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Supply Annual Report 2017

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Focus: Sustainable Access



Children draw at a temporary classroom in Anguilla after the destruction caused by Hurricane Maria in September 2017

Cover photo

A young girl attends class at the LEC Centre of Ali-Sabieh in Djibouti where more than 240 students are accommodated. The school also provides vocational training aimed at empowering young adolescents

UNICEF Supply Annual Report 2017

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A measles vaccination campaign takes place in District Mandi, Himachal

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Children play with a ball during a recess at a UNICEF-supported primary school at the Bukasi Internally Displaced People's Camp, in Maiduguri, Borno State, Nigeria





UNICEF's commitment to children can only be achieved through partnerships with other humanitarian and development organizations, as well as governments, academia, the private sector and civil society

WORKING TOGETHER

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Narguez, nine years old, raises her hand with other children during an English class at an education centre run by the national NGO Apostoli, in Epirus Region, Afghanistan. Apostoli is a UNICEF partner in the education response for refugees in the country

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Foreword

From a logistics platform in Djibouti to children in a health facility in Yemen, from a nutrition manufacturing facility in Madagascar to health centres in Nigeria and from the world's largest humanitarian warehouse in Denmark to a refugee camp in Bangladesh, UNICEF supplies made their way across the globe to reach children in need in 2017.

Supplies included health and hygiene products, water pumps, nutrition products, toys, school equipment and more. These helped children and youth to survive, thrive and become engaged citizens in their societies.

In 2017, UNICEF procured a total of \$3.46 billion in goods and services. Of these, \$553.3 million went to emergencies – representing the largest year on record for humanitarian responses in terms of supply.

Concurrent emergencies presented challenges to which UNICEF adapted and responded with agility. Life-saving vaccines were delivered to Yemen following a 21-day airspace blockade that prevented humanitarian aid shipments. Logistic services were rapidly installed to support an escalating number of Rohingya refugees in Cox's Bazar, Bangladesh. Water, sanitation and health supplies were delivered to simultaneous cholera outbreaks around the world.

In the Horn of Africa, where droughts exacerbated a large-scale nutrition crisis, Ready-to-Use Therapeutic Food saved hundreds of thousands of children affected by malnutrition. By strengthening local manufacturing capacity, nearly half of the supply was sourced from programme countries in the region. This achievement led to efficiencies in transportation, the reduction of carbon emissions and the support of local markets.

This year also saw a major accomplishment in securing affordable pricing for a full schedule of vaccines for children under the age of one. The price for this "basket" of seven vaccines is now under \$18 for low income countries – down from the 2013 price of \$24.46.

Securing affordable prices for other commodities further yielded savings that totalled \$2.051 billion over the past six years. This exceeded the target we set in 2012 by 153 per cent. The funds that are saved, in turn, can be used to buy more essential commodities, as we have seen in Kazakhstan. UNICEF's support in negotiating prices for antiretroviral drugs on behalf of the government contributed to savings that enabled the government to purchase more drugs and dramatically increase coverage for HIV patients.

None of our achievements are possible without collaboration and partnerships. Convening governments, industry and other partners to share knowledge and solutions, as well as engaging end-users, are foundational approaches in our work. This is critical as UNICEF seeks to encourage innovative solutions to meet the needs that are not adequately addressed. This includes products for children transitioning into adolescence – a time that brings a set of unique needs.

By 2030 – the year by which we aim to achieve the Sustainable Development Goals, children born today will be adolescents, in their second decade of life. As we work to ensure that they have the supplies to support their health and well-being, no matter where they reside, we are building a strong foundation for the leaders of tomorrow.

Etleva Kadilli Director, UNICEF Supply Division

Global Supply Strategies - together, accelerating results for children

Definition of

Global Supply Strategies – together, accelerating results for children

Following the journey of RUTF: how will UNICEF's Supply Function deliver agile, sustainable solutions for children?

In 2017. UNICEF launched a new set of supply strategies to address the needs of children amid changing contexts and rising challenges, like climate change, urbanization and modern conflicts. As the strategies launched, nutrition crises distressed countries throughout Africa and the Middle East, and life-saving supplies like Ready-to-Use Therapeutic Food (RUTF) were often the first line of response. Here is how the Global Supply Strategies drive the product to ensure survival for children and allow them to thrive.

To support humanitarian responses, in addition to sustainable programme delivery along the supply chain, UNICEF works with partners locally, regionally and globally. Synergies help improve preparedness and resilience beyond the immediate emergency intervention. This is part of the **Humanitarian** Development Continuum strategy, which envisions a world in which children's lives are not disrupted by crises. An example of preparedness would be the pre-positioning of RUTF in a country prone to nutrition crises, to better manage the sudden onset of a crisis with the least disruption to existing nutrition programmes.

The Supply Chain kicks in

UNICEF works with governments and partners to define the needs of children and identify supplies and programmes to meet those needs. Forecasting demand helps to secure supplies and deliver the right products at the right price and quality.

As part of the **Products & Markets**

strategy, UNICEF works with the nutrition industry to optimize products like RUTF as a quality, cost-effective solution for children affected by severe acute malnutrition. Engagement with industry aims at the long-term competitiveness and sustainability of the market. This means addressing current and future needs, focusing on the availability, affordability, quality and appropriateness of RUTF in global and local markets. Suppliers in local markets are incentivized to provide accessible solutions, contributing to healthy competition and innovation. (Related story on p15.)

Timely delivery of affordable products requires good budgeting and planning, in addition to the strategic use of financing tools. The Financing and

Domestic Resource Mobilization

strategy supports governments to ensure in-country supply availability while reducing supply disruptions or stock-outs. For suppliers in programme countries, facilitating access to working capital or growth financing allows manufacturers to increase their capacity and performance, so that UNICEF can source more locally. This helps to make sure that the cost of RUTF is not a barrier for some developing countries.

The strategy around the Science of Delivery ensures that services and goods are provided to children through the most efficient, sustainable, and resilient delivery modality. It supports the selection of implementing partners through informed choices considering cost, speed, quality and governance, among other factors. When it is more efficient and brings more value. RUTF is sourced and procured closer to the children in need, rather than being shipped between continents, and is delivered through NGOs and private sector partners with distribution networks close to beneficiaries.

Sustainable solutions also rely on Services. To complete the RUTF carton's



Utilisation by end user

Budgeting & planning

programmes, UNICEF uses strategic service contracting that allows outside expertise to enhance the supply chain and achieve efficient programme delivery.

Consistent **Monitoring** throughout the supply chain ensures that RUTF is available in the right quantity at the right time and delivered where children are treated. Early detection of gaps in the supply chain enables governments and partners to take corrective action and mobilize for timely access to supplies. Continued monitoring of the child's condition helps plan follow-up care and the next delivery of supplies.

The ultimate goal is sustainably owned and managed supply chains at the

national level. Through the National Supply Chain System Strengthening strategy, clearly defined needs, set standards, a sufficient pool of suppliers of goods and services and strong supply chain capacity ensure that children can rely on their government's protection and care. This means that when a nutrition crisis hits, a national ecosystem of private, public and nongovernmental partners kicks into action to meet the needs. (Related story on

UNICEF strengthens itself as a partner

page 20.)

Caring individuals and a skilled, agile Supply Community act as links along the global supply chain. UNICEF staff

iourney to the child, and to execute



Warehousing, distribution & re-order

work with others to ensure that the needs of children are met beyond the immediate challenges of a specific supply response. Knowledge-sharing, modernization and continuous improvement are part of **Optimizing UNICEF Supply**. Technology and real-time data support timely delivery and efficient resource utilization that avoids waste.

Within UNICEF, ethical management and transparent governance around the Supply Function are part of Strengthening Organizational **Excellence** to ensure that resources are targeted to the right purpose, and critical supplies can seed longlasting positive impact on the lives of children and their communities.

Dasha, 8 years old, attends class at a UNICEF supported school in Marinka, Donetsk Oblast, Ukraine

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Sustainable access

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Empowering youth through supplies

The work of UNICEF and its partners helps children to thrive in some of the most challenging situations around the world. This work supports children from early childhood and continues as they transition into their second decade of life.

Given the needs of the fast-growing population of adolescents globally, it is becoming more critical to do more for children in their second decade of life. Over 1.2 billion people are currently aged 10-19, and 60 per cent of them live in lowand lower-middle income countries, often with limited resources and opportunities. Millions of adolescents need protection from threats such as conflict, trafficking, abuse, child marriage and violence at school. More than 200 million are out of school at the secondary education level, where their peers are acquiring skills that are needed in a rapidly changing employment landscape. Girls are more likely to be left behind, as 34 per cent of female vouth are neither in education. employment nor training, compared to 10 per cent of male youth globally.

Programmes that target the needs of adolescents are a smart investment in the sustained well-being of our children and our future citizens. Secondary education, non-formal education and training, girls and empowerment, and

young people on the move and in conflict situations are the four target areas where UNICEF aims to serve youth. As of 2017, how did UNICEF provide uninterrupted access to products and services as children journeyed into adolescence? Here are some highlights of current targeted supply approaches for adolescents, as well as the future pipeline, while regular programmes continue to serve age groups inclusive of vouth transitioning from childhood.



HPV VACCINES FOR ADOLESCENT GIRLS



5.3 million doses procured

Targeted healthcare through Human Papillomavirus (HPV) vaccination protects adolescent girls from cervical cancer. In 2017, UNICEF delivered HPV vaccines to 18 countries.

MATHS & SCIENCE KITS



1,500 kits to reach 94.300 children

Educational materials for students transitioning into secondary school enable continued schooling, including in emergency settings. These two kits include electricity kits, dissecting kits, geometry sets, an abacus and other supplies to support maths and science learning.

ADOLESCENT KIT



1,000 kits to reach 51,950 children

A specially designed kit supports learning ife skills and community engagement while prioritizing psychosocial well-being for adolescents affected by conflict and other crises.

Adolescents attend a class at a school in the village of Hranitne, eastern Ukraine



WHAT IS THE **ADOLESCENT KIT?**

The Adolescent Kit for Expression and Innovation is a package of tools and supplies to engage adolescents aged 10-17 affected by conflict and other crises. It was dispatched for the first time in 2017 to Bangladesh, Iraq, Nigeria, South Sudan and Sri Lanka. The kit, which is designed for 50 adolescents and four facilitators. includes Emotion Cubes that facilitate expression of feelings, especially for physically and visually challenged adolescents. Braille is being explored on a future design as kits continue to be monitored and evaluated to better address the needs of young people.

cards in the Kit help engage adolescents in a range of activities

IN THE PIPELINE

In 2018, an improved Water, Sanitation and Hygiene (WASH) & Dignity Kit will contain a wider variety of Menstrual Hygiene Management (MHM) products, including for adolescent girls. The products (disposable

sanitary pads, reusable menstrual pads with female underwear and multipurpose cloth) will allow more flexibility of choice to girls and women. UNICEF is also scaling up oral Pre-Exposure Prophylaxis (PrEP) to prevent HIV infection among



sexually active adolescents, along with the scale-up of Point-of-Care HIV testing. Our vision is for UNICEF supplies to serve the specific health and educational needs of young people while understanding their changing contexts.



Engaging industry for accessible, gualty products

Engaging with governments, industry and end-users is critical to identifying needs, driving research and development, and supporting scale-up. For every child to access essential products, and for suppliers to access markets, UNICEF works with manufacturers and partners to:

- incentivize industry to develop product solutions that meet the needs of children
- achieve prices that allow equitable access to governments and partners
- drive healthy competition through fairness and transparency in markets
- ensure the availability of quality products to those in need





https://www.yunbaogao.cn/report/index/report?reportId=5 6151



SUSTAINABLE ACCESS 15



A health worker fills a syringe with a dose of tetanus vaccine in the village of Buaw in Koch County, South Sudan