

Responsive, Resilient, Ready



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Foreword

At UNFPA, we see supply chains as lifelines. Every life-saving medicine that reaches a mother, every contraceptive supporting an informed choice and every menstrual care kit delivered in a crisis passes through a supply chain. Managing this journey well, from production to use, upholds human dignity and improves possibilities for better lives.

I am proud to introduce the UNFPA Supply Chain Management Unit Strategy for 2024–2029: **Responsive, Resilient, Ready**. It guides the work of the Supply Chain Management Unit (SCMU), established in 2022 to respond to growing challenges in a complex world. Mixed progress on development goals, financial constraints and escalating humanitarian crises increasingly complicate the delivery of supplies. This leaves many people behind, deprived of health and rights. It weakens sexual and reproductive healthcare, which in turn undermines broader peace and prosperity.

No one should lack the protections and care of quality services, or the freedom to plan and make decisions about their body. To help close gaps that will otherwise continue to constrain progress on health and rights, the SCMU is overseeing a significant evolution at UNFPA. Building on a long history of primarily procuring essential sexual and reproductive health

commodities, we are moving towards the management of entire supply chains. Our overarching vision is a world where everyone, everywhere has the right supplies for sexual and reproductive health and rights.

The strategy positions the SCMU to act, innovate and collaborate in managing supply chains so they consistently and equitably put supplies in the hands of people who need them. We will build capacity and agility, within our own house and with partners, and leverage the power of digital and data. We will help prepare supply chains to adapt and sustain delivery even when risks rise and conditions change, especially in crises and other difficult circumstances.

The strategy, the first for the SCMU, lights our way forward. It is also an invitation to our partners to join us on this journey. Together, our commitment and collective expertise will build supply chains that are responsive, resilient and ready, and help realize the transformative promise of thriving populations and sexual and reproductive health and rights for all.

Karen Hong

Chief, UNFPA Supply Chain Management Unit

Executive Summary

UNFPA's Supply Chain Management Unit Strategy 2024–2029: Responsive, Resilient, Ready is a plan to optimize supply chains as integral to realizing transformative results in sexual and reproductive health. The strategy takes a comprehensive approach based on three core principles: responding to diverse partner needs, building operations resilient to disruption, and remaining ready at all times to innovate and improve.

Four key objectives are:

- 1 Empowering people, collaboratively: Fostering a high-performing, collaborative SCMU team through targeted development and an inclusive work environment.
- Running effective, efficient supply chains: Enhancing operational excellence through data-driven decision-making, digital tools, and a focus on partner satisfaction and continuous improvement.
- Pursuing innovations and shaping healthy markets: Driving innovation in product availability and affordability, diversifying the supplier base (including local sourcing), and promoting sustainable practices.
- Driving growth and impact, sustainably: Expanding reach through strategic partnerships and efficient resource management across the development-humanitarian-peace nexus.

The strategy emphasizes tailored approaches to different partner segments as well as strong internal collaboration to drive responsiveness and agility.

The SCMU aims to build stronger, more adaptable supply chains so that essential sexual and reproductive health supplies reach everyone, and census and population data systems have the means to support critical policy decisions. This will make an indispensable contribution to UNFPA's mission of achieving sexual and reproductive health, rights and choices for all.



Towards *Transformation:*A New Era of Supply Chain Management

UNFPA's commitment to universal sexual and reproductive health for women and girls is embodied in three transformative results: zero preventable maternal deaths, zero unmet need for family planning and zero gender-based violence. All three goals depend on successful supply chains that deliver supplies and services to the right places, on time and aligned with local needs¹

UNFPA has an influential role in sexual and reproductive health supplies. It leads the United Nations in securing these commodities and is the largest global public sector procurer of contraceptives.

Supplies procured by UNFPA only have an impact, however, when they travel the full length of supply chains, from production to use. This journey is increasingly critical given the mounting urgency for meaningful sexual and reproductive health advances. Progress is mixed on both the global Sustainable Development Goals and the landmark 1994 Programme of Action of the International Conference on Population and Development. Fiscal pressures in countries around the world make supply chain efficiency

and effectiveness even more imperative. Crises both delay progress and create additional needs, and the future may present escalating risks, including from climate change.

These concerns led UNFPA to embark on a new era for supply chain management, beginning with the creation of the SCMU in 2022. Since then, we have taken up the charge of supporting supply chains that run smoothly and reliably at every stage, from manufacturing, to transport on ships and planes, to storage in warehouses and into the hands of users, including those who are most difficult to reach. In today's world, reliability also implies preparedness and adaptability to often rapidly changing conditions.

The SCMU now has an ambitious strategy to guide our work, summarized on the following pages. Covering 2024–2029, the strategy aims to make supply chain management responsive, resilient and ready to ramp up progress on sexual and reproductive health. It builds on UNFPA's long-standing role in shaping markets and capacity

to tap the power of the broader United Nations.

The strategy backs continuous improvement, innovation and partnership to keep abreast of a world in flux. It strengthens SCMU preparedness to act on urgent needs imposed by crises and to meet growing demands among countries for assistance in strengthening national supply chains and increasing local procurement. Tailored responses to three distinct partner segments development, humanitarian and third-party - reflect diverse priorities.

Any break in supply chain links integral to sexual and reproductive health may result in losses in human rights and choices, and from there, the slowing of hopes for progress in our world. The SCMU occupies a unique position in its readiness and capacity to close the gaps, forge stronger supply chains and help produce transformative results that make a lasting difference in human lives.

1. The seven rights of logistics are to: deliver the right product to the right client, in the right quantity, in the right condition or quality, at the right place, at the right time and at the right cost.



Where We Come From

The SCMU represents an evolution from UNFPA's previous Procurement Services Branch. It broadens the focus from procuring supplies to managing supply chains. In line with a decision by the UNFPA Executive Board, the unit is funded primarily through fees for procurement, generating revenue to support costs. This step reinforces an entrepreneurial, performance-rooted culture, and opens opportunities for scaled-up investment in supply chain management.

Creating a strategy to guide the work of the SCMU started with assessments of strengths, weaknesses and emerging opportunities.

Consultations with all partners and stakeholders, including UNFPA staff, donors and suppliers, confirmed that the SCMU can offer:

The unit is in a strong position to deliver supplies to people who need them most.

- A broad portfolio of essential supplies at best value for money
- Extensive experience in delivering high-quality supplies
- Robust relationships across UNFPA and the broader SRH community

The assessments found that the unit, as a global player, is well positioned to bring together partners to influence markets and amplify impact. Even greater results could stem from further defining roles and responsibilities to guide partners in working together.

Customized approaches to different situations are also important, namely, development contexts, humanitarian aid and third-party procurement. Amid growing demand for humanitarian support, the unit is in a strong position to deliver supplies to people who need them most. Third-party partnership is also increasing, and UNFPA's global network of country offices gives it ready access to the rising number of governments buying supplies for sexual and reproductive healthcare and population data systems with their own resources.

While the traditional SCMU procurement process is strong, led by an experienced team and appreciated by partners, efficiency could further improve, including to reduce supply delivery times. In managing inventory, assessments recommended measures to better define the right stock levels and improve the design of distribution networks. Country-tailored procedures would make it easier for countries to receive goods.

The unit began in a tough funding environment, requiring a balance in expanding activities and meeting goals while quickly growing revenues. We are fully committed to taking up the challenges ahead, while remaining responsive to our partners, small and large, and keeping focused on our priorities.

Where We're Going:



Responsive

Resilient



The SCMU has a vision of a world where everyone can obtain affordable, high-quality sexual and reproductive health products and services. We must be responsive, resilient and ready to strengthen supply chains, across development and humanitarian settings.

Our strategy covers 2024–2029, bridging two UNFPA corporate strategic plans. It provides a clear and ambitious direction to strengthen supply chains as integral to accelerated progress on UNFPA's three transformative results.

The strategy has four objectives:

- Empower people to realize the SCMU mandate, collaboratively
- Run effective, efficient supply chains, centred on partners and continuous improvement
- Pursue innovations and shape markets for sexual and reproductive health supplies
- Drive growth and impact while keeping financial sustainability on track

The four objectives



—Empower people to realize SCMU's mandate, collaboratively



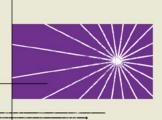


—Run effective, efficient supply chains, centred on partners and continuous improvement





—Pursue innovations and shape markets for sexual and reproductive health commodities



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—Drive growth and impact, while keeping financial sustainability on track





Empower people to realize *SCMU's mandate*, collaboratively

Teamwork makes the dream work. Empowering staff to collaborate to strengthen supply chains leads to meaningful impacts on global health and development, translating into possibilities for better lives around the world.

A high-performing workforce requires streamlining recruitment and equipping staff for impact from day one. We are embracing a highly positive workplace culture that values employees at all levels. It nurtures the powerful sense of purpose that comes from helping to realize the rights and choices of women and girls.

Staff development is critical in cultivating a highly motivated, committed workforce with a keen desire for innovation. Continuous skills enhancement to deliver the most impactful results includes mentoring, coaching and on-the-job training.

Collaboration is becoming the new norm through a shift to supply chain integration and collaboration across functions. Greater communication is increasing efficiency, driving innovation and improving decision-making based on the latest evidence.

A diverse, equal and inclusive culture grounded in core UNFPA principles supports a resilient, creative workforce, one willing to stay the course over the longer term.

Empowering staff to collaborate to strengthen supply chains leads to meaningful impacts on global health and development.



Objective 2 °•°°

Run effective, efficient supply chains, centred on partners and continuous *improvement*

Our goal is to

deliver the best

possible results.

every time.

The SCMU supports supply chains that are effective, efficient and fully aligned with the needs of our partners. Our goal is to deliver the best possible results, every time.

Impact takes off through continuous improvement. We are streamlining operations and reducing costs, including through collaborative teams to broker smooth handoffs at each stage of supply chains.

digital training.

Putting data to work boosts
efficiency and effectiveness. Beefed-up
data guides steps to automate workflows,
standardize the product catalogue and
continuously monitor results. All staff are in
on the action, taking part in regular data and

Keeping partners at the centre begins with designing solutions that meet their needs.

New digital tools track performance based on partners' priorities and satisfaction, and support flexibility as needs change.

A dedicated platform allows partners to manage orders.

A supply chain "control tower" enhances performance while minimizing risks. It provides up-to-the-minute information across supply chains, from planning to procurement to

delivery, guiding accurate, accountable management. All supply chain activities include risk management and quality assurance. Scenario planning keeps the SCMU prepared for disruptions and sudden changes in demand.

3

Objective 3 0000

Pursue innovations and shape markets for sexual and reproductive health supplies



The SCMU is on a quest to revolutionize the market for supplies for sexual and reproductive healthcare and population data systems. By pushing for innovation and fresh solutions across supply chains, we're making products more accessible, affordable and available to people everywhere. It's a plan for a better future.

New product introductions improve availability and access, including quality-assured, lower-cost generics. Collaboration among partners is both diversifying products and reducing barriers to introducing them. By standardizing supplies in humanitarian crises, we move them more quickly, at scale, to the world's most difficult places.

By expanding the supplier base, we help supply keep up with demand.

Market assessments are identifying new suppliers and enlarging local and regional sourcing. Close collaboration with partners and quality assurance keep products reliable and safe, and fully compliant with international standards.

In working with local suppliers, we deliver an extra dividend: job creation and a boost to local economies. The SCMU advocates for regulations and other measures helping local and regional manufacturers to flourish. We strive to make it easier to register and import products while upholding quality standards that inspire confidence and trust.

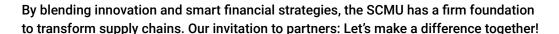
We champion environmental and social sustainability across the supply chain because our world depends on it.

Environmental and social considerations are part of all decisions about sourcing and supplier performance. We expect partners to care for the environment, uphold fair labour practices, and support diversity and inclusion.



Objective 4 000

Drive growth and impact, while keeping *financial* sustainability on track



We are rising to the challenges of multiple crises with differentiated strategies for life-saving humanitarian supplies. Building supply chain resilience in disaster-prone countries keeps us prepared, while global and regional pre-positioning of supplies reduces response times when crises strike. With a goal of always being ready to respond, we routinely conduct risk assessments and contingency planning, and play a central role in closer coordination between humanitarian and supply chain partners.

A forward-looking third-party procurement strategy expands products, services and financing facilities. It puts a premium on innovating and responding to evolving client needs, and banks on the unique value of UNFPA's global network of regional and country offices to define and pursue the most promising new opportunities.

Towards our vision of transforming supply chains, everything we do builds on strategic partnerships and collaboration.

We work with partners to resolve complex challenges and with donors to reach more people. By diversifying revenue streams beyond traditional fees, we are deepening financial sustainability and unlocking new scope for growth.

Financial sustainability is a top priority.

We are both optimizing financial resources right now and aligning them with the goals of long-term viability and impact. Robust financial monitoring and revenue collection systems keep our resources working as hard as possible for our partners and the people we serve.

Building supply chain resilience in disaster-prone countries keeps us prepared.



Building Stronger Partnerships: *Collaboration*



The SCMU collaborates with partners in three segments: development, humanitarian and third-party procurement. We work with them to design solutions tailored to their distinct needs to improve sexual and reproductive healthcare and choices, leaving no one behind. At the same time, our teams collaborate across these categories, keeping us prepared to adapt quickly, particularly in crises.

Development: exceptional service and improved efficiency

Our development partners rely on us to procure and distribute essential sexual and reproductive health supplies so that these are readily available in healthcare systems for anyone who seeks them. Similar considerations apply in developing census systems and population data. This segment is the largest of the three and has relatively predictable supply demands. The SCMU's extensive experience in this area backs our consistent delivery of exceptional service. In further refining our approach, we are improving efficiency, enhancing supply chain coordination, deepening performance measurement and addressing any gaps that emerge.

Humanitarian: fast, agile supply chains save lives

Humanitarian partners require fast, agile supply chain support to deliver life-saving products during crises, when women continue to give birth, people still need contraceptives and rates of gender-based violence may increase. Demand is often unpredictable, requiring agility and responsiveness. The SCMU is scaling up to meet growing humanitarian needs by standardizing product offerings and revising our prepositioning strategy. Investment in scenario planning, risk assessments and contingency planning keeps us better prepared.

Third parties: creating supply chain solutions with our partners

By drawing on longstanding experience with our development clients, the SCMU is expanding supply chain support to a variety of partners, including governments, non-governmental organizations and the United Nations system. By tapping into our global reach, purchasing power and supply chain expertise, they strengthen their own access to sexual and reproductive health and population-related supplies. Close coordination with UNFPA regional and country offices steers effective outreach and tailored assistance.

Core Strengths Drive Supply Chain *Excellence*

The SCMU's quest to strengthen supply chains demands constant improvements on the fundamentals: planning, sourcing, procurement, freight management, inventory management, quality control and systems strengthening. We also prioritize functions that keep everything running smoothly, namely, financial management, administration, human resources and communication.



Reinforcing the fundamentals

Planning: Successful supply chain planning factors in careful calculations of both demand and supply. That's why we are developing a sophisticated integrated planning system and cross-functional planning routines. Collaboration with suppliers and robust analysis of current country demand as well as historical data help anticipate and plan responses over multiple years. "What-if" scenarios sharpen humanitarian preparedness.

Sourcing: New management practices guide product selection in line with different partner needs, while regular market scanning captures the latest

product innovations and generics. The SCMU is also defining standard options for selected non-core supplies. An automated tool systematically tracks supplier performance; market assessments and risk-based quality assurance measures expand options for local and regional sourcing. A strategic framework defines the most effective paths to engage with suppliers.

Procurement: The tailoring of procurement processes to partner segments draws on dedicated strategies for third-party procurement and humanitarian supplies. New portals connect essential procurement functions to improve coordination and allow partners to track orders. The SCMU closely monitors procurement lead times and resolves bottlenecks as part of continuous improvement.

Freight management: A recently launched freight management system tracks all freight-related activities. We use our market strength to negotiate fixed rates with freight forwarders, consolidate shipments and achieve cost savings. Eventually, the SCMU plans to monitor associated reductions in carbon emissions.

Inventory management: The SCMU is gaining a better picture of how different partners use prepositioned supplies and adjusting priorities accordingly, including through measures such as prefinancing. We are extending inventory management to include regional and in-country supplies, define optimal levels and steer replenishment mechanisms. Integrating humanitarian emergency procedures into inventory management is ramping up the speed and effectiveness of crisis response.

Quality assurance: Consistent, efficient delivery of high-quality supplies is the mark of a successful supply chain. Committed to that goal, the SCMU is improving quality assurance at every stage. This includes stepping up collaboration with regulatory authorities to conduct continued and rigorous reviews of products and suppliers. We are also simplifying quality assurance for local procurement. Our intention is to support more local sourcing while keeping a concerted emphasis on systematic risk assessments.

Strengthening systems: The SCMU supports stronger health and other systems that intersect with supply chains by working with partners to set priorities, eliminate overlaps, and establish clear roles and responsibilities. New indicators measure the impact of these efforts and guide needed course corrections.

Sustaining smooth operations

Finance and administration: The SCMU's twin objectives of fair pricing and financial sustainability call for activity-based costing, which supports accurate cost accounting and the definition of detailed, dynamic fees. By thoroughly monitoring revenues and costs, we maximize performance and minimize risks.

Human resources: A staff training plan and onboarding strategy help meet current and future staffing needs and empower our people to make the most of their potential.

Communications: The SCMU's growing communications capacity is more equipped than ever to help mobilize potential partners, enhance our reputation, and shape both business development and strategies for market transformation.

Consistent,
efficient delivery
of high-quality
products is
the mark of
a successful
supply chain.



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Catalyzing Bigger,

How can we work even better and faster in a world with urgent needs for sexual and reproductive healthcare and insights on rapidly shifting population trends? The SCMU embraces four proven catalysts to accelerate impactful results: streamlined processes, data-driven insights, advanced technology and constant innovation. Together, these increase our efficiency, improve decision-making and take us to our ambitious goals.









Business needs + technology = reaching business goals

** Innovation for today and tomorrow

Processes that fuel efficiency

Our processes to strengthen supply chains must be efficient and responsive to partners, even as needs evolve. This means defining standard operating procedures, based on sound evidence, to clarify responsibilities and streamline activities. Automation and digitalization help us act quickly and accurately, reduce errors and guarantee faster access to information, all of which improve interactions in-house and with our partners.

To gain a perspective on how it all works together, a central database tracks SCMU functions across the supply chain. Among other pluses, this yields important insights on how our activities lead to the results we want to achieve, and where we might need to further improve.



Leveraging data to shape smart decisions

Strategic decisionmaking and continuous advances in supply chain management draw on high-quality and readily accessible data. The SCMU prioritizes strong data infrastructure, data integration across functions and tools for data analytics. Robust data governance combines centralized control with decentralized execution to offer flexibility and rigour through the consistent application of proven data practices. We also promote collaboration and collective ownership of data as integral to unit-wide digital transformation.

Good data require skilled people. We are equipping all staff with abilities to use data effectively and successfully in their roles, and building a culture of data-driven decision-making from the ground up.

Business needs + technology = reaching business goals

The drive for supply chain excellence calls for making the most of technology. The SCMU is establishing a unified information technology platform that brings different business processes together. The platform works with the existing UNFPA enterprise resource management system and adds tools specific to supply chain management. Eventually, it will connect with the external systems of suppliers and other partners.

Technology must grow with business needs and improve flexibility and resilience, such as by automating manual tasks to free staff for more strategic work. Moving forward, the SCMU will continuously seek gains from artificial intelligence and its tremendous potential to analyse large amounts of data. It can help to generate better predictions, optimize supply chain activities, and detect opportunities to cut costs and improve services.

Innovation for today and tomorrow

Innovation is a gateway to achieving better results and tackling challenges in new and more powerful ways. Across our work, we are encouraging our people to explore and implement new ideas. One cross-functional team regularly scans for and shares the latest innovations. As our chief innovators, the SCMU managers lead by example and champion creative thinking.

By nature, since supply chain management involves multiple functions, innovation at the SCMU is a collaborative effort. It calls for exchanging ideas, co-creating solutions and working together to pilot and scale up what works best.



A Solid *Foundation*: Culture, Policy, Governance

A high-performance culture that pushes boundaries and delivers exceptional results is bringing the SCMU vision to life. With collaboration as a central value, we are breaking silos and freeing the flow of ideas. Dynamic policies and governance keep us agile and responsive, guiding specialized functions and cross-functional teamwork. Together, these elements add up, creating a powerful foundation to achieve our strategic goals.



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A culture of innovation. results and teamwork

Innovation, results and teamwork are the touchstones of our organizational culture. We are improving leadership approaches, human resources management and communications, with new narratives about the vision and mission of the unit to inspire our people and partners. While we aim for transformation, we celebrate successes small and large along the way, keeping the momentum strong.

Policies that evolve as we do

As the SCMU evolves, we are updating and aligning policies related to procurement, vendor reviews and sanctions, fast-track procedures and supply management. Updates capture developments in supply chain planning, humanitarian efforts, quality assurance, green procurement and last-mile delivery.

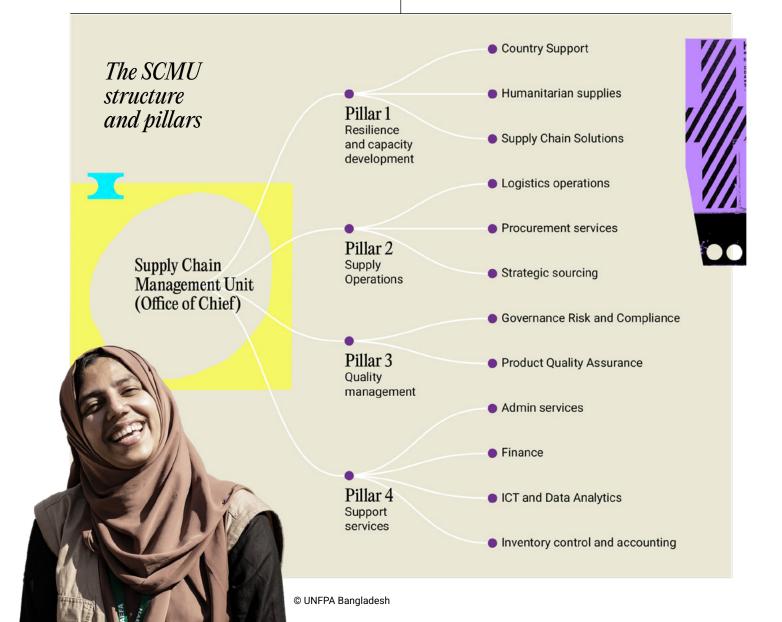
Building supply chain resilience in disaster-prone countries keeps us prepared.

Governance for specialization and integration

To accommodate its expanded responsibilities, the SCMU has a four-pillar structure aligned with the core functions of supply chain management. This allows centralized management of supplies, which is crucial to economies of scale and quality assurance. It also improves links to regional and national UNFPA offices to support tailored responses to countries and partners.

Pillar 1, Resilience and Capacity Development: provides expert technical support on supply chain planning, shaping healthy markets, third-party procurement and last mile assurance

- Pillar 2, Supply Operations: manages sourcing, procurement and logistics, and creates robust logistics and inventory models to reduce delays and minimize waste
- Pillar 3, Supply Chain Quality Management: strengthens accountability and internal controls, including through a governance, risk management and compliance framework
- Pillar 4, Support Services: strengthens business operations and guides efficient use of resources



On the Road to Implementation

A detailed implementation plan translates the four objectives of the SCMU strategy into projects to achieve them. Crossfunctional teams manage projects based on specific timelines, dedicated budgets – and high expectations to deliver.



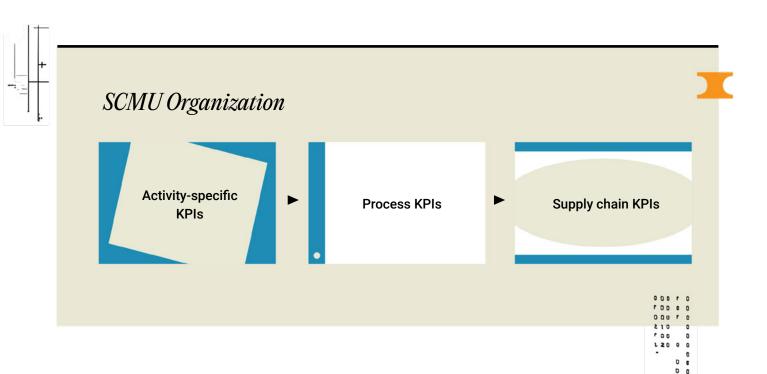


Igniting *Change*, Keeping on Course

The SCMU is committed to quickly and efficiently executing our strategy. We're setting clear, actionable targets for each quarter and year, and regularly track key performance indicators to stay on course.

Quarterly milestone meetings ensure we hit targets and adapt as needed,

while regular staff surveys gather and share new ideas. We share major project milestones and key updates across the unit and with the wider UNFPA community, reinforcing the critical role of supply chain management in triggering faster progress on the three transformative results.



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Ready

Set



The SCMU strategy marks the beginning of an exciting new chapter for UNFPA and the global supply chain community. It shows how we are prepared for and determined to work for a better world by unleashing the vast potential of supply chain management.

We are ready for action and resilient to challenges. Together with our partners, we will take faster strides towards a future where universal access to supplies improves population data and sexual and reproductive health, rights and choices for everyone.