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## **SELLING TO THE U.N. HOW TO SELL US PRODUCTS AND SERVICES TO THE UNITED NATIONS**

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The most effective way to approach the United Nations is to understand that despite the fact that UN headquarters is in New York, the UN has the same status as a sovereign country. So, selling to the UN is similar to selling to the Canadian government or any other public sector export market. Being a US company confers some strategic advantage as US firms can visit the UN headquarters easily, but beyond that, competition for UN contracts is global and intense. Canada and the Scandinavian countries are key competitors, operating with strong governmental advocacy and financial support for their industry. Inside the UN, there is an international culture, so it helps to be a seasoned exporter.

However, when people speak of "UN Procurement" most of the time they are referring to the UN Procurement Service in New York which supplies the Peacekeeping Missions and Logistics Bases (such as the large supply depot in Brindisi, Italy) in addition to the UN cafeterias. So, I will focus on the UN Procurement Service as the "UN".

But, keep in mind that UNICEF, IAPSO, UNDP, PAHO and UNOPS are all UN agencies buying for their own use -as well as inputs into their projects abroad. These other alphabet soup UN agencies should also be explored for sales opportunities.

To get started, get on the UN Procurement Service website and bookmark it:

<http://www.un.org/Depts/ptd/>

Download and print out the *General Business Guide*, which serves as a roadmap to the UN agencies, what they buy and how they do business:

<http://www.iapso.org/information/publications.asp>

The Procurement Service requires that suppliers be solid, solvent, stable. The UN can't afford to have a vendor go bankrupt in the middle of a Peacekeeping Mission, so the Procurement Division requires vendor registration. You will need to register through the website:

<http://www.un.org/Depts/ptd/venreg.htm>

Understandingly, you have to provide financials and company background information.

Scan the *Vendor Roster* to see if competitors are listed. Once registration is approved, you cannot sit back and wait for announcements of tenders. While it helps to check these out on the website frequently, it is best to go to New York and meet with the buyer in order to establish a personal relationship. Buyers are listed on the

site. Also, keep abreast of the Contract Awards section of the website.

The UN has nothing to do with multilateral development bank procurement and there is no UN protest mechanism. UN contracts tend to be much smaller with shorter lead times and smaller tickets.

The UN is highly competitive in its dealings with suppliers. UN rules stipulate that the contract must be awarded to the lowest price technically acceptable bidder. In plain talk, this boils down to price and delivery...period. There is no provision for woman or minority owned business. The UN favors experienced exporters, OEMs, metric specs, companies with overseas distributors in place for after-sales service when needed. Also, due to the nature of what the UN routinely buys, small to medium sized firms which can make decisions quickly are often in a better position to compete than the Fortune 500s. This does not eliminate export oriented distributors, wholesalers, and systems integrators who can offer one stop shopping more cost effectively than OEMs.

Never put the UN logo on your website or publicize your vendor status at the UN, it is prohibited under UN rules.

Like international marketing, to be successful at the UN patience, commitment, and a long term view must be adopted.

The UN demands low prices and discounts. As an international organization, it is entitled to GSA level pricing. So when tendering, it sometimes helps to offer a special "UN Price" with razor-thin margins just to get in the door. Thin margins can be made up over time with volume and cross-sales. When quoting, always follow the UN exactly, giving them exactly what

they want. Dot the "i" and cross the "t". If you have a better idea, attach it as a separate proposal. But never deviate from what the UN has formally specified.

It is difficult to sell the UN something it doesn't already buy. If there hasn't been a historic demand for your product or service, it is a long and laborious process to get the UN interested in it. It's best to stick with products and services in demand.

***EXPORT CONTROLS WARNING: All US export controls apply to UN sales as much as your mainstream commercial business. UN rules make the vendor responsible for export licenses. In many cases, the UN operates in countries where export licenses from US Department of Commerce EAR, US Department of State ITAR, or US Treasury Office of Foreign Asset Control OFAC are mandatory for a US company. Make absolutely certain you are aware of your license status and are in full compliance with any export control requirements. Selling to the UN does not permit any side-stepping of export control laws. Speak with these Agencies or obtain qualified legal counsel if you are in doubt.***