

CONCEPT NOTE

AFRICA CDC, PAHO, and RVMC Exchange Meeting on Pooled Procurement Mechanisms

1. Introduction

The Partnerships for African Vaccine Manufacturing (PAVM) was established by the African Union (AU) in 2021 to deliver a bold goal: enabling the African vaccine manufacturing industry to develop, produce, and supply over 60 percent of the total vaccine doses required on the continent by 2040, up from less than 1 percent today. The [PAVM Framework for Action \(FFA\)](#) laid out key strategic enablers to support the ambition. In addition, the AU Summit in February 2024 made two important decisions related to manufacturing: 1) mandated Africa CDC to set up and operationalize an African Pooled Procurement Mechanism (APPM) with the support of Afreximbank and the United Nations Economic Commission for Africa (UNECA), and 2) expanding the mandate of Africa CDC to support the manufacturing of therapeutics, diagnostics, and other medical products in addition to vaccines. These decisions reflect the African Union's commitment to expand the local manufacturing of all health products to ensure the health security of the 1.4 billion Africans. Currently, there are 23 vaccine manufacturing facilities in Africa at different levels of development, up from a handful before the COVID-19 pandemic. Three out of the 23 manufacturers will produce 8 antigens with the target of supplying to the African market from 2026 to 2030.

The continental pooled procurement will play a dual role of improving access to quality and affordable health product technologies as well as promoting the localisation of manufacturing. Limited offtake certainty, fragmented demand and poor economies of scale limit the business case for local manufacturers to invest in vaccine manufacturing facilities and other health technologies. A key goal of the PPM is to support the scaling of local manufacturing of vaccines and other health technologies.

To deliver on its aims, an African PPM needs a sufficient level of technical capacity, financial capacity, independent operation, and compatible laws and regulations. To supply the mechanism with health commodities, suppliers need adequate incentives, such as a sufficient market size, a secure contracting function, and a prompt payment mechanism. These translate into several critical functions, including the capability to adapt the speed of these functions for health emergencies and rapid response, which include:

- **Demand consolidation, planning, and forecasting:** Work closely with member states to support quantifying demand and financing and translate these into production, procurement, and supply plans.
- **Member State service:** Requisitioning supplies, providing financial and planning estimates, product selection, timely delivery, and management of operational issues that may arise.
- **Norms and standards:** Development of functional, technical or performance

specifications, regulatory standards for production, and protocols for the management of potential substandard or adverse events following use of a health product.

- **Procurement:** Conducting market research, developing statements of work and procurement strategies to achieve procurement and market objectives. Conducting tendering, evaluating of offers and awarding contracts. establishing arrangements with manufacturers that specify conditions and delivery, payment, conditionality, expectations, and penalties for non-performance.
- **Quality assurance:** Ensure products are manufactured according to the relevant quality standards and systems for product quality control and production assurance.
- **Contract management:** Ensuring contract performance, inspection, goods receipts, monitoring and control, and contract remedies.
- **Supplier registration and management:** Conduct due diligence on manufacturers regarding financial, ethical, and operational standards and track performance appropriately.
- **Logistics:** Planning deliveries, analysis of logistics options and incoterms, shipping documentation, delivery, and inspection.

These critical functions must be enabled by 'back-office' functions such as budget, financing, invoice processing, ITC infrastructure, and administration and operated within a suitable enterprise resource planning (ERP) system. A performance monitoring framework is needed to ensure continuous improvement and achievement of strategic objectives and operational targets – including timely delivery, affordable pricing, quality products, and timely payment.

The set of critical and back-office functions needs to be girded by well-designed internal controls and governance that ensure compliance with AU rules, independence, timely decision-making, and relevant best-in-class procurement standards with a balanced perspective on all countries' and manufacturers' requirements. The internal controls must also include an active risk framework to ensure risk identification, mitigation, and monitoring.

Currently, Africa CDC together with Afreximbank and UNECA have drafted the design of the APPM and are actively engaging with organizations that have experience in running successful PPMs.

The PAHO region has a well-functioning manufacturing ecosystem underpinned by a strong regulatory ecosystem and a pooled procurement mechanism.

The PAHO Revolving Fund for Access to Vaccines has been serving 41 countries for more than 40 years ensuring access to vaccines based on the principles of solidarity, equity, transparency and quality. It consolidates demand and offers Member States interest-free credit line. The revolving fund has contributed to major milestones in the

region including elimination of Polio, Rubella and Measles, introduction of new vaccines such as Rota, Pneumococcal and HPV as well as responding to pandemics and outbreaks including COVID-19 and Monkeypox.

Therefore, collaboration with PAHO and learning from their successes is of paramount importance.

The Regionalized Vaccine Manufacturing Collaborative (RVMC) was formed by the World Economic Forum (WEF) in the wake of the COVID-19 pandemic to address inequities within the global vaccine production ecosystem, especially impacting lower-to-middle income countries. RVMC 2.0 has developed a strategy that aims at supporting the different regional initiatives to support expansion of sustainable vaccine manufacturing to better prepare for future pandemics. RVMC supports the regional PPMs to ensure that manufacturers have predictable demand and offtake guarantee.

It is in this regard that Africa Centres for Disease Control and Prevention (Africa CDC), the Pan American Health Organisation (PAHO), and Regionalized Vaccine Manufacturing Collaborative (RVMC) will convene a meeting on 18th September 2024 in Washington D.C., USA. The meeting will serve as a platform for Africa CDC to learn from PAHO on PPM and the revolving fund and will pave the way for further collaboration between the two regional institutions.

2. Objectives

The Africa CDC, PAHO, and RVMC joint meeting aims at:

- **Knowledge Sharing:** To learn from PAHO's experience in pooled procurement mechanisms and the revolving fund.
- **Discussion on African Pooled Procurement Mechanism (APPM) Design and explore areas of collaboration.**
- **Collaboration:** To foster collaboration and partnerships between Africa CDC and PAHO on broader strategic priorities and program areas.
- To formalize the partnership between PAHO and Africa CDC by signing a Memorandum of Understanding (MoU), establishing a strategic framework for collaboration on public health initiatives to enhance mutual support and cooperation.

3. Participants

The meeting will draw stakeholders from:

- Africa CDC
- PAHO
- RVMC

4. Expected Outcomes

- Enhanced understanding of PAHO’s pooled procurement mechanism to support local production of vaccines, medicines and other technologies.
- Learn from PAHO’s Pooled procurement mechanism and expected challenges and strategies put in place to overcome the challenges.
- Understand the role of NRAs in pooled procurement mechanism.
- Strengthened collaboration between Africa CDC, and PAHO.

5. Date and Venue

The Africa CDC, PAHO and RVMC Exchange Meeting on African Pooled Procurement Mechanism (APPM) will take place on 18 September 2024.

Venue: Pan American Health Organization; 525 23rd Street NW, Washington, DC 20037. Room C.

6. Tentative Agenda

	Agenda item	Details	Speaker
Time	18 September 2024		
10:00-10:30	Session 1. Opening	Welcome and introduction from Africa CDC, PAHO, and RVMC	<ul style="list-style-type: none"> • Jarbas Barbosa, Director, PAHO • H.E. Dr. Jean Kaseya, DG, Africa CDC • Alex Harris, RVMC Moderator: Dr. Rhonda Sealey-Thomas, PAHO AD
10:30-11:20	Session 2. PAHO priorities	Overview of strategic priority areas of PAHO Discussion	Dr. Rhonda Sealey-Thomas, PAHO AD
11:20-12:00	Session 3. Africa CDC priorities	Overview of strategic priority areas of Africa CDC Discussion	Africa CDC
12:00-1:00			
1:00-1:30	Session 4. Setting the scene	<ul style="list-style-type: none"> • Local Manufacturing in Africa, vision and Priorities • Vision and Priorities for 	Dr. Abebe Genetu Bayih, Ag. Lead, PHAHM Judit Rius Sanjuan, PAHO

		Regional Manufacturing in the LAC region	IMT
1:30-1:45	Session 5. Opportunities for Intercontinental Collaboration	Role of RVMC in intercontinental collaboration on local manufacturing	Alex Harris, RVMC
1:45-2:15	Session 6. Pooled Procurement Mechanism	Presentation on APPM	Wesley Ronoh, Market Shaping Lead, PHAHM, Africa CDC
2:15-3:15		Presentation on PAHO's Regional Revolving Funds <ul style="list-style-type: none"> • Governance • Way of working • Portfolio • Demand Consolidation • Structure • Results • New opportunities and initiatives 	Chris Lim, PAHO RRF
3:15-3:30		Health and coffee break	
3:30-4:15		Moderated discussion	Moderated by Chris Lim, PAHO RRF
4:15-5:00	Session 7. The role of NRAs in pooled procurement mechanism	PAHO's experience on regulatory strengthening and harmonization initiatives. Linkages with Regional Revolving Funds Mechanisms. <ul style="list-style-type: none"> • Presentation • Q&A 	Mariluz Pombo, PAHO IMT
5:00-5:30	Session 8. Closing	Summary of key takeaways and action points	Africa CDC and PAHO
		Closing remarks	Africa CDC and PAHO

Time	Agenda item	Details	Duration	Speaker
19 September 2024				
9:00-9:30	Session 1. Deep dive PAHO RRF	<ul style="list-style-type: none"> Management and Coordination of Regional Revolving Funds Portfolio inclusion/exclusion process Presentation Q&A	30 min	Chris Lim, PAHO RRF IMT
9:30-10:10		<ul style="list-style-type: none"> Demand Planning Process Presentation Q&A	40mins	Chris Lim and Murat Ozturk, PAHO RRF
10:10-10:25	Health and coffee break			
10:25-10:50	Session 1. Deep dive PAHO RRF, cont.	<ul style="list-style-type: none"> Financial Management Presentation Q&A	25min	Daphne Ortiz, PAHO FRM
10:50-11:20		<ul style="list-style-type: none"> Legal Support and Agreements Presentation Q&A	30min	Scott Shauf, Daniel Scott, and Flor Abregu, PAHO LEG
11:20-12:05		<ul style="list-style-type: none"> Procurement and Engagement with Manufacturers Presentation Q&A	45min	Shirley Quesada and Jordi Balleste, PAHO PRO
12:05-12:30		<ul style="list-style-type: none"> Credit Line Management Presentation Q&A	25min	Chris Lim, Florencia Behrensen, Kemel Hallar, PAHO RRF
12:30-1:30	Lunch			

CONCEPT NOTE

1. Backgrounder and objectives

The Africa CDC and PAHO high level meeting aims at:

- **Knowledge Sharing:** To learn from PAHO and Africa CDC priorities and experiences, including a deep dive into pooled procurement mechanisms and the PAHO regional revolving fund, and both organizations strategies to promote regional innovation and production.
- **Collaboration:** To foster collaboration and partnerships between Africa CDC and PAHO on broader strategic priorities and program areas.
- To formalize the partnership between PAHO and Africa CDC by signing a **Memorandum of Understanding (MoU)**, establishing a strategic framework for collaboration on public health initiatives to enhance mutual support and cooperation.

2. Participants

The meeting will draw stakeholders from:

- Africa CDC
- PAHO

3. Expected Outcomes

- Strengthened collaboration between Africa CDC and PAHO and explore areas of collaboration
- Enhanced understanding of PAHO's pooled procurement mechanisms, strategies to support regional innovation and production, and other core strategic priorities of both organizations.
- Sign an MOU and advance on development of a workplan

4. Date and Venue

The Africa CDC and PAHO will take place on 19 and 20 September 2024.

Venue: Pan American Health Organization; 525 23rd Street NW, Washington, DC 20037. Room C.

5. Tentative Agenda

	Agenda item	Details	Speaker
Time	19 September 2024		
1:30-2:15	Session 2. PAHO Department of	Essential Public Health Functions	Dr. Ernesto Bascolo

	Health Systems and Services (HSS)	Human Resources for Health	Dr. Benjamin Puertas
		Discussion	
2:15-3:00	Session 3. Health Emergencies	PAHO presentation	Dr. Maria Almiron, Unit Chief of Health Emergency Information & Risk Assessment, PAHO PHE Africa CDC
		Africa CDC presentation	
		Discussion	
3:00-3:30	Session 4. PAHO Department of Evidence and Intelligence for Action in Health (EIH)	Digital Transformation and IS4H initiatives	Dr. Sebastian Garcia Saiso, Director, PAHO EIH
		Discussion	
3:30-3:45	Health and coffee break		
3:45-4:15	Session 5. PAHO Department of Communicable Disease Prevention, Control, and Elimination (CDE)	Presentation on the Elimination Initiative	Dr. Sylvain Aldighieri, Director PAHO CDE
		Discussion	
4:15-5:00	Session 6. PAHO Department of Social and Environmental Determinants for Health Equity (DHE)	Movement of health cities, municipalities and communities	Dr. Gerry Eijkemans, Director PAHO DHE
		Health vulnerability and adaptation assessments to climate change and health	
		Discussion	
5:00-5:30	Session 7. Moving forward with the Action Plan	Moderated discussion to identify focal points for the Action Plan and agree on next steps	All

	Agenda item	Details	Speaker
Time	20 September 2024		

<p>9:00 – 9:30</p>	<p>Signature of MoU</p>	<p>Signing ceremony and photos</p>	<ul style="list-style-type: none"> • H.E. Dr. Jean Kaseya, DG, Africa CDC • Jarbas Barbosa, Director, PAHO
<p>10:00 – 11:30</p>	<p>Session 1. Deep dive on regional innovation and production</p>	<p>Technical roundtable/ working breakfast to exchange strategies, opportunities and challenges to promote regional production and innovation</p> <p>15 minutes of initial presentations, followed by structured roundtable discussion.</p> <p>*Note that this final session will be held in Room 612*</p>	<p>Tomas Pippo, PAHO IMT Africa CDC</p>