

**MINISTERIO DE SALUD PUBLICA Y ASISTENCIA SOCIAL
REPUBLICA DE EL SALVADOR, C.A.**



**The SEAM Experience:
Lessons Learned and Country Impact and Needs in El Salvador**

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In the last five years we have achieved important progress in the use of limited financial resources and in the quality of the essential medicines in our public sector programs. By pooling needs and conducting pooled procurement, our decentralized hospitals and health facilities have achieved cost reductions of 18%, 30% and 40% on three consecutive years. We have strengthened our quality assurance mechanisms and efforts to screen out locally manufactured and imported substandard medicines. Nevertheless, we have much more to do, to ensure access to medicines for our population.

We know the problems, there is no need to revisit them, but rather, express our commitment to continue efforts to obtain greater impacts than those we have achieved to date.

This Administration proposes to undertake the following:

1. Increase financial resources for medicines procurement

Building on having achieved greater efficiency in the Ministry of Health's spending on medicines, we think it is possible to obtain increased Central Government budget allocation for public sector medicines procurement, thereby increasing access to essential medicines.

2. Continue the joint tender program

The Ministry of Health is convinced of the benefits of pooled procurement for its decentralized health system. Our Administration will continue with the joint tendering program initiated under the Strategies for Enhancing Access to Medicines (SEAM) program, including the 30 hospitals and the network of primary care centers under the Basic Comprehensive Health System. We shall continue to enhance the process in order to attain greater administrative and financial efficiencies.

3. Explore extending the pooled procurement program to include other institutions

We have started talks with our counterparts at the Salvadoran Social Security Institute in order to determine their interest and the viability of their participation in a joint procurement program, starting with the next supply cycle. We are convinced that this alternative will increase the efficiencies in the use of the Central Government and the Salvadoran Social Security Institute's financial resources and thus, improve access to essential medicines.

4. Resume the primary distributor project

We recognize the great need to ensure the timely and sufficient availability of essential medicines in the locations where our most vulnerable population groups need them the most. We shall work to develop the national mechanism to this achieve this objective. A closer public-private collaboration, through public contracting of more efficient private services will further this objective, and optimize the current distribution process.

5. Explore strategies to enhance the State's capacity to assure the quality of essential medicines

The Ministry of Health, through its quality assurance program, requiring compliance with Good Manufacturing Practices (GMP), inspections and sampling directly in pharmaceutical manufacturing plants has achieved improvements in the quality of essential medicines delivered to our health care delivery network. Building on this, we shall explore new strategies to strengthen and extend quality assurance coverage to other institutions, such as the Salvadoran Social Security Institute, and eventually, the private sector.

The implementation of the aforementioned interventions will contribute to significantly improve the continuous availability of essential medicines in our health care facilities, relative to quality, quantity, timeliness, and cost. Nevertheless, if we wish to obtain an optimal level of medicines supply and to shorten times in the procurement process, we need to work on—

- Increasing the annual budget for the purchase of medicines , and
- Reforming the current public sector procurement and contracting law.

Let me express my gratitude for this opportunity to communicate our country's experience in procuring low cost quality essential medicines under the SEAM program. I also take this opportunity to express my respect and esteem and thank the Bill & Melinda Gates Foundation for providing financial support to El Salvador's SEAM program.