OFFICE MEMORANDUM

Subject: ECRP-II - Guidance on procurement of essential medicines for COVID-19 management including buffer stock under ECRP-II - reg

It is to inform that the Union Cabinet has approved the scheme “India Covid-19 Emergency Response and Health Systems Preparedness Package- Phase-II” (ECRP-Phase-II) amounting to Rs. 23,123 Crore for FY 2021-22 to be implemented for nine months from 1st July, 2021 to 31st March, 2022. Further, taking into consideration of the need to ensure implementation of critical activities at the State/District levels to prepare the public healthcare system in response to the evolving pandemic, 15% of the Central Assistance of the ECRP-II package is released to the States/UTs on 22nd July 2021. Subsequently, proposals have been received from the States and Approvals to the proposals from all the States/UTs have been conveyed by 12th August 2021. Further 35% of the Central Assistance of the ECRP-II package is released to the States/UTs based on the approvals of the proposals from the States/UTs.

2. In this regard, it is to inform that as per approval of the Cabinet, para 5(c)- Procurement norms of the Guidance Note on ECRP-II (communicated vide DO letter no.7(32)/NHM-I/2021 dated 14.07.2021 to the States/UTs) mandates that all procurements using the resources of ECRP-II package for the approved activities have to happen through GeM. But wherever exceptions are to be made on this condition, the same can be taken up in exceptional circumstances, with the concurrence of AS&FA of MoHFW after an appraisal of the State’s proposal.

3. Based on the request from the States like Madhya Pradesh (vide D.O.Lr No.MPPHSC/2021/Procurement/2377 of ACS, Health, Madhya Pradesh dated 25th August 2021) and Karnataka (D.O.Lr No.HFW/250/ACS/2021 of ACS, Health, Karnataka dated 26th August 2021), the matter was discussed in the meeting held under the chairpersonship of Secretary HFW on 1.9.2021 and following have been decided

1. States/UTs will be allowed to procure the essential drugs of COVID-19 management including buffer stock, through their State Medical Supplies Corporation Ltd, duly giving exemption from procurement through GeM portal, as major proportion of the drugs are not available under GeM. However, States have to ensure non-availability certificates from GeM.

2. Further, if the items under consideration are available on GeM but states are
able to procure at lesser rate than GeM rates due to bulk purchases through State Medical Services corporation, then states have to send the proposals for the concurrence of AS&FA as per the Guidance Note, for seeking exemption from GeM purchase. In such cases too relevant records regarding prevailing GeM rates may be maintained for later reference.

4. Accordingly, States/UTs are requested to take timely action in this regard to focus on completion of all the approved activities under ECRP-II including the procurement of essential medicines and buffer stock and to ensure the achievement of intended outputs of the ECRP-II in the States/UTs by March 2022 towards improving the public healthcare system for effective management of the evolving pandemic.

5. This issues with the concurrence of AS&FA and approval of Secretary HFW.

Signed by N Yuvaraj
Date: 22-09-2021 08:23:16
Reason: Approved
Director, NHM-I
Ph: 011-23061360

To

● ACS / Principal Secretary/Secretary, Health of all States/UTs

Copy to:

● Mission Directors, NHM (All States/UTs)
● PPS to Secretary HFW
● PPS to AS&FA / AS, Regulations
● PPS to JS Policy/JS- IFD/EA(NHM) / JS Regulations
● ED, NHSRC
● DSs/Directors under NHM / Director NHM Finance / Director, Drugs Regulations