

PD-ABL-508

**PROMOTION OF VACCINE SELF-SUFFICIENCY:
TURKMENISTAN**

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ACRONYMS

BASICS	Basic Support for Institutionalizing Child Survival
BCG	Bacillus Calmette Guerin
CDC	Centers for Disease Control and Prevention
DPT	Diphtheria, Pertussis, Tetanus
DT	Diphtheria, Tetanus
EPI	Expanded Program on Immunization
FSU	Former Soviet Union
GOT	Government of Turkmenistan
IFRCRC	International Federation of the Red Cross and Red Crescent
IICC	Inter-agency Immunization Coordinating Committee
IMF	International Monetary Fund
MOH	Ministry of Health
NID	National Immunization Day
OPV	Oral Polio Vaccine
REACH	Resources for Child Health
SES	Sanitary and Epidemiological Station or Service
Td	Tetanus diphtheria
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
VII	Vaccine Independence Initiative
WHO	World Health Organization

EXECUTIVE SUMMARY

BASICS consultant Dian Woodle visited Moscow from March 11 to 14, 1995, and Ashgabat, Turkmenistan, from March 17 to 31, 1995, at the request of USAID/Washington, D.C. Travel was approved by USAID/Moscow and USAID/Ashgabat. This was the third visit to Turkmenistan by Ms. Woodle in support of vaccine-related activities. The first two visits were under the auspices of the USAID-funded REACH project.

The objective of the visit was to assess the current situation of the Turkmenistan Ministry of Health regarding the acquisition of vaccine supplies and to identify strategies for vaccine self-sufficiency. The Moscow segment of the travel was undertaken in order to investigate vaccine procurement options and determine vaccine pricing and availability from Russian suppliers.

Activity:

In Moscow, the consultant met with representatives of Russian vaccine manufacturers and USAID personnel, collecting current information on Russian vaccine supply, pricing, procurement, and export licensing procedures, payment requirements, and the current situation with regard to transfer of funds through the banking system.

Conclusion:

Russian vaccine manufacturers claim to have enough excess production capacity to supply most vaccines to the republics of the Former Soviet Union (FSU). Export of diphtheria vaccine was restricted last year but several more production facilities are expected to come on-line shortly which will help to meet demand in the region.

Russian vaccine prices now equal or exceed Western prices; payment must be made in rubles or hard currency in advance; the Russian government often seizes payments made by republic governments through the banking system to offset the republic's debt; export licensing is still difficult although there is an organization in Moscow that will facilitate licensing for a fee; and Russian manufacturers, by and large, do not ship vaccine in internationally accepted cold-chain packing.

Activity:

In Ashgabat, the consultant met with various Ministry of Health, SES, and Ministry of Foreign Relations personnel, as well as U.S. Embassy staff, the new USAID/Ashgabat representative, UNICEF, Peace Corps, and the IMF/World Bank advisor to the Central Bank. The intent of these meetings was to reassess the economic and operative situation of the SES with regard to acquisition of vaccine supplies, and to identify optimal strategies for financing and procurement of vaccines. The USAID/Ashgabat representative accompanied Ms. Woodle on several visits and gave valuable input.

Conclusions:

Primary vaccines for children under two years of age are arriving regularly through the UNICEF/Japanese humanitarian assistance mechanism and there are no shortages. Vaccines financed by Rotary International for a special polio eradication program are in place for National Immunization Days scheduled in April and May. A substantial quantity of additional diphtheria vaccine for older children and adults is required in order to combat recent outbreaks in the area. It is hoped that at least some of this requirement will be provided by donors. The situation with other vaccines is characterized by the SES as "bad".

The SES will need to purchase at least some vaccine in 1995 and 1996 from the international market or from Russia with its own funds, or with as yet unidentified supplementary funds, or possibly, with the proceeds of a World Bank loan.

The MOH was unable to predict what funds will be available in 1995 for vaccine. Monies are currently being provided to the MOH and subsequently to the SES from the government's budget on a monthly or quarterly basis in varying amounts rather than through the former more stable annual lump-sum transfers. While the theoretical budget in Manet for the entire MOH is increased over last year, inflation on an annualized basis is 1,500 percent, so the increase means nothing.

The financial position of the MOH is not as good as that of the other ministries because it has no means of earning hard currency and thus receives less consideration in the budgeting process. It is, however, possible for the president to ask another ministry to provide funds to the MOH. This process of transferring funds from one ministry to another at the president's request has been employed in the past, although not to the benefit of the MOH, as far as the consultant could learn.

Conversion of local currency to hard currency is expected to be an important and possibly problematic step for the SES when it begins to procure vaccine from international sources. There are, at present, four different currency exchange rates in effect. Ten Manet per US\$1 is used for oil and gas earnings; 75 Manet per US\$1 is the rate prescribed for government-owned business, but requires permission of the president; 195 Manet per US\$1 is the commercial rate freely available to ordinary citizens purchasing US dollars through the banking system and to foreign and private business selling US dollars through the banking system; and approximately 220 Manet per US dollar is the current black market rate. Only the 75:1 and 195:1 rates are relevant for vaccine purchase. An annual typical requirement for child vaccines of US\$240,000 in US dollars would require 18 million Manet at 75:1 or 47 million Manet at 195:1. SES clearly cannot afford the 195:1 exchange rate so it must apply to the government for the 75:1 rate. Foreign currency is controlled by the president outside of the government's normal operating budgets. Permission is given on an *ad hoc* basis, depending upon the amount available and the president's views on the importance of the expenditure.

There is a widespread belief that approximately US\$1 billion is being held in reserve, and anything beyond that is used for current needs, so budgets are not a true representation of the financial position of the government.

It is possible the president would support a request from the MOH for additional funds and/or hard currency based on his recent public statements regarding concern and support for the health of women and children. Assistance with generating this political will would be a valuable contribution from an internationally-respected organization such as WHO.

Activity:

The consultant provided: (1) support for implementation of a first international procurement by the SES, (2) developing a set of materials in English and Russian, including examples of vaccine prices from various sources, (3) a list of reliable vaccine manufacturers and contact information, (4) explanations of quality assurance and shipping documents, (5) a brief summarizing the steps that must be undertaken and the approvals that must be secured in order to accomplish a procurement within the existing system, and (6) a model request for proposals and a model contract that would be acceptable to both a Western manufacturer and the Turkmenistan government.

Conclusion:

The consultant suggests that Turkmenistan begin the long-term process of establishing independent international procurement capability within the SES by financing a portion of the required diphtheria vaccine and undertaking a guided international procurement exercise, with the assistance of the BASICS project.

L **PURPOSE OF TRIP**

The objectives of this trip were:

A. Russia

To investigate vaccine procurement options and determine vaccine pricing and availability with regard to Russian suppliers.

Scope of Work

1. attempt to meet with vaccine manufacturers to get current information on vaccine supply and pricing, and
2. meet with the Moscow delegation of the Red Cross regarding the status of an earlier International Federation of the Red Cross (IFRC) plan to assist the Central Asian Republics to procure BCG vaccine.

B. Turkmenistan

To assess the current situation regarding the acquisition of vaccine supplies and identify strategies for vaccine self-sufficiency.

Scope of Work

1. analyze the status of the UNICEF/Government of Japan funding mechanism, identify obstacles and measures for resolving them;
2. evaluate the [EPI] stock situation, and vaccine ordering system;
3. explore the non-EPI vaccine [situation], source and acquisition process, *e.g.*, Td for diphtheria (special disease control);
4. reassess vaccine financing and procurement strategies through Russian, UNICEF, and Western suppliers regarding pricing, availability, import/export limitations, banking, and currency conversion limitations;
5. review currency conversion options such as "debt swaps", manufacturer funds transfer, and other strategies for establishing independent procurement capability;
6. follow-up on status of Red Cross scheme for BCG procurement;

7. design a program to provide the Central Sanitary Epidemiologic Station (SES) with an appropriate level of procurement capability, and identify personnel for training;
8. identify a plan of action and next steps to be taken, including training and technical support for an international tender and bid process; and,
9. contact U.S. Embassy staff for briefing/debriefing.

C. BASICS/Arlington, VA

Debrief USAID/BASICS staff on the status of the assignment and make recommendations for further activities.

II. BACKGROUND

The U.S. Government has been providing assistance to immunization programs in various newly independent states of the FSU since early 1992. In November 1993 and again in March 1994 the consultant visited Turkmenistan under the auspices of the USAID/REACH project to provide assistance in vaccine supply and logistics issues. The March 1995 BASICS consultancy builds on these two previous visits.

Just prior to the latest visit, personnel from the U.S. Centers for Disease Control and Prevention (CDC) spent twenty days in Turkmenistan generating draft national plans for the eradication of polio and the control of diphtheria. Requirements for substantial quantities of vaccine for these special disease control efforts were identified and have had an influence on strategies for vaccine financing and procurement.

The visit of another USAID/BASICS consultant, Alasdair Wylie, overlapped with the March 1995 procurement/self-sufficiency visit, and provided the opportunity to consolidate relevant information and activities. Mr. Wylie has provided extensive cold chain assistance to Turkmenistan and is currently assisting with preparations for a national immunization days campaign aimed at polio eradication.

Background political and economic factors were updated during the procurement visit and have been included in this report because they are a critical element affecting options for the acquisition of vaccine supplies and strategies for vaccine self-sufficiency.

Political: The Government of Turkmenistan (GOT) is lead by a strong president who, according to a reputable U.S. newspaper, "enjoys one-man rule over Turkmenistan's politics, money and media." This appraisal was corroborated by local informants during the March 1995 review. [Ref: *Wall Street Journal* April 11, 1985]

President Niyazov is the former communist party boss of Turkmenistan. He maintains stability and has a reputation for moving slowly in general. He has been an influential political force for about ten years and informed observers predict he will remain in power for some time to come. His present term as president does not end until 2002.

He wants to improve the economy but thinks the population is not ready for many choices. In his speeches, he has mentioned a *gradual plan to build a democratic state*. Turkmenistan is one of the most stable republics of the FSU and diplomats based there say most would not want to trade this for more or faster democratization.

President Niyazov has initiated very little privatization so far. When it begins, it is expected to be focused on the least productive sectors of the economy, starting with the worst ten percent -- in the words of one Western observer, a sure recipe for failure. Existing private business is generally limited to services and trade.

Observers say President Niyazov wants to be seen as doing things for the population, especially for children, and has made statements favoring public health. The Ministry of Health, however, is not as well funded as other ministries, ostensibly because it does not have the ability to generate hard currency. The Ministry of Foreign Affairs, for example, receives visa fees and hotel income. The Ministry of Oil and Gas receives hard currency income from natural resources.

Self-sufficiency is also part of President Niyazov's agenda and he has made it known that he intends to start with wheat in 1996. At the moment, there is shortage; on paper the planting and wheat harvest appeared to be sufficient, but in reality, there was not enough.

Economics: There is a widespread expectation of strong economic growth and an influx of foreign visitors related to the development of oil and gas resources. Some are looking at Turkmenistan as the "new Kuwait" and citing the small population (four million) as an advantage. On the outskirts of Ashgabat, there are 23 new hotels (including 13 under construction) which are owned by various government ministries as a means of generating hard currency. Each is more opulent than its neighbor, but all are quite small. In town, there are at least three new Western-style hotels serving business visitors. A new international airport near Ashgabat has been in operation for about six weeks and is organized along Western lines.

Most agree the future is bright but the question is, when will it begin? Western observers stationed in Ashgabat feel public investment decisions are made on an *ad hoc* basis and are often not rational. By and large, the population continues to endure a low standard of living, poor health care, shortages of consumer goods, unemployment, and general frustration. The existing infrastructure continues to deteriorate and many factories are closed or have limited production because they cannot import needed parts and materials from Russia or other countries.

Oil and Gas: The vast majority of current oil and gas exports are made to countries who do not have cash available to settle their debts. Turkmenistan has no facilities for processing oil and/or

gas and no way to deliver raw product to a seaport or to more affluent countries. Gas must pass through neighboring Uzbekistan and into the Russian pipeline, which was set up to avoid entering Europe. In addition, Uzbekistan levies huge transit fees on Turkmenistan's gas. A pipeline through Iran and Turkey, and eventually on to Europe, is in the planning stage, but will require at least four or five years to complete. A small amount of gas is converted to electricity and sold to Uzbekistan and Afghanistan.

Cotton: Cotton, also an important commodity, is similar to gas in that it is exported from Turkmenistan almost raw. This cotton is a different type than American cotton and is used for different purposes. A substantial amount of it is sold to Italy.

Each ministry and the president receive shares of the annual crop to sell or barter. The size of the crop and how much of it is already pledged is difficult to calculate. Some sources claim that it is committed well into the future and that each crop has been sold several times over. In 1994, the Ministry of Health realized it had completely committed its share and stopped making new barter deals.

Government Debt: The government does not have a great deal of debt, but it still owes Russia for an amount calculated at the break-up of the FSU. Turkmenistan is paying its other official debts, but does not necessarily honor business deals signed by former ministers. These can be considered personal debts, depending upon who was minister at the time of the signature.

Hard Currency: Foreign currency is under the direct control of the president and is not included in government budgets. It is widely held that President Niyazov maintains a reserve of about US\$1 billion. Small-denomination currency conversions are now freely available to the public; this was not the case one year ago. All other access to hard currency depends upon the amount available at the time and the president's views on the importance of the expenditure. Case-by-case permission is required. A further discussion of hard currency conversion may be found in Section IV E.

Local Currency: Turkmenistan is supporting its own currency, the Manat. In most of the rest of the FSU, the IMF helps to support local currencies by providing stand-by credits. In Turkmenistan, the IMF provides advisors in key sectors such as banking and foreign affairs, but does not provide financial support.

Banking: Banking in Turkmenistan has improved dramatically over the past twelve months. Vnesheconom Bank is capable of opening commercial letters of credit and has correspondent relationships with well-known Western banks that can provide guarantees and confirmations. It uses the SWIFT system for interbank transfers and maintains accounts for many of the foreign businesses.

Bank accounts can now be maintained in local currency or in hard currency. It is no longer necessary to convert some or all hard currency to Manet before deposit. Banks that were charging 200 percent interest have been regulated.

Transportation Infrastructure: Except for air service, Turkmenistan lacks adequate transportation links for the import and export of consumer products as well as commercial and humanitarian goods. This situation is expected to improve when a new railway between Turkmenistan and Iran is completed in mid-1996. Construction work on the Turkmenistan portion is finished, but Iran still has to build two tunnels and four bridges.

Inflation: According to the government statistics office, Turkmenistan's inflation rate is running between 25 and 30 percent per month or 1,500 percent on an annualized basis. This should be qualified by acknowledging a difference in calculation methods between Western countries and Turkmenistan.

The government is making an effort to hold inflation down by limiting the amount of currency in circulation. Unfortunately, this claim is substantiated by reports that factories sometimes cannot obtain enough currency to pay their workers.

Wages/Cost of Living: Salaries in Turkmenistan are guaranteed at a minimum of 1000 Manet per month (US\$5). The average salary seems to be about 3000 Manet. Most people have several jobs or some kind of enterprise that generates additional income. There is underemployment in many sectors, and multiple unskilled workers employed for a single job.

Many products and utilities are subsidized. Bread is so inexpensive that it is used instead of grain to feed livestock. Natural gas, water, and electricity are free. Health care and hospitalization are free. There is the semi-autonomous *Pharmacia* organization in Turkmenistan that supports itself by adding approximately 20 percent to the cost of the drugs it supplies. The more privileged segment of the population pays for its drugs, but at highly-subsidized prices.

III. TRIP ACTIVITIES

In Moscow, the consultant met with Immunogen and USAID personnel in order to collect current information on Russian vaccine supply, pricing, procurement and export licensing procedures, payment requirements, and the current situation with regard to transfer of funds through the banking system. Details of these interviews appear in Appendix 1: Update on Russian Suppliers .

Immunogen explains its current role in the vaccine industry as that of a dealer. This is a change from one year ago when Immunogen presented itself as the vaccine manufacturer's representative, and from two years ago when it officially represented Russian vaccine manufacturers at a WHO conference in Copenhagen.

Personnel from the Moscow delegation of the IFRCRC (Red Cross) were not available to meet during the Moscow visit, but a sufficient update on their proposed BCG procurement plan was obtained from Dr. Joachim Kreysler, IFRCRC/Geneva, at a diphtheria conference the consultant attended in Ukraine the previous week.

In Ashgabat the consultant met with Ministry of Health, SES, and Ministry of Foreign Relations personnel, as well as U.S. Embassy staff, the new USAID/Ashgabat representative, UNICEF, Peace Corps staff, officers of the Central Bank, and the IMF/World Bank Advisor to the Central Bank, in order to carry out the scope of work described above. The economic and operative situation of the central SES with regard to acquisition of vaccine supplies was reassessed and strategies for financing and procurement of vaccines were developed. The consultant also provided support to the SES for implementation of the first international procurement of vaccine. This included research and documentation (in English and Russian) on the steps that must be undertaken and the approvals that must be secured in order to accomplish a procurement within the existing system. This, along with resource materials in English and Russian covering vaccine prices from various sources, a list of reliable vaccine manufacturers, contact information, explanations of quality assurance and shipping documents, a model request for proposals, and a model contract that would be acceptable to both a Western manufacturer and the Turkmenistan government, was compiled into a handbook entitled "Vaccine Procurement" for the further reference of SES. USAID/Ashgabat was also provided with a copy of this document.

The draft "Vaccine Procurement" handbook is found in Appendix 2. A contacts list for this trip is in Appendix 3.

IV. RESULTS AND CONCLUSIONS

RUSSIA SCOPE OF WORK

A. Vaccine Supply and Pricing

In 1994, the Russian MOH would not permit the export of diphtheria vaccine because it was needed for their mass immunization campaign. In 1995, however, Russian vaccine manufacturers claim to be able to meet all demands of the Russian population and say they are ready to produce for export. Manufacturers in Moscow and Ufa are currently producing diphtheria vaccine; production is expected to begin in St. Petersburg, Perm, and Stavropol in the third quarter of this year. The Russian MOH will have to decide how much of this diphtheria vaccine it will allow to be exported. All other vaccine is sufficient in any quantity.

Russian vaccine prices quoted in 1995 by Immunogen appear in Appendix 2, (page 1 of "Vaccine Procurement".) BCG and polio vaccine prices are close to UNICEF prices. Measles and DPT vaccines are more expensive per dose because they are presented and priced in single dose vials rather than the ten-dose vials normally used by Western manufacturers.

Vaccine export is still regulated by the Russian MOH through export licensing. This process caused many difficulties and delays last year when the smaller republics tried to purchase Russian vaccine. This year Immunogen has "solved the problem" and will expedite the process for a fee of from 1.5 to 3.5 percent, which also includes drawing up contracts and managing the shipment.

The greatest current problem surrounding the supply of Russian vaccine to the smaller republics comes into play through banking transactions. Most republics owe a great debt to Russia and have no means to pay it. If funds come from a republic's government to a Russian bank to pay for vaccine, the Russian government seizes the remittance to apply against debt. The manufacturer never receives the payment and the republic does not receive the vaccine.

B. IFRC-Assisted BCG Procurement

The Red Cross scheme for assisted procurement of BCG that was proposed last year has become stalled due to many administrative changes and is not currently available.

TURKMENISTAN SCOPE OF WORK

A. UNICEF/Government of Japan Funding Mechanism

A.1 Agreements

Description: The Government of Japan is providing US\$700,000 over a five-year period, from 1995 through 1999, to help finance the primary series of vaccinations for the children of Turkmenistan. Under a project agreement between the government of Japan and UNICEF, Japan has agreed to channel these funds through UNICEF. According to the estimates contained in its project proposal to the government of Japan for the US\$700,000 contribution, UNICEF will use US\$666,377 to pay for vaccine and transportation and the remaining US\$33,623 to cover UNICEF's six percent service fee.

Under a separate agreement, signed in Kyoto on July 27, 1994 by the government of Turkmenistan and UNICEF, UNICEF will contribute US\$349,000 toward the cost of the vaccines and will purchase and ship the required goods while the GOT must deposit a total of US\$751,458 in hard currency into UNICEF's New York bank account on a prescribed schedule. These deposits will cover Turkmenistan's share of the vaccine cost and UNICEF's six percent fee through the year 1999 plus the entire cost of EPI vaccines for the year 2000. The payment schedule commits Turkmenistan to gradual assumption of a greater share of the annual cost until it is meeting the full needs of children under two years of age in the year 2000.

The total amount committed by the three parties for EPI vaccine through the year 2000 is US\$1,766,835. Turkmenistan's share is US\$751,458.

Discussion: In the early years of the agreement, Turkmenistan's financial commitment is more symbolic than substantial, with a deposit of only US\$5,300 required in 1995, and US\$23,210 in 1996. By 1998 when the republic's share of the annual cost for EPI vaccines reaches US\$100,000, Turkmenistan, hopefully, will be in a phase of economic recovery.

Although both of the relevant agreements mentioned above use "vaccine independence" in their titles, the mechanisms are not equivalent to UNICEF's vaccine independence initiative (VII.) There is no currency conversion component to the UNICEF/Japanese agreement and no revolving fund. Turkmenistan must identify hard currency on its own and pay in advance for the vaccines to be ordered through UNICEF. In addition, the agreement eliminates the possibility of Turkmenistan purchasing its basic EPI vaccines from sources other than UNICEF for the next six years.

Conclusion: The UNICEF/Japanese mechanism is an acceptable mid-term strategy because it: (1) assures a consistent supply of EPI vaccine for a relatively long period of time, (2) elicits a financial commitment from Turkmenistan toward vaccine self-sufficiency, and (3) effectively reduces the price of the vaccine to a level well below the international market when UNICEF's US\$349,000 contribution is factored in.

The downside of this strategy is that it perpetuates dependence upon an outside entity for administrative and trade activities which need to be institutionalized within the SES and eliminates any competition for EPI vaccine sourcing for six years.

It is important to note that the per-dose/per-vial prices used to calculate financial requirements for the project proposal and deposit schedule are estimates only--not commitments. If UNICEF's costs rise beyond the estimates, Turkmenistan will receive less vaccine.

The "Agreement between the Government of Turkmenistan and UNICEF Regarding Vaccine Independence in Turkmenistan" is provided as Appendix 4, and the project proposal, "Turkmenistan - A Project Leading to Vaccine Independence for the Expanded Programme on Immunization within the Maternal Child Health Programme (E/ICEF/1993/L.24)" is in Appendix 5.

A.2 UNICEF/Ashgabat

Description: Within the past year, UNICEF has opened an office in Ashgabat and it is hoped that vaccine forecasting, ordering, and delivery activities will be facilitated by this presence.

The MOH/SES has requested that UNICEF provide an exact accounting of the amount for each shipment charged against Japan's \$700,000 contribution. UNICEF/Ashgabat finds this difficult and feels that the shipping report should suffice, promising that anything left over can be used for more vaccines later on.

Discussion: This situation is not unusual. The same requests and problems surfaced in Morocco during a review of UNICEF's first VII program in mid-1994. Some of the difficulty can be attributed to UNICEF's accounting procedures, which enter estimated costs and adjust when final bills are received, sometimes months later. Another difficulty is that invoices to UNICEF are in assorted currencies and exchange rates and must be assigned based on some kind of fair criteria such as a transaction date.

The USAID representative in Ashgabat tends to agree with the MOH's demand for a close accounting and has offered to assist by providing currency exchange rates.

Conclusion: This issue must be resolved by the parties involved. By the time of the consultant's departure, a meeting on the subject had been planned. MOH intends to propose a form that can be filled out for each shipment that will provide the required information. So far UNICEF and the MOH have not worked closely together, but UNICEF is prepared to do so in the future. It is important that a collegial rather than an adversarial relationship be established.

B. EPI Stock Situation and Ordering System

B.1 EPI Ordering System

Discussion: As mentioned above, the central SES of Turkmenistan will order its EPI vaccines from UNICEF in Copenhagen for the next six years. UNICEF/Ashgabat is available to assist with the paperwork, monitor the timing of the call-forward process, and sort out problems on the ground.

EPI vaccines from UNICEF have been arriving in Ashgabat earlier or later than indicated by the shipping advice, causing confusion and wasting a great deal of personnel time "on call" at the airport. Some of the first quarter vaccines arrived early, and a partial shipment of the second quarter requirement arrived several days later than the shipping advice indicated. In addition, an error was made in Copenhagen and the SES received approximately three times more second quarter DPT and polio vaccine than is needed.

Conclusion: Although the funding mechanism and ordering system is in place and operating, delivery logistics need to be improved from the UNICEF/Copenhagen end.

Returning or forwarding excess vaccine is not practical as the SES has no way to renew the cold chain packing needed for further international transport. Fortunately, there is enough storage space available and the expiration dates are sufficiently far off to allow holding excess vaccine from the March shipment until it is needed. There is not, however, enough storage capacity to accommodate another excess shipment. UNICEF needs to be made aware of these limitations and advised not to ship more than a single quarterly requirement in the future.

B.2 EPI Stock Situation

Discussion: There is currently no shortage of EPI vaccine for children under two years of age. However, deliveries of DPT vaccine through the Japanese mechanism are based on three doses instead of the four-dose regime now recommended by WHO, so a shortage can be expected later if no corrective action is taken. The source of a fourth dose has not been determined; its cost is estimated at US\$15,000 per year.

In order to cover the fourth dose of DPT, UNICEF/Ashgabat has suggested several alternatives. It may request additional funds from the Japanese government, it may recommend reducing the wastage rate calculated in the UNICEF/Japanese agreement, or it may recommend a combination of the two. A decision had not been made by the end of the consultant's March 1995 visit.

Conclusion: The wastage factor that was used to calculate quantity requirements for the UNICEF/Japanese agreement was 1.5 for a net wastage rate of 33 percent. A reduction significant enough to cover the fourth dose (approximately 134,000 doses) would require a reduction of the wastage rate to zero percent, which is not possible. In addition, the MOH is resistant to the idea of refrigerating and re-using open vials without official documents from WHO and UNICEF condoning the practice. They feel it would not be acceptable in every location--particularly in *feldshar* and obstetric stations that do not have adequate refrigeration. The MOH will study the idea for the bigger cities.

C. Non-EPI Vaccines

C.1 Mass Immunization

Discussion: Polio vaccine for two rounds of a national immunization days campaign in Turkmenistan has been financed by Rotary International and supplied by UNICEF. All of the vaccine for the first of the two rounds, scheduled for April 4 to 7, has been received and distributed to the *velayets*. Vaccine for the second round, scheduled for May 15 to 19, is stored in Ashgabat.

There is no diphtheria vaccine on hand to support a mass immunization campaign. A donor is being sought to cover the cost, which is approximately \$350,000. WHO is in the process of compiling needs throughout the entire region and soliciting donors. Turkmenistan has submitted its estimated requirements to WHO. (The table "Estimated Vaccine Requirements and Financing in Turkmenistan, 1995-2000" is provided in Appendix 6.) These estimates are in accordance with the "National Plan of Action for Diphtheria Control in Turkmenistan" which was jointly developed by the MOH and WHO/CDC with BASICS input during February 1995 (see Appendix 7.) This document suggests immunization of the entire population up to 49 years of age, while Turkmenistan had originally anticipated immunizing only school children from 8 to 15 years and perhaps an additional age band from 30 to 50 years in the rural areas.

Conclusion: It is hoped that a donor will be identified before or during the April 27, 1995 meeting of the international inter-agency immunization coordinating committee (IICC) in Amsterdam.

C.2 Routine Non-EPI and Supplementary Vaccines

Discussion:

C.2.a. Stock Situation -

The situation with non-EPI and supplementary vaccines for older children and adults (disregarding the two special disease control programs mentioned above) is characterized by the MOH as "bad", however, no figures were offered. In addition to diphtheria and polio vaccine for this population, Turkmenistan wants more measles and BCG vaccine, plus mumps, rabies, and siberian ulcer vaccine. The MOH is particularly concerned about rabies, as incidence of the disease is increasing.

C.2.b. Source -

When rubles are available, the SES continues to try to purchase vaccine from traditional sources but orders to former suppliers in Russia and Ukraine often go without response. The SES has also used dealers in Moscow to purchase European vaccine, particularly from Pasteur. Mumps vaccine is currently on order, but the SES does not have the \$50,000 in hard currency needed to pay for it.

Over the past year, the SES has not been able to purchase DT from Russia because the Russian MOH will not issue export licenses. This year the SES has a contract with the factory in Ufa. SES has prepared requests to the Russian MOH twice for an export license for this vaccine but, so far, has had no response. Immunogen in Moscow has not been able to assist them. In 1994, Turkmenistan sent funds to Ufa through Immunogen and received 50,000 doses, but no more was available. The manufacturer said Russia needed it for themselves.

C.2.c. Ordering Process -

Until the break-up of the FSU, Turkmenistan received all of its vaccine from FSU sources. Vaccine manufacturers sent annual order forms, known as "specifications," to each Republican SES. The SES responded by checking off which vaccines were needed and quarterly quantity requirements for each. The manufacturer sent back a contract for signature. This process is still used in Turkmenistan to some degree, but the SES also solicits vaccine supplies by letter. Payment in rubles, in advance, is usually required. (See Appendix 1 for "Update on Russian Suppliers.")

Conclusion: Routine non-EPI and supplementary vaccines are outside the scope of the BASICS program but are of interest because they compete for budget funds. In addition, acquisition of these vaccines from other than traditional sources will require development of the same international procurement skills needed for independent procurement of vaccines for special disease control and EPI.

C.3 Disposable Syringes

Discussion: Disposable syringes are in very short supply. Quantities are insufficient for routine immunization and a large quantity will be needed for the diphtheria mass immunization campaign. The supply on hand is mostly from previous humanitarian assistance.

Conclusion: Donors are likely to provide syringes along with diphtheria vaccine for a mass immunization effort. There is also a possibility that more syringes will be available as part of a settlement between Ukraine and Turkmenistan for natural gas. Ukraine has committed to pay about 60 percent of its debt in commodities, including disposable syringes. It is the opinion of the MOH that these syringes may be delayed until the government agrees on the value of the commodities being offered.

D. Financing and Procurement

D.1 Budgets/Funding for Vaccine Supplies

Discussion: The MOH's financial situation has not changed significantly since 1994, although some SES sources feel it may be a little worse. Prior to 1995, funds were made available to the MOH on an annual basis and the SES had its own bank account from which to draw during the year. Now funding comes on a monthly or quarterly basis depending on what is available to the government; there is no way to predict the amount from month-to-month. The total budget for health care in 1995 is said to be 4.5 billion Manet. It is used principally for salaries, food, drugs and hospital repairs. Although the budget for 1994 was less, the SES is quick to point out that these sums mean nothing because of inflation, which is 25 percent to 30 percent monthly, annualized at about 1500 percent per year. (This is a government statistic that might be "qualified" using Western standards for calculation.)

Aside from the donations discussed throughout this document, another source of funds for vaccine purchases may be through a World Bank loan. At the urging of the government, World Bank is about to undertake a health sector review and may be willing to move ahead on a small project. World Bank loan funds are generally disbursed in US dollars.

Conclusion: It is difficult to draw a conclusion about the adequacy of government funds for vaccine. There seems to be no direct correlation between the foreign currency available in the country and the budget allocations for each sector. Procurement of vaccine from Western sources with World Bank funds would offer a good opportunity to develop international procurement skills within the SES because these funds would be subject to stringent World Bank procurement guidelines.

D.2 Pricing

A worksheet comparing EPI vaccine prices between representative Western suppliers, Russian suppliers, and UNICEF follows on page 14.

Discussion: Russian vaccine prices for export sales to the former Soviet republics are now quoted at about equal to Western and UNICEF prices, although prices and conditions are said to be negotiable. Cold chain packing is included in the price of Western and UNICEF vaccines, but is extra for Russian vaccines (except polio.) In addition, 1.5 percent to 3.5 percent should be added to the price of Russian vaccine if it is purchased through Immunogen. This amount covers export licensing, contract negotiations, and shipping arrangements.

On the worksheet, Russian prices appear to be much higher than Western and UNICEF prices for DPT and measles vaccine. This is a function of the vial size. Western and UNICEF prices are quoted in ten-dose vials, Russian prices are quoted in the much more expensive one- and two-dose vial presentation. From the sampling available, it appears that Russian prices in the one- and two-dose vial presentation are somewhat lower than Western and UNICEF prices for vaccine in one- and two-dose vials.

Conclusion: It appears that it is no longer less expensive for Turkmenistan to purchase Russian vaccine rather than Western vaccine.

turkmen wq1

1985 INTERNATIONAL VACCINE PRICES per dose in USD

	Pasteur* France	Biovira Italy	InterVax Canada	Unicef** Copenhagen			Immunogen*** Fussler		For comparison		
				base	+6% fee	+10% contingency	base	+2% fee	Rouble price 1984	USD @2500	
											(d)
DTP in 10 dose vials	\$0.180	\$0.150	\$0.075	\$0.085	\$0.090	\$0.096	\$0.300	\$0.308	185.0	\$0.086	
DTP in 20 dose vials	\$0.110	\$0.138	\$0.055	\$0.087	\$0.071	\$0.078					
DT in 10 dose vials	\$0.140	\$0.125	\$0.080	\$0.075	\$0.080	\$0.087					
DT in 20 dose vials	\$0.100	\$0.110	\$0.080	\$0.055	\$0.058	\$0.084					
for adults											
DT in 10 dose vials		0.13									
DT in 20 dose vials		0.115									
Td in 10 dose vials	\$0.120		\$0.070								
Td in 20 dose vials	\$0.085		\$0.053								
OPV in 10 dose vials	\$0.100	\$0.080		\$0.085	\$0.101	\$0.111	\$0.083	\$0.085	180.0	\$0.072	
OPV in 20 dose vials	\$0.085	\$0.085		\$0.080	\$0.085	\$0.083					
Measles in 10 dose vials	\$0.200	\$0.200	\$0.135	\$0.185	\$0.175	\$0.192					
Measles in 1 dose vials	\$1.200		\$0.700	\$0.786	\$0.796	\$0.875	\$0.800	\$0.812		\$0.380	
BCG in 20 infant infant dose vials	\$0.100		\$0.080	\$0.074	\$0.078	\$0.088	\$0.050	\$0.051			
Terms	FCA Rossey Airport	FOB Rome Airport		FOB Copenhagen							

Notes

* Exact price depends on quantity

** Price is column (e), which includes 6% procurement fee, but purchaser must deposit amount in column (f) with order

*** Price is column (h), which includes estimated 2% dealer fee covering licensing procedure and contracts. Actual fee is from 1.5% to 3.5% depending on quantity of purchase

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D.3 Availability

Discussion:

D3a. Russian Vaccine

According to Immunogen, Russian manufacturers have overcome the shortages of diphtheria combination vaccines that prevented export in 1994. They are able to produce 70 million doses, which is more than enough for Russia. There are still some problems with "d" vaccine (without tetanus), which is being used for the adult campaign in Russia. All other vaccines are available in sufficient quantity to permit export. Shipments can usually be made in about six weeks for small orders. Large orders require about 300 days, which includes time for production and export licensing. (See Appendix 1 "Update on Russian Suppliers.")

D3b. Western Vaccine (including UNICEF)

With the exception of diphtheria vaccines, Western vaccine manufacturers can generally ship within four to six weeks of an order. Most diphtheria-combination vaccines are in very short supply worldwide as a result of efforts to combat outbreaks in Eastern Europe and the FSU. It is not unusual for a manufacturer to quote a six-month lead time for new orders of diphtheria vaccine.

Conclusion: Except for diphtheria, Western vaccines appear to have better availability than Russian vaccines. If additional production facilities in Russia come on line as scheduled, Russian diphtheria vaccine will be more readily available than Western vaccine. However, three other elements may negate this advantage: 1) the Russian MOH must allow export licensing, 2) the Russian government must not interfere with payments made by Turkmenistan to Russian vaccine manufacturers through the banking system, and 3) Russian vaccines (excluding OPV) are not sent in insulated packaging.

D.4 Import/Export Limitations

D4a. Import limitations

Discussion: Turkmenistan imposes no undue import limitations on vaccine. Most shipments from non-FSU sources arrive in Ashgabat by air and clearance is expedited by a decree of the president allowing vaccine to be taken immediately to refrigerated storage without the normal customs procedures. Formal clearance takes place in the following days. This process and the required documents are outlined in the vaccine procurement handbook (Appendix 2.)

There is no customs duty on vaccine, and, as yet, there are no registration or other regulatory requirements other than the presentation of a manufacturer's certificate of analysis for the lots or batches being delivered.

Conclusion: While the lack of regulatory oversight makes for uncomplicated importation, it does not provide adequate protection against substandard product entering Turkmenistan.

D4b. Export Limitations

Discussion: The Russian MOH controls vaccine exports through an export licensing scheme. This licensing can be facilitated by Imunogen in Moscow for a fee of from 1.5 to 3.5 percent.

Conclusion: Thus far, it has proven difficult for Turkmenistan to get Russian vaccines that require export licensing.

D.5 Currency Conversion

Discussion: At the moment, there are four different Manet to US dollar exchange rates in operation. The "official rate" of 10:1 is often quoted, but it is only used for oil and gas remittances; 75:1 is the rate used to convert Manet to US dollars for government owned businesses; 195:1 is the new commercial rate that any citizen can access for up to \$500 in US currency (beyond \$500, proof of the source of funds must be shown); 200 to 220:1 is the current black market range, openly available on the street. Of the four rates, 75:1 and 195:1 are relevant for vaccine transactions.

The supply of rubles is erratic in Turkmenistan and the exchange rate varies widely. Russian banks will not sell rubles for Manet, but some banks will sell Manet for rubles at what has been described as an unfavorable rate. When Russian manufacturers agree to payment in rubles they routinely quote prices in US dollars for conversion on the date of shipment because of inflation.

Conclusion: Exchange rates make an immense difference in the amount of funding required for vaccines. For example, an annual requirement for child vaccines of US\$240,000 would require 18 million Manet at 75:1 or 47 million Manet at 195:1. The SES clearly cannot afford the 195:1 exchange rate, so it must apply to the government for the 75:1 rate.

D.6 Banking

Discussion: As mentioned in the Background section of this report, banking in Turkmenistan has improved greatly in the past 12 months. Interbank transfers between Turkmenistan and the West are no longer a difficulty. Interbank transfers between Turkmenistan and Russia, however, are at risk because of Russia's decision to seize payments from debtor governments. The MOH, in fact, has had payments made through the banking system to Russian vaccine manufacturers seized by the Russian government to apply against debt assigned at the break up of the FSU. In some cases, the SES has sent representatives to Moscow with cash to avoid this situation.

Conclusion: Except for payments to Russia, banking transactions are no longer a limiting factor in Turkmenistan's vaccine procurement decisions.

E. Currency Conversion Options

One of the most difficult aspects of purchasing vaccines from Western manufacturers or UNICEF is the conversion of Manet into US dollars or another hard currency. One year ago, when the official rate was 10:1 and the street rate was between 50:1 and 60:1, it was not possible to get hard currency legally without permission from the government and the government often did not give permission.

E.1 Currency Conversion Through Western Business

Discussion: In 1994, it was proposed that BASICS try to facilitate an arrangement with a local Western business, whereby the Western business would use its own hard currency to purchase vaccine for the MOH and accept Manet in payment, absorbing this local currency to cover its local costs. Due to funding difficulties, work on that proposal was temporarily halted and the arrangement was not pursued again until just prior to this visit.

Conclusion: Radical changes in the hard currency situation since the March 1994 visit have effectively invalidated this option. A Western business can now sell its dollars to the Central Bank at 195:1, and the SES can, with the permission of the government, convert Manet into dollars at the rate of 75:1. This makes using a Western business for a currency swap very undesirable from a budgetary standpoint. In effect, the SES would have to pay out 120 more Manet per dollar for the Western businesses currency than they would for currency at the special government rate of 75:1.

E.2 Currency Conversion Through the Government of Turkmenistan

Discussion: The SES is pessimistic about its chances of getting permission from the government for an allocation of hard currency (at the 75:1 rate). It is widely held that the government is very conservative in its attitude toward releasing foreign currency because it is trying to retain at least US\$1 billion in reserves. When foreign currency surpasses that benchmark, it is made available; otherwise it is not.

Informed sources feel there is evidence that the hard currency situation in Turkmenistan has improved recently. The government has been able to pay out around US\$23 million for currency conversion just to the general public during the past several months, and it expects a large hard currency remittance from Ukraine in payment for gas in the near future.

Conclusion: Given the above information, conditions appear to be better than the SES presumes. It is likely that the government would look favorably upon a request supported by international endorsement and humanitarian considerations.

E.3 Other Conversion Options

Conclusion: Currency conversion through World Bank projects or the Red Cross would likely involve the same disparity in exchange rates (i.e., 195:1 vs. 75:1).

Debt swaps, while a valid idea for many countries, are not applicable in Turkmenistan because it has very little debt and because the amounts needed for vaccine are far too small.

F. Red Cross Scheme for BCG Procurement

Conclusion: The Red Cross scheme for assisted procurement of BCG that was proposed last year has become stalled due to many administrative changes and is not currently available.

G. International Procurement Capability

G.1 Assessment of Current Procurement System and Capability

Discussion:

Responsibility: In the former Soviet days, the SES collected information on vaccine requirements and consumption and passed it on to Pharmacia, the drug procurement arm of the MOH; Pharmacia obtained the necessary vaccine and provided it to the SES. Now, the MOH has assigned the task of obtaining vaccine directly to the central SES.

Personnel: The SES in Ashgabat operates with a very small staff which includes the head doctor with a staff of two, the head epidemiologist with a part-time staff of four, and the chief of stores with no staff. There is no special department to deal specifically with vaccines. SES personnel have many other duties, including investigation of outbreaks and organization of surveys. Purchases are initiated by the head epidemiologist who also plans for needs, reviews shipping documents, and distributes the vaccine to *velayets*.

Experience: So far, the SES has not purchased vaccine on the international market, except through an agent in Russia who provided Pasteur products at a very high price. Pharmacia has had some recent experience with international purchase transactions through a credit from the Pakistan government. They have gone through a process of competitive bidding, drawing up a contract with the selected supplier, and arranging payment by commercial letter of credit. These activities were monitored and assisted by the Department of Foreign Relations within the Ministry of Health and, in turn, by the Ministry of Foreign Relations. Both the Ministry of Foreign Relations and the Department of Foreign Relations are willing to serve as resources to SES for vaccine procurement.

Procurement Rules and Procedures: Most governments have set rules for procurement that dictate competitive procedures and assign responsibility for decisions. As yet, Turkmenistan has no government procurement rules or documented procedures other than a sample contract that can be modified according to the situation. Existing procedures and *de facto* requirements were researched by the consultant during this visit and incorporated into a first draft of a Russian and English vaccine procurement handbook (Appendix 2.)

Equipment: The SES does not have access to an operational computer or a copy machine. They do have a fax machine. Calculators and manual typewriters are available.

Conclusion: The SES does not currently possess the knowledge, experience, or equipment to support international procurement activities.

G.2 Development of Appropriate Procurement Capability

An effective training program for the SES in Turkmenistan should be centered on a guided, hands-on, international procurement exercise supported by pertinent reference materials and documentation.

Although formal international tender procedures with sealed bidding are normally recommended for purchases exceeding \$50,000, vaccines are a special case and efficiency would better be served by developing a training program based on direct solicitation of offers or quotes from selected manufacturers and suppliers. This procurement method will allow a faster and less labor intensive process but still provide the competition needed to ensure fair prices and advantageous conditions.

The essential steps are as follows. SES personnel would:

1. solicit offers;
2. evaluate and compare offers;
3. develop a contract;
4. arrange for a payment modality (Letter of Credit);
5. assure vendor performance; and
6. oversee shipping and import.

The SES was provided with enough information and assistance during this consultancy to begin the process of soliciting offers.

The consultant recommends returning at least twice to provide assistance at the critical junctures of the procurement process. The purpose of the first visit would be to guide the SES through a formal comparison and evaluation of offers and provide information and training in internationally accepted methods for selection of a vendor. The second visit would focus on developing a contract and arranging for the payment modality, probably an international letter of credit. A

third visit might be needed prior to shipment of the goods to develop inspection protocols and arrange for pre-shipment inspection and possibly testing.

In some cases, it is advisable to develop a separate, full-time procurement unit to carry out these activities; however, volume does not warrant it at this time. All of the necessary tasks can be handled within the existing structure, although the number of personnel may need to be augmented. A small amount of equipment should be provided to support procurement activities and increase the efficiency of existing personnel.

Initially, training could be handled as a small group activity focused on the individuals assigned the task of obtaining the vaccine. If others become sufficiently involved during the procurement process, instruction would be extended to include them, as appropriate.

The head epidemiologist, who initiates orders now, is very interested in developing international procurement skills and would welcome training in this area. She has been in her position for a long time and it appears that she intends to stay. This is an important point, as development programs worldwide often find their best efforts to institutionalize new skills and capabilities wasted when personnel who have received special training are transferred or depart for better jobs.

H. Plan of Action

H.1 Funding

Discussion: In order to initiate the training program outlined above, funds will need to be made available to the SES to cover the cost of vaccines and shipping. Possible sources of funds, in order of priority, are: existing budgets, a special allocation from the government, a World Bank loan, or, as a last resort, donation.

Conclusion: The president, or a high ranking official of the government of Turkmenistan, should be approached by the MOH and a respected international organization (perhaps WHO) to present a case for allocating funds and committing hard currency. The MOH should also explore the possibility of World Bank financing of vaccine purchases and general support to the immunization program with World Bank representatives during the forthcoming sector review.

Although lacking the element of financial independence, the MOH could also consider asking a donor to provide hard currency for the vaccine. A donation of this sort is often attractive because it furnishes badly needed product, and, at the same time, moves the country further along the road to self-sufficiency by developing and institutionalizing the skills needed to support independent procurement.

H.2 Next Steps

- H2a.** The MOH selects one or more vaccines and a quantity to be obtained from non-traditional sources. If the full amount of vaccine estimated in the draft National Plan of Action for Diphtheria Control cannot be provided by a donor, Turkmenistan should finance and/or purchase some of the vaccine on its own. This would offer an excellent opportunity to develop international procurement skills with the assistance of the BASICS project;
- H2b.** The MOH estimates the cost of the vaccine and transportation in step (a) above, using reference materials provided during the March 1995 consultancy;
- H2c.** The MOH solicits and secures funds to pay for the purchase;
- H2d.** The MOH begins the procurement process by soliciting firm prices from Western sources, Russian sources, and UNICEF, based on quantity and delivery date requirements (see Appendix 8: March 31, 1995 letter to Dr. J.L.K. Akmamedov, Chief, Epidemiology Dept. MOH, Republic of Turkmenistan);
- H2e.** The consultant returns when the SES has received offers from step (d) above and is ready to initiate a procurement;
- H2f.** The SES and the consultant evaluate and compare offers and make a recommendation; and
- H2g.** The MOH officially applies for conversion of Manet to hard currency at a rate of 75:1 (if funds for vaccine purchases are in Manet) to cover the selected offer.

I. Briefing/Debriefing U.S. Embassy/Ashgabat

Excellent briefings were provided by U.S. Embassy staff in Ashgabat at the inception of the visit and, at the request of the consultant, on several subsequent occasions during the two week mission. The USAID representative assigned to the Ashgabat embassy accompanied the consultant on a number of key visits and provided valuable input. In lieu of a debriefing, the USAID representative joined a wrap-up meeting at the SES and was given a copy of the "Vaccine Procurement" handbook developed by the consultant during the visit.

J. BASICS/Arlington Debriefing

BASICS/Arlington staff were debriefed on April 4, 1995. Following the debriefing, a meeting was held with Molly Mort at USAID/Washington, D.C., to review the mission, its outcomes, and general recommendations.

V. RECOMMENDATIONS

1. The MOH/SES should become self-sufficient in its ability to access and purchase vaccine on the world market. This is in keeping with President Niyazov's goal of self-sufficiency for the Republic of Turkmenistan. The capability also provides an alternative to unreliable supplies from traditional sources and introduces the concept and benefits of competition in the marketplace.
2. In order to become self-sufficient, the MOH/SES must develop international procurement skills.
3. BASICS/USAID should support the efforts of MOH/SES by providing: the training outlined in Section IV G; a computer and printer; and a copy machine.
4. The GOT should support the efforts of the MOH/SES by providing funds and/or hard currency for vaccine purchases.
5. WHO should support the MOH/SES by helping to develop political will for vaccine self-sufficiency at high levels in Turkmenistan.
6. UNICEF should tighten its delivery logistics systems so that vaccine arrives in Turkmenistan in the correct amounts and on the dates advised.
7. WHO should provide the MOH with official documents and recommendations, in Russian and English, on refrigeration and re-use of open vials of vaccine.
8. The GOT should begin taking steps to regulate vaccines and other biologics beginning with the development of a regulatory committee; WHO should be consulted for guidelines and advice.
9. BASICS/USAID, WHO, and other international organizations should attempt to build political will within the Russian MOH to exempt payments for vaccine (and essential drugs?) from government seizure. Humanitarian concerns and the restoration of Russia's export market are strong arguments for this concession.

APPENDICES

APPENDIX 1

APPENDIX 1

UPDATE ON RUSSIAN SUPPLIERS

Interview with Dr. Nikita Afanasiev and Ms. Jane Stanley USAID/Moscow:

Laboratory Facilities

The Tarasevich Institute received FDA assistance in 1994, including equipment, education, and training in Good Laboratory Practices (GLPs). The current director of the Tarasavech Institute is a former Deputy Director General of WHO. Tarasavech has been a collaborating center for WHO for five or ten years. One year ago Tarasevich was providing assistance to several republics.

The CDC will be providing some assistance to the Polio Institute. They are the polio reference lab for all of the NIS.

Vaccine Prices

Three months ago, according to Dr. Afanasiev at USAID/Moscow, Russian vaccines were less costly than from UNICEF. The Deputy Director of Immunogen told him they would have enough DPT and DT to export but the MOH would have to decide what it would export. They are using a vaccine referred to as "D" (without tetanus) for the adult campaign.

In 1994 there was a ceiling on what the manufacturers could charge the Russian government for vaccine which was tied to the inflation rate. There is no definitive update with regard to vaccine, but the ceiling on what pharmaceutical manufacturers can charge the Russian government has been lifted under Government Resolution 890.

Mass Immunization Campaign

In Moscow, teams of medical workers are going door-to-door to offer diphtheria immunization. There is mixed opinion about how well this will work. USAID personnel thought the Russian population would be very suspicious and would not open their doors to these teams, but a local Russian interpreter said she had been visited, without prior notice, on the previous Sunday and had accepted the vaccination. In fact, she was happy to have the home service and not have to take time to go to a vaccination station.

Vaccine Supply

Manufacturers claim to be able to meet all the demands of the Russian population and are ready to produce for export.

St. Petersburg is not ready to produce vaccine yet. It will initiate a new production in an old facility that had previously been retired. Production is expected to begin in the third quarter of 1995. The situation is the same for Stavropol. Ufa is currently in production.

There is "experimental" production of Hepatitis B vaccine in Moscow at the Shemyakin Institute of Organic Synthesis. Its production is estimated at only 10 percent of the total demand. Afanasiev thought that it was completely Russian technology with no outside assistance. He thinks the MOH is planning to export.

Currency for Vaccine Transactions

The currency of payment is up to the manufacturer. There are no special rules. USAID/Moscow was under the impression that several commercial banks in Moscow deal with the currencies of the republics and thought that the Dialog/Optimum Bank could be one of them. Upon further checking, it was determined that the Moscow banks will sell the currencies but will not buy them, so this is no help in the quest for a currency conversion scheme.

Privatization in the Russian Federation

It is forbidden to privatize facilities producing narcotics and strong preparations, so the majority of pharmaceutical companies will not be privatized--at least not in the near future.

D. Mazai Corp, a Joint-Stock Company, is producing measles and mumps vaccine.

Contact information:

15, 1-st Dubrovskaya St.

Tel: 095 274-7734, Fax 095 274-7734

The general manager is Vasilliy I. Skrypin, Ph.D. This company is de-nationalized but the MOH still controls it. In many cases, the main share holder of a joint stock company is the MOH. For example, 60 percent may be MOH, 25 percent GKI (State Committee for privatization-state property management), or local administrators may be the main shareholders.

Sometimes factory workers own stock, but have no revenues. This system is seen as nonsense by many because only 160 billion rubles worth of vouchers for shareholders were distributed and that amounts to about 10,000 rubles per person.

Privatization of pharmacies has been stopped because it is not clear who will receive the income. Private pharmacies cannot survive in this environment. People cannot pay higher prices for drugs and if the pharmacies were privatized, they would no longer receive income from the government which currently subsidizes the cost of the drugs.

There is a proposal to de-nationalize pharmacies by putting them under the control of local municipal governments. The small cities and towns would be able to decide for themselves

how to handle sales and distribution. Even the most market-oriented municipal governments see problems with this step toward privatization.

Russian MOH

There have been no significant changes in the Russian MOH over the last 12 months although some deputy ministers have changed. The Minister of Health is a retired army general and his deputies are ex-military as well. He is reputed to be very interested in the business of health but not so interested in health itself.

Interview with Mr. Valery Petrovitch Ganzenko, Immunogen:

Banking: Mr. Ganzenko feels the greatest current problem surrounding the supply of Russian vaccine to the smaller republics is in banking transactions. Most of the republics owe a great debt to Russia and have no means to pay it. If funds come from a republic's government to a Russian bank to pay for vaccine, the Russian government seizes the remittance to apply against the debt. The manufacturer never receives the payment and the republic does not receive the vaccine.

This has been averted in some cases by having a representative from the republic physically bring cash (rubles or hard currency) to Immunogen or to the manufacturer in Russia. Another solution is to find a trading partner who normally trades between the republic and Russia and who will accept local currency from the republic but pay in rubles in Russia. These arrangements are usually only available between private businessmen.

Mr. Ganzenko reports a recent transaction with Ukraine, who will pay dollars to the manufacturer for anti-diphtheria serum (not vaccine). No details were available.

Export Licensing: Immunogen claims to have "solved the problem of export licensing" but would offer no details.

Supply: The manufacturers had a special problem with DPT last year. The MOH would not permit licenses for export, but can do so now. The Russian manufacturers have produced 70 million doses of diphtheria combination vaccines and, to some extent, have overcome the shortage. The quantity is more than enough for Russia. All other vaccine is available in any quantity.

Pricing: The pricing offered by Immunogen this year is very close to UNICEF pricing from last year. In fact, the worksheet generated in 1994 by this consultant was displayed as proof. (They did not seem to remember where it came from!)

The exceptions are in measles and DPT, both of which are now produced and priced in single-dose vials by the Russians as opposed to 10 dose vials by Western manufacturers and

UNICEF. The per-dose price in 1- and 2-dose vials is much higher than in 10- or 20-dose vials. The Russian presentation of measles vaccine in 1- and 2-dose vials has always been taken into consideration but DPT in single-dose vials is a new element. Several years ago, the Russian manufacturers produced DPT in 10- and 20-dose vials, but the MOH requested 1- and 2-dose vials, thinking the lower wastage rates would result in an economic advantage. Immunogen hopes the MOH will realize the customers cannot pay because of the higher per-dose cost and will return to the 10-dose presentation.

If there were a big enough order, Immunogen could ask the producer for 10 doses (or 20-dose) vials, but Mr. Ganzenko is not sure they can still do this. In any case, a new price would have to be negotiated.

Manufacturers: No DPT is produced in Stavropol, only in Ufa and Moscow. DT will be produced in Perm in the Ural mountains and will begin in St. Petersburg at the end of the year.

Ukraine is buying bulk DPT from Biomed for packaging in Kharkov. Uzbekistan may do the same as a first step to re-establishing their production which was shut-down due to inconsistent quality.

Payment: Price of vaccine is quoted to the republics in US dollars because of inflation, but the manufacturers generally accept rubles at the exchange rate in effect on the date of the transaction. The issue of payment in rubles or dollars is negotiable, but most orders must be pre-paid either in cash or by a bank transaction.

Privatization: If the government owns 25 percent or more of a concern, it is not considered private. Except for Biomed, there has been no privatization of vaccine manufacturers. Biomed is a joint venture with an Indian pharmaceutical company who has purchased government shares. All of the other manufacturers will remain under government control. Immunogen sometimes purchases vaccine from Biomed. Biomed produces DPT, DT, TT, and some other vaccines but no BCG or polio. It also produces other biologic products and pharmaceuticals.

Immunogen buys measles and mumps vaccine from D. Mazai Corp. This is also a joint-stock company but it is not really privatized. A great part of it belongs to the government.

Procedure for Ordering from Immunogen:

Immunogen places orders on behalf of customers, then prepares contracts between the customer and the manufacturer and obtains the necessary export license. It prepares a second contract between Immunogen and the customer. The customer pays a separate fee to Immunogen for its service at the time the contract with the manufacturer is signed. If the order is large, the fee is from 1.5 percent to 2 percent of the total. If it is a small order, the fee is 3.5 percent. The fee covers all arrangements for shipment and export licensing

procedures. The signed contract has to go with the application for export license. [A knowledgeable source suggested that it might be very difficult to get an export license without the services of Immunogen.]

The purchaser must send an official letter to Immunogen stating what type of vaccine it wants, the quantity, which dose vial, requesting delivery date, and the method of payment. If special cold chain protection beyond the standard of Russian manufacturers is required, Immunogen can arrange for this as well. Polio vaccine is usually provided in thermal containers but most of the other vaccines are not. It can be done, but the price will be higher. According to Immunogen, most of the shipments are by air.

Orders for the next year should be placed no later than May 1 of the current year. Some manufacturers still send out annual order forms, but it depends on if there is a single organization to deal with. In some republics, nothing is centralized any longer. The manufacturer may sell to private dealers, representatives of a MOH, or oblasts.

Delivery:

Lead time for vaccine delivery from Russian manufacturers depends on quantity. If the order is not large, they can generally ship within six weeks. If the order is large, the purchaser must allow 300 days which includes time for manufacturing and for export licensing. Usually the manufacturer will require 50 percent pre-payment and the balance on presentation of shipping documents.

APPENDIX 2

DRAFT

**VACCINE
PROCUREMENT**

TURKMENISTAN SES

**USAID/BASICS PROJECT
March, 1995**

turtmer5 wq1

1985 INTERNATIONAL VACCINE PRICES per dose in USD

	Pasteur* France	Biovac Italy	InterVax Canada	Unical** Copenhagen			Immunogen*** Russia		For comparison	
				base	+ 6% fee	+ 10% contingency	base	+ 2% fee	Rouble price 1984	USD @2500
DTP in 10 dose vials	\$0.180	\$0.180	\$0.075	\$0.085	\$0.090	\$0.099	\$0.300	\$0.308	185 0	\$0.086
DTP in 20 dose vials	\$0.110	\$0.136	\$0.058	\$0.067	\$0.071	\$0.076				
DT in 10 dose vials	\$0.140	\$0.125	\$0.080	\$0.075	\$0.080	\$0.087				
DT in 20 dose vials	\$0.180	\$0.110	\$0.080	\$0.053	\$0.058	\$0.064				
for adults										
DT in 10 dose vials		0.13								
DT in 20 dose vials		0.115								
Td in 10 dose vials	\$0.120		\$0.070							
Td in 20 dose vials	\$0.085		\$0.053							
OPV in 10 dose vials	\$0.100	\$0.090		\$0.085	\$0.101	\$0.111	\$0.083	\$0.085	180 0	\$0.072
OPV in 20 dose vials	\$0.085	\$0.085		\$0.080	\$0.085	\$0.083				
Measles in 10 dose vials	\$0.200	\$0.200	\$0.135	\$0.185	\$0.175	\$0.182				
Measles in 1 dose vials	\$1.200		\$0.700	\$0.750	\$0.790	\$0.875	\$0.800	\$0.812		\$0.390
BCG in 20 infant infant dose vials	\$0.100		\$0.080	\$0.074	\$0.078	\$0.080	\$0.080	\$0.051		

Terms:

FCA
Romey
Airport

FOB
Rome
Airport

FOB
Copenhagen

Notes.

* Exact price depends on quantity

** Price is column (e), which includes 6% procurement fee, but purchaser must deposit amount in column (f) with order

*** Price is column (h), which includes estimated 2% dealer fee covering licensing procedure and contracts. Actual fee is from 1.5% to 3.5% depending on quantity of purchase

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LOWEST PRICES:

	Qty	Price in 10/d vials	Vaccine Total	Manet @		
				10	75	200
DPT	135000	0.075	\$10,125	101250	759375	2025000
DT	556000	0.08	\$44,480	444800	3336000	8896000
Td	3739000	0.07	\$261,730	2617300	19629750	52346000
			<u>\$316,335</u>	<u>3,163,350</u>	<u>23,725,125</u>	<u>63,267,000</u>

	Qty	Price in 20/d vials	Vaccine Total	Manet @		
				10	75	200
DPT	135000	0.055	\$7,425	74250	556875	1485000
DT	556000	0.058	\$32,248	322480	2418600	6449600
Td	3739000	0.053	\$198,167	1981670	14862525	39633400
			<u>\$237,840</u>	<u>2,376,400</u>	<u>17,638,000</u>	<u>47,568,000</u>

HIGHEST PRICES:

	Qty	Price in 10/d vials	Vaccine Total	Manet @		
				10	75	200
DPT	135000	0.15	\$20,250	202500	1518750	4050000
DT	556000	0.14	\$77,840	778400	5838000	15568000
Td	3739000	0.12	\$448,680	4486800	33651000	88736000
			<u>\$546,770</u>	<u>5,467,700</u>	<u>41,007,750</u>	<u>108,354,000</u>

	Qty	Price in 20/d vials	Vaccine Total	Manet @		
				10	75	200
DPT	135000	0.135	\$18,225	182250	1366875	3645000
DT	556000	0.11	\$61,160	611600	4587000	12232000
Td	3739000	0.098	\$366,208	3662080	28840375	71041000
			<u>\$434,593</u>	<u>4,345,900</u>	<u>32,594,250</u>	<u>86,918,000</u>

3-30-95

VACCINE SOURCES - CONTACT INFORMATION

1. PASTEUR MERIEUX Fax #: (33) 7273 7853
58, Avenue LeClerc
BP 7048
69348 Lyon Cedex 07
France
Attention: Michelle Benattar, Manager for
International Organizations

2. BIOCINE S.p.A. Fax #: (39) 577 243030
via Fiorentina 1
53100 Siena
Italy
Attention: Federica Damele, Export Area Manager

3. INTERVAX BIOLOGICALS LTD. Fax #: (1) 905 940-8387
625 Cochrane Drive
Scotiabank Commercial Tower 802
Markham, Ontario, Canada L3R 9R9
Attention: J.J. Elliott, Director

note: InterVax is a representative for vaccine
manufacturers. It's Td vaccine is often produced
by Human Serum Production Co. in Budapest, Hungary

4. UNICEF Fax # (45) 35 26 94 21
Unicef Plads, Freeport
DK 2100 Copenhagen
Denmark
Attention: Supply Division

note: UNICEF operates as a purchasing agent, buying
vaccines approved by WHO and re-selling them to
government programs. They charge a fee of 6% of the
value of the vaccine for this service. UNICEF office in
Ashgabat can assist.

5. Connaught Laboratories Inc. Fax #: (1) 717 839-7235
P.O. Box 187
Route 611

Swiftwater, Pennsylvania 18370
USA

Attention: Eric Tischler

6. Swiss Serum and Vaccine Institute
P.O. Box CH - 3001
Berne, Switzerland
Fax #: (41) 31 98 06775
Attention: Mr. Luginbuhl
7. Evans Medical (Medeva Intl.)
Evans House, Regent Park
Kingston Road, Leatherhead
Surrey KT22 7PQ
United Kingdom
Fax #: (44) 372 364 115
Attention: Paul Gallard
8. SmithKline Beecham
Three New Horizons Court
Brentford
Middlesex TW8 9EP
United Kingdom
Fax#: (44) 81 975 2764
and 81 975 2765
Attention: Susan Ledger, Manager C/8 (London)
9. SmithKline Beecham
Rue de Tilleul 13
1332 Genval
Belgium
Fax#: (32) 2 656 2099
10. American Cyanamid
Lederle-Praxis Biologicals Division
One Cyanamid Plaza
Wayne, New Jersey 07470
Fax#: (1) 201 831 2570
Attention: Mollie Shields, Director International
Government & Industry Affairs
11. Behringwerke AG
Subsidiary of Hoechst
Postfach 1140
Emil-von-Behring Strasse
Fax#: (49) 6421 39 3019

3550 Marburg
Republic of Germany

Attention: Mr. K. Gessner, Special Business
Department

12. Immuno AG
Industriestrasse 67
Postfach 31
1221 Wein
Austria

Fax#: (43) 1 23 7124
0051/0051

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DOCUMENTS FOR IMPORT OF VACCINES

- A. Technical Documents - about the product
1. From the government of the country where the vaccine is manufactured:
 - a. Lot release letter or certificate from the control authority of the country of manufacture. This letter typically states that the lot number being shipped has been tested by the government's laboratory and found to be in conformity with the regulations of the country of manufacture and released for sale. In some cases this document may be titled "Certificate of Free Sale". THIS IS THE MOST IMPORTANT OF THE DOCUMENTS FROM THE STANDPOINT OF ASSURING AN IMPORTING COUNTRY THAT THE VACCINE IS OF GOOD QUALITY.NECESSARY
 - b. Product registration certificate or product license. This document indicates that the manufacturer's government has examined and approved the production of a specific vaccine by that manufacturer.DESIRABLE
 - c. Facility registration or license. This document indicates that the manufacturer's government has examined and approved the general manufacturing

facilities, laboratories, record keeping and procedures of the manufacturer.DESIRABLE

2. From the manufacturer of the vaccine:

- a. Certificate of Analysis showing the tests performed on the lot being shipped, including the values derived and the pass/fail status. THIS IS THE MOST IMPORTANT OF THE DOCUMENTS PREPARED BY THE MANUFACTURER BECAUSE IT GIVES DETAILS ABOUT THE QUALITY OF THE PRODUCT AND IT IS USUALLY REQUIRED FOR CUSTOMS PURPOSESNECESSARY

- b. Manufacturing Protocol showing the components, treatment and laboratory results at each stage of the manufacturing process. These documents provide traceability back through the finished product to the raw materials and may also be called "Batch Records".DESIRABLE

- c. Instructions or "Package Insert". This document provides a description of the finished product, instructions on how it is to be used and other information such as contraindications. It is designed to be read by physicians and medical care personnel who will be responsible for immunizing patients.OPTIONAL

B. Commercial Documents - about the price, shipping and packing

1. From the Shipper:

- a. Commercial Invoice giving a brief description of the product, its quantity, its value, how it is packed, how it is marked, and its weight and measurements. It may also mention payment terms. IN INTERNATIONAL TRADE, NO SHIPMENT CAN BE MADE WITHOUT THIS DOCUMENT.NECESSARY
- b. Packing List giving details of what is included in the shipment, by box number. DESIRABLE
- c. Certificate of Origin. This simply states where the vaccine (or other product) was manufactured. It is required by some importing countries for customs control...otherwise, it is optional.OPTIONAL

2. From the airline or other transport company (such as ocean vessel or truck)

- a. Airway bill or Bill of Lading. This document identifies the owner of the shipment and in normal international trade, needs to be presented to the airline or to another transport official in order to receive the goods.NECESSARY (although this document may not be included in the papers normally provided to SES)

b. Insurance Certificate. This document certifies that the shipper will be reimbursed if the goods are damaged or lost during shipment.OPTIONAL

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3-30-95

DRAFT

PROCEDURE FOR PURCHASING and RECEIVING VACCINE
TURKMENISTAN

- SES collects data and calculates needs
- contacts well known vaccine manufacturers and suppliers and requests price and availability offers based on a specific quantity of vaccine
- receives manufacturer's and supplier's offers and arranges for translation into Russian language
- gives manufacturer's and supplier's offers with translation to MOH (Dr. Akmamedov)
- MOH forms a technical committee to accept or reject the quality of each vaccine offered based on an examination of the documentation provided with the proposal
- SES prepares a schedule comparing prices, total costs, delivery time, packing, shipping, shelf life, and technical acceptability
- prepares a draft agreement between Seller and Buyer with copies in both Russian and English. (MOH should use the example provided by the Ministry of Foreign Relations but may adapt it to the situation.) The draft must include schedules

for each of the different manufacturers

MOH prepares a letter to Ministry of Foreign Relations explaining the proposed purchase and asks them to examine the draft contract and the summary of technical and financial comparisons. Copies of all offers should be included with the summary comparison. MOH/SES may express a preference or recommend a manufacturer, giving its reasons for that preference or recommendation.

MFR examines the draft contract and contacts the MOF to learn the situation with regard to finance and may also contact the Central Bank.

forwards the draft contract and supporting documents to the Cabinet of Ministers to make a decision.

MOH may need to write an additional letter to the Cabinet of Ministers to convert manet to roubles or dollars.

COM marks "to be paid" on the selected manufacturer's or supplier's proposal and returns it and the draft contract to MFA

MFR gives permission to the MOH to proceed with the purchase

SES finalizes the contract with manufacturer or supplier

BANK notifies Seller that funds are available

MFG informs SES by fax of expected shipping date

SES requests an import license from MOH Department of Foreign Relations, enclosing a copy of the agreement or contract with the foreign manufacturer or supplier

DFR issues the import license in two parts, one covering the single specific arrival and one as a general license for all shipments pertaining to the contract. The general license is good for six months. Licensing takes about 1 week.

MFG advises details of incoming shipment including date, carrier, flight number, estimated time of arrival, and description, weights and dimensions of cargo.

SES meets the flight carrying vaccine and provides customs with the following documents:

Agreement or contract with manufacturer

License issued by Dept. of Foreign Relations/MOH

Certificate of Analysis from the manufacturer for the batch or batches of vaccine included in the shipment

Shipping Documents - Bill of Lading, Commercial Invoice showing weights, prices, etc.

Letter from MOH requesting prompt customs clearance, taking into consideration the need for immediate refrigeration of the vaccine.

Note: Customs has a copy of the presidential order allowing vaccine to be taken immediately from the aircraft and moved to refrigerated stores before customs formalities are initiated.

MOH transports the vaccine to refrigerated stores at SES and sometimes uses a local meat warehouse for storage of excess vaccines that can be frozen

CUS a representative of Customs comes to SES and seals the vaccine storage room so the vaccine cannot be removed

SES applies to the Trade Industrial Chamber for a customs declaration covering the shipment that has arrived. (SES must pay a fee for the declaration)

takes manufacturer's Certificate of Analysis to the State Inspector of Standards for certification. (SES must pay a fee for the certification)

presents the following documents to Customs for formal clearance:

Agreement with manufacturer (or supplier)

Bill of Lading (and Commercial Invoice)

Certified copy of Certificate of Analysis
Customs Declaration
License

CUS gives permission to use the vaccine. Representative of customs goes to SES and unseals the vaccine storage room.

Note: there is no customs duty payable for vaccines or drugs

SES segregates the vaccine for distribution to velayets and takes it to the airport in Ashgabat. It remains packed in its original shipping cartons. All vaccine is shipped by air except the portion reserved for the city velayet.

calls velayet and informs officials regarding details of incoming shipment

VEL Velayet meets plane with means of maintaining cold chain during transport.

TURKMEN.07

ABBREVIATIONS KEY:

BANK Bank

COM Council of Ministers

CUS Customs

MFR Ministry of Foreign Relations

MFG Vaccine manufacturer (or supplier)

MOH Ministry of Health (Turkmenistan)

SES Sanitary Epidemiological Station

VEL Velayet

3-30-95 Draft

FAX

Date:

To:

From:

REQUEST FOR PROPOSAL

The Ministry of Health, Sanitary and Epidemiological Unit (SES), of the Government of Turkmenistan will undertake a mass immunization campaign to combat recent outbreaks of diphtheria in the region and requests your proposal of price and availability for 556,000 doses of DT vaccine, 135,000 doses of DTP vaccine, and 3,739,000 doses of Td vaccine in 1995.

Instructions for Response:

Your response to this request should include the following information:

1. Price

- a. Price in USD per vial for each type of vaccine (DT, DTP, Td), packaged in 10 dose vials.
- b. Price in USD per vial for each type of vaccine (DT, DTP, Td), packaged in 20 dose vials.
- c. Estimated cost in USD for air freight and insurance for each type/quantity of vaccine, shown separately from price of vaccine.
- d. Additional cost in USD, if any for each type/quantity of

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vaccine, for vial labeling and package inserts in Russian language.

- e. Other estimated costs payable for each type of vaccine, shown separately from price of vaccine and transportation.
2. Payment terms including currency of payment.
 3. Availability
 - a. Quantity of vaccine available for shipment to Turkmenistan before August 1, 1995.
 - b. Estimated dates for availability of remaining balance, if any.
 4. Information on packaging configurations
 - a. Number of vials per package and per shipping container
 - b. Description of shipping containers proposed for shipment to Turkmenistan, for each type of vaccine including gross weight, dimensions and insulating capability.
 5. Copy of package inserts normally shipped with vaccine and copy of customary vial labeling.
 6. Information on product approvals

Please indicate if the product is approved or certified

by the World Health Organization or any other international agencies or licensed by the United States Food and Drug Administration (USFDA).

7. Copy of product and facility registration or licensing in country of manufacture.
8. Sample of recent batch protocol and certificate of analysis pertaining to at least one of the three vaccines requested.
Note: this does not necessarily need to be from the batch proposed for shipment to Turkmenistan
9. Business information and customary financial data. Please include name and address of production facility, type of organization, affiliations, parent company or subsidiary relationships, number of years in business, countries to which products are presently exported, and approximate annual sales in USD.

Offers shall be made in English and will be translated into Russian upon receipt in Turkmenistan. Prospective supplier may provide a Russian translation with its offer.

Offers shall be valid for 90 days from date of response.

Please send your response by DHL or fax to:

Dr. Begdzhani Charyevich Charyev

Ministry of Health, Central Sanitary Epidemiological Station
Bikrovinskaya Ul. 11
Ashkabat, Republic of Turkmenistan

Phone: 7 3632 242617

Fax _____

The Ministry of Health looks forward to receiving your offer before
_____ [date].

Sincerely,

Terms and Conditions:

TERMS: CIF Ashgabat

PARTIAL SHIPMENTS: By agreement

PAYMENT: Negotiable

SHIPMENTS: Air

FINAL DESTINATION: Ashgabat, Turkmenistan

QUALITY of VACCINE: The vaccines supplied to the Government of Turkmenistan must meet internationally recognized standards for safety, efficacy, and quality as substantiated by supporting documentation outlined below.

SHELF LIFE: Vaccine supplied to the Government of Turkmenistan must have a minimum of 18 months of remaining shelf life from the date of its arrival in Turkmenistan

INSPECTION: The Government of Turkmenistan reserves the right for a designated representative to inspect goods for conformance with contract requirements before shipment leaves manufacturing facility.

DOCUMENTS FOR EACH SHIPMENT: Lot release letter from the government control authority in the country of manufacture.

Evidence of product and facility registration/licensing in the country of manufacture.

Certificate of Analysis for lot(s) being supplied.

Manufacturer's batch/lot information including protocols, test summary sheets and approval and release records signed by the regulatory affairs manager for the manufacturing facility.

Commercial documents including commercial invoice, bill of lading or airway bill, packing list, and insurance certificate.

PACKING:

Vaccine must be packed in cartons/containers suitable for export shipment in accordance with WHO EPI Guidelines on the International Packaging and Shipping of Vaccines. Vaccine must not be frozen nor reach temperatures above 37 degrees centigrade during transit and delivery. Each insulated shipping container must include appropriate temperature monitoring devices ((Reference: Stop! Watch Refrigerator Monitor, UNICEF Code PIS E6/40)

to record exposure of vaccine to adverse temperatures.

MARKING:

All shipping cartons/containers must note on the exterior the quantity and description of contents. All shipping cartons and invoices must bear the lot number, expiry date and the cautionary wording: Perishable Material, Keep Refrigerated (2 - 8 degrees centigrade). Keep from Freezing.

Other pertinent shipping label information will be provided prior to shipment.

NOTIFICATION:

The supplier will keep the SES/MOH of the government of Turkmenistan informed of changes in the production/delivery schedule.

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3-30-95

DRAFT MODEL CONTRACT FOR VACCINES
based on Pharmacia/Pakistan example

CONTRACT No. _____

between Turkmenistan SES and

Ashgabat

Date: _____

The Seller

The Buyer

1. SUBJECT

The Seller undertakes to sell and the Buyer to purchase goods in accordance with the specification and terms stipulated in Annex 1 of the present contract which is its integral part.

2. NAME OF GOODS

Vaccines in accordance with Annex 1.

3. TERMS OF DELIVERY

The delivery period must not be more than _____ months from the date of receipt of information that [a Letter of Credit has been opened and] funds are available to Seller at _____ Bank upon presentation of conforming documents listed in Section __ below. Seller must inform the Buyer ten (10) days in advance of the shipment of goods. The Government of Turkmenistan reserves the right for a designated representative to inspect the goods for

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conformance to contract requirements prior to shipment. The date of the first shipment shall not be more than _____ days after the date [of the Letter of Credit] [funds are made available to Seller at _____ Bank.]

4. QUALITY

- 4.1 The vaccines supplied to the Government of Turkmenistan must meet internationally recognized standards for safety, efficacy, and quality and must strictly comply with the terms of Annex 1.
- 4.2 Vaccine supplied to the Government of Turkmenistan under this contract must have a minimum of 18 months remaining shelf life before expiration when they arrive in Turkmenistan.
- 4.3 For each vaccine supplied to the Government of Turkmenistan, quality assurance documentation from the manufacturer and from the National Control Authority of the country of manufacture will be provided according to the terms of Annex 2, Section 1 of this Contract.

5. LABELING

- 5.1 The label on each vial or ampoule of vaccine shall conform to the requirement of the country of use and shall appear in the _____ language.
- 5.2 Each vial or ampoule label must include:
 - the name of the vaccine and the manufacturer
 - the trade name of the vaccine (if applicable)
 - the lot number and expiration date of the vaccine
 - the composition and concentration of the vaccine

- recommended dosage and mode of administration
- 5.3 All labeling must withstand immersion in water and remain intact.

6. PACKAGING

6.1 _____ (number) individual vials or ampoules will be contained in sturdy cardboard boxes outfitted with individual segments for protecting and separating each vial or ampoule.

6.2 Each inner box mentioned in 6.1 above will be marked in Russian as follows:

Contract No.

- Turkmenistan Ministry of Health/SES,
_____ (address)

- the name of the vaccine or medical product
- the commercial name (if made under license)
- the manufacturer's name
- the presentation (vial, ampoule) and quantity
- the lot/batch number and expiration date

6.3 Each inner box must have instructions for administration in Russian language and in the language of the country of manufacture. If necessary, Buyer will provide text translation to Seller.

7. PACKING and MARKING

7.1 Packing and marking of vaccines and medical supplies must strictly comply with international export package standards. Vaccine must be packed in cartons/containers suitable for export shipment and be in accordance with

WHO EPI Guidelines on the International Packaging and Shipping of Vaccines, including all measures needed to maintain temperatures between 2 degrees centigrade and 8 degrees centigrade and to prevent freezing of diphtheria vaccine during transit and delivery.

7.2 Each insulated shipping container must include appropriate temperature monitoring devices.

7.3 The Seller must reimburse the Buyer for any loss due to improper packing.

8. SHIPPING MARKS AND DOCUMENTATION

Shipping marks, documentation and notification must be in accordance with Annex 2 of this Contract.

9. ACCEPTANCE

9.1 The goods will be received by the Ministry of Health Sanitary and Epidemiological Station, postal address

9.2 Quantitative and qualitative acceptance will take place at the latest within two weeks of presentation of the supplies at the place of destination.

9.3 The Seller may be represented at the acceptance formalities.

9.4 For quantitative and qualitative claims, the Buyer must present to the Seller a written claim drawn up by an official control organization of the Buyer's country.

9.5 All claims shall be settled within _____ months of submission.

10. DEFECTIVE GOODS

10.1 In case of non-conformity to the conditions mentioned above and in the referenced annexes, vaccine will be refused and sent back without delay to the Seller for replacement. The Seller must replace the defective goods with new ones at his own expense not more than __ months after the date of the claim.

10.2 The Seller must pay all transport and other expenses connected with the replacement or return of the defective goods to the territory of the Seller's country including transportation costs in the territory of the Buyer's country.

10.3 If the Seller does not replace the defective goods with new ones within _____ months from the date of the claim, the Buyer has the right to cancel the contract. In this case, the Seller must reimburse the Buyer for his payments (if any).

11. PLACE OF DESTINATION

Ashgabat airport.

12. PRICE

The prices will be in US dollars, CIF Ashgabat. The prices include the cost of the goods, transportation, packing, marking and insurance. The prices are firm and not subject to revision during the whole term of the contract. The total value of the Contract is _____.

13. TERMS OF PAYMENT

The Buyer (will open an irrevocable Letter of Credit, confirmed by an internationally registered and recognized

bank, in favor of Seller] [will deposit funds equal to the face amount of this contract in _____ Bank] from which Seller may draw after presenting the following documents:

1. Drafts at sight for 100 percent of invoice value drawn on _____ Bank [and stating the letter of credit number.]
1. Commercial Invoice (4 copies)
2. Quality certificate (3 copies)
3. Packing List (3 copies)
4. Airway Bill (1 copy)
5. Insurance certificate

All bank charges from the bank of Seller are payable by Seller; all bank charges from the bank of Buyer are payable by Buyer.

14. FORCE MAJEURE

Each party to this agreement may be excused from fulfilling its obligations under the Contract in the event of force majeure circumstances such as military operations, blockades, prohibitions of export or import, and catastrophic loss from natural disaster.

In such cases, the party claiming force majeure must inform the other party in written form within fifteen (15) days after the beginning of the force majeure circumstances and the existence of these circumstances must be confirmed by the Chamber of Commerce of the claiming party. If force majeure circumstances last more than 4 months, each party has a right to refuse to fulfill its obligations under the contract and

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none of the parties has the right to claim compensation for possible losses from the other party.

15. ARBITRATION

In case disagreements arise in the course of the Contract, all disputes will be settled finally in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce.

16. OTHER CONDITIONS

16.1 The Seller guarantees having all the patents and other rights pertaining to the vaccine

16.2 The Seller completes all formalities and pays all export taxes in his country.

16.3 All annexes to this contract are integral parts of it

16.4 All alterations and amendments to this contract are valid only if they are in written form and signed by the authorized representative of the parties

16.5 Neither of the parties has the right to assign its obligations on the Contract to third parties without a written consent of the other party.

16.6 From the moment of signing the contract, all the previous correspondence and negotiations will become invalid.

16.7 The date of delivery will be the date of shipping of the goods by the Seller.

16.8 In the case of an address change or a change in bank, each side must inform the other within 15 days of the change.

17. BANKS OF THE PARTIES

for the Seller:

for the Buyer:

The present contract is written in English and Russian languages and signed in Ashgabat in __ original copies (__ in English and __ in Russian) which have equal force.

For and on behalf of
the Seller

For and on behalf of
the Buyer

TURKMEN.08

ANNEX 1

SPECIFICATION (example)

	Item	Units	Price in USD	Qty for 1995	Q1	Q2	Q3	Q4	Total Cost
1.	DT vaccine further description and demands..	4 10 dose vials	\$1.25	55800	13900	13900	13900	13900	\$60,500
2.									
3.									
4.									

Comments:

Signature _____

Date _____

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ANNEX 2

1. Vaccine Documents

The following documents must be included with each lot (batch number) of vaccine shipped to Turkmenistan:

- a. Certification for the release of the vaccine lot by the National Control Authority in the country of manufacture.
- b. Manufacturer's batch/lot information including protocols, certificate of analysis, test summary sheets and approval and release records (protocols) signed by the regulatory affairs manager for the manufacturing facility.
- c. Certificate of registration or licensing of the manufacturing facility in the country of manufacture.
- d. Certificate of Free Sale or equivalent
- e. Copy of package insert

2. Parties Receiving Documents:

A complete set of the documents identified in section 1 above, plus normal and customary international shipping documents, i.e.,

- a. airway bill,
- b. commercial invoice,
- c. packing lists,
- d. insurance certificate,

must accompany each shipment and an identical set must be sent in advance of each shipment by international courier (DHL) or fax to the following party:

Dr. Begdzhani Charyevich Charyev
Ministry of Health, Central Sanitary & Epidemiological
Station
Bikrovinskaya Ul. 11
Ashkabad, Republic of Turkmenistan
Phone: 7 3632 242617
Fax: _____

3. Marking Instructions:

The exterior of all outer shipping cartons/containers shall note the quantity and description of contents. All outer shipping containers and accompanying standard documents must also bear:

- a. lot number
- b. expiry date
- c. the following cautionary wording: "Perishable Material, Keep Refrigerated (2 - 8 degrees centigrade). KEEP FROM FREEZING" in English and Russian

4. Shipping instructions:

- a. Commercial air cargo
- b. Each vaccine shipment should be consigned as follows:

Dr. Begdzhani Charyevich Charyev
Ministry of Health, Central Sanitary &
Epidemiological Station
Bikrovinskaya Ul. 11
Ashkabat, Republic of Turkmenistan
Phone: 7 3632 242617

Fax:

- c. All invoices and shipping documents must carry the markings as stated in 3.b above

4. Delivery information:

- a. Prior to shipment, the supplier will fax the following information to the parties identified in 6.b above.
 - i. Airline flight number and departure time
 - ii. Estimated time of arrival (ETA) in Ashgabat
 - iii Total quantity and description of commodity
 - iv Total number and description of containers
 - v Dimensions of each piece
 - vi Accurate net and gross weight per piece
 - vii Total gross weight and cube of entire shipment

- 5. The supplier will keep the MOH/SES, Government of Turkmenistan informed of changes in the production/delivery schedule.

95CIS.sp9

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C O N T R A C T No.

between Turkmenistan Pharmacia and
Watan Dost (pvt) Ltd.

Ashgabat

" _____ "

The Seller

Watan Dost (pvt) Ltd.
"Watan Dost" House
Ahmad Block, Garden Town
Lahore, Pakistan

Fax: 92 42 5863482

The Buyer

Turkmenistan
7 Stepan Rasin Street
744025 Turkmenistan
Ashgabat

Telex: 228229

Fax: (3632) 470218

1. SUBJECT

The seller undertakes to sell and the Buyer to purchase goods in accordance with the specification and terms stipulated in Annex 1 of the present contract which is its integral part.

2. NAME OF GOODS

Pharmaceutical goods in accordance with Annex 1.

3. TERMS OF DELIVERY

The delivery period must not be more than three months from the date of receipt of information that the letter of credit is open. The seller should inform the Buyer about it 10 days before the shipment of goods. The date of the first shipment is not later than 45 days from the date of opening of letter of credit.

4. QUALITY

4.1 Medical supplies must strictly comply with the terms of Annex B (list of drugs). Each pharmaceutical product must have following specification:

- name of the product
- dosage per unit
- conditioning
- the number of conditioning units required

Medical supplies must strictly comply with the WHO quality standards. For each pharmaceutical produce a certificate of registration from Ministry of Health Government of Pakistan will be provided. In case of non-conformity to such conditions

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medical supplies will be refused and sent back to the supplier for replacement. The Seller must replace the defective goods with new ones at his own expense not less than 5 months since the date of the claim.

4.2 Replaced defective goods are returned to the Seller without delay at his expense and at his request. The Seller takes all transport and other expenses connected with the replacement or returning of the defective goods on the territory of the Seller's country and transit as well as on the territory of the Buyer's country.

4.3 If the Seller does not replace the defective goods with the new ones during 5 months from the date of the claim, the buyer has a right to cancel the contract. In this case the Seller is charged to reimburse the Buyer for his payments.

4.4 Lapsing date
The minimum lapsing period for every pharmaceutical product will be not less than 80% of original life of the product at the time of the delivery to the Buyer. In case of non-conformity to such conditions the goods will be sent back to the supplier for replacement and he will be also charged these extra costs.

5. PACKAGING-MARKING

5.1 Packaging and marking of medical supplies must strictly comply with the international export package standards. The Seller is charged to reimburse the Buyer for the losses due to improper packing.

5.2 It will be clearly written on each box:

- Contract No.

- Turkmenistan Pharmacia 7, Stepan Razin street, Ashgabat.

Each box will be labelled in Russian language. The label will include:

- the name of the medical product;

- the commercial name (if made under license);

- the presentation (phial, tablet, ointment, tube ...)

Each unit must have instructions for administration in Russian language and in the language of the country-manufacturer of the goods.

6. PLACE OF DESTINATION

Ashgabat airport.

7. ACCEPTANCE

7.1 The goods are accepted by the State warehouse for Medical Supplies " _____ " affiliated to the

Ministry of Health of Turkmenistan. Postal address: 35 Schchor's street, Ashgabat, 744015. Shipping address: Station Ovezberdy Kulieva of Turkmenian Railway, Railway code: 79320. Recipient code: 7135

Watan Dost (pvt) Ltd. can be represented at the acceptance formalities.

7.2 Quantitative and qualitative acceptance will take place at the latest within two weeks of presentation of the supplies at the place of destination.

7.3 For quantitative and qualitative claims the Buyer must present to the Seller a reclamation act drawn up by an official control organization of the Buyer's country.

7.4 All claims shall be in written form.

7.5 Fine claims shall be raised 3 months at the latest since the date of arising the claim.

8. PRICE

The Prices will be in US dollars CIF Ashgabat. The prices include the cost of transportation, packing, marking and insurance. The prices are firm and not subject to revision during the whole term of the contract. The total value of the contract is

9. TERMS OF PAYMENT

After the effective date of credit granted by the government of Pakistan the Buyer opens an irrevocable, confirmed, assignable and divisible letter of credit:

The Seller will present the following documents:

1. Commercial invoice (4 copies)
2. Quality certificates (3 copies)
3. Packing list (3 copies)
4. Copies of the Bill of Lading certified by the seller (1 copy)
5. Insurance policy

All Bank charges in the bank of the Seller are Paid by the Seller, in the bank of the Buyer - by the Buyer.

10. FORCE MAJEURE

The sides are free from responsibility for non fulfilling obligations under the contract if it is the consequence of force majeure circumstances such as military operations, blockades, prohibitions of export or import.

In such case the term of fulfilling of obligations under the

contracts will inform the other party in written form about the beginning and end of the force majeure circumstances. The existence of force majeure circumstances must be confirmed by the Chamber of Commerce of the party which is affected by above mentioned circumstances. If force majeure circumstances last more than 4 months, each party has a right to refuse to fulfill obligations under the contract and in this case none of the parties has the right to claim compensations for possible losses from the other party.

11. PENALTIES

Delay in deliveries due to Supplier will be sanctioned as follows:

- for delay not more than 30 days - 1% of the total value of the contract
- from 30 to 60 days - 5% of the total value of the contract
- from 60 to 90 days - 10% of the total value of the contract
- more than 90 days - 25% of the total value of the contract

12. ARBITRATION

In case disagreements arise in the course of the contract all disputes will be settled finally in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce.

13. OTHER CONDITIONS

13.1 The Seller guarantees having all the patents and other rights for supplies.

13.2 The Seller completes all formalities and pays all export taxes in his country.

13.3 All annexes to this contract are the integral parts of it.

13.4 All alterations and amendments to this contract are valid only if they are in written form and signed by the authorized representative of the parties.

13.5 Neither of the parties has the rights to entrust its obligations on the contract to third parties without a written consent of the other party.

13.6 From the moment of signing the contract all the previous correspondence and negotiations become invalid.

13.7 The date of the delivery will be the date of shipping of the goods by the Seller.

13.8 The contract is valid from the moment the Buyer is concede the right to use the loan granted by the government of Pakistan.

The Seller

The Buyer

The Muslim Commercial Bank,
Liberty Market Branch
Gulberg
Lahore, Pakistan

Bank account No.092371414
Settlement account No.000361814
in Ashgabat Commercial Bank
Turkmenistan
Code 390101506
(Ashgabat, Turkmenistan)

The present contract is written in English and Russian languages and signed in Ashgabat in 9 original copies (6 in English and 3 in Russian) which have equal force.

For and on behalf of
the Seller

For and on behalf of
the Buyer

ЗАКУПКА ВАКЦИН

ЦЕНТРАЛЬНАЯ СЭС

USAID/BASICS PROJECT

Март 1995

11

ФАКС

ДАТА:
КОМУ:
ОТ КОГО:

ЗАПРОС
о возможности поставки

Министерство здравоохранения Туркменистана, Санитарно-эпидемиологическое управление намеревается провести кампанию массовой иммунизации для ликвидации вспышки дифтерии в регионе и просит представить Ваши предложения относительно стоимости и возможности поставки в 1995 г. АДС вакцины в количестве 556 тыс. доз, АКДС вакцины в количестве 135 тыс. доз и АДСм вакцины в количестве 3739 тыс. доз.

ТРЕБОВАНИЯ К ОТВЕТУ:

Ваш ответ на настоящий запрос должен содержать следующую информацию:

1. Стоимость

- а. Стоимость в дол. США 1 флакона для каждого типа вакцины (АДС, АКДС, АДСм), содержащего 10 доз во флаконе.
- б. Стоимость 1 флакона в дол. США для каждого типа вакцины (АДС, АКДС, АДСм), содержащего 20 доз во флаконе.
- в. Ориентировочная стоимость в дол. США авиаперевозки и страховки для каждого типа/количества вакцины, указанная отдельно от стоимости вакцины
- г. Дополнительные расходы в дол. США, если таковые необходимы, для изготовления этикеток для флаконов на русском языке для каждого типа вакцины.
- д. Другие расходы для каждого типа вакцины, указанные отдельно от стоимости вакцины и ее транспортировки.

2. Порядок оплаты, включая валюту, в которой будут осуществляться платежи.

3. Возможность поставки:

- а. Количество вакцины, которое может быть поставлено Туркменистану до 1 августа 1995 г.
- б. При невозможности поставить всю партию к 1 августа 1995 г. указать возможную дату поставки оставшейся части вакцины.

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4. Информация об упаковке.

а. Количество флаконов в упаковке и в контейнере.

б. Описание контейнеров, предлагаемых для транспортировки в Туркменистан, для каждого типа вакцины, включая вес брутто, размеры и изолирующую способность.

5. Вкладыш к упаковке поставляется вместе с вакциной, также как и обычные этикетки к флаконам.

6. Информация о положительных отзывах на продукцию.

Пожалуйста, укажите, если продукция одобрена к применению или имеет сертификат ВОЗ или других международных организаций либо имеет лицензию Управления по контролю за пищевыми продуктами и лекарствами США.

7. Копия регистрации или лицензирования продукции и учреждения, производящего вакцину, в стране производства.

8. Образец одного из последних протоколов и сертификат анализов по крайней мере для одной из трех запрашиваемых вакцин.

Примечание: Указанные документы не обязательно должны быть о сериях вакцин, предназначенных к отправке в Туркменистан.

9. Информация о бизнесе и финансах.

Пожалуйста, укажите название и адрес учреждения, производящего вакцину, тип организации, филиалы, родительскую компанию или контролируемую компанию, сколько лет функционирует данное производство, страны, в которые продукция экспортируется в настоящее время и приблизительный ежегодный объем продаж в долларах США.

Предложения о поставках должны быть представлены на английском языке и будут переводиться на русский язык после поступления в Туркменистан. Поставщик может представить свои предложения вместе с их русским переводом.

Предложения действительны в течение 90 дней от даты ответа.

Пожалуйста, направьте Ваш ответ с международным курьером (DHL) или факсом по адресу:

Д-р Бегджан Чарьевич Чарьев

Министерство здравоохранения,

Центральная санитарно-эпидемиологическая станция,

ул. Бикровинская, 11

Ашгабат, Туркменистан

Телефон: 7 3632 24 26 17

Министерство здравоохранения ожидает Ваши предложения до
(дата).

С уважением,

(подпись)

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ПОРЯДОК И УСЛОВИЯ ПОСТАВКИ.

ПОРЯДОК	:СИФ Ашхабад
ПОСТАВКА ЧАСТЯМИ	:По соглашению
ОПЛАТА	:По договоренности
ТРАНСПОРТИРОВКА	:Авиа
ПУНКТ НАЗНАЧЕНИЯ	:Ашгабат, Туркменистан
КАЧЕСТВО ВАКЦИНЫ	:Вакцина, поставляемая в Туркменистан должна соответствовать международным стандартам в отношении сохранности, эффективности и качества и должна сопровождаться документами, перечисленными ниже
СРОК ГОДНОСТИ	:Вакцина, поставляемая в Туркменистан, должна иметь запас срока годности минимум 18 месяцев от даты прибытия в Туркменистан.
КОНТРОЛЬ	:Правительство Туркменистана оставляет за собой право направить уполномоченного представителя для проверки соответствия продукции требованиям контракта до отправки продукции с места производства.
ДОКУМЕНТЫ ДЛЯ КАЖДОЙ ПОСТАВКИ	:Письмо-разрешение на использование серии (лота) от государственно контролирующей организации страны производства. Свидетельство о регистрации (лицензировании) продукта и производящего учреждения страны производства. Сертификат Анализов для лота (лотов).

Информация производителя о лоте (серии), включающая протоколы, результаты тестов, а также положительное заключение о возможности использования, подписанная руководителем учреждения-производителя.

Коммерческие документы (счет-фактура, счет либо накладная, либо счет за авиатранспортировку, лист упаковки, страховой сертификат)

УПАКОВКА:

Вакцина должна быть упакована в картонные коробки/контейнеры, пригодные для экспортных поставок в соответствии с правилами ВОЗ по Международной упаковке и транспортировке вакцин. Вакцины не должны замораживаться или нагреваться свыше 37 градусов Цельсия во время транзита или поставки. Каждый изолирующий транспортный контейнер должен содержать подходящее устройство для мониторинга температурных условий (Примечание: Стоп! Монитор для холодильника, Код ЮНИСЕФ PIS E6/40) для регистрации нарушений температурного режима.

МАРКИРОВКА:

Снаружи на каждой картонной коробке/контейнере должно быть указано количество и описание содержимого. На каждом контейнере и счете-фактуре должен быть указан номер серии (лота), срок годности и предупреждающая надпись: Скоропортящийся товар, хранить при температуре 2-8 градусов, предохранять от замораживания.

Остальная требуемая информация для маркировки контейнера будет предоставлена перед отгрузкой.

ПРИМЕЧАНИЕ:

Поставщик должен информировать СЭС/Минздрав Туркменистана об изменениях в сроках поставки.

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ДОКУМЕНТЫ ДЛЯ ИМПОРТА ВАКЦИНЫ

A. Технические документы о продукции.

1. От Правительства страны, где производится вакцина:

а) письмо-разрешение для серии (лота) или сертификат от контролирующей организации страны производства. Обычно в этом письме указывается, что поставленная серия вакцины с указанным номером, проверена в государственной лаборатории, соответствует требованиям страны производства и разрешается к продаже. Иногда этот документ

может называться "Сертификат на свободную продажу". ЭТОТ ДОКУМЕНТ ЯВЛЯЕТСЯ НАИБОЛЕЕ ВАЖНЫМ ДЛЯ ПОДТВЕРЖДЕНИЯ ХОРОШЕГО КАЧЕСТВА ВАКЦИНЫ ДЛЯ СТРАНЫ-ИМПОРТЕРА.ДОКУМЕНТ НЕОБХОДИМ.

б) сертификат регистрации продукции или лицензия на продукцию. Документ свидетельствует, что государственные органы страны производства проверили и одобрили производство определенной вакцины данным производителем.ДОКУМЕНТ ЖЕЛАТЕЛЕН.

в) регистрация учреждения, производящего вакцину или лицензия. Документ свидетельствует, что государственные органы страны-производителя проверили и одобрили в целом производственное оборудование, лаборатории, регистрационные записи и процедуру производства.ДОКУМЕНТ ЖЕЛАТЕЛЕН.

2. От производителя вакцины:

а) сертификат анализов, описывающий тесты, проведенные с поставленным лотом (серией), включая полученные результаты испытаний, а также их положительный или отрицательный исход. ЭТО НАИБОЛЕЕ ВАЖНЫЙ ИЗ ДОКУМЕНТОВ, ПРЕДСТАВЛЕННЫХ ПРОИЗВОДИТЕЛЕМ, ТАК КАК ОН СООБЩАЕТ ПОДРОБНУЮ ИНФОРМАЦИЮ О КАЧЕСТВЕ ВАКЦИНЫ И ОБЫЧНО ЗАПРАШИВАЕТСЯ ТАМОЖНЕЙ..... ДОКУМЕНТ НЕОБХОДИМ.

б) протокол производства, описывающий компоненты, их обработку и лабораторные результаты на каждой стадии процесса производства. Документ позволяет проследить путь от конечного продукта до исходного сырья и может также называться "Отчет о серии".ДОКУМЕНТ ЖЕЛАТЕЛЕН.

в) инструкции или "Вкладыш к упаковке". Документ представляет собой описание продукции, инструкции по ее применению, а также другую информацию, например противопоказания. Предназначена для врачей и медицинского персонала, ответственного за иммунизацию.....ДОКУМЕНТ НЕ ЯВЛЯЕТСЯ ОБЯЗАТЕЛЬНЫМ.

Б. Коммерческие документы-о цене, транспортировке и упаковке.

1. От грузоотправителя:

а) счет-фактура, содержащая краткое описание продукции, ее количество, стоимость, описание упаковки, маркировки, вес и размеры. Может указывать также условия оплаты. В ПРАКТИКЕ МЕЖДУНАРОДНОЙ ТОРГОВЛИ ПОСТАВКИ НЕ МОГУТ ОСУЩЕСТВЛЯТЬСЯ БЕЗ ЭТОГО ДОКУМЕНТА.ДОКУМЕНТ НЕОБХОДИМ.

б) упаковочный лист, в котором перечислена поставляемая продукция по номерам коробок.ДОКУМЕНТ ЖЕЛАТЕЛЕН.

в) сертификат происхождения. Этот документ указывает только место производства вакцины (или другой продукции). Запрашивается таможеней в некоторых импортирующих странах, в остальных случаях - необязателен.ДОКУМЕНТ ЯВЛЯЕТСЯ НЕОБЯЗАТЕЛЬНЫМ.

2. От авиакомпании или другой транспортной компании (например, пароходства или грузового автотранспорта).

а) счет от авиакомпании или накладная. Этот документ устанавливает владельца поставки и в практике международной торговли должен быть представлен авиакомпании или другой транспортной компании для получения товара.ДОКУМЕНТ НЕОБХОДИМ (хотя этот документ может не входить в число документов, обычно предоставляемым ЮНИСЕФ для СЭС .

б) страховой сертификат. Документ удостоверяет, что потери будут возмещены грузоотправителю в случае, если товар будет поврежден или утерян при транспортировке.ДОКУМЕНТ НЕ ЯВЛЯЕТСЯ ОБЯЗАТЕЛЬНЫМ.

ПРОЕКТ ПРОЦЕДУРА ЗАКУПКИ И ПОЛУЧЕНИЯ ВАКЦИНЫ

- СЭС** -Собирает информацию
-Подсчитывает потребности
-Связывается с известными производителями вакцин и поставщиками и запрашивает их предложения о цене и возможности поставки определенного количества вакцины.
-Получает предложения от производителей и поставщиков и обеспечивает их перевод на русский язык.
-Направляет предложения производителя вместе с их переводом в Министерство здравоохранения (МЗ) (д-р Акмамедов).
- МЗ(д-р Акмамедов)**
-Образует технический комитет для оценки (положительной или отрицательной) качества каждой предлагаемой вакцины на основе анализа документов, представленных вместе с предложениями.
- СЭС** -Готовит сводную таблицу для сравнения цен, общей стоимости, сроков поставки, упаковки, транспортировки, запаса срока годности и технической доступности.
-Готовит проект соглашения между Поставщиком и Покупателем на русском и английском языках (МЗ следует использовать образец, предоставленный Министерством внешнеэкономических связей (МВЭС), но возможны и другие варианты). Проект должен включать варианты, подготовленные для каждого производителя.
- МЗ** -Готовит письмо в МВЭС с обоснованием предлагаемой закупки и просьбой рассмотреть проект контракта и дать заключение о его технической и финансовой стороне. Для получения заключения следует предоставить экземпляры всех предложений. МЗ/СЭС может отдать предпочтение или рекомендовать кого-либо из производителей, предоставив обоснование для этого.
- МВЭС** -Рассматривает проект контракта и связывается с Министерством экономики и финансов для изучения возможности финансирования контракта, а также может связываться с Центральным Банком.
-Направляет проект контракта и сопровождающие документы в Кабинет Министров (КМ) для принятия решения.
- МЗ** -Может при необходимости направить дополнительное письмо в Кабинет Министров с просьбой конвертировать манаты в рубли или доллары.
- КМ** -Накладывает резолюцию "Оплатить" на предложения выбранного производителя или поставщика и возвращает их вместе с проектом контракта в МВЭС.
- МВЭС** -Дает разрешение МЗ осуществить закупку.
- СЭС** -Завершает контракт с производителем или поставщиком.
- Банк** -Уведомляет поставщика о наличии финансовых средств для оплаты.

- Производитель (поставщик) вакцины (ПВ)
-Информирует СЭС о возможных сроках поставки по факсу.
- СЭС -Запрашивает в отделе внешнеэкономических связей МЗ лицензию на импорт, прилагая копию соглашения или контракта с зарубежным производителем или поставщиком, указывая номер и дату документа. Указанный отдел выдает два вида лицензий на импорт, один-на разовую поставку и второй-генеральная лицензия на все поставки по данному контракту. Генеральная лицензия действительна в течение 6 месяцев. Лицензирование занимает около 1 недели.
- ПВ -Сообщает детали предстоящей поставки, включая дату, транспортную компанию, № рейса, ориентировочное время прибытия, а также описание, вес и размеры груза.
- СЭС -Встречает рейс с вакциной и предоставляет таможене следующие документы:
Соглашение или контракт с производителем
Лицензия, выданная отделом внешн.эк.связей МЗ
Сертификат анализов, выданный производителем на серию(серии) вакцин, входящих в поставку
Транспортные документы-накладная, счет-фактура, где указаны вес, цена, и т.д.
Письмо из МЗ, адресованное таможенной службе, с просьбой оказать содействие, учитывая необходимость соблюдения температурного режима для хранения вакцины.
Примечание: На таможене имеется распоряжение Президента, разрешающее немедленно забирать вакцину с борта самолета для помещения в холодильник до оформления таможенных процедур.
- МЗ -Транспортирует вакцины для хранения в холодильниках СЭС и иногда использует мощности мясокомбината для хранения вакцин в замороженном состоянии.
- Таможня - Представитель Таможни направляется в СЭС и опечатывает помещение, где хранятся вакцины.
- СЭС -Обращается в Торгово-Промышленную Палату за таможенной декларацией для поступившей вакцины (СЭС должна платить за декларацию)
-Предоставляет сертификат анализов в государственную инспекцию для сертификации (СЭС должна платить за сертификацию)
-Представляет следующие документы в таможню для получения разрешения:
Соглашение с производителем (или поставщиком)
Накладная (или счет-фактура).
Сертификат анализов, заверенный Госинспекцией
Таможенная декларация
Лицензия

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Таможня - Дает разрешение на использование вакцины. Представитель Таможни приезжает в СЭС и распечатывает помещение, где хранятся вакцины.

Примечание: Плата за вакцины и лекарства Таможней не взимается.

СЭС - Распределяет вакцину по велятам и доставляет их в аэропорт Ашгабат. Вакцина при этом остается в оригинальной упаковке для транспортировки. Вакцина транспортируется исключительно по воздуху, кроме предназначенной для использования в городе.

-звонит в велят и информирует о прибывающей вакцине.

Велят - Встречает самолет с оборудованием, обеспечивающим транспортировку вакцины в условиях холодной цепи.

**ПРОЕКТ-ОБРАЗЕЦ КОНТРАКТА
ДЛЯ ЗАКУПКИ ВАКЦИНЫ.**

на основе контракта о закупке лекарств в Пакистане.

КОНТРАКТ №
между Центральной СЭС Туркменистана и

Ашгабат

Дата _____

Продавец

Покупатель

1. ПРЕДМЕТ КОНТРАКТА

Продавец намеревается продать, а Покупатель купить товары в соответствии со спецификациями и условиями, указанными в Приложении 1 настоящего контракта и являющимся неотъемлемой его частью.

2. НАИМЕНОВАНИЕ ТОВАРОВ.

Вакцины, в соответствии с Приложением 1.

3. УСЛОВИЯ ПОСТАВКИ.

Срок поставки не должен превышать _____ месяцев с момента получения информации (аккредитив) о том, что деньги могут быть перечислены Продавцу _____ Банком после предоставления подтверждающих документов, перечисленных ниже в разделе 9. Продавец должен уведомить Покупателя за 10 дней до поставки товара. Правительство Туркменистана оставляет за собой право направить уполномоченного представителя для проверки соответствия товара требованиям контракта перед его отправкой. Первая поставка должна быть не позже, чем через _____ дней после сообщения о том, что деньги могут быть перечислены продавцу (аккредитив). _____ Банком.

4. КАЧЕСТВО.

4.1 Вакцины, поставляемые в Туркменистан, должны соответствовать международным стандартам по их сохранности, эффективности и качеству и в строгом соответствии с условиями, оговоренными в Приложении 1. Вакцина должна строго соответствовать стандартам качества ВОЗ .

4.2 Вакцины, поставляемые в Туркменистан по настоящему контракту, должны иметь запас минимум 18 месяцев до истечения срока годности с момента прибытия в Туркменистан.

4.3 Для каждой вакцины, поставляемой в Туркменистан, должны быть предоставлены документы, подтверждающие ее качество, от производителя и от Национального контролирующего органа страны производства в соответствии с Приложением 2 , раздел 2 настоящего контракта.

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5. МАРКИРОВКА

5.1 Этикетка на каждом флаконе или ампуле должна соответствовать требованиям страны-потребителя и должна быть на _____ языке.

5.2 Этикетка на каждом флаконе или ампуле должна содержать:

- наименование продукции и производителя
- торговое наименование продукции (если применяется)
- номер серии и срок годности вакцины
- состав и концентрация вакцины
- рекомендуемые дозы и способ применения.

5.3 Все этикетки должны быть устойчивы к действию влаги.

6. УПАКОВКА

6.1 _____ (количество) флаконов или ампул должно содержаться в прочных картонных коробках, разделенных внутри перегородками на отдельные отсеки для каждого флакона для обеспечения их сохранности.

6.2 Каждая внутренняя коробка, соответствующая требованиям 6.1, снаружи должна быть маркирована на русском языке:

Контракт №

- Министерство здравоохранения Туркменистана/ СЭС
_____ (адрес)
- наименование вакцины или другой медицинской продукции.
- коммерческое наименование (если таковое указано в лицензии)
- наименование производителя
- фасовка (флакон, ампула) и количество
- номер серии (лота) и срок годности.

6.3 Каждая внутренняя коробка должна содержать инструкции по применению на русском языке и на языке страны производства. При необходимости Покупатель предоставляет перевод текста Продавцу.

7. УПАКОВКА И МАРКИРОВКА

7.1. Упаковка и маркировка вакцин и медицинских товаров должны строго соответствовать международным стандартам экспортной упаковки. Вакцина должна быть упакована в картонные коробки/контейнеры, пригодные для экспортной перевозки в соответствии с Правилами ВОЗ по международной упаковке и перевозке вакцин, включая условия, необходимые для поддержания температуры 2-8 градусов Цельсия и предотвращения замораживания дифтерийной вакцины во время транспортировки.

7.2. Каждый изолированный транспортный контейнер должен содержать подходящее устройство для мониторинга температуры.

7.3. Продавец обязан возместить Покупателю любые расходы, связанные с неправильной упаковкой.

8. МАРКИРОВКА И ДОКУМЕНТЫ ДЛЯ ПЕРЕВОЗКИ

Маркировка, документы и извещение о перевозке должны соответствовать требованиям Приложения 2 настоящего контракта.

9. ПРИЕМКА

9.1. Товар должен быть получен Центральной санитарно-эпидемиологической станцией Министерства здравоохранения, почтовый адрес _____

9.2. Прием товара по количеству и качеству должен быть произведен в течение двух недель после осуществления поставки к месту назначения.

9.3. Представитель Продавца должен присутствовать во время процедуры приемки.

9.4. Для предъявления претензий по количеству и качеству товара, Покупатель должен представить Продавцу письменную претензию, составленную официальной контролирующей организацией страны-покупателя.

9.5. Все претензии должны быть урегулированы в течение _____ месяцев после предъявления документов.

10. ДЕФЕКТНЫЕ ТОВАРЫ.

10.1 В случае несоответствия условиям, указанным выше и в перечисленных Приложениях, последует отказ от вакцины и она будет безотлагательно отправлена обратно Продавцу для замены. Продавец обязан заменить дефектный товар на новый за свой счет не позже _____ месяцев с момента предъявления претензии.

10.2 Продавец обязан оплатить все транспортные и другие расходы, связанные с заменой или возвратом дефектного товара на территорию страны Продавца, включая транспортные расходы на территории страны Покупателя.

10.3. В случае, если Продавец не заменит дефектные товары на новые в течение _____ месяцев с момента предъявления претензии, Покупатель имеет право аннулировать контракт. В этом случае Продавец должен возместить Покупателю его платежи (если таковые имели место).

11. МЕСТО НАЗНАЧЕНИЯ

Аэропорт Ашгабат

12. ЦЕНА

Цены должны быть указаны в дол. США, СИФ Ашгабат. Цена включает стоимость товаров, их транспортировки, упаковки, маркировки и страховки. Цены являются твердыми и не подвергаются пересмотру в течение всего времени действия контракта. Общая стоимость контракта _____.

13. ПОРЯДОК ОПЛАТЫ

Покупатель (открывает безотзывной аккредитив, подтвержденный международно признанным или зарегистрированным банком, на Продавца) или (депонирует сумму, равную стоимости настоящего контракта в

_____банке), в котором Продавец может получить деньги после предоставления следующих документов:

1. Тратта на предъявителя на 100% суммы, указанной в счете, составленная в _____банке (с указанием № аккредитива)
2. Счет-фактура (4 экземпляра)
3. Сертификат качества (3 экземпляра)
4. Лист упаковки (3 экземпляра)
5. Счет от авиакомпании (1 экземпляр)
6. Страховой сертификат.

Все банковские расходы банка Продавца оплачиваются Продавцом. Все банковские расходы банка Покупателя оплачиваются Покупателем.

14. ФОРС-МАЖОР

Каждая из сторон настоящего соглашения может освобождаться от выполнения своих обязательств по настоящему контракту в случае наступления форс-мажорных обстоятельств, таких как военные операции, блокады, запрещение экспорта или импорта и катастрофические потери, вследствие стихийных бедствий.

В этих случаях сторона, заявляющая о форс-мажоре, должна информировать другую сторону в письменной форме в течение 15 дней после наступления форс-мажорных обстоятельств и существование форс-мажорных обстоятельств должно быть подтверждено торговой палатой заявляющей стороны. Если форс-мажорные обстоятельства продолжаются более 4 месяцев, каждая сторона имеет право отказаться от выполнения своих обязательств по настоящему контракту и ни одна из сторон не имеет права требовать компенсацию за возможные потери от другой стороны.

15. АРБИТРАЖ

Все споры, могущие возникнуть из настоящего контракта, должны быть окончательно урегулированы в соответствии с Правилами согласительной процедуры и арбитража Международной торговой палаты.

16. ДРУГИЕ УСЛОВИЯ

- 16.1. Продавец гарантирует, что имеет все патенты и другие права, относящиеся к вакцине.
- 16.2. Продавец выполняет все формальности и платит все налоги на экспорт в своей стране.
- 16.3. Все Приложения настоящего контракта являются неотъемлемой его частью.

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16.4. Все изменения и поправки к настоящему контракту действительны только в случае, если они поданы в письменной форме и подписаны уполномоченными представителями сторон.

16.5. Ни одна из сторон не имеет права передавать свои обязательства по настоящему контракту третьей стороне без письменного согласия другой стороны.

16.6. С момента подписания контракта вся ранее имевшая место переписка и переговоры становятся недействительными.

16.7. Датой поставки является дата отправки товаров Продавцом.

16.8. В случае изменения адреса или банка, каждая сторона должна информировать другую сторону в течение 15 дней после изменения.

17. БАНКИ СТОРОН

Для Продавца:

Для Покупателя:

Настоящий контракт составлен на английском и русском языках и подписан в Ашгабате в _____ оригинальных экземпляров (_____ на английском и _____ на русском), которые имеют равную силу.

За и от имени
Продавца

За и от имени
Покупателя

ПРИЛОЖЕНИЕ 2

1. Документы для вакцины:

Каждый лот (серия №) вакцины, поставляемый в Туркменистан, должен сопровождаться следующими документами:

- а. сертификат- разрешение для лота/серии вакцины от национальной контролирующей организации страны производства.
- б. информация производителя о лоте/серии вакцины, включающая протоколы, сертификат анализов, результаты тестов и положительное заключение, подписанное руководителем учреждения-производителя.
- в. сертификат регистрации или лицензирования учреждения, производящего вакцину, в стране производства.
- г. сертификат на свободную продажу или его эквивалент.
- д. копия вкладыша к упаковке.

2. Документы, предоставляемые стороне, получающей вакцину: все документы, указанные выше, в разделе 1, плюс обычные для практики международных перевозок документы, а именно:

- а. счет от авиакомпании
- б. счет-фактура
- в. лист упаковки
- г. страховой сертификат

Указанные документы должны сопровождать каждую поставку и такой же пакет документов должен высылаться накануне каждой поставки с международным курьером (DHL) или по факсу по следующему адресу:

Д-р Бегджан Чарыевич Чарыев

Министерство здравоохранения,
Центральная санитарно-эпидемиологическая станция,
ул. Бикровинская, 11
Ашгабат, Туркменистан

Телефон: 7 3632 24 26 17

Факс:

3. Инструкции по маркировке:

Снаружи каждого контейнера должно быть указано количество и описание содержимого. На всех транспортных контейнерах и в сопровождающих стандартных документах должно быть указано:

- а. номер лота (серии).
- б. срок годности.
- в. следующая предупреждающая надпись: "Скорпортящиеся материалы, хранить при температуре 2-8 градусов Цельсия. Предохранять от замораживания." на английском и русском языках.

4. Инструкции по транспортировке.

а. Коммерческий авиагруз.

б. каждая поставка вакцины должна быть адресована:

Д-р Бегджан Чарыевич Чарыев

Министерство здравоохранения,

Центральная санитарно-эпидемиологическая станция,

ул. Бикровинская, 11

Ашгабат, Туркменистан

Телефон: 7 3632 24 26 17

Факс:

в. все счета-фактуры и транспортные документы должны содержать информацию, согласно 3 .

5. Информация о поставке.

а. перед отправкой вакцины поставщик должен послать факс по адресу, указанному в пункте 4 б , со следующей информацией:

1. номер авиарейса и время вылета

2. ориентировочное время прибытия в Ашгабат

3. общее количество и описание товара

4. общее количество и описание контейнеров

5. размеры каждого места багажа

6. точный вес нетто и брутто каждого места багажа

7. общий вес брутто и объем поставки в целом

6. Поставщик обязан информировать Минздрав/СЭС, Правительство Туркменистана об изменениях в сроках поставок.

APPENDIX 3

TURKMENISTAN/RUSSIA
March 1995 Visit
Contacts List

USAID/MOSCOW

Nikita Afanasiev, MD, MPH, Project Management Specialist
Jane Stanley, Office of Environment & Health
Olga Stankova, Economic Restructuring Division

IMMUNOGEN

Valery Petrovitch Ganzenko, President

MEDTECHNOLOGIA

Sergei Viazov, President

INTERNATIONAL RED CROSS

Dr. Joachim V. Kreysler, IFRCRCS/Geneva

US EMBASSY/ASHGABAT

Douglas Archard, Deputy Chief of Mission
Karin McClelland, Economics Officer

USAID/ASHGABAT

Cari Ann Vandavelde, USAID Representative

MINISTRY OF HEALTH/ASHGABAT

Begjan Charyevich Charyev, Chief Doctor, Central SES
Igor Baymuradovich Kurbanov, Deputy Chief Doctor, SES
Greta Vedieva, Head Epidemiologist, SES
Dr. JLK Akmamedov, Chief of Epidemiology Department
Nadejda Nickolaevna Ryazanava, Department of Foreign Relations
Allaberdy Abayevich Abayev, Head of Department of Drug Supply

MINISTRY OF FOREIGN RELATIONS/ASHGABAT

Mr. Merhid Gokovich Abayev
Head of the Department of Foreign Investments

IMF/WORLD BANK

Nader Akrami, General Advisor, Central Bank of Turkmenistan
Mohinder S. Mudahar, Principal Economist, Europe and Central Asia

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CENTRAL BANK, TURKMENISTAN

Ogeniyaz Japarov, Deputy Head of Foreign Exchange Reserves Department

UNICEF

Serap Maktav, Resident Programme Officer

Anatoly Abrahamof, M.D., Assistant to Programme Officer

WORLD HEALTH ORGANIZATION

Colette Roure, Regional Advisor, EPI, WHO/EURO

PEACE CORPS

Fran Preneta, Associate Director, Health

Jim Pitts, Medical Officer

Abt ASSOCIATES/USAID

Sheila O'Dougherty

BASICS/USAID

Alasdair Wylie, Consultant

BASICS/ARLINGTON, VA

Alix Alferieff, Program Assistant, NIS

Lyndon Brown, Operations Officer, NIS

Rebecca Fields, Technical Officer, EPI

Marcia Rock, Operations Coordinator

USAID/WASHINGTON, D.C.

Molly Mort, NIS Task Force, Bureau for Europe and

Newly Independent States

INTERPRETERS

Anya Retsker, Moscow

Irena Abrahamof, MD, Ashgabat

APPENDIX 4

Agreement between the Government of Turkmenistan and UNICEF Regarding Vaccine Independence in Turkmenistan

Whereas the Secretariat of the Cooperation Committee, based on a decision by the Government of Japan, has agreed to provide US\$700,000, to be channeled through the United Nations Children's Fund (UNICEF) to a Project leading to Vaccine Independence of Turkmenistan.

Whereas UNICEF has agreed to utilize the above funds, together with US\$349,000 which UNICEF will contribute from its own General Resources for the Expanded Programme on Immunization (EPI) in Turkmenistan, in accordance with the attached project proposal titled, "A Project Leading to Vaccine Independence for the Expanded Programme on Immunization within the Maternal and Child Health Programme: Assuring Vaccines for the Children of Turkmenistan" (E/ICEF/P/I.24).

Whereas the purpose of the project is to assist the Government of Turkmenistan to achieve vaccine independence by the Year 2000, in accordance with the phasing indicated in the attached project proposal.

Government of Turkmenistan and UNICEF hereby agree as follows:

1. Government of Turkmenistan will provide, as its contribution to the project, US\$751,458 for the procurement of vaccines as outlined in the attached project proposal.
2. Government of Turkmenistan will submit annual vaccine requirement forecasts, together with bi-annual or trimester estimates of vaccines to the UNICEF Field Office, specifying the amount of vaccine, vial size, delivery dates and other specifications.
3. Government of Turkmenistan will transfer the above amount in US dollars to UNICEF as per the following annual phasing and procurement schedule, pending UNICEF Executive Board approval of the project for the period 1995-2000.
 - 3.1. Annual payments will be made as follows:
 - i) In 1995, a sum of US\$5,300 to be paid by 30 August of that year.
 - ii) In 1996, a sum of US\$23,320 to be paid in two equal payments, the first by 30 April and the second by 30 August of that year.
 - iii) In 1997, a sum of US\$42,718 to be paid in two equal payments, the first by 30 April and the second by 30 August of that year.
 - iv) In 1998, a sum of US\$107,060 to be paid in three equal payments, the first by 30 April and the second by 30 July and the third by 30 September of that year.
 - v) In 1999, a sum of US\$191,460 to be paid in three equal payments, the first by 30 April, the second by 30 July, and the third by 30 September of that year.
 - vi) In 2000, a sum of US\$381,600 to be paid in three equal payments, the first by 30 April, the second by 30 July, and the third by 30 September of that year.

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3 2 Payment of the above funds will be deposited in the following account:

Account Number 041-1-076224
CIIIPS: ADA 002 UID 259366
CIIASE MANHATTAN Bank
International Agencies Banking Center
825 U.N. Plaza
New York, N. Y. 10017 U.S.A.

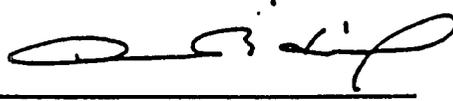
4. UNICEF will procure the quantities of vaccines requested, within the limits of the payments as listed in Article 3.1 hereof, on behalf of the Government and will ship the vaccines directly from the supplier to the Government immediately upon receipt of the funds from the Government.
- 4.1. UNICEF will forward the invoice and all relevant shipping documents to the Government upon completion of procurement action.
- 4.2. UNICEF's procurement of vaccines on behalf of the Government will be made in accordance with UNICEF's Financial Regulations and Rules for procurement services.
5. The Government of Turkmenistan shall be fully responsible for reception, customs clearance and distribution of all vaccines shipped under this agreement. As outlined in the attached project proposal, the vaccines procured under this agreement will be utilized for the primary immunization of children under two years of age.
6. In witness whereof, the undersigned have signed the present arrangement in the English language in two copies:

Kyoto, 27 July 1994



for the Government of Turkmenistan

Kyoto, 27 July 1994



for UNICEF

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№ 1922

"27" августа

1994 г.

Ашгабат с.

г. Ашгабат

Об обеспечении вакцинными препаратами
в Туркменистане

В целях реализации Соглашения между Правительством Туркменистана и Детским фондом ООН (ЮНИСЕФ) "О самособеспечении вакцинами в Туркменистане" от 27 июля 1994 года и выполнения национальной программы "Иммунопрофилактика" п о с т а н о в л я

1. Министерству экономики и финансов Туркменистана предусматривать в Государственном бюджете выделение Министерству здравоохранения Туркменистана на 1995-2000 годы необходимые ассигнования в сумме эквивалентной 751.758 долларам США.

2. Центральному банку Туркменистана обеспечивать ежегодно конвертацию средств предусмотренных в пункте 1 настоящего постановления по заявкам Министерства здравоохранения Туркменистана.

3. Министерству здравоохранения Туркменистана обеспечить контроль за своевременным перечислением валютных средств, предназначенных для ЮНИСЕФ, в сроки и размерах определенных Соглашением, а также получением, распределением, хранением и рациональным использованием вакцинных препаратов.

4. Освободить от взимания таможенных сборов и уплаты таможенных процедур вакцинные препараты ввозимые в Туркменистан.

Президент
Туркменистана

Сапармурат
Туркменбаши

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КОПИЯ НА ИМЯ ПРЕЗИДЕНТА

КОПИЯ НА ИМЯ МИНИСТЕРСТВА

APPENDIX 5

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TURKMENISTAN

Project: A Project Leading to Vaccine Independence for the Expanded Programme on Immunization within the Maternal Child Health Programme (E/ICEF/1993/P/L.24)

<u>Date of Project Initiation:</u>	1994
<u>Geographical Area(s) Covered:</u>	National
<u>Estimated Number of Beneficiaries:</u>	705,000 children
<u>Implementing Agencies:</u>	Ministry of Health
<u>Collaborating Agencies:</u>	UNICEF, WHO
<u>Total Cost of Project:</u>	US\$ 1,800,458
<u>Period for which Supplementary Funds are being Sought:</u>	1994-1999
<u>Amount of Supplementary Fund Required:</u>	US\$700,000
<u>Total Supplementary Funding Requested from the Government of Japan through the the Secretariat of the Cooperation Committee (SCC) for 1994 to 1999:</u>	US\$700,000¹

July 1994
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Programme Funding Office
UNICEF New York
TUK/H/JPN/A/94
611/94/S/001

¹Includes recovery of general operating costs (6%)

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ASSURING VACCINES FOR THE CHILDREN OF TURKMENISTAN

Background

1. Approximately 126,000 children will be born in 1994 in Turkmenistan. Like the children born in other the new independent states (NIS) of the Former Soviet Union, these children are born into families facing rapid political and economic change. Such changes have had serious and often unpredicted effects on the resources available for the basic health services that provides for children. As in other countries in Central Asia, the health system in Turkmenistan, while experiencing transition related problems, remains accessible to almost 100% of the population. However, child immunization, which remains the most important preventive measure of the basic health services of Turkmenistan, is currently threatened by a shortage of resources for the purchase of critical vaccines.
2. The problem of vaccine supplies in Turkmenistan becomes even more important when viewed against the country's record of high immunization coverage over previous years. In 1992, immunization coverage of children under 1 year old was reported as 96.8% for BCG, 84.1% for DT, 81.1% for pertussis, 91% for polio, and 76% for measles.
3. Disease incidence has been relatively low in recent years: in 1993 there were no reported cases of diphtheria, 6 reported cases of polio (down from 34 in 1987), and 1660 cases of measles. These relatively low rates of disease incidence can only be maintained with continued high levels of immunization.
4. At present, the availability of vaccines needed to protect Turkmenistan's children is seriously threatened. Before 1992, virtually all vaccines used in Turkmenistan were produced in the Russian Federation. Since 1992, Turkmenistan has experienced difficulties in meeting its own EPI needs. Hard currency requirements and changes in payment procedures required by Russian vaccine manufacturers, and rapid increases in Russian vaccine prices have been problems. The Government has experienced great difficulty to allocate sufficient resources needed to meet the cost of vaccines.
5. UNICEF, as well as several other organizations and governments, have supplied various amounts of vaccines as humanitarian assistance during 1992, 1993 and 1994. In addition, USAID through the REACH project, has provided cold chain equipment and technical assistance on EPI. Technical assistance has also been provided by UNICEF and WHO, and joint efforts among REACH/USAID, UNICEF and WHO in collaboration with the Turkmenistan Ministry of Health have produced plans for carrying out and improving EPI over the next several years.
6. At the Vaccine Supply Donor Coordination Meeting held in Paris in March 1994, donors emphasized that while the emergency donation of vaccines may still be required, the objective of donor assistance is to assist Turkmenistan, and other NIS, achieve self-reliance as quickly as possible. It was agreed at the same meeting that Turkmenistan and other NIS should place a high priority on the establishment of a self-reliant, sustainable vaccine supply system of their own, and that donor help is needed to facilitate this process. Consequently, as a condition to continued receipt of assistance, donors at the Paris meeting called for Turkmenistan and other NIS countries to include plans for self-reliance in their national immunization plans.

7. As a result of humanitarian assistance, mainly through UNICEF as well as vaccine received from Russia, Turkmenistan has an adequate supply of vaccines for Tuberculosis, Diphtheria, Pertussis, Polio, and Measles to carry out the primary immunization series of children under two throughout 1994. Despite these supplies there have been some vaccine shortages in the country which result from continued use of a vaccination schedule that includes several re-vaccinations for tuberculosis, diphtheria and polio. Use of this schedule during a period when the national resources are in short supply creates a major problem in maintaining vaccine supplies for the primary series of vaccinations for children under two years of age.

Project Objective

8. To assure an adequate supply of high quality vaccines for the **primary series of immunizations for all children under two years old** by (1) providing donated funds to procure a significant portion of required vaccines and (2) developing a mechanism to assist the Government of Turkmenistan to gradually become self-reliant in financing its vaccine needs by the year 2000.

Project Strategy

9. This project sets in motion a plan for the Government of Turkmenistan to become self-reliant in the financing and procurement of its required vaccine supply. The project is intended to: improve the planning and efficiencies of vaccine procurement; provide significant assistance in the form of funds for purchase of vaccines, provide the Ministry of Health with a strong incentive for budgetary planning which assures adequate funds from national sources for vaccines, allow the country to benefit from the lower prices for vaccines available through UNICEF; and assure the country of a source of high quality vaccines from WHO approved manufacturers.

10. The project includes a strong component of donor assistance for the procurement of vaccines from GOJ/SCC through UNICEF and a firm commitment by the Ministry of Health and Government of Turkmenistan to establish a workable schedule whereby national vaccine requirements will be fully by national resources.

11. Under this project, vaccine requirements for the **primary series of immunizations of children under two years of age** for Turkmenistan for the duration of the project will be met by a combination of donations and government financing, according the schedule proposed below (see annex A for further details):

Estimated Vaccine Requirements and Financing in Turkmenistan, 1995-2000
(in US Dollars)

Year	1995	1996	1997	1998	1999	2000	Total
Funds Needed for Vaccines	220,000	243,000	270,000	301,000	330,000	366,000	1,730,000
Funds from GOJ/SCC*	200,000	154,000	130,000	100,000	82,377	0	666,377
UNICEF's contribution	15,000	67,000	100,000	100,000	67,000	0	349,000
Contribution from Government of Turkmenistan**	5,300	23,320	42,718	107,060	191,460	381,500	751,458
	220,300	244,320	272,718	307,060	340,837	381,600	1,766,835

Note: * Total assistance provided by GOJ/SCC is \$700,000, out of which \$666,377 will be available for vaccine assistance for Turkmenistan and \$33,623 will cover the 6% cost recovery of UNICEF.

** The figures in this row include 6% UNICEF procurement fee.

12. Regular ordering of vaccines with several planned delivery dates has many advantages. The budgeting process of the Ministry of Health can plan one major outlay of funds, with the supporting agreement that GOJ/SCC is providing a substantial grant to meet the full needs of vaccines for children under two years old. The country's cold chain and storage capacity requires a steady, spaced flow of vaccines. UNICEF supply services also functions best when it has sufficient lead time to negotiate with suppliers on the basis of firm orders of vaccines. Finally, Ministry of Health staff at all levels can be informed of the system and be confident of an even and adequate supply of vaccines and thus be better able to plan local immunization activities to assure high coverage and less wastage.

13. While improvements are needed in the overall child immunization system in Turkmenistan, UNICEF and other agencies have made cooperation with the Government to improve the EPI a high priority. The regular supply of vaccines remains the most important step in strengthening Turkmenistan's current EPI Programme.

Project Activities

14. Under this project, GOJ/SCC, the Government of Turkmenistan, and UNICEF will undertake the following activities and general commitments:

Vaccine Planning and Forecasting

15. The Government of Turkmenistan and UNICEF will forecast its yearly vaccine needs for the primary series of immunization, according to the WHO standard. This forecast will be used as the basis for each year's order, by means of Requests issued by the Ministry of Health to UNICEF with phased delivery throughout a 12 month period. These forecasts will include two to three evenly spaced delivery dates that take into consideration the two month lead time from Request to initial delivery.

16. UNICEF will provide the Government of Turkmenistan with assistance in improving forecasting, budgeting and planning for vaccines. Vaccine planning, forecasting and budgeting will begin in 1994.

Vaccine Procurement and Financing

17. GOJ/SCC will provide UNICEF with the full amount of its contribution to the project. These funds will be used to procure vaccines on behalf of the Government of Turkmenistan in accordance with the agreed vaccine forecasts and procurement schedule. Any changes in this schedule will be made only after agreement to a change by GOJ/SCC, the Government of Turkmenistan and UNICEF.

18. Based on its annual vaccine forecast, the Government of Turkmenistan will ensure the availability of sufficient hard currency to guarantee that its portion of the vaccines are provided. For those vaccines ordered through UNICEF, the Government of Turkmenistan will pay UNICEF in hard currency in advance of purchase of the vaccines, in accordance with established procurement services procedures. These funds will be in US Dollars and will be transferred to UNICEF on an annual basis prior to the point at which UNICEF begins procurement of the next years vaccine requirements.

19. The Government of Turkmenistan will submit bi-annual or quarterly requests for vaccine to the UNICEF Field Office, specifying the amount of vaccine, vial size, delivery dates, and other specifications. Based on these requests, UNICEF will procure the vaccines requested on behalf of the Government for shipment by WHO-approved suppliers to the Government according to the agreed schedule.

20. Vaccine will be procured by UNICEF and consigned to the Government of Turkmenistan.

21. At the conclusion of this project, the Government of Turkmenistan may continue to procure vaccines through UNICEF's Procurement Services, using the Government's own funds, if the Government so desires.

Distribution and Immunization

22. The Government of Turkmenistan is responsible for distribution of vaccine from point

of consignment.

23. All vaccines supplied through UNICEF under this project from funds from GOJ/SCC or the Government of Turkmenistan will be used for the sole purpose of providing the **primary immunization series to children under two years old**. Additional vaccines required for other target groups or for disease control initiatives, such as polio eradication, must be provided either by the Government of Turkmenistan or a donor under a separate project agreement.

Monitoring and Evaluation

24. The Government of Turkmenistan, together with UNICEF, will monitor the distribution of vaccines as well as the overall implementation of the project.

Conclusion

25. This proposal is intended to establish a robust system for the continued supply of vaccines to the its Expanded Programme on Immunization. The Government of Turkmenistan will gain through this project:

- (i) US\$1,049,000 over the next five years in vaccine supply assistance from UNICEF and GOJ/SCC (This amount is equivalent to over four years worth of vaccines necessary to immunize all Turkmenistan children under two years old against measles, diphtheria, pertussis, tetanus, poliomyelitis, and tuberculosis).
- (ii) a strong forecasting and budgeting process;
- (iii) access to high quality WHO approved vaccines at highly favorable prices;
- (iv) access to a reliable delivery system; and
- (v) a reliable and systematic mechanism for procuring and financing vaccine.

26. Through this grant, GOJ/SCC will assist the Government of Turkmenistan to take an important step toward increasing the sustainability of its Expanded Programme of Immunization by aiding Turkmenistan to become self-reliant in the systematic procurement of quality, low cost vaccine delivered in a timely and dependable manner.

26 July 1994 - Kyoto

ANNEX

TJRKMENISTAN

Estimated Vaccine Forecast

1995 Vaccine Forecast	Birth Cohort	Wastage Factor	Doses Required	Doses Per Vial	Price per vial	Cost (incl. 20% transport)
BCG (1 dose)	134,000	2	268,000	20	1.35	21,708
DPT (3 doses)	134,000	1.5	603,000	10	0.85	61,506
Measles (1 dose)	134,000	2	268,000	10	1.55	49,848
Polio (4 doses)	134,000	1.5	804,000	10	0.90	86,832
TOTAL 1995						219,894

1996 Vaccine Forecast	Birth Cohort	Wastage Factor	Doses Required	Doses Per Vial	Price per vial	Cost (incl. 20% transport)
BCG (1 dose)	137,000	2	274,000	20	1.46	23,970
DPT (3 doses)	137,000	1.5	616,500	10	0.92	67,914
Measles (1 dose)	137,000	2	274,000	10	1.67	55,041
Polio (4 doses)	137,000	1.5	822,000	10	0.97	95,878
TOTAL 1996						242,802

1997 Vaccine Forecast	Birth Cohort	Wastage Factor	Doses Required	Doses Per Vial	Price per vial	Cost (incl. 20% transport)
BCG (1 dose)	141,000	2	282,000	20	1.57	26,643
DPT (3 doses)	141,000	1.5	634,500	10	0.99	75,488
Measles (1 dose)	141,000	2	282,000	10	1.81	61,180
Polio (4 doses)	141,000	1.5	846,000	10	1.05	106,572
TOTAL 1997						269,883

1998 Vaccine Forecast	Birth Cohort	Wastage Factor	Doses Required	Doses Per Vial	Price per vial	Cost (incl. 20% transport)
BCG (1 dose)	145,500	2	291,000	20	1.70	29,693
DPT (3 doses)	145,500	1.5	654,750	10	1.07	84,129
Measles (1 dose)	145,500	2	291,000	10	1.95	68,183
Polio (4 doses)	145,500	1.5	873,000	10	1.13	118,771
TOTAL 1998						300,776

1999 Vaccine Forecast	Birth Cohort	Wastage Factor	Doses Required	Doses Per Vial	Price per vial	Cost (incl. 20% transport)
BCG (1 dose)	148,000	2	296,000	20	1.84	32,619
DPT (3 doses)	148,000	1.5	666,000	10	1.16	92,421
Measles (1 dose)	148,000	2	296,000	10	2.11	74,903
Polio (4 doses)	148,000	1.5	888,000	10	1.22	130,476
TOTAL 1999						330,419

2000 Vaccine Forecast	Birth Cohort	Wastage Factor	Doses Required	Doses Per Vial	Price per vial	Cost (incl. 20% transport)
BCG (1 dose)	151,900	2	303,800	20	1.98	36,157
DPT (3 doses)	151,900	1.5	683,550	10	1.25	102,445
Measles (1 dose)	151,900	2	303,800	10	2.28	83,027
Polio (4 doses)	151,900	1.5	911,400	10	1.32	144,628
TOTAL 2000						366,256

Assumptions:

2.5% population growth
9% price increase per yr.

Kyoto, 26 July 1994
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APPENDIX 6

**Estimated Vaccine Requirements and Financing in Turkmenistan, 1995-2000
(in US Dollars)**

Year	1995	1996	1997	1998	1999	2000	Total
Funds Needed for Vaccines	220,000	243,000	270,000	301,000	330,000	366,000	1,730,000
Funds from GOJ/SCC*	200,000	154,000	130,000	100,000	82,377	0	666,377
UNICEF's contribution	15,000	67,000	100,000	100,000	67,000	0	349,000
Contribution from Government of Turkmenistan** T	5,300	23,320	42,718	107,060	191,460	381,600	751,458
	220,300	244,320	272,718	307,060	340,837	381,600	1,766,835

Note: * Total assistance provided by GOJ/SCC is \$700,000, out of which \$666,377 will be available for vaccine assistance for Turkmenistan and \$33,623 will cover the 6% cost recovery of UNICEF.

** The figures in this row include 6% UNICEF procurement fee.

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APPENDIX 7

TURKMEN.04

**NATIONAL PLAN OF CONTROL FOR DIPHTHERIA
NEEDS FOR VACCINE 1995, 1996**

	1995	1996
1. Population	4,173,000	4,200,000
2. Newborns under 1 year	130,000	133,000
3. Children over 1 year	126,000	128,000
4. Population for immunization		
4.1 Children of school age	941,200	950,000
4.2 Teenagers & Adults	2,053,600	2,100,000
5. Routine Immunization		
5.1 Needs in DTP (1-2-3-4)	738,000	751,000
5.2 Backlog under 6-7	---	---
5.3 Needs in DT (1-2-3-4)	10,000	10,000
5.4 Backlog under 6-7	---	---
6. Mass Immunization		
6.1 Needs in DT under 6-7	546,000	550,000
6.2 Needs in Td for school children	1,675,000	1,680,000
6.3 Needs in Td for teenagers & adults	2,100,000	2,110,000
	-----	-----
Total DT:	546,000	550,000
Total Td:	3,775,000	3,790,000
7. Additional needs in Td to complete the primary immunization of school children	133,000	136,000

1995:	Total needs	In stores	Promised	Unprovided
DTP	738,000	33,000	603,000	135,000
DT	556,000			556,000
Td	3,775,000	36,000		3,739,000

1996:	Total needs	Promised	Unprovided
DTP	751,000	616,000	135,000
DT	560,000		560,000
Td *	379,000		379,000

[3,790,000 is correct figure]

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НАЦИОНАЛЬНЫЙ ПЛАН КОНТРОЛЯ ДИФТЕРИИ

2. СВОДКА ПО ПОТРЕБНОСТЯМ В ВАКЦИНЕ 1995 - 1996

	1995	1996
1. Расчетная численность населения:	4 173 тыс. чел.	4 200 тыс. чел.
2. Расчетная численность новорожденных:	120,0 тыс.	128 тыс.
3. Расчетная численность детей, достигших 1 года:	126,0 тыс.	128,0 тыс.
4. Население для массовой иммунизации:	941,2 тыс.	950,0 тыс.
4.1 Дети школьного возраста	2053,6 тыс.	2100,0 тыс.
4.2 Подростки и взрослые		
5. Рутинная иммунизация	738 тыс. доз	757 тыс. доз
5.1. Потребности в АКДС (1-2-3-4)	-	-
5.2. Потребности для иммунизации непринятых дошкольников		
	Всего АКДС 738 тыс. доз	Всего АКДС 757 тыс. доз
5.3. Потребности в АДС (1-2-3-4)	10,0 тыс. доз	10 тыс. доз
5.4. Потребности для иммунизации непривитых дошкольников		
	Всего АДС 10,0 тыс. доз	Всего АДС 10 тыс. доз
6. Массовая иммунизация	546,0 т.г.	550 т.г.
6.1 Потребность в АДС для детей дошкольного возраста	167,5 т.г.	168 т.г.
6.2 Потребность в АДСм для детей школьного возраста	2100,0 т.г.	2110,0 т.г.
6.3 Потребность в АДСм для подростков и взрослых	Всего 3775 т.г. АДСм/АДСм	Всего 3790 т.г. АДСм/АДС
7. Дополнительные потребности в АДСм для завершения периодической вакцинации школьников	153,0 т.г.	136,0 т.г.

5-6-455,9 т.г.
7-16-941,2 т.г.
17-49-1755,9 т.г.

7-11-6 т.г.

Общие потребности 1995 г.	В запасе на 1.1.1995 г.	Обещанные поставки	Непокрытые потребности
АКДС 738 т.г.	33,0 т.г.	603,0 т.г.	135 т.г.
АДС 556 т.г.	-	-	556 т.г.
АДСм 3775 т.г.	36,0 т.г.	-	3739 т.г.

Общие потребности 1996 г.	Обещанные поставки	Непокрытые потребности
АКДС 751 т.г.	616,0 т.г.	135 т.г.
АДС 560 т.г.	-	560 т.г.
АДСм 3790 т.г.	-	3790 т.г.

APPENDIX 8

March 31, 1995

Dr. JLK Akmamedov
Chief, Epidemiology Dept. MOH
Republic of Turkmenistan

Re: Vaccines

Dear Dr. Akmamedov:

Thank you for the time and courtesy you have extended to me during the past two weeks. I am sorry we were not able to meet one more time before my departure, to discuss the results of my visit.

I have been in contact with Colette Roure at WHO in Copenhagen about the possibility of Turkmenistan obtaining diphtheria vaccine through humanitarian assistance. She asked me to pass on her greetings to you and to thank you on her behalf for providing information on vaccine needs. WHO is in the process of consolidating this information from several republics and expects to make a recommendation very soon. Commitments cannot be expected before the donors meet again at the end of April.

Dr. Roure also asked me to let you know that you will soon receive a report from WHO regarding the diphtheria samples you submitted to them.

With this letter, I am enclosing a some procurement information I have prepared for you. It includes a chart showing current vaccine prices and an example of a fax, in English, that could be sent to reliable vaccine manufacturers asking them to provide firm prices and terms. A list of manufacturers is also included, as well as a model contract and information about necessary technical documents.

My suggestion for a practical next step in preparing for SES procurement of vaccines is that SES request prices and terms from the manufacturers and then schedule a time for Greta Vedieva and I to work together on a system for comparing and judging the offers that would include not only price, but terms and technical acceptability.

I look forward to working with you further on this most interesting project and hope you will invite me to visit again in the near future.

Best regards,

Dian Woodle
USAID/BASICS Project
Sr. Procurement Officer, PATH

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