

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	REGIONAL/IDB
▪ TC Name:	Supporting the Design and Implementation of the MedLAC Facility
▪ TC Number:	RG-T5102
▪ Team Leader/Members:	DISTRUTTI, MARCELLA (SCL/HNP) Team Leader; MEZA CUERVO, LAURA CAROLINA (IFD/CMF) Alternate Team Leader; PRATS CABRERA, JOAN ORIOL (IFD/CMF) Alternate Team Leader; SAN ROMAN VUCETICH, CRISTINA (SCL/HNP); DE DOBRZYNSKI, ESTEBAN (LEG/SGO); VILA SAINT ETIENNE, SARA (LEG/SGO); SILVEIRA, SHEYLA (SCL/HNP); DELFS ILIEVA ISABEL (SCL/HNP)
▪ Taxonomy:	Research and Dissemination
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	14 Aug 2026
▪ Beneficiary:	Ministries of Finance and Health
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$300,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	SCL/HNP - Health, Nutrition and Population Division
▪ Unit of Disbursement Responsibility:	SCL/HNP - Health, Nutrition and Population Division
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to IDBStrategy+ 2024-2030:	Social protection and human capital development; Regional integration

II. Objective and Justification

- 2.1 The objective of this technical cooperation (TC) is to support the design, structuring, and implementation of the MedLAC Facility through knowledge generation, technical analyses, and policy dialogue aimed at improving access to high-price medicines (HPMs) in Latin America and the Caribbean (LAC).
- 2.2 The successful development and implementation of the MedLAC Facility will require technical and analytical work in several areas, including demand estimation, assessment of potential savings from pooled procurement, evaluation of market and regulatory conditions, fiscal sustainability analyses, monitoring and evaluation frameworks, stakeholder engagement, and the assessment of legal, operational, and institutional considerations relevant to the Facility. Furthermore, participating countries will require technical support and policy dialogue to inform decisions related to participation in the initiative and to strengthen regional coordination. This TC will generate the analytical foundations, technical inputs, and regional dialogue necessary to support the design and operationalization of the MedLAC Facility as a sustainable regional mechanism to improve access to HPMs. The TC will also support technical analyses related to the financial architecture of the Facility, including assessments of financing alternatives, risk allocation arrangements, and implementation options necessary to inform its design and operationalization.

III. Description of Activities and Outputs

- 3.1 **Component I: Component I: Knowledge Generation and Analytical Work for the MedLAC Facility.** . This component will support the generation of evidence and analytical inputs required to inform the design, implementation, and future expansion of the MedLAC Facility. Activities may include:
- 3.2 **Component II: Component II: Technical Assistance, Policy Dialogue, and Facility Structuring..** This component will support participating countries, PAHO, and other relevant stakeholders through technical assistance, policy dialogue, and analytical support required for the development and operationalization of the MedLAC Facility.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Component I: Knowledge Generation and Analytical Work for the MedLAC Facility.	US\$150,000.00	US\$0.00	US\$150,000.00
Component II: Technical Assistance, Policy Dialogue, and Facility Structuring.	US\$150,000.00	US\$0.00	US\$150,000.00
Total	US\$300,000.00	US\$0.00	US\$300,000.00

V. Executing Agency and Execution Structure

- 5.1 This TC will be executed by the IDB through the SCL/HNP Division, in close coordination with IFD/CMF and PAHO. The Bank will execute this operation because it is a Research and Dissemination TC aimed at generating analytical work, technical inputs, and policy dialogue to support the development of a regional public good.
- 5.2 The Bank is well positioned to coordinate technical assistance activities across participating countries, mobilize international expertise, facilitate regional dialogue, and support the analytical and operational work required for the design and implementation of the MedLAC Facility. Activities financed under this TC will be executed in accordance with Bank procurement policies and procedures, including the contracting of individual consultants, consulting firms, and other specialized services, as required.

VI. Project Risks and Issues

- 6.1 The MedLAC Facility is an innovative regional initiative that requires coordination among multiple countries and institutions, including ministries of health, ministries of finance, PAHO, financial institutions, and other stakeholders. Differences in country priorities, institutional arrangements, regulatory frameworks, and procurement practices could affect participation and implementation timelines. In addition, legal, financial, operational, and governance aspects of the proposed Facility may require further analysis and adaptation during the design phase. Market conditions for HPMs, including supplier concentration, limited competition for certain products, and supply chain disruptions may affect the expected benefits of pooled procurement arrangements. Additionally, changes in political priorities or fiscal constraints in participating countries could influence demand and participation over time.
- 6.3 To mitigate these risks, the TC will support analytical work, stakeholder consultations, technical assistance, and policy dialogue activities aimed at strengthening the evidence base for decision-making, promoting regional coordination, identifying implementation challenges early, and informing the design of appropriate risk mitigation measures.

VII. Environmental and Social Aspects

- 7.1 This TC does not have applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).