32ND HLCM PROCUREMENT NETWORK SESSION
THE HAGUE (OPCW), 11-13 OCTOBER 2022
SUMMARY OF DECISIONS & OUTCOMES

The 32nd session of the HLCM Procurement Network (HLCM PN) was hosted by OPCW in The Hague on 11-13 October 2022 under the following Management Board[1] and Secretariat:

Vice-Chair Angela Kastner (Director Procurement & Supply Services, WHO)
Advisory Chair (and Chair of this meeting) Katinka Rosenbom (Chief Contracting, UNICEF)
Secretariat Kerry Kassow (UNDP)

The session was attended by 30 in-person participants as well as a number of representatives who presented topics on a remote basis, representing 25 organisations in total.
List of participants

The meeting was structured around a full three-day agenda, which included a networking/team-building activity and a visit to PN member organisation, the International Criminal Court (ICC). The following is a summary of the key outcomes of the plenary sessions.

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[1] PN Chair, Elisabeth Eckerstrom (Director of Procurement, UNDP) and Second Advisory Chair, Roberto Samayoa (Procurement Excellence and Compliance Specialist, PAHO) were unfortunately unable to attend.

All documents related to the meeting are available on the HLCM-PN Workspace on www.ungm.org or by contacting the PN Secretariat on kerry.kassow@undp.org

HLCM/CEB UPDATE – INFORMATION SESSION
MR. REMO LALLI (UNOG), HLCM/CEB SECRETARIAT

The PN was provided with an update on the 44th meeting of the HLCM, which took place on 4-5 October 2022. For the second time since the Covid19 pandemic the HLCM session took place in an in-person format except for remote participation of select speakers on ad hoc agenda items. The HLCM expects to continue with this format moving forward.

The first day of the meeting included thematic sessions on: (i) Operationalising the Mutual Recognition Principle and (ii) Data Management & Analytics. The following from each session was highlighted as most relevant for the PN.

(i) Mutual Recognition Principle
The PN Advisory Chair was present at the HLCM meeting and presented the work that the PN has already been doing to support the principle of Mutual Recognition (MR), much of which, such as the tools for Common Procurement, predates by far the formal introduction of the MR Principle. The HLCM/CEB Secretary informed that mainstreaming the MR Principle is strongly supported by the UN Secretary-General and Executive Heads of the CEB. **The HLCM Secretary therefore encouraged the PN to support this and undertake the following:**

1. Undertake a survey to establish baseline data and status of implementation to enable identification of challenges and bottle necks, as well as monitor and report on implementation progress. This can inform communication efforts or in case position or policy issues are identified they may be discussed at PN level or elevated to HLCM for engagement. (For example, the issue of auditors questioning MR as was mentioned by PN members during the PN session.)

2. Renew communication efforts to promote and inform colleagues across organisations and, particularly in the field, on MR and the procurement tools/resources available for supporting it.

The PN was also encouraged to engage on and promote the adoption of two other promising joint initiatives under the HLCM umbrella, namely the UN Booking Hub, developed and hosted by WFP, and the UN Fleet initiative, which has its roots in the Collaborative Procurement of Vehicles Project led by the PN.

(ii) Data Management & Analysis
A UN Secretary-General bulletin on data protection and privacy is forthcoming. Once it has been promulgated a working group will be convened to mainstream data protection and privacy policies in a consistent and harmonised manner across the UN System. The HLCM/CEB Secretary asked the PN to be aware of this as it will have an impact on procurement.

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Other current priorities of the HLCM that were mentioned were Flexible Working Modalities and the development of a Glossary on Diversity, Equity, and Inclusion. Finally, the HLCM/CEB Secretary congratulated the PN on the adoption of the Policy Framework for Combatting Human Trafficking and Modern Slavery by the HLCM.

THE WORKING GROUPS

1. SUSTAINABLE PROCUREMENT WORKING GROUP (SPWG) – DECISION SESSION
CARSTEN HANSEN (UNDP) & NIELS RAMM (UNOPS) – WG CO-CHAIRS
VANJA OSTOJIC (ILO) & NIAMH MERCER (OSCE) – COMBATTING HUMAN TRAFFICKING AND FORCED LABOUR TASK FORCE CO-CHAIRS
AKHTAR ZAZAI (UN WOMEN) – GENDER RESPONSIVE PROCUREMENT TASK FORCE CHAIR

(i) Update/SPWG scope

The new WG Co-Chair, Carsten Hansen, provided the PN with an update on SPWG activities, which have included identifying the focal points/decision-makers across WG members and having one-to-one engagement calls (which are still ongoing) with PN members to ensure that the WG remains relevant and meets the needs of the agencies. The scope and structure of the WG is also currently being reviewed to ensure agility and responsiveness to increased, and often top-down, requests. The below structure, which is still work-in-progress, was presented for PN consideration. The PN was also asked to put forward or express interest in focus areas for the SPWG moving forward.

SPWG (Member Focal Points, Observers)	Sub-Working Group (potential SWG leads)	Task Force/Task Teams (TF leads, members, technical experts)
OBJECTIVES: ▪ Define **focus** areas as the sustainability agenda evolves. ▪ Establish **agile** structure **responsive** to new demand ▪ Integrate **technical** experts to deliver **credible** expert/science-based recommendations ▪ Establish space for to bring **new energy** and **cross-functional capacities** into play.	▪ **Environmental**	▪ *Scope 3 Emissions in Supply Chains* ▪ *Circular Procurement*
	▪ **Social**	▪ Human Trafficking/Forced Labour ▪ Gender Responsive Procurement
	▪ **Economic**	▪ *SME/Innovation uptake*
	▪ **Monitoring & Reporting**	▪ Monitoring & Reporting (*12.7.1 Integration*)
	▪ **Cross-cutting Projects**	▪ SPPM Expansion & Governance ▪ Category Guidelines Development ▪ SPP Criteria Platform

(ii) Demo of Sustainable Procurement Portfolio Model (SPPM)

The SPPM supports organisations in identifying procurement categories that carry the highest sustainability risk exposure as well as assist in developing more robust SP action plans. WG Co-Chair, Niels Ramm, provided the PN with a demo of the model, which has now been built into the UNGM system. The tool has recently undergone extensive user testing across the agencies and is now being fine-tuned before being made publicly available for all entities to use on the UNGM.

### (iii) Combatting Human Trafficking and Forced Labour (HT&FL) Task Force (TF)

In recognition of the fact that the Policy Framework on Combatting Human Trafficking and Forced Labour has now been agreed upon by all agencies and adopted by the HLCM at its

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session in Paris on 5 October (see timeline below), the update from the TF Co-Chairs included celebratory input. The first being a short video message from Valiant Richey, the OSCE Special Representative & Coordinator for Combatting Trafficking in Human Beings, who was responsible for introducing the topic to the PN at its session in Vienna, March 2019.
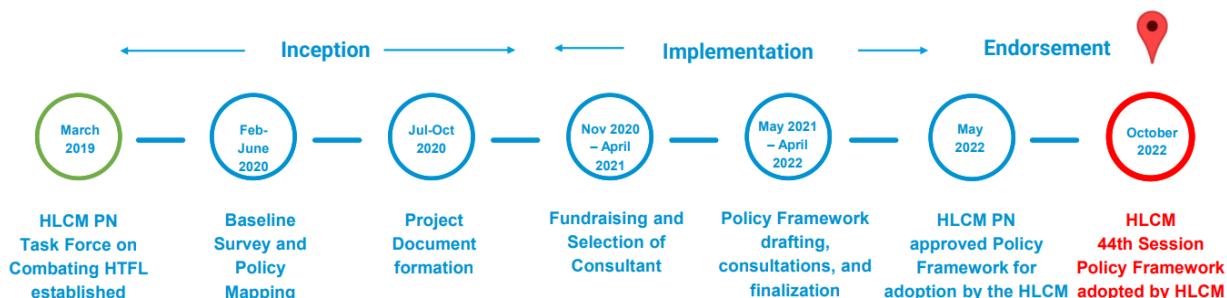
This was followed by a presentation of the proposed design of the policy framework by Shannon Williams, Chief of Graphic & Event Design (WTO) and Manolo Michelucci, Graphic Designer (WTO), which was positively received by the PN.

The presentation by the Co-Chairs provided a reminder of the below Roadmap for the TF which outlines the activities that are to take place.
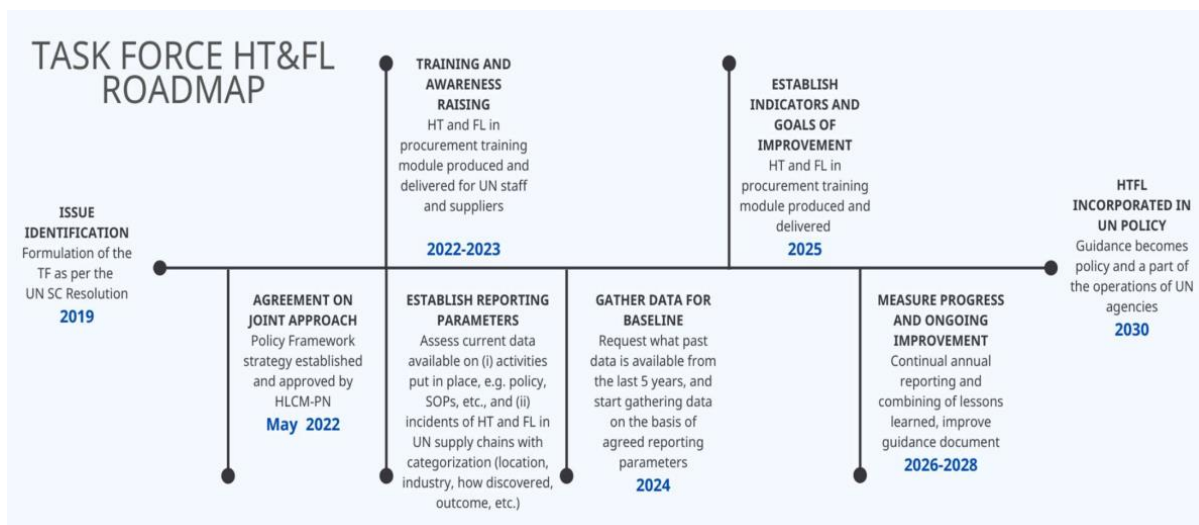
Finally, the Co-Chairs commended TF members, Julia Gin (ILO) and Marcus McKay (UNOPS) for their motivation and dedication to the work undertaken to date.

(iv) Gender-Responsive Procurement (GRP) Task Force (TF)
The PN was provided with a recap of the GRP strategic framework and progress to date, the key takeaways from the bi-lateral interviews which have taken place with the agencies as well as the next steps and updated timeline (see below). Draft UN model policy and implementation guidelines (one for procurement staff, and another for senior management) will be shared with TF members shortly.

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Oct 2022	Nov 2022 –Jan 2023	Feb/Mar 2023	Mar/Apr 2023
• Deadline for the TF to produce zero draft.	• SPWG Input	• Consolidate SPWG input. • Finalize the policy & guidelines	• Presentation of policy & guidelines to PN for decision
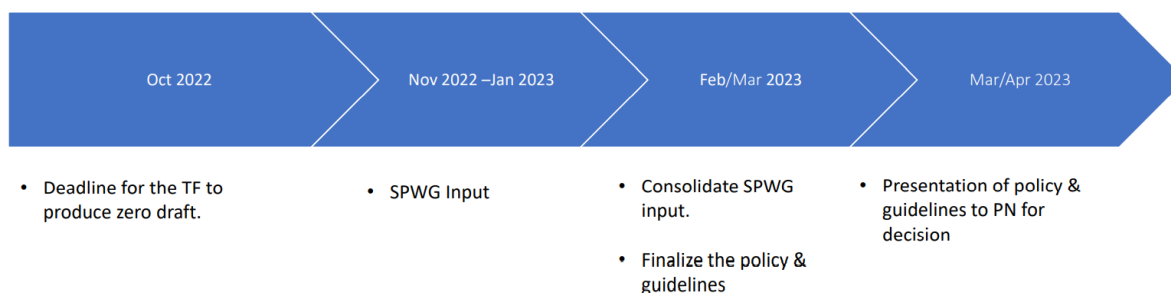
The PN Management Board and PN members were highly supportive of the newly invigorated SPWG. The need for agencies to ensure adequate and energetic staffing of the group was also reiterated. Caution was however urged by some members on the group undertaking too many new projects, which carries the risk of spreading resources too thinly.

The Co-Chairs recognise that there is a need for a roadmap on the inputs needed, and how the various tools can be used, for a successful SP implementation journey. It was highlighted that the SPPM is very tangible product, which is already recognised as a best practice. So far 100+ categories have been added to the tool. PN members were encouraged to request the addition of further relevant categories. PN members interested in working on the development of category guidelines were also encouraged to contact the WG Co-Chairs.

The PN Advisory Chair congratulated the Human Trafficking and Forced Labour Task Force and Co-Chairs on reaching the important milestone of policy endorsement and for the excellent presentation of the topic at the recent HLCM meeting.

The importance of the GRP TF ensuring that the agencies have sufficient time to consult internally and provide feedback on the draft GRP model policy and guidelines was emphasised.

For more information on the above see the following:
Summary Sheet - Sustainable Procurement Working Group
Presentation Sustainable Procurement Working Group
Presentation Human Trafficking & Forced Labour Task Force

2. STRATEGIC VENDOR MANAGEMENT WORKING GROUP – DECISION SESSION
WALTER GRANDPRÉ (ILO), WG CHAIR & MPF REVISION TASK FORCE VICE CHAIR
FRANCIS BURGA (ILO), MPF REVISION TASK FORCE CHAIR
LASZLO GOBOLYOS (UNOPS), SPE SUBGROUP CHAIR
KERRY KASSOW (UNDP), IPS SUBGROUP CHAIR
NATALIA NEDEL (UN SECRETARIAT), VENDOR RISK MGT & DUE DILIGENCE SUBGROUP CHAIR

The PN was provided with an update on the work being undertaken by the following subgroups:

(i) Supplier Performance Evaluation (SPE)
This subgroup was created to share knowledge, assess the possibility of harmonising approaches on supplier performance rating and related actions and to discuss the potential further use of the UNGM functionality for supplier performance flagging and rating

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functionality. The PN was provided with a presentation of the journey and deliverables of the group since its inception in 2020.

1. Guidelines for the use of the UNGM supplier performance ("purple") flag

At the PN meeting in May 2022 the SPE subgroup was encouraged to finalise the Guidelines for the use of the UNGM supplier performance flag. This has now taken place following user testing and minor alignments of the functionality in the UNGM. The following points were highlighted for the PN before being asked to endorse the Guidelines:

- This is not a new functionality on UNGM, only minor alignments have been implemented to ensure consistency and avoid confusion with the vendor sanctions under the MPF.
- The flag should serve as a UN System-wide alert, highlighting performance issues of the concerned suppliers, to enable UN procurement practitioners to make informed decisions during their ongoing/future tender processes.
- There is no MPF for supplier performance, therefore there is no reciprocity.
- No commitment is required from UN agencies to use the tool (although it is in common interest to do so).
- Currently active purple flags will not be automatically migrated to the aligned functionality.
- Anyone with an Ineligibility Admin (ILA) profile on the UNGM can use the performance flag – all agencies can reach out the flagging agency for more information on the flagging of a vendor.
- It will be up to each agency to determine how long a flag is valid for, but it is recommended to have an end date.
- It was advised that the group look at how to monitor the consistency in application and validity and review the need for guidance on these aspects.

The PN endorsed the Guidelines for the use of the UNGM supplier performance flag. Once the final formal touches have been made to the finalised Guidelines, they will be circulated to the PN long with invitations to introductory webinars.

2. Guidelines and system enhancement of the UNGM Performance Evaluation Tool

At the last PN meeting the SPE subgroup was also encouraged to finalise of the Guidelines for the use of the UNGM Vendor Evaluation Tool. While the funds are available within the UNGM to make the necessary system enhancements, UNGM members requested the provision of a business case. It was agreed that the subgroup would reach out to the wider PN (i.e., organisations outside of the subgroup) with a view to obtaining further commitment to the tool. Subsequent consultations with PN members have resulted in 10 organisations now having committed to using the rating tool while 4 are not ready to commit at this point for various reasons.

While this was not a decision item on the PN agenda, as this relates to use of UNGM funds, there was widespread support from the PN in moving ahead with upgrading the UNGM Performance Evaluation Tool. The general consensus was that, should the UNGM Steering Committee be willing to commit the funds ($60K) to the project based on the interest of 10 organisations, those committed should have the opportunity to use the functionality. It is expected, as was the case with the implementation of the MFP, that other organisations

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would join incrementally at their own pace. An important element is the integration of ERP systems with the UNGM. UNOPS indicated that it would continue to provide support with this. The next steps will be for the SPE subgroup to finalise and submit the business case to the UNGM Steering Committee with a view to obtaining the endorsement from UNGM members to undertake the required system enhancements under the UNGM regular budget.

(ii) Revision of the Model Policy Framework (MPF) for Vendor Sanctions

A Task Force (TF) was created by the MPF Governance Group to review, modernise and amend the MPF, which was originally developed in 2010. The preliminary review of the General Aspects, Part one (Guiding principles), Part Two (Suggested Procedures) and Part Three (Additional important matters to be addressed by each agency) has been completed. Based on the endorsement of the Policy Framework for Combatting Human Trafficking and Forced Labour, the MPF TF has submitted to OLA for review a proposal to include Human Trafficking and Forced Labour in the list of proscribed practices, as well as a revision of the scope of unethical practices.

The next steps are otherwise as follows:

- Submission of final draft for endorsement by TF members.
- Submission of revised MPF to Legal and Procurement Networks for review and approval.
- Submission of revised MPF to HLCM for adoption.

PN members were encouraged to already familiarise themselves with the revised MPF (see link at the end of this section).

(iii) International Procurement Seminars (IPS)

The IPS model was developed particularly to meet the repeat demand from Industrialised Countries to host UN multi-agency business seminars, and do so in a more efficient, cost-effective, and sustainable manner. IPS events take place in accordance with a calendar published on the UNGM and are subject to a submission/evaluation process of proposals from Member States interested in hosting such an event.

The IPS subgroup is continuing to pilot the hybrid IPS model that has emerged following the Covid19 pandemic. The first hybrid event has successfully taken place in April, and another will follow shortly in November. Lessons learned and survey feedback from the events are being channelled into improving future IPS.

The IPS subgroup Chair raised the following issue: Despite the introduction of the IPS model, some Member States continue to invite the UN Agencies to attend ad-hoc, single-country business seminars. There can be certain pressures to accept these invitations. However, in doing so it can be seen as unfair to those countries who comply with the IPS model.

It was agreed that PN members should continue to raise awareness of the IPS model among Member States. The IPS subgroup will develop template explanatory text which the PN can use in response to ad hoc requests for single-country business seminars.

(v) Vendor Risk Management & Due Diligence

The objectives of this subgroup are to:

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- o Establish a standardised process for Vendor Risk Management and Due Diligence.
- o Define a strong/comprehensive monitoring program to perform due diligence to research potential and current vendors by integrating into UNGM the data on vendors from multiple sources.
- o Monitor and ensure implementation of the UN Secretariat's tender for Business Information Services for the Agencies affiliated to UNGM.
- o Pilot a common vendor evaluation criteria and process for one commodity/service.

The Terms of Reference for the group was finalised and shared at the last PN meeting. Since then, the subgroup has met to discuss the next steps. It was decided that the starting point should be for each member to present its vendor risk management and due diligence process, and this will be kicked off by the UN Secretariat shortly.

The Sustainable Procurement Working Group Co-Chair flagged that there might be some synergies and possibilities for collaboration between the two groups on development of certain automated tools.

For more information on all of the above see the following:
Presentation Strategic Vendor Management Working Group
Summary Sheet - SPE, Supplier Performance Flag
SPE - Guidelines for UNGM Supplier Performance Flag
Summary Sheet - Strategic Vendor Management Subgroups
SPE - System requirements for UNGM
SPE - Guidelines for the UNGM vendor rating functionality
Revised MPF - Clean version
Revised MPF - Marked up version
MPF - Comparison table of changes

3. HARMONISATION WORKING GROUP (HWG) – DECISION SESSION
KATINKA ROSENBOM (UNICEF), WG CHAIR & STRATEGIC CATEGORY MANAGEMENT TASK FORCE CO-CHAIR
NERIS BÁEZ GARCÍA DE MAZZORA (UN SECRETARIAT), STRATEGIC CATEGORY MANAGEMENT TASK FORCE CO-CHAIR

(i) Revision of the UN Supplier Code of Conduct (SCOC)
The WG Chair provided the PN with a brief update on the SCOC which is undergoing amendment in conjunction with the work of the Task Force (TF) on Combatting Human Trafficking & Modern Slavery. The amendments proposed by the TF are currently being reviewed and commented on by HWG members, but all PN members are welcome to provide feedback (see here). The intention is to allow members sufficient time for internal legal consultations and clearance. The revised SCOC will then be submitted to the PN for endorsement as soon as possible thereafter. It was also flagged that to limit frequency of revisions, it important that any other key issues are considered at this time.

(ii) Strategic Category Management
Further to the *Call to Action* on Category Management by the UN Secretariat and UNICEF at the PN session held in spring 2021, the Harmonisation Working Group was tasked with taking the work forward by creating a roadmap for implementation, identify suitable categories, and decide which organisation should be the lead or co-lead of each. It was agreed that

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there should first be agreement on a compact of principles and parameters. Identifying the categories and developing the roadmap will come after agreement on the principles.

Based on PN feedback from the workshop held during the PN meeting in May 2022, the below Principles and Parameters for Collaboration and Category Management have now been developed by the TF and were presented to the PN for endorsement.

Principles and Parameters

Collaboration

- **Trust.** Share information and knowledge. Put ideas and concerns on the table. Create a safe place to give and receive genuine, constructive feedback. Align on a common goal. Transparent decision-making. Maintain confidentiality of confidential information.
- **Care-taking.** Have other's best interest at heart. Have empathy toward each other. Be curious to understand how others work and what challenges they're dealing with. Bring in key stakeholders.
- **Positivity.** Lean in. Support. Participate. Give constructive criticism. Shake off set-backs.
- **Mutual respect and recognition.** Each agency's mission has equal value and important contributions. Size isn't the determinant of influence or importance. One UN. "Advantageous for all." Avoid competition.

- **Leverage change together.** Identify objectives, priorities and agendas. Set and monitor targets and progress on targets. Ensure clarity on how actions contribute to objective. Map common needs. Design with and work with key stakeholders.
- **Efficiency & impact:** Be organized, right-sized, data-driven, tailored to the category and team. Plan. Use tools to connect. Well-functioning way of working. Informed and coordinated. Be data driven.
- **Continuous learning:** Inform decision-making, improve efficiency and impact. Look back to improve the future. Schedule reflection points to discuss progress and learnings. Apply learnings to improve efficiency and impact.

Category Management

- **Tailored strategies.** The strategy should suit the nature of the product and market/industry as well as the buying agencies. Use tailored approaches, including based on data, to help each other deliver on mandate and impact.
- **Co-leadership of categories.** So that there is an equal focus on expertise and collaboration. One hat ensures technical expertise and the other ensures management expertise. Together, collaborative leadership.
- **Emergency appropriate.** Design-in special requirements for emergency response – speed and allocation of product or services that is temporarily scarce. As relevant for a category.
- **All in.** The default is that orgs join the CM for a category you procure. But recognizing autonomous decision-making, org can opt out. Be open about why not joining, including so the group can help address bottlenecks/barriers.

The Co-Chairs clarified that measurement of impact/benefits, sustainability considerations, risk management, communication with other UN functions/networks, etc. will be encompassed by the roadmap, which is to be developed next.

The PN endorsed the Principles and Parameters for Collaboration and Category Management. PN members were encouraged both to share any lessons learned with category management and to join the Task Force. The Task Force was invited to work closely with the Sustainable Procurement WG as the work progresses.

(iii) Mutual Recognition (MR) Principle Implementation

The WG Chair provided the PN with an update on activities which have included: a survey across PN members to monitor the implementation of template text on UN Cooperation for Chapter 14 in Procurement Manuals and the Common Procurement Templates; submission of a paper on MR implementation to the HLCM; and participation in the HLCM thematic session on operationalising MR across the UN system. The presentation given at the HLCM meeting was shared with the PN as well as the likely decisions[2] from the meeting, many of which were also mentioned by the HLCM/CEB Secretary in his briefing (see page 2). These are as follows:

- Strong continued support to increase MR implementation.
- Support UN Fleet and UN Booking Hub

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[2] The decisions are currently being formalised.

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- Support continued HR application of MR - including in procurement and UNGM use for LTAs
- Expand UNGM for visibility of available awards and contracts
- Sensitization of audit units and support the reliance on other agencies processes
- Develop and share draft model communication for an awareness campaign
- Collaborate with the legal offices in advance of design phases of common services and tools, and identify, analyse and recommend to the HLCM opportunities for increased upstream/early collaboration within the system
- Coordination of different strands to address management policy bottle necks and formulate comprehensive guidance to field

PN members agreed that there is a need to reengage and close the gap between what has been produced by the PN and subsequent different levels of familiarity in the implementation at field level. There was full support for renewing efforts to raise awareness potentially with the support of UNDCO for ensuring implementation. There was also interest expressed in formulating communication for audit units. The PN was reminded of the excellent guidance that already exists on [Common UN Procurement at the Country Level](#), which outlines the many different ways to cooperate and collaborate, and noted that piggybacking is only one form of MR application, but is not always appropriate or possible. The PN should encourage enabling of LTA sharing where possible but recognise that it is complemented by other joint strategic collaborative work, including as pursued in past and current common endeavors, the ongoing strategic category management and sustainable procurement category efforts. It was noted that it would be useful to expand the use of tools such as the UNGM to enable further application of the MR principle, and that others, such as UN Web Buy, could be a possible platform for making some LTAs/contracts available for sharing in an easy and appealing way for users

Based on high interest expressed by PN members, the decisions from the HLCM and the high expectations to support organisations in effectively enhancing the use of the MR Principle, this will be a work stream for the HWG moving forward. All PN members will be invited to engage on it, including design of the survey suggested by the HLCM Secretary and the creation of communication/awareness-raising on collaborative procurement tools/resources.

For more information on the above see the following:
[Presentation Harmonisation Working Group](#)
[Summary Sheet - Principles and Parameters for Category Management](#)
[Principles and Parameters for Category Management](#)
[Brief on Mutual Recognition Principle Implementation](#)

4. PROFESSIONAL DEVELOPMENT WORKING GROUP – INFORMATION SESSION
TORBEN SOLL (UNDP), WG CHAIR

UN Procurement Awards 2022
This initiative was developed to celebrate and recognise excellence in the procurement and supply chain management profession across the UN and related organisations. The project has the following objectives:

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1 — Raise the profile of the UN procurement and supply chain profession

3 — Showcase procurement and supply chain success stories

2 — Enhanced motivation of UN procurement and supply chain personnel

4 — Promote the work of the HLCM Procurement Network

Due to the Covid19 pandemic the launch of the awards was postponed twice but now has finally been able to go ahead. The WG Chair presented the background, the awards project team (represented by ICC, OPCW, UNDP, UNOPS & UN Secretariat), the jury of external individuals, the evaluation process as well as the award categories – there are five categories included in the concept, but it was decided to start with only one, Sustainable Procurement. The WG Chair will consult with the PN Management Board on potential expansion to further categories moving forward. The following five projects were shortlisted for the 2022 award:

PAHO Sustainable Procurement Project for Smart Hospitals in the Caribbean Region
UNICEF Sustainable Re-Open School (ROS) Wash Kits
UNOPS Sustainable Procurement of Medicines and Medical Supplies in Mexico
WBG Supplier Diversity and Inclusion Across the WBG Supply Chain (Facilities Management)
WFP Reducing the Negative Environmental Impact of WFP's Procurement of Palm Oil

More information on each project can be found here.

The winner was announced by OPCW Deputy Director-General & H.E. Ambassador, Odette Melono, as UNOPS for its 'Sustainable Procurement of Medicines and Medical Supplies in Mexico' project. While UNOPS received a "2022 Sustainable Procurement Award" winner's diploma, the other shortlisted teams received a diploma for being shortlisted.

This was followed by a virtual presentation of the winning project by Laura Klarreich, Senior Project Manager (UNOPS) and Marcus McKay, Sustainable Procurement Manager (UNOPS).

Both the awards ceremony and the presentation of the UNOPS project can be viewed here.

Supporting documentation:
Presentation UN Procurement Awards 2022
Presentation UNOPS Procurement of Medicines and Medical Supplies in Mexico
Summary Sheet - Professional Development Working Group

5. COGNITIVE PROCUREMENT WORKING GROUP – INFORMATION SESSION
MIRANDA CARINGTON (WORLD BANK), WG CHAIR

The focus of this session was to provide the PN with an update on the activities of the subgroup on Artificial Intelligence (AI) in Procurement. The purpose of which is to establish AI Sourcing Procurement Guidelines for the PN as well as to learn about procurement solutions for common business problems.

The 2022-23 roadmap for the group was presented and encompasses the following:

- Defining AI and as it relates to procurement
- Establishing AI use cases

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- Developing AI Sourcing Guidelines
- Conducting an AI market analysis
- Hosting an AI Solutions Expo
- Establishing an AI Network

The group plans to showcase its findings at the PN meeting in spring 2023.

Supporting documentation:
Presentation Cognitive Procurement Working Group

OTHER TOPICS

1. ANNUAL STATISTICAL REPORT ON UN PROCUREMENT: COUNTRY CLASSIFICATION – DECISION SESSION
ALEXANDER TOOP (UNOPS), ASR TEAM LEAD

UNOPS prepares the Annual Statistical Report on UN Procurement (ASR) on behalf of the UN system. Major changes to the content or format of the ASR are agreed through the PN membership. Following the discussion on this topic at the last PN meeting in May 2022 further consultation has taken place via a survey of PN members and ASR participating organisations. Based on the survey results, UNOPS asked the PN to endorse a change of approach for ASR reporting against country economic groupings to follow the M49 standard only, and to report procurement from least developed countries (LDCs), land-locked developing countries (LLDCs) and small island developing states (SIDS), from the 2022 ASR reporting cycle onwards.

In addition to the above decision item, the PN was informed of the following:

- Organisations will be invited to a kick-off meeting in late November in preparation for the 2022 reporting cycle.
- As agreed at the last PN meeting, the 2022 ASR will attribute responses to the ASR sustainable procurement questionnaire to specific organisations - further information on this will be communicated within the instructions provided to ASR participants when the data collection cycle has started later this year.
- Further work is required on proposals for non-published data collected in the ASR and potential publication of statistics on sustainable tenders - UNOPS intends to provide an update on these items in the first half of 2023.

The PN endorsed the change of approach for ASR reporting against country economic groupings to follow the M49 standard only, and to report procurement from least developed countries (LDCs), land-locked developing countries (LLDCs) and small island developing states (SIDS), from the 2022 reporting cycle onwards. An explanation of the change will be included in the methodology section of the 2022 report. This change will not have any bearing on how individual organisations choose to classify countries in their own publications and reports.

Supporting documentation:
Presentation ASR Country Classification
Summary Sheet - ASR Country Classification
ASR Paper - Country Classification

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2. THE UN GLOBAL MARKETPLACE (UNGM) STEERING COMMITTEE BRIEFING
– INFORMATION SESSION
KIYOHIRO MITSUI (UN SECRETARIAT), UNGM STEERING COMMITTEE CHAIR AND NIELS RAMM (UNOPS), UNGM TEAM LEAD

The UNGM SC Chair and UNGM Team Lead provided the PN with a briefing on UNGM highlights and activities. This included a demo of the new online format of the UNGM operational report, which is intended to make the report more concise and readable while utilising live data analysis. The briefing included key figures and information on UNGM usage, management and development activities. While the update was generally positive, the following areas of concern were flagged:

- **Contract Awards** – there has been a 39.7% decrease in posting compared to one year ago.
- **LTAs** – there has been a 12.6% decrease in posting compared to one year ago.
- **Tender Alert Service (TAS)** – this is the main income source for the UNGM, but subscriptions/revenue have been lower so far compared to last year. A few initiatives are underway to try and remedy this, e.g., introduction of recurring subscriptions, adjustment of the pricing mechanism, etc.

While there has been a fall in TAS income, it is still seen as the most viable funding mechanism (in addition to the annual membership fee paid by the organisations) at present. The service will continue to be improved and monitored.

It was clarified that an organisation does not need to be a member of the UNGM Steering Committee to propose or engage in UNGM initiatives or projects. All interested members are welcome to do so in alignment with the UNGM Operating Modalities. Likewise, any organisation interested in the addition of new UNSPSC codes can contact the UNGM team.

Agencies were asked to renew their focus on publishing Contract Awards and LTAs on the UNGM and were encouraged to make use of the APIs that exist for automating the processes. These are important activities for supporting the implementation of the Mutual Recognition Principle. However, it was noted that agencies posting their LTAs can experience increased demand on resources to respond to requests for piggybacking, indicating that there is a need for simplifying this process. PN members reminded that there are often better ways to collaborate on procurement than piggybacking.

To remain relevant and continue to respond to agency needs and initiatives such as those being undertaken under the various working groups, it was agreed that the UNGM version 3.0 document and strategy for 2019-2024 should be revisited and a call for expression of interest be launched across PN members to engage on this. In addition, UNGM membership should be re-examined – the platform is available to everyone, therefore perhaps the membership should be expanded to include all PN member organisations.

Supporting documentation:
Presentation UNGM Steering Committee Briefing
Summary Sheet - UNGM Steering Committee Briefing

3. PN STRATEGIC PRIORITIES – INFORMATION SESSION
ANGELA KASTNER (WHO), PN VICE CHAIR

All documents related to the meeting are available on the HLCM-PN Workspace on www.ungm.org or by contacting the PN Secretariat on kerry.kassow@undp.org

A summary of the outcomes from the brainstorming session on PN Strategic Priorities which took place during the PN meeting in May 2022 was presented. Overall, the session confirmed that many of the existing activities, such as Category Management and Mutual Recognition, are high priority areas for PN members. However, a few new ideas were suggested, such as having a Community of Practice for all procurement staff to discuss ideas/best practices and creating Innovation Labs for fostering innovation and sharing new ideas. It remains to be discussed under which groups these ideas should fall and whether indeed the current structure of Working Groups needs to be revisited.

Supporting documentation:
Presentation PN Strategic Priorities
PN Strategic Priorities - Summary of Group Discussions

AOB

(i) Election of new PN Vice Chair & configuration of PN Management Board
Stephen Farrell (UNOG) was elected by the PN as the new Vice Chair for the coming year. Angela Kastner (WHO) will now transition into the Chair role and Elisabeth Eckerstrom (UNDP) will become Advisory Chair. Roberto Samayao (PAHO) will continue as 2nd Advisory Chair, representing the non HLCM member organisations, until the 2024 Management Board election.

Katinka Rosenbom (UNICEF) was thanked for 3+ years of dedication to the PN Management Board, and for both representing the PN at the recent HLCM meeting and for stepping in to Chair this PN meeting at short notice.

(ii) Format and venues and for future meetings
In line with the HLCM's approach, PN meetings will continue in the **in-person format** moving forward. It was noted that meeting agendas should allow sufficient time for discussions. Therefore, **Working Group/Subgroup/Task Force Chairs should request adequate time for their topics when the agenda is being developed and provide as much supporting documentation as possible in advance (to reduce granular detail in presentations). PN members were urged to ensure adequate engagement to the various Working Groups, Subgroups & Task Forces of the network.**

The next session will be hosted by UNDP/UNFPA/UNICEF/UNOPS at UN City in Copenhagen on the **18-20 April 2023**. ICAO will host the following meeting in Montreal on the **10-12 October 2023**.

SHOW AND TELL SESSIONS

The following 'Show and Tell' sessions were also part of the PN meeting agenda:

CPAG 2021 Annual Report – Stephen Farrell (UNOG)
Summary Sheet   Presentation   CPAG Annual Report

Travel Management Services in Europe – Stephen Farrell (UNOG)
Summary Sheet   Presentation

All documents related to the meeting are available on the HLCM-PN Workspace on www.ungm.org or by contacting the PN Secretariat on kerry.kassow@undp.org

Global Estimates of Modern Slavery: Forced Labour & Forced Marriage – Scott Lyon (ILO)
Summary Sheet Presentation Global Estimates of Modern Slavery Report

Joint Freight Forwarding Strategy – Jean-Cedric Meeus (UNICEF)
Summary Sheet Presentation

Our Digital Journey – Bérénice Bessière (WIPO)
Summary Sheet Presentation

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