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Message from the Interim Executive Director - wambo.org

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The Global Fund conceived and developed wambo.org as an online marketplace for quality-assured medicines and health products that allows partners to benefit from pooled procurement at accessible prices, increased transparency and improved reliability. By expanding access in a sustainable way, wambo.org is a critical enabling tool for the Global Fund to deliver its mission.

Since January 2016, wambo.org has on-boarded over 80 Principal Recipient organizations from more than 50 countries, with total transactions of US\$555 million at the end of June 2017. The platform has created a stronger interface for the procurement process, and has given stakeholders increased visibility on the status of their purchases. With a 90 percent user satisfaction rate, wambo.org is delivering in large part on its core functionality.

The original business case for wambo.org was ambitious, and like all business cases, dependent on certain assumptions. While we still have high ambitions for wambo.org, we also want to point out that we made several conscious decisions that reduced the original scope and delayed some deliverables. For instance, in 2015 we chose to retain our current logistics model in the short term. In March 2016, we chose to prioritize the transitioning of Principal Recipients operating the manual pooled procurement process onto the platform to avoid operating a dual manual/online process. Those decisions were pragmatic and necessary for moving ahead, but they affected our forecasts on savings, our product extensions beyond the pooled procurement mechanism, and our efficiency improvements in order lead times.

In May 2017, the Board approved a pilot for the procurement through wambo.org of a limited number of purchase transactions using non-Global Fund resources. The pilot is an exciting step, and we will report back to the Board and Committees on progress at appropriate intervals. It is mission-critical for the transition element of the Global Fund's Strategy 2017-2022, as a number of countries prepare to wholly finance their responses to

the three diseases, and also for sustainability, where a number of high burden countries need to start financing an increasing share of their commodities.

This audit report by the Office of the Inspector General recognizes the significant achievements of wambo.org as well as some areas that we are still improving. In June 2017, when the Office of the Inspector General performed its audit as of that point in time, we were not yet in a position to show strong levels of all deliverables. Just a few months later, however, we can see distinct progress. For instance, we have launched a new phase of product extensions, and order lead times have improved to 34 days, subsequent to the audit, with room for further improvement.

A key role for our new Chief Procurement Officer, Patrik Latin, who began work on 1 September 2017, is to reinforce clarity and vision for the future of wambo.org. We are now in a strong position to review and update the business case in a way that will be grounded in reality with a strong commitment to make this happen.

We have kept the Board and Committees updated regularly throughout the project on progress, key issues and challenges, and we have paid close attention to ensure that Board decisions were indeed taken at the appropriate time. I very much appreciate the close interest that the Board, Committees, individual constituencies, partners and countries have taken in the development of wambo.org and the extensive input and advice we have received along the journey, not to mention financial contributions, the ultimate commitment and endorsement.

We cannot accept the status quo, even when it is the easier path. The only way to achieve ambitious goals of ending epidemics is to embrace change that makes sense. In this case, that means significantly expanding access to quality-assured medicines and health products. Continuing to improve wambo.org supports our focus on leveraging innovation and advances in technology, and getting greater economies of scale, all to achieve greater impact for the people we serve.

Realizing wambo.org's vision – a secure and user-friendly online marketplace for public health partners for accessible prices, increased transparency and improved reliability – requires challenging convention. The Global Fund's strength, by constantly evolving, supports new approaches that can really make a difference toward our common goal of ending epidemics.

Respectfully,
Marijke Wijnroks