

The Future of Global Health Procurement: Updating WHO Guidance for Procurement Modernization

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To reassert itself as the global standard-setting body and better support modern and agile procurement policy and practice, the WHO should set and execute a prioritized guidance reform agenda.

The Status Quo: WHO's Pharmaceutical Policy Framework is Misaligned with Modern Procurement Needs

Many low- and middle-income countries look to WHO guidance as their lodestar for procurement and pharmaceutical policy, particularly when national regulatory and purchasing functions suffer from capacity constraints. WHO guidance covers a broad range of related topics, from standards for drug importation and donation; essential medicines, diagnostics, and medical device lists; and pharmaceutical pricing. In addition, many global health institutions and country payers have adopted the WHO's prequalification standards as a prerequisite for purchase of certain product classes.

Yet despite the centrality of the WHO in global pharmaceutical policy, and the rationale for an assertive global standard-setting institution, much of its existing catalogue of guidance is inappropriate for modern contexts. Problems include:

• **Out-of-date guidance**: For example, the WHO's guidance on the development and implementation of a national drug policy was first released in 1988 and last updated in 2001.

- Inflexible or inappropriate guidance widely cited and enforced: For example, the World Bank's guidance on imported pharmaceuticals and vaccines, based off WHO guidelines dating back to 1996, states that at least three-fourths of the specified shelf-life should be remaining when products arrive at the port of entry. This procurement requirement, defined as a percentage rather than a threshold expressed as a fixed number of months, can affect flexibility and efficiency, complicating supply chain planning and undermining efforts to respond to stock-outs.
- One-size fits all guidance not adapted to local contexts: The WHO essential medicines, diagnostics, and medical device lists, along with other guidance, often guide country-level lists and policy decisions—and, consequently determine what products national purchasers procure. Yet WHO guidance is typically one-size fits all, and thus does not account for country-by-country variation in disease burden, resource availability, prioritization, or cost-effectiveness.





The Way Forward: WHO Leads on Agile, Modernized Procurement Policy

To reassert itself as the global standard-setting body and better support modern and agile procurement policy and practice, the WHO should set and execute a prioritized guidance reform agenda:

- Provide guidance on and work with countries to adapt the WHO essential medicines, diagnostics, and medical devices lists and technical guidance to local context and resource constraints: Though the WHO itself is poorly placed to evaluate country-by-country cost-effectiveness, it should ensure that technical guidance and the lists are written to encourage appropriate modification and adaptation based on local context, including consideration of local costeffectiveness, budgets, and disease priorities.
- Conduct a comprehensive update of guidance for pharmaceutical policy: The WHO should undertake a comprehensive review of all guidance related to pharmaceutical policy and procurement to

support more agile and effective purchasing. Before a more specific recommendation can be made, the priorities, capacities, and relative roles of international agencies and expert entities in this domain need to be reviewed in full.

• Expand efforts to facilitate common or expedited drug registration at the country level: As detailed in a complementary fact sheet, and building on existing efforts through the Collaborative Registration Procedure (CRP), the WHO should fully fund, expand, and endorse expedited and aligned registration for prequalified and/ or SRA-approved products as the norm, and especially in smaller low- and middle-income countries.

This factsheet is based on the final report of CGD's Working Group on the Future of Global Health Procurement. The full report, Tackling the Triple Transition in Global Health Procurement, is available at www.cgdev.org/ better-health-procurement.

