

THIS IS UNFPA



International Procurement
Seminar

Theme 2
15 November 2016

Delivering a world where every pregnancy is wanted, every childbirth is safe and every young person's potential is fulfilled



United Nations Population Fund

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION

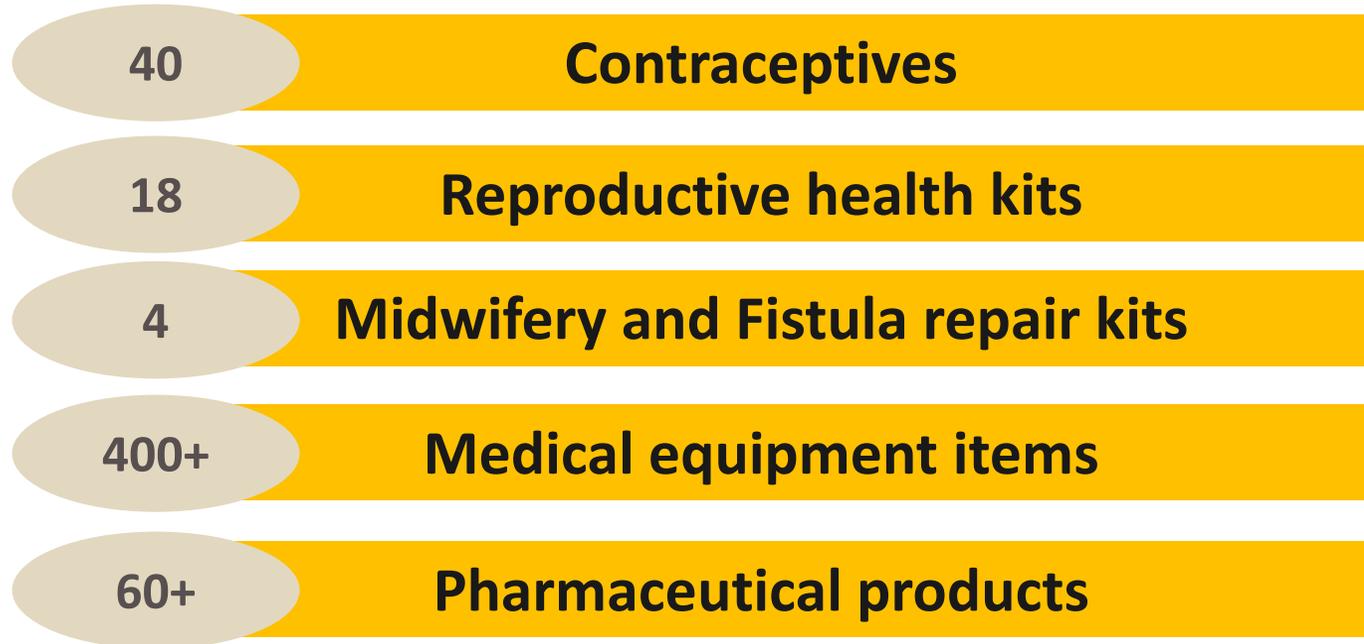


5 GENDER EQUALITY



We are the lead United Nations agency that expands the possibilities for women and young people to lead healthy sexual and reproductive lives. We are on the ground improving the lives of millions of women and young people in more than 150 countries and in humanitarian crises.

World's largest public procurer of contraceptives



RH commodities procured in 2015
\$175M

Impact:

23.2 million women



gained access to
modern contraceptives

in over



100 countries

35 million women and adolescent
girls



served in crisis-affected areas

OUR WORK



How UNFPA procures Pharmaceuticals

- UNFPA carries out International open competitive bidding processes to identify suppliers for our Pharmaceutical category
 - In case where applicable direct contracting is possible due to pre-existing conditions in the market
- Samples will be requested & expected
- Several steps in the evaluation processes – will be clearly explained
- Complete process is reviewed by our Contracts Review Committee prior to any award
- Bidding process usually result in the award of non-exclusive Long Term Agreements (LTA)
 - Usual duration of such are 3 years with possibility of 1 year extension
- Majority of our products in the pharma category are shared with other UN Organizations – so we promote “piggybacking”

How UNFPA manages Pharmaceuticals

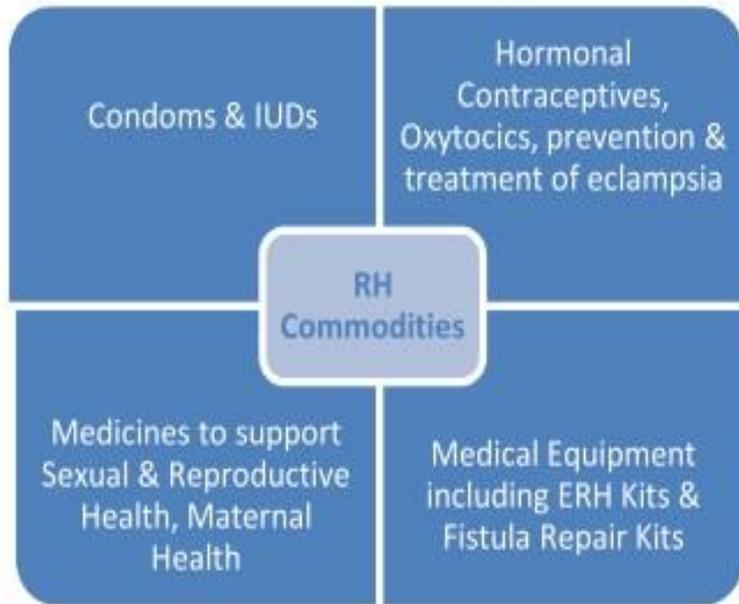


- All product information is entered on our on-line catalogue, www.unfpaprocurement.org
- Who has access & procures the products:
 - Products can be procured on behalf of a Country Office / Programmatic need, on behalf of another UN Organization or on behalf of a Third Party (Government, NGO's etc.)
 - UNFPA procure for stock keeping;
- RFQ will be sent to suppliers
- Specific purchase orders will be issued for products required.
- As quality assurance is crucial for UNFPA, all POs will be subject to quality control prior to shipment.

Eligibility requirements in Pharmaceutical Category

- Primary Manufacturers, authorized agents and authorized resellers
- A bidder shall not have a conflict of interest
- Assurance that Bidders aren't under declaration of ineligibility
 - Listed or suspended by United Nations Procurement Division.
 - Declared ineligible by other Organizations of the UN
 - Included on a list issued by UN Security Council
 - Debarred or considered Non-responsive by World Bank
- Adherence to UN Supplier Code of Conduct
- Legal & regulatory requirements
- Financial stability of the firm
- Agreement to supply Goods/Services to all the developing countries, least developed countries and transition countries
 - Including sanctioned or embargoed Countries.

UNFPA's Quality Assurance System



- Separate team dedicated exclusively to quality assurance
- Harmonized with UN partner agencies
- In accordance with relevant product-specific international standards (ISO, WHO guidelines....etc)

Quality Requirements on Pharmaceuticals

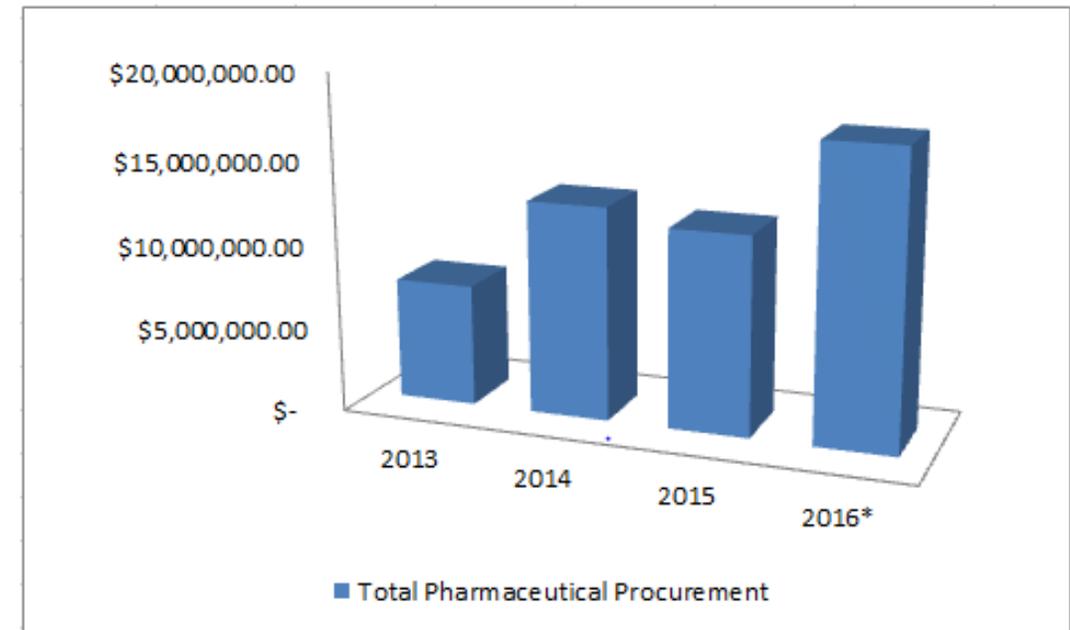
- For products to be eligible they must either:
 - Be products that are WHO pre-qualified or have been recommended for procurement by an Expert Review Panel (ERP)
 - If such is not available, products should be approved in accordance to International Council on Harmonization (ICH) regulatory standards with authorization to market the products in the ICH/Stringent Regulatory Agency countries and not just for export only
 - If the above is not possible, the products must be approved by a National Regulatory Standards of the country of manufacture
 - will go through a full technical assessment based on the Inter-Agency Finished Pharmaceutical Product Questionnaire
- UNFPA's assessments will give preference to:
 - WHO Prequalified products / recommended for procurement by ERP
 - SRA approved products.

Quality Requirements on Pharmaceuticals

- Products specifications shall comply with:
 - International Pharmacopeia (Ph.Int), United States Pharmacopeia (USP), British Pharmacopeia (BP), European Pharmacopeia (Ph.Eur)
- Patient Information Leaflets (PILS), instructions, etc. in three languages
 - English, French and Spanish
- For products with shelf life, a minimum shelf life of 75% remaining at time of delivery to consignee is required
- As we ship to all destinations, including climate zones IV-B, its required that stability studies are performed under such conditions
 - We require that all pharmaceuticals should have undergone stability studies under $30 \pm 2^{\circ}\text{C} / 75 \pm 5\% \text{RH}$.

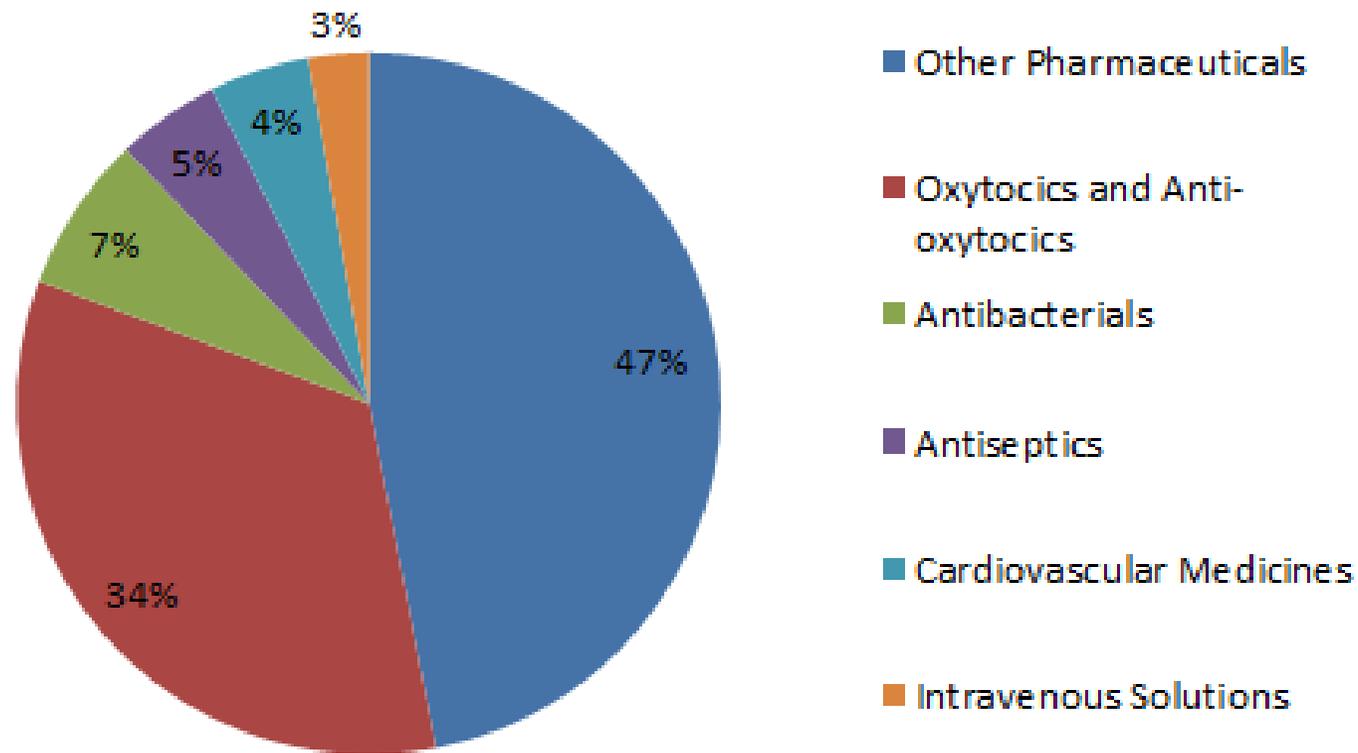
What we procure

- UNFPA's Pharmaceutical spend is categorized into 19 subcategories
- 8 have high spend categories with volumes above \$100K
 - Anaesthetics
 - Anti-Anaemia Medicines
 - Antibacterial
 - Antimalarial Medicines
 - Antiseptics
 - Cardiovascular Medicines
 - Intravenous Solutions
 - Oxytocic and Anti-oxytocic
 - Other Pharmaceuticals



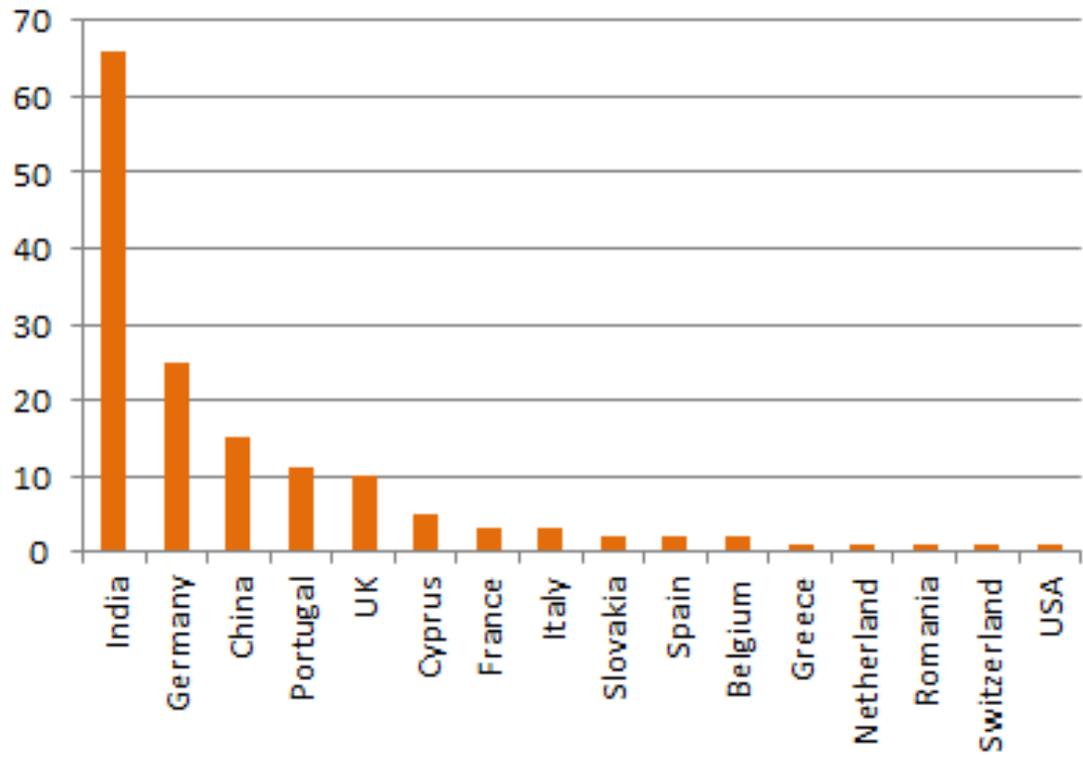
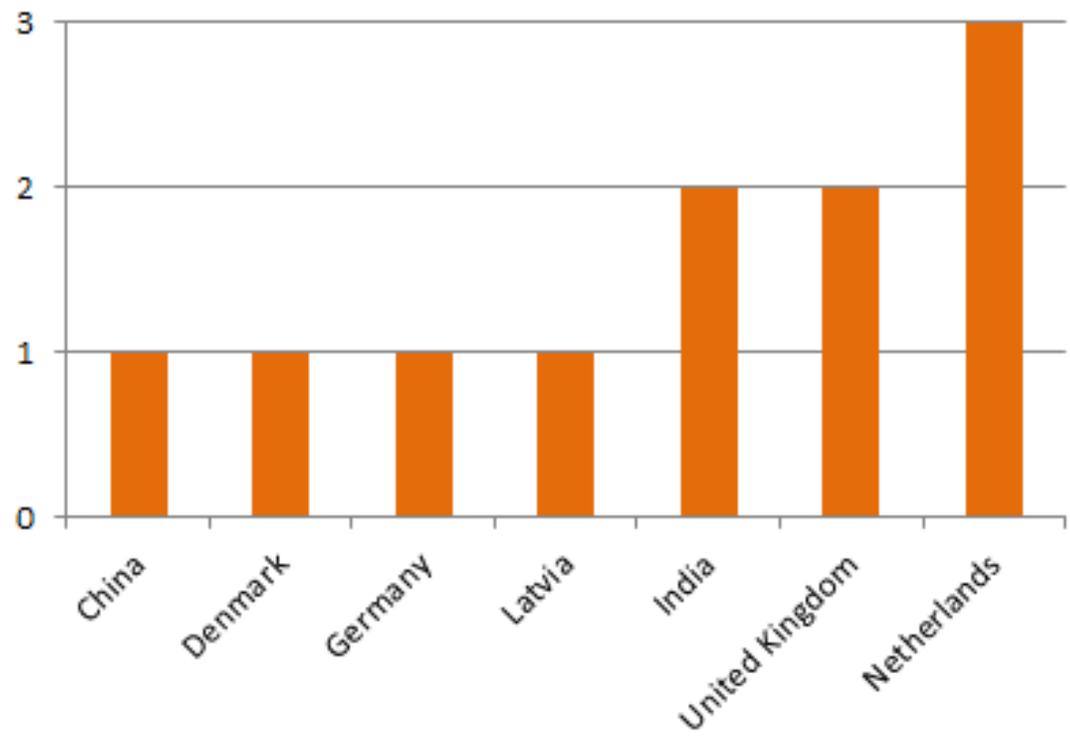
Key Categories of Pharmaceuticals

The below 5 subcategories make up 95% of our spent



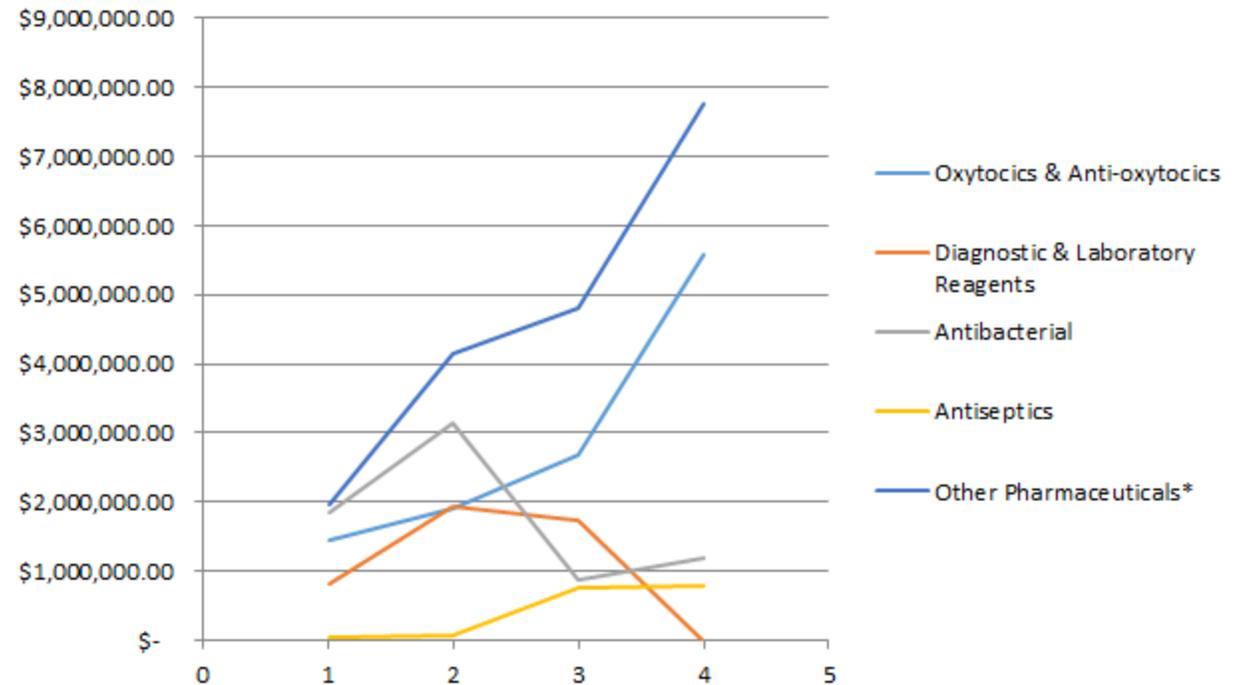
Product Sources

Contract Sources vs Manufacturing Sources



What we procure

- **Oxytocic & Anti-oxytocic**
 - Increase from 15 to 22%
- **Other Pharmaceuticals**
 - Increase from 27 to 40%
- **Diagnostics & Lab. Reagents**
 - Average 14%



Main challenges encountered in the Procurement of Pharmaceuticals

- Limited suppliers/manufacturers that fully comply with UNFPA QA requirements
 - PSB has published Invitations to Manufacturers of Reproductive Health Medicines to submit an Expression of Interest (EOI) for their products to be evaluated by WHO Expert Review Panel (ERP) for Reproductive Health Medicines.
 - UNFPAs QA has encouraged suppliers with ERP positive results to participate in the WHO Prequalification process in order to raise the number of suppliers' who would be quality approved in our database.
- Requests with small quantities
 - In the interest of an efficient supply chain, UNFPA has contracts with wholesalers in order to supply the combined requests and with small quantities

Main challenges encountered in the Procurement of Pharmaceuticals

- Wholesalers dependency
 - Wholesalers contract has been a good solution to supply requests with small quantity however not have direct contacts with manufacturers increase one stakeholder in the supply chain. Due to the current market structure UNFPA has signed direct contracts only for the key reproductive health commodities to serve large orders.



Collaboration with Suppliers

- Annual Supplier workshops of Core commodities
 - Share best practices among suppliers;
 - Enhance supply performance to UNFPA;
 - Identify areas where UNFPA procurement can improve their support of suppliers delivery;
 - Inform of UNFPA's projects & trends in procurement.
- Hands on Performance assessment
 - Allowing to target improvement opportunities
 - In future to promote benchmark within commodity
- Access to collaborative Registration procedures
 - Faster start of procurement and wider availability of PQ medicines
 - Assurance about the same medicines being PQed



Collaboration with non-UN partners



- Collaborating with other Public procurers to ensure efficiencies
- Optimize cost reduction
 - Standardizing requirements for tender processes amongst partners as well as KPIs
 - Sharing of outcomes of inspection & technical assessment reports
 - Inter-Agency Finished Pharmaceutical Product Questionnaire
 - Sharing of procurement best practices
- Innovative projects which contribute to efficiency:
 - Joint forecasting
 - Partnerships for impact:
 - Leveraging of systems to facilitate procurement platforms
 - Address common issues jointly
- Analyzing possibility to implement a track & trace solution

UNFPA

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