

EUROPEAN REGIONAL DEVELOPMENT FUND PART-FUNDS PPE BILL



COVID-19 pandemic led to a billion euro bill for PPE for the HSE but ERDF programmes funded almost one third of the outlay.

The COVID-19 pandemic led to extraordinary challenges across the health service. From the moment the World Health Organization (WHO) declared the emergency, there was an immediate global surge in the demand for personal protective equipment (PPE)

PPE is vital during a pandemic because it helps to stop the spread of the virus. Before COVID-19, few workers needed to wear PPE and it was relatively straightforward to acquire. As the global pandemic was declared in March 2020, there was a worldwide demand for PPE and the HSE faced the challenge of competing globally to safeguard and secure steady supplies. The speed of this response was critical to support the provision of care required at multiple locations across the country including testing centres, assessment hubs, acute and primary care settings.

It was imperative that the HSE were aligned to the WHO guidelines and worked at an extreme pace, engaging with the markets to source PPE in an environment that was highly volatile, complex and uncertain. The challenges to be navigated included demand surging as China, which accounts for 65% of worldwide PPE manufacturing, introduced significant restrictions including the closure of manufacturing

plants and limitations to shipping channels due to port and airport closures. PPE pricing rose dramatically as the WHO reported requirements for PPE to be 100 times the usual demand with prices up to 10 times higher than normal.

All global healthcare systems became price takers in the context of PPE and it was not always possible to negotiate downward pricing. However, the immediate security of PPE supply lines was absolutely critical to the pandemic response. Added to the sudden and dramatic price hike, was the fact that supplies could take months to deliver and market manipulation was widespread, with stocks frequently sold to the highest bidder. In any given year, HSE spend on PPE was between €15m and €17m. In 2020, it was nearly €1 billion.

To assist with the purchasing of PPE in the HSE, the two European Regional Development Fund (ERDF) Programmes in Ireland responded to the COVID-19 pandemic by developing a Health Support Scheme. The objective of this scheme was to part-fund the HSE's efforts to secure and sustain continuity of access and supply of essential PPE.

In this regard, ERDF funding of €286,580,931 was made available for the procurement of essential PPE by the HSE in support of its COVID-19 response.