



**Report of the Working Group Meeting on
Access to Essential Public Health Supplies
And Procurement Mechanisms**

June 10 -11, 2004

Pan American Health Organization

Regional office of the

World Health Organization in the Americas

Prepared by
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Background

1. Access to medicines and public health supplies is a subject of increasing and urgent importance for countries in the region of the Americas: it must be viewed within the context and recognition of the importance of the right to health for all. The attainment of the global mandates presented through the United Nations Millennium Declaration, September 2000, and the identification of two priority public health targets (on the one hand HIV/AIDS, malaria, and other major diseases, and on the other the reduction of child mortality), will require access to essential public health supplies. In addition, Target No. 17 of the Millennium Development Goals explicitly highlights the need to “provide access to affordable essential medicines in developing countries.”
2. The Pan American Health Organization Secretariat has initiated a consultative process with Member States and partners to consider strategic lines for action promoting access to medicines and essential public health supplies. In March 2004 the Sub Committee of Planning and Programming of the Executive Committee of PAHO considered the issue and proposed that the Organization focus on 3 main areas:
 - in developing medicines policy within the region, promote the development of coherent generic drugs policy
 - develop strategies for cost containment, focusing on pricing and intellectual property regulation
 - support the strengthening of drug supply management capacity, and the development of regional procurement mechanisms.

Following recommendations from the Sub-Committee, the PAHO Secretariat has taken the issue forward, and in preparation for the meeting of the 134th Session of the Executive Committee (June 2004) (Annex 1) and the 45th Directing Council (September 2004), has organized a Working Group meeting with partners to develop elements of the proposed work program.

Terms of Reference

3. Terms of Reference were elaborated for the Working Group that focused on the review of the principal challenges that face the region of Latin America and the Caribbean (LAC) to improve access to essential public health supplies. Through the assessment and consideration of the strategic lines of action, the Working Group would provide PAHO with a future framework to guide the technical program of work.
4. The objectives of the meeting are presented:

- To assess the principle determinants of access to essential public health supplies and the challenges facing countries
 - To review principal strategic lines proposed for action, to develop the strategic lines, propose strategies and actions for PAHO's future work program:
 - Developing Generic Drug Policy as a means to increase the availability and use of quality essential medicines.
 - The development of Cost Containment methods for Essential Public Health Supplies
 - Strengthening Public Health Commodity Supply Systems to ensure continuity and availability and developing regional Procurement Mechanisms as a viable option in the supply of low-cost quality essential public health supplies
 - To review the proposal for future operation of the Strategic Fund, and to make recommendations with a view to maximizing country participation and utility of the Fund
5. Based on objectives, the expected outcomes of the meeting included
- Identification of the principal concerns of countries in access to public goods including Essential Public Health Supplies.
 - Strategic lines of action for PAHO, with activities for a future program of work.
 - Strategy options for the implementation of the program of work with a view to partnership.
 - A set of recommendations at the organizational and operational level, as well as a plan to render the Strategic Fund operational.

List of Participants

6. The Working Group was established with representation from the various partners and stakeholders working in the domain of access to essential public health supplies, as well as from priority technical areas within PAHO, country offices and specialized centers.

Participants in the Working Group:

Maryam Hinds, Director Barbados Drug Service, Ministry of Health, Barbados
 Nora Giron, Medicines Advisor, PAHO, Bolivia
 Jorge Bermudez, Director Fundacao Oswaldo Cruz (FIOCRUZ), Brazil
 Francisco Rossi, IPR and Access to Drugs Project, UNDP - IPEA.,Brazil
 Juanita Rodríguez, Medicines Advisor, OPS, Guatemala
 Nancy Castañeda, Cooperativa de COODEMCUM, Colombia

Beverly Reynolds, CARICOM Secretariat, Guyana
Monica Rosell, Legal Advisor, Secretaria General de la Comunidad Andina, Peru
Roberto López Linares, Executive Director, Acción Internacional para la Salud
David Lee, Director CPM, Management Sciences for Health, USA
Maria Miralles, Deputy Director, MSH RPM Program, USA
Juan Rovira, Senior Health Economist/Pharmaceuticals, The World Bank, USA
Rudolf V. Van Puymbroeck, Advisor Global HIV/AIDS Program, The World Bank, USA
German Velásquez, Essential Drugs and Medicines Policy (EDM), WHO, Geneva.
Carissa Etienne, Assisant Director, PAHO USA.
José Luis Di Fabio, Area Manager THS, PAHO USA
Phillip Lamy, Area Manager, Governance and Policy, PAHO USA
Rosario D'Alessio, Unit Chief a.i. THS/EV, PAHO USA
Cesar Vieria, Unit Chief Governance Bodies, PAHO USA
Carol Vlassoff, Unit Chief FCH/AI PAHO USA
James Fitzgerald, Advisor Health Supplies Management, PAHO USA
Ricardo Ramirez, Financial Management Reporting, PAHO, USA
Patricia Ramos, Procurement Services, PAHO USA
José Maria Parisi, Advisor Quality Control and Laboratories, PAHO USA
David Zorala, DPC/CD, PAHO USA
Claudia Vacca, THS/EV, PAHO USA

Observers:

Kate Evans, Campaign for Access to Essential Medicines, MSF, USA

Agenda and Format of the Meeting

7. The Working Group Meeting was organized to ensure maximum participation of participants in discussions on the determinants of access and the strategies to be developed. The agenda included presentations by experts on specific themes of importance including: the challenges and perspectives in ensuring access (WHO) at the global level; considering the regional context (PAHO); cost containment strategies and intellectual property (IP) regulation (FIOCRUZ); the role of generics in achieving the Millennium Development Goals (World Bank); drug supply management and access (MSH); and the development of regional procurement mechanisms (PAHO) (annex 2).
8. Following general discussion on the above issues, the format proposed that the Working Group separate into three sub-groups ((1) Generics and Access, (2) Cost Containment and IP, (3) Supply Management and Procurement) to review information presented, develop the PAHO strategic lines of action with activities, and consider strategies for implementation.
9. The Working Group on Access to Essential Public Health Supplies and Procurement Mechanisms met at the offices of the Pan American Health Organization, in Washington DC, June 10 – 11, 2004.

Presentation of Opening Remarks, Dr Etienne, AD/PAHO

10. Considering the overarching framework of the Millennium Development Goals, Dr Etienne presented opening remarks reviewing the problem of access to medicines and public health supplies, highlighting the relationship between the lack of access to health commodities, and inequity and social exclusion in the region of the Americas. Dr Etienne indicated that the challenges facing PAHO Member States in improving access to essential public health supplies lie principally in important areas of selection of quality products, financing and procurement, cost containment and intellectual property, and supply management.
11. Dr Etienne presented a brief description of the PAHO renewal process lead by the Director of PAHO, Dr Roses, and the priority afforded to the issue of access to medicines within this process. The endorsement of the key strategic lines of action by PAHO Governing Bodies was described by the Assistant Director as the driving force for the organization of the Working Group Meeting.
12. Dr Etienne also informed the participants that in developing the work program PAHO must build on our strengths of its partners. The Assistant Director indicated that PAHO was well placed to provide guidance to PAHO Member States, and to broker partnerships that would facilitate the achievement of priority goals. However some degree of analysis would be required to consider **how** to implement the program of work in Access, given an assessment of the resources available (through partners and otherwise) compared with an assessment of resources required. Within this context Dr Etienne tasked the Working Group on Access and Procurement Mechanisms to review the strategic lines proposed, to develop core elements of the work program, and to review the strategy for implementation, focusing on the added value that PAHO could bring to work already being undertaken in the region.
13. Dr Etienne then welcomed the participants, and presented Dr José Luis Di Fabio, Area Manager of Technology and Health Services Delivery at PAHO Washington DC, as Chairperson for the meeting.

Summary of Presentations

14. Dr German Velasquez from EDM/WHO opened the presentations by reviewing the work of WHO in the area of globalization and access to medicines. Dr Velasquez indicated that access constitutes an important human right to health, and that affordability is a public health priority. The principal determinants were presented, including pricing, rational use, financing and health/supply systems. Since 1999 three resolutions have been adopted by the World Health Assembly that provide WHO with a mandate to promote access to medicines at the global level. WHO has developed a framework for action to address the determinants,

with support from partners. A number of a challenges remain for the future, including the expiration of the transition period for implementation of TRIPS (January 2005), the use of 'mailbox' patent filing, and the application of exclusive marketing rights. With regard to generics, access to post 2005 generic (on-patent) medicines will depend on a combination of factors including the effective use of TRIPS-compliant public health safeguards, and the development of incentives for generic manufacturers. Finally Dr Velasquez highlighted the need for new incentives for research and development in medicines.

15. Dr José Luis Di Fabio (PAHO) gave a presentation to the meeting on Access to Essential Public Health Supplies, indicating to the participants that a similar presentation had been made to the 134th Sub-Committee of Planning and Programming (SPP) of the Executive Committee of PAHO, March 2004. Dr Di Fabio presented regional data on pharmaceutical expenditures indicating that in the Americas, out of pocket expenditure accounts for a very high proportion of total household health expenditure. Dr Di Fabio presented the proposed strategic lines for a PAHO future program of work promoting access to essential public health commodities including the promotion of coherent generic drug policy, the development of cost containments strategies, and the development of commodity supply systems including regional procurement mechanisms. The rationale for each strategic line for the Organization was then presented, with support information and data. Dr Di Fabio reported that in some areas, the program was in fact already underway, for example through the expert consultation on TRIPS and access to medicines held in Nicaragua, May 2004. Notwithstanding ongoing activities, Dr Di Fabio highlighted the importance of the Working Group Meeting, in order to develop the strategic lines of action for the consideration of the upcoming meeting of the PAHO Executive Committee, June 2004.
16. Dr. Jorge Bermudez (FIOCRUZ) followed with a presentation on Cost Containment Strategies and Intellectual Property Regulation, focusing on (1) access, innovation and cost-containment mechanisms, (2) IPR data in the region of the Americas, and (3) ongoing initiatives to scale-up access to care, involving IPR. In the area of cost containment, Dr Bermudez presented a series of strategies that could be used including cost-effective medicine selection, the use of price information, effective tendering and procurement, voluntary discount agreements, voluntary licensing, compulsory licensing, national production, price regulation, tax incentives and public investment in R&D. In presenting the results of an assessment of IP regulation in 11 countries in the region, Dr Bermudez concluded that countries were not taking full advantage of the TRIPS safeguards, and that IP legislation could be improved by including or expanding the scope of TRIPS safeguards in order to achieve better public health outcomes, such as access to medicines. Dr Bermudez then discussed the role of IP regulation on access to care and treatment, and specifically on access to medicines in the region, presenting information on background World Trade Organizations (WTO) agreements, and activities being developed through number of initiatives that were specific to the region (MERCOSUR, G-15 Meeting, IBSA Dialogue Forum,

UNDP Project on Access, PAHO Working Groups). In his conclusions, Dr Bermudez stressed the importance for countries to closely monitor IP agreements at three different levels – global, regional and bilateral, and to continuously reaffirm the Doha Ministerial Declaration on the TRIPS Agreement and Public Health.

17. In reviewing the role of Generics in the achievement of public health goals, Mr J. Rovira (The World Bank) opened his presentation by indicating that “generic drug policies provide a key strategy for improving affordability to standard quality drugs in developed and developing countries”. However in order to implement an effective generic drug policy, Mr Rovira indicated that countries needed to move to achieve a consensus on the definition of a generic, ensure price monitoring and quality regulation, and develop incentives to promote production, prescription and use. In addressing the issue of definition, Mr Rovira suggested that variation exists in practice at a number of different levels: exclusivity, therapeutic equivalence, and marketing nomenclature. Mr Rovira reported on the price evolution of generic medicines as they enter the market, highlighting the importance of generic competition both on the price of the brand reference but also on other generic competitors, and reporting on the savings that an economy such as the US has achieved when moving from single-source to multi-source products. In addressing issues associated with the quality of generics, Mr Rovira reported that it was important to achieve a balance between health expenditures and industrial goals and that a target quality level could be identified, where potential risk is acceptable for a given standard. As market failures can occur with information on medicines, regulation of quality is required. In considering the development of generic drug policies, Mr Rovira identified the need for intervention from an array of actors, and the level of intervention would depend on the type of generic (on-patent, off-patent, disease priority). In conclusion, Mr Rovira stressed the importance of a comprehensive strategy to design and implement an effective generics drug policy that will result in savings, the availability of quality products, and not meet with resistance of international and national pharmaceutical manufacturers.

18. Dr David Lee (MSH) then gave a presentation on Pharmaceutical Supply Management Systems and Access, focusing on two case studies involving (1) the Instituto Salvadoreño del Seguro Social and (2) the Seguro Social Campesino in Ecuador. Dr Lee presented a number of determinants of ineffective and inefficient supply including: the lack of system of enrollment to specific health program or facility; cumbersome procurement procedures; inadequate needs quantification; poor supplier performance; perceived poor drug quality; suboptimal storage conditions; ineffective drug management information system; low turnover ratio; high inventory holding costs; and significant financial opportunity costs. Data was provided on inventory turnover ratios, holding and opportunity costs, prescribing indicators and budget processes which readily indicated weaknesses in the supply

systems under consideration. Dr Lee suggested that more efficient supply systems could be developed through the separation of function, and specifically in the development of a procurement strategy based on therapeutic and treatment guidelines by the National Authorities, with the outsourcing of the inventory management and distribution function to a private/semi-private entity. In considering strategies to enhance access through supply management Dr Lee reported that alternative supply models must be explored involving public-private partnerships, and using a systems approach. Any approach will be meaningless in the absence of policies for rational use.

19. Dr James Fitzgerald (PAHO) then presented on PAHO regional procurement mechanisms promoting access to vaccines and other essential public health products. Dr Fitzgerald presented the rationale for regional procurement, highlighting the potential savings that can be achieved through the establishment of buyer groups, and if using revolving fund mechanisms, the generation of revolving capital which can be used as a continuous funding source for smaller nations. Dr Fitzgerald then gave details on operations of the PAHO Vaccine Revolving Fund, reporting on the planning cycle, and the level of procurement through the Fund (US\$ 145 million per annum) by the 33 participating countries. Dr Fitzgerald highlighted the role of the Fund in achieving the goals set out in immunization throughout the Americas. In contrast, information presented on the Strategic Fund indicated that although 12 countries had signed participation agreements in the Fund, the fund was not being used to its potential by Member States, on account of the lack of forecasting tools, complex issues with regard to procurement of commodities such as HIV/AIDS Antiretrovirals, and the need for the definition of a technical program of work in support of the Fund. Dr Fitzgerald reported that PAHO considers that the Strategic Fund can represent an important tool in the Access strategy within the region.

Reports of the Sub-Groups on Proposed Strategic Lines of Action

20. The Working Group then separated into three sub-groups by theme ((1) Generics and Access, (2) Cost Containment and IP, (3) Supply Management and Procurement). The reports of each Sub-Group are presented below, in summary form, presenting a review of the determinants/key issues discussed within the sub-group, proposed lines of action and strategies for implementation.

20.1 Generics and Access

- Participants: Jorge Bermudez, Roberto Lopez, Juanita Rodriguez, Joan Rovira, Claudia Vacca

Determinants/ Key Issues	Lines of Action	Strategies
<p>The variation in, and implications of definition</p>	<p>It is recommended that the various definitions, and associated terms, for a generic medicine in use throughout the region are characterized</p> <p>Develop a matrix which will permit the interpretation and comparison of definitions and an assessment of implications in adoption.</p> <p>Based on the above assessment, determine criteria (inclusive and exclusive) to be considered in the definition of a generic medicine, taking into account national contexts and capacity. In regulatory harmonization, and/or negotiation of trade agreements, the adoption of definitions not reflecting national contexts and the realities of national markets should be avoided.</p>	<p>Establish a Working Group to develop a proposal focusing on the criteria to be considered in the definition of generic medicine, to be presented to the Pan American Conference on Drug Regulatory Harmonization.</p>
<p>Quality</p>	<p>Evaluate the possible association of application of quality standards on potentially adverse effects in public health and access to medicines.</p> <p>Strengthen national authorities in implementing requirements and verifying compliance with GMP in countries of the region.</p> <p>Support countries in the development of regulatory processes and the incorporation of GMP in registration standards.</p> <p>Strengthen technical support in the development of national capacity to ensure conformity with GMP and quality</p>	<p>Continue GMP capacity building plans and programs, with technical support and cooperation.</p> <p>Render technical information on GMP more available to the community.</p> <p>Disseminate documents prepared by the technical working groups of the Pan American Network for Drug Regulatory Harmonization and stimulate debate within the countries based on their content.</p> <p>Develop national and sub-regional meetings on the subject</p>

Determinants/ Key Issues	Lines of Action	Strategies
	<p>standards (Industry, Academia, Governments).</p> <p>Strengthen technical cooperation to the network of national quality control laboratories</p> <p>Continue to promote the use of the WHO Prequalification Schemes</p>	<p>Strengthen cooperation between countries, and in particular, south/south cooperation.</p>
<p>Acceptability Doctors Pharmacists Users Consumers</p>	<p>Promote and provide technical support to health authorities in the development and implementation of quality standards</p> <p>Strengthen national regulatory frameworks through an integrated approach</p> <p>Promote quality verification assessment programs, post marketing, disseminating results and sanctions.</p> <p>Assess the presence of the theme of generics within training materials for health professionals</p> <p>Disseminate the strategy of generics as a mechanism to improve access and rationalize pharmaceutical markets</p>	<p>Initiate discussion within the Pan American Network for Drug Regulatory Harmonization, as well as during the Conference, on mechanisms and strategies to strengthen confidence in health authorities.</p> <p>Disseminate the opportunities that generics present as a strategy to promote access to medicines used by a wide variety of countries.</p> <p>Affiliate social marketing programs with communication experts</p> <p>Promote alliances with institutions, academic organizations and unions to incorporate the theme of essential medicines and generics in study plans for health professionals.</p> <p>Highlight incentives in regulation and other successful initiatives that address abuses in medicines promotion.</p>

Determinants/ Key Issues	Lines of Action	Strategies
Local Production Capacity	Assess the impact of the termination of the transition period for implementation of TRIPS on the availability of pharmaceutical active ingredients and medicines in the region.	Stimulate inter-country cooperation between countries considering the establishment of agreements for regional production: Example ABRAMEX
Financing	<p>Generic policies should be oriented both toward the public and private sector. However, tools to promote implementation of policy are more readily developed for the public sector.</p> <p>Incorporate medicines as an integral component of health care plans</p> <p>Promote the use of the Generic Name at all levels within the supply system</p> <p>Avoid a situation where co-payments only applies to medicines. In cases where co-payment exists, it should not represent a barrier to access.</p> <p>Establish price references for systems that operate cost recovery systems.</p> <p>In the private sector, promote generic competition, and in monopoly situations, design price control mechanisms.</p> <p>Develop communication strategies on opportunities in financing.</p>	Establish information and monitoring systems (e.g. Pharmaceutical Clearing House of the Americas)
Regulation	<p>The regulatory framework should take into consideration all the elements of supply:</p> <ul style="list-style-type: none"> ➤ Registration ➤ Promotion ➤ Dispensing and 	A Working Group for the development of lines of actions and promotion of generic policy.

Determinants/ Key Issues	Lines of Action	Strategies
	<p style="text-align: center;">➤ Prescribing</p> <p>It is suggested that generic policies incorporate different incentives, for example:</p> <ul style="list-style-type: none"> ➤ Production incentives: exemption from tariffs ➤ Incentives in registration: fast tracking or reduced tariffs ➤ Dispensing: Benefit margins in dispensing ➤ Prescribing: Benefit margins in prescribing or incentives to prescribe using the DCI. 	

20.2 Cost Containment and IP

- Participants: Kate Evans (observer), Monica Rossell, Francisco Rossi, Rudy Van Puymbroeck, German Velasquez, Cesar Vieira,

Determinants / Key Issues	Lines of Action	Strategies
IPR Issues	<p>To promote essential medicines as ‘public goods’ (preferential or meritorious products); to promote access to medicines as a human right</p> <p>Adoption of ‘sui generis’ IPR treatment for essential drugs</p>	<p>To review the possibility that 400 essential drugs are classified as public goods</p> <p>To learn from other goods, services and sectors.</p> <p>To explore public health concept in TRIPS and assess feasibility of excluding all or certain drugs from scope of TRIPS</p>

Determinants / Key Issues	Lines of Action	Strategies
	<p>To implement fully and better utilize TRIPS flexibilities</p> <p>To promote public investment in R&D for new medicines and national production</p> <p>To sensitize national authorities on links between NDRAs and the patent office</p>	<p>Promote regional harmonization of national legislation to fully implement TRIPS flexibilities (ex. Universal exhaustion of the rights – parallel imports, Compulsory Licensing – to retain all grounds for issuing (precautionary measures and legal recourse shall not deter the execution of compulsory licenses).</p> <p>Build capacity through assessment of patent documents</p> <p>Monitor evolution in developing countries</p> <p>Construct partnerships and identify resources for research for neglected and priority diseases</p> <p>Create awareness on negative impact: assist countries in assessing impact of linkage.</p> <p>Data protection should be applied considering the provisions of TRIPS, that is, the prevention of dishonest competition, and not as a mechanism to facilitate market exclusivity.</p> <p>Support countries in the evaluation of the impact of data exclusivity</p>

Determinants / Key Issues	Lines of Action	Strategies
<p>Cost Containment Policies</p>	<p>To explore the possibility of establishing an international regimen for facilitated access to medicines</p> <p>To explore possibilities related to competition law, market incentives and subsidies</p> <p>To analyze and monitor economic and trade dimensions of the health sector</p> <p>Promote access to price information</p>	<p>Studies and designing strategies examining options and alternatives for countries.</p> <p>Establish mechanisms to monitor the health impact of trade agreements</p> <p>Monitor and follow-up on best practices e.g. vaccines</p> <p>Continue price negotiations at the regional level</p> <p>Assess differential pricing strategies</p> <p>Promote and assess voluntary discount agreements</p> <p>Explore options in voluntary licensing</p> <p>Promote and assess government price control and regulation of monopolistic producers or distributors</p> <p>Construct effective mechanisms to share data and information on price</p>
<p>Legal and regulatory aspects</p>	<p>Support the process of harmonization of medicines, particularly in the Andean Region</p> <p>Examine options in reduction of import and other taxes on medicines.</p>	<p>Explore IP and drug regulation at the regional level</p> <p>Strengthen national patentability criteria</p>

Determinants / Key Issues	Lines of Action	Strategies
		Explore convergence with other health-related trade dimensions and services

20.2.1 Group 2 also noted in plenary that important discussion was held on the various alternatives in IP regulation in the region, and that any decision in developing the IP regulatory framework should include an assessment of the political and legal viability, considering existing inequities and diversity among countries.

20.2.2 Notwithstanding, three alternatives in IP regulation were considered:

A: Exceptions for Essential Medicines

Considering essential medicines as public goods, access to which constitutes a fundamental human right within the context of the right for health to all, a rationale can be presented to promote the exclusion and/or protection of essential medicines from IP regulation.

B: Sui Generis

Similar to the approach that has been adopted by the WTO in the area of integrated circuits and /or traditional knowledge a ‘sui generis’ approach to IP regulation could be adopted for essential medicines

C: Application of the Full Provisions and Flexibilities of TRIPS

Alternatively, countries may adopt and implement the full provisions and flexibilities of TRIPS, and establish mechanisms for the development of IP regulation and monitoring, not only within the country, but linked to similar mechanisms and systems at the regional level.

20.2.3 Finally Group 2 noted the importance for countries to avoid standards in intellectual property regulation other than those that have been endorsed within TRIPS. Additionally the group proposed that countries address with greater urgency the trade dimension of the health sector, train trade negotiators and health experts in trade, support TRIPS ratification by parliaments and modification of IP regulation in accordance with TRIPS.

20.3 Supply Systems and Regional Procurement Mechanisms

- Participants: Nancy Castañeda, José Luis Di Fabio, James Fitzgerald, Nora Giron, Maryam Hinds, David Lee, Patricia Ramos, Ricardo Ramirez, Beverly Reynolds, Carol Vlassoff, David Zorala.

Determinants/ Key Issues	Lines of Action	Strategies
Identification of Model Options of Pharmaceutical Supply Management Systems	<p>To define model options in pharmaceutical supply management for different countries:</p> <ul style="list-style-type: none"> • Sharing experiences • Documenting lessons • Reviewing Assessment Tools • Evaluating options and system impact 	<p>The development of partnership and strategic alliances with PAHO/WHO collaborating Centers, Cooperatives, NGOs and key partners.</p>
Capacity of National Authorities in Supply Management	<p>To strengthen capacity of national authorities in pharmaceutical supply management, to develop and operationalize guidelines and norms and provide country support in training implementing, monitoring and evaluation.</p>	<p>The establishment of a network of procurement agencies and supply management institutions in Latin America and the Caribbean, sharing best practices and experiences, developing joint work programs, and linking to other networks such as the Pan American Network for Drug Regulatory Harmonization</p>
Quality of supplies	<p>To strengthen countries quality assurance systems in the management of public health supplies through:</p> <ul style="list-style-type: none"> • Prequalification of suppliers promoting criteria for products and suppliers • Developing and disseminating management procedures (storage, distribution) for products in the supply chain and pharmaceutical services • Defining criteria for the testing of products in the supply chain • Strengthening the network of 	<p>The strengthening of the regional network of Official Quality Control Laboratories</p>

Determinants/ Key Issues	Lines of Action	Strategies
Regional Procurement Opportunities	<p style="text-align: center;">national quality control laboratories for the testing of medicines and supplies</p> <p>To develop the PAHO Strategic Fund as an option to facilitate access to public health supplies through:</p> <ul style="list-style-type: none"> • Reviewing the product mix • Providing technical support to countries in the revision, planning and programming of supplies • Disseminating to countries the framework, guidelines, reports and procedures to use to access the Fun • Defining the administrative procedures in the management of the Fund 	<p>PAHO Secretariat work groups</p> <p>The establishment of a network of procurement agencies and supply management institutions in Latin America and the Caribbean,</p>

20.3.1 In developing the areas of work, Group 3 reviewed country and sub-regional experiences in pharmaceutical supply management, sharing experiences from Barbados (the Barbados Drugs Service), Bolivia (CEASS) and Colombia (Cooperativa de COODEMCUM). In each case, similar determinants to those presented by MSH in the presentation on Pharmaceutical Supply Management and Access, were reported at the national level including: problems in the estimation of needs; lack of information systems; poor management capacity; lack of continuity in distribution; poorly developed pharmaceutical services; and inadequate drug selection processes.

Next Steps

21. The Working Group was informed that the outcomes of the meeting would be presented and discussed at the 134th Session of the Executive Committee of PAHO, June 21 – 25, and that report of the Working Group would be prepared, and circulated to the participants for comment, and thereafter finalized and disseminated throughout the region. The Working Group made the

recommendation that the Resolution being brought forward to the Executive Committee and thereafter the Directing Council incorporate the recommendations and outcomes of the Working Group Meeting.

22. The need to carry out an assessment of resource needs to develop and implement the program of work was highlighted by the Working Group. The strategy for implementation will be of considerable significance, recognizing that resources are readily available through key partners already working in the area, but highlighting the need for mobilization of additional resources to finance partnership activities and/or the establishment of new networks that will implement the work program. The Working Group was informed that PAHO will review the resource requirements and enter dialogue with partners and donors to ensure its development and implementation at the national level.
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