

**DEPARTMENT OF HEALTH
NATIONAL TASK FORCE AGAINST COVID-19**

JUN 03 2021

JOINT MEMORANDUM CIRCULAR

No. 2021- 0001

**SUBJECT: Procedures on the Procurement and Distribution of COVID -19
Vaccines for Private Entities**

I. RATIONALE

The Philippine National Government, in its pursuit to secure and provide COVID-19 vaccines for the country, strives to establish and maintain relations with international entities, which includes, but not limited to the COVAX Facility, inter-governmental organizations, international Non-Governmental Organizations, vaccine manufacturers and international philanthropists. This initiative is done through the efforts of the Department of Health (DOH) and the National Task Force (NTF) against COVID-19.

Following the vision, goals and targets identified by the country in its Strategic Plan and the National Deployment and Vaccination Plan (NDVP), the National Government commits to ensure the vaccination of at least 70% of its eligible population. This plan is anchored on a whole-of-nation approach, strong leadership and governance and evidence-based interventions. Section 2 of the Republic Act No. 11525 known as "An Act Establishing the COVID-19 Vaccination Program expediting the Vaccine Procurement and Administration Process" reiterates the thrust of the government to make essential social services available at an affordable cost.

To complement the efforts of the National Government, the Local Government Units (LGU), the private sector offered to secure and procure COVID-19 vaccines for its employees. The National Government, which welcomed and encouraged these actions, emphasized that the country is implementing one COVID-19 vaccination program. There shall be uniform implementation of national policies particularly the prioritization criteria that the country has adopted following the World Health Organization Strategic Advisory Group of Experts on Immunization Values Framework, which gives priority to the needs of the following groups: healthcare workers (HCWs), senior citizens, persons with co-morbidities, frontline personnel in essential services, and the indigent population, in the order indicated in relevant issuance.

These guidelines shall provide the relevant processes to guide entities in the private sector who wish to procure and administer COVID-19 Vaccines as contained in Sections VI.C, VII.A.1 and VII.C.1 of RA No. 11525 and its implementing rules and regulations (IRR).

II. OBJECTIVE

To establish the mechanisms for the procurement and receipt of COVID-19 vaccines by private entities for their respective employees and their designated persons in accordance with the COVID-19 Vaccination Program.

III. SCOPE AND COVERAGE

This shall apply to all concerned DOH Bureaus and Services, Centers for Health Development (CHDs), and other attached agencies, Ministry of Health - Bangsamoro Autonomous Region in Muslim Mindanao (MOH-BARMM) pursuant to RA No. 11054, or the "Bangsamoro Organic Law," private sector entities, such as companies, industries, among others, all public and private health facilities, other relevant National Government Agencies (NGAs) who are members of the NTF Against COVID-19, LGUs, all others that are involved in the implementation of the COVID-19 Vaccination Program, and the private entities that will procure and receive COVID-19 vaccines in accordance with this Joint Memorandum Circular (JMC).

It covers all the procurement and logistics management by private entities of COVID-19 vaccines with valid Emergency Use Authorization (EUA) from the Philippine Food and Drug Administration (FDA) .

IV. DEFINITION OF TERMS

- A. Employee** - refers to any employee, regardless of status or rank, as defined under the Labor Code of the Philippines, of a private entity, including probationary, regular, project-based, casual, fixed period, contractual, seasonal, temporary or job order employees as well as interns/ apprentices. The term shall also include members of the board of directors, advisers and senior management/ governing bodies of private entities.
- B. Multiparty Agreement** – refers to the agreement for the procurement of COVID-19 vaccines, and ancillary supplies and services, if any, entered into between and among the (i) Private Entity, (ii) the vaccine manufacturer/importer, and (iii) the National Government through the DOH and NTF, in accordance with the provisions of RA No. 11525.
- C. Private Entity** – refers to a business organization, association, institution, or group not being owned, controlled, or managed by the government (whether national or local), lawfully doing business in the Philippines, regardless of size or type of business activity.
- D. Designated Persons** – refers to any of the following: (1) the legal/common-law spouse, ascendants and descendants (including adopted children) and relatives within the fourth degree of consanguinity or affinity of an employee, (2) a household member or an individual with whom the employee shares the same close quarters, apartment, room,

dwelling (including housemates, helpers and drivers), (3) any other dependent of the employee.

V. IMPLEMENTING GUIDELINES

A. Private Entity Application to Procure Vaccines

1. *Application and Submission of Requests to Vaccine Manufacturer*

- i. Private entities may procure COVID-19 vaccines only through a multiparty agreement with the DOH, NTF and the relevant suppliers of COVID-19 vaccines. Such vaccines shall be used only on employees of the private entity and the employees' Designated Persons. However, such employees and Designated Persons are not precluded from receiving their vaccination from the government, using government procured/secured COVID-19 vaccines;
- ii. Private entities, including Micro, Small, and Medium Enterprises shall submit a Letter of Intent to the vaccine manufacturers through the local EUA holder, copy furnished the DOH Secretary (c19vaccineopcen@gmail.com) and the NTF Chief Implementer and Vaccine Czar (vaccine.czar@peace.gov.ph). If there is no local EUA holder, the vaccine manufacturer may identify a third party to consolidate such requests.

The Letter of Intent shall contain, but will not be limited to the following:

- a. List and nature of the company/ies;
 - b. Number of company employees and their designated persons including breakdown by Priority eligible population (e.g. Number of A.1. Healthcare Workers, A.2 Senior Citizens, etc.);
 - c. Number of vaccines to be procured
- iii. The vaccination shall prioritize the Healthcare Workers, senior citizens, persons with co-morbidities, economic front liners, and essential workers. In cases where the vaccines would be delivered in tranches, the private entities through their Chief Medical Officers/Healthcare Provider shall formulate their own vaccine recipient list and implement their own operational procedures based on the interim National Immunization Technical Advisory Group (NITAG) recommendations of identifying those who need to physically report to work and/or are deployed or assigned to do field work and are exposed to a high risk of contracting COVID19.
 - iv. The vaccination of employees shall be entirely free of charge. Nonetheless, the private entities may enter into arrangements with their employees that will (a) allow such employees to designate other persons as vaccine recipients, provided that such persons are limited to the Designated

Persons as defined herein; and (b) allow the private entity to be reimbursed by its employees for the vaccines of their respective Designated Persons, not exceeding the cost of such vaccines; provided further that the employees are under no obligation to identify designated persons. The terms of this arrangement shall be subject to the EUA, the multiparty agreement and other applicable issuances. The private entities shall in no case charge any mark-up or profit margin for the vaccines and shall ensure transparency to their employees as to the cost thereof, to the extent allowed by the multiparty agreement.

- v. The above arrangement between employees and employers may also involve a reasonable charge on the employees for expenses relative to ancillary supplies and services, such as rent for the vaccination site and hiring of the Vaccination Team, but only with respect to the vaccination of the Designated Persons and not of the employee himself. The private entity may tap the vaccination services of the LGU for free.
- vi. Private entities may engage a duly-licensed healthcare institution (HCI) for the administration of COVID-19 Vaccines for the private entities' employees and Designated Persons, subject to a reasonable fee for the services rendered.
- vii. Companies may procure COVID-19 vaccines on behalf of other companies or entities pursuant to the conditions enshrined in the Multiparty Agreement. The private entities through the Chief Medical Officer shall submit to the NTF and DOH a list of all the companies for which they are buying the vaccines, which shall be subject to review and approval. This submission shall include the documentations of their internal arrangements.

2. *Review by the NTF*

- i. The NTF and the various vaccine manufacturers shall coordinate for the list of approved requests for vaccines;
- ii. Once the list of approved private entities has been confirmed, the NTF shall evaluate and cluster the requests, based on the following conditions:
 - a. Preferred vaccine has been issued an EUA by the Philippine FDA. Vaccines with no EUA may be chosen but emphasis will be given that procurement can only be facilitated once an EUA has been issued;
 - b. Presence or absence of a Vaccination Micro – Plan including prospective Vaccination Implementing Unit and Vaccination Site, if known already;
 - c. Capacity to contract the services of a Third Party Logistics (3PL) service provider;

- d. Other requirements as contained in V.A.1.ii.
- iii. As part of efforts to ensure alignment of activities of the private entity, the National/Regional/Local Vaccination Operations Center shall provide technical assistance to the private entities for the development and submission of a Micro - Plan following relevant sections of the NDVP and other future issuance.
- iv. The Micro - Plan, which may be submitted after the finalization of the list of private entities included in the multilateral agreement, should include the Master list of official company employees with complete contact details (number and address), disaggregated by Region and certified by the authorized representative (e.g. Company owner, President, CEO, Chair, etc.) of the private entity;

The submission of Micro-Plans is applicable to private entity signatories in the multiparty agreements signed before the effectivity of RA 11525.

- v. The Local Vaccination Operations Center (LVOC), using the Vaccine Immunization Management System (VIMS) shall ensure that the Master list linked to the VIMS by the Third Party Logistics service provider, shall have no duplication with the Master list of the LGU. If there are duplications, the LVOC shall address this concern and report to the National Vaccination Operations Center (NVOC) through the Regional Vaccination Operations Center (RVOC);
- vi. For private entities with no 3PL service provider, their vaccinees must register with their respective LGU;
- vii. The private entities procuring vaccines for their employees are NOT required to donate vaccines to the National Government.

3. *Negotiations and finalization of multiparty supply agreements*

- i. The Local EUA Holder and the COVID-19 vaccine manufacturers shall coordinate for prospective purchase of vaccines by the private entities as covered under this JMC;
- ii. Subject to item (iii) below, the NTF and DOH shall facilitate the negotiation and review of the Multiparty Agreement, and any other relevant documents that may be required by the vaccine manufacturer;
- iii. In its review, the DOH and the NTF shall reasonably ensure that the following are met in the Multiparty Agreement:
 - a. Price and payment terms shall reflect price uniformity to prevent price competition;

- b. Contain roles and responsibilities of all parties involved;
- c. Inclusion of a 3PL service provider or provision of company-owned transportation for the delivery of COVID-19 vaccines to the facilities of their choice shall be provided by the private entity, pursuant to existing government policies, the cost of which shall be shouldered fully by the private entity;
- d. In case the above mentioned conditions are inapplicable, the DOH and the concerned parties may enter into a separate agreement to ensure the delivery of the vaccine;
- e. Other parameters, based on RA No. 11525, its IRR, this Circular as well as other relevant laws and regulations, as deemed necessary.

B. Payment to Manufacturers

- i. For the payment of vaccines, the local EUA Holder, if applicable, may be designated to collect the payment and coordinate with the manufacturer, using an Agreement or any other acceptable mode of payment by the vaccine manufacturer.

C. Importation and Arrival of the Vaccines

- i. The vaccine manufacturer shall indicate in all shipping documents that the consignee is the local EUA holder or the identified private entity;
- ii. The local EUA holder shall inform the private entities of the arrival date of the vaccines, once known;
- iii. Pick - up arrangements may be further clarified in the Multiparty Agreement. The private entities may arrange for one/collective payment for said transportation;
- iv. The private entity, in coordination with the vaccine manufacturer, shall ensure the submission of relevant documents to the FDA and the DOH as contained in Department Memorandum No. 2021 – 0053 “Interim Guidelines on the Shipment and the Acceptance of the COVID – 19 Vaccines and Ancillary Immunization Commodities” (e.g. packing list, invoice, airway bill, certificate of analysis, batch release certificate);
- v. The private entity shall prepare and submit the necessary documents to the Bureau of Customs for Customs (BOC) clearance following relevant BOC policies and issuance;
- vi. Beginning January 1, 2021, the procurement, importation, donation, storage, transport, deployment, and administration of COVID-19 vaccines through the COVID-19 Vaccination Program by the government or any of its political subdivisions and by private entities shall be exempt from

customs duties, value-added tax, excise tax, donor's tax and other fees; Provided, that the vaccines shall not be intended for resale or other commercial use and shall be distributed without consideration from persons to be vaccinated. Any transfer of vaccines allowed by this Circular shall not be deemed a resale, commercial use, or distribution of the vaccines. Any such transfer shall be entitled to the treatment provided under Sec. 11 of RA No. 11525.

D. Pick-up, Delivery and Distribution

- i. The private entities shall ensure the availability of 3PL services upon arrival. Should above arrangement be inapplicable, the DOH may enter into another agreement with the private entity for the delivery of the vaccines;
- ii. In case the procured vaccines by the private entity includes a portion that will be donated to the DOH, the private entity shall provide the DOH the names and contact details of their 3PL service provider for closer coordination purposes;
- iii. The DOH shall facilitate the delivery of the donated vaccines from the airport to its DOH - appointed COVID - 19 Warehouse. Alternatively, the private entity and the DOH may enter into an arrangement where the DOH shall pick up the donated vaccines from the designated warehouse of the private entity where the vaccines shall be delivered from the airport;
- iv. Upon delivery of the vaccines from the airport to the warehouse, a Vaccine Arrival Report shall be prepared by the 3PL service provider for submission to the DOH within 24 hours from receipt of the vaccines to the following email address (smpmd.scmo.doh@gmail.com). A copy shall be provided by the 3PL service provider to the accompanying personnel of the Philippine National Police (PNP);
- v. The 3PL service provider of the private entity shall submit its daily distribution reports to the Vaccine Information Management System.
- iv. Relevant national policies on the acceptance of the COVID-19 vaccines in the cold storage facilities and disposal of healthcare waste management shall be followed.

VI. MONITORING SYSTEM

A system shall be established by the NTF to monitor the compliance of the private entities to the provisions of RA 11525, its IRR, this Circular as well as other relevant laws and regulations.

VII. SEPARABILITY CLAUSE

If any part, section or provision of this JMC is held invalid or unconstitutional, the remaining parts or provisions not affected thereby shall remain in full force and effect.


VIII. REPEALING CLAUSE

All orders, rules, regulations, and other related issuance inconsistent with or contrary to this JMC are hereby repealed, amended, or modified accordingly. All other provisions of existing issuance, which are not affected by this JMC shall remain valid and in effect.

IX. EFFECTIVITY

This JMC shall take effect immediately after its publication in the Official Gazette or in any national newspaper of general circulation, with three (3) certified copies to be filed with the Office of the National Administrative Register (ONAR) of the University of the Philippines Law Center. This shall remain in full force during the period of state of calamity as declared under Proclamation No. 929, which was extended by Proclamation No. 1021, unless otherwise rescinded or revised.


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