PROCUREMENT OVERVIEW

“PAHO/WHO procurement overview for vaccines, medicines and other health technologies”

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About the Pan American Health Organization (PAHO)

- Founded in 1902 as the International Sanitary Bureau by 11 countries.
- Serves as Regional Office for the Americas of the World Health Organization (WHO) since 1949.
- It is the specialized health agency of Inter-American System since 1950.
- Today it is lead by and serves to 52 member countries and territories.
Procurement overview

Procurement Mechanism and Process

Doing Business with PAHO
PAHO Procurement Department

Purpose

Acquire goods and services for Member Countries, HQ and Field Offices in an efficient, economical and timely manner
PRO Principles & Management

- Best value for money
- Fairness, integrity and transparency
- Effective competition
- Interest of PAHO
International procurement through PAHO

Purchases on Behalf of Member States

Strategic Fund

Revolving Fund

Reimbursable Procurement

Purchases of supplies and goods (Technical Units and Country Offices)

Corporate

PROCUREMENT PAHO
HQ Procurement 2006-2016: 319 % growth
Top commodities * (USD Million)

- Vaccines and antigens and toxoids: 578.6 M
- Antiviral drugs: 40 M
- Pesticides / pest repellents: 19.1 M
- Syringes, Safety boxes and Cold chain: 5.7 M
- Anti-parasites: Amebicides, trichomonacides and antiprotozoals, malaria: 4.7 M
- Anti-tubercular drugs: 3.5 M
- Disease vectors management and control: 3 M
- Diagnostics: 2.5 M
- Software maintenance and support: 2.4 M
- Motor vehicles: 2.1 M

*2016
PAHO REVOLVING FUNDS:

Supporting the access and affordability of Public Health Supplies for our Member States
### Countries and territories purchasing through PAHO’s revolving funds

<table>
<thead>
<tr>
<th>Anguilla</th>
<th>Antigua and Barbuda</th>
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<tbody>
<tr>
<td>Argentina</td>
<td>Aruba</td>
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<td>Bahamas</td>
<td>Barbados</td>
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<td>Belize</td>
<td>Bermuda</td>
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<td>Bolivarian Republic of Venezuela</td>
<td>Bolivia</td>
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<td>Brazil</td>
<td>British Virgin Islands (UK)</td>
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<td>Chile</td>
<td>Cayman Islands</td>
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<td>Costa Rica</td>
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<td>Dominica</td>
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<td>Ecuador</td>
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<td>French Guiana</td>
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<td>Guyana</td>
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<td>Honduras</td>
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<td>Montserrat</td>
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<td>Nicaragua</td>
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<td>Paraguay</td>
<td>Netherland Antilles</td>
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<td>Saint Lucia</td>
<td>Panama</td>
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<td>Suriname</td>
<td>Peru</td>
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<td>Turks and Caicos</td>
<td>Saint Kitts and Nevis</td>
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<td>Uruguay</td>
<td>Saint Vincent and the Grenadines</td>
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<td>Trinidad and Tobago</td>
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### PAHO Revolving Fund – Products portfolio

- Vaccines
- Syringes
- Cold Chain Equipment
- Other biologicals (e.g. blood products)

### PAHO Strategic Fund – Products portfolio

- WHO Essential Medicines
- Diagnostics
- Vector Control
- Other Strategic Products (e.g. Equipment)

www.paho.org/revolvingfund  
www.paho.org/strategicfund
PAHO Procurement in (2016):

- Other Purchases: $159.6 M
- Revolving Funds: $716.5 M
- Total: $876.1 M
PAHO Procurement in (*2017): On track to $1 Billion

- Revolving Funds: $529.12 M
- Other Purchases: $98.84 M

Total: $627.96 M
We are looking additional qualified supply sources for:

<table>
<thead>
<tr>
<th>PAHO Revolving Fund</th>
<th>PAHO Strategic Fund</th>
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<tbody>
<tr>
<td>• Vaccines: IPV, Hepatitis A, DTaP-IPV, DTaP-IPV-Hib, DTaP-IPV-Hep B-Hib</td>
<td>• Anti-malaria: Chloroquine, Primaquine, Quinine</td>
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<tr>
<td>• Immunoglobulins: Human Rabies, Equine Rabies, Equine Diphtheria</td>
<td>• Anti-TB: 1\textsuperscript{st} line (H,Z,E,R) fixed and combinations as well as pediatrics FDC</td>
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<td>• Oncology: L-Asparaginase</td>
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<td>• Anti –infective: Doxycycline, Benzathine Penicillin, Azithromycin, Pyrithamine</td>
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<td>• Anti-Leishmania: - Meglumine Antimoniate, Miltefosine, Pentamidine, Anfotericina B liposomal</td>
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<td>• Central nervous system: Morphine oral solution</td>
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The PAHO Revolving Funds
Benefits for Stakeholders

For Manufacturers

- Efficiency:
  - Direct access to 41 countries and territories.
  - Pooled quantities
  - Contract Management support

- Risk reduction:
  - Fair and transparent relations.
  - Forecasts and Long Term Agreements
  - Prompt payments
  - Post-market surveillance

For Countries

- Access to safe, quality products
- Timely and continuous supply
- Technical cooperation mechanism
- Supports financial sustainability
- Access to a credit line or “capital fund” (60 days)
- “Catalyst” for a sustainable uptake of new products
- Fast emergency response
Procurement process

**Forecasting/Planning**
- Request to the MOH their yearly demand
- Demand Consolidation/ additional requirements

**Vendor Registration Process**
- UNGM Registration

**BID Solicitation**
- Prepare solicitation strategy and bid documents
- International Bidding Process
- BID Evaluation

**Award Process**
- Award recommendation and approvals
- Supplier Contracts

**Contract Mgmt**
- Issue Purchase Orders/ Monitor shipping/ support claims
- Performance Evaluation
General process for evaluating offers

- Eligibility
- Technical Proposal

2 rounds of technical evaluations

Overall Evaluation

Award
Overall Evaluation

- Compliance with terms and conditions of the bid
- Vendor profile and experience in the market (int.)
- Administrative & Logistic capacity
- Service level Performance
- Product availability versus country needs – Minimum Order Quantity (MOQ)
- Cost
Practical tips

General
• Try to respond to bid invitations – if you are unable to submit an offer, inform accordingly

Bid Preparation
• Review all the bid documents, conditions and requirements carefully.
• Eligibility and Technical requirements – read carefully and ensure meeting the minimum requirements.
• Prepare bid accordingly to the instructions to facilitate the evaluation – complete and accurate information and supporting documents.
• Ensure that your offer meets ALL bidding requirements
• Ask for clarification if necessary
Practical tips

Contract Terms and conditions:

- **Incoterm**: DAT to international port of destination unless agreed otherwise.

- **Payment Terms**: PAHO shall, unless otherwise specified in this Contract, make payment within thirty (30) days of receipt of (a) the Vendors invoice or (b) proof of deliver, whichever of (a) or (b) is applicable and later.

- **Insurance requirements**: Against all risk for 110% of total value of contract.

- **Restrictions**: Partial/consolidated shipments and delivery on weekends or holidays not allowed unless this is clearly specified in the contract.

- **Product/Country specific shipping documents (examples)**:
  - Vector Control: Dangerous goods declaration, Safety data sheet in English and Spanish.
  - Vaccines: Peru and Colombia require local registration.
Doing business with PAHO

Integrated System:

• UNGM (Vendor Registration)
• In-Tend (Tendering)
• Over 25 UN Agencies use UNGM as their supplier roster

Search for PAHO procurement:
Tak!