

Supply update.

UNICEF Supply Division

WIN-4 Meeting, Berna

25 October 2007

**For every child
Health, Education, Equality, Protection
ADVANCE HUMANITY**



Procurement of bednets by UNICEF

Distribution and promotion of use of insecticide treated nets (ITNs) is a key intervention in Accelerated Child Survival and Developments strategies.

UNICEF is a major buyer of Long Lasting Insecticide Treated Nets (LLINs) and works closely with partners to facilitate the availability for programs.

Work with countries receiving funding from WB, GF, USAID, and other partners as well as supporting UNICEF funded programmes.

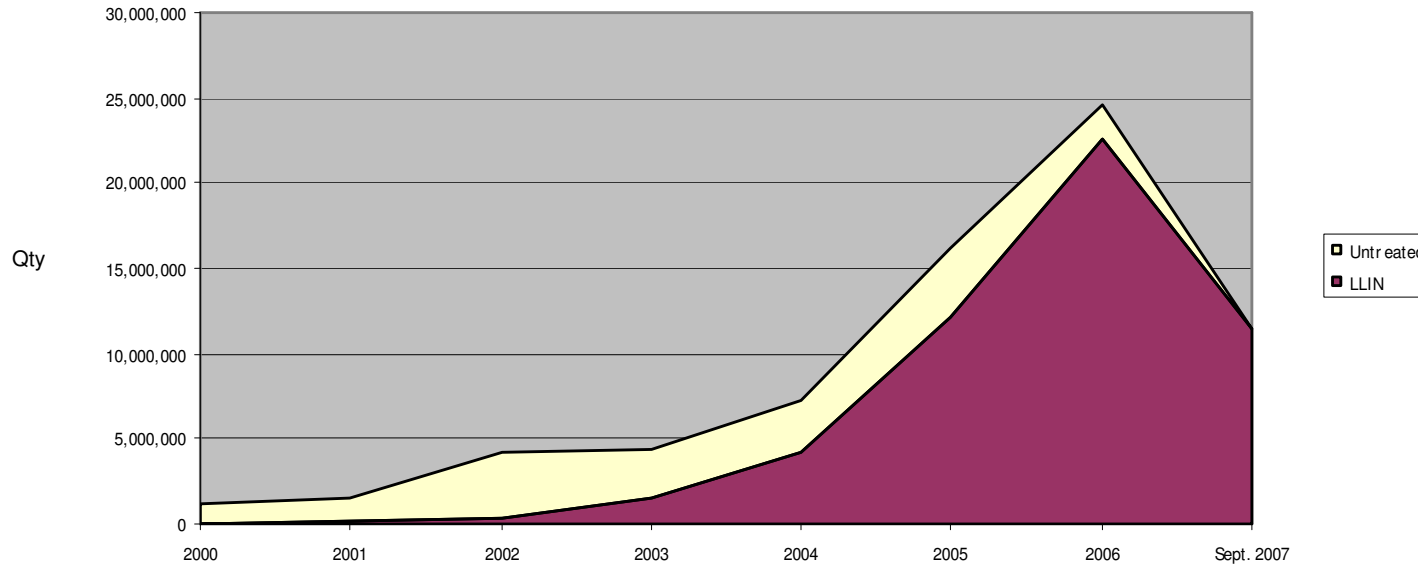
There is a close relation with manufacturers to ensure quality and timely availability.

Forecast introduced in 2006. Updated regularly through the year and shared with industry during 2007.

Procurement of non-treated nets very limited in 2007.

Procurement of bednets by UNICEF

Procurement of ITNs (Qty)



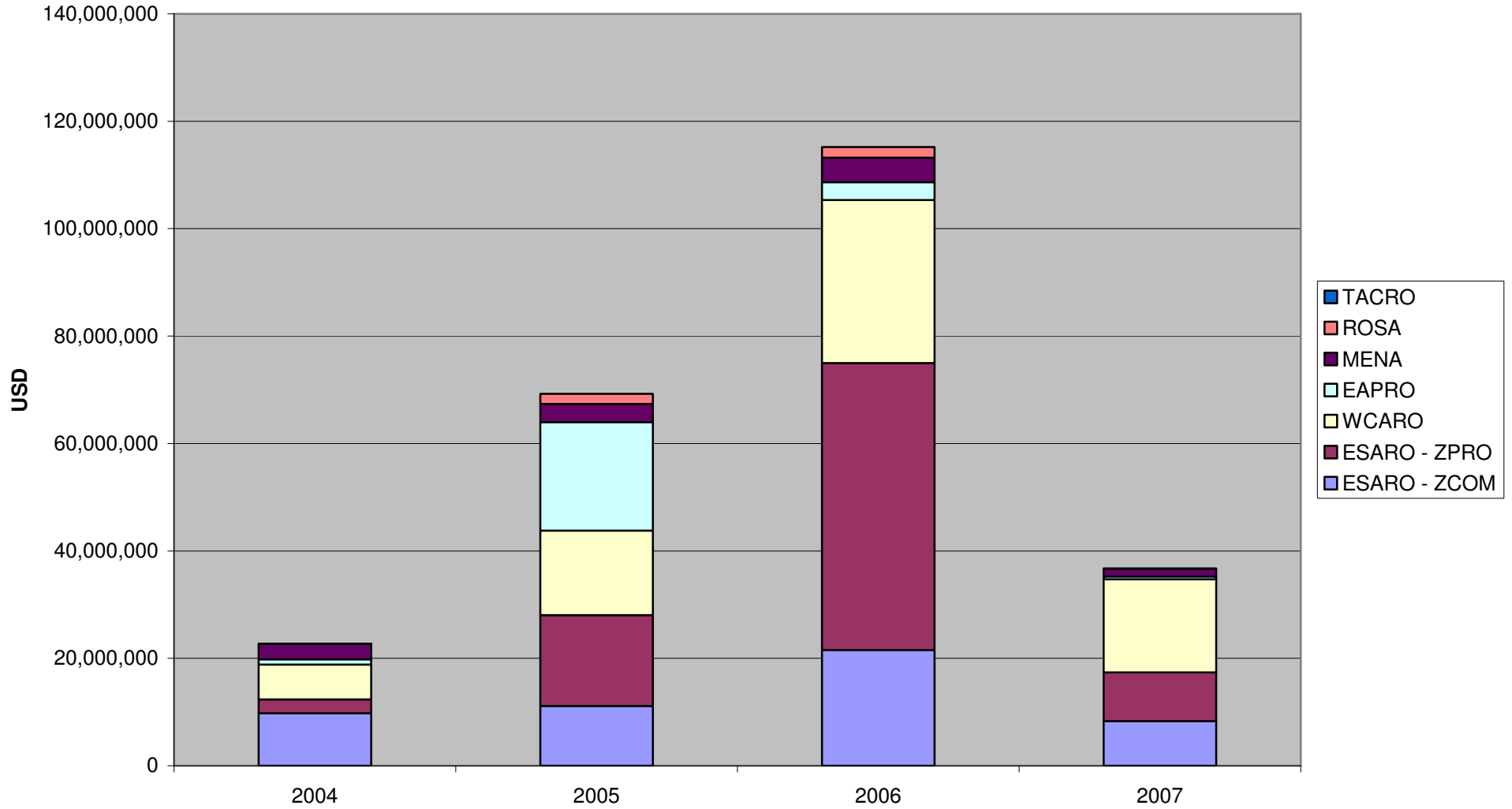
Note: Quantities are as per ordered by countries

In 2006, approximately half of nets were procured for partners through Procurement Services (GF, WB funds and NGOs).

In 2007, quantities have decreased partly due to utilization of other existing procurement mechanisms (Countries with GF/WB funding, PMI/JSI, Red Cross)

Procurement of ITNs by region (orders 2004-Aug 07)

Procurement of bednets, treated and non-treated, by order type (2004 to Aug 07)



Forecasting

Initiated in 2006 to increase our capacity to plan needs with countries and manufacturers.

It does not substitute the need for global forecast to guide industry.

Country originated, conducted together with the vaccine forecast, but with focus on 50 countries.

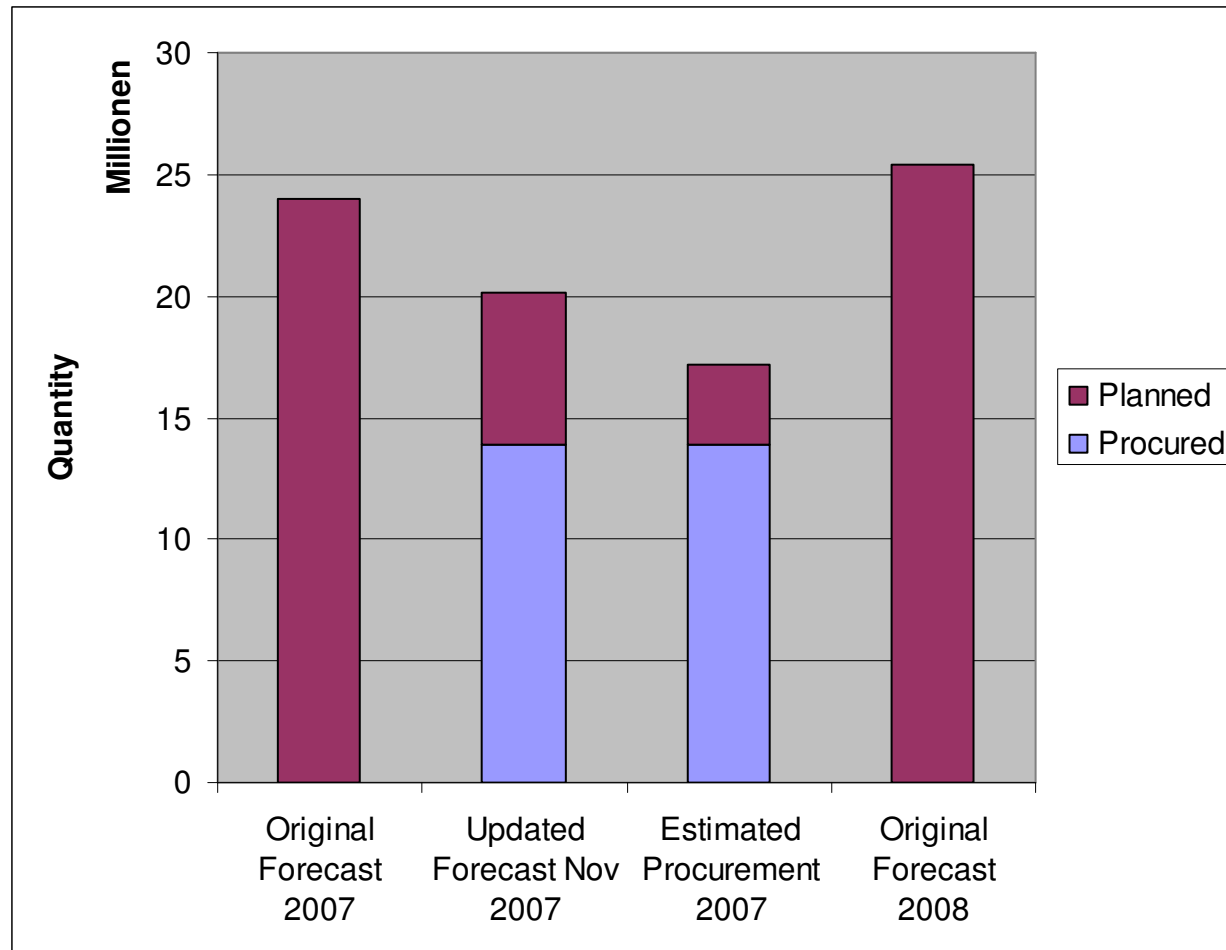
Annual quantities by net type (including size and colour) and monthly shipment plan.

Covers ITNs and insecticides.

Response so far has been good:

Forecast response	2007	2008
Target countries	42	50
Submissions received	40	45

2007 Forecast update



Great variability of accuracy by country and also by type of net (not shown). However, there is room for improvement as countries develop more detailed plans for distribution of bednets.

Prices of LLINs have remain largely stable through the scale-up:

2005: USD 4.7-5.1

2007 (current): USD 4.5-5.3

(both standard size 150Hx190Lx180w)

Continued increase in demand and entrance of new manufacturers would enable a more competitive market.

The range of products is also expanding, which brings new issues in the establishment of competition:

Supplier	Net	Material	Insecticides	Treatment process
Sumitomo Chemical Co. Ltd.	Olyset	Polyethylene	Permethrin	Incorporated to fiber
Vestergaard Frandsen S.A.	PermaNet	Polyester	Deltamethin	Coated
BASF South Africa PTY Ltd.	Interceptor	Polyester	Alphacypermethin	Coated
Tana Netting Co., Ltd	Dawa Plus	Polyester	Deltamethin	Coated
Bestnet Europe Limited	Netprotect	Polyethylene	Deltamethin	Incorporated to fiber
Clarke Mosquito	DuraNet	Polyethylene	Alphacypermethin	Incorporated to fiber
Syngenta		Polyester	Lambda-cyhalothrin	

WHOPES Approved

WHOPES Recommended (03)

WHOPES Recommended (07)

**Undergoing WHOPES
Phase III**

Product Selection: issues

Until 2007 there have been choice of two models (Olyset and Permanet). A new net was approved in beginning of 2007 (Interceptor), and it is expect that three more nets will be recommended in the next WHOPEs meeting (Dec 08). UNICEF will tender in October for 2008, and will invite all potential manufacturers.

Product preferences (specially by type of fiber) makes it difficult to consider "generic" competition and management of purchase arrangements, but from 2008 it is expected that more than one product by type of net would be available.

There are a number of issues related to LLINs for which there is no clear guidance for programmes?

- Durability – polyethylene vs. polyester / 75 vs. 100 denier
- Wash resistance standards
- Effective life of the net
- Acceptability of materials by populations

Some of these aspects are being studied now, and should be consider when developing guidelines and specially if minimum generic specifications for LLINs are to be developed.

Tender for 2008

Objective to establish multiple supply arrangements to ensure a sustainable and uninterrupted supply of affordable quality products.

Tags in nets generic, without any specific UNICEF logos.

All manufacturers that has undergone WHOPES phase I invited. Awards conditional to products passing phase II.

Tender document includes past update, including colors.

Quality:

Products with WHOPES recommendations (phase II)

Pre-qualification of net manufacturers prior to procurement;

Factory inspection, sample testing at lab

Pre-delivery inspection before shipment on every order and lab testing on net consignments;

Thank you!

