

## Innovation and Evolution: Responsible Procurement at the Global Fund

The Global Fund partnership invests the world's money to end epidemics. Vital to our efforts are health products like life-saving medicines and mosquito nets. In step with the Sustainable Development Goals, the Global Fund is on a journey to develop a holistic, responsible procurement approach, building on our work to advance environmentally and socially responsible procurement. Ensuring that we responsibly procure critical health products is fundamental to delivering on our mission.

### Achievements

Our achievements in this area have historically been through guidelines created for individual cases. For example, we engaged manufacturers of mosquito nets in 2015 by conducting a social and environmental audit of seven production sites in three countries. Each site then implemented higher environmental and labor requirements as part of an individualized action plan.

Another example lies with the procurement of artemisinin, the core compound of the best available antimalarial medicines. The production process for artemisinin has been under-regulated, exposing workers to safety risks. Since 2016, the Global Fund has engaged manufacturers and has confirmed that a number of them now meet environmental, health and safety standards. Finished medicines manufacturers that we work with are required to source their artemisinin only from these sources.

Through an effective partnership with the United Nations Population Fund, condoms and associated products procured through our Pooled Procurement Mechanism are sourced only from suppliers that meet an international standard for having an adequate environmental management system, including controls on waste generation and reduction.

### Vision for the Future

In 2016, the Global Fund joined other organizations in co-signing the Joint Statement on Engaging with Suppliers and Manufacturers to Promote Environmentally and Socially Responsible Procurement on Health Commodities.<sup>1</sup> We remain committed to the statement and cause.

We are developing a responsible procurement approach tailored to our end-to-end value chain across four dimensions:

- **Economy:** Provide additional economic benefits to in-country communities; empower communities by sharing knowledge
- **Ecology:** Mitigate the effect on the environment along the end-to-end supply chain; use knowledge and skills to contribute to a constant rise in eco-efficiency
- **Society:** Promote fundamental human rights; promote workers' health and safety
- **Business practices:** Promote best practices among suppliers and other buyers

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<sup>1</sup> <https://savinglivesustainably.org/news/87777K.html>

Building on insight from our partners, we are designing and will share a Responsible Procurement Framework as well as guidelines and practical guidance – in line with the Global Fund Strategy.

The Global Fund is determined to improve the lives of billions of people while working toward the highest attainable standards of health and sustainable development.