

Resolution

CE174.R10

REVIEW OF THE CHARGE ASSESSED ON THE PROCUREMENT OF PUBLIC HEALTH SUPPLIES FOR MEMBER STATES

The 174th Session of the Executive Committee,

Having reviewed the *Report on the Charge Assessed on the Procurement of Public Health Supplies for Member States* (Document CE174/27),

Resolves:

To recommend that the 61st Directing Council adopt a resolution in the following terms:

REVIEW OF THE CHARGE ASSESSED ON THE PROCUREMENT OF PUBLIC HEALTH SUPPLIES FOR MEMBER STATES

The 61st Directing Council,

Having reviewed the *Report on the Charge Assessed on the Procurement of Public Health Supplies for Member States* (Document CD61/__);

Recognizing the historic role of the Revolving Fund for Access to Vaccines (Revolving Fund), the Regional Revolving Fund for Strategic Public Health Supplies (Strategic Fund), and the reimbursable procurement on behalf of Member States (collectively known as the Regional Revolving Funds or RRFs) of the Pan American Health Organization (PAHO) in facilitating access by Member States to essential public health supplies and the evolving needs of the Region of the Americas driven by the rapid advancement of innovations and new technologies in vaccines and medicines, which often come with significant costs;

Noting the need to strengthen regional supply chain resilience, innovation, and manufacturing to improve equitable access to quality-assured health technologies, including during emergencies;

Considering the potential benefits of utilizing a small portion of the Capital Accounts of the RRFs to aggregate financing for regional public goods and incentivize investments in regional innovation and manufacturing,

Resolves:

1. To urge all Member States, considering their contexts, needs, vulnerabilities, and priorities, to:
 - a) continue to recognize the RRFs as the strategic regional technical cooperation mechanisms most suitable for providing equitable access to public health supplies, including high-cost products and medical countermeasures;
 - b) promote solidarity and pan-Americanism through participation in the RRFs, exploring areas beyond current engagement;
 - c) endorse the strategic priorities of the RRFs to support Member States in addressing emerging challenges and opportunities while allowing for increased flexibility and innovative approaches in the use of the RRFs;
 - d) authorize the Director to use, at his discretion and subject to the availability of funds, up to 15% of the Capital Accounts of the RRFs, to incentivize regional innovation and manufacturing, implement innovative procurement strategies, negotiate pre-pandemic agreements, and/or develop financing initiatives, all with the aim of responding more effectively to Member States' emerging health needs.
2. To request the Director to:
 - a) use the Capital Accounts of the RRFs to continue providing short-term financing through the credit lines as a priority;
 - b) exempt, at his discretion, the 2.5% Capital Account component of the charge assessed on the procurement of public health supplies when *i)* the goods are regionally manufactured to incentivize regional production and self-reliance, and/or *ii)* the products have high budgetary impact, such as for large volumes of high-cost products;
 - c) report on the implementation of the above flexibilities to the Governing Bodies of PAHO at the end of the biennium 2026–2027.

(Fourth meeting, 25 June 2024)
