

POOLED PROCUREMENT IN PANDEMIC PREPAREDNESS AND RESPONSE:

leveraging the PAHO Revolving Funds to strengthen health equity and resilience

Recent health emergencies such as H1N1 and the Zika epidemic highlighted the importance for countries and territories in the Americas to urgently invest in regional health security. As the COVID-19 pandemic further underscored, disease outbreaks often exacerbate chronic gaps in public health. Inadequate health system resilience led to fragile supply chains, stockouts, and disruptions to primary health services. Failures in health equity fuelled unequal access to medical countermeasures and limited support for vulnerable and marginalized communities.

Pandemic preparedness and response (PPR) has become a priority to strengthen national and economic security – and the Region of the Americas is no exception. Given that many gaps in health security center on continuous access to lifesaving health technologies, PAHO's Revolving Funds – composed of the [Strategic Fund for Essential Medicines and Supplies \(SF\)](#) and the [Revolving Fund for Access to Vaccines \(RF\)](#) – can be leveraged as vital mechanisms and useful approaches to strengthen health system resilience and achieve health equity.



Here's how PAHO's pooled procurement mechanisms can address critical PPR gaps through recent, high-profile initiatives in health security:

Intergovernmental Negotiating Body (INB):

The PAHO SF and RF have successfully helped strengthen supply chain capacity and adapt medical protocols to evolving needs for critical care therapeutics, diagnostics, and vaccines. The INB regional consultations with PAHO, along with Member States' inputs to the INB Secretariat, offer important opportunities to institutionalize the role of these pooled procurement mechanisms through the proposed pandemic instrument. This can help sustainably strengthen supply chain resilience and ensure equitable access to timely, quality-assured, and affordable countermeasures and other essential health products.



Working Group on International Health Regulations Reform (WGIHR):

The PAHO SF and RF have demonstrated experience in coordinating all technical aspects, procurement, and delivery of medicines, supplies, and vaccines – both for routine health and immunization programs and for health emergencies. Efforts to amend and strengthen the International Health Regulations (IHR 2005) can draw on the lessons of these PAHO procurement mechanisms, particularly in the areas of coordinating the distribution of countermeasures, maintaining access to essential health products during outbreaks, and procurement data to inform decision-making during a public health emergency.



Financial Intermediary Fund for Pandemic Prevention, Preparedness and Response (FIF):

The PAHO SF and RF are uniquely positioned to guide and supplement international investments in the areas of high-cost health technologies, gaps in supply chain resilience and regional manufacturers, and disrupted essential health services in emergencies. By coupling benefits provided by economies of scale and multilateral technical expertise made possible through these PAHO Revolving Funds, Member State programs can rapidly scale PPR cost-efficiencies by championing these examples through inputs to the G20 Health-Finance Task Force, engagement with WHO as the proposed FIF technical advisor, and through sustained engagement with international development banks and ministries of finance.



Pan American Health Organization



World Health Organization
REGIONAL OFFICE FOR THE AMERICAS

Solidarity
Equity
Transparency
Quality
Panamericanism

PAHO
Revolving
Fund
For Access
to Vaccines



PAHO
STRATEGIC
FUND

Strategic Fund for Essential Health Medicines and Supplies



Established in 2000, the PAHO SF is a pooled procurement mechanism for essential medicines and supplies in the Americas. The SF leverages cross-sector technical expertise, multilateral cooperation, and established partnerships across the Region to improve access to quality, safe, and cost-effective health products.

PAHO and its Member States utilized the SF [during the COVID-19 pandemic](#) to respond to health emergencies while sustaining priority public health programs. This included averting major stockouts, mitigating supply chain disruptions, and procuring US\$ 300 million in diagnostic tests, personal protection equipment (PPE), and intensive care medicines for over 40 million people.

KEY PPR CONTRIBUTIONS:

- Strengthening supply chain resilience
- Supporting direct access to essential health supplies
- Lowering the cost of medical countermeasures
- Adapting treatment protocols with latest quality standards
- Mitigating rising freight and transportation costs
- Offering financing support for therapeutics and diagnostics
- Coordinating loans and donations of health supplies
- Collecting real-time data on procurement and delivery of lifesaving health technologies

KEY STATISTICS:

54 participating countries, territories, and health agencies **OVER 400** products offered

Purchases totaling

US\$ 800 million since 2018

Interest-free lines of credit utilized by

20 Member States since 2018

Revolving Fund for Access to Vaccines



The RF provides timely access to quality vaccines and immunization supplies across 41 countries and territories in Latin America and the Caribbean. The RF is a technical cooperation mechanism of PAHO with more than 42 years of experience. By consolidating demand requirements from national immunization programs, the RF leverages economies of scale to improve its purchasing power and supports procurement and logistics processes door-to-door, from manufacturers to the Americas. The RF has facilitated the rapid and equitable introduction of new vaccines and the achievement of regional elimination goals.

KEY PPR CONTRIBUTIONS:

The RF has worked with Member States to facilitate transparent and efficient access to COVID-19 vaccines and supported their preparedness efforts in collaboration with other PAHO technical units.

- Assisting countries in understanding and meeting the COVID-19 vaccine introduction and procurement requirements, including financial, legal, programmatic, regulatory and others.
- Updating countries about market dynamics and financial projections to estimate their investment on vaccines.
- Forecasting and securing related supplies, such as syringes and safety boxes.
- Ensuring that routine immunization programs could continue safely.
- International bidding, establishing long-term agreements with suppliers to issue price estimates, purchase orders and other processes in record time.

KEY STATISTICS:

150 million COVID-19 vaccines delivered as of August 2022

Credit Line of

US\$ 249 million as of December 2021

US\$ 1.07 billion procured in 2021

38 providers **47** vaccine products

