

PROCUREMENT OF LABORATORY ITEMS

AIDS Medicines and Diagnostics Service and Essential
Health Technologies

WHO GENEVA

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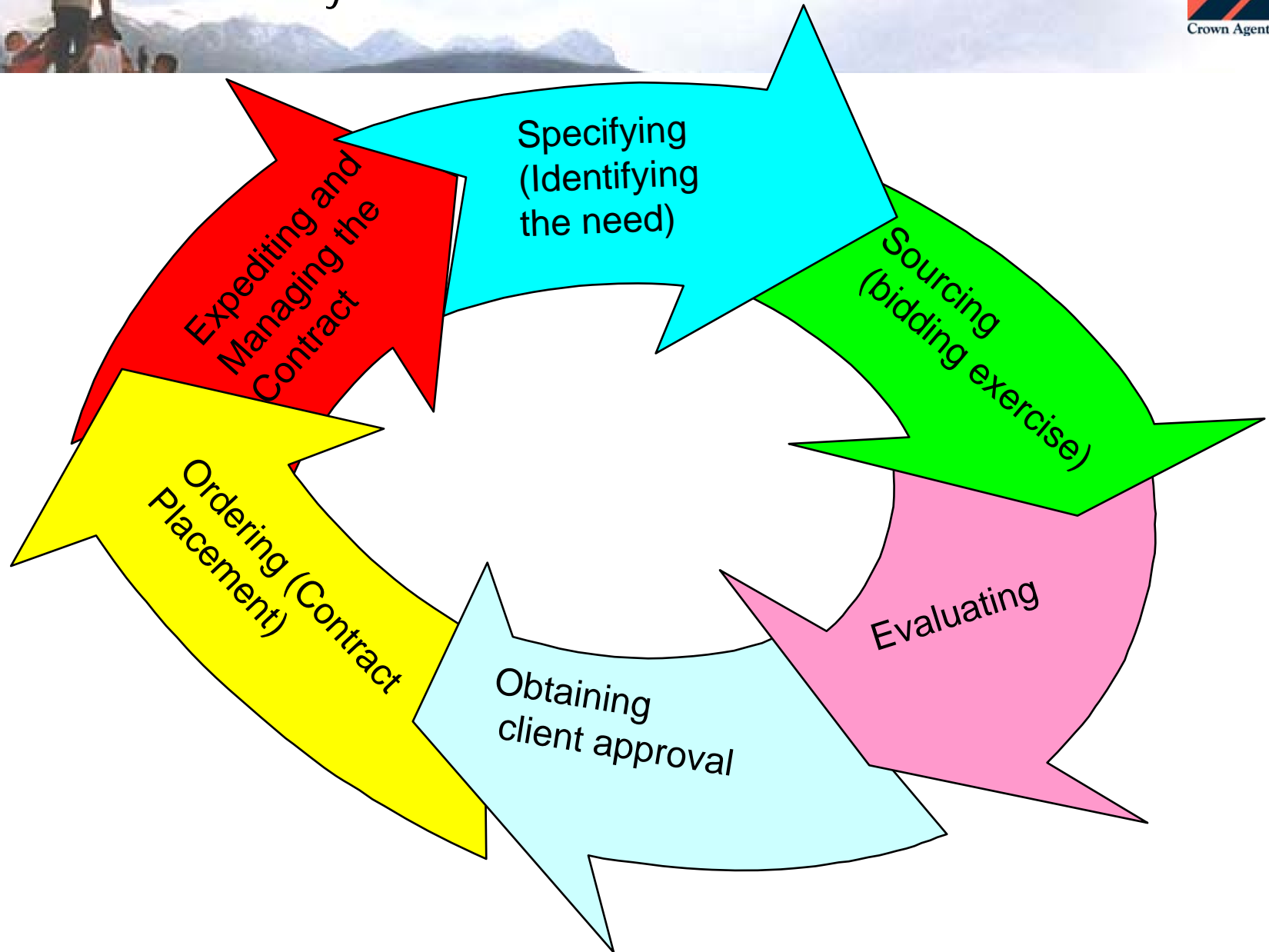
CROWN AGENTS 'Health'

The Procurement Process

- Should be a straightforward process
- Seen by many as a bottleneck to programme implementation

Why?

The Procurement Cycle



The Procurement Process

- To start the process -


Start at the end!

What?

When?

Where?

The Procurement Cycle

- Importation
 - Specifying (Identifying the need)
 - Sourcing (bidding exercise)
 - Evaluating the Bids
 - Obtaining client approval
 - Ordering (Contract Placement)
 - Contract Management (Expediting, Delivering, Supplier Payment, (Warranty/Guarantee Period))
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Specifying (Identifying the Need)

- Clean indent received, clear and unambiguous descriptions and quantities!
- Move straight to next stage.
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- Clarify requirement
 - What is required and how is it to be used
- Confirm quantities (pack sizes)
- Develop the specifications

Specifying (Identifying the Need) Problems

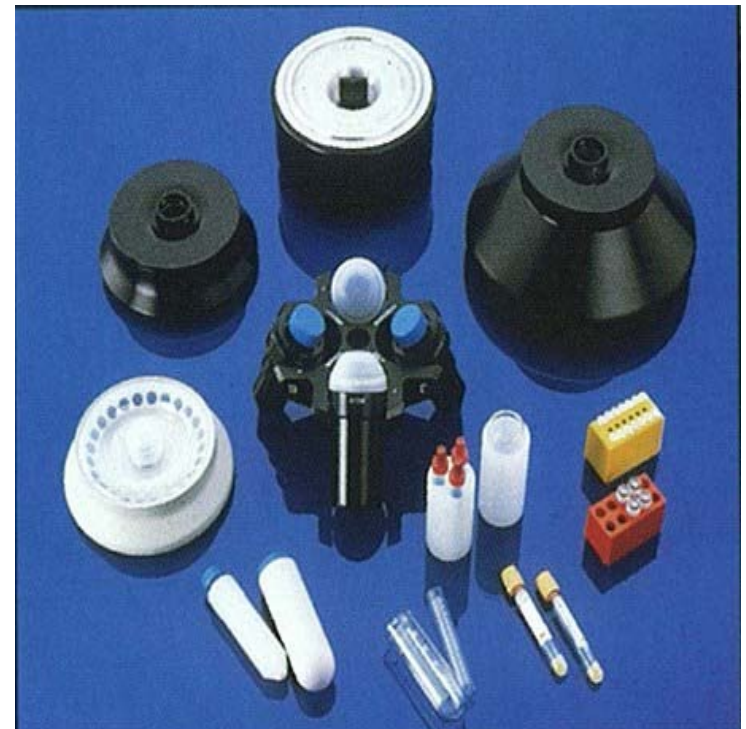
- 'HIV test kit' - Qty 5,000 (50 v 500,000)

Specifying (Identifying the Need)

- 'HIV test kit' - Qty 5,000 (50 v 500,000)
- Centrifuge

Specifying (Identifying the Need)

Centrifuge



Specifying (Identifying the Need)

Problems

- 'HIV test kit' - Qty 5,000 (50 v 500,000)
- Centrifuge
- Safety cabinet

Specifying (Identifying the Need)

Safety Cabinet



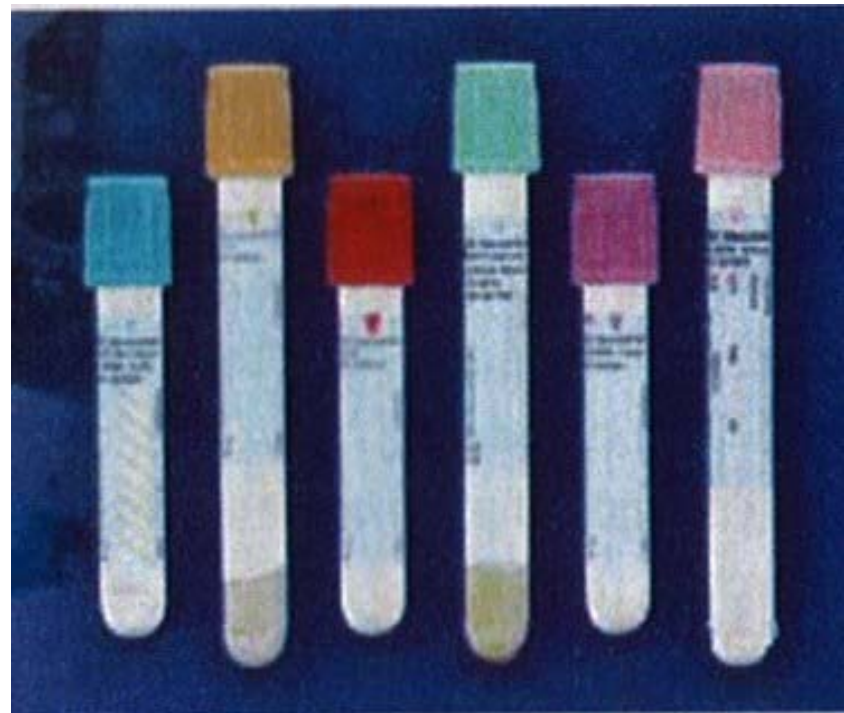
Specifying (Identifying the Need)

Problems

- 'HIV test kit' - Qty 5,000 (50 v 500,000)
- Centrifuge
- Safety cabinet
- Blood tube

Specifying (Identifying the Need)

Blood tubes



Sourcing (Bidding Process)

- Donor (country) regulations?
- Identify suppliers/local agents?
- Supply only or with installation/training etc?
- Shelf life?, cold chain?, 'urgency' of supply?
- When required by, programme start date?
- Suitable Lots
- Freight method to be used
- Delivery - airport, site, medical stores etc. (Inco term)
- (Inspection, QA testing)

Sourcing (Bidding Process)

Problems

- Donor regs and 'required by' dates don't match
- Bid sent to the wrong company/contact
- Bid not received
- Lack of response / interest

Evaluating the bids

- Is it the correct item?
- Were criteria met - (speed, cost.)?
- Is the Supplier financially viable?
- Have payment terms been accepted?

Evaluating the bids

Problems

- Commercial v Technical
- Lowest price wins! - but wrong item offered

Ordering (contract placement)

- Assuming client acceptance, contract placed

Problems

No problems;

Correct item

Lowest acceptable price

Within required delivery period

Procurement process

Summary of most important elements

Communication

Communication

Communication

Procurement process

Failure to prepare is to prepare to fail