

Integrity Risks in Vaccine Programs

30 September | 2:00 p.m.–3:30 p.m. (Manila)



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Procurement Risks in Vaccine Procurement

APVAX Policy



ADB's Support to Enhance COVID-19 Vaccine Access (APVAX)

A- Rapid Response Component (RRC)

Flexibility and timely financial support for vaccine and logistical support

B- Project Investment Component (PIC)

Support in the system development for successful distribution, delivery and administration

ADB Procurement Framework continues to apply

Key Risks During Processing

Capacity Constraints of the DMC

- Limited or no prior experience
- Limited or no existing infrastructure for deployment
- Delay in triggering emergency procedures
- Internal processing and approval system
- Lack of timely counterpart funds availability



Key Risks During Processing

Constraint Market Conditions

- Market power of manufacturer
- Inability of the of market to meet the vaccine demand on time
- Weak bargaining power of the DMC
- COVID-19 restrictions in shipment

Procurement and Financial due diligence conducted during processing and monitored throughout the project cycle (procurement and contract implementation)



Key Risks During Implementation

Urgency of procurement increases risk of corruption and limited focus on VFM

Due to constraint market conditions, contracts are not balanced (Buyer have high risk)

Delay in concluding the bilateral deals

Signed contracts or to be signed required to sign side letter to include ADB ACI provisions

Vaccine Prices: Lack of information on prices and difficulty to compare due to NDA



Key Risks During Implementation

Prevalence of confidentiality/non-disclosure agreements

- Manufacturers prevent borrowers publishing contract prices
- ADB being asked to sign NDAs

Delay in concluding the contracts with UN agencies

Delay in timely delivery of vaccine doses

Insufficient capacity of the DMC to effectively store, transport and deployment of vaccine



Why ADB Policy needs to be applied

- ADB Procurement Policy applies for all projects financed in whole or in part by ADB loan/grant and or administered by ADB
- Agreement Establishing “The Asian Development Bank” (“ADB Charter”) - ADB shall take the necessary measures to ensure that the proceeds of any loan made, guaranteed or participated in by ADB are used only for the purposes for which the loan was granted and with due attention to considerations of economy and efficiency
- ADB has the obligation to ensure that the proceeds of its financing are used with due attention to the core procurement principles (Economy, Efficiency, Fairness, Transparency, Quality and Value for money) in defining the procurement strategy that ensure “fit for purpose” implementation arrangements .




Why ADB Policy needs to be applied

Compliance with eligibility requirements

- Universal Procurement
- To promote safe and effective Vaccines, selected vaccine must comply below criteria
 - ❖ the vaccine has been selected for procurement through COVAX on behalf of its participating countries, or
 - ❖ (ii) the vaccine has received WHO prequalification or WHO emergency use listing (EUL), or
 - ❖ (iii) the vaccine has received regular or emergency licensure or authorization by a stringent regulatory authority (SRA)



Why ADB Policy needs to be applied



ADB Procurement Framework and APVAX Policy requires projects under APVAX shall continue to apply ADB Anticorruption Policy (1998, as amended to date) and its Integrity Principles and Guidelines (2015, as amended from time to time)

ADB Procurement Regulations requires publication of contract award to ensure transparency

ADB's Access to information Policy permits non-disclosure if covered by confidentiality provisions/Non-disclosure agreement (NDA)- non-disclosure may raise transparency issues