



eVPPEF

Procuring the vaccines through UNICEF/ PAHO

16th December 2020

UNICEF

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UNICEF

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UNICEF in vaccine procurement

45%

of children under five reached, in over 100 countries (*through only 5% of the global market share*)

25

vaccines with different product presentations

2.4 billion

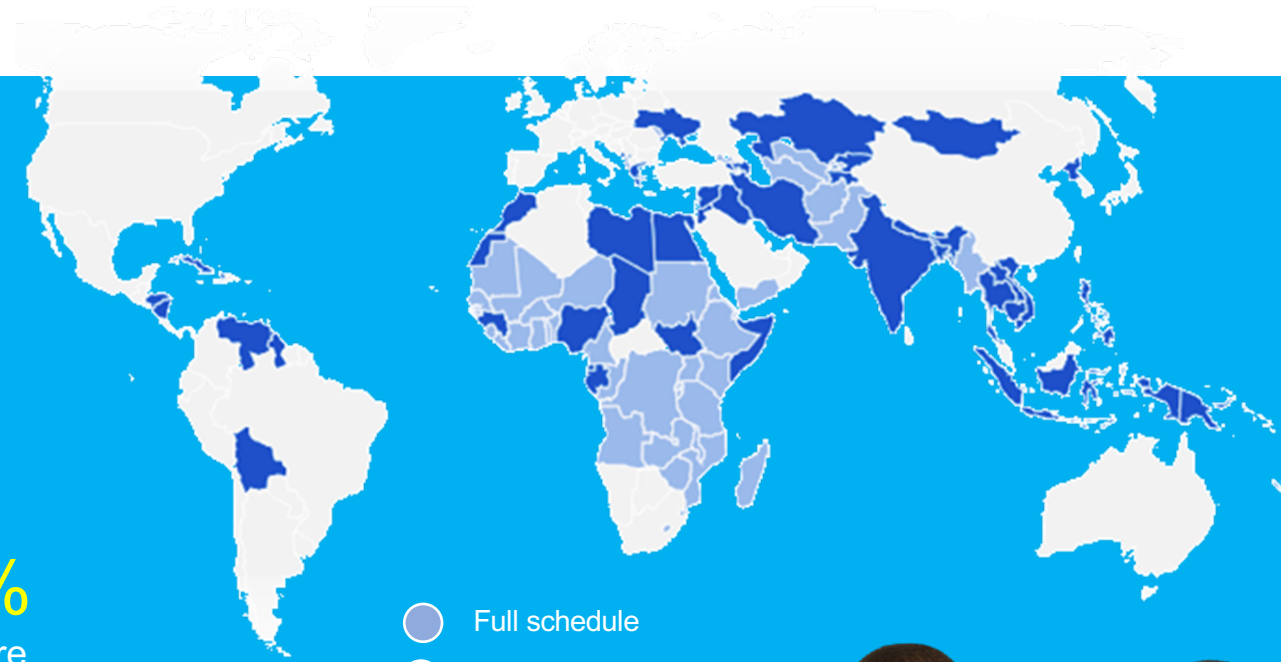
doses procured in 2019

1.66 billion USD

throughput in 2019

~ 50%

of doses are procured from suppliers in middle-income countries



- Full schedule
- Partial schedule



Source: UNICEF Supply Division
This map does not reflect a position by UNICEF on the legal status of any country or territory or the delimitation of any frontiers.

Vaccine Product Profile



High Product Sensitivity

- **Biological products** requiring constant temperature control ⇔ Cold Chain from Manufacturer to Child
 - **Significant risks** of production failures
 - Quality is the **over-riding criterion**
 - **Highly regulated** production environment
 - Dependency on **well-functioning NRA**
 - Limited **shelf life**



Limited Supply

- 1- 5 **suppliers** per product
- High entry cost to **manufacturers**



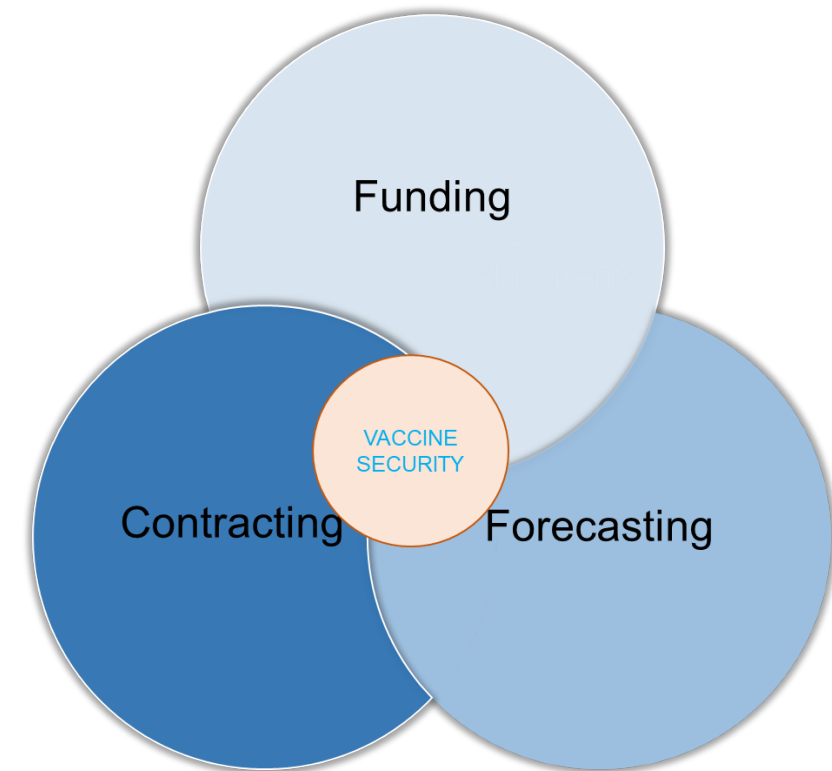
Long lead times for vaccine production

- **Production** of a dose: 6 -24 months
- **Capacity increase**: 2-3 years
- **New plant**: 5-7 years
- New regulatory requirements can **cause interruptions**

Requiring a specific approach to be developed for vaccine procurement

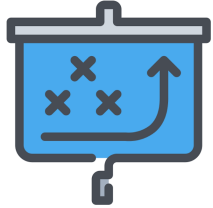
UNICEF's procurement is focused on achieving Vaccine Security

The Vaccine Procurement Principles



1. A **healthy industry** is vital to ensure uninterrupted and sustainable supply of vaccines
2. Procurement from **multiple suppliers** for each vaccine presentation
3. Procurement from manufacturers in **developing countries and industrialized countries**
4. Paying a price that is **affordable** to Governments and Donors and a price that reasonably covers manufacturers minimum requirements
5. UNICEF should provide manufacturers with **accurate and long-term forecasts**; Manufactures should provide UNICEF with accurate and long-term production plans
6. As a public buyer, providing grants to manufacturers is not the most effective method of obtaining capacity increases
7. The option to quote **tiered pricing** should be given to manufacturers.

Vaccine tender and contracting approach



Strategy development

Product-specific procurement strategies, based on analysis and experience

Informed by **industry and partner consultations** and objectives alignment



Tender process

RFPs for strategic products – flexibility for manufacturers to shape the offer to highlight how they can **bring best value**

Multi-year tender & award period – providing planning horizon and more certainty to manufacturers

Wide invitee-list. All manufacturers are able to participate (including pipeline) invited



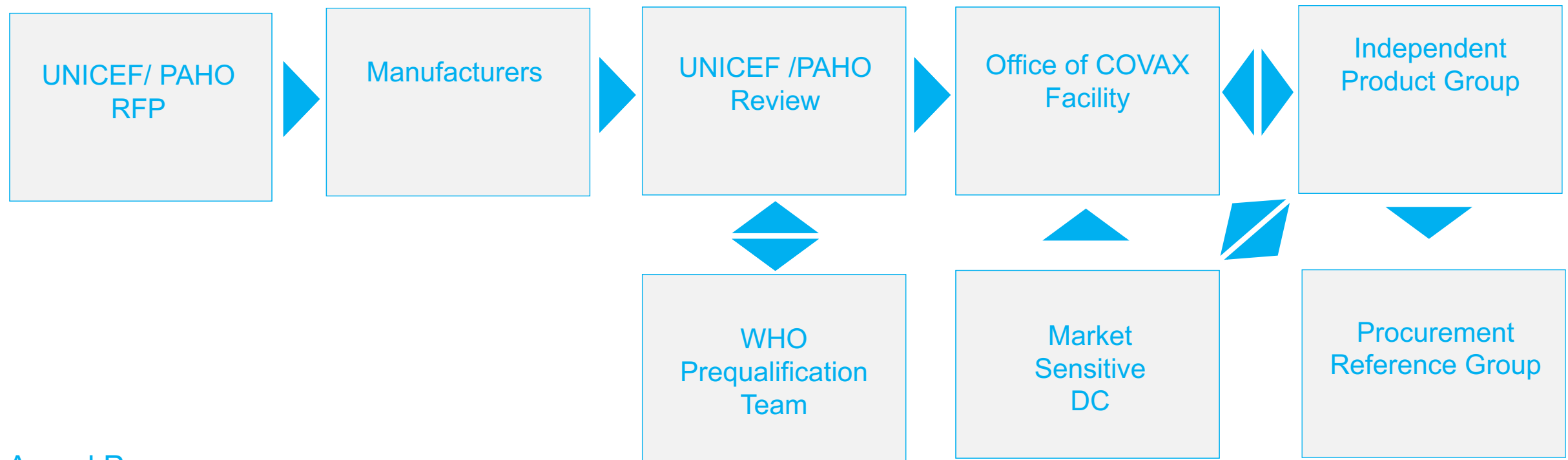
Awards

LTA – ‘good faith’ framework agreements, based on good will from accurate forecasts, but ‘treated’ as contracts
To achieve exceptional results exceptional contracts have been awarded (eg, firm or pre-paid contracts)

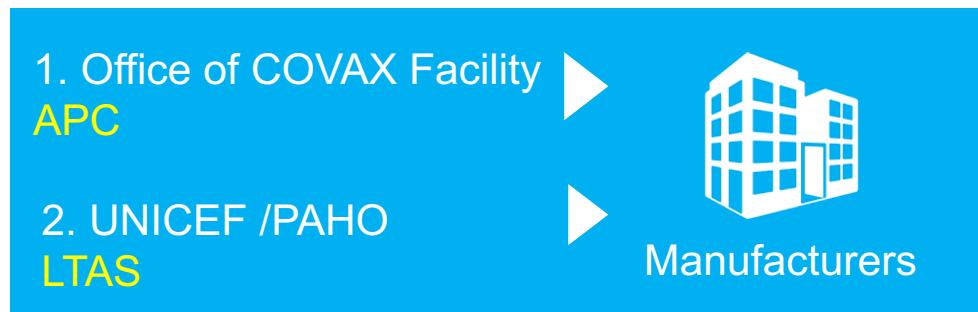
Review with a **confidential partner consultation**

Multiple suppliers awarded per product
Pipeline assessed in award recommendation, and inform award strategy to **incentivize continued market development**

High level summary of joint UNICEF/PAHO Tender

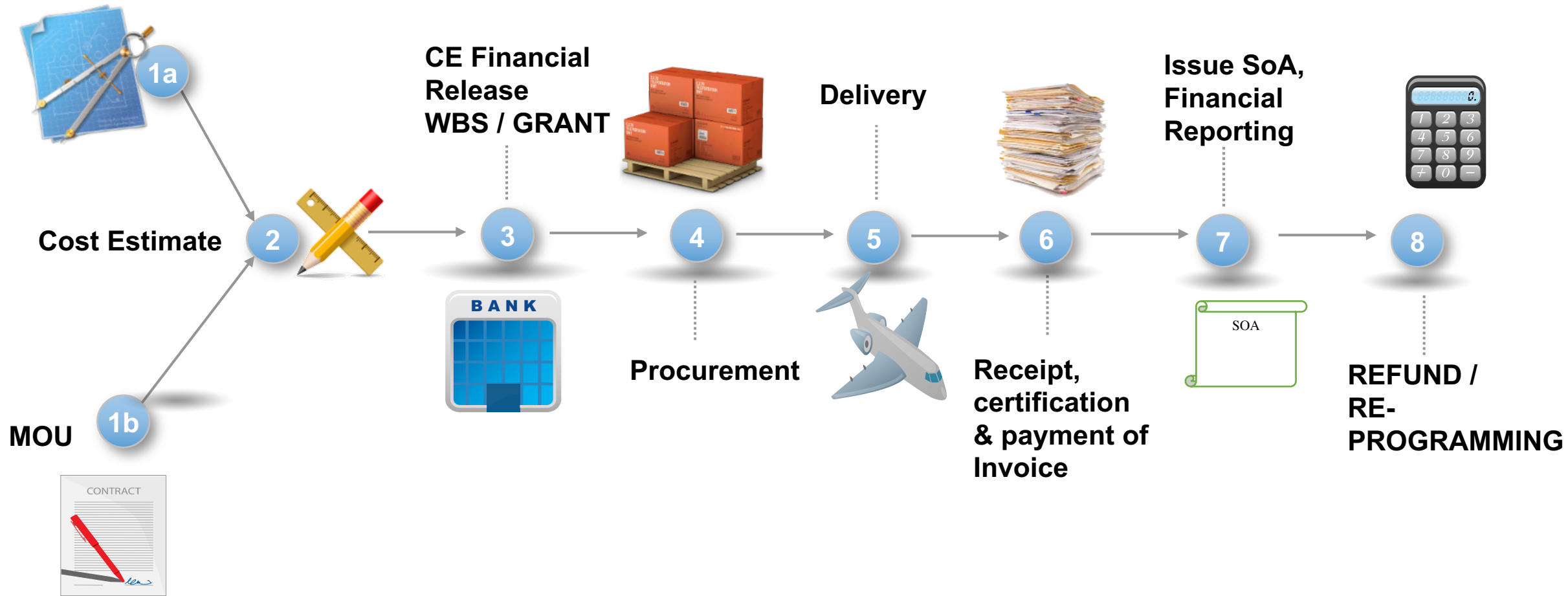


Award Process



Overall procurement process

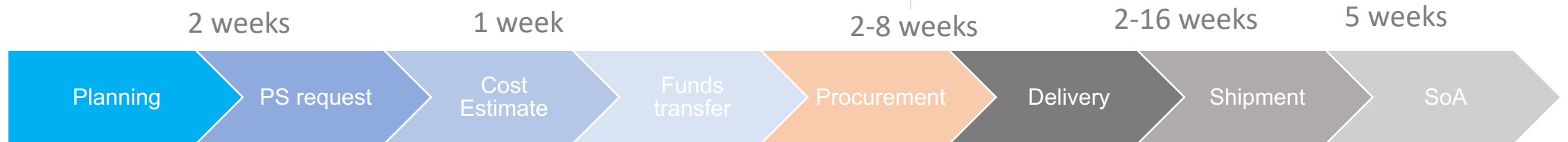
Planning/Demand
Forecasting/Budgeting



Standard operational timelines are affected by

Completeness of request form
Clarity of specifications
Standard or not standard product
MOU negotiation
Availability of funds

Mode of shipment
Availability of carriers
Documentation requirements



Delivery terms
Market situation
Inclusion in forecasts

COVAX participants procuring COVID-19 vaccine through UNICEF/ PAHO

Vaccine Request

Country will submit request through Vaccine Request Form

Allocation

Allocation of vaccine will be done by the Joint Allocation Taskforce (JAT) and Independent Allocation Validation Group (IAVG) will be passed on to COVAX Facility for implementation decision

Indemnity and liability Agreements

Country will be informed of the decision and requested to confirm when Indemnity and Liability agreement has been signed with the manufacturer of the allocated doses

NRA

Country to also confirm to Procurement Agency [UNICEF/ PAHO] that their National Regulatory requirements/ approvals are in place and that country is ready to receive allocated doses

PO

Upon receipt of the confirmations, UNICEF/ PAHO will place purchase order for the allocated doses with manufacturer and copy country and assigned Freight Forwarder.

PO Acknowledgement

Manufacturer will acknowledge the PO

Good readiness

Proceed with making good ready to shipment

Shipment

When goods are ready, manufacturer informs FF and arranges for delivery to the country.

High Level Purchase Order Process Flow for AMC92 and Self Financing Participants procuring through UNICEF

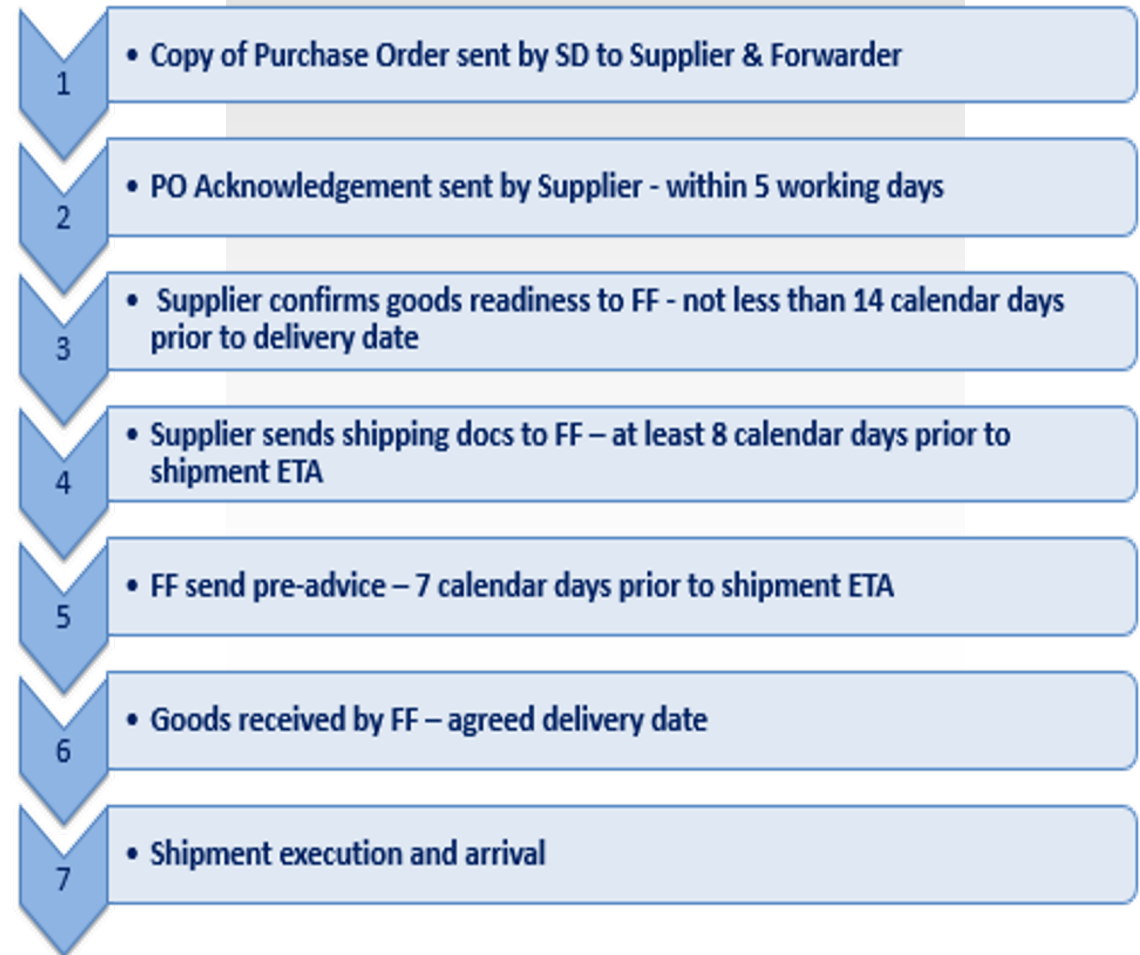
One purchase order per consignee per allocation

All shipments of vaccines procured through UNICEF will be shipped directly from manufacturers to consignee, using the UNICEF appointed freight forwarders

Manufacturer receives Purchase Orders from UNICEF or PAHO against LTA for AMC92/Self Financing Participants procuring through UNICEF/PAHO as Procurement Agencies

There is NO PLAN to establish a logistic hub to be managed by UNICEF/PAHO

UNICEF HIGH LEVEL STEPS



COVAX participant NOT procuring COVID19 vaccine through UNICEF/ PAHO

Supply Terms sheets	Vaccine Request	Allocation	Indemnity and liability Agreements	NRA	PO	PO shared by countries	Shipment	Good reception
UNICEF/ PAHO in the role as procurement coordinator will establish Supply Term sheets agreed to by the manufacturer	Country will submit request through Vaccine Request Form	Country will be informed of the allocation decision.	Country will be expected to sign Indemnity and Liability agreement with the manufacturer of the allocated doses.	Country to ensure that the National Regulatory requirements/approvals are in place and that country is ready to received allocated doses	Country will be expected to raise Purchase orders or Supply Agreement which will be issued directly to manufacturer.	Country should share a copy of the Purchase order with UNICEF/ PAHO in order for UNICEF/ PAHO to record Allocation decision was implemented Gavi APC has been drawn down by the number of doses on the SP country's PO	Delivery should be arranged in line with agreed INCO terms	Country to confirm to UNICEF/PAHO when allocated doses are received in the country.

VACCINE PROCUREMENT SERVICES



Concept of Procurement Services



- ❑ **Strategic programmatic tool** that enables UNICEF partners to procure essential supplies and services through UNICEF's global knowledge, purchasing capacity and logistics experience
- ❑ **Procurement mechanism** option for partners that is **complementary to and integrated** with UNICEF's programme funded supply and logistics operation
- ❑ Partners choose **Procurement Services** because;
 - Expertise** on strategic commodities and global markets.
 - Ability to obtain **cost effective results** / value for money.
 - Stringent **quality** procedures.
 - Ethical, competitive** and **transparent** procurement processes.
 - Very strong country **presence** and local **knowledge**.
 - Looking to **strengthen systems** and **support transition** but do not want to displace national capacity.

Key Points to Consider for Vaccines Procurement Services



- ❑ **Planning and forecasting** → ensure timely delivery of vaccines → lead times → submit CE Request
- ❑ **Country-specific regulatory requirements** → WHO PQ → green light process
- ❑ **Non traditional vaccines / non-LTA** → prior consultations with SD
- ❑ **In-Country logistics (ICL)**
- ❑ **Funding and budgeting**

Vaccine Cost sharing approach (for AMC countries)



- ❑ Fully subsidized doses will be distributed across Participants until donor resources are exhausted.
- ❑ Participants will then be able to allocate funds to purchase supplemental doses, fully financed via their cost-sharing contributions, for an additional percentage of their population.
- ❑ Participants who choose not to or are not in a position to cost-share will still receive their share of fully subsidized doses, but will not receive doses beyond what donor resources are ultimately able to cover

Advantages of Cost Sharing



- ❑ **Streamlined process** for accessing donor-funded doses for highest risk groups and additional doses, if desired, to protect a higher proportion of the population
- ❑ **Access to large, diverse, actively managed portfolio of vaccine candidates**, maximizing chances of receiving effective, high-quality vaccines near term
- ❑ **Access to second generation candidates** that may have benefits in terms of cost, ease of use, or scalability
- ❑ **Access to COVAX-negotiated prices**: cost-sharing allocations will pay for vaccines as priced by the manufacturer, with the Facility serving as a “pass through”
- ❑ Assurance of **safety and efficacy** through WHO pre-qualification or stringent regulatory approval

Procurement of Cost Shared vaccines through UNICEF



- ❑ For countries procuring their **cost shared doses** through UNICEF
- ❑ Countries submit a request for a **Cost Estimate** to UNICEF Procurement Services
- ❑ UNICEF shares a Cost Estimate; once this is approved by the country, **funds are transferred** to UNICEF to proceed with procurement
- ❑ Once funds are received, **purchase orders** are placed with delivery dates as per **the delivery schedule** shared by the country

Sample Cost Estimate

United Nations Children's Fund Telephone: +45-45 33 5500
 Mr. Ben Nangombe
 18 November 2019
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 18 November 2019
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CE 10020853 Rev 3

18 November 2019

Mr. Ben Nangombe
 Executive Director
 Ministry of Health and
 Social Services
 Harvey Street
 Private Bag 13198
 Windhoek
 NAMIBIA

UNICEF Partner Code: G69802

UNICEF Reference: Cost Estimate 10020853 Revision

Dear Mr. Ben Nangombe,

We are pleased to share with you our revised Cost Estimate for Rotavirus and HepB vaccines totalling USD 2,724,828, through UNICEF Namibia Country Office on 16 May 2019.

Please be advised that as per your request received on Revision 5 reflects the following changes:

- The quantity of item 40 DTP-HepB-Hib vaccine has increased from 10 to 15.
- Due to the changes in the quantity of the DTP-HepB vaccine, the handling fee has been updated accordingly.

Kindly be reminded that the previous revision (Revision 4) was cancelled.

- The price of item 40 DTP-HepB-Hib vaccine increase from USD 181,920 to USD 181,920.
- The price of item 60 Td vaccine increased from USD 181,920 to USD 181,920.
- The price of item 70 IPV vaccine increased from USD 181,920 to USD 181,920.
- Due to changes in the prices of vaccines, the handling fee has been updated accordingly.
- The validity of the Cost Estimate was extended to 31 December 2020.
- Paragraph 1. Delivery was updated.

All other terms and conditions remain unchanged. This document is for information only.

In addition to the information on costs, we would like to inform you of the following:

1. Delivery

The estimated prices are in accordance with Incoterms 2010 shipment by Air.

Item 10 BCG vaccine will be ready for dispatch within approx 4 weeks with the supplier, and then a further 3-4 weeks should be allowed for shipment by air.

Item 20 DT, item 40 DTP-Hep-Hib, item 50 bOPV, item 60 Td vaccine will be ready for dispatch within approximately 3-4 weeks after placement of purchase order. Further 3-4 weeks should be allowed for shipment by air.

Item 30 MR vaccine will be ready for dispatch within approx 4 weeks with the supplier, and then a further 3 weeks should be allowed for shipment by air.

Item 70 IPV vaccine will be ready for dispatch within approx 4 weeks with the supplier, and then a further 3-4 weeks should be allowed for shipment by air.

The delivery times are indicative as actual delivery schedules can vary due to received advance payment.

2. Vaccines

Kindly note the following:

- The vaccine comes with VVM (Vaccine Vial Monitor) from UNICEF.
- The vaccine will be delivered with the following documents:

- AWB
- Invoice
- Packing list
- National release certificate

Any request for further documentation must be stated at time of purchase order has been placed.

3. Memorandum of Understanding (MOU)

Procurement activity shall be initiated by UNICEF in accordance with your organization and UNICEF. The purpose of the MOU is to outline the obligations related to procurement services as well as to outline the terms and conditions of the MOU.

4. Order Confirmation

Should you accept this Cost Estimate and wish to procure the services, you must confirm the amount of the Cost Estimate is required by transferring funds within the validity period, as follows:

By bank wire transfer:
 UNICEF Payment Reference: CE 10020853 Rev 5
 Nordea Bank Danmark A/S
 Vesterbrogade 8
 Postboks 850
 DK-0900 Copenhagen C
 Denmark
 SWIFT: NDEADKXX

Beneficiary
 Account
 Bank
 Account
 IBAN

Pay-Through/Intermediary Bank (from or via USA):
 Bank of America Merrill Lynch, New York
 SWIFT: BOFAUS33

Please note that failure to quote the Cost Estimate number in the purchase order may result in procurement.

5. Handling Fees

The handling fees are established at the minimum amount transaction costs and to support the supply of quality assurance line items of the Cost Estimate.

6. Contingency Buffer

A standard 6 per cent contingency buffer is added to the fluctuations in the commodity market and in currency exchange rates. The total amount will be shown in the Statement of Account.

7. Inspection of Goods Received

The Partner or its nominated consignee should inspect all goods into the country. The results of the inspection are documented on a pre-defined form of a Vaccine Arrival Report (VAR) completed and signed either by paper or by mobile application within 3 working days of the vaccine arrival in country. The VAR is submitted to UNICEF for its completion. The timely submission of the VAR is essential for monitor shipments of vaccines to country and enable possible procedures if/as needed.

In the case of any damage visible or suspected, the Partner should make remarks on the shipping documents and put the cartons in a secure place.

Air: 14 days upon arrival of goods shipment (Ref: Mount)

8. Statement of Account

After shipment of all supplies and recording of all expenses incurred, a statement of account will be issued. Payment should be made as per agreed payment terms.

9. Cost Estimate

Item No.	WH/ NW	Material No.	Description
10	NW	S350114	BCG vaccine, vial of 10 Handling fee 4.50% = 2,002.77
			Item offered With VVM The quantity has been rounded to fit in
20	NW	S359133	DT vaccine, adsorbed, 10 Handling fee 4.50% = 1,850.85
			Item offered With VVM The quantity has been rounded to fit in
30	NW	S359348	MR vaccine, vial of 10 Handling fee 4.50% = 14,391.00
			Item offered With VVM The quantity has been rounded to fit in
40	NW	S359129	DTP-HepB-Hib vac., 10 Handling fee 3.50% = 9,187.50
			Item offered With VVM The quantity has been rounded to fit in
50	NW	S359190	bOPV, bivalent type 1 Handling fee 4.50% = 2,235.60
			Item offered With VVM The quantity has been rounded to fit in

Item No.	WH/ NW	Material No.	Description
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60	NW	S359143	Td vaccine Handling fee 4.50% =
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Item offered With VVM
The quantity has been rounded to fit in

70	NW	S359212	Inactivated Handling fee 3.50% =
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Item offered With VVM

80	NW	S359500	Rotavirus 1 Handling fee 3.50% =
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Item offered With VVM
The quantity has been rounded to fit in

90	NW	S359323	HepB vac Handling fee 4.50% =
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Item offered With VVM

Cost of supplies

Freight, insurance & inspection
Handling fee

Total estimated costs

Contingency buffer

Total amount to be deposited

Estimated weight/volume : 7,383.691 KG / 34.102 M3

Consignee : Please provide the correct consignee details including contact person, email address and mailing address for this order when reverting with the acceptance of the Cost Estimate.

Delivery terms : CIP Windhoek
 Mode of shipment : Air

* NW = warehouse item; NW = non-warehouse item.

Kindly note, for computational purposes, item unit prices figure to three decimal places. Total amounts are quoted to two decimal places.

We appreciate the opportunity to provide a Cost Estimate and hope the information in it is satisfactory. For any further clarification please do not hesitate to contact your local point: Mariza Folla, mfolla@unicef.org or psoga@unicef.org.

CC: Mariza Folla, Supply Associate, UNICEF Namibia
 Melany Farmer, Operations Manager, UNICEF Namibia

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Useful resources

unicef  | for every child

Knowledge Translation and Exchange: Transparency on awards-prices-stockpiles

UNICEF Price data overview

Background: UNICEF procures key essential and strategic products for children. In order to provide greater transparency, UNICEF publishes historic, current, and future awarded prices for some essential and strategic products. The data overview has been prepared in consultation with UNICEF suppliers to make pricing information transparent. The prices UNICEF lists are based on UNICEF's mandate, aggregate quantities, commercial terms, forecast reliability, payment terms, and their long-standing relationship with industry. All prices listed are in US Dollar. Euro prices have been converted at the UN-official rate of exchange published by treasury.un.org. Where manufacturers list price ranges, a high and low spot price is listed.

Information disclosure policy: UNICEF Executive Board document E/ICEF/2009/15 (the Accountability Report). UNICEF will make available reliable and timely information about existing conditions, decisions and actions relating to the activities of the organization, in an accessible, visible and understandable manner, unless the information is deemed confidential. UNICEF makes public its major international procurement solicitation notices and its international awarded contracts. These are made public at UNICEF Supply Division's website and the UN Global Marketplace. UNICEF Supply Division's website also provides annual procurement data by vendor, country, amount, type of services/goods. UNICEF's policies and procedures are progressively being made available on the UNICEF global website.

For further questions or additional information, please contact: supply@unicef.org stating subject matter "Price Transparency"

SELECT CATEGORY



Useful resources

Monthly publication of contracts awards

[link](#)

UNICEF product Menu

[link](#)

Vaccine Pricing data

[link](#)

Emergency stockpile availability (OCV/ Meningococcal)

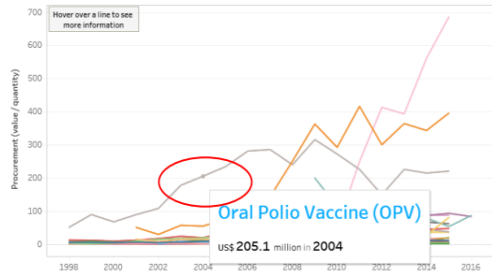
[link](#)

Supply Chain Dashboard

[link](#)

Historical procurement

INTRODUCTION: The figure below an overview of the historical procurement prices and volumes contracted with suppliers by UNICEF. To see more information about the data hover above the lines to see information about product name, value or volume.



SELECT FILTERS

Change the historical procurement perspective. Select volume or value.

- Historical Procurement (Quantity)
- Historical Procurement (Value)

Filter historical procurement for individual products. Select one or more products in the dropdown menu.

Product Name
(All)

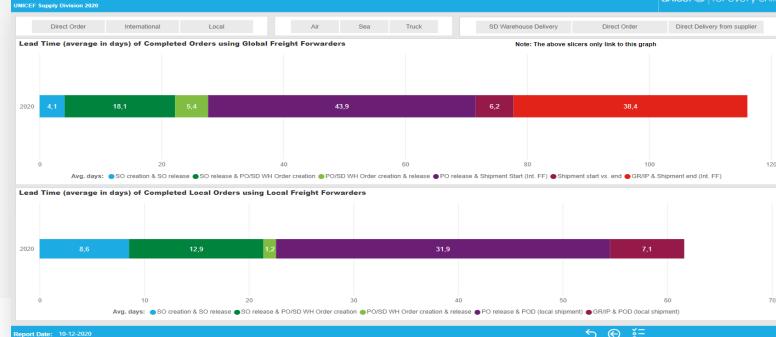
Filter historical procurement for selected timeperiods

1998 2020

Source: supply.unicef.org

Remember: refresh the page to reset filters

Supply Chain Dashboard - Lead Time Overview



Knowledge Translation and Exchange: Market Assessments



Market Notes published Q4 2019/Q3 2020

- Bacillus Calmette-Guerin **DEC 2019**
- Rotavirus Vaccine **FEB 2020**
- Human Papillomavirus Vaccine **MAY 2020**
- Pneumococcal Conjugate Vaccine **JULY 2020**
- COVID-19 vaccines **AUGUST 2020**
- Seasonal Influenza Vaccine **SEP 2020**

Market Notes to be published Q4 2020 - Q3 2021

- Japanese Encephalitis
- Diphtheria, tetanus toxoids and pertussis vaccine
- Oral Cholera Vaccine
- Typhoid Conjugate Vaccines
- Yellow Fever Vaccine
- Pentavalent vaccine
- Tetanus-diphtheria
- Measles, Mumps, and Rubella
- Bivalent Oral Polio Vaccine

Available on
[www.unicef.org/supply/
market-notes-and-
updates](http://www.unicef.org/supply/market-notes-and-updates)

Knowledge Translation and Exchange

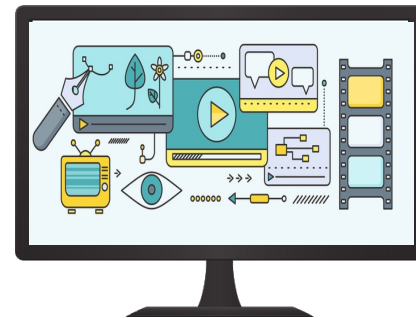
RESOURCES



Strategic Vaccine Procurement Assessment Toolbox

A standardized methodology for governments to assess their own national vaccine procurement processes

Current status: unicef.org webpages currently under development



Strategic Vaccine Procurement e-learning course

e-course to guide users on how to identify & understand the strategic vaccine procurement cycle & processes to ensure sustainable access to affordable vaccines.

Current status: Content with e-vendor for storyboard development

KNOWLEDGE EXCHANGE with PEERS



Vaccine Procurement Practitioners Exchange Forum (VPPEF)

Country buyers & partners Exchange good practices & expertise

9 Forums held since 2015
2020 eVPPEF (online)

Increasing demand from members & partners



Vaccine Procurement Practitioners Network (VPPN)

Online platform

Exchange

>45 countries represented

Knowledge sharing/
development - Monthly
webinar/ e-discussions