

# PAN AMERICAN HEALTH ORGANIZATION

## STRATEGIC FUND

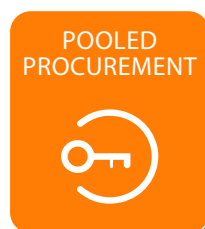
The Strategic Fund of the Pan American Health Organization (PAHO), officially named the PAHO Revolving Fund for Essential Medicines and Strategic Public Health Supplies, is a regional mechanism for pooled procurement of essential medicines and strategic public health supplies for the countries of the Americas. The purpose of the Strategic Fund is to improve access to quality, safe, and effective medicines and health supplies, while promoting efficient and sustainable health systems.

Since its inception in 2000, the Strategic Fund has worked with the countries of the Region to strengthen demand-planning and the organization of national supply management systems while facilitating timely access to health supplies and ensuring the continued availability of these essential products.

All health ministries and government institutions providing public health services in Member States of the Pan American Health Organization/World Health Organization can procure medicines and supplies through the Strategic Fund after signing an agreement with the Organization.

The Strategic Fund is a central component of PAHO's strategy to move toward universal health, and to build resilient health systems and support the post-COVID-19 pandemic recovery, sustaining and protecting public health gains.

The Strategic Fund differentiates itself from other procurement mechanisms by delivering on five key areas:



Critically, each of the areas is underpinned by the core value of solidarity across countries in the Region of the Americas.

Given PAHO's role as the main public health agency in the Region and its established history in partnering with ministries of health and public health institutions across Latin America and the Caribbean, the Strategic Fund is able to offer a wide range of comprehensive and complementary technical support to the Member States, and strengthen their technical capacities at the same time to ensure sustainable improvements in health care.

# STRATEGIC FUND

## Overview (2018 – 2021)

**51**

participating  
entities

34 countries and  
territories

17 health agencies

Over  
**95  
million**

people  
supported

Over  
**US\$695  
million**

products  
procured

OVER **5.1 million** treatments for malaria supported



OVER **2.1 million** treatments for tuberculosis supported



OVER **1.8 million** treatments for HIV/AIDS supported



**15x** increase in people supported by hepatitis medicines



**10x** increase in people supported by oncology medicines



**26 countries** supported through donations to combat  
vector-transmitted diseases



**PRIORITY  
ISSUES**

**38 million**

people supported by **COVID-19**-related  
products, including critical care  
medicines, PPE, and diagnostic tests



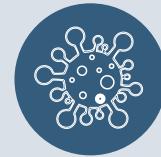
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## COVID-19 Pandemic Response

The Strategic Fund has managed to mitigate COVID-19-related supply chain disruption for essential medicines required by priority programs (including HIV, tuberculosis, and malaria) and major stockouts while continuing its existing work to improve demand-forecasting, support quality assurance in primary health care, and ensure affordability of medicines to maintain health services. As at 31 December 2021, the Strategic Fund had procured over **US\$ 318 million** in medicines and public health supplies on behalf of 30 participating entities, constituting a fourfold increase in the utilization of the Fund compared to the same period in 2019. In addition, the Strategic Fund has facilitated innovative financing options, including donations, horizontal collaboration, and credit lines to procure timely medicines and health supplies.

- Key supplies provided through the Strategic Fund include personal protective equipment, in vitro diagnostics, and in particular, polymerase chain reaction tests and antigen rapid diagnostic tests, biomedical equipment, and medicines for critical care of COVID-19 patients.

More than **38 million** people supported by COVID-19 diagnostic tests (polymerase chain reaction and rapid tests), personal protective equipment, and medicines for critical care.



Averted stockouts of antimalarials in ..... **2** countries

Antituberculosis treatments in ..... **12** countries

Antiretrovirals in ..... **7** countries

Facilitated horizontal collaboration between **18 Member States** over **100 products** for donations and loans to avoid imminent stockout situations.

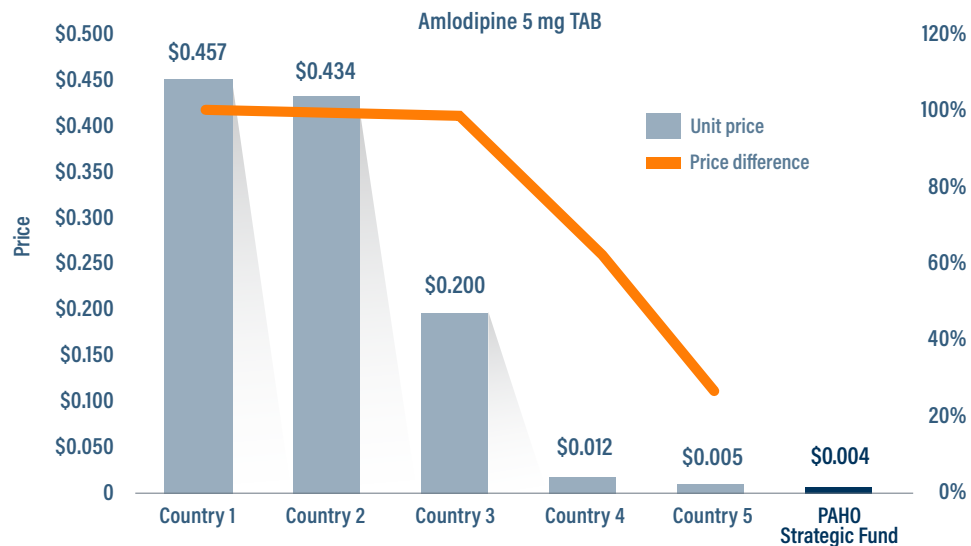


Collaborated to strengthen demand-planning, supply chain management capacity, and transition to WHO-recommended treatment protocols to improve the accessibility, availability, and affordability of quality-assured medicines and health supplies.

## Availability, affordability, and accessibility of medicines

The Strategic Fund successfully completed an international competitive bidding process and established long-term agreements with suppliers to improve access to medicines and health supplies.

### Antihypertensive medicines: price reduction through the Strategic Fund



By securing key long-term agreements with manufacturers for oncology medicines in 2018 and introducing similar biotherapeutic products for breast cancer in 2020, the Strategic Fund has been able to overcome access barriers related to price, quality assurance, and inability to pay as a consequence of out-of-pocket spending, among others.

## Financial support

The Strategic Fund Capital Account provides financial assistance to countries through an interest-free line of credit. This credit is used to respond to emergency needs, prevent stockouts, and ensure continuity of supplies, thus facilitating better planning by helping Member States to:

- Access health technologies for a timely response to COVID-19.
- Mitigate major increases in freight charges and medicine costs.
- Improve demand-forecasting for products.
- Improve efficiency in procurement processes.
- Foster country ownership of product purchases.

This highlights the added value of a solidarity-based mechanism, where participating countries agree to contribute toward a shared pool of funding that can be made available to any participating entity and work toward the vision of increasing access to medicines and health technologies through pooled procurement mechanisms and technical capacity-strengthening.

PAHO Strategic Fund: <https://www.paho.org/en/paho-strategic-fund>

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