

UNFPA Supply Chain Management
Unit

UNFPA

Supply Chain Management Unit

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Agenda

UNFPA Supply Chain Management Unit
(SCMU)

Some statistics

Procurement Services

Pilot Financial Facility cases

Final Conclusions

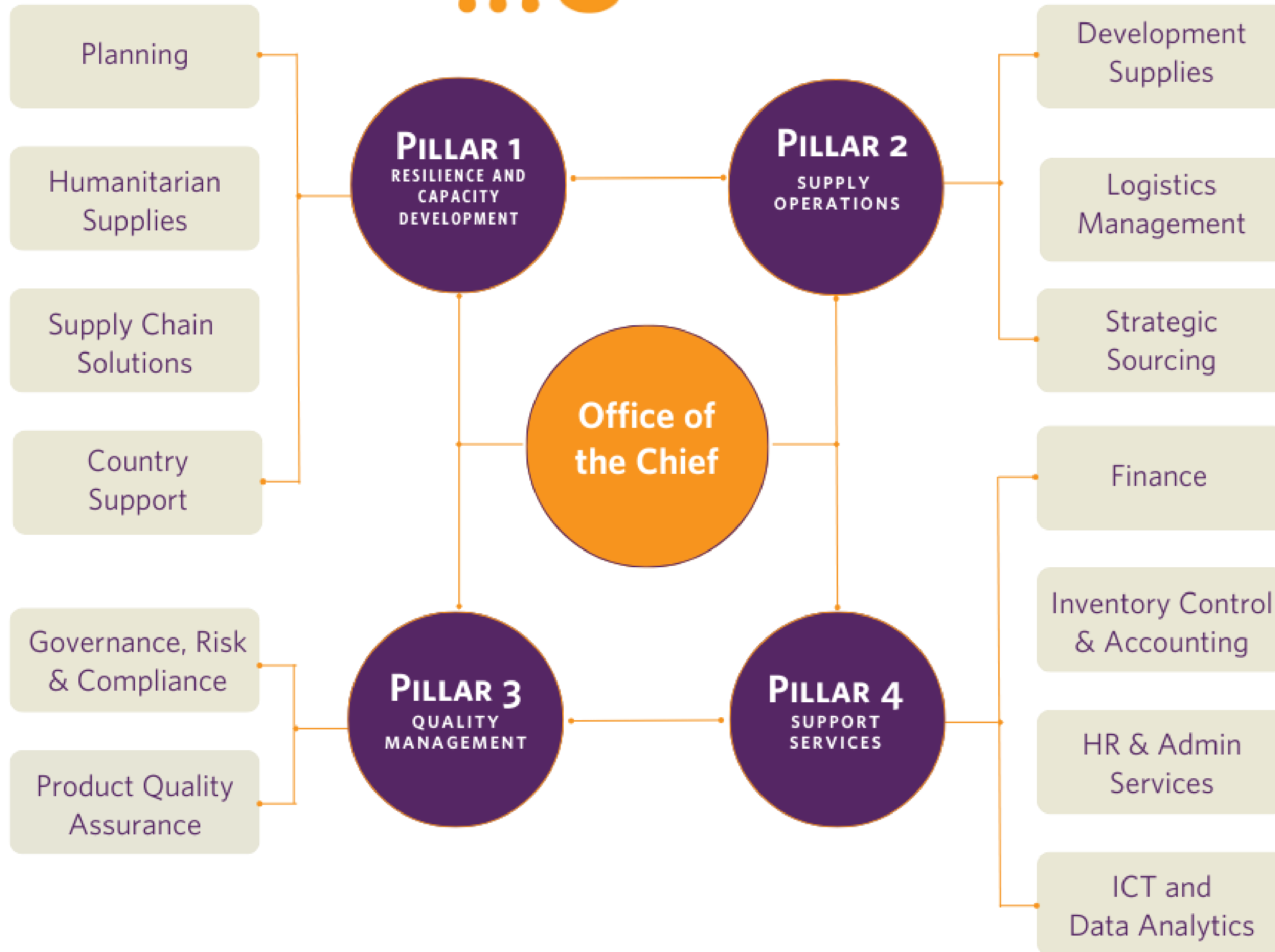


UNFPA Supply Chain Management Unit

**A vehicle for achieving the 3
interconnected outcomes of
the UNFPA strategic plan
2022-2025**



SUPPLY CHAIN
MANAGEMENT UNIT



Delivering worldwide

Contraception provided by UNFPA worldwide (2022)

Male condoms	1,090,349,152
Female condoms	7,608,565
Oral contraceptives Monthly cycles of the pill	47,358,430
Intrauterine devices IUD	1,649,410
Injectable contraceptives Doses	50,392,250
Contraceptive implants	8,604,291
Emergency contraceptives	3,597,500
Personal lubricants	159,314,644



13.3 million

unintended pregnancies
pregnancies prevented*

30,800

maternal deaths
were averted*

117,000

new HIV
infections
averted*

3.7 million

unsafe abortions
prevented*

5.1

million

new sexually
transmitted
infections
were averted*

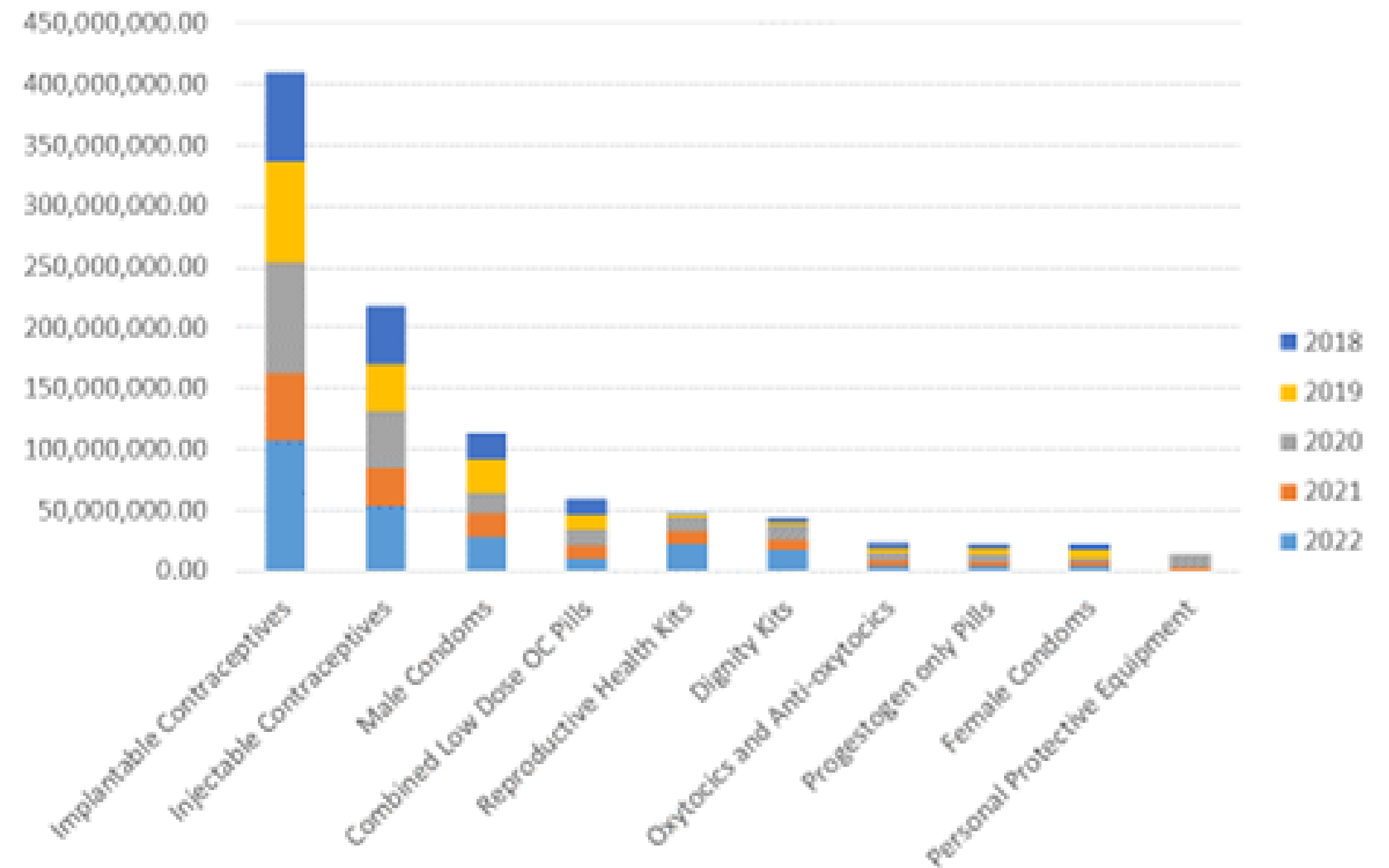
59 million

couple years protection
were provided by UNFPA-
procured contraceptives*

Top 10 most demanded SRH Commodities

USD worldwide 2018-2022

UNFPA Program Procurement & UNFPA Supply Chain Solutions (including Global Fund)



Global Procurement Services for external partners

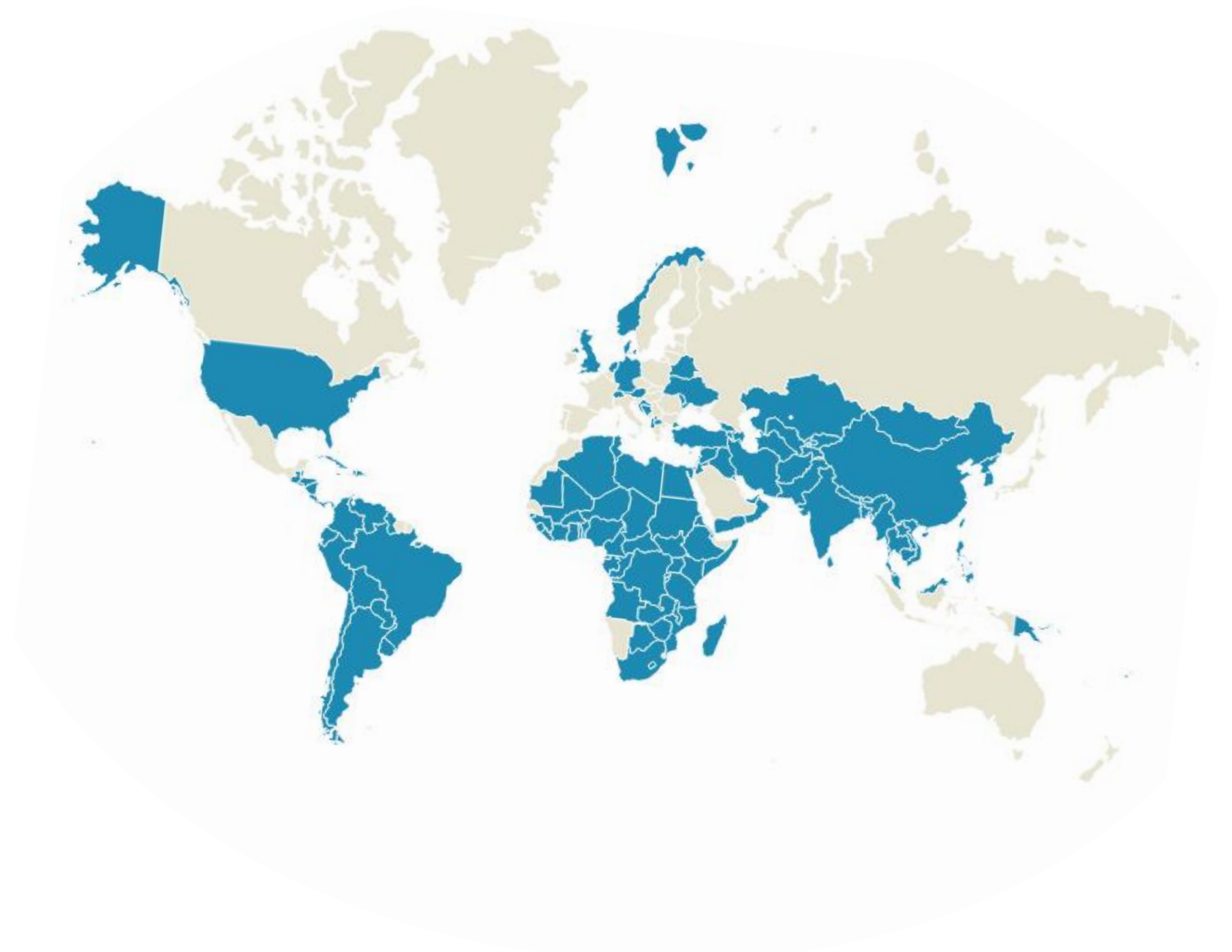
350+
organizations

140+
countries

have partnered with UNFPA to procure supplies
using their own financial resources.

413 million USD
total value of orders

(Q1 2011-Q4 2022)



A trusted reproductive health supplies partner

Quality

Stringent UNFPA /
WHO QA practices

Pre-qualified
suppliers and
products

Pre-shipment
inspection,
sampling and
testing

Value

Cost savings

Competitive, pre-
negotiated prices

Procurement,
contracting & QA
expertise

Choice

Product & pricing
information online

Generic or
innovator brands

Reduced lead time
in-stock products



✓ **Financial transparency** –
the highest level of accountability,
transparency and integrity

✓ **National ownership**

Supply chain services for external partners



Procurement services

Also known as TPP.
Procurement of SRH, MH,
and **related to UNFPA
mandate commodities**
(census)



Supply chain services

Technical assistance for
external partners for **SRH
supply chain health systems
strengthening**



Financial solutions

Develop financial
mechanisms for external
partners to **access UNFPA
Supply Chain Services**

Payment methods and alternatives

Currently, **advance payment methods** according to Financial Regulations and Rules (FRR 15.3).

Exceptionally, other payment terms may be approved by the Chief Procurement Official (FRR 15.3. c)

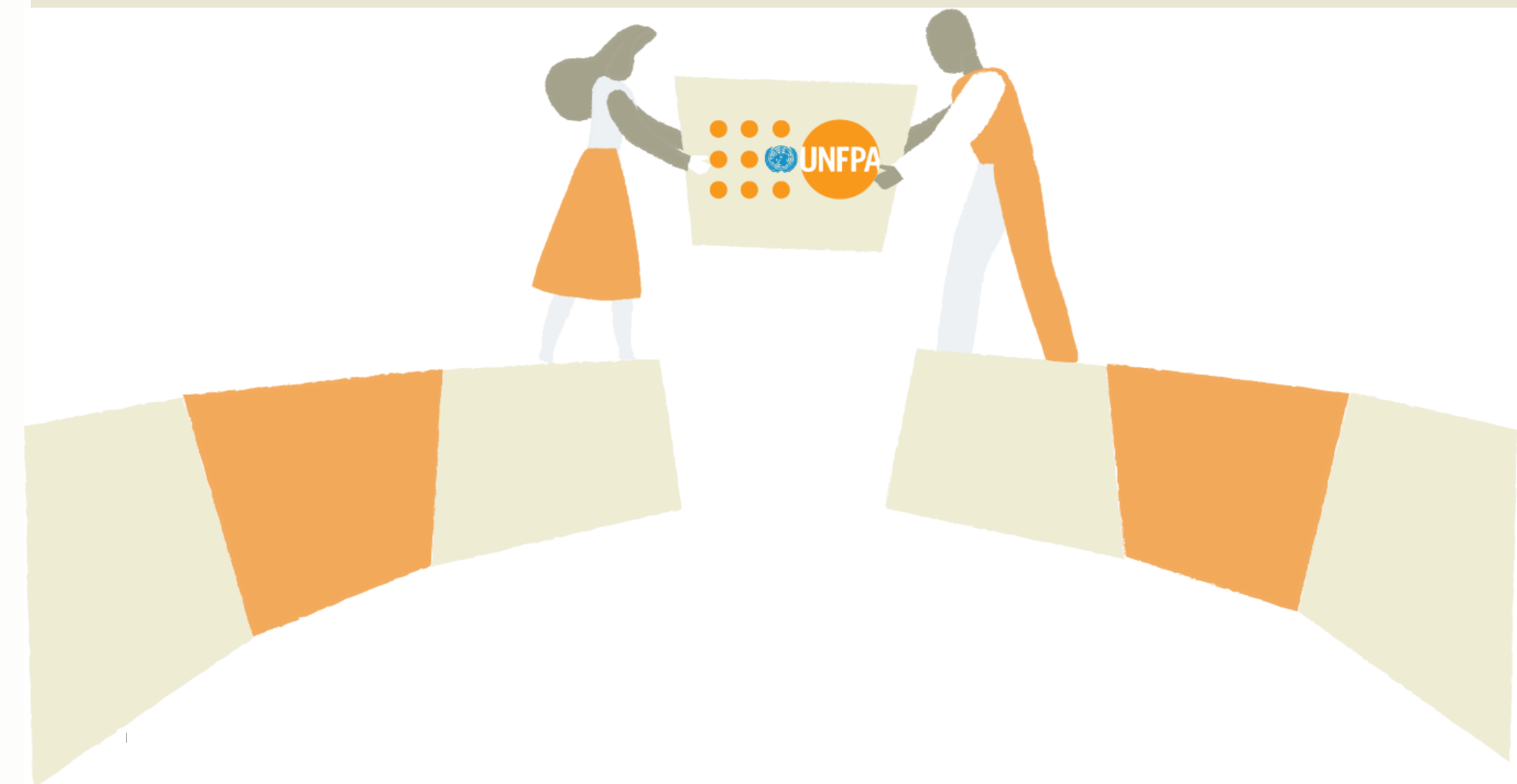
Accelerating the development and implementation of multiple alternative Financial Solutions.

1. Deferred payment based on a bank guarantee with standby letter of credit
1. **Introduction of a Financial Facility for TPP (Pilot Bridging Mechanism)**
1. Financial Facility for UNFPA Supplies Partnership countries
1. Collaboration with other UN Agencies

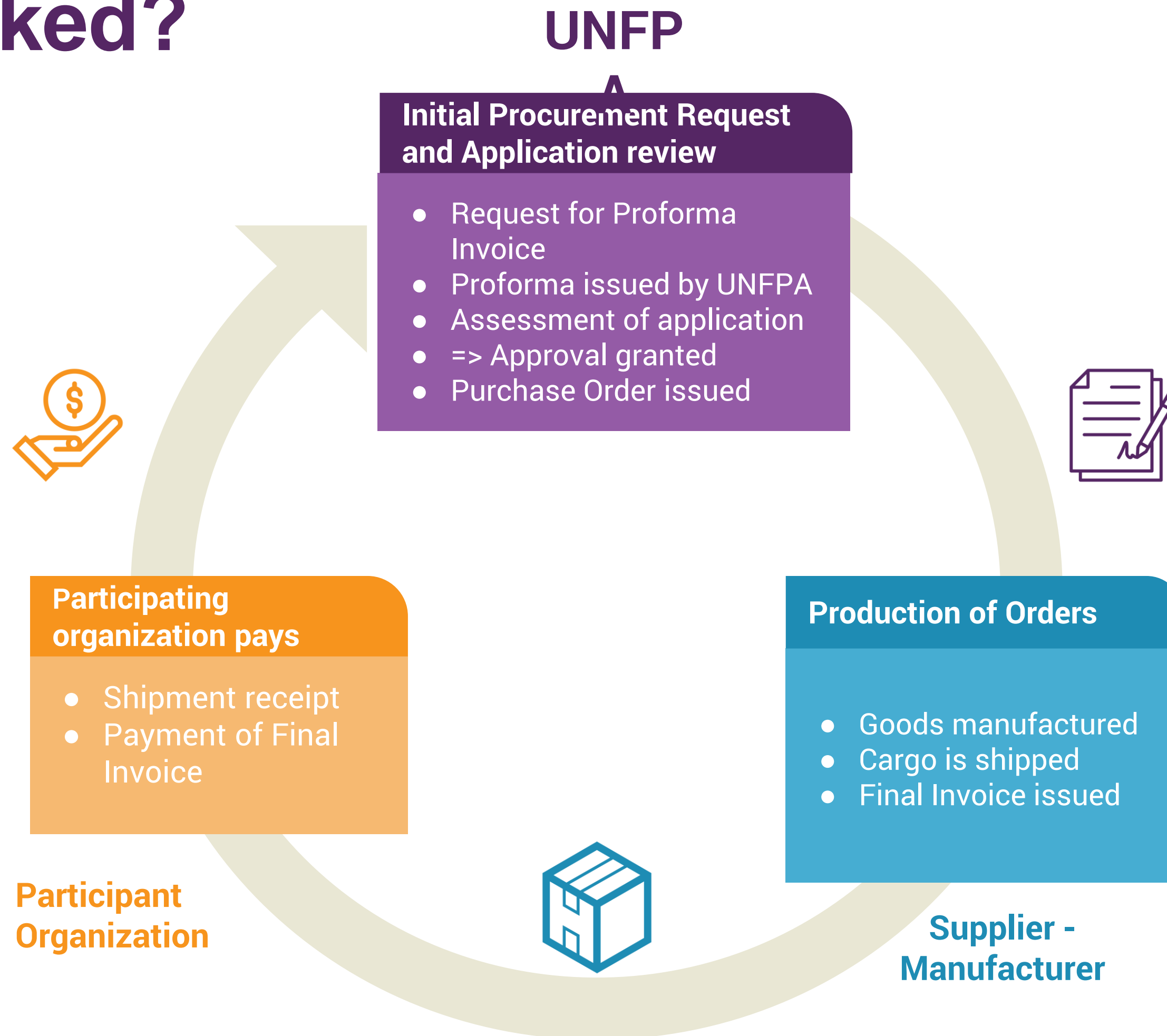


Pilot Financial Facility implemented in 2020- 2022

- What was it? Short term financing facility for procurement to national partners using their own domestic resources
- Who could benefit? Governments unable to pay upfront or have long fund disbursement process
- Partners must meet a number of eligibility conditions
- What for? Procurement of SRH supplies from UNFPA.



How it worked?



Results of Pilot Financial Facility (2020-2022)

Final solutions

Lesotho, Chile and **Honduras** in numbers.



**14 different
commodities**

were procured such as
contraceptive pills, IUDs,
implants, pregnancy tests
or medical devices



**USD 4.07
million**

total worth of
19 proforma
invoices



**USD 3.85
million**

approximately in
savings for these
three countries



**1,028,492
CYP**

estimated couple
of years protection

Case of **Lesotho** - Ministry of Health

Lower middle-income country of 2.2 Million inhabitants.

Not possible to obtain economies of scale with local procurement exercise

Procurement of 3 contraceptives (pills, injectables and implants)

- Previous procurement costs: USD 2,520,000
- Procurement through UNFPA: USD 255,000
- Savings obtained via UNFPA: **USD 2,265,000**

Savings of 89.9%



Case of **Lesotho** - Ministry of Health

Financial Solutions

Estimated Impact by accessing UNFPA's procurement services

Lesotho

Health benefits of investing in family planning

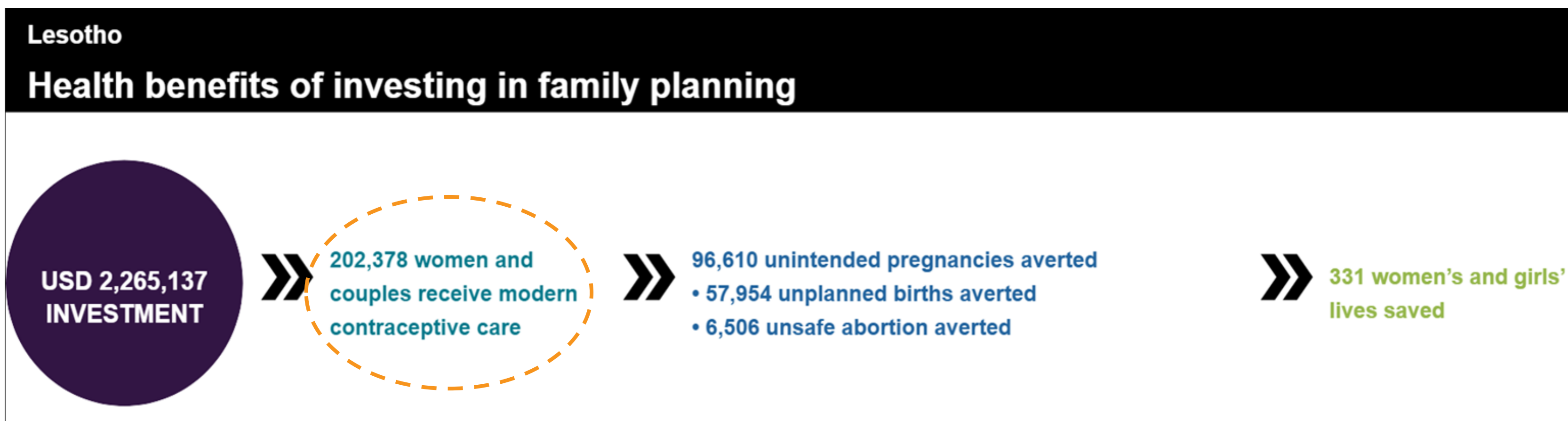


Notes: Subregional/regional estimates, if shown, include data for low- and middle-income countries only. Impact estimates assume investments cover both family planning service delivery and associated programs and systems. Estimates are for 2022 and draw on contraceptive use patterns from 2019. www.guttmacher.org/fp-investment-calculator.

Case of **Lesotho** - Ministry of Health

Financial Solutions

Estimated additional Impact IF the savings of **USD 2,265,000** were reinvested in SRH:



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Case of **Chile** - CENABAST/ Ministry of Health

Financial Solutions

Upper middle-income country

Chile required urgent support due to quality situation of contraceptive pills.

UNFPA supplied quality assured contraceptives in 2021-2022

Procurement of contraceptive pills:

- Previous procurement costs: USD 2.025 million
- Procurement through UNFPA: USD 0.747 million
- Savings obtained via UNFPA: **USD 1.278 million**



Savings of % 63



Case of Chile - CENABAST/Ministry of Health

Financial Solutions

Estimated Impact by accessing UNFPA's procurement services

Upper-middle-income countries

Health benefits of investing in family planning

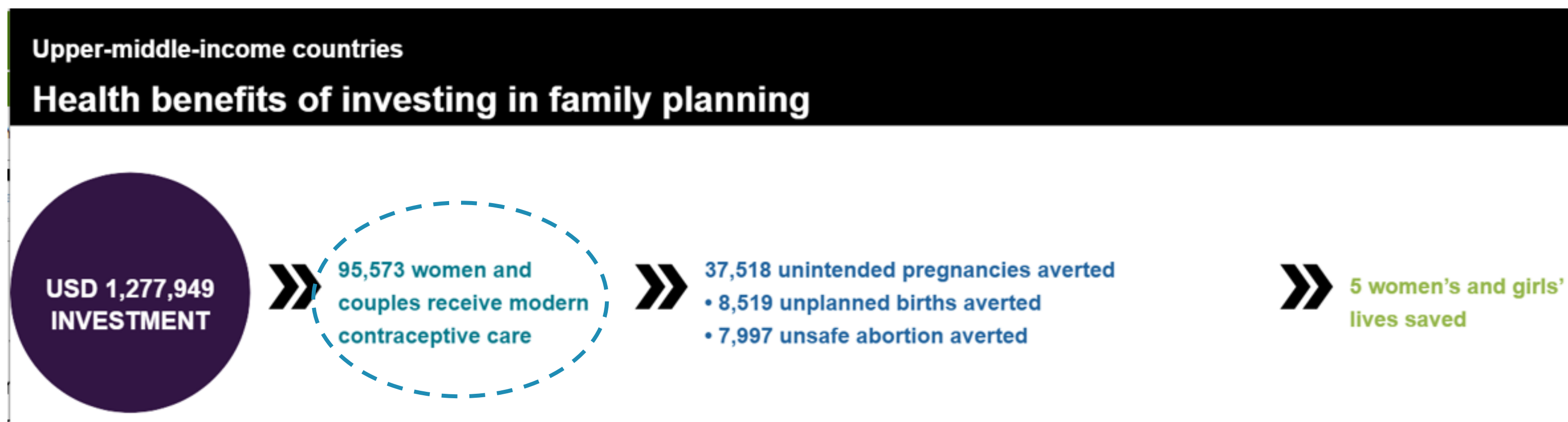


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Case of Chile - CENABAST/Ministry of Health

Financial Solutions

Estimated additional Impact IF savings of **USD 1.278 million** were reinvested in SRH:



Notes: Subregional/regional estimates, if shown, include data for low- and middle-income countries only. Impact estimates assume investments cover both family planning service delivery and associated programs and systems. Estimates are for 2022 and draw on contraceptive use patterns from 2019. www.guttmacher.org/fp-investment-calculator.

Final Conclusions

There is an **increasing demand** for financial solutions to support the procurement of SRH commodities;

Low- and middle-income countries require this facility;

Requirement of **timely payments** upon arrival of goods;

Evidence of **positive impact** of UNFPA Pilot's financial facility:

- **Reduced stockout risks**
- Assured **quality contraceptives**
- **Maximising use of domestic resources** for participant countries
- Expanded **CYP coverage and disease burden reduction**
- Safeguarding and advancing **SRH rights**



SUPPLY CHAIN
MANAGEMENT UNIT



Thank you
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