

WHO procurement report 2022





WHO procurement report 2022

WHO procurement report 2022

ISBN 978-92-4-007410-1 (electronic version)

© **World Health Organization 2023**

Some rights reserved. This work is available under the Creative Commons Attribution-NonCommercial-ShareAlike 3.0 IGO licence (CC BY-NC-SA 3.0 IGO; <https://creativecommons.org/licenses/by-nc-sa/3.0/igo>).

Under the terms of this licence, you may copy, redistribute and adapt the work for non-commercial purposes, provided the work is appropriately cited, as indicated below. In any use of this work, there should be no suggestion that WHO endorses any specific organization, products or services. The use of the WHO logo is not permitted. If you adapt the work, then you must license your work under the same or equivalent Creative Commons licence. If you create a translation of this work, you should add the following disclaimer along with the suggested citation: “This translation was not created by the World Health Organization (WHO). WHO is not responsible for the content or accuracy of this translation. The original English edition shall be the binding and authentic edition”.

Any mediation relating to disputes arising under the licence shall be conducted in accordance with the mediation rules of the World Intellectual Property Organization (<http://www.wipo.int/amc/en/mediation/rules/>).

Suggested citation. WHO procurement report 2022. Geneva: World Health Organization; 2023. Licence: [CC BY-NC-SA 3.0 IGO](https://creativecommons.org/licenses/by-nc-sa/3.0/igo).

Cataloguing-in-Publication (CIP) data. CIP data are available at <http://apps.who.int/iris>.

Sales, rights and licensing. To purchase WHO publications, see <https://www.who.int/publications/book-orders>. To submit requests for commercial use and queries on rights and licensing, see <https://www.who.int/copyright>.

Third-party materials. If you wish to reuse material from this work that is attributed to a third party, such as tables, figures or images, it is your responsibility to determine whether permission is needed for that reuse and to obtain permission from the copyright holder. The risk of claims resulting from infringement of any third-party-owned component in the work rests solely with the user.

General disclaimers. The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of WHO concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. Dotted and dashed lines on maps represent approximate border lines for which there may not yet be full agreement.

The mention of specific companies or of certain manufacturers' products does not imply that they are endorsed or recommended by WHO in preference to others of a similar nature that are not mentioned. Errors and omissions excepted, the names of proprietary products are distinguished by initial capital letters.

All reasonable precautions have been taken by WHO to verify the information contained in this publication. However, the published material is being distributed without warranty of any kind, either expressed or implied. The responsibility for the interpretation and use of the material lies with the reader. In no event shall WHO be liable for damages arising from its use.

Contents

Introduction	1
PART 1 Procurement at WHO	2
PART 2 Procurement statistics	4
2.1 Procurement data overview	6
2.2 Procurement by value.....	7
2.3 Procurement by category	8
2.4 Procurement by WHO headquarters and regional offices	10
2.5 Procurement by supplier and supplier countries.....	12
2.6 COVID-19 related procurement	13
2.7 Procurement from catalogues.....	15
2.8 Regional procurement	15
2.9 Collaborative procurement	17
PART 3 Key initiatives and highlights	18
3.1 In support of WHO programmes - highlights from WHO global procurement	19
3.2 In support of WHO programmes - highlights from WHO regional procurement.....	20
3.3 Sustainable procurement	21
Annexes	23
Annex 1. Procurement summary by WHO regional office	24
Annex 2. Procurement by supplier country and territories	29
Annex 3. How to become a supplier to WHO	33

Introduction

Founded in 1948, WHO is the United Nations agency that connects nations, partners and people to promote health, keep the world safe and serve the most vulnerable – so everyone, everywhere can attain the highest level of health.

WHO leads global efforts to expand Universal Health Coverage. It directs and coordinates the world's response to health emergencies. And it promotes healthier lives – from pregnancy care through to old age. WHO's Triple Billion targets outline an ambitious plan for the world to achieve good health for all, using evidence-based policies and programmes. WHO procures and supplies on a yearly basis a significant amount of goods and services to enable its important public health mandate, and procurement is therefore a critical function of the organization.

The WHO Procurement Report, which has been published since 2020, provides an overview of procurement at WHO, details essential procurement data for the year, and showcases key initiatives and highlights. This report is produced in line with WHO's commitment to transparency and for the benefit of WHO Member States, donors, partners, WHO staff, the supplier community and other stakeholders.

The WHO Procurement Report complements the Annual Statistical Report on United Nations Procurement (ASR) to which WHO contributes and that provides an overview of procurement data of approximately 40 organizations within the United Nations (UN) system. The ASR is available on the United Nations Global Marketplace (UNGM) and includes interactive data dashboards¹.

¹ <https://www.ungm.org/Shared/KnowledgeCenter/Pages/ASR>

PART 1

Procurement at WHO



In order to fulfil its mandate and achieve its vision, WHO procures a significant volume of goods and services. In the period 2013-2019, WHO purchased on average US\$ 770 million worth of goods and services per year. In 2020, the procurement volume rose sharply to US\$ 1.718 billion due to the global pandemic of coronavirus disease 2019 (COVID-19) and the related emergency response provided by WHO. In 2022, despite a slight reduction from 2021, the total procurement across all regional offices and headquarters remained high, with a total value of US\$ 1.634 billion as WHO offices continue to support COVID-19 related procurement and other health emergency responses around the world.

As a public organization entrusted with donor funds and committed to supporting developing economies, the objective of procurement and supply activities within WHO is the timely acquisition and delivery of goods and services, while respecting guiding principles for procurement.

The overall guiding principle for all WHO procurement is to obtain the best value for money for the Organization. “Best value for money” is defined as the most responsive offer that represents the best combination of technical specifications, quality and price. Best value for money is the result of several factors, including: quality; experience; suppliers’ reputation; and life-cycle costs, benefits and parameters that measure how well the good or service allows the Organization to meet its objectives, and has the greatest possible impact on the outcomes from WHO programmes. Other guiding principles² that are the basis for WHO procurement are fairness, integrity, transparency and equal treatment; effective competition; and the interest of WHO. As a public organization, WHO must also strictly adhere to the Organization’s Financial Regulations and Rules and dedicated procurement policies and procedures, which mandate, among other requirements, that contracts be awarded through a competitive process, except when otherwise authorized by designated officials. Suppliers play an essential role in WHO’s supply chain and in 2022 alone, WHO contracted over 17 900 different suppliers from 183 countries (for guidance on how to become a supplier to WHO refer to Annex 3).

At WHO, responsibility for procurement is based on a tiered system, with procurement carried out at the global, regional and local/country levels. In addition, the WHO Health Emergencies Programme has delegated authority for procurement for emergencies in accordance with established policies and protocols. Contract Review Committees at the WHO headquarters or regional offices ensure that procurement undertaken by WHO complies with the procurement principles and relevant policies and procedures, procurement risks are properly assessed and mitigated, and the best value for money and the interest of the organization are fully achieved. Furthermore, WHO procurement activities are continuously subject to rigorous internal and external audits.

² <https://www.who.int/about/accountability/procurement/principles-and-processes/guiding-principles>

PART 2

Procurement statistics



This section covers key procurement statistics for the year that ended on 31 December 2022. Every procurement transaction is made and confirmed by issuing a Purchase Order (PO), which commits the relevant funds. The scope of the data in this report covers all WHO offices (except the Regional Office for the Americas³) and contains all POs approved in 2022. The data are based on the same data set used to produce the statistics for the Annual Statistical Report on United Nations Procurement (ASR) to which WHO contributes annually. The ASR containing the data for the prior year is usually published in June or July and made available on the ASR page⁴ on the United Nations Global Marketplace including through interactive dashboards. Hence, the data used to produce this WHO report, will also be available on the United Nations Global Marketplace from mid-2023 onwards.

In the ASR, procurement statistics have been collected from organizations in the United Nations System and have been reported together since 1984. The most recent data currently available for the ASR are for the calendar year 2021, when 41 organizations reported a collective US\$ 29.6 billion in procurement of goods and services, a 32.5% increase from 2020. Of this total amount, US\$ 18.4 billion were spent from developing countries, countries with economies in transition and least developed countries, which represents 62% of the total United Nations procurement spend for programmes and operations around the world in 2021. Health remained the largest procurement sector for the UN, and almost doubled to US\$ 10.6 billion in 2021 (from US\$ 5.4 billion in 2020), accounting for 36% of total UN procurement.

The present report provides additional details and statistics on WHO procurement to complement data provided through the ASR.

³ Data for this report is drawn from WHO's enterprise resource planning (ERP) system (called the Global Management System or GSM). The Regional Office for the Americas does not use the same ERP system as the rest of WHO.

⁴ The ASR is available on the UNGM at the following link: <https://www.ungm.org/Shared/KnowledgeCenter/Pages/ASR>

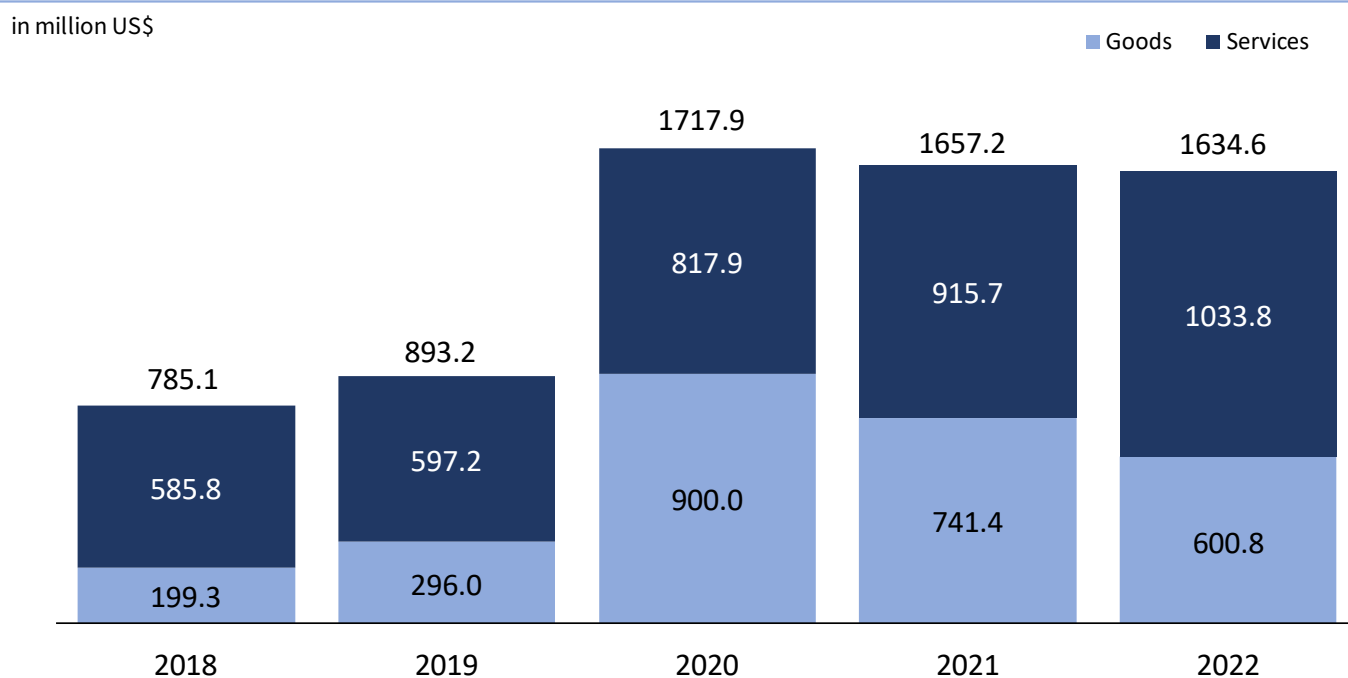
2.1 Procurement data overview

The total value of procurement in 2022 was US\$ 1.635 billion, which remains relatively high compared to pre-pandemic levels (at US\$ 893 million in 2019 for example). In 2020, WHO procurement had a sharp increase, almost doubling in volume to meet the needs of an unprecedented global health emergency due to the COVID-19 global pandemic. Two years on, WHO's procurement remains relatively high compared to the pre-pandemic era, although total procurement slightly decreased in 2021 (by 4.0%) and again in 2022 (by 1.4%).

Of the total procurement, services represented the largest type of procurement, accounting for US\$ 1 033.8 million, against US\$ 600.8 million for goods (Fig. 1). Goods procurement decreased by nearly US\$ 141 million in 2022, leading to a drop in the percentage of goods procurement relative to total procurement from 45% in 2021 to 37% in 2022. A key driver of this change has been the reduction in the procurement of COVID-19 related goods, which was a main reason why the share of goods had initially increased in 2020 and 2021. In contrast to goods, the procurement of services increased in 2022 and now represents 63% of total procurement, similar to the distribution share observed in the pre-pandemic era.

At WHO, the procurement and supply of goods is largely centralized and mostly handled by specialized procurement units and teams, particularly the Global Procurement and Logistics unit (GPL), including through catalogue procurement from established Long Term Agreements (LTA), whereas the procurement of services is decentralized and mostly handled by requisitioning departments themselves.

Fig. 1. WHO procurement of goods and services over the last five years



2.2 Procurement by value

The total number of POs and total number of PO lines for 2022 increased slightly to 60 172 POs and 169 072 PO lines. This represents a 3% increase in total number of POs from 2021 (57 888 POs) and a 20% increase from 2020 (50 011 POs). The average value of POs decreased slightly to US\$ 27 166 in 2022 (5% less than 2021) due to fewer large COVID-19 orders. The median value on the other hand increased from US\$ 5405 in 2021 to US\$ 5650 in 2022 due to an increase in mid-size POs.

It is important to distinguish between the average value of POs and the median value. The median is defined as the value separating the higher half from the lower half of all POs. The median is more representative of the “typical” value of a PO, as the average can be skewed by a small number of particularly high value POs.

Fig. 2 shows the number of POs approved across different value brackets. The distribution of number of POs across brackets remained largely the same as in 2021 with the exception of a drop in the number of POs in the over one million bracket (from 155 to 110), largely due to a reduction in large COVID-19 contracts. While COVID-19 contracts dropped for very large amounts, they increased slightly in the US\$ 100 000 to US\$ 500 000 bracket, suggesting that two years after the pandemic there has been a shift in the size of COVID-19 related procurement from very large value to mid-range value procurement.

The majority of POs procured in 2022 are in the smaller value ranges, with 77% of all POs at values below US\$ 20 000, a similar distribution to previous years. The largest and smallest brackets in number of POs remain the same as in 2021, with the US\$ 500 to US\$ 2500 bracket being the largest (14 578 POs or 23% of total POs), and the over US\$ 1 000 000 bracket being the smallest (110 POs or 0.18% of total POs).

Fig. 2. Number of POs per value bracket

in number of POs, total number of POs = 60 172

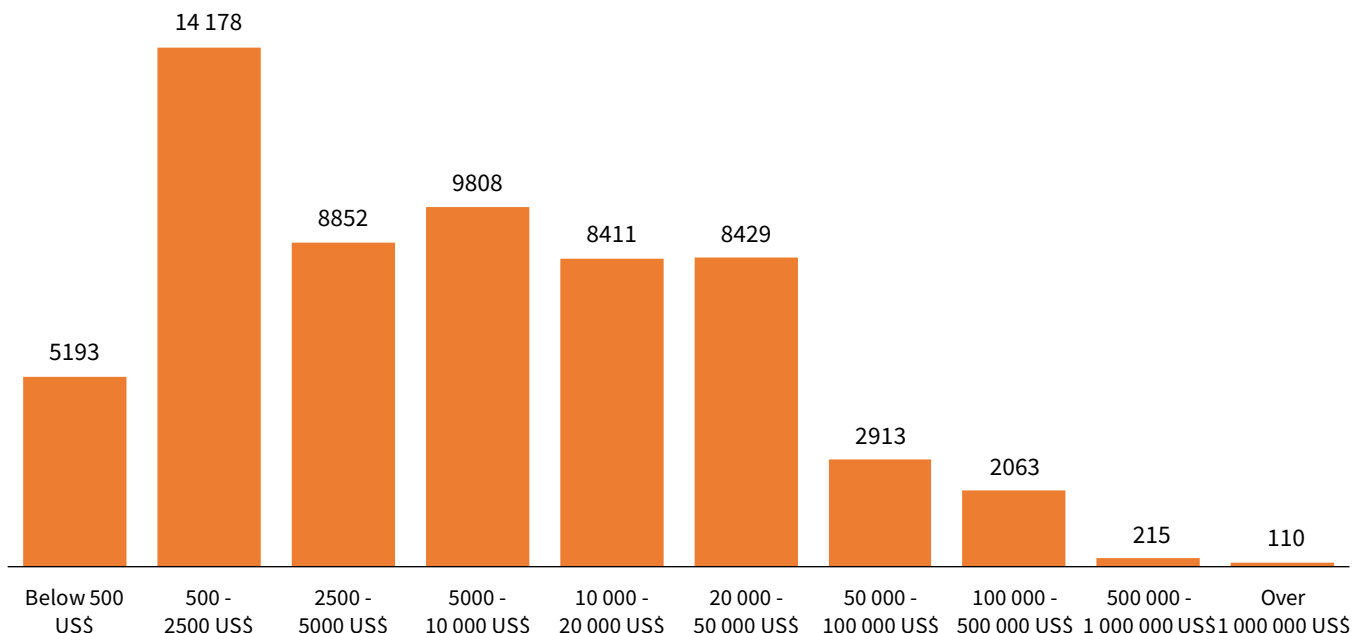
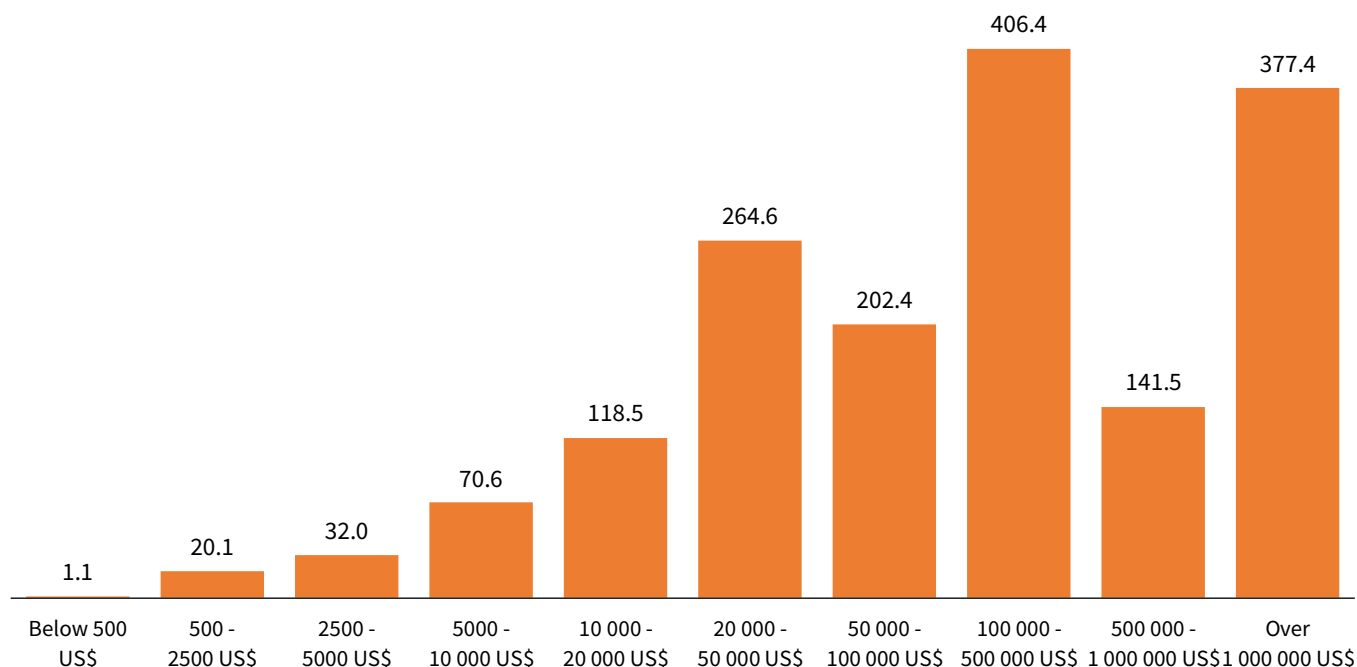


Fig. 3 provides an overview of the total value of POs within each value bracket. The majority of procurement spend in 2022 came from a small number of high value POs, with 57% of all procurement spend coming from POs worth over US\$ 100 000. This is slightly lower compared to 2021 when procurement from POs worth over US\$ 100 000 made up 61% of total procurement value.

Fig. 3. Value of procurement per value bracket

in million US\$, total value of procurement = 1.634 billion



The largest bracket in terms of total value of POs in 2022 was the US\$ 100 000 to US\$ 500 000 bracket, accounting for US\$ 406.4 million (24.8% of total procurement value). The over one million bracket, smallest bracket in terms of number of POs, was the second largest in terms of value of procurement, accounting for US\$ 377.4 million (23.1% of total procurement value). The US\$ 500 to US\$ 2500, largest bracket in terms of number of POs, was the second smallest in terms of value of procurement, at US\$ 20.1 million (1.2% of total procurement value). All POs under US\$ 20 000 accounted for slightly less than 15% of the total value of procurement.

Although the overall distribution of value of procurement across value brackets remained similar to 2021, a key change worth noting in 2022 is the decrease of total POs value within the over one million bracket (now second largest bracket instead of first), compensated by an increase in value of procurement in the US\$ 50 000 to 100 000 and US\$ 100 000 to US\$ 500 000 bracket. The US\$ 0.5 to one million bracket remains very similar across both years.

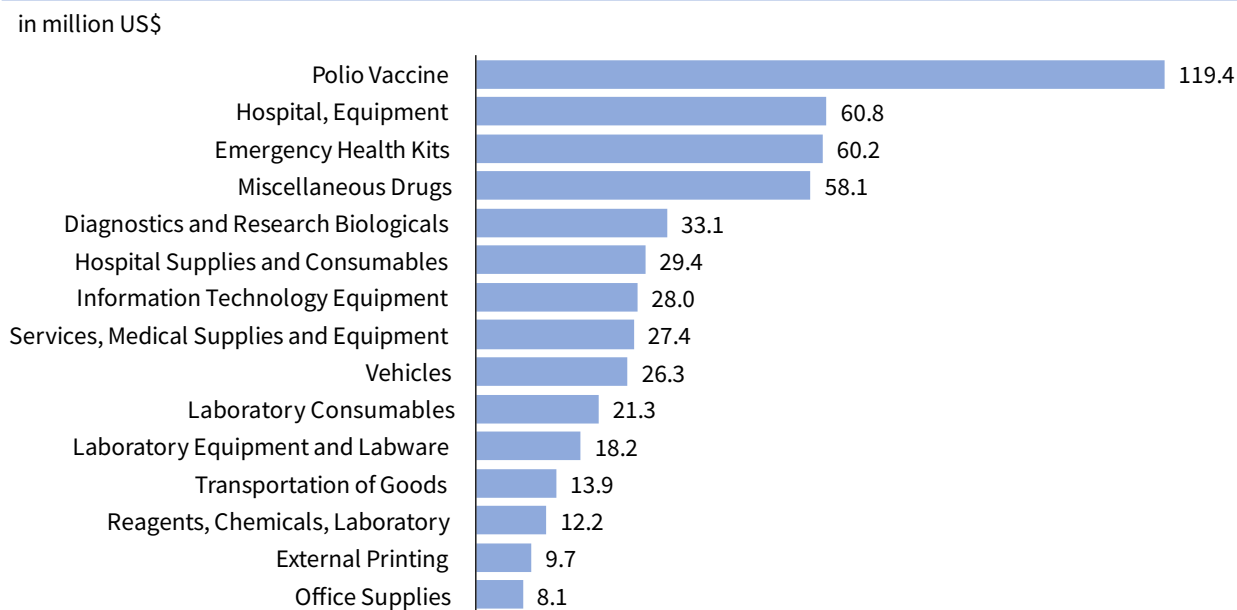
2.3 Procurement by category

Fig. 4 and Fig. 5 show the top 15 categories of procurement expenditure for goods and services, respectively. The top five procurement categories for goods include Polio Vaccines (7.3% of total spend), Hospital Equipment (3.7%), Emergency Health Kits (3.7%), Miscellaneous Drugs (3.5%) and Diagnostics and Research Biologicals (2.0%).

The composition of the top goods categories has changed slightly compared to 2021 reflecting a shift away from WHO acute COVID-19 response which dominated goods purchasing in 2021. Some noticeable changes include Diagnostics and Research Biologicals and Laboratory Consumables procurement, both key categories for the COVID-19 response, which decreased from representing 6.0% and 3.0% respectively in 2021 to 2.0% and 1.3% in 2022. The procurement of polio vaccines also decreased back to a level similar to 2020, reducing by 32.2 million in

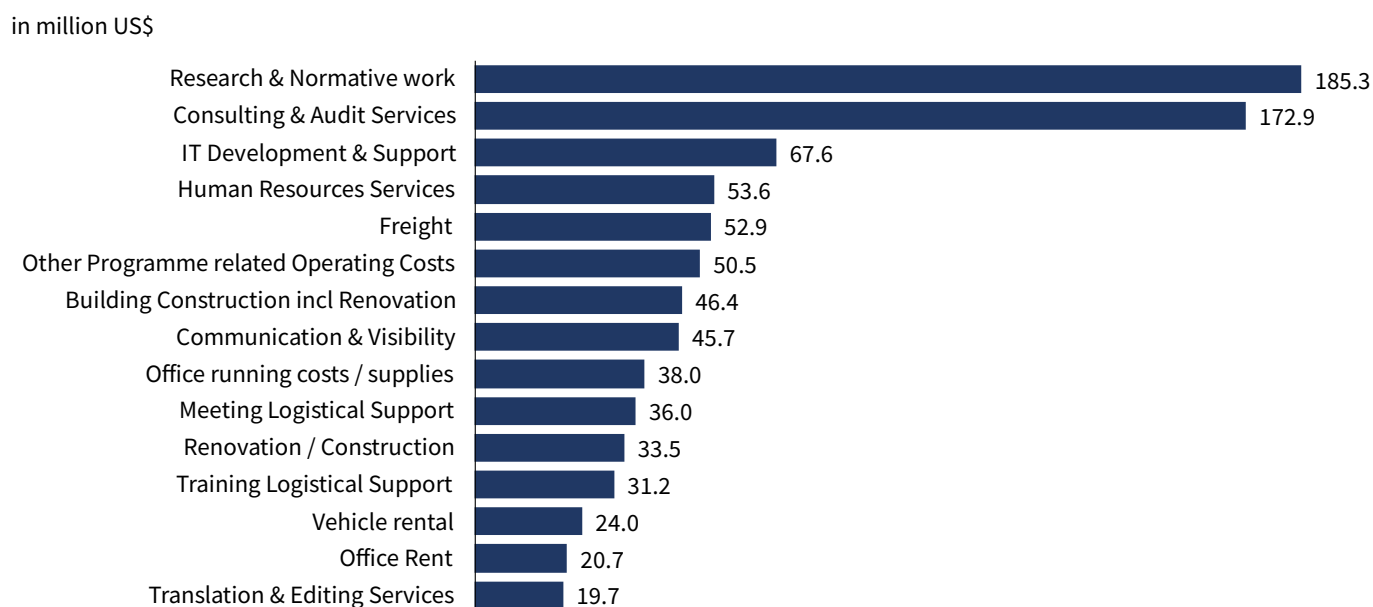
2022 after an increase of US\$ 40.2 million in 2021. Emergency Health Kits and Miscellaneous Drugs procurement increased on the other hand by 1.5% and 1.8% respectively from 2021.

Fig. 4. Largest procurement categories for goods



The top five categories for procurement of services included Research and Normative work (11.3% of total services procurement), Consulting and Audit Services (10.6%), IT Development and Support (4.1%), Human Resources (3.3%) and Freight (3.2%)⁵. The largest increase was observed in Consulting and Audit Services from US\$ 106.4 million (6% of total spend on services in 2021) to US\$ 172.9 million (11% in 2022).

Fig. 5. Largest procurement categories for services



⁵ In a sub-set of POs, the logistic costs are coded as “transportation of goods” and therefore appear under procurement of goods. However, this would normally be considered a part of freight services and would have increased the value of total procurement for freight services to US\$ 66.8 million, which would make it the fourth largest category within services.

2.4 Procurement by WHO headquarters and regional offices

The largest share of procurement in 2022 came from WHO headquarters, with US\$ 632.8 million (38.7% of total procurement), followed by the Regional Office for the Eastern Mediterranean with US\$ 392.3 million (24.0%) and the Regional Office for Africa in third place with US\$ 275.5 million (16.9%). These three offices together accounted for around 80% of the total value procurement in 2022. Fig. 6 provides an overview of procurement for the regional offices and headquarters (in total value and number of POs).

The order of value of procurement across offices remained the same as 2021 although the value of procurement from the headquarters and country offices of the Eastern Mediterranean Region both decreased; whereas the value of procurement of all other offices increased in 2022. In particular, the share of procurement for the Regional Office for Africa relative to the office total value of procurement increased from 12.7% in 2021 to 16.9% in 2022.

The Regional Office for Africa remained the office with the largest number of POs (15 980, 26.6% of all POs). The Regional Office for Africa, the WHO headquarters, and the Regional Office for the Eastern Mediterranean together accounted for 41 503 POs, around 69% of all POs.

Fig. 6. Procurement for WHO headquarters and regional offices in terms of value and number of POs

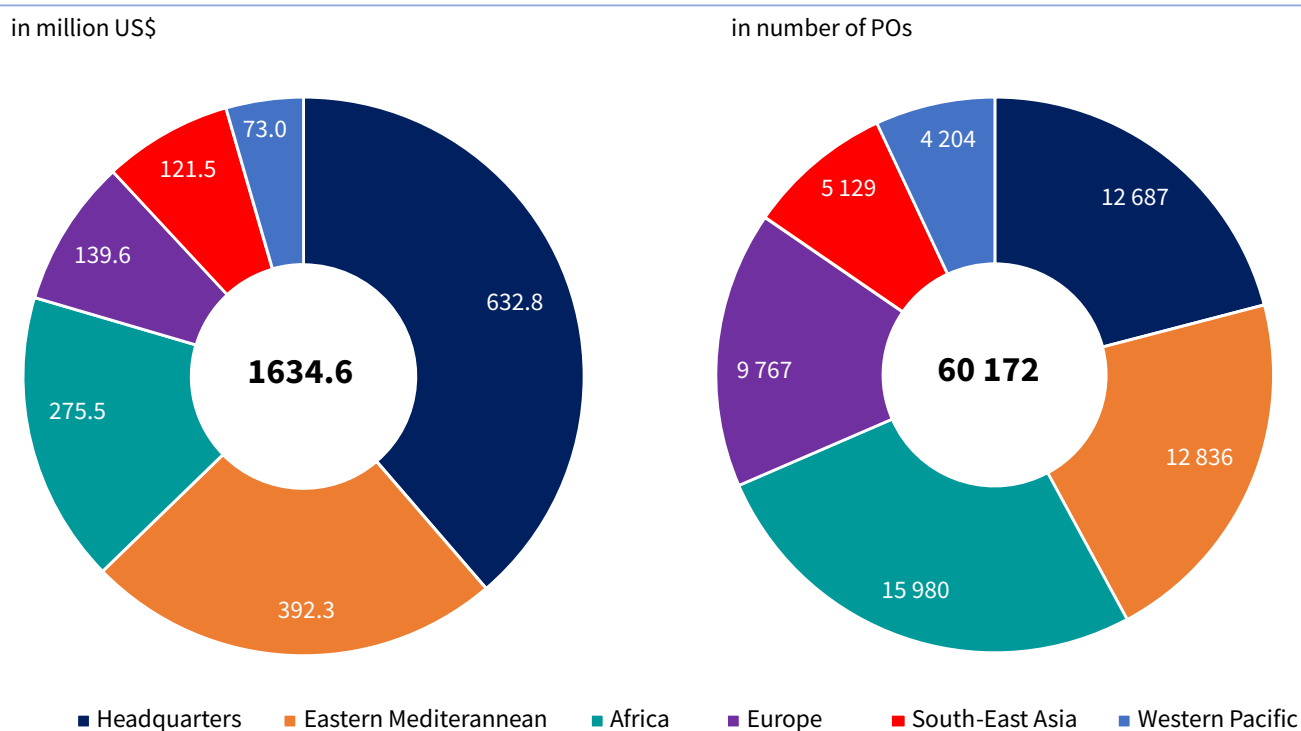


Fig. 7 shows the procurement profile for WHO headquarters with a breakdown across services and goods, and the top categories for each type of procurement. The headquarters total procurement value in 2022 was US\$ 632.8 million with US\$ 241.2 million for the procurement of goods (38.1%) and US\$ 391.6 million for the procurement of services (61.9%), a similar distribution as 2021.

The largest procurement categories of goods include Polio Vaccines, Hospital Equipment, Miscellaneous Drugs and Emergency Health Kits as top four categories, a change from 2021 where the headquarters procurement of goods included critical COVID-19 related goods (Diagnostic and Research Biologicals and PPE in second and fourth place respectively). All Polio Vaccines are procured by the WHO headquarters as a centralised process.

The top categories of services procured also got reordered in 2022. Research & Normative work remained at the top (16% increase from 2021 value), and Consulting & Audit Services and IT Development & Support increased by

62% and 45% from 2021 respectively, moving up to the top three. The regional offices' procurement profiles and details are included in Annex 1.

Fig. 7. Procurement overview for WHO headquarters (see details for regional offices in Annex 1)

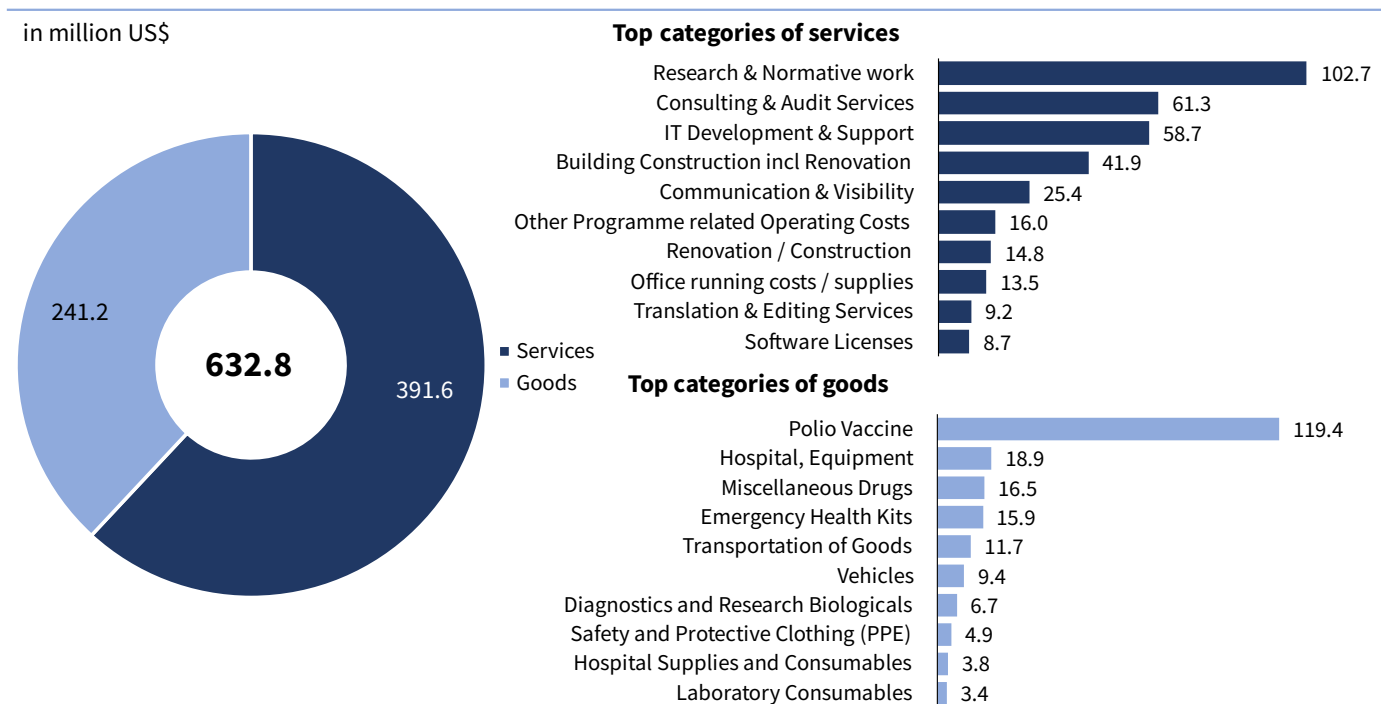
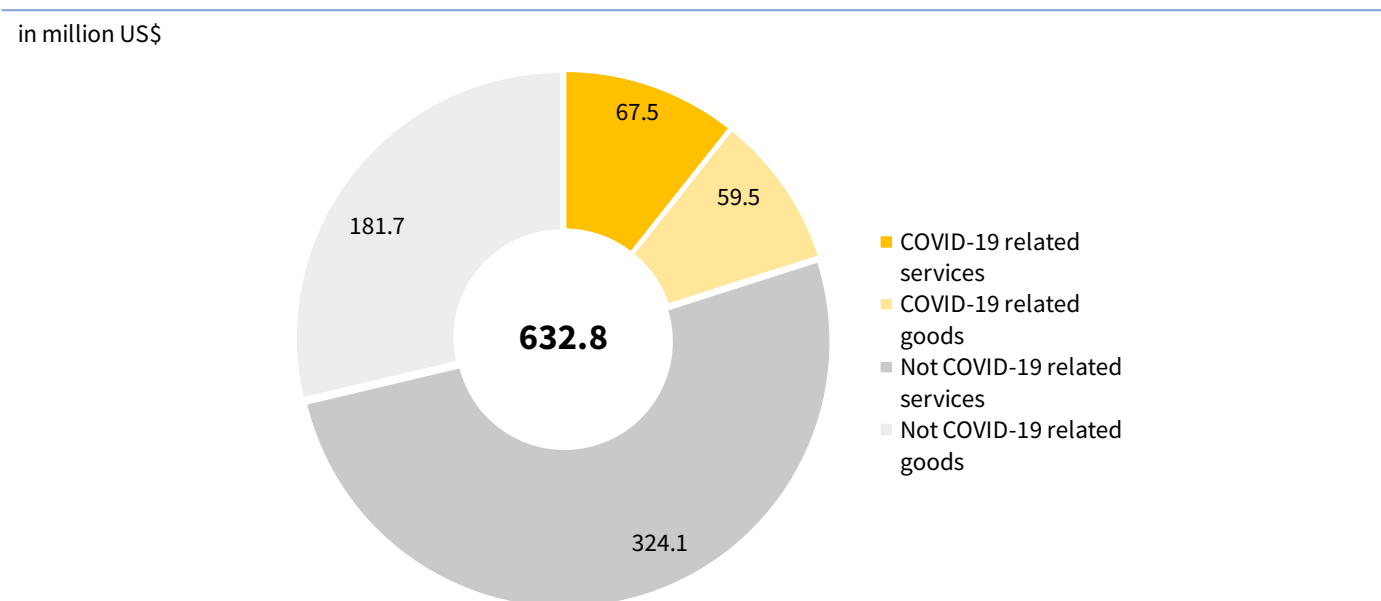


Fig. 8 provides an overview of the overall procurement of WHO headquarters related to COVID-19 and disaggregated between goods and services. Of the US\$ 632.8 million total procurement for the headquarters, US\$ 127.0 million came from COVID-19 related procurement, a 50% drop from the 2021 value mostly driven by a decrease in COVID-19 related procurement of goods.

Fig. 8. COVID-19 related procurement for WHO headquarters (see details for regional offices in Annex 1)



2.5 Procurement by supplier and supplier countries

WHO procured goods and services from a total of 17 925 suppliers in 2022 which is a slight reduction compared to 18 117 in 2021. However, the procurement expenditure was spread across a wider number of suppliers compared to 2021, with the top 119 suppliers accounting for slightly over 50% (against 88 in 2021) and 3038 suppliers accounting for 80% of total procurement (against 495 in 2021).

Fig. 9 shows the top 15 suppliers and their respective procurement volume by goods and services. The top suppliers include a mix with some suppliers offering only goods, others offering just services and some providing a combination of both. Similar to 2021, the goods procured from the United Nations Children’s Fund (UNICEF) are almost entirely poliovirus vaccines which are manufactured by GlaxoSmithKline, BioFarma and Sanofi.

Fig. 9. Largest suppliers^a

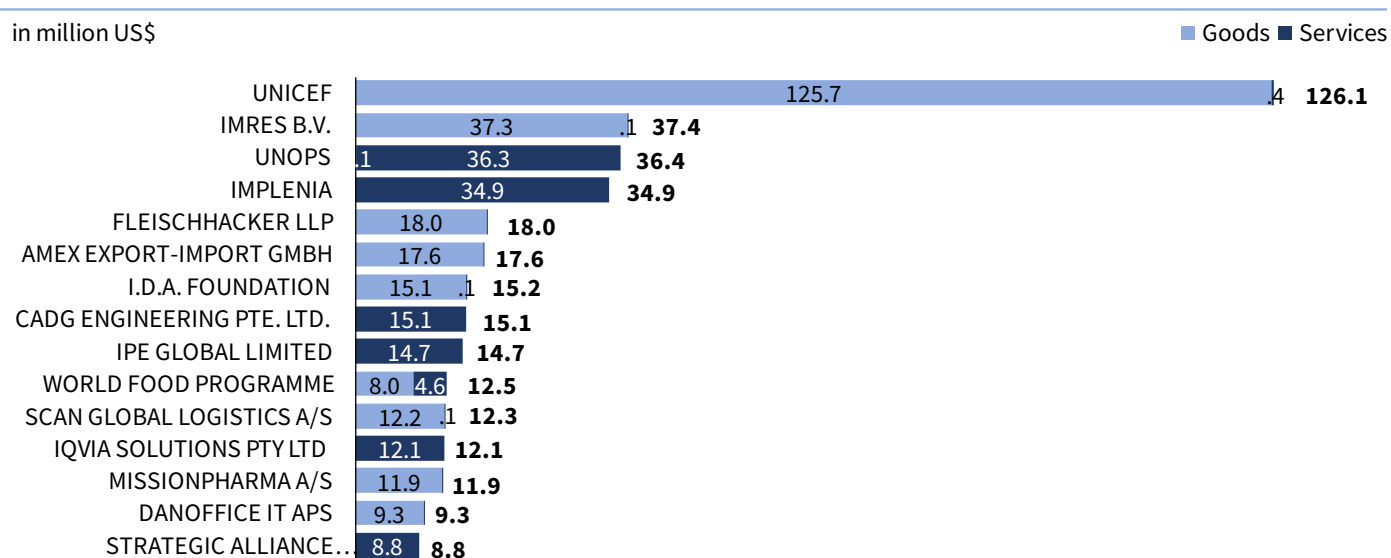


Fig. 10 shows where WHO’s top 2022 suppliers are located. Switzerland, Denmark, India, the Netherlands and Pakistan make up the top five supplier countries, accounting for US\$ 626.6 million (38.3%) of the overall procurement spend in 2022. Overall, 2022 suppliers were located in 183 countries.

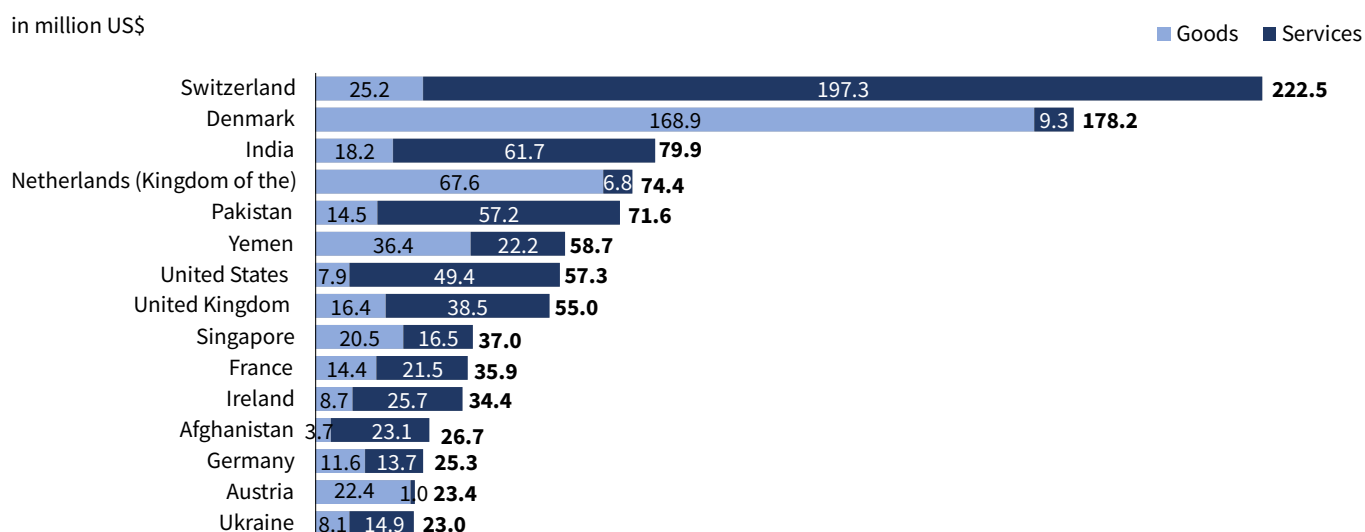
Some changes from 2021 include Switzerland becoming the top supplier country driven mostly by an increase in services procurement (a 36% increase compared to 2021)⁶, and the Netherlands joining the top five supplier countries due to an increase in Emergency Health Kits procurement (mainly through IMRES B.V. and I.D.A. Foundation). Ukraine also rises to the top 15 list of supplier countries mostly due to an increase in services including Research and Normative work and Training Logistical support, as top procured categories.

Some of the 2022 procurement also comes from other UN organizations - including the majority of procurement from Denmark (mostly for Polio vaccines through UNICEF); and UNOPS as Pakistan’s top supplier for the implementation of their Polio programme.

^a Where only numbers are visible, goods or services represent a very small proportion of supplier procurement.

⁶ This includes US\$ 52.1 million for freight services which are recorded for Switzerland but in practice may also be sourced from other countries depending on the PO.

Fig. 10. Top supplier countries



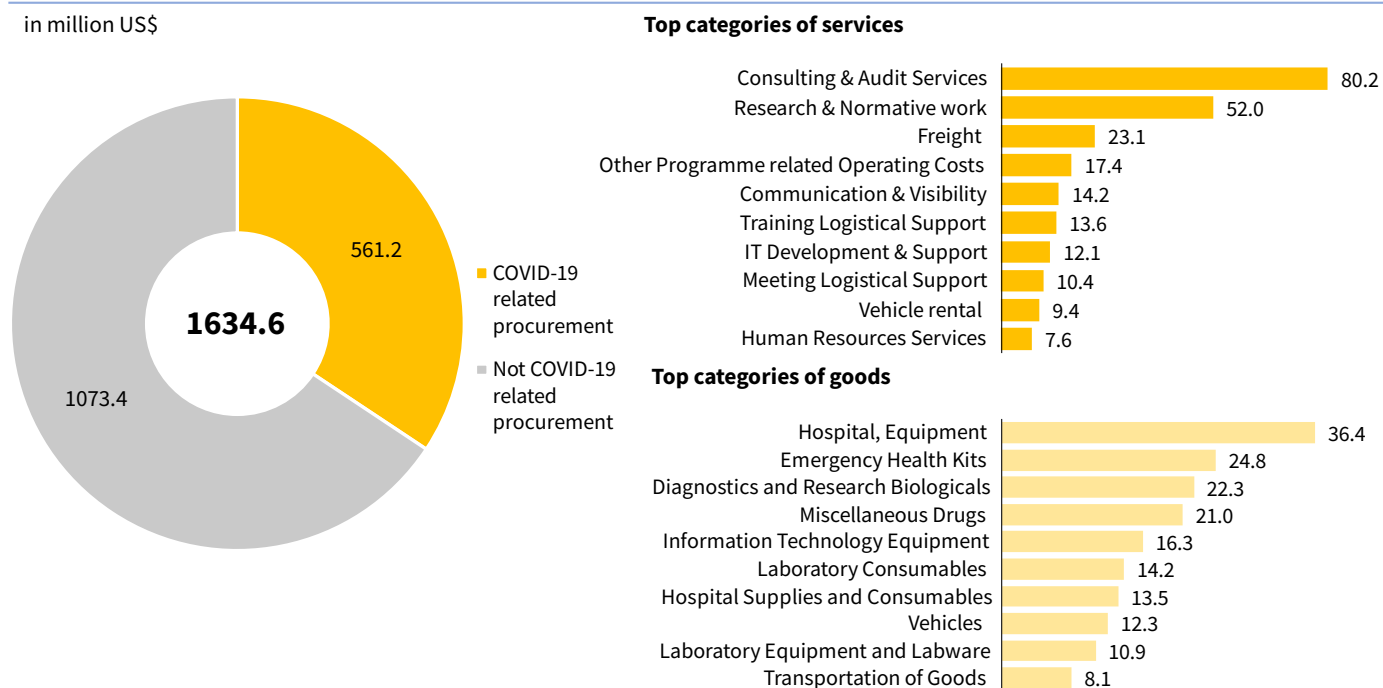
2.6 COVID-19 related procurement

COVID-19 related procurement slightly reduced in 2022, following the general procurement trend, and accounted for US\$ 561.2 million, 34.3% of total procurement in 2022 (against US\$ 638.0 million, 38.5% in 2021). Fig. 11 provides an overview of COVID-19 related procurement against total procurement with details of the top 10 categories of services and goods procured for COVID-19 related procurement.

The reduction of COVID-19 related overall procurement is mostly driven by a reduction in the procurement of COVID-19 related goods (US\$ 245.3 million in 2022 against US\$ 378.2 million in 2021). The biggest decrease in COVID-19 related goods was in Diagnostics and Research Biologicals (US\$ 22 million in 2022 from US\$ 93 million in 2021), Hospital Equipment (US\$ 36.4 million in 2022 against US\$ 80.4 million in 2021), and Laboratory Consumables (US\$ 14.2 million in 2022 against US\$ 36.4 million in 2021). Hospital Equipment and Emergency Health Kits make up the top two categories of goods for COVID-19 related procurement in 2022, for a combined value of US\$ 61.2 million (25.0% of total COVID-19 related procurement of goods).

The COVID-19 related procurement of services increased on the other hand, from US\$ 259.8 million in 2021 to US\$ 315.9 million in 2022. The top two categories for services procured remained Consulting and Audit services (which increased from US\$ 51.4 million in 2021 to US\$ 80.2 million in 2022), and Research and Normative work (increasing from US\$ 49.8 million to US\$ 52.0 million). Freight also remained in the top three but decreased slightly from US\$ 30 million to US\$ 23.1 million in 2022.

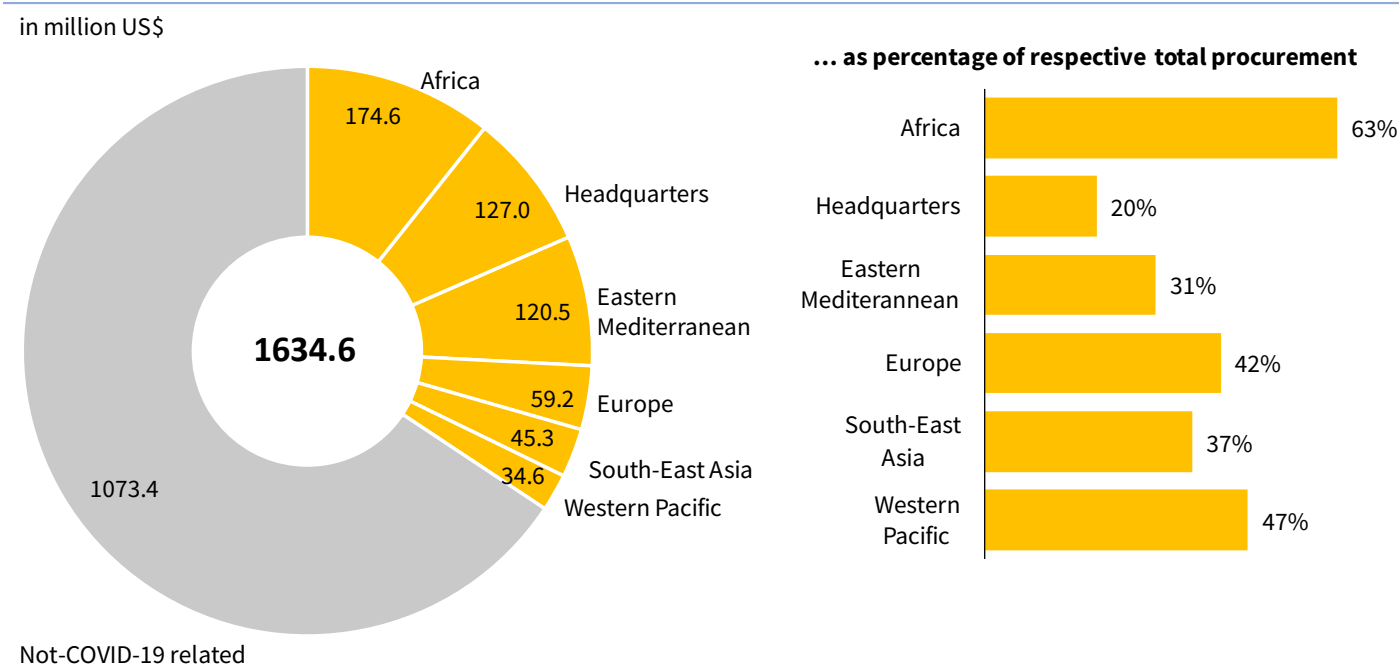
Fig. 11. COVID-19 related procurement



The distribution of COVID-19 related procurement across regional offices and headquarters changed slightly from 2021, with the Regional Office for Africa having the largest COVID-19 related value in 2022 (US\$ 174.6 million, 31% of the total COVID-19 related procurement in 2022), against US\$ 100.5 million in 2021. The headquarters and the Regional Office for Eastern Mediterranean complete the top three but decreased in value compared to their 2021 procurement (from US\$ 252.2 million and US\$ 163.3 million to US\$ 127 million and US\$ 120.5 million respectively). These top three offices together make up 75% of the total value for COVID-19 related procurement in 2022.

As illustrated in Fig. 12, the Regional Offices for Africa, the Western Pacific and Europe had the highest percentage of COVID-19 procurement as share of their respective total spend (63%, 47% and 42% respectively). The Regional Office for Africa experienced a substantial increase from 48% in 2021 to 63% in 2022.

Fig. 12. Distribution of COVID-19 related procurement among regional offices



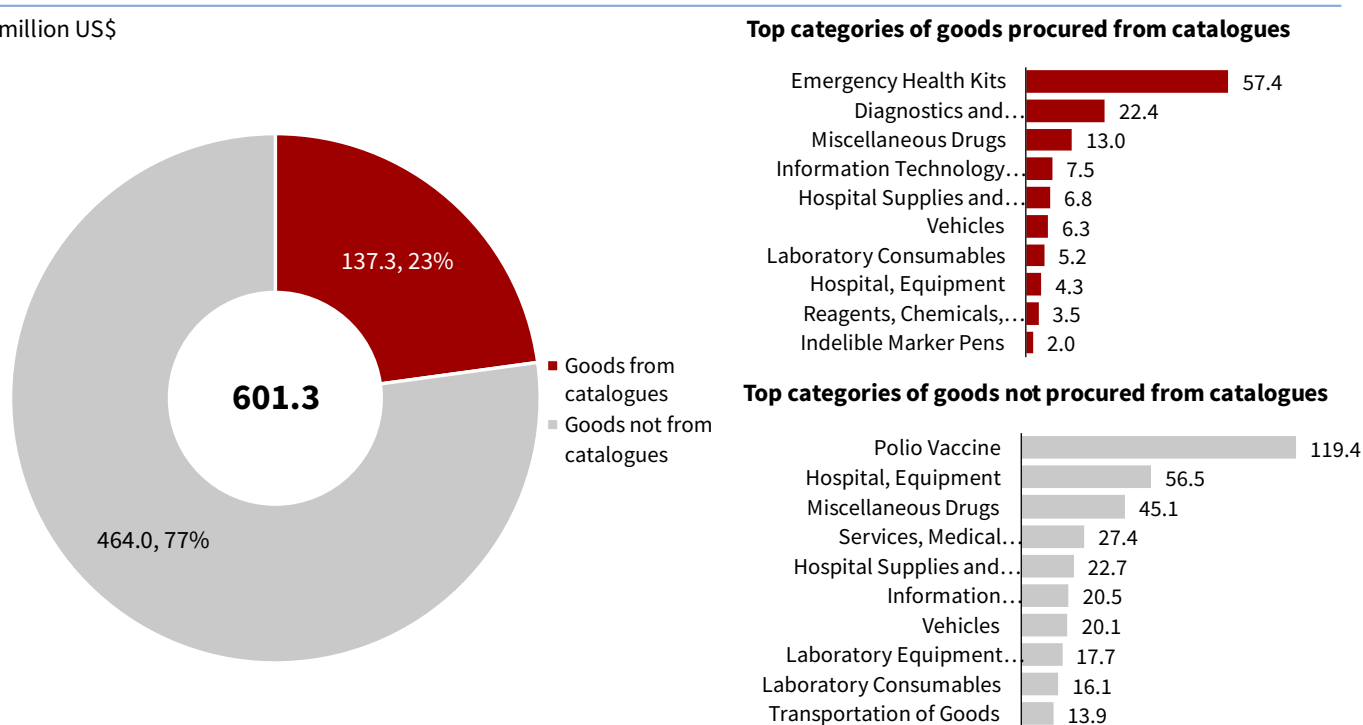
2.7 Procurement from catalogues

WHO establishes and uses long-term agreements (LTAs) and catalogues to enable the efficient processing and procurement of frequently requested goods and services. A catalogue is a list of specific goods, accessible online on the WHO intranet, with standardized specifications across all WHO offices for which LTAs have been established with suppliers, through a competitive procurement process. Once the catalogue is set-up, the Global Procurement and Logistics unit can issue POs directly to the suppliers, based on requesting offices/internal clients requisitions.

Fig. 13 shows the value and categories of goods that were procured through catalogues. Out of the total US\$ 601.3 million spent on goods in 2022, US\$ 137.3 million (23%) was procured from catalogues (an increase from 18% in 2021). The largest categories procured through catalogues included Emergency Health Kits, Diagnostics and Research Biologicals and Miscellaneous Drugs. The largest categories of goods not procured from catalogues remained similar to 2021 and included Polio Vaccines, Hospital Equipment and Miscellaneous Drugs.

Fig. 13. Procurement of goods from catalogues

in million US\$

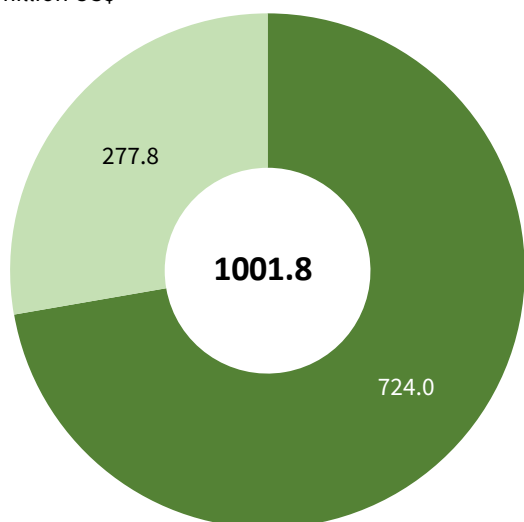


2.8 Regional procurement

Fig. 14 shows the percentage of regional procurement (i.e., procurement of goods and services from suppliers located in the same geographical region as the procuring office) versus procurement of goods and services from suppliers located outside the region of the procuring office. The Regional Office for Europe had the largest share of regional procurement, 93% of its total procurement, followed by the one for South-East Asia (77%), Africa (71%), the Western Pacific (68%) and the Eastern Mediterranean (65%). Overall, regional procurement increased in 2022, from US\$ 634.8 million in 2021 (68% of total regional offices procurement) to US\$ 724.0 million in 2022 (72% of total regional offices procurement).

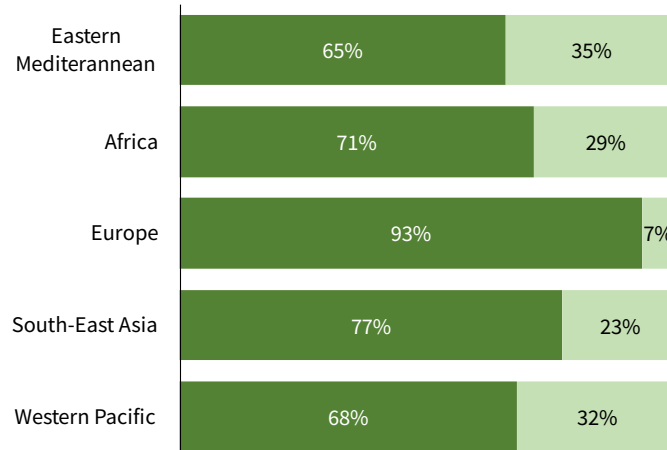
Fig. 14. Proportion of regional procurement

in million US\$



■ Regional procurement ■ Non regional procurement

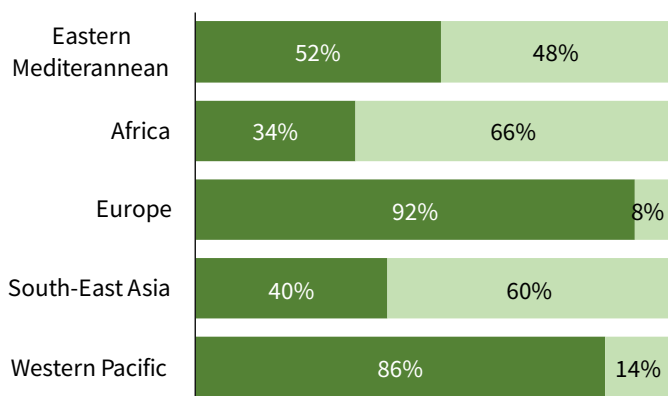
Percentage regional procurement within regions



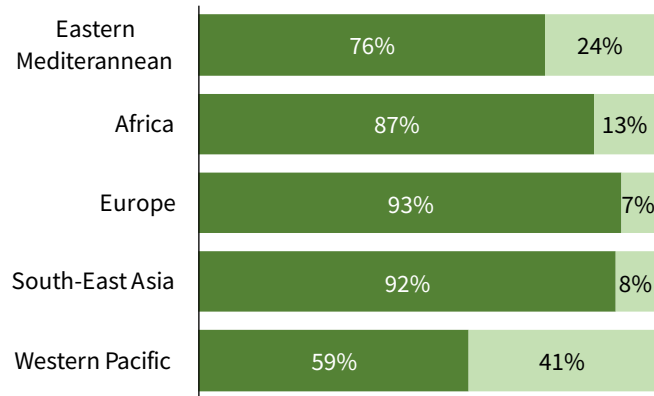
When disaggregated by services and goods, regional procurement for services was consistently high across most offices but dropped for the procurement of goods (Fig. 15), especially in the Regional Offices for Africa and South-East Asia (34% and 40% regional procurement as share of their total procurement of goods respectively). Two offices were an exception to this trend, the Regional Office for Europe which had high level of regional procurement across goods and services (92% and 93% respectively) and the Regional Office for the Western Pacific which had a higher regional procurement of goods (86%) compared to services (59%).

Fig. 15. Proportion of regional procurement, goods vs. services

Percentage regional procurement of goods



Percentage regional procurement of services



■ % Regional procurement ■ % Non-regional procurement

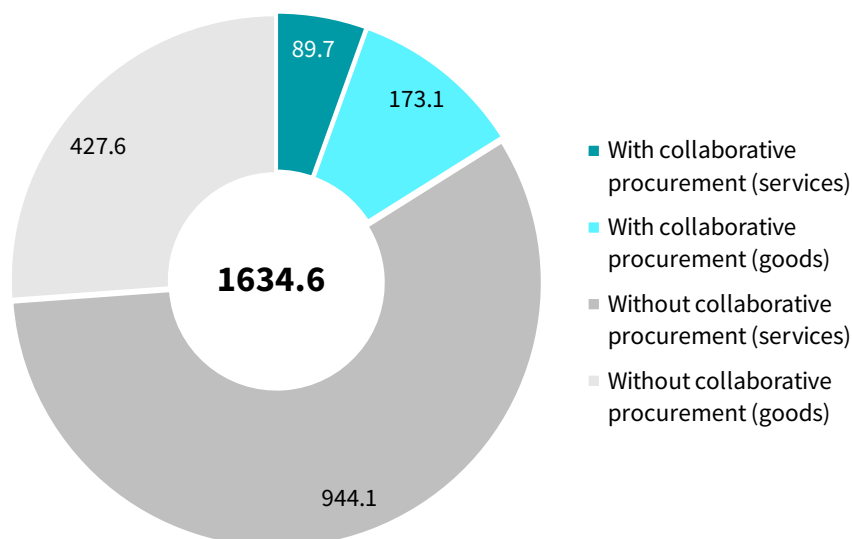
2.9 Collaborative procurement

Collaborative procurement with other UN organizations plays an important role within the procurement approach of WHO. Collaborative procurement is defined as a procurement arrangement in which several UN organizations combine their efforts to undertake procurement in cooperation or share the outcome of a procurement process, thereby achieving benefits for the group in its entirety. The objective of collaborative procurement is to achieve reduced price or better service through economies of scale and to reduce inefficiency and duplication across the UN organizations. In 2022, a total of US\$ 262.8 million has been procured collaboratively with other UN organizations, 16.1% of the total procurement. This is a slight decrease compared to 2021 when 18.4% of all goods and services were procured collaboratively.

The majority of collaborative procurement was conducted for goods, with US\$ 173.1 million (28.8% of all goods procured) compared with US\$ 89.7 million for services (8.7% of all services procured), as shown in Fig. 16. The collaborative procurement of goods is concentrated for a large proportion in procurement done with UNICEF (>80%). This is predominantly driven by the procurement of the Polio Vaccines. In contrast, collaborative procurement in services is more fragmented and includes many different UN organisations. The largest single collaboration for the procurement of services was with UNOPS, which accounted for around a third of all collaborative procurement for services.

Fig. 16. Collaborative procurement

in million US\$



PART 3

Key initiatives and highlights



3.1 In support of WHO programmes - highlights from WHO global procurement

WHO global procurement and supply department maintains an online catalogue of frequently procured goods that can be accessed by all staff and technical programmes, supporting efficient and timely direct pick and buy purchasing. Containing almost 1700 unique items including emergency health kits (EHKs) for response to humanitarian emergencies, and underpinned by 150 global Long-Term Agreements, overall procurement through catalogues amounted to US\$ 137.3 million in 2022. Of this, US\$ 92.1 million of procurement was made through the catalogue by all Regional Offices and HQ in response to emergencies.

In 2022, WHO procured and distributed emergency health kits valued at US\$ 57.4 million, which constitutes a sizable increase to the average value procured in previous years, which was around US\$ 35 million. A key driver was the increase in EHKs procured and distributed to Ukraine, Ethiopia and South Sudan. EHKs are shipped to more than 30 countries with multiple or complex health emergencies.

In addition to EHKs, during 2022, the global catalogue offered the categories of Medical Devices, IT and telecommunications, Laboratory, Medicines and Vaccines, Diagnostic and Biologicals, Cold Chain and Immunization, Engineering, Emergency, Transport and Visibility material, and a new category for Medicines was added providing direct access to 295 medicines.

In 2022, WHO Global Shipping sourced and quality-controlled US\$ 66.8 million of freight forwarding services, expediting the delivery of over 6000 international shipments (surface, sea and air) through its network of freight forwarders and partners to some of the most remote hard-to-reach locations on the planet, consolidating orders where efficient, generating cost savings by encouraging the use of sea freight over air freight and availing of in-kind freight solutions. In support of WHO emergency response, Global Shipping planned, consolidated and managed emergency shipping pipelines for multiple countries, including Afghanistan, Madagascar, Sudan, Yemen, Cameroon and Malawi; and sourced and quality-controlled delivery of full charter flight services and managed international shipments for 85 Horn of Africa emergency orders to six countries: Ethiopia, Kenya, Somalia, Uganda, Sudan, and South Sudan.

Further highlights in support of WHO programmes include:

- the processing of a record number of over 60 000 goods and services POs with 97% of the transactions processed within target turnaround times;
- the application of an innovative procurement strategy for the procurement of short shelf-life laboratory reagents for seven countries in the Eastern Mediterranean Region, including fixing the price for a year with staggered delivery in each quarter;
- the provision of emergency on-call services, which in 2022 represented 844 POs, key to accelerating processing during COVID-19 and various other emergency situations;
- established an Emergency Kits Prioritization and Allocation working group, formed by various teams across WHO, which consolidate supplier stock and production capacity data with WHO offices' demand, to enable enhanced efficiency and avoiding supply bottlenecks.

3.2 In support of WHO programmes - highlights from WHO regional procurement

Regional Office for Africa: The regional General Management and Coordination (GMC) Cluster has adopted a vision to firmly establish the cluster as a centre of excellence where procurement is considered one of the key priority actions driving impact on Member States and technical programme activities. To contribute to the success of the General Management and Coordination vision the Contracting and Procurement service team carried out a successful range of activities in 2022. These included:

- the sensitization of more than three hundred (300) suppliers in different professional fields/sectors on UN Agencies' and WHO procedures and bidding processes in the Congo, through two cohorts of capacity building training. The capacity building resulted in quicker bid evaluation during procurement processes for the UN Agencies in the Congo;
- goods and services orders placed against more than 110 regional or local LTAs in 14 budget centres, as part of a wider effort to promote the use of LTAs to drive efficiency. This includes the deployment of consultants to field locations as an example of a significant LTA contract type used within the AFRO region. In 2022, the service provider performed the recruitment, deployment, and management of more than 175 consultants on behalf of the Polio Eradication Programme in 23 African countries for a total spend of over US\$ 11 million. Further LTA examples include the selection of 67 medicines/medical products covering several formulations and denominations for seven Small Island Developing States (SIDS: Cape Verde, Comoros, Guinea Bissau, Madagascar, Mauritius, Sao Tome & Principe, Seychelles) and the supply of essential priority drugs, costing yearly above US\$ 12 million. The LTA is designed with the possibility of expansion to other geographical areas in the region;
- the use of digital finance (Mobile Money payments) activities across the region for health workers involved in vaccination campaigns has allowed bulk payment services to thousands of beneficiaries in more than 20 priority countries;
- more than 20 training modules (in English and French) covering the entire supply chain have been developed to address recurrent procurement issues in WHO African Region. These new materials are planned to be delivered at a regional workshop for procurement stakeholders in the first quarter of 2023, with the main objective of strengthening the capacity of key actors in procurement in all WHO programmes in the region to ensure compliance with the procedures in place and to improve service delivery to achieve the Organization's objectives.

Regional Office for the Eastern Mediterranean: The Young Men's Christian Association, Lebanon (YMCA) has been receiving grants from WHO since 2013 for the provision of non-communicable diseases medicines to the Syrian refugees in Lebanon as well as for the Lebanese who are unable to buy such medications. Since 2013, YMCA, after receiving the grants from WHO, procured their medicines through a third party. However, in 2022 the Regional Office for the Eastern Mediterranean and YMCA agreed that the procurement process would be conducted by WHO's regional procurement unit in an effort to minimize transaction costs and improve delivery timelines. This changed approach resulted not only in efficiency gains, but also in a significant reduction of prices compared to purchases made in the past. The savings helped YMCA to order more quantities to benefit more Syrian refugees in Lebanon.

Regional Office for Europe: In 2022, the Regional Office for Europe's total procurement increased to US\$ 139.6 from US\$ 104.5 in 2021 (a 34 % increase). The increase was largely driven by emergency procurement to Ukraine and neighbouring countries, as a result of the health emergency triggered by the conflict in Ukraine, which started on 24th February 2022. WHO at all three levels (HQ - Region - Country) worked extensively to help the people in need in Ukraine, and neighbouring countries. In addition to receiving procurement from the Regional Office for Europe, Ukraine and neighbouring countries also received goods procured through WHO headquarters. For example, Ukraine received US\$ 45.2 million of its total procurement (US\$ 56 million) from headquarters, and Ukraine, Poland, Türkiye, Moldova and Belarus received together US\$ 87 million in emergency goods in 2022 from the Regional Office for Europe, headquarters and other regional offices. The procurement activities from neighbouring countries also increased: procurement for Poland jumped to US\$ 10.1 million in 2022 (from US\$ 2.4

thousands in 2021); Türkiye increased from US\$ 6.8 million to US\$ 9.1 million and Moldova from US\$ 2.5 million to US\$ 6.0 million. The Regional Office supported extensively on procurement activities as these small Country Offices were affected by an unprecedented level of supply demands.

Regional Office for South-East Asia: As procurement continues to play an indispensable role in WHO to expand Universal Health Coverage and respond to health emergencies, the need to strengthen the procurement in all offices is a critical success factor for the South-East Asia Region. The Regional Office procurement team provided support to several countries (Bangladesh, Indonesia, Sri Lanka, India) to build their supplier data base through pre-qualification exercises where regional procurement staff members were sent to the countries to drive this initiative. The focus was and remains to further strengthen the local Country Offices procurement capacity through engagement in quarterly meetings and trainings. Trainings on tendering processes and the appropriate supporting documents were given to all budget centres in the region. The regional procurement team also established tracking and monitoring to provide visibility through a dashboard to the eleven Country Offices (Bangladesh, Bhutan, DPRK Korea, India, Indonesia, Maldives, Myanmar, Nepal, Sri Lanka, Thailand, Timor-Leste) enabling them to follow up closely their procurement requests.

Regional Office for the Western Pacific: Procurement and supply chain management played a key role in enabling WHO's effective support in strengthening public health preparedness and response in the Western Pacific region in 2022. To address emerging infectious diseases and health issues caused by climate change, as part of the Global Emergency Medical Teams (EMT) initiative, 11 Pacific Island countries (Cook Islands, Fiji, Kiribati, Marshall Islands, Federal States of Micronesia, Palau, Papua New Guinea, Samoa, Tonga, Tuvalu and Vanuatu) have committed to developing national EMTs and strengthening the coordination of national and international EMT deployments. WHO supported these Member States by procuring and delivering more than three hundred light, practical and self-sufficient kits that enable EMTs to deploy and respond to health emergencies in remote and hard to reach locations. Each deployment kit contains more than 150 items including clinical equipment, IT and communications equipment, shelters and camping equipment, and hygiene and sanitation products. WHO teams in HQ, Regional and Country Offices collaborated effectively to overcome logistical challenges in kitting, packing and shipping a large volume of products to these small island countries. In Lao People's Democratic Republic, WHO contributed to the development and expansion of testing capacity of laboratories in 18 provinces by supplying real-time polymerase chain reaction supplies (RT-PCR) for COVID-19 rapid detection, along with central-level testing capacity for monkeypox, chikungunya, zika, dengue and other diseases. WHO also supported the enhancement of digital surveillance and data entry on COVID-19 vaccination and treatment in the country through the provision of laptops and tablets to health facilities.

3.3 Sustainable procurement

As part of its value for money approach, WHO considers sustainable procurement to the extent possible within the context of the goods or services being purchased as well as any specific country, industry or supply market conditions.

WHO has committed to becoming carbon neutral by 2030, and building on the sustainable procurement gains made in the previous year to support this corporate goal, in 2022 WHO completed a sustainability hotspot assessment of its procurement spend. As part of its commitment to become a carbon neutral organization, the hotspot analysis aimed to identify WHO spend categories with the greatest carbon footprint in order to prioritise and maximise procurement interventions.

Following the analysis, four main categories were identified as focus areas, including computer equipment and accessories, transportation and freight, patient care and treatment products, and building and renovation. Possible future interventions may include category specific strategies, a supplier engagement programme, tailored training for buyers and policy updates.

Additional WHO activities on sustainable procurement in 2022 include:

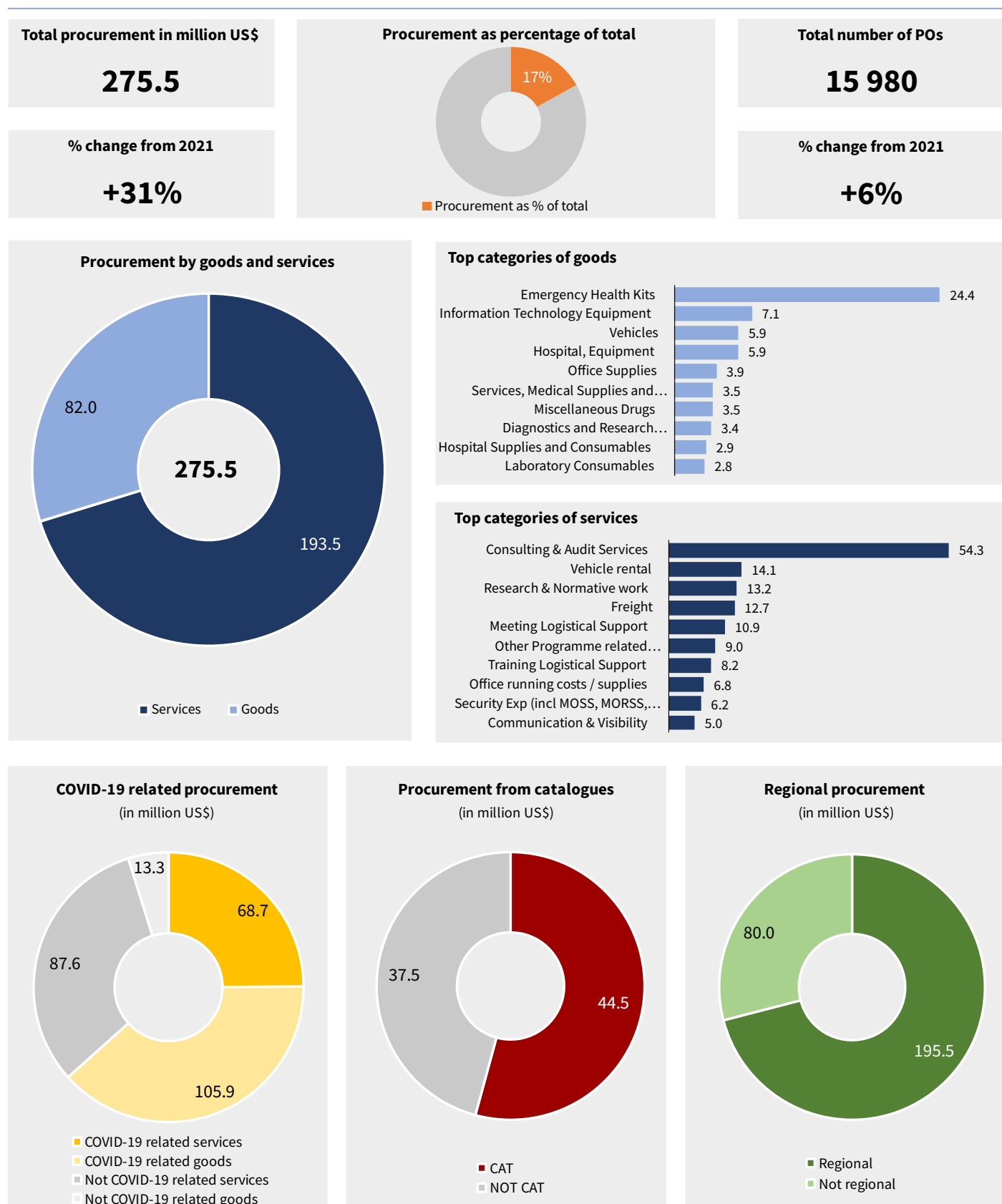
- for procurement of WHO Emergency Health Kits, a wide range of sustainable considerations are assessed during supplier technical visits, aimed at reducing the total volume of a kit to its minimum. These considerations include banning unnecessary plastic wrapping for medical devices, more sustainable and “energy saving” medical devices, less batteries, and reusable versus single use items. Through such visits, the kits that used to have ten boxes were re-organized to eight boxes in a more efficient and perfectly stackable manner. By doing this, the large quantities of WHO emergency kits destined for Afghanistan in 2022 were reduced to almost half the original volume, considerably reducing the CO2 emissions for transport;
- the Regional Office for the Western Pacific included sustainable criteria in tendering for services such as: environmentally friendly products for janitorial services, use of indigenous plants for a green garden project, and inclusion of energy efficient items such as LED technology for TV and conference equipment, and energy saving (sleep-mode) for multifunctional photocopiers.

Annexes



Annex 1. Procurement summary by WHO regional office⁷

Fig. A1.1. Procurement at the Regional Office for Africa



⁷ Data for this report is drawn from WHO's enterprise resource planning (ERP) system (called the Global Management System or GSM). The Regional Office for the Americas does not use the same ERP system as the rest of WHO.

Fig. A1.2. Procurement at the Regional Office for the Eastern Mediterranean

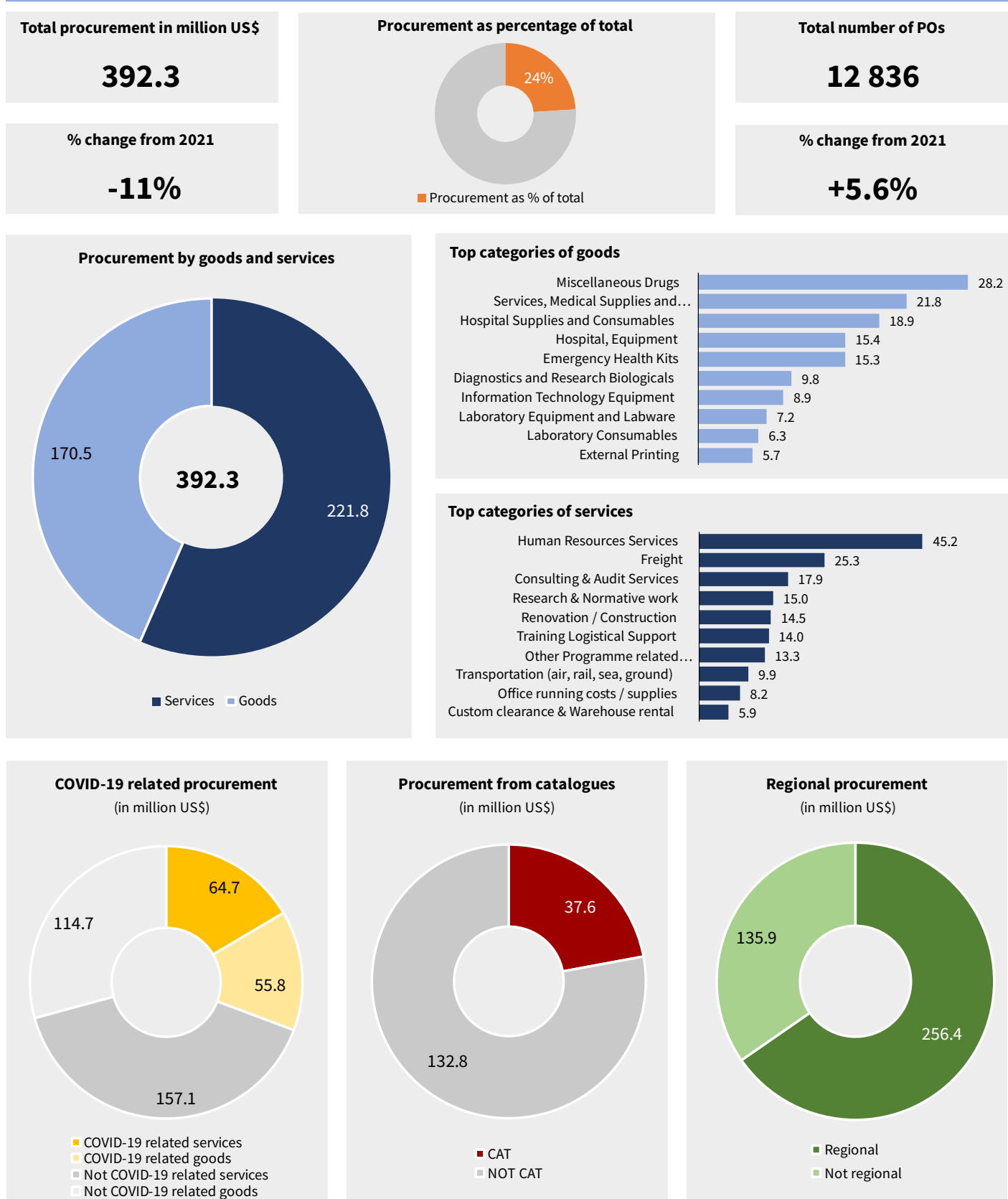


Fig. A1.3. Procurement at the Regional Office for Europe

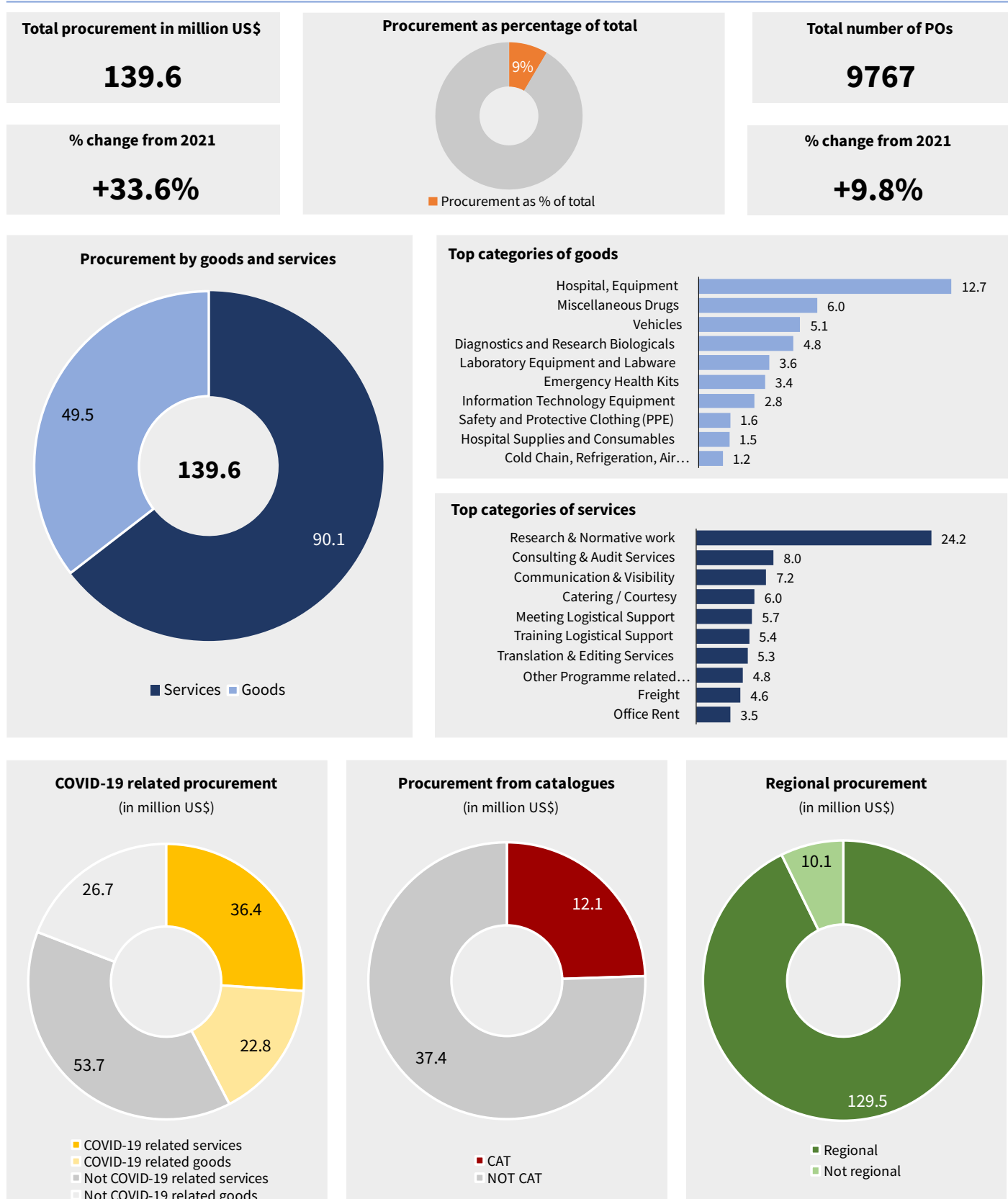


Fig. A1.4. Procurement at the Regional Office for South-East Asia

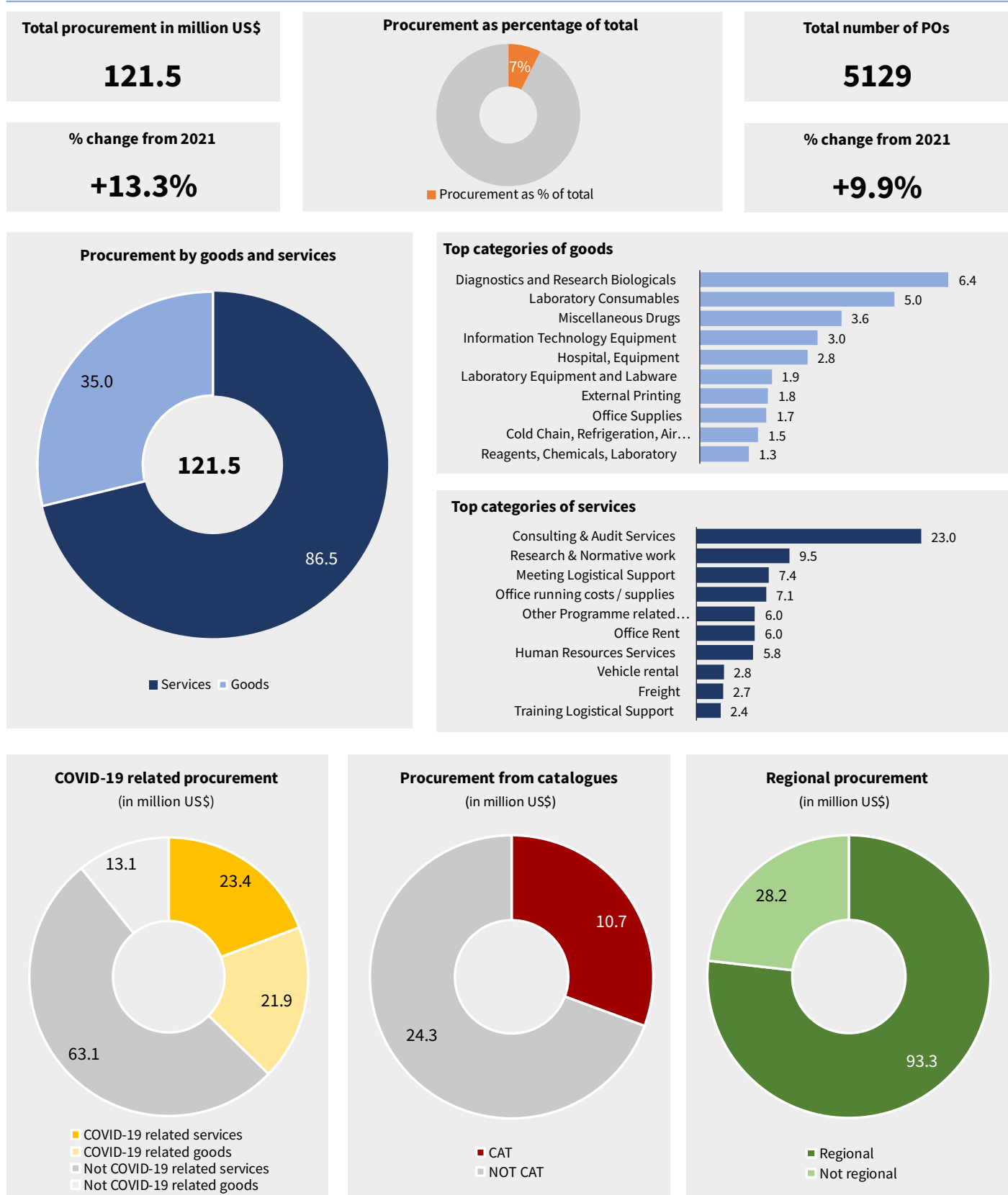
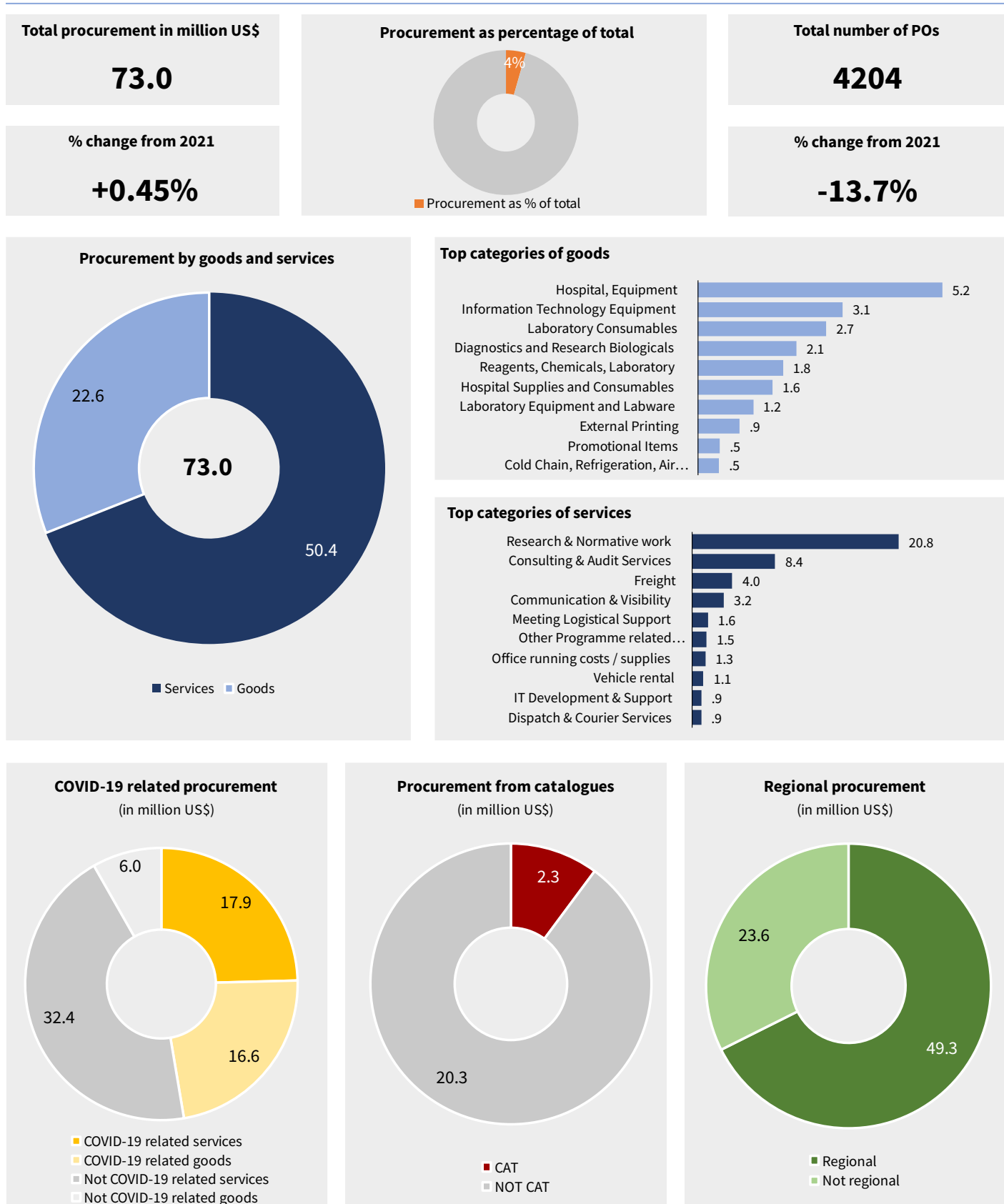


Fig. A1.5. Procurement at the Regional Office for the Western Pacific



Annex 2. Procurement by supplier country and territories

Supplier Country/Territory	Total PO Value (in US\$)
Afghanistan	26 736 696
Albania	1 740 354
Algeria	1 214 095
Andorra	24 722
Angola	1 761 711
Argentina	1 102 401
Armenia	2 684 821
Australia	11 689 330
Austria	23 381 869
Azerbaijan	1 985 202
Bahrain	98 799
Bangladesh	9 203 242
Barbados	84 900
Belarus	469 360
Belgium	9 649 857
Benin	1 687 028
Bhutan	1 224 630
Bolivia (Plurinational State of)	27 538
Bosnia and Herzegovina	496 302
Botswana	1 402 863
Brazil	1 885 428
Brunei Darussalam	60 000
Bulgaria	696 153
Burkina Faso	6 550 741
Burundi	2 978 457
Cabo Verde	452 175
Cambodia	5 956 357
Cameroon	10 056 611
Canada	11 569 203
Central African Republic	1 578 312
Chad	5 432 691
Chile	109 996
China	18 116 854
Colombia	2 250 597
Comoros	443 037
Congo (the)	9 364 005
Costa Rica	133 780
Côte d'Ivoire	4 019 031
Croatia	297 928
Cuba	139 926
Cyprus	2 031 284
Czechia	1 564 843
Democratic People's Republic of Korea	117 577
Democratic Republic of the Congo	15 754 337
Denmark	178 194 911
Djibouti	1 500 348
Dominican Republic	34 550

Supplier Country/Territory	Total PO Value (in US\$)
Ecuador	199 939
Egypt	14 423 854
El Salvador	76 910
Equatorial Guinea	859 630
Eritrea	488 877
Estonia	629 851
Eswatini	1 634 859
Ethiopia	10 152 945
Fiji	1 836 017
Finland	843 004
France	35 854 497
France (French Polynesia)	6743
France (New Caledonia)	85 050
Gabon	1 227 572
Gambia	958 793
Georgia	3 077 466
Germany	25 288 756
Ghana	6 098 243
Greece	1 902 351
Guatemala	156 445
Guinea	5 786 792
Guinea-Bissau	1 577 622
Haiti	43 327
Honduras	4622
Hungary	688 407
Iceland	54 751
India	79 932 395
Indonesia	6 302 015
Iran (Islamic Republic of)	2 696 426
Iraq	7 311 389
Ireland	34 427 915
Israel	1 982 708
Italy	21 274 538
Jamaica	7250
Japan	1 975 519
Jordan	13 301 306
Kazakhstan	2 251 646
Kenya	16 955 970
Kiribati	26 956
Kuwait	273 620
Kyrgyzstan	3 723 035
Lao People's Democratic Republic (the)	5 419 281
Latvia	152 738
Lebanon	17 797 326
Lesotho	790 502
Liberia	4 930 328
Libya	6 018 274
Lithuania	453 641
Luxembourg	2 021 823
Madagascar	3 061 522

Supplier Country/Territory	Total PO Value (in US\$)
Malawi	6 177 499
Malaysia	3 966 187
Maldives	2 032 417
Mali	7 399 125
Malta	254 846
Marshall Islands	32 380
Mauritania	3 071 468
Mauritius	1 761 768
Mexico	1 219 048
Micronesia (Federated States of)	238 166
Mongolia	3 350 459
Montenegro	399 333
Morocco	1 317 719
Mozambique	3 272 967
Myanmar	4 064 793
Namibia	1 452 509
Nauru	27 093
Nepal	6 484 501
Netherlands (Kingdom of the)	74 362 603
New Zealand	4 023 281
Nicaragua	6425
Niger	3 145 089
Nigeria	22 984 789
North Macedonia	1 365 631
Norway	5 083 789
occupied Palestinian territory, including east Jerusalem	8 247 927
Oman	1 782 596
Pakistan	71 603 266
Palau	81 907
Panama	33 134
Papua New Guinea	2 449 647
Paraguay	91 947
Peru	496 028
Philippines	14 447 688
Poland	10 322 129
Portugal	3 737 591
Qatar	738 454
Republic of Korea	5 379 789
Republic of Moldova	5 606 435
Romania	3 571 311
Russian Federation	8 120 694
Rwanda	3 159 938
Samoa	386 956
Sao Tome and Principe	328 819
Saudi Arabia	522 012
Senegal	4 814 581
Serbia	2 067 043
Seychelles	438 333
Sierra Leone	3 368 948
Singapore	36 996 988

Supplier Country/Territory	Total PO Value (in US\$)
Slovakia	961 202
Slovenia	184 657
Solomon Islands	1 207 579
Somalia	10 778 454
South Africa	20 878 836
South Sudan	7 299 739
Spain	10 418 006
Sri Lanka	2 336 871
Sudan	9 410 248
Sweden	2 161 338
Switzerland	222 537 575
Syrian Arab Republic	7 248 683
Taiwan, China	145 945
Tajikistan	2 303 095
Thailand	3 605 727
Timor-Leste	5 691 952
Togo	2 552 105
Tonga	467 647
Trinidad and Tobago	14 500
Tunisia	2 946 484
Turkmenistan	1 122 009
Türkiye	11 256 835
Uganda	11 745 714
Ukraine	23 020 131
United Arab Emirates	7 285 318
United Kingdom of Great Britain and Northern Ireland	54 966 423
United Kingdom of Great Britain and Northern Ireland (Gibraltar)	7 001 149
United Republic of Tanzania (the)	3 963 858
United States of America (the)	57 320 251
Uruguay	113 617
Uzbekistan	4 229 165
Vanuatu	400 933
Viet Nam	1 927 704
Yemen	58 657 801
Zambia	3 264 614
Zimbabwe	3 891 313

Annex 3. How to become a supplier to WHO

Suppliers play an essential role in WHO's supply chain and in 2022 alone, WHO contracted over 17 925 different suppliers from 183 countries. General guidance on how to become a WHO supplier can be accessed on the WHO website⁸, including the different procedures and solicitation methods used, contractual information, the WHO pre-qualification programme, and FAQ.

WHO participates in the United Nations Global Marketplace (UNGM)⁹, the common procurement portal of the United Nations. UNGM acts as a single window through which potential suppliers may register to access a global market of over US\$ 29 billion annually across United Nations organizations. It allows suppliers to keep current business information available to all United Nations organizations as a tool for locating potential suppliers. It also provides online access to all tender opportunities and contract awards published by many United Nations agencies.

WHO issues tenders to its pre-qualified suppliers for goods and services directly and publishes open competition procurement opportunities on [UNGM](#). While qualification criteria may be further specified to meet the needs of a particular purchase, all qualified WHO suppliers must meet the following general criteria:

- have adequate financial resources to perform the contract or the ability to obtain them;
- provide audited financial statements for completed fiscal years upon request;
- comply fully and effectively with WHO general terms and conditions of the contract;
- have the necessary organization, facilities, experience, accounting and operational controls; adequate insurance and technical skills (including, as needed, quality controls, property and production control systems, standards and safety programmes applicable to goods produced or services performed);
- have a record of satisfactory performance with WHO or UN Agencies, when applicable;
- have sufficient material and financial resources to meet all existing commercial commitments; and
- have not been temporarily suspended or debarred by WHO, another United Nations agency or the World Bank. WHO considers suppliers included in the United Nations Security Council Sanction Lists (1267) to be ineligible for WHO contracts.

New suppliers can register on UNGM and indicate their interest in doing business with WHO, and they can then compete for WHO procurement opportunities that are posted on UNGM. A step-by-step supplier guide is available on the UNGM and WHO websites including on how to use WHO's e-tendering system.

New suppliers may inform themselves of procurement activities of WHO and other UN entities using the [Annual Statistical Report on UN Procurement data portal](#) on the United Nations Global Marketplace. This data portal provides access to procurement statistics of 39 UN organizations through interactive dashboards, as well as the annual reports themselves. This can be useful to suppliers to understand which goods and services are typically procured by each UN organization so that suppliers can target their commercial efforts. Potential suppliers may also check the lists of contracts awarded by WHO, which is included on the WHO website¹⁰.

All WHO suppliers must abide by the United Nations Supplier Code of Conduct and comply with WHO General Terms and Conditions and other relevant WHO Policies available on the WHO website.

⁸ <https://www.who.int/about/accountability/procurement/become-a-supplier>

⁹ <https://www.ungm.org>

¹⁰ <https://www.who.int/about/accountability/procurement/contract-awards>

Procurement and Supply Services Department
Business Operations Division

World Health Organization
20 Avenue Appia
1211 Geneva 27
Switzerland
who.int

