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MINISTRY OF HEALTH
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ACCRA

9TH JUNE, 2021

BRIEF RESPONSE OF THE MINISTRY OF HEALTH TO MEDIA PUBLICATIONS ON THE PURCAHSE OF SPUTNIK V VACCINES

In reference to publications regarding alleged overpriced purchase of Sputnik V vaccines, the Ministry of Health (MoH) responds as follows:

- 1. The Minister for Health in exercise of the powers conferred on him under section 169 of the Public Health Act, 2012 (Act 851) by Executive Instrument declared the Coronavirus Disease (COVID-19) a public health emergency in March 2020.
- 2. The Government has since been committed to protecting the population by working towards achieving the thresholds for "herd immunity" against the disease through vaccination, in accordance with WHO guidelines.
- 3. The MoH, therefore, made arrangements for the supply of COVID-19 vaccines, guided by laid down principles for the vaccine, including market authorization, availability, quality, safety, efficacy, ease of administration, storage and cost. So far, the only COVID-19 vaccines the Food and Drugs Authority (FDA) has authorized for use in the country are AstraZeneca, Sputnik V and quite recently Johnson and Johnson vaccines.
- 4. The MoH has, since early this year, made several efforts to procure the Sputnik V vaccine directly by engaging the Russian authorities, such as the Russian Prime Minister, the Minister for Foreign Affairs, the CEO of Russia Direct Investment Fund (RDIF), and the CEO of Limited Liability Company "Human Vaccine". Meetings were also held with the Deputy Ambassador of Russia in Ghana.
- 5. The MoH also engaged individual Ghanaians and companies for the supply of various types of COVID-19 vaccines. Unfortunately, none of these efforts have yielded any results till date.
- 6. Against the background of non-response from direct channels and global shortages of the vaccine, the MoH, on 9th March, 2021, responded to an offer from the private office of H.H. Sheikh Ahmed Dalmook Al Maktoum of the United Arab Emirates (UAE) for the supply of a total quantity of 3.4 million doses of Sputnik V vaccines, at a unit cost of US\$19.
- 7. The unit price was negotiated at a meeting held at MoH, with representatives from MoH and Office of Dalmook Al Maktoum, who had

travelled to Accra for the purpose. The MoH, after ascertaining the type and nature of the vaccine, through the delivery of 15,000 doses, placed an order for the supply of 300,000 doses of the vaccine at a cost of US\$5,700,000. This is yet to be delivered. This undertaking includes an option to opt out of any obligations if supply conditions are not met.

- 8. It should be noted that the US\$10 price per dose, which is being proposed as the correct price, is the ex-factory price, which is only obtained from Government to Government arrangements. The Government of Ghana was unable to obtain direct supplies from the Russian Government as stated earlier, hence the resort to the market.
- 9. The initial price quoted was US\$25, but this was negotiated downwards to US\$19. This is the result of the cost build-up to the ex-factory price of US\$10 per dose, taking into account land transportation, shipment, insurance, handling and special storage charges, as explained by the seller. These are the factors which led us to agree the final price of US\$19 per dose.
- 10. It should be noted that, at the time of the negotiations, as is the case now, there was scarcity or non-availability of the vaccines on the market. Ghana had also been informed by COVAX that the Astrazeneca vaccines would not arrive till the end of June 2021, so we were operating severely in the suppliers' market. We were torn between accepting the price to enable us have access to the vaccine or facing the situation of the seller withdrawing from the negotiations, to the extent that the15,000 doses that had been shipped to Ghana were going to be rerouted to other countries.
- 11. Several other individuals and Ghanaian companies, who have given the MoH indications of capacity to supply Sputnik V vaccine, have been engaged accordingly, but, so far, without any results. The Public Procurement Authority (PPA) has been duly engaged in these processes.

The MoH has consequently undertaken to place batch orders for quantities of the vaccine based on national need and availability of storage space. The MoH, therefore, assures all that it will endeavour to secure vaccines for the Ghanaian people, despite global shortages and cognisant of price and legal considerations.

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KWABENA BOADU OKU-AFARI CHIEF DIRECTOR