## DOING BUSINESS WITH UNFCCC



# THE UN SUPPLIER CODE OF CONDUCT AND THE GLOBAL COMPACT

The <u>UN Supplier Code of Conduct</u> spells out the principles that should inspire the business practices of suppliers. The UN Supplier Code of Conduct provides the minimum standards expected of suppliers to the UN.

www.un.org/depts/ptd/code\_of\_conduct

The UN strongly encourages all suppliers to actively participate in the <u>Global Compact</u>. The Global Compact promotes principles of human rights, labour, environment and anticorruption.

www.unglobalcompact.org





## THE UN GENERAL CONDITIONS OF CONTRACT

The <u>UN General Conditions of Contract (UNGCC)</u> form part of every commercial contract concluded. They are a set of standard contractual provisions, covering a range of issues, which provide global uniformity in multiple legal systems.

#### **Privileges and Immunities**

"Nothing in or relating to the contract shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations."

#### **Dispute Resolution Mechanism**

The UN will always attempt to settle disputes amicably, as this is in the best interest of both parties. Should this not be possible, the UN's dispute resolution mechanism calls for arbitration under UNCITRAL (United Nations Commission on International Trade Law) arbitration rules. Thus, the UN does not fall under individual national jurisdiction.

The solicitation documents will ask you to confirm that you agree with the UNGCC.

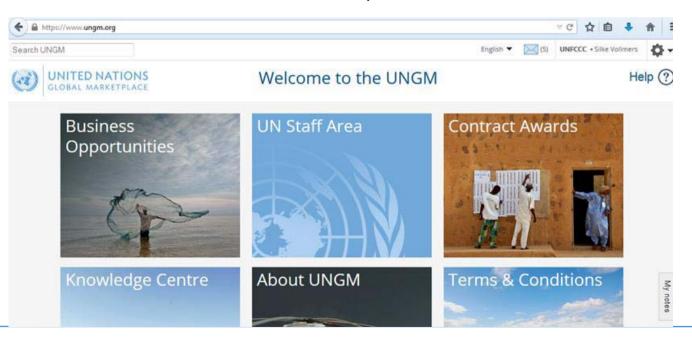
http://www.un.org/Depts/ptd/about-us/conditions-contract



## UNITED NATIONS GLOBAL MARKETPLACE (UNGM)

UN Procurement's single commercial and procurement portal: www.ungm.org

- Register free of charge
- Business opportunities
- Subscribe to Tender Alert Service
- Information on UN procurement





## WHAT DOES THE UN LOOK FOR IN A SUPPLIER?

- Market knowledge (UN structure and culture)
- Suitable products / services
- Relevant experience and references
- Sustainability standards / environmental policy / CSR policy
- Competitive prices
- Preferential (government or public entity) pricing and discounts
- Capacity (financial, personnel)
- Documented quality control systems and certifications
- After-sales service
- Languages
- Intercultural skills
- Flexibility
- Accuracy
- Persistence and patience



## PARTICIPATING IN SOLICITATION EXERCISES

- Always respond to bid invitations if you cannot submit an offer, inform accordingly
- Study bid documents, conditions and requirements carefully
- Ask for clarification if uncertain, provide clarifications if requested
- Ensure that your offer meets ALL bidding requirements
- Technical specifications read carefully and meet minimum requirements
- Pricing offer the best price from the onset as the UN does not negotiate on price
- Quality statements international / national standards
- Demonstrate sustainability of products, operations and supply chain
- Alternative proposals may be provided, in addition to what is being asked for
- Submit bid, catalogues etc. in requested language
- Prepare bid to facilitate work of procurement officer requested format, use submission forms
- Meet the deadline



## SUPPLIER REFERENCES

## "Past performance is the best indicator of future behaviour."

#### What are relevant references?

- Similar in scope, scale and cost
- Contain the information requested this can vary, so read the requirements carefully

#### What minimum information should a reference contain?

- Description of goods or services provided
- Details on scope, scale and cost, demonstrating relevancy
- Name of organisation and contact person
- Date of project (usually < 3 years old)</li>
- References can be used as an evaluation criteria e.g. for short-listing purposes.
- The UN does undertake reference checks, so be sure to submit verified references only.



## SUSTAINABLE PROCUREMENT

#### **Sustainable procurement:**

- Is a UN imperative and a UN Bonn special obligation
- Assesses at the sustainability impacts of each procurement action
- Looks at the sustainability of the supply chain as a whole
- Determines 'green' criteria specific to each activity
- Uses national or international standards where applicable, e.g. ISO 14000

#### **Evaluation of submissions:**

- Uses predetermined sustainability evaluation criteria
- Considers life cycle costs in financial evaluation
- Background checks into suppliers' social / environmental responsibility

## **UNFCCC Procurement Policy:**

- RFP / ITB: Sustainability standards are a minimum requirement
- RFP: 10% of technical evaluation score







## CONTRACTUAL INSTRUMENTS

## **Long Term Agreement (LTA)**

- Based on an ITB or RFP process
- Covers a period of time
- Potentially more than one LTA for same goods / services ('split award')
- Reduces administrative effort and secures continuity of supply
- Can result from existing LTAs with other UN agencies ('piggy-backing')

#### **Purchase order**

- Most commonly used contract type
- More simplified or standardised than LTA
- Can be issued for single purchases or under LTAs

#### **Blanket purchase order**

Covers repetitive orders of low value items

#### **Direct Contracting**

- Exception to the rule
- In case of extreme emergency, sole source or if competitive bidding process fails
- Very stringent controls and has to be well justified



## KEY ELEMENTS OF DOING BUSINESS WITH THE UN

- Identify relevant UN organisations
- Register as a supplier
- Understand the procurement practices and the principles governing public procurement
- Seek business opportunities
- Bid according to tender documents
- Observe norms and standards
- Seek and provide clarification where needed
- Be patient public procurement takes time
- Aim for a mutually beneficial relationship

