

Contract Management: Case studies

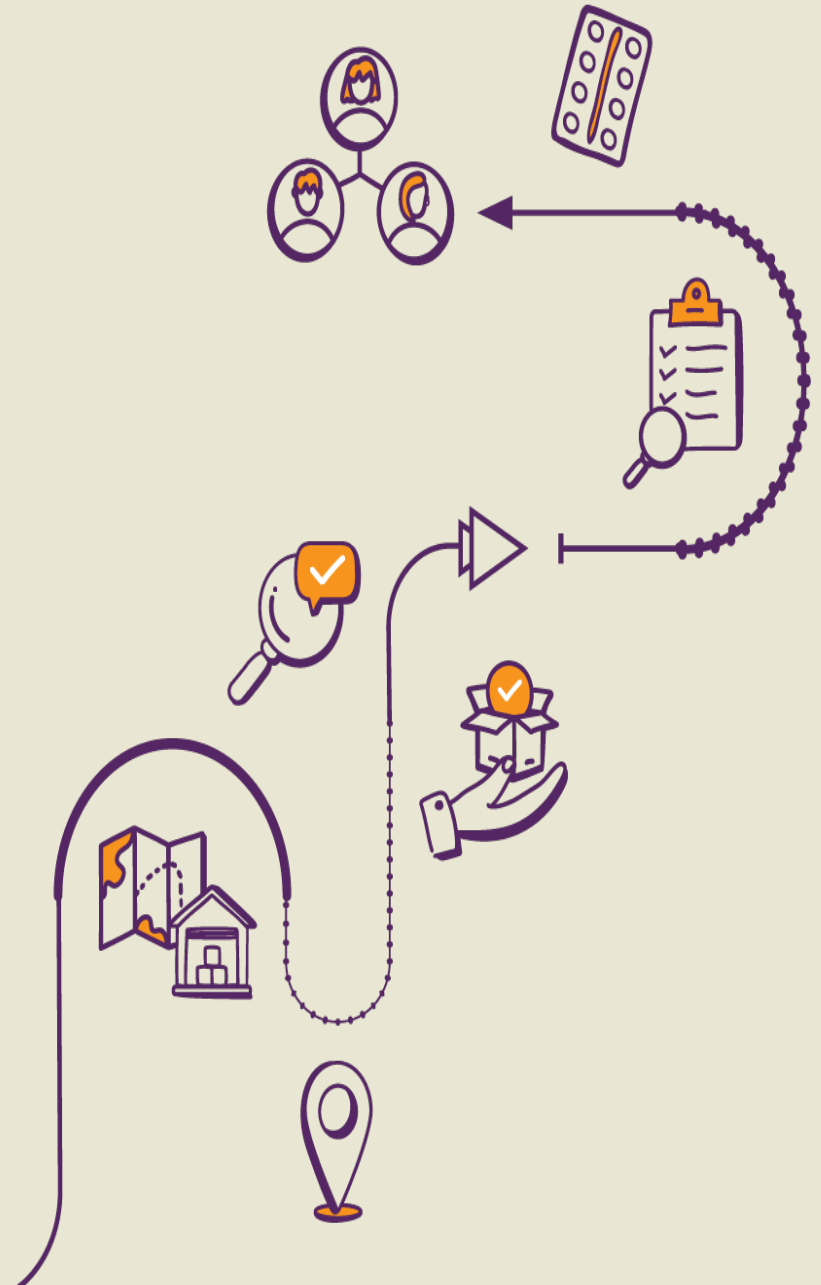
UNFPA's Supply Chain Management Unit

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Agenda

- ✓ Post-Award
- ✓ Who we are
- ✓ What our actions contribute to
- ✓ Blanket Purchase Agreements (BPA's)
- ✓ Supplier Management
- ✓ Rethinking Solutions 2030



Post-Award

What happens after you have been awarded & contract has been signed..



Who we are

..We are a dynamic and energetic team structured by commodities.

Our responsibility is to manage UNFPA's **core commodities and corporate services** and secure effective sourcing.



Strategic Sourcing Team at **SCMU**

Manage cost-effective procurement services of contracts and blanket purchase agreements for core commodities and UNFPA operations.

Conduct supplier and contract management activities.

Cooperates with other UN Agencies to ensure both core and non-core commodities; joint tenders or piggyback processes.

Guides the UNFPA Business Units and other parties on procurement processes and procedures.

Builds the UNFPA procurement capacity; update procurement procedures, SOPs; conduct educational webinars, etc.

Our **actions** contribute to..

- ✓ **Bridging** the gap between program & procurement
- ✓ **Increasing** the access to reproductive health supplies
- ✓ **Building** partnerships for the Sustainable Development Goals (SDG 17)
- ✓ **Creating** cost savings for the organization & optimization of reductions
- ✓ **Enhancing** the reputation of UNFPA among sister UN Agencies, Donor community & Governments



Blanket **Purchase** Agreements (BPAs)

BPA's are written agreements between UNFPA and a supplier that **covers all the commercial terms applicable to potential orders for repeated purchase of predefined goods or services.**



Includes relevant details of products, pricing, discounts, payment, packing, delivery, applicable general terms and conditions.

Established for a specified periods - normally 3 years with possibility for 2 years extension.

Raised with a one or with several suppliers - it may contain one or many products or services.

Benefits of using BPAs



Cost savings

Reducing costs by streamlining the procurement process and by adding volumes getting best pricing.



Time savings

Saving time by eliminating the need to solicit bids for each purchase.



Quality assurance

Ensuring quality by providing pre-approved vendors.

Other benefits

- ✓ All products have gone through competitive bidding process
- ✓ Pooled volume > better unit price > cost savings
- ✓ Stable supply costs
- ✓ Avoid duplication of procurement processes
- ✓ Direct ordering

Supplier Management

New Suppliers

- ✓ **Onboarding** introductory presentations, clarifying contracts' terms & conditions, presenting the set up of Regional Teams and introducing relevant tools.
- ✓ **Scheduled** weekly/ bi-weekly meetings

Experienced suppliers

- ✓ **Scheduled** bi-weekly/monthly meetings
- ✓ **Organized** ad-hoc meetings

Performance Evaluation

- ✓ Key performance Indicators agreed
 - BPAs, SLAs & previous Evaluation reports
- ✓ Types of KPIs
 - Quantitative
 - Qualitative*
- ✓ Data Source
 - Quantum
 - Logistics Module**
- ✓ Identification of performance gaps and development of a vendor development program jointly

Quality is in the heart of everything UNFPA/SCMU does

Just because the award has been granted means we no longer check..



Identify performance metrics

Understand the key performance metrics that need to be monitored



Set thresholds

Establish thresholds for each metric to determine when action needs to be taken



Monitor regularly

Schedule regular monitoring of performance metrics to ensure they remain within the established thresholds

- Pre-shipment Inspections & Testing
- Inspections of suppliers' sites
- Testing of products
- Post-shipment Inspections
- Surveillance Testing

Good practices



✓ RFQ stage

- Acknowledge emails
- Provide a Focal Point
- Your quote is binding
- Ensure that your quote is as per LTA terms & requirements

✓ PO stage

- Meet the due date
- Provide early warnings

✓ PSI stage

- Respond to QA requests
- Fix discrepancies and prevent them from happening again

✓ PO release stage

- Ensure all required documentation is complete, accurate and on time

✓ Goods receipt stage

- Cooperate with UNFPA if a quality concern is raised

Opportunities for Improvements

- ✓ We promote proactivity; if there are delays or your order is facing problems be proactive – communicate this to us as early as possible, reach out
- ✓ We are not supportive of proactivity when unilateral decisions are taken & deviate from:
 - Product specifications
 - Product pack sizes
 - Product shelf life
 - LTA Incoterms
 - LTA Lead Time
 - PO due date
- ✓ Problems without solutions not bring problems without suggesting solutions

Profile of a **successful** vendor

- ✓ Control over the product quality (maintain responsibility of valid certificates through the duration of the BPA)
- ✓ Control over your production (downstream & upstream)
- ✓ Reliable
- ✓ Responsive
- ✓ Proactivity in the communications



Rethinking Solutions 2030

Sexual & Reproductive Health Industry Consultation

3 Days & 3 Topics

Responsive Supply Chain - Contraceptives & Life Saving Medicines

- SCM Opportunities

Resilient Circular Economy for a Climate Friendly SC

- Circular Economy for Climate Healthy SCM

Integration of Technology & Artificial intelligence in Times of Crisis

- Key role of technology & impact of AI in the SC

Soon you will be able to apply to attend!

Call for Exhibitors & Speaker Abstracts soon to be open

Dates: May 21-23, 2024

Location: UN CITY





SUPPLY CHAIN
MANAGEMENT UNIT



THANK YOU.
Questions?