



# General Assembly

Distr.: General  
6 August 2004

Original: English

---

## Fifty-ninth session

Item 109 of the provisional agenda\*

### **Review of the efficiency of the administrative and financial functioning of the United Nations**

## **Procurement reform**

### **Report of the Secretary-General\*\***

#### *Summary*

The present report is submitted pursuant to General Assembly resolution 57/279 of 20 December 2002.

The report details procurement reform carried out by the Secretariat, in response to resolution 57/279 and other relevant resolutions, to increase transparency, fairness and responsiveness in the procurement process, thereby encouraging greater participation by vendors from developing countries and countries with economies in transition and increasing the cost-effectiveness and efficiency of the United Nations procurement activities in general through the sharing of information, increased field support, improved technical support, capacity-building and use of the Internet.

The Secretary-General reaffirms his commitment to ensure that these positive developments in the field of procurement are sustained.

For ease of reference, the relevant paragraphs of Assembly resolution 57/279 are reproduced in the body of the report, followed by the response of the Secretary-General. The discussion of other aspects of procurement reform follows the format of the Secretary-General's response to Assembly resolution 55/247 of 12 April 2001 (see A/57/187), with related subjects grouped under relevant headings.

---

\* A/59/150.

\*\* The late submission of the report is due to workload associated with end of fiscal year for peacekeeping and numerous new peacekeeping missions.

## I. Introduction

1. The Secretary-General herewith presents to the General Assembly a report on the procurement reform activities undertaken and the progress made during the two years since the issuance of the previous report on this question (A/57/187). The Secretariat has strengthened its cooperation with other organizations in the United Nations system through the Inter-Agency Procurement Working Group and the Common Services Procurement Working Group. The report provides the Member States with information on developments in the procurement of common products and services, vendor registration and procurement training and information-sharing. The revised Financial Regulations and Rules of the United Nations also facilitate cooperation with other organizations. Within the Secretariat, the Procurement Division, Office of Central Support Services, has promulgated the revised Procurement Manual, which is more field-oriented, and has been working closely with the Department of Peacekeeping Operations to improve field procurement through training and management visits. The procurement workload has increased significantly in the past few years, as evidenced in annex I to the present report, and this trend will continue given the new missions established in 2004. The increase in the procurement workload has stretched the resources of the Procurement Division to a maximum and the Division is also required to release experienced staff for mission assignment to support field procurement activities. The Procurement Division will continue to explore innovative approaches to resolve issues and to use electronic means to improve efficiency in procurement services, while taking into consideration the need to ensure that companies from developing countries and countries with economies in transition are not put at a disadvantage.

## II. General comment

“1. *Takes note* of the report of the Secretary-General and of the comments and observations contained in the reports of the Advisory Committee on Administrative and Budgetary Questions;

“2. *Welcomes* the progress achieved in addressing the concerns expressed by the General Assembly in its resolution 55/247;”

2. The Secretary-General expresses appreciation for the positive comments and observations of the Advisory Committee on Administrative and Budgetary Questions and the General Assembly on the measures taken to reform and improve the procurement function of the Secretariat and renews its commitment to continue its efforts to improve the efficiency of procurement of the United Nations, in cooperation with other organizations in the United Nations system, with a view to eliminating duplication of effort and harmonizing procurement procedures in the system as a whole, to the extent feasible, so that any supplier can easily seek procurement opportunities in the system, bearing in mind the international character of the Organization.

### **III. Procurement opportunities for vendors from developing countries and countries with economies in transition**

“3. *Welcomes* also the efforts made by the Secretary-General to hold procurement seminars in various cities, in particular those located in developing countries and countries with economies in transition, and urges him to intensify his efforts in this regard;”

3. Since the issuance of the Secretary-General’s report (A/57/187), wherein it was reported that representatives conducted business seminars in 12 cities in 2001, including 6 in developing countries and countries with economies in transition, the Procurement Division has continued its efforts and has participated in seminars held in 23 cities in 2002 — including 14 cities in developing countries and countries with economies in transition — and in 31 cities in 2003 — including 17 cities in developing countries and countries with economies in transition. In 2001, 128 vendors from developing countries and countries with economies in transition were successfully registered by the Secretariat; in 2002, a further 287 vendors were registered and in 2003, 202 vendors were successfully registered.

4. At the 29th IAPWG meeting of the Inter-Agency Procurement Working Group held in May 2004, United Nations organizations, including the United Nations Secretariat, through its Procurement Division, agreed to create a standing working group to coordinate activities related to business seminars in the United Nations system, including the development of guidelines, the consideration and prioritization of requests and the coordination of representation. The standing working group will also develop common presentation materials and will coordinate training for United Nations staff who make presentations at business seminars.

“6. *Also requests* the Secretary-General to encourage the organizations of the United Nations system, consistent with their respective mandates, to take further steps to increase procurement opportunities for vendors from developing countries and countries with economies in transition;”

5. The Secretariat disseminated General Assembly resolution 57/279 in January 2003 to the members of the Inter-Agency Procurement Working Group. At the twenty-eighth meeting of the Working Group in 2003, in which the heads of procurement from the United Nations, funds and programmes and specialized agencies participated, the issue of supplier diversity was once again discussed. The members recognized a need to review their global sourcing strategies in order to improve geographical equity wherever possible; noting that, in so doing, it was paramount for the organization to ensure it continued to obtain best value for money.

### **IV. Harmonization of the procurement process**

“4. *Notes* the activities of the Common Services Procurement Working Group on enhancing the transparency and increasing the harmonization of procurement practices, and encourages the Secretary-General and the executive heads of the United Nations funds and programmes to continue their work in this regard;”

6. The Common Services Procurement Working Group continues its work and cooperation towards improving the harmonization of procurement practices. The

Secretariat has engaged in a series of headquarters system contracts open to all United Nations funds and programmes based in New York, such as in the areas of office supplies, photocopiers, digital archiving, desktops and laptop computers etc. Also, all system contracts signed by the Secretariat since 2003 are open to all organizations of the United Nations system. In this respect, the Secretariat has taken the lead in certain market sectors and has concluded a series of direct agreements with manufacturers on behalf of all United Nations organizations. These agreements allow economies of scale and improved pricing based on volume, reduced administrative burden, improved specifications and reduced “maverick” buying. Direct agreements have been reached with Motorola for the provision of radio equipment, with EMC for the provision of data storage, with Cisco for equipment and software and with Microsoft for software licenses. Also, direct agreements have been signed with manufacturers of the vehicles and other essential equipment required in support of peacekeeping missions.

7. In the area of harmonization, the revised Financial Regulations and Rules promulgated in May 2003 mirror the Financial Regulations and Rules adopted by the United Nations Development Programme and the United Nations Population Fund, allowing the Secretariat to cooperate more fully with other organizations of the United Nations system in the area of procurement. The Secretariat has reached an agreement with the United Nations Population Fund for the procurement of reproductive health-care products and is finalizing an agreement with the United Nations Children’s Fund for procurement of vaccines and pharmaceutical products for peacekeeping missions.

“5. *Requests* the Secretary-General to encourage the organizations of the United Nations system, consistent with their respective mandates, to improve their procurement practices, inter alia, by simplifying the registration process for vendors that have already registered with another body of the United Nations system, utilizing, among other things, the Internet, and by placing the procurement information on their respective web sites;”

8. Following the twenty-eighth meeting of the Inter-Agency Procurement Working Group in 2003, it was agreed to redevelop the United Nations common supply database in order to simplify the registration process and provide a single, user-friendly Internet-based vendor registration process. The newly designed web-based vendor registration system, the United Nations Global Marketplace, was launched in February 2004. A total of 14 organizations of the United Nations system now participate in the system, although at the twenty-ninth meeting of the Working Group, held in May 2004, all members agreed to make best efforts to join. It is also planned to make the United Nations Global Marketplace a consolidated one-stop shop which will meet all requirements of both the public and United Nations staff members working in procurement. The site will feature procurement notices, contract awards, long-term agreements, sample contracts, procurement-related technical publications, acquisition plans, communities of practice and a procurement message board for sharing best practices. In the near future, the registration of vendors through the United Nations Global Marketplace will be rolled out to field missions and other field offices.

9. At the beginning of 2004, the Procurement Division, the United Nations Office for Project Services and the Inter-Agency Procurement Services Office commissioned a comprehensive review of vendor management in order to identify

best practices both in the United Nations system and the public and private sectors, and the resulting report was presented to the Inter-Agency Procurement Working Group at its annual meeting in May 2004. The report proposes recommendations to simplify and streamline the vendor registration process and to share responsibilities among the various United Nations organizations. The members of the Working Group welcomed the review and agreed to implement many of the recommendations. In future, different organizations will take the lead in evaluating and pre-qualifying vendors that provide goods or services within the various market sectors for which they possess the appropriate expertise. For example, the United Nations Secretariat will take the lead in respect of air charter services, information technology and communication goods and services; the United Nations Population Fund in respect of reproductive health items; the United Nations Children's Fund and the World Health Organization in respect of medical items and pharmaceuticals; the World Food Programme and the United Nations Relief and Works Agency for Palestine Refugees in the Near East in respect of basic food commodities etc. This cooperation will allow organizations to utilize the pre-qualification process conducted by other organizations, thereby eliminating duplication of administrative effort and making the whole registration process more efficient and timely.

10. In order to facilitate the dissemination of procurement information, the Procurement Division launched the Inter-Agency Procurement Working Group procurement message board on 1 December 2003. The message board, administered by the Division, serves as a forum for the exchange of information regarding procurement topics of common interest, including best practices. The message board also posts copies of new contracts so that other users in the United Nations system can utilize contracts already placed by other organizations. For suppliers and the general public, procurement information is not only available through the web site of each individual organization but also at the Internet site UNBIZ (<http://unbiz.un.int>). UNBIZ is a single gateway to help suppliers and the public to navigate the procurement sites of participating organizations in the United Nations system. The site is maintained by the Procurement Division and currently has links with the procurement sites of 21 organizations.

## V. Air transportation service

“7. *Further requests* the Secretary-General to ensure, through, inter alia, the technical assessment of vendors, that air safety standards are met for all United Nations air transport operations and, where feasible, for freight forwarding;”

11. The Secretariat wishes to emphasize that the registration of air carriers undergoes close scrutiny by the aviation experts in the Department of Peacekeeping Operations, including site visits to the operational bases of air carriers, as necessary, to ensure that the United Nations only uses air carriers which have met the quality and safety standards established by the Organization. A limited number of visits are currently undertaken, restricted by staffing levels. In order to conduct a more comprehensive assessment of the air operators each year (a minimum of 25 operators) as part of the pre-qualification process for registration, along with continued surveillance of the air carrier and a safety and quality inspection programme, a significant augmentation of resources would be needed. In addition to the review conducted at the time of registration, all bids received from air carriers

are evaluated by aviation specialists to determine whether bids are technically compliant with international aviation standards requirements. They are also further reviewed by aviation safety experts. Accordingly, every effort is made to verify that air carriers meet the safety requirements of the Organization before contracts are awarded.

“10. *Further requests* the Secretary-General to submit to the General Assembly through the Office of Internal Oversight Services, no later than at its fifty-ninth session, a report on safeguarding air safety standards while procuring air services, in particular in the area of cargo airlifts, for the United Nations peacekeeping missions;”

12. The Office of Internal Oversight Services has been engaged in a review of the issue of safeguarding air safety standards for procurement of air transportation services for the United Nations peacekeeping missions and will issue a separate report in that regard.

## **VI. Audit observations**

“8. *Requests* the Secretary-General to continue to ensure that the United Nations Secretariat and affiliated funds and programmes fully implement all recommendations of the Office of Internal Oversight Services and the Board of Auditors regarding procurement, in accordance with the Financial Regulations and Rules of the United Nations;”

13. The Secretariat has implemented or is in the process of implementing all of the recommendations of the Office of Internal Oversight Services and the Board of Auditors, as appropriate. The Procurement Division has revised the Procurement Manual which was promulgated and placed on the Intranet in February 2004. This new manual has taken into account past audit observations and is now much more comprehensive, user-friendly and field-oriented. The Procurement Manual will be updated on a regular basis to incorporate new procedures derived from experience and best practice and policies adopted through management and audit reviews. The Secretariat’s goal was to make the Procurement Manual an efficient working tool for all staff members involved in the procurement process, irrespective of their role or location. On the issue of the requirement of signature of a declaration of independence by procurement staff, the Secretariat believes that the Staff Rules and Regulations of the United Nations adequately govern how a United Nations employee should conduct himself/herself and that any United Nations employee who comes into contact with the procurement process should sign a declaration of independence, and not only procurement staff. Consultations are taking place with the respective stakeholders in the Office of Legal Affairs and the Office of Human Resources Management in order to implement this recommendation. In relation to the recommendation to develop a code of conduct for procurement staff, the Secretariat has developed ethical guidelines for staff involved in the procurement process in simple language and with practical examples to help staff members to interpret how they should conduct themselves in procurement-related matters. The guidelines are in the process of being promulgated. The Secretariat also introduced the guidelines at the most recent meeting of the Inter-agency Procurement Working Group, held in May 2004, and it was agreed that the United Nations organizations would use this document to develop common guidelines for use by all.

## VII. Field procurement

“9. *Also requests* the Secretary-General to ensure that, on matters relating to procurement in the field, the Department of Peacekeeping Operations follows the principles of objectivity and impartiality while advising the Procurement Division;”

14. The Procurement Division continues to strengthen its role in the management of procurement activities in the peacekeeping missions in order to ensure that the field procurement process follows the principles of objectivity and impartiality. Cooperation with the Department of Peacekeeping Operations has been augmented and streamlined and agreement has been reached in many areas of cooperation. Upon consultation with the Department, the Procurement Division agreed to take over the responsibility for coordinating the training of field procurement staff and, upon the successful completion of a pilot session in New York, delivered an advanced field procurement training programme in the first half of 2004 at the United Nations Logistics Base in Brindisi, the United Nations Interim Force in Lebanon, the United Nations Mission in Sierra Leone, the United Nations Mission in Ethiopia and Eritrea, the Economic and Social Commission for Asia and the Pacific, the United Nations Organization Mission in the Democratic Republic of the Congo and the Economic Commission for Africa. Staff members from other peacekeeping missions in each respective region attended the training sessions, and approximately 350 staff members from offices away from Headquarters, international tribunals, regional commissions, and other organizations also participated. The Procurement Division is now also responsible for the technical clearance of candidates applying for procurement positions in field missions. The Division, in coordination with the Department of Peacekeeping Operations, continues to organize an annual meeting of chiefs of procurement at United Nations Headquarters, with the participation of all heads of procurement at offices away from Headquarters, regional commissions, international tribunals and all peacekeeping missions, to discuss issues of common interest and undertake additional training.

15. In 2003 and the first half of 2004, staff of the Procurement Division participated in planning visits for new missions in Côte d’Ivoire and the Sudan and in visits to the United Nations Organization Mission in the Democratic Republic of the Congo, the United Nations Mission in Ethiopia and Eritrea, the United Nations Mission in Sierra Leone, the United Nations Mission in Liberia and the United Nations Stabilization Mission in Haiti to assist in the negotiation of complex contractual issues and conduct a management review of the procurement conducted by the peacekeeping missions. The Division has also designated staff in New York as a focal point to maintain direct communication with the heads of procurement in the field and provide them with immediate technical assistance in procurement-related matters. With the 24-hour, seven-day hotline instituted at an earlier stage, the Procurement Division has improved communication with the field and is able to provide immediate technical assistance in resolving procurement issues.

## VIII. Other issues

“11. *Requests* the Secretary-General to report to the General Assembly on the implementation of the present resolution, as well as on all other aspects of procurement reform, no later than at its fifty-ninth session.”

#### **A. Efficiency in procurement**

16. The Secretariat is continuously exploring means to improve efficiency in the procurement decision-making process and has developed a system, known as the eHCC system, to process presentations to the Headquarters Committee on Contracts electronically through the e-mail system. The Procurement Division has agreed with the Department of Peacekeeping Operations that peacekeeping missions should now submit the local procurement cases that are to be reviewed by the Headquarters Committee on Contracts directly to the Division so that it can immediately review them and process their presentation through the eHCC system, thereby speeding up the process. Previously, such presentations were channelled through the Department of Peacekeeping Operations at Headquarters to the Procurement Division and subsequently to the Headquarters Committee on Contracts. The Procurement Division has also initiated consultations with the Department of Peacekeeping Operations and the secretariat of the Headquarters Committee on Contracts on the issue of delegation of authority in order to streamline the approval process for requirements which by their nature lend themselves to local procurement, such as leasing of premises, laundry and cleaning services, local utility services etc.

17. The Secretariat is also in the process of finalizing a contract for the provision of purchasing cards to the departments and offices in order to facilitate the procurement of low-value items. The issuance of such cards will be subject to the development of comprehensive guidelines and proper training to ensure proper accountability by departments and offices. In the near future, the purchasing cards will also be rolled out to the field.

18. In order to improve the internal work process, various initiatives have been taken by the Procurement Division utilizing information technology and electronic media. Copies of purchase orders and contracts are now being transmitted electronically to requisitioners and other departments and offices. Along with copies of purchase orders and contracts, the Division electronically distributes a client survey form to seek direct input from requisitioners on the performance of its staff. Approximately 4 per cent of requisitioners responded, and the Procurement Division has been encouraged to learn that 94 per cent of respondents rated performance as satisfactory.

19. The Procurement Division has also introduced electronic procurement data monitoring tools, a requisition tracking system and a workload monitoring system. A contract tracking system connected to the Mercury system in field missions allows procurement officers to monitor the usage of system contracts, which are open to the field missions, so that appropriate action may be taken for contracts which are close to the ceiling of the established contract amount. There is also a reporting system to retrieve procurement data related to vendors, tenders, requisitions, purchase orders and contracts at the desktop. All these electronic tools have been developed by the staff of the Procurement Division to facilitate its day-to-day activities.



20. The Procurement Division has also been working with the Department of Peacekeeping Operations with a view to developing a common procurement management system, which must be compatible with the Integrated Management Information System (IMIS), based on the Mercury system which is used by the field missions. Since the completion of the requirement analysis in the second quarter of 2004, the design team has been working on a business vision document and will subsequently develop the software requirements specification. While it is envisaged that the system will not be in place until 2005 at the earliest, the single procurement management system will enhance data exchange between Headquarters and the field missions and provide users with more robust procurement management tools specifically designed to meet the needs of the Organization.

## **B. Procurement training**

21. The Secretariat has offered training in procurement and contract management/administration as a part of the staff development programme offered by the Office of Human Resources Management. The Division continues to provide the Office with technical assistance in designing training materials and attending the training session as a resource person. For its staff, the Division arranged a procurement training course recognized by the Purchasing Management Association of Canada for credit certification, in cooperation with a senior staff member of the International Monetary Fund, who offered to teach the programme at no cost. A total of 32 staff members completed the programme in 2002 and 2003. Staff members also attended specialized training programmes in the area of construction contracting, electronic procurement, high-tech procurement management, printing, best-value procurement and international trade terms (Incoterms 2000). In addition to the other administrative and information technology training arranged for staff, the Division invited staff from the Office of Internal Oversight Services and the Global Compact to speak about their activities.

22. In order to meet the specific training needs of staff at field missions, the Procurement Division has developed and delivered an advanced procurement training programme for staff involved in the procurement process in field missions, as explained in paragraph 14 above. This training programme will be delivered again in the first half of 2005 to meet immediate training requirements, in particular in the peacekeeping missions. In addition, the Secretariat has been actively involved in setting up a United Nations system-wide procurement training and certification programme, which has been developed by the Inter-agency Procurement Working Group under the guidance of the United Nations System Staff College. With the financial contributions made by the Secretariat, the United Nations Development Programme and the World Food Programme, along with in kind contributions by other United Nations organizations, the programme is expected to start in the third quarter of 2004, with the first training course delivered and the design of the certification scheme completed by the first half of 2005. Under this programme, procurement staff members will be trained and certified as experts across the United Nations system, thus ensuring consistency in knowledge and facilitating the mobility of staff members within the system and among Headquarters, the peacekeeping missions and offices away from Headquarters.

## **C. Vendor management**

23. The Procurement Division conducts market surveys and identifies new suppliers on a regular basis. The new suppliers which procurement officers have judged to have the ability to submit technically compliant and competitive offers may be provisionally registered for tender invitations. The provisionally registered vendors are informed from the outset that they are required to complete the vendor registration in order to be awarded a purchase order or a contract. The Division has a policy to invite all registered vendors to tender for specific products and/or services that have been registered, unless invitations to all vendors become unmanageable owing to the large number of vendors registered for a specific product or service, as in the case of suppliers of computer products for which the Division invites vendors on a rotational basis. With this policy in place, the Division provides registered vendors with equal opportunities; provisionally registered vendors may in addition be invited to ensure competition among competent suppliers.

24. The Secretariat has increasingly utilized electronic media to automate its procurement process. Along with the electronic copies of purchase orders and contracts distributed to requisitioners, performance evaluation reports for contracts are available electronically to facilitate reporting of the performance of contractors by requisitioners and other offices. As mentioned above, the Secretariat engaged in a detailed review of the vendor management system in 2004. The resultant report gave suggestions as to how to enhance the United Nations Global Marketplace which it is envisaged will in the near future become a single entry point for vendor registration for the United Nations system and will include such tools as a vendor performance rating system so that important information on the performance of vendors may be shared more easily and consistently among the users at United Nations organizations.

#### **D. Contract award**

25. Contracts awarded by the Secretariat are presented in annexes I, II and III to the present report. Annex I shows procurement statistics from 1999 to 2003 and annexes II and III provide the country procurement value in 2002 and 2003, respectively.

#### **E. Rule of origin**

26. As requested by the Assembly in resolution 55/247, the Secretariat follows the discussions of the World Trade Organization on rules of origin. According to the 2004 annual report of the organization, the Committee on Rules of Origin continues its work on a harmonized work programme and forwarded 94 core policy issues to the General Council for discussion and decision in July 2002. In July 2003, the General Council set July 2004 as the new deadline for completing discussion of the 94 core policy issues and mandated the Committee on Rules of Origin to complete its remaining technical work by 31 December 2004, following the resolution of core policy issues. The Secretariat will continue to monitor the work of the World Trade Organization in this area in order to assess if there is a more suitable way in which to determine the basis for procurement statistical reports.

## **IX. Conclusion**

27. The Secretary-General assures the General Assembly that the Secretariat is highly committed to continuing its efforts to improve the efficiency and transparency of the procurement process of the United Nations. The Secretary-General believes the present report demonstrates the firm commitments of the Secretariat, its collaborative efforts to increase transparency, fairness and responsiveness in the procurement process and its endeavours to solicit the collaboration and support of other organizations in the United Nations system through the Inter-agency Procurement Working Group and other appropriate forums so that the United Nations can develop a harmonized approach for improving efficiency in the procurement practices of the United Nations system as a whole. The General Assembly may wish to take note of the progress achieved by the Secretariat in the past two years, as explained in the present report.

## Annex

## Procurement statistics, 1999-2003

Country or area	1999		2000		2001		2002		2003	
	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total
Afghanistan <sup>a</sup>							374 327	0.05	2 934 746	0.33
Albania <sup>b</sup>	90 000	0.02	99 695	0.01	601 695	0.07	88 583	0.01	18 000	0.00
Algeria <sup>c,d</sup>	152 000	0.03			132 702	0.02	157 797	0.02	191 173	0.02
Angola <sup>a,d</sup>	5 691 587	1.22	2 572 000	0.37	8 532 500	1.00	19 727 577	2.43	12 351 451	1.38
Argentina <sup>c</sup>	1 900	0.00	3 000	0.00	1 500	0.00				
Australia	1 191 868	0.25	22 582 545	3.28	29 773 529	3.48	14 548 407	1.79	8 448 858	0.95
Austria	551 800	0.12	765 149	0.11	2 713 197	0.32	2 527 191	0.31	2 530 567	0.28
Bahrain <sup>c</sup>			2 050	0.00	313 864	0.04	20 626	0.00	20 000	0.00
Barbados <sup>c</sup>	9 600	0.00	193 700	0.03	43 200	0.01	60 720	0.01	102 657	0.01
Belgium	763 988	0.16	249 030	0.04	895 925	0.10	1 246 549	0.15	2 493 501	0.28
Benin <sup>a,d</sup>	15 000	0.00								
Bosnia and Herzegovina <sup>b</sup>	6 993 000	1.49	343 527	0.05	3 466 232	0.41	5 579 511	0.69	142 638	0.02
Brazil <sup>c</sup>									65 000	0.01
Bulgaria <sup>b</sup>	372 400	0.08	476 900	0.07	219 125	0.03	205 864	0.03	44 767	0.01
Burkina Faso <sup>a,d</sup>					107 200	0.01				
Cambodia <sup>a</sup>					2 580 030	0.30	3 339 513	0.41	3 253 955	0.36
Cameroon <sup>a,d</sup>									5 012 237	0.56
Canada	1 861 598	0.40	8 347 178	1.21	12 951 842	1.52	12 367 336	1.52	8 282 446	0.93
Central African Republic <sup>a,d</sup>			127 166	0.02	606 522	0.07	3 059 065	0.38	184 172	0.02
Chile <sup>c</sup>										
China <sup>c</sup>	896 533	0.19	1 341 645	0.20	924 795	0.11	900 839	0.11	3 701 716	0.42
Colombia <sup>c</sup>					1 200	0.00	1 200	0.00	1 200	0.00
Costa Rica <sup>c</sup>	29 000	0.01								
Côte d'Ivoire <sup>c,d</sup>									402 171	0.05
Croatia <sup>b</sup>	1 485 203	0.32	251 826	0.04	1 664 858	0.19	1 918 004	0.24	841 420	0.09
Cuba <sup>c</sup>									35 000	0.00
Cyprus <sup>c</sup>	2 784 000	0.59	5 965 683	0.87	8 456 645	0.99	8 111 160	1.00	9 073 852	1.02
Czech Republic <sup>b</sup>							35 096	0.00	10 167	0.00
Democratic Republic of the Congo <sup>a,d</sup>			4 150 091	0.60	27 186 061	3.18	34 184 416	4.21	59 193 320	6.64
Denmark	5 145 814	1.10	10 244 097	1.49	17 862 563	2.09	15 164 406	1.87	22 279 797	2.50
Djibouti <sup>a,d</sup>					34 423	0.00	199 717	0.02	-2 207	0.00
Dominican Republic <sup>c</sup>			100	0.00						

Country or area	1999		2000		2001		2002		2003	
	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total
Egypt <sup>c, d</sup>	2 196 200	0.47	13 463 810	1.96	14 086 671	1.65	13 509 812	1.66	13 348 559	1.50
El Salvador <sup>c</sup>			37 500	0.01						
Eritrea <sup>a, d</sup>					4 198 743	0.49	10 624 012	1.31	10 709 211	1.20
Estonia <sup>b</sup>							2 735 000	0.34	4 379 994	0.49
Ethiopia <sup>a, d</sup>					9 851 808	1.15	3 687 938	0.45	3 278 054	0.37
Fiji <sup>c</sup>	28 718	0.01	33 759	0.00	76 685	0.01	18 645	0.00		
Finland	281 000	0.06	12 163	0.00	678 647	0.08	2 869 962	0.35	1 425 392	0.16
France	13 582 176	2.90	36 870 636	5.36	35 543 618	4.16	33 315 766	4.10	31 765 163	3.56
Gambia <sup>a, d</sup>			6 000	0.00						
Georgia <sup>b</sup>	1 441 000	0.31	209 644	0.03			1 607 560	0.20	2 432 219	0.27
Germany	2 015 043	0.43	3 175 363	0.46	8 140 525	0.95	3 665 139	0.45	9 337 683	1.05
Ghana <sup>c, d</sup>	72 500	0.02	3 724	0.00			41 250	0.01		
Greece	150 000	0.03	41 217	0.01	59 962	0.01	73 767	0.01	47 474	0.01
Guatemala <sup>c</sup>	2 715 136	0.58	2 193 067	0.32	1 512 023	0.18			950 097	0.11
Guinea <sup>a, d</sup>			17 215	0.00	10 162	0.00	29 521	0.00	180 874	0.02
Haiti <sup>a</sup>	2 374 000	0.51	1 920 476	0.28						
Honduras <sup>c</sup>			10 935	0.00						
Hungary <sup>b</sup>	16 034	0.00	5 443	0.00					9 496	0.00
India <sup>c</sup>	2 111 115	0.45	30 133 882	4.38	23 301 510	2.73	20 533 183	2.53	17 550 837	1.97
Indonesia <sup>c</sup>			6 005 413	0.87	11 644 179	1.36	10 248 017	1.26	296 481	0.03
Iran (Islamic Republic of) <sup>c</sup>					23 900	0.00	423	0.00	165	0.00
Iraq <sup>c</sup>	675 000	0.14	290 267	0.04	2 613 379	0.31	2 650 606	0.33	252 994	0.03
Ireland	623 213	0.13	380 850	0.06	10 258 341	1.20	745 940	0.09	21 844 029	2.45
Israel	8 563 720	1.83	2 993 967	0.44	17 184 939	2.01	12 067 152	1.48	9 233 756	1.04
Italy	17 633 220	3.77	21 353 454	3.10	42 891 560	5.02	35 614 899	4.38	34 758 476	3.90
Jamaica <sup>c</sup>							14 661	0.00	70 656	0.01
Japan	39 701 469	8.48	39 734 651	5.78	11 891 418	1.39	9 544 699	1.17	32 031 898	3.59
Jordan <sup>c</sup>	5 467 278	1.17	370 841	0.05	575 592	0.07	1 126 885	0.14	2 957 160	0.33
Kazakhstan <sup>b</sup>	40 000	0.01								
Kenya <sup>c, d</sup>			30 469	0.00	142 172	0.02	446 252	0.05	1 345 181	0.15
Kuwait <sup>c</sup>	4 363 000	0.93	2 305 354	0.34	7 380	0.00	6 908 358	0.85	1 237 738	0.14
Lebanon <sup>c</sup>	8 656 000	1.85	49 298	0.01	10 438 817	1.22	11 784 088	1.45	8 590 636	0.96
Lesotho <sup>a, d</sup>										
Liberia <sup>a, d</sup>										
Lithuania <sup>b</sup>					2 333	0.00				
Luxembourg			101 446	0.01						
Malaysia <sup>c</sup>	7 411 243	1.58	7 372	0.00	129 878	0.02	19 816	0.00	329 872	0.04

Country or area	1999		2000		2001		2002		2003	
	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total
Mali <sup>a, d</sup>							7 283	0.00		
Mauritania <sup>a, d</sup>	104 000	0.02							25 000	0.00
Mauritius <sup>c, d</sup>			15 000	0.00						
Mexico <sup>c</sup>			123	0.00			112 100	0.01	92 080	0.01
Monaco	25 000	0.01	3 944 519	0.57	15 719 237	1.84	15 229 195	1.87	32 258 337	3.62
Mongolia <sup>c</sup>					35 553	0.00				
Morocco <sup>c, d</sup>	6 340 000	1.35			3 791 559	0.44	3 976 721	0.49	3 061 129	0.34
Mozambique <sup>a, d</sup>							3 426 000	0.42	3 000 000	0.34
Namibia <sup>c, d</sup>										
Netherlands	10 048 602	2.15	5 281 702	0.77	9 954 872	1.17	9 654 967	1.19	7 083 612	0.79
New Zealand	274 598	0.06	467 559	0.07	2 416 349	0.28	2 080 508	0.26	867 799	0.10
Nicaragua <sup>c</sup>							90 850	0.01	9 607	0.00
Nigeria <sup>c, d</sup>			223 252	0.03	845 898	0.10	1 054 632	0.13	1 202 271	0.13
Norway	1 144 395	0.24	5 114 499	0.74	4 386 302	0.51	863 501	0.11	2 763 146	0.31
Occupied territories <sup>c</sup>									158 026	0.02
Oman <sup>c</sup>	179 000	0.04	198	0.00	112 019	0.01	24 662	0.00	4 292	0.00
Pakistan <sup>c</sup>	465 000	0.10	387 348	0.06	320 156	0.04	442 229	0.05	575 753	0.06
Palau <sup>c</sup>							125 120	0.02		
Papua New Guinea <sup>c</sup>			18 466	0.00						
Philippines <sup>c</sup>									39 000	0.00
Poland <sup>b</sup>					130 505	0.02	53 806	0.01	194 480	0.02
Portugal					1 320 000	0.15	1 380 083	0.17	131 228	0.01
Republic of the Congo <sup>a, d</sup>					42 023	0.00				
Republic of Korea <sup>c</sup>	102 887	0.02	975 966	0.14	292 232	0.03	1 688 513	0.21	2 198 444	0.25
Republic of Moldova <sup>b</sup>							4 740 000	0.58	4 598 097	0.52
Romania <sup>b</sup>	1 822 450	0.39	1 387 900	0.20			27 200	0.00		
Russian Federation <sup>b</sup>	19 288 869	4.12	91 466 375	13.30	96 457 802	11.29	108 284 429	13.33	90 318 462	10.13
Rwanda <sup>a, d</sup>			12 374	0.00	130 500	0.02	81 740	0.01	99 831	0.01
San Marino							4 792	0.00		
Saudi Arabia <sup>c</sup>	235 000	0.05	111 249	0.02	215 165	0.03	314 823	0.04	130 384	0.01
Serbia and Montenegro <sup>b</sup>									50 419	0.01
Sierra Leone <sup>a, d</sup>			8 819 146	1.28	22 827 043	2.67	17 077 439	2.10	22 767 333	2.55
Singapore <sup>c</sup>			949 765	0.14	1 989 418	0.23	808 668	0.10	1 631 195	0.18
Slovakia <sup>b</sup>			498 039	0.07	229 700	0.03	305 787	0.04	393 100	0.04
Slovenia <sup>b</sup>	76 000	0.02	276 458	0.04	227 799	0.03	214 421	0.03	375 096	0.04
South Africa <sup>c, d</sup>	4 870 605	1.04	12 640 543	1.84	29 499 366	3.45	29 069 967	3.58	20 455 198	2.29
Spain	103 000	0.02	63 386	0.01	272 306	0.03	258 388	0.03	659 995	0.07
Sudan <sup>a, d</sup>	41 000	0.01	10 415	0.00	32 789	0.00			19 714	0.00

Country or area	1999		2000		2001		2002		2003	
	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total
Sweden	9 081 885	1.94	27 032 999	3.93	2 866 869	0.34	3 477 740	0.43	11 675 546	1.31
Switzerland	13 479 893	2.88	23 016 204	3.35	15 567 787	1.82	12 548 435	1.54	20 503 471	2.30
Syrian Arab Republic <sup>c</sup>	1 219 000	0.26	19 198	0.00	3 554 186	0.42	4 424 677	0.54	4 808 526	0.54
Tajikistan <sup>b</sup>	411 000	0.09					2 420 000	0.30	2 511 325	0.28
Thailand <sup>c</sup>	11 841	0.00	217 796	0.03	56 427	0.01	21 736	0.00	1 771 316	0.20
The former Yugoslav Republic of Macedonia <sup>b</sup>	601 000	0.13	2 697 490	0.39	13 644 563	1.60	4 640 918	0.57	4 606 789	0.52
Timor-Leste <sup>c</sup>							6 209 357	0.76	13 307 526	1.49
Togo <sup>a, d</sup>									5 000	0.00
Turkey <sup>c</sup>	4 255 927	0.91	792 147	0.12	647 914	0.08	1 289 327	0.16	1 603 251	0.18
Uganda <sup>a, d</sup>					13 088	0.00	466 998	0.06	4 233 309	0.47
Ukraine <sup>b</sup>	6 453 261	1.38	5 094 950	0.74	11 664 667	1.37	24 145 168	2.97	17 238 796	1.93
United Nations Transitional Administration (East Timor) <sup>c</sup>			3 905 489	0.57	11 839 166	1.39				
United Arab Emirates <sup>c</sup>	1 619 870	0.35	601 021	0.09	2 125 241	0.25	2 847 197	0.35	4 556 649	0.51
United Kingdom of Great Britain and Northern Ireland	42 440 917	9.06	74 567 029	10.84	52 520 773	6.15	39 652 306	4.88	59 317 660	6.65
United Republic of Tanzania <sup>c, d</sup>									63 424	0.01
United States of America	193 721 001	41.37	195 635 948	28.45	215 998 683	25.28	194 394 388	23.92	194 467 886	21.80
Uruguay <sup>c</sup>										
Uzbekistan <sup>b</sup>	2 000	0.00								
Venezuela <sup>c</sup>							21 250	0.00	45 000	0.01
Viet Nam <sup>c</sup>	30 000	0.01							34 000	0.00
Yemen <sup>a</sup>			12 000	0.00						
Yugoslavia <sup>b</sup>	1 618 000	0.35	1 993 968	0.29	8 316 797	0.97	6 951 833	0.86	5 959 488	0.67
Zaire <sup>c, d</sup>										
Zambia <sup>a, d</sup>					13 183	0.00	11 532	0.00	6 000	0.00
Zimbabwe <sup>c, d</sup>										
<b>Total</b>	<b>468 218 357</b>	<b>100.00</b>	<b>687 724 119</b>	<b>100.00</b>	<b>854 411 787</b>	<b>100.00</b>	<b>812 621 941</b>	<b>100.00</b>	<b>891 854 689</b>	<b>100.00</b>
<b>Summary by group</b>										
Africa	19 482 892	4.16	42 091 205	6.12	122 084 413	14.29	140 839 669	17.33	161 132 405	18.07
Developing country or area (a)	65 462 073	13.98	86 293 397	12.55	146 977 354	17.20	129 076 167	15.88	121 282 453	13.60
Least developed country (b)	8 225 587	1.76	17 646 883	2.57	76 124 052	8.91	96 297 078	11.85	122 239 763	13.71

Country or area	1999		2000		2001		2002		2003	
	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total	Goods and services	Percentage of total
<b>Subtotal (a)+(b)</b>	<b>73 687 660</b>	<b>15.74</b>	<b>103 940 280</b>	<b>15.11</b>	<b>223 101 406</b>	<b>26.11</b>	<b>225 373 245</b>	<b>27.73</b>	<b>243 522 216</b>	<b>27.30</b>
Economy in transition (c)	40 710 217	8.69	104 802 215	15.24	136 626 076	15.99	163 953 180	20.18	134 124 753	15.04
<b>Subtotal (a)+(b)+(c)</b>	<b>114 397 877</b>	<b>24.43</b>	<b>208 742 495</b>	<b>30.35</b>	<b>359 727 482</b>	<b>42.10</b>	<b>389 326 425</b>	<b>47.91</b>	<b>377 646 969</b>	<b>42.34</b>
Industrialized countries (d)	353 820 481	75.57	478 981 624	69.65	494 684 305	57.90	423 295 516	52.09	514 207 720	57.66
<b>Grand total (a)+(b)+(c)+(d)</b>	<b>468 218 357</b>	<b>100.00</b>	<b>687 724 119</b>	<b>100.00</b>	<b>854 411 787</b>	<b>100.00</b>	<b>812 621 941</b>	<b>100.00</b>	<b>891 854 689</b>	<b>100.00</b>

## Notes:

- (1) With respect to procurement statistics on supply sources, the country of supply in respect of goods is determined on the basis of the location of the supplier, whereas in respect of services, it is determined on the basis of the location of the firm's headquarters.
- (2) Country assignments are based on the location of the supplier offering the goods and not on the country where the goods are actually produced (for more information on rules of origin, see the World Trade Organization web site, <http://www.wto.org>). Goods made in country A, but sold to the United Nations by a company based in country B, are attributed to country B. In this respect, it should be noted that \$39.9 million in airline and shipping expenditures were attributed to the United States of America in both 1999 and 2000, while \$29.2 million was attributed in 2001, \$25.9 million in 2002 and \$31.4 million in 2003. A major part of these costs were ultimately remitted to non-United States carriers. In the case of air travel, these payments are ticketed through the United Nations Travel Agency and freight is charged through the freight forwarder based in New York.
- (3) In 1999, a number of purchases of services, such as contracts for legal, insurance, travel and medical services, were incorporated in the statistics for the first time.
- (4) Prior to 2002, Israel was placed under the developing country group.

## Keys:

- <sup>a</sup> Least developed country
- <sup>b</sup> Economy in transition
- <sup>c</sup> Developing country or area
- <sup>d</sup> African country



## Annex II

## Country procurement value by procurement division and local peacekeeping mission, 2002

(United States dollars)

Country or area	Procurement division			Total	Percentage
	Headquarters and offices away from Headquarters	Department of Peacekeeping Operations	Local peacekeeping missions		
Afghanistan <sup>a</sup>			374 327	374 327	0.05
Albania <sup>b</sup>			88 583	88 583	0.01
Algeria <sup>c,d</sup>			157 797	157 797	0.02
Angola <sup>a,d</sup>		19 458 750	268 827	19 727 577	2.43
Australia	28 560	7 360 109	7 159 738	14 548 407	1.79
Austria	790 445	241 500	1 495 246	2 527 191	0.31
Bahrain <sup>c</sup>			20 626	20 626	0.00
Barbados <sup>c</sup>	60 720			60 720	0.01
Belgium	155 106	59 331	1 032 112	1 246 549	0.15
Bosnia and Herzegovina <sup>b</sup>			5 579 511	5 579 511	0.69
Bulgaria <sup>b</sup>	29 350	42 018	134 495	205 864	0.03
Cambodia <sup>a</sup>		3 339 513		3 339 513	0.41
Canada	2 561 432	9 454 042	351 861	12 367 336	1.52
Central African Republic <sup>a,d</sup>			3 059 065	3 059 065	0.38
China <sup>c</sup>	810 870	64 750	25 219	900 839	0.11
Colombia <sup>c</sup>	1 200			1 200	0.00
Croatia <sup>b</sup>		1 027 475	890 529	1 918 004	0.24
Cyprus <sup>c</sup>			8 111 160	8 111 160	1.00
Czech Republic <sup>b</sup>			35 096	35 096	0.00
Democratic Republic of the Congo <sup>a,d</sup>			34 184 416	34 184 416	4.21
Denmark	216 276	8 889 098	6 059 032	15 164 406	1.87
Djibouti <sup>a,d</sup>			199 717	199 717	0.02
Egypt <sup>c,d</sup>	89 550	12 927 532	492 730	13 509 812	1.66
Eritrea <sup>a,d</sup>			10 624 012	10 624 012	1.31
Estonia <sup>b</sup>		2 735 000		2 735 000	0.34
Ethiopia <sup>a,d</sup>		1 907 599	1 780 339	3 687 938	0.45
Fiji <sup>c</sup>		18 645		18 645	0.00
Finland	55 000		2 814 962	2 869 962	0.35
France	458 248	8 105 167	24 752 351	33 315 766	4.10
Georgia <sup>b</sup>			1 607 560	1 607 560	0.20
Germany	28 302	641 798	2 995 040	3 665 139	0.45
Ghana <sup>c,d</sup>		41 250		41 250	0.01
Greece	49 480		24 287	73 767	0.01
Guinea <sup>a,d</sup>			29 521	29 521	0.00

Country or area	Procurement division			Total	Percentage
	Headquarters and offices away from Headquarters	Department of Peacekeeping Operations	Local peacekeeping missions		
India <sup>c</sup>	3 449 464	16 366 180	717 539	20 533 183	2.53
Indonesia <sup>c</sup>		25 350	10 222 667	10 248 017	1.26
Iran (Islamic Republic of) <sup>c</sup>			423	423	0.00
Iraq <sup>c</sup>			2 650 606	2 650 606	0.33
Ireland	7 761	614 914	123 265	745 940	0.09
Israel	27 450	5 167 951	6 871 751	12 067 152	1.48
Italy	3 059 492	18 511 300	14 044 106	35 614 899	4.38
Jamaica <sup>c</sup>			14 661	14 661	0.00
Japan	264 688	6 678 465	2 601 546	9 544 699	1.17
Jordan <sup>c</sup>		858 297	268 588	1 126 885	0.14
Kenya <sup>c,d</sup>	26 674		419 578	446 252	0.05
Kuwait <sup>c</sup>			6 908 358	6 908 358	0.85
Lebanon <sup>c</sup>			11 784 088	11 784 088	1.45
Malaysia <sup>c</sup>			19 816	19 816	0.00
Mali <sup>a,d</sup>	7 283			7 283	0.00
Mexico <sup>c</sup>	112 100			112 100	0.01
Monaco		1 339 799	13 889 396	15 229 195	1.87
Morocco <sup>c,d</sup>	9 460		3 967 261	3 976 721	0.49
Mozambique <sup>a,d</sup>		3 426 000		3 426 000	0.42
Netherlands	5 890 562	267 255	3 497 150	9 654 967	1.19
New Zealand	199 000	1 581 175	300 333	2 080 508	0.26
Nicaragua <sup>c</sup>	90 850			90 850	0.01
Nigeria <sup>c,d</sup>	768 673	282 900	3 059	1 054 632	0.13
Norway	69 560	679 281	114 660	863 501	0.11
Oman <sup>c</sup>			24 662	24 662	0.00
Pakistan <sup>c</sup>			442 229	442 229	0.05
Palau <sup>c</sup>			125 120	125 120	0.02
Poland <sup>b</sup>			53 806	53 806	0.01
Portugal		1 369 000	11 083	1 380 083	0.17
Republic of Korea <sup>c</sup>	5 000	1 347 370	336 143	1 688 513	0.21
Republic of Moldova <sup>b</sup>		4 740 000		4 740 000	0.58
Romania <sup>b</sup>	27 200			27 200	0.00
Russian Federation <sup>b</sup>	2 048 971	104 479 654	1 755 804	108 284 429	13.33
Rwanda <sup>a,d</sup>			81 740	81 740	0.01
San Marino			4 792	4 792	0.00
Saudi Arabia <sup>c</sup>			314 823	314 823	0.04
Sierra Leone <sup>a,d</sup>			17 077 439	17 077 439	2.10
Singapore <sup>c</sup>			808 668	808 668	0.10
Slovakia <sup>b</sup>	21 020	284 767		305 787	0.04

Country or area	Procurement division			Total	Percentage
	Headquarters and offices away from Headquarters	Department of Peacekeeping Operations	Local peacekeeping missions		
Slovenia <sup>b</sup>			214 421	214 421	0.03
South Africa <sup>c,d</sup>	5 128 578	16 940 033	7 001 356	29 069 967	3.58
Spain		2 851	255 537	258 388	0.03
Sweden	39 259	2 992 400	446 081	3 477 740	0.43
Switzerland	11 090 247	485 027	973 161	12 548 435	1.54
Syrian Arab Republic <sup>c</sup>			4 424 677	4 424 677	0.54
Tajikistan <sup>b</sup>		2 420 000		2 420 000	0.30
The former Yugoslav Republic of Macedonia <sup>b</sup>			4 640 918	4 640 918	0.57
Thailand <sup>c</sup>			21 736	21 736	0.00
Timor-Leste <sup>c</sup>			6 209 357	6 209 357	0.76
Turkey <sup>c</sup>		470 889	818 438	1 289 327	0.16
Uganda <sup>a,d</sup>	224 138		242 860	466 998	0.06
Ukraine <sup>b</sup>		24 116 295	28 873	24 145 168	2.97
United Arab Emirates <sup>c</sup>		13 758	2 833 439	2 847 197	0.35
United Kingdom of Great Britain and Northern Ireland	2 209 262	14 704 568	22 738 475	39 652 306	4.88
United States of America	132 491 374	39 383 811	22 519 203	194 394 388	23.92
Venezuela <sup>c</sup>	21 250			21 250	0.00
Yugoslavia <sup>b</sup>		2 279 000	4 672 833	6 951 833	0.86
Zambia <sup>a,d</sup>			11 532	11 532	0.00
<b>Total</b>	<b>172 623 856</b>	<b>348 141 868</b>	<b>291 856 215</b>	<b>812 621 940</b>	
<b>Total number of purchase orders</b>	<b>2 626</b>	<b>1 198</b>	<b>13 588</b>	<b>17 412</b>	
Africa	6 254 356	54 984 064	79 601 250	140 839 671	
Developing countries or areas	10 574 389	49 356 954	69 144 823	129 076 166	
Least developed countries	231 421	28 131 862	67 933 796	96 297 079	
Economies in transition	2 126 541	142 124 210	19 702 428	163 953 179	
	<b>12 932 351</b>	<b>219 613 026</b>	<b>156 781 048</b>	<b>389 326 425</b>	
Industrialized countries	159 691 505	128 528 842	135 075 168	423 295 515	

(Footnotes on following page)

(Footnotes to annex II)

*Notes*

(1) With respect to procurement statistics on supply sources, the country of supply in respect of goods is determined on the basis of the location of the supplier, whereas in respect of services, it is determined on the basis of the location of the firm's headquarters.

(2) Country assignments are based on the location of the supplier offering the goods and not on the country where the goods are actually produced (for more information on rules of origin, see the World Trade Organization web site, <http://www.wto.org>. Goods made in country A, but sold to the United Nations by a company based in country B, are attributed to country B. In this respect, it should be noted that \$25.9 million in airline and shipping expenditures were attributed to the United States of America. A major part of these costs were ultimately remitted to non-United States carriers. In the case of air travel, these payments are ticketed through the United Nations Travel Agency and freight is charged through the freight forwarder based in New York.

*Keys*

- <sup>a</sup> Least developed country
- <sup>b</sup> Economy in transition
- <sup>c</sup> Developing country or area
- <sup>d</sup> Africa

## Annex III

## Country procurement value by procurement division and local peacekeeping mission, 2003

Country or area	Procurement division			Total	Percentage
	Headquarters and offices away from headquarters	Department of Peacekeeping Operations	Local peacekeeping missions		
Afghanistan <sup>a</sup>			2 934 746	2 934 746	0.33
Albania <sup>b</sup>			18 000	18 000	0.00
Algeria <sup>c,d</sup>			191 173	191 173	0.02
Angola <sup>a,d</sup>		12 188 422	163 029	12 351 451	1.38
Australia	1 500	4 530 080	3 917 278	8 448 858	0.95
Austria	435 579	565 481	1 529 508	2 530 567	0.28
Bahrain <sup>c</sup>			20 000	20 000	0.00
Barbados <sup>c</sup>	102 657			102 657	0.01
Belgium	371 788	8 269	2 113 444	2 493 501	0.28
Bosnia and Herzegovina <sup>b</sup>			142 638	142 638	0.02
Brazil <sup>c</sup>	65 000			65 000	0.01
Bulgaria <sup>b</sup>			44 767	44 767	0.01
Cambodia <sup>a</sup>		3 253 955		3 253 955	0.36
Cameroon <sup>c,d</sup>		5 012 237		5 012 237	0.56
Canada	1 216 589	6 195 195	870 662	8 282 446	0.93
Central African Republic <sup>a,d</sup>			184 172	184 172	0.02
China <sup>c</sup>	3 507 970	45 408	148 338	3 701 716	0.42
Colombia <sup>c</sup>	1 200			1 200	0.00
Côte d'Ivoire <sup>c,d</sup>	18 931		383 240	402 171	0.05
Croatia <sup>b</sup>		88 128	753 292	841 420	0.09
Cuba <sup>c</sup>	35 000			35 000	0.00
Cyprus <sup>c</sup>	1 446		9 072 407	9 073 852	1.02
Czech Republic <sup>b</sup>			10 167	10 167	0.00
Democratic Republic of the Congo <sup>a,d</sup>			59 193 320	59 193 320	6.64
Denmark	1 092 684	10 615 483	10 571 630	22 279 797	2.50
Djibouti <sup>a,d</sup>			- 2 207	- 2 207	0.00
Egypt <sup>c,d</sup>	325 798	13 019 289	3 472	13 348 559	1.50
Eritrea <sup>a,d</sup>			10 709 211	10 709 211	1.20
Estonia <sup>b</sup>	7 420	4 372 574		4 379 994	0.49
Ethiopia <sup>a,d</sup>	148 819	1 895 241	1 233 994	3 278 054	0.37
Finland	60 000	432 947	932 445	1 425 392	0.16
France	820 859	21 601 549	9 342 755	31 765 163	3.56
Georgia <sup>b</sup>			2 432 219	2 432 219	0.27
Germany	78 102	5 195 850	4 063 731	9 337 683	1.05
Greece	20 217		27 257	47 474	0.01

Country or area	Procurement division			Total	Percentage
	Headquarters and offices away from headquarters	Department of Peacekeeping Operations	Local peacekeeping missions		
Guatemala <sup>c</sup>			950 097	950 097	0.11
Guinea <sup>a,d</sup>			180 874	180 874	0.02
Hungary <sup>b</sup>			9 496	9 496	0.00
India <sup>c</sup>	4 615 482	9 916 277	3 019 078	17 550 837	1.97
Indonesia <sup>c</sup>			296 481	296 481	0.03
Iran (Islamic Republic of) <sup>c</sup>			165	165	0.00
Iraq <sup>c</sup>			252 994	252 994	0.03
Ireland	10 366	21 504 683	328 979	21 844 029	2.45
Israel	21 398	1 709 834	7 502 524	9 233 756	1.04
Italy	147 804	15 476 918	19 133 754	34 758 476	3.90
Jamaica <sup>c</sup>	61 135		9 521	70 656	0.01
Japan	4 667	27 941 633	4 085 598	32 031 898	3.59
Jordan <sup>c</sup>		2 916 013	41 147	2 957 160	0.33
Kenya <sup>c,d</sup>	48 910		1 296 271	1 345 181	0.15
Kuwait <sup>c</sup>			1 237 738	1 237 738	0.14
Lebanon <sup>c</sup>			8 590 636	8 590 636	0.96
Malaysia <sup>c</sup>			329 872	329 872	0.04
Mauritania <sup>a,d</sup>			25 000	25 000	0.00
Mexico <sup>c</sup>	92 080			92 080	0.01
Monaco		3 023 982	29 234 355	32 258 337	3.62
Morocco <sup>c,d</sup>	17 100		3 044 029	3 061 129	0.34
Mozambique <sup>a,d</sup>		3 000 000		3 000 000	0.34
Netherlands	3 233 801	944 360	2 905 451	7 083 612	0.79
New Zealand	257 900	374 170	235 729	867 799	0.10
Nicaragua <sup>c</sup>	9 607			9 607	0.00
Nigeria <sup>c,d</sup>	702 935	499 336		1 202 271	0.13
Norway	32 483	1 555 396	1 175 266	2 763 146	0.31
Occupied Territories <sup>c</sup>			158 026	158 026	0.02
Oman <sup>c</sup>			4 292	4 292	0.00
Pakistan <sup>c</sup>			575 753	575 753	0.06
Philippines <sup>c</sup>	39 000			39 000	0.00
Poland <sup>b</sup>			194 480	194 480	0.02
Portugal	128 550		2 678	131 228	0.01
Republic of Korea <sup>c</sup>	16	1 914 030	284 398	2 198 444	0.25
Republic of Moldova <sup>b</sup>		4 580 000	18 097	4 598 097	0.52
Russian Federation <sup>b</sup>	348 440	89 283 612	686 410	90 318 462	10.13
Rwanda <sup>a,d</sup>			99 831	99 831	0.01
Saudi Arabia <sup>c</sup>			130 384	130 384	0.01
Serbia and Montenegro <sup>b</sup>			50 419	50 419	0.01
Sierra Leone <sup>a,d</sup>			22 767 333	22 767 333	2.55

Country or area	Procurement division			Total	Percentage
	Headquarters and offices away from headquarters	Department of Peacekeeping Operations	Local peacekeeping missions		
Singapore <sup>c</sup>		806 950	824 245	1 631 195	0.18
Slovakia <sup>b</sup>		393 100		393 100	0.04
Slovenia <sup>b</sup>			375 096	375 096	0.04
South Africa <sup>c,d</sup>	414 123	14 598 767	5 442 308	20 455 198	2.29
Spain		230 000	429 995	659 995	0.07
Sudan <sup>a,d</sup>			19 714	19 714	0.00
Sweden	6 828 837	4 398 264	448 445	11 675 546	1.31
Switzerland	17 886 891	2 499 777	116 803	20 503 471	2.30
Syrian Arab Republic <sup>c</sup>			4 808 526	4 808 526	0.54
Tajikistan <sup>b</sup>		2 500 010	11 315	2 511 325	0.28
Thailand <sup>c</sup>		1 735 711	35 605	1 771 316	0.20
The former Yugoslav Republic of Macedonia <sup>b</sup>			4 606 789	4 606 789	0.52
Timor-Leste <sup>c</sup>			13 307 526	13 307 526	1.49
Togo <sup>a,d</sup>	5 000			5 000	0.00
Turkey <sup>c</sup>		568 723	1 034 528	1 603 251	0.18
Uganda <sup>a,d</sup>			4 233 309	4 233 309	0.47
Ukraine <sup>b</sup>		17 240 750	- 1 954	17 238 796	1.93
United Arab Emirates <sup>c</sup>		61 831	4 494 818	4 556 649	0.51
United Kingdom of Great Britain and Northern Ireland	1 412 667	30 335 614	27 569 379	59 317 660	6.65
United Republic of Tanzania <sup>c,d</sup>			63 424	63 424	0.01
United States of America	118 239 624	47 989 704	28 238 557	194 467 886	21.80
Venezuela <sup>c</sup>	45 000			45 000	0.01
Viet Nam <sup>c</sup>	34 000			34 000	0.00
Yugoslavia <sup>b</sup>			5 959 488	5 959 488	0.67
Zambia <sup>a,d</sup>			6 000	6 000	0.00
<b>Total</b>	<b>162 949 373</b>	<b>397 019 554</b>	<b>331 885 762</b>	<b>891 854 689</b>	
<b>Total number of purchase orders</b>	<b>2 619</b>	<b>1 443</b>	<b>12 748</b>	<b>16 810</b>	
Africa	1 681 616	50 213 292	109 237 499	161 132 406	
Developing countries or areas	10 137 389	51 094 571	60 050 493	121 282 453	
Least developed countries	153 819	20 337 618	101 748 328	122 239 765	
Economies in transition	355 860	118 458 174	15 310 719	134 124 753	
	<b>10 647 068</b>	<b>189 890 364</b>	<b>177 109 539</b>	<b>377 646 971</b>	
Industrialized countries	152 302 305	207 129 190	154 776 223	514 207 718	

(Footnotes on following page)

(Footnotes to annex III)

---

*Notes*

(1) With respect to procurement statistics on supply sources, the country of supply in respect of goods is determined on the basis of the location of the supplier, whereas in respect of services, it is determined on the basis of the location of the firm's headquarters.

(2) Country assignments are based on the location of the supplier offering the goods and not on the country where the goods are actually produced (for more information on rules of origin, see the World Trade Organization web site, <http://www.wto.org>. Goods made in country A, but sold to the United Nations by a company based in country B, are attributed to country B. In this respect, it should be noted that \$31.4 million in airline and shipping expenditures were attributed to the United States of America. A major part of these costs were ultimately remitted to non-United States carriers. In the case of air travel, these payments are ticketed through the United Nations Travel Agency and freight is charged through the freight forwarder based in New York.

*Keys*

- <sup>a</sup> Least developed country
  - <sup>b</sup> Economy in transition
  - <sup>c</sup> Developing country or area
  - <sup>d</sup> Africa
-