



**Executive Board of the  
United Nations Development  
Programme, the United Nations  
Population Fund and the United  
Nations Office for Project Services**

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**Financial, budgetary and administrative matters**

**Annual statistical report on the procurement activities of the  
United Nations system, 2011**

**Goods and services, international project personnel, United Nations volunteers and  
fellowships**

**Executive summary**

The Executive Director of UNOPS submits the present report on United Nations system procurement data to the Executive Board pursuant to its decision 2007/38. The complete report may be obtained in the language of submission from the Executive Board secretariat and at the [United Nations Global Marketplace website](#). The report provides details on United Nations system procurement by country of supply.

Total United Nations system procurement under all sources of funding during 2011 was \$14.3 billion, which represents a decrease of \$268 million – a reduction of 1.9 per cent over the previous year. This is the first recorded volume decrease in procurement volume since 2002. The share of procurement from developing countries and economies in transition rose to 59.7 per cent, an increase of two percentage points.

The complete 2011 report contains:

- (a) A trend analysis of United Nations procurement from developed, developing countries and countries with economies in transition;
- (b) An analysis of United Nations contracts placed with companies that are signatories to the Global Compact of the United Nations;
- (c) Tables listing combined United Nations system procurement, by country of supply;
- (d) Tables listing procurement, by individual United Nations organization and by country of supply;
- (e) A summary of procurements from countries which are members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development;
- (f) A summary of procurements from the top 20 developing countries and countries with economies in transition;
- (g) The top 10 goods and services categories procured by organizations of the United Nations system;
- (h) A comparative analysis of organizations' share of Goods and Services categories procured;
- (i) A section covering major goods and services categories (over \$30,000) procured;
- (j) A summary of project personnel, by nationality; and
- (k) A supplement with a thematic focus on the issue of transparency and its effects on public procurement in the context of the global move towards strengthening governance and creating more accountability.

*Elements of a decision*

The Executive Board may wish to take note of the annual statistical report on the procurement activities of the United Nations system of organizations (DP/OPS/2012/8) and welcome the data presentation and analysis contained therein, as well as the relevance of the thematic supplement on the theme of transparency.



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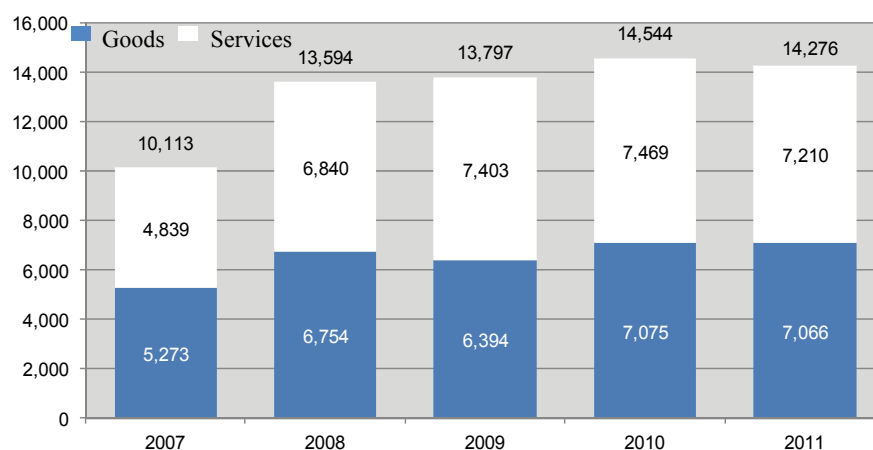
## I. Introduction

1. The United Nations Office for Project Services (UNOPS) is pleased to be responsible for collecting and compiling system-wide procurement data on behalf of the United Nations.
2. The 2011 report analyzes procurement from developing countries and countries with economies in transition and examines United Nations system performance, in response to General Assembly resolution 57/279 of January 2003 on procurement reform, which encouraged United Nations organizations to increase opportunities for vendors in developing countries and countries with economies in transition. Significant progress has been made towards achieving that objective (as shown in figures 3 to 8 below).
3. In addition, the 2011 report looks at procurement by United Nations organizations from vendors that support the Global Compact. The Compact measures engagement by the United Nations system with companies that take corporate social responsibility seriously, an increasingly important consideration in the global marketplace. The number of vendors that have signed the Global Compact has almost doubled over the past five years and currently has approximately 7,000 business members. While United Nations organizations give no preferential treatment to Compact signatories, the volume of procurement with registered Global Compact vendors shows an increase of 6 per cent over the period 2006-2011.
4. The UNOPS 2011 annual statistical report compiles information supplied by 31 United Nations organizations (of which 30 provided procurement data and eight personnel data). Three United Nations entities – Economic Commission for Europe (ECE), United Nations Conference on Trade and Development (UNCTAD) and the Department of Peacekeeping Operations (DPKO) – submitted their data via the United Nations Office at Geneva (UNOG) and the United Nations Procurement Division (UN/PD), respectively. UNOPS relies entirely on the cooperation of the participating entities in the compilation and reporting of statistics. In general, response rates were satisfactory and data quality has improved as a result of better reporting tools.
5. The distribution of countries and territories used in the report has been revised to follow those used by the Statistics Division, Department of Economic and Social Affairs (DESA) of the United Nations. Previous reports used the following designations: developing countries, countries with economies in transition and industrialized countries. The 2011 report uses the following designations: developing countries, countries with economies in transition and developed countries. The designations ‘developing’, ‘in transition’ and ‘developed’ are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process.
6. Data are reported on goods, based on country of supplier, and on services, depending on the location of contractors’ head office. Procurement orders and service contracts are reported by contract amount rather than by expenditures incurred. Most United Nations entities are unable, at present, to report data based on the country of origin of goods or on actual expenditures.
7. The 2011 annual statistical report features an annual thematic supplement that focuses on current issues in procurement. For 2011, the focus of the supplement is on the issue of transparency and its effects on public procurement in the context of the global move towards creating a more accountable and robust system of development cooperation. The supplement provides an overview of the benefits and challenges of transparency, as well as case studies and contributions from practitioners and experts.

## II. Total procurement of goods and services for operational activities of the United Nations system

8. The overall procurement volume (goods and services combined) of United Nations organizations during 2011 decreased to \$14.3 billion, from \$14.5 billion in 2010 – a reduction of 1.9 per cent, the first decrease in United Nations procurement volume since 2002.<sup>1</sup> The total procurement of goods decreased \$10 million, a decrease of 0.1 per cent, while procurement of services dropped by \$258 million, a decrease of 3.5 per cent. Between 2007 and 2011, United Nations procurement volume increased from \$10.1 billion to \$14.3 billion, attributable to a \$1.8 billion growth in the procurement of goods and a \$2.4 billion growth in the procurement of services for the same period.

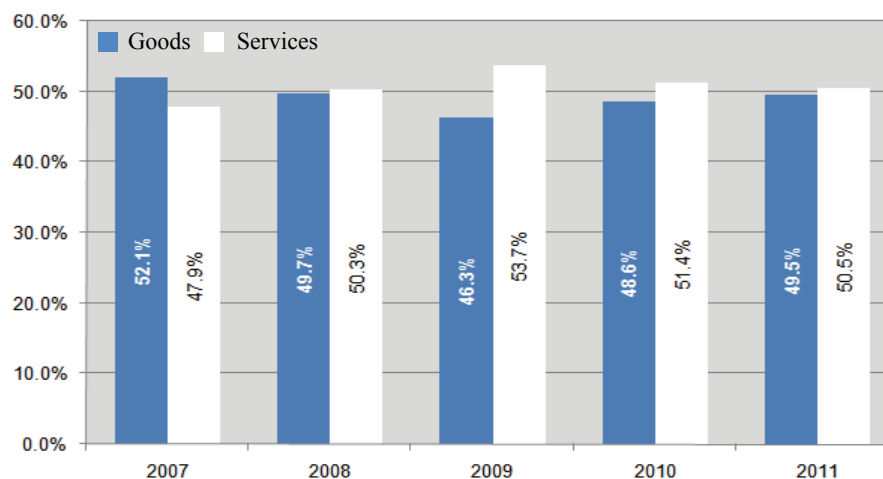
**Figure 1. Total procurement of goods and services, 2007-2011**



*(in millions of United States dollars)*

9. From 2007 to 2011, the procurement of services by the United Nations system rose as a share of total procurement, slightly overtaking the procurement share of goods in 2008. In 2011, the share of services still exceeded that of goods albeit by only a margin of 1 per cent compared to 7.3 per cent in 2009 and 2.7 per cent in 2010.

**Figure 2. Proportion of goods and services procured, 2007-2011**



<sup>1</sup> In 2002 total United Nations procurement volume decreased to \$4.5 billion from \$4.6 billion in 2001, a decrease of 1.5 per cent.

### III. Top 10 countries of supply to the United Nations system, 2011

10. The 10 major countries to supply goods and services to the United Nations organizations in 2011 (see table 1) included two developing countries (Afghanistan and India) and one country with an economy in transition (the Russian Federation). These three countries account for 30.7 per cent of the total procurement volume of the top 10 countries of supply.

**Table 1. Top 10 countries supplying United Nations operations in 2011**  
(in millions of United States dollars)

Countries	Goods	Services	Total	Percentage of total
United States	409.9	1,124.9	1,534.8	10.8%
Switzerland	386.5	349.3	735.9	5.2%
India	658.0	66.6	724.6	5.1%
Russian Federation	143.6	453.6	597.2	4.2%
Afghanistan	66.8	470.5	537.3	3.8%
Belgium	413.5	41.8	455.3	3.2%
France	374.2	62.5	436.7	3.1%
Italy	236.0	187.3	423.3	3.0%
Denmark	298.0	124.4	422.4	3.0%
United Kingdom	260.6	156.4	417.0	2.9%
<b>Top 10 Total</b>	<b>3,247.1</b>	<b>3,037.4</b>	<b>6,284.5</b>	<b>44.0%</b>
<b>Total United Nations Procurement</b>	<b>7,065.6</b>	<b>7,210.5</b>	<b>14,276.0</b>	<b>100.0%</b>

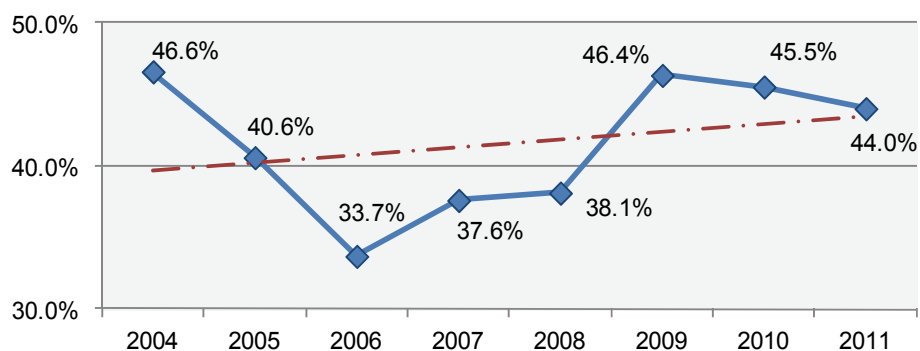
11. Afghanistan is among the 10 major countries to supply the United Nations for the third year running, despite its share of total United Nations procurement volume decreasing by 0.8 percentage points in 2011. Procurement from Afghanistan consisted primarily of construction, transport and demining services executed with national contractors by UNDP and UNOPS, respectively

12. India has featured in this list since 2000, and in 2011 it was the third largest supplier to the United Nations system, with a 5.1 per cent share of total United Nations procurement volume representing an increase of 1.2 percentage points over 2010. Procurement from India included vaccines, pharmaceuticals and medical equipment procured primarily by the United Nations Children's Fund (UNICEF).

13. The share of total procurement volume by the Russian Federation for 2011 was 4.2 per cent, representing an increase of 0.4 percentage points over 2010. Procurement from the Russian Federation consisted primarily of airline management and operations services and food supplies, procured by the United Nations Procurement Division and the World Food Programme (WFP), respectively.

14. The percentage share of total goods and services procured from the top 10 major countries of supply showed a decreasing trend between 2004 and 2006, reflecting a broadening of the geographical spread of United Nations procurement. Between 2007 and 2009 (see figure 3), this downward trend reversed, with the total procurement share of the top 10 countries of supply to the United Nations increasing. During this period, the percentage share increased by 9 per cent. However, since 2009 the total share of procurement from the top 10 countries of supply has again been declining, with an initial decline of 0.9 per cent in 2010 followed by a further decline of 1.5 per cent in 2011, indicating a reduction in the concentration of United Nations procurement spending within the primary supplier countries and the widening of supply sources.

**Figure 3. Percentage share of total procurement volume of the top 10 countries to supply the United Nations system, 2004-2011**



#### IV. Procurement by United Nations organizations in 2010-2011

15. Table 2 lists the procurement volume of individual United Nations organizations in 2010 and 2011. Data are presented by the percentage share from developing countries and those with economies in transition, which has increased by two percentage points from 2010 to 2011. Total procurement volume from 2010 to 2011 decreased by \$268 million.<sup>2</sup> Despite this decrease, 15 of the 30 reporting United Nations organizations increased their procurement volume over the previous year. The United Nations High Commissioner for Refugees (UNHCR) and UNICEF recorded the largest volume increases.

**Table 2. Procurement by United Nations organizations in 2010-2011**  
(in millions of United States dollars)

Agency	2010				2011			
	Goods	Services	Total	(%) <sup>3</sup>	Goods	Services	Total	(%) <sup>3</sup>
ESCAP	2.54	5.06	7.61	79.08%	4.41	7.11	11.52	83.15%
ESCWA	0.43	1.44	1.87	83.88%	1.39	1.39	2.77	64.98%
ECLAC	2.58	6.29	8.87	84.02%	2.83	12.19	15.02	88.92%
FAO	122.18	45.63	167.81	60.71%	78.25	56.85	135.10	41.20%
IAEA	66.06	79.13	145.19	12.24%	69.02	94.11	163.12	15.39%
IFAD	0.91	46.19	47.09	11.71%	1.16	46.39	47.55	10.83%
ILO	9.42	89.51	98.93	40.23%	14.28	79.21	93.49	33.04%
INSTRAW	0.05	0.08	0.13	85.29%	Now UNWOMEN - Data not received			
ITC	1.17	9.87	11.04	7.62%	1.02	11.93	12.94	93.19%
ITU	4.81	7.72	12.53	11.72%	No data received			
OPCW	1.36	5.79	7.15	0.23%	2.68	6.30	8.98	0.11%
PAHO	693.12	15.21	708.33	27.30%	593.24	13.43	606.67	33.30%
UNDP	649.08	2,279.37	2,928.44	79.47%	652.04	2,039.93	2,691.97	78.52%
UNECA	3.36	4.90	8.26	69.86%	17.24	5.39	22.63	33.04%
UNESCO	43.02	139.49	182.51	62.54%	23.91	121.03	144.94	62.20%
UNFPA	160.95	220.94	381.89	60.02%	148.84	213.52	362.36	60.53%
UNHCR	244.43	178.38	422.81	69.32%	264.71	270.40	535.10	59.95%
UNICEF	1,823.74		1,823.74	40.89%	2,153.57	0.00	2,153.57	38.96%
UNIDO	30.47	41.49	71.96	48.27%	47.77	38.24	86.01	44.18%
UN/PD	977.40	2,167.12	3,144.52	36.14%	1,073.85	2,099.90	3,173.75	54.01%

<sup>2</sup> A total of 30 United Nations organizations reported, as compared with 33 the previous year, a portion of the decrease in the total United Nations 2011 procurement volume may be attributed to the three agencies that did not report data in 2011.

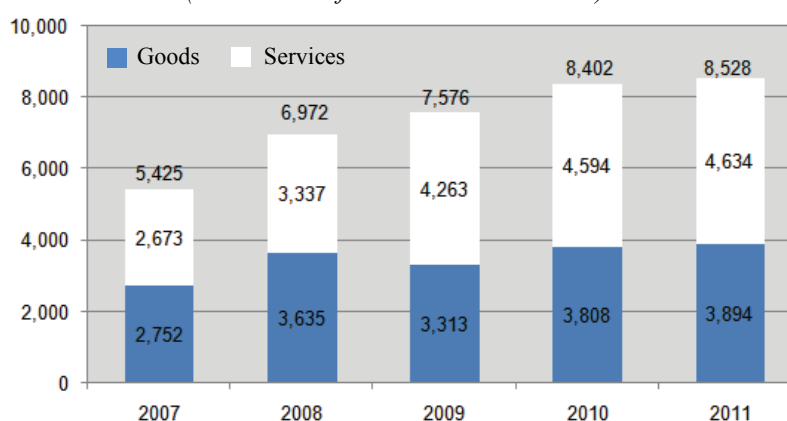
<sup>3</sup> Indicates the percentage share of procurement from developing countries and economies in transition.

UNOG	14.24	73.96	88.20	1.04%	24.01	86.21	110.22	0.88%
UNON	9.54	25.38	34.92	53.89%	24.33	82.76	107.08	52.73%
UNOPS	496.23	519.29	1,015.52	79.62%	318.29	459.96	778.25	73.00%
UNOV	4.23	7.08	11.30	10.26%	5.15	9.61	14.76	23.32%
UNRWA	144.42	76.48	220.90	87.67%	141.19	140.79	281.97	86.51%
UNU	0.02	1.11	1.13	13.18%	0.02	1.10	1.13	24.29%
UNV	0.53	14.89	15.42	0.97%	0.90	15.10	16.00	1.71%
UPU	0.83		0.83	74.57%	0.94	0.00	0.94	74.90%
WFP	1,451.75	1,265.28	2,717.03	75.80%	1,395.08	1,137.26	2,532.34	76.69%
WHO	110.91		110.91	42.78%	No data received			
WIPO		133.19	133.19	2.05%		146.12	146.12	2.53%
WMO	5.70	5.15	10.84	3.60%	5.01	10.71	15.72	6.08%
WTO	0.03	3.29	3.32	11.74%	0.43	3.53	3.96	24.15%
<b>TOTAL</b>	<b>7,075.49</b>	<b>7,468.70</b>	<b>14,544.20</b>	<b>57.77%</b>	<b>7,065.56</b>	<b>7,210.48</b>	<b>14,276.04</b>	<b>59.74%</b>

## V. Procurement from developing countries and countries with economies in transition

16. General Assembly resolution 57/279 (2005) on procurement reform (specifically paragraph 6) encourages United Nations organizations to increase sourcing opportunities for suppliers from developing countries and countries with economies in transition. General Assembly resolution 61/246 (2007) (specifically paragraph 24) reiterates the request. In response, United Nations organizations have placed more orders with suppliers from these countries. The growth of such orders has steadily increased over the 2007 to 2011 period (as shown in figure 4), representing a cumulative increase of 57.2 per cent for this period.

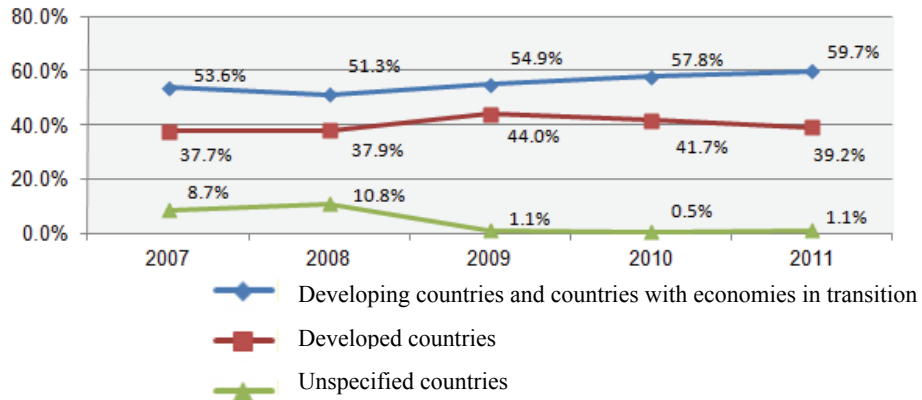
**Figure 4. United Nations procurement from developing countries and countries with economies in transition, 2007-2011**  
(in millions of United States dollars)



17. In 2011, procurement from developing countries and countries with economies in transition increased by \$126 million over 2010, further building on the \$826 million increase from 2009 to 2010; the \$600 million increase from 2008 to 2009; and the \$1.5 billion increase from 2007 to 2008. This is reflected by an increase in the percentage share from 57.7 per cent in 2010 to 59.7 per cent of total United Nations procurement volume in 2011, while procurement from developed countries decreased from 41.7 per cent in 2010 to 39.2 per cent in 2011. Procurement from unspecified countries was

\$159 million in 2011. Countries are unspecified when organizations cannot attribute the origin of the supplier in their management information systems.

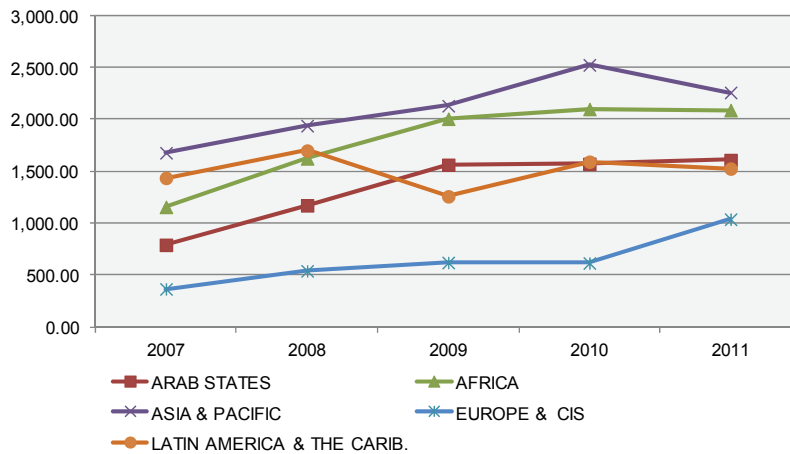
**Figure 5. United Nations procurement from developing countries and countries with economies in transition, 2007-2011**  
(as a percentage of total United Nations procurement)



## VI. Procurement from developing countries and countries with economies in transition, by region

18. United Nations procurement from Africa, Latin American and the Caribbean and the Arab States remained stable from 2010 to 2011, despite the reduction in the overall United Nations procurement volume. The Asia Pacific region experienced a reduction of \$266 million in their share of procurement from United Nations organizations in 2011. Notably, Europe and the Commonwealth of Independent States (CIS) experienced an increase of \$422 million in United Nations procurement across the region between 2010 and 2011

**Figure 6. United Nations procurement from developing countries and countries with economies in transition by region, 2007-2011**  
(in millions of United States dollars)

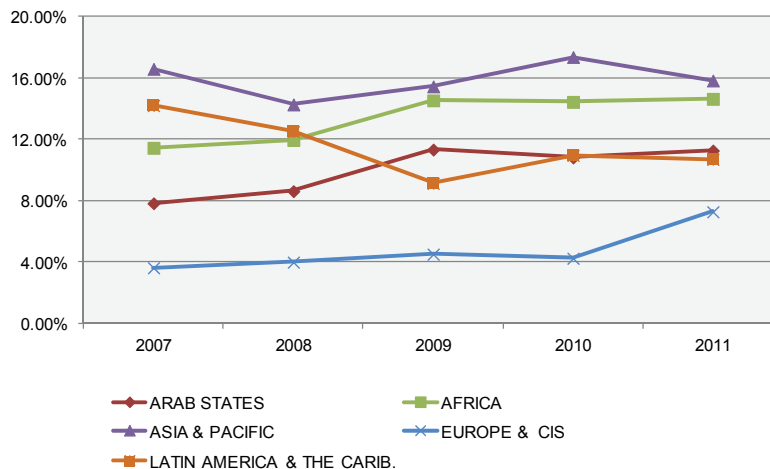


19. Regional data from developing countries and countries with economies in transition show that all regions, except the Asia and Pacific region and the Europe and CIS region, have seen a stable trend in procurement business. United Nations procurement from the Asia Pacific region decreased 1.5 per cent from 2010 to 2011,



while United Nations procurement from the Europe and CIS region increased by 3 per cent.

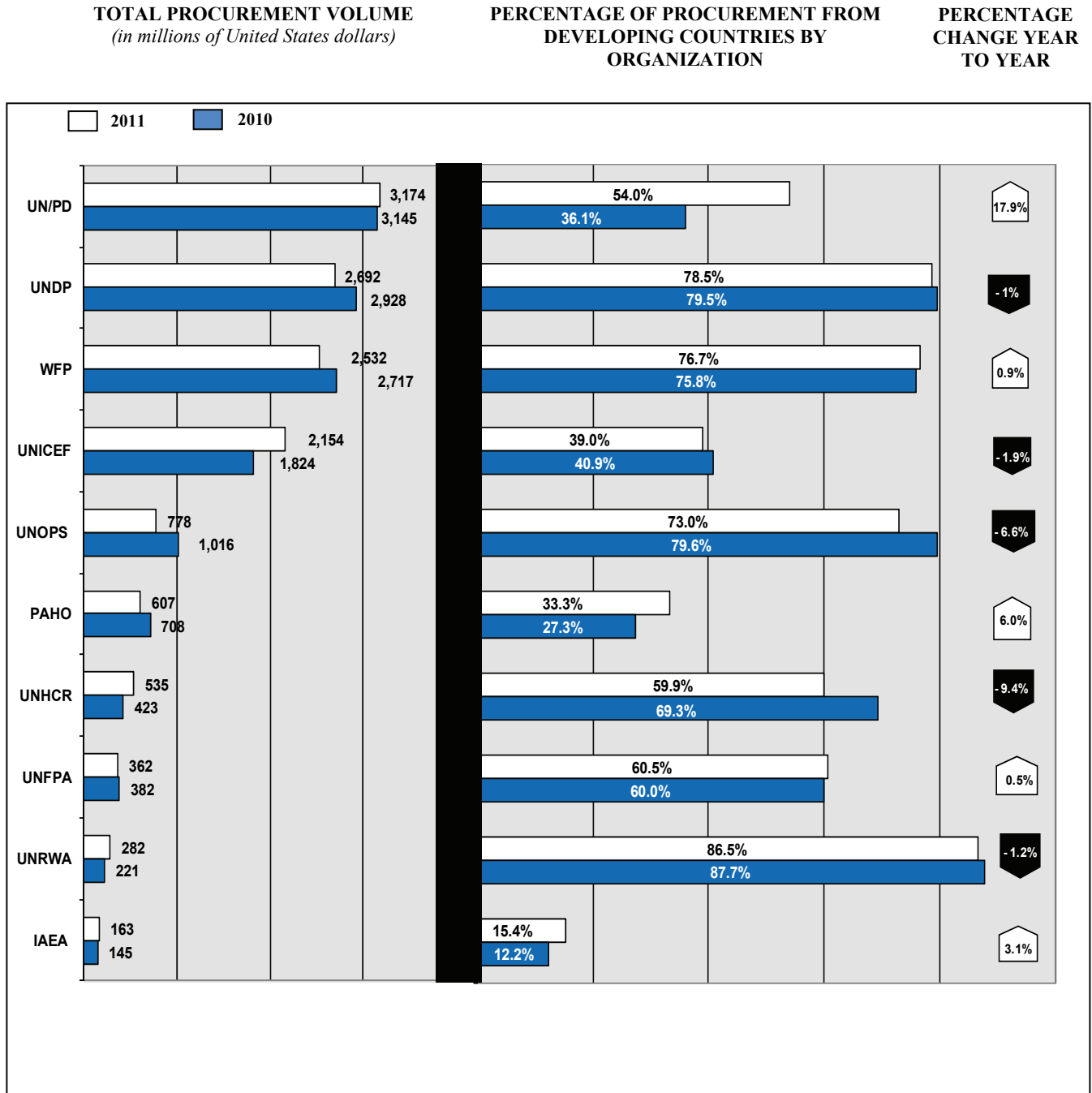
**Figure 7. United Nations procurement from developing countries and countries with economies in transition by region, 2006-2010**  
(percentage of total United Nations procurement)



## VII. Procurement from developing countries and countries with economies in transition, by top 10 United Nations organizations

20. Figure 8 represents the percentage of procurement volume by the 10 largest United Nations organizations (which account for 93 per cent of total procurement), from developing countries and countries with economies in transition in 2011, as well as the percentage change compared with 2010. Organizations are listed in descending order by total volume, detailed in the left hand column.

**Figure 8. Top 10 United Nations organizations percentage of procurement from developing countries and countries with economies in transition, 2010-2011**



## VIII. Top 20 developing countries and countries with economies in transition supplying United Nations operations in 2011

21. In total, procurement of goods and services from the top 20 developing countries and countries with economies in transition represents 38.5 per cent of overall United Nations procurement volume, an increase of 1.7 percentage points over 2010. For a detailed overview of procurement volume trends, categories of goods and services procured, as well United Nations organizations' shares for each of the countries listed in table 3, please refer to the procurement profiles of these countries beginning on page 41 of the 2011 annual statistical report available in the [Annual Statistical Report on United Nations Procurement](#) and in the [Annual Statistical Report on United Nations Sustainable-Procurement](#).

**Table 3. Top 20 developing countries and countries with economies in transition supplying United Nations operations in 2011**  
(in millions of United States dollars)

Countries	Goods	Services	Total	Percentage of total
India	658.0	66.6	724.6	5.1%
Russian Federation	143.6	453.6	597.2	4.2%
Afghanistan	66.8	470.5	537.3	3.8%
Sudan <sup>4</sup>	170.8	234.0	404.8	2.8%
Kenya	115.0	283.9	398.8	2.8%
Argentina	206.1	159.7	365.8	2.6%
United Arab Emirates	249.9	56.7	306.6	2.1%
Pakistan	162.4	105.2	267.7	1.9%
Panama	113.8	82.4	196.2	1.4%
Brazil	109.8	79.1	188.9	1.3%
South Africa	114.9	73.3	188.2	1.3%
Indonesia	144.2	34.4	178.6	1.3%
Ethiopia	79.8	94.0	173.8	1.2%
Congo, Democratic Republic of the	56.3	96.6	152.9	1.1%
Peru	67.2	82.0	149.3	1.0%
Ukraine	14.8	134.3	149.1	1.0%
Jordan	19.4	129.5	148.9	1.0%
Haiti	41.6	88.0	129.6	0.9%
China	86.9	40.6	127.5	0.9%
Turkey	84.7	27.3	111.9	0.8%
<b>Top-twenty</b>	<b>2,706.0</b>	<b>2,791.7</b>	<b>5,4097.7</b>	<b>38.5%</b>
<b>Total United Nations procurement</b>	<b>7,065.6</b>	<b>7,210.5</b>	<b>14,276.0</b>	<b>100.0%</b>

<sup>4</sup> Owing to limitations in management information systems of the reporting organizations, some goods and services attributed to Sudan may in fact have originated in South Sudan following the country's independence on 9 July 2011.