

Having reviewed a report of the Director-General on medical supply services to Member States, and Having noted the resolution on this subject passed at the Fifth Meeting of the Directing Council of the Pan American Sanitary Bureau,⁵⁶

The Executive Board

1. RESOLVES

(1) that the World Health Organization shall provide medical supply services to Member States, to the United Nations and to other specialized agencies on the following basis:

(a) WHO shall furnish procurement services only to non-profit institutions and agencies under the jurisdiction of the minister or director of health of the respective Member State and to the United Nations and its specialized agencies, hereinafter referred to as the "requesting authority".

(b) A charge of 3 per cent shall be made for this service and shall be applied on the net cost of the items purchased.

(c) Before WHO makes commitments on behalf of a requesting authority, funds equal to the total cost as estimated by WHO shall be deposited in dollars (or in such other currencies as may be required to effect the purchases) to the credit of WHO, in such a manner that WHO can draw freely upon the funds to make payments, including partial payments, as they become due. The necessary funds shall be provided either by cheque or bank draft payable on sight to WHO or by irrevocable documentary credit payable to WHO upon demand.

(d) Partial shipments may be made, and, upon completion of the transaction, WHO shall send to the respective purchaser a statement of account together with the supporting documents. The requesting authority may at any time ask for a statement of account to date or the refund of unused balances of the advance made.

(e) Any discount or other saving shall be passed on to the requesting authority concerned. When quotations are requested for the purpose of comparison with prices submitted by local dealers, WHO shall be so informed. The acceptance of quotations, and subsequent authorization to WHO to purchase, shall be the responsibility of the requesting authority, as shall also be the responsibility to deposit funds with WHO in sufficient time to take advantage of the prices offered in a given quotation. WHO shall not be responsible for any increase in price.

(f) In all cases the requesting authority shall supply import permits, if required, at the time that purchases are authorized.

(g) Acceptance by WHO of purchase instructions will not imply that licences or governmental authorizations for exports will be obtained.

(h) It is understood that WHO neither buys nor sells but acts merely as a non-profit agent for the requesting authority for whose convenience procurement services are made available.

(2) that requests to purchase received by WHO before the adoption of this resolution shall be handled under the conditions previously in effect;

2. REQUESTS the Director-General to study from time to time the percentage service charge specified herein in the light of actual experience with purchase transactions and the costs to the Organization resulting therefrom, and to submit the results of such studies to a session of the Executive Board at such time as he considers the charge should be changed.