable implementation of the requirements of the **SP Framework** in procurement processes.





WUNOPS

Sustainability themes covered









Environmental sustainability

Gender equality and social inclusion

Climate change impact

Labour stan dards













Disability inclusion

Health and safety

Environment, social and governance mgmt systems

Resource efficiency

Key features

- SP Criteria List page
 - Sustainability Criteria Text for tenders
 - Guidance for verification
 - Options based on market maturity
 - Sustainability Contractual Clauses
 - Mapped to key donor priorities
- DRiVE market sustainability analysis
- SP in practice
 - Exemplary tenders and Case studies library

SP in <u>Health Procurement</u> at UNOPS in 5 years -

Sustainability criteria in tenders in 2020-2024

Total number of finalised tenders 1,265

Total awarded amount \$2.2B

Total awarded amount with SP Criteria

\$2.01B



Environmental Criteria

Total number of finalised tenders:

476

Total awarded amount

\$1.62B



Social Criteria

Total number of finalised tenders:

501

Total awarded

\$1.92B



Economic Criteria

Total number of finalised tenders:

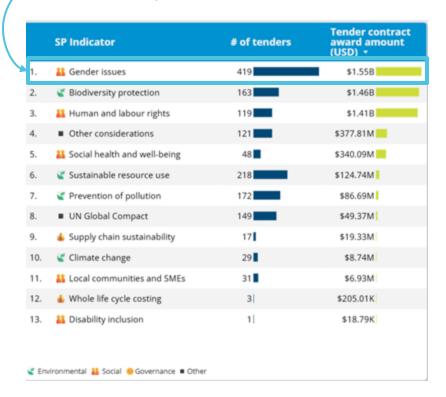
20

Total awarded amount

\$19.53M



Gender and Social Inclusion criteria are the most widely used SP criteria



Supplier Sustainability

SUSTAINABLE SUPPLY CHAINS

DRIVE



What is **DRIVE**?

Delivering Responsibility in Vendor Engagement





DRIVE is the UNOPS Supplier Sustainability programme. It focuses on understanding how our suppliers manage sustainability issues and risks within their organisations. Our goal is to help them build and promote more sustainable and responsible business practices.

DRIVE











Environmental management

Equal Opportunity

Climate change impact

Human rights

Supply chain management







Health and safety management



Organization , System and Policies



Quality management



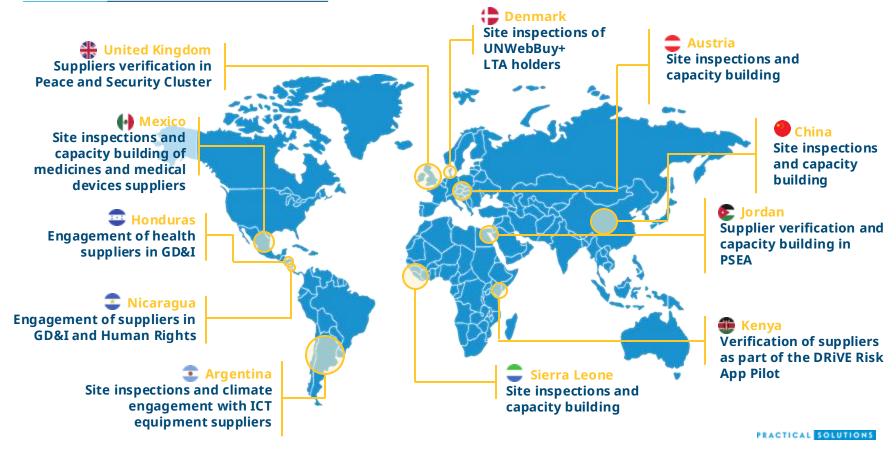
Ethical conduct

How is DRIVE being implemented?





DRIVE across the world



Supplier Development& Diversity

SUSTAINABLE SUPPLY CHAINS

UNOPS POSSIBILITIES



UNOPS Possibilities

The UNOPS Possibilities Programme aims to **enhance UNOPS' efforts to ensure diversity and inclusion in its supplier database** by providing guidelines and resources to connect with its supplier community, such as the Possibilities Forums, which host dedicated workshops, or the Supplier Resource Centre.

The UNOPS Possibilities
Programme is a great
support to meet UNOPS
objectives on gender
and disability inclusion
in projects to ensure that
procurement is gender
responsive and inclusive
of persons with
disabilities.



Interesting Facts



Launched in 2015



More than **20 Forums** and workshops have been held



Target Groups

- MSMEs
- Women-Owned Businesses
- Youth-Owned Businesses
- Other diverse groups

UP Forums

How?

- They are coordinated by the sustainable procurement team and the Country Office
- They are aimed at all local diverse supplier groups or specific categories
- They are organized in collaboration with local partners and donors
- They are organized in person or virtually

Benefits

- Capacity building
- Strengthening local markets
- Networking opportunities
- Expanding the supplier base
- Increasing diversity in the supplier base
- Effective competition



Example: The Possibilities Forum held in Cotabato in March 2024 was the first joint forum between UNOPS and 10+ other UN entities and agencies in Philippines.

The forum was held as part of the Government's efforts to implement its gender reform, which involves building the capacity of small and medium-sized enterprises that are run or owned by women.



The UNOPS Possibilities Forums Worldwide, 2016-2024

21 UP FORUMS 2,145+
PARTICIPANTS

1,160+
UNGM REGISTERED
SUPPLIERS

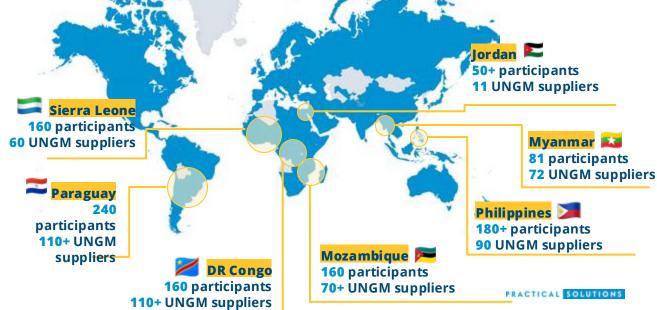
\$210.22M

AWARDED TO DIVERSE
PARTICIPATING SUPPLIERS

230+
PARTICIPATING
SUPPLIERS AWARDED

42
OF THOSE SUPPLIERS,
WERE NEW TO UNOPS







Gender and disability responsive procurement



Gender-responsive procurement is defined as the selection of **services**, **goods and civil works** that take into account their impact on **gender equality and women's empowerment** and represents a strategic tool to accelerate gender-inclusive economic growth. (Resource: UN Women).



Disability inclusion is the meaningful **participation of persons with disabilities** in all their diversity, the promotion of their rights and the consideration of disability-related perspectives, in accordance with the Convention on the Rights of Persons with Disabilities.

Climate & Procurement



UNOPS Climate Commitment at COP28

Climate Action Programme

45%

Reduce absolute emissions by 45% from our operations by 2030

Net-zero

Reach net-zero before 2050

Scope 3

Account for emissions in our value chains

Climate Resilience

Integrating climate-resilient practices in our project









Climate Action in Procurement

UNOPS has developed a climate strategy to guide our journey to decarbonise our supply chains in line with UNOPS targets and commitments.

MITIGATION MEASURES

Carbon emission reductions in internal and external procurement



ADAPTATION ACTIVITIES

Climate risk management in procurement and supply chains



CAPACITY DEVELOPMENT

Upskilling and strengthening stakeholders and suppliers





Mitigation: UNOPS Climate Targets

By 2030, UNOPS commits to:

Reduce emissions from internal procurement by 45% from a 2016 baseline.	Internal Procurement
100% of procurement in identified categories will have have climate considerations as a requirement in the solicitation or embedded in the contract. Categories include transport, ICT, energy, infrastructure and pharmaceuticals.	External Procurement
100% of strategic suppliers shall develop emission reduction plans and regularly report their emissions.	
100% of global LTAs will have climate considerations in the contract.	



Sustainable procurement in health projects



Philippines | Nutritional commodities procurement



Partner: Department of Health & World Bank





















Sustainability highlights

- Procurement of Anthropometry, Laboratory equipment and instruments, Pharmaceutical products, Nutrition commodities, IT equipment and hand held devices.
- Distribution of all the above products and services to 235 Municipalities within Philippines in less than 12 months
- Over 17 millions in worth nutrition commodities, health equipment, and start-up goods.

Impact

SDG 2: Zero Hunger, SDG 3: Good Health and Wellbeing, and SDG 17: Partnerships for Goals. By addressing malnutrition, improving access to healthcare, and fostering collaborations, the project is contributing to a better future for the Filipino people, especially the first 1000 days of households composed of pregnant and lactating women, children under five years of age, and women of reproductive age.

Philippines

Health Systems Enhancement to Address and Limit (HEAL) CoVID-19



Partner: Department of Health & ADB





- 917 healthcare workers received capacity building.
- \$60million project with a substantial savings of approximately \$20million, which were used to procure additional medical supplies
- 15 Incinerators and ambulances procured and delivered for the project.















Impact

1.77 million PPEs and **45 CT Scans** delivered in the Philippines. **13 Wastewater treatment facilities**

ADB Heal project supported DOH strengthening the health systems prevention capacity post COVID-19

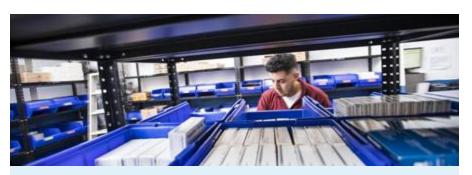
Mexico | Medicine procurement

Partner: Government of Mexico









Sustainability highlights

- DRIVE Program: UNOPS implemented its DRIVE program to improve supplier sustainability.
- Supplier Engagement: Tenders included sustainability criteria, requiring suppliers to show how they address environment, human rights, and social inclusion.
- Gender-Responsive Procurement: The project promoted gender inclusion by organizing events for women leaders in the healthcare sector.
- Won a UN Procurement Award for sustainability in 2022



Impact

- Over \$2 billion in medicines and medical supplies were procured in 2021/22, a historic amount for UNOPS.
- Based on UNOPS feedback, 15 suppliers took voluntary action to improve their sustainability performance
- Increased Market Access: The number of suppliers increased significantly, with 60% of awarded suppliers being MSMEs.

Ecuador

Ambulances procurement

Partner: Ministry of Public Health









Sustainability highlights

- Emission-compliant vehicles (EURO IV) and exclusion of harmful materials.
- Life-cycle costing and preventive maintenance included.
- 46% of trainees were women, with gender sensitization training.
- Modular sourcing strategy separating vehicles and devices.



Impact

- 188 ambulances procured, with \$4.5 million saved (adding 30 extra ambulances).
- 51,333 patients served in the first year.
- 15 million+ people benefited.
- Established a new national standard for ambulance procurement.

Haiti **Solar power for hospitals**

Partner: World Bank









Sustainability highlights

- Hybrid solar power systems were installed in five hospitals, providing a clean and reliable energy source.
- This reduces the hospitals' reliance on costly and less environmentally friendly fossil fuels for diesel generators.
- Local suppliers were used for the procurement of both the solar systems and four solar-powered water pumps, which supports local job creation, and ensures continued maintenance over the project lifetime.



Impact

- The project benefits more than 500,000 Haitian people.
- It has improved the hospitals' operational capacity, ensuring essential services like emergency care can continue during power cuts.
- The solar systems allow hospitals to run for up to 20 hours on solar power on average.

Reports and Publications

UNOPS tracks and reports its economic, environmental, and social impacts through sustainable procurement. UNOPS publishes annual reports highlighting the sustainability components of its projects as well as thematic publications.

Reports:

- a. UNOPS Purchase for Impact Report (2024, 2023)
- b. Global Reporting Initiative (GRI) content index* (2023, 2022, 2021)
- c. UN Annual Statistical Report <u>Sustainable procurement section</u>
- d. UNOPS Annual Brochure (2024, 2023)
- e. UNOPS Strategic plan Sustainable Implementation Approaches Annex (2023, 2022)

Publications:

- a. Promoting Decent Work Through Public Procurement (2024)
- b. Gender-responsive Public Procurement (2023)
- c. UNOPS article <u>THE ECONOMIC IMPACT OF SUSTAINABLE PROCUREMENT IN VULNERABLE COUNTRIES</u> (2023)

