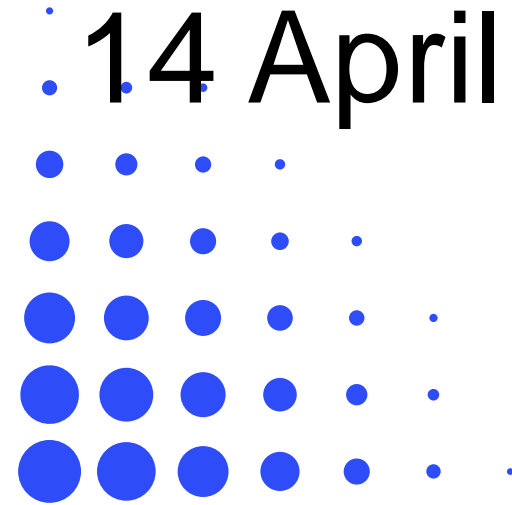




Insecticide-Treated Nets Strategy **2023 –2026**

Supplier & Partner Meeting

14 April 2023



Disclaimer

The Global Fund Procurement Strategy on Insecticide-Treated Nets (ITNs) is currently under development and will be finalized after the meeting.

This document presents the Global Fund's current intention, which is subject to change.

The data and information herein are provided for illustrative purposes and derive from a limited and preliminary analysis by the Global Fund.

The present document shall not be considered as the Global Fund's representation or commitment of any kind.

Housekeeping rules

When you join the meeting, please put your
(i) name and (ii) organization in the chat.

The audience will all be on mute. Only presenters will have access to the microphone & camera while presenting.

During the presentations, the **chat function will be enabled** for questions and comments. These will be collected and addressed at the Q&A sessions.

During the Q&A session:

- **Please first put your company name followed by your question in the chat.**
- You may raise a (virtual) hand if you wish to ask a question verbally.
- This is a session intended for **questions and answers with suppliers.**
- The Global Fund will follow up separately to solicit input from partners.

Please note that this meeting will be recorded *for internal use only.*



Meet the Team



Supply Operations



Hui Yang
Head, Supply
Operations

Direct Sourcing



Lin (Roger) Li
Senior Manager
Direct Sourcing



Azizkhon Jafarov
Manager,
Global Sourcing
Health Technologies



Clarisse Morris
Specialist,
Vector Control,
Global Sourcing
Health
Technologies



Andrew Wingate
Specialist,
Market Shaping



Cyril Briend
Analyst,
Tender Process
& Contract
Management

Strategy, Procedure, Innovation



Ellie Marsh
Senior Manager

Planning and Procurement Transaction Management



Moses Muputisi
Manager Demand,
Supply Planning,
and Forecasting

Quality Assurance



Stephen Kimatu
Specialist,
Vector Control

Technical Advice & Partnership (TAP)



Scott Filler
Head of Malaria



Htin Kyaw Thu
Specialist,
Malaria Strategic
Initiatives

Legal and Governance



Tulin Adiyaman
Principle Legal
Counsel

Ethics Office



Artem Lazurenko
Specialist,
Integrity Due
Diligence (IDD)

Agenda

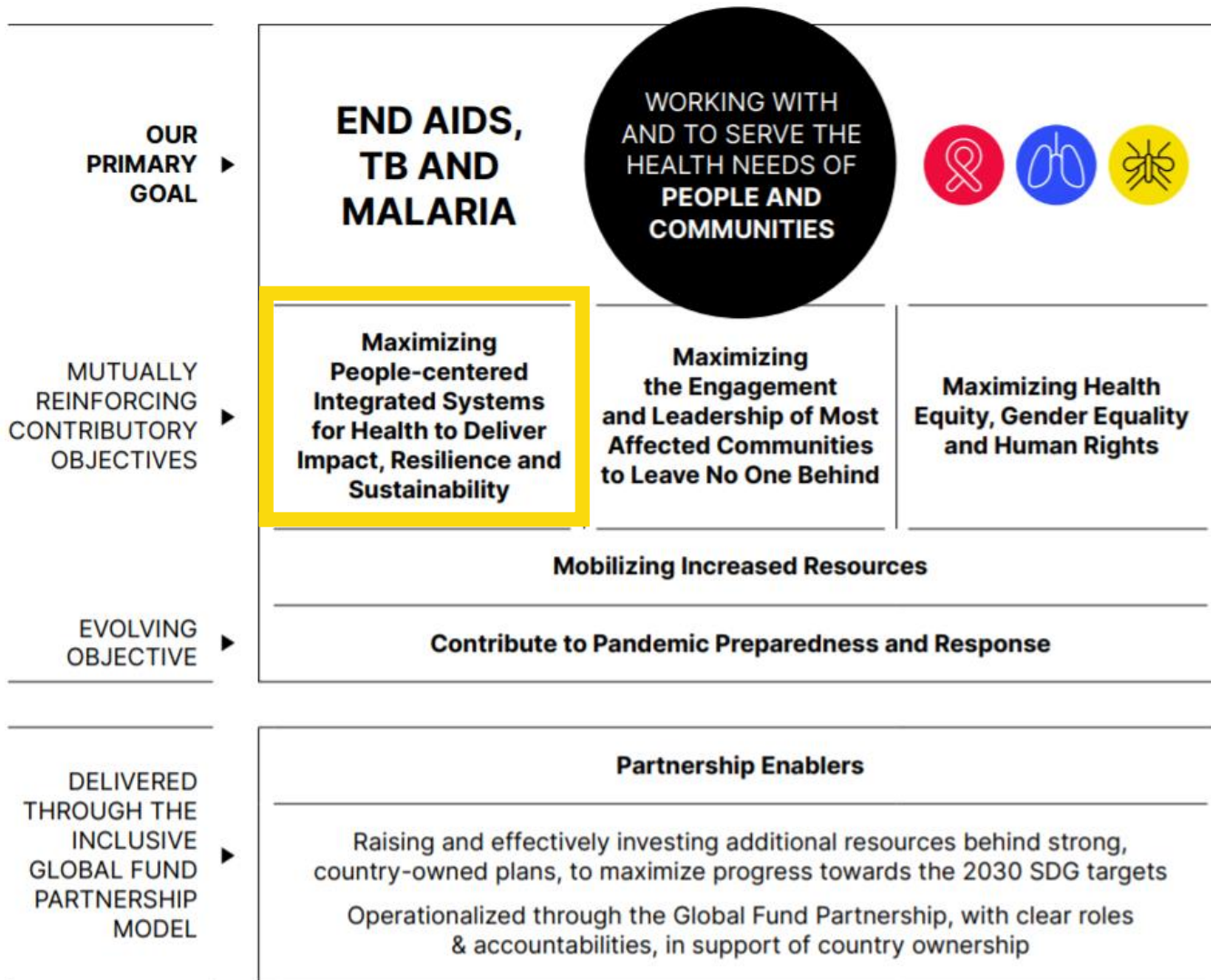
- 1. Opening Remarks** (13:00h – 13:05h)
- 2. Update of GF strategy (2023-2028) & NextGen Market Shaping** (13:05h - 13:20h)
- 3. Malaria Update** (13:20h – 13:40h)
- 4. Quality & Compliance**
 - Quality Assurance Requirements for ITNs (13:40h – 13:50h)
 - Integrity Due Diligence (13:50h – 14:00h)
- 5. Questions & Answers:** (14:00h – 14:10h)
- 6. Break:** 10 minutes (14:10h – 14:20h)
- 7. ITN Market observations and evolution** (14:20h – 14:40h)
- 8. ITN Procurement Strategy 2023 - 2026** (14:40h – 15:00h)
- 9. Request for Proposal (RFP) approach & Timelines** (15:00h – 15:15h)
- 10. Questions & Answers** (15:15h – 16:00h)

Please note: Follow-up questions / comments on the ITN Strategy can be e-mailed to the Global Fund Direct Sourcing Team until Wednesday 19 April 2023 close of business (CEST). The Strategy document will be published on our website after finalization.



Global Fund Strategy (2023-2028) and NextGen Market Shaping Framework

2023 - 2028 Global Fund Strategy

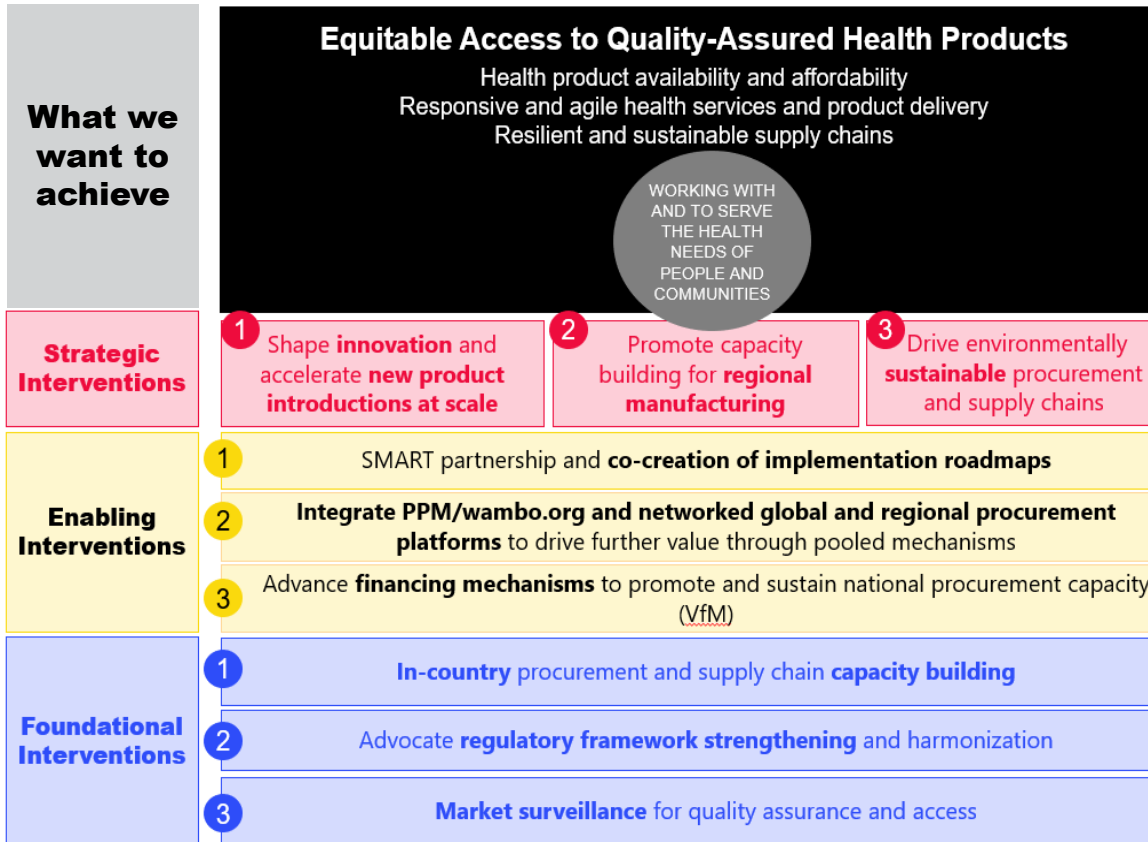


Equitable access to quality assured health products and innovations is critical to deliver on more resilient and people-centered integrated systems for health.

Health products remain the number one tool to address HIV, TB and malaria, and for ending the three diseases.

NextGen Market Shaping to strengthen people-centered health systems

Market shaping efforts are needed to ensure availability and affordability of quality-assured health products, particularly when facing challenging market dynamics and when introducing innovations and new health products.



Global Fund’s NextGen Market Shaping framework outlines a holistic set of interventions to deliver **equitable access to quality-assured** health products and services, **oriented around the people and communities we serve.**

The NextGen Market Shaping approach is **reflected in GF’s sourcing strategies**, including the **malaria ITN strategy.**

The success of the NextGen Market Shaping approach is **dependent on the contribution of, and partnership with, industry.** This will require industry to:

1. Be responsive to Global Fund tenders;
2. Continue to invest in innovation targeted at the countries and communities the Global Fund serves; and
3. Adopt sustainable, inclusive and equitable go-to-market approaches.

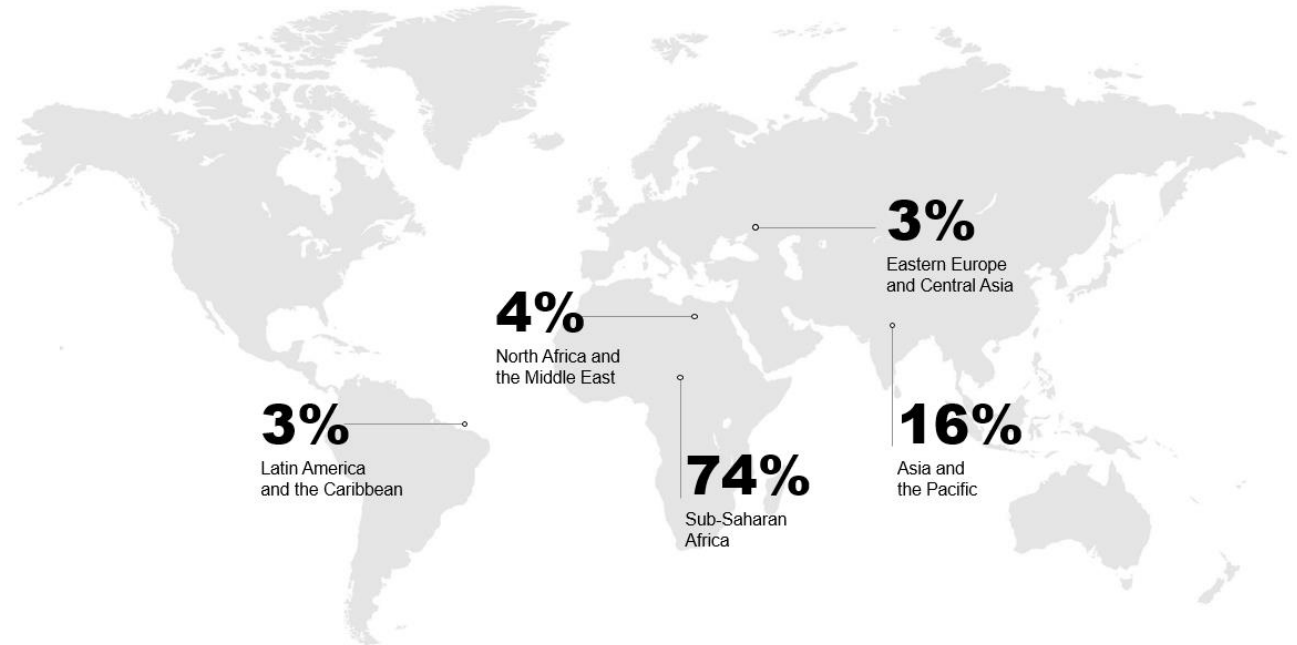
Global Fund procures almost \$2Bn of products each year for HIV, TB, Malaria programs across LMICs

Procurement

1. The Global Fund plays a **leading role in global markets** for medicines and technologies that prevent, diagnose and treat HIV, TB and malaria.
2. Every year, **more than half of the Global Fund's investments – about US\$2 billion – is used to procure** these key medicines and health products, ensuring they are available to those who need them most and accelerating the end of the epidemics.
3. Countries procure through different channels, with an important share through the Global Fund's Pooled Procurement Mechanism (PPM) / wambo.org.
4. In 2022, **US\$ 1.75 billion** was processed through the wambo.org platform across more than 80 countries.

Geographic coverage

Global Fund invests in more than 100 countries worldwide. Approximately **74% of disbursements** currently go to **countries in sub-Saharan Africa**, where HIV and malaria are most geographically concentrated.



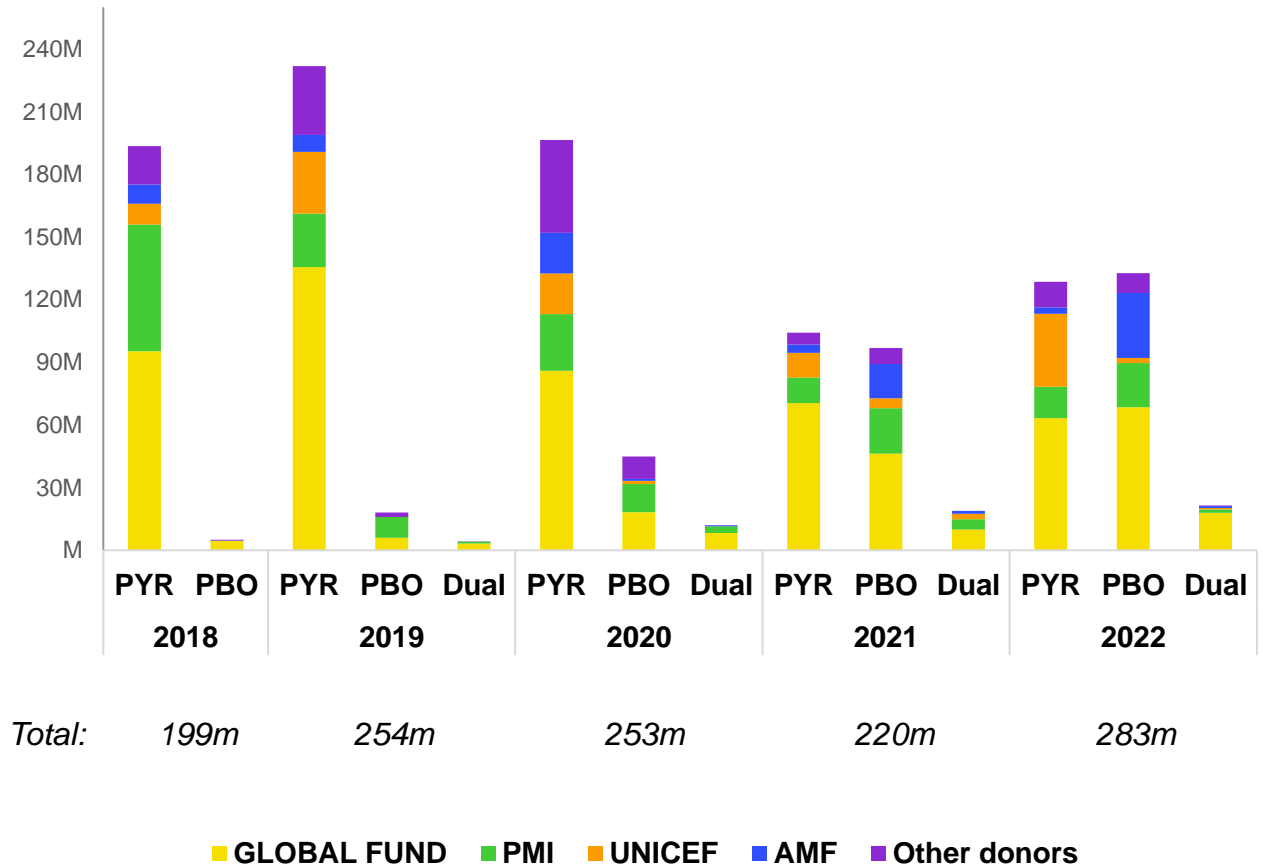
~25% of 2022 Global Fund PPM spend was on bednets, representing over 50% of global supply

In 2022, **USD 329m** worth of ITNs were procured through PPM/wambo.org, which translates to **more than 50% of the global supply**.

Today, the Global Fund procures **three types of nets:**

- Pyrethroid-only nets
- Pyrethroid plus piperonyl butoxide (PBO) nets
- Dual active ingredient (AI) nets

ITN procurement volume (millions)



Why we are here

- 1. New strategy:** Implement new Global Fund Strategy 2023-2028 and its market shaping approach.
- 2. New guidelines:** Implementation of recently released WHO recommendation for ITNs focusing on Dual AI nets.
- 3. New grant cycle:** Support countries to develop grants for implementation over the 2024-2026 period (Grant Cycle 7/GC7).
- 4. Immediate campaigns:** Need to support ITN distribution campaigns planned for Q1 and Q2 2024.

Call to Action: Industry support to improve access to ITNs

CHALLENGE

Countries are facing a confluence of challenges that are threatening to reverse progress in the fight against malaria:

1. **Long-term effects of COVID-19**, which exacerbated underlying health disparities and weakened health systems;
2. Intense **fiscal pressure** due to economic challenges, declines in donor funding and high debt levels;
3. Global **supply chain challenges**, driven by COVID-19, climate change and natural disasters, political instability and manufacturing challenges; and
4. **Epidemiological evolution** of malaria, including increasing resistance to drugs and insecticides, particularly in Africa.

CALL TO ACTION

Urgent support from partners, including from industry, is needed to overcome these headwinds. Global Fund is looking to **suppliers to**:

1. Continue to **drive innovation** and develop new quality assured tools and technologies, including ITNs with new modes of action;
2. **Scale up capacity** of dual ai nets to meet growing demand for products that are effective against increasing resistance;
3. **Expand supply base** to secure geographic diversity; and
4. **Participate in the tender** with terms that **improve affordability and reduce lead times**, thereby driving increased access

Market shaping interventions for improved access and affordability to Dual AI nets

1. A partnership effort between the Global Fund and Unitaid supported the **early introduction** of and **generation of evidence for the new Dual AI nets**.
2. We are leveraging NextGen Market Shaping partnerships to establish mechanisms for **special contracting arrangements with suppliers**, including advanced market interventions.
3. Global Fund is **open to considering using special contracting modalities**, such as volume commitments, to **accelerate market expansion for the new nets**, and achieve stretch targets set out for the tender.
4. Special contracting approaches will be **considered as part of the tender process**, and **used only if they confer additional benefits** – in terms of affordability and availability - for the countries and communities the Global Fund serves.
5. We continue to work with countries to develop optimal national malaria ITN coverage plans.



Malaria Update

Agenda

1. Progress towards Global Technical Strategy Targets
 2. Global Fund's Malaria Strategy Objectives (2023-2028)
 3. Threats to vector control
 4. How do we continue maximizing the impacts from ITNs
-



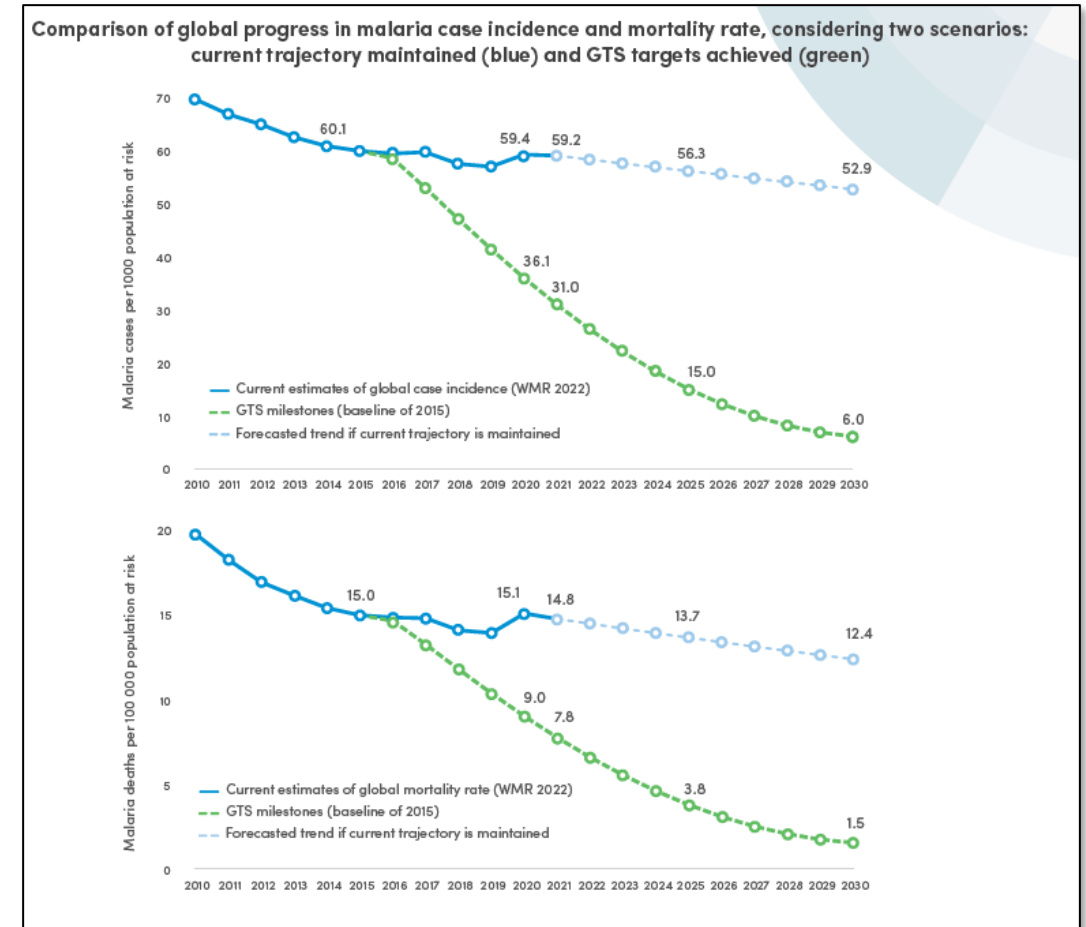
Progress towards Global Technical Strategy Targets

Were 2020 targets met?

Goals	Milestone		Targets
	2020	2025	2030
1. Reduce malaria mortality rates globally compared with 2015	At least 40% ✘	At least 75%	At least 90%
2. Reduce malaria case incidence globally compared with 2015	At least 40% ✘	At least 75%	At least 90%
3. Eliminate malaria from countries in which malaria was transmitted in 2015	At least 10 countries ✔	At least 20 countries	At least 35 countries
4. Prevent re-establishment of malaria in all countries that are malaria-free	Re-establishment prevented ✔	Re-establishment prevented	Re-establishment prevented

- By 2020, key milestones for reducing malaria cases and deaths had not been achieved, but milestones for elimination and prevention of reestablishment had been met
- Global malaria case incidence was 59 cases per 1000 population at risk, against a target of 31 cases per 1000 – off track by 48%

Can we still meet those targets?



Malaria Strategy Objectives 2023-2028

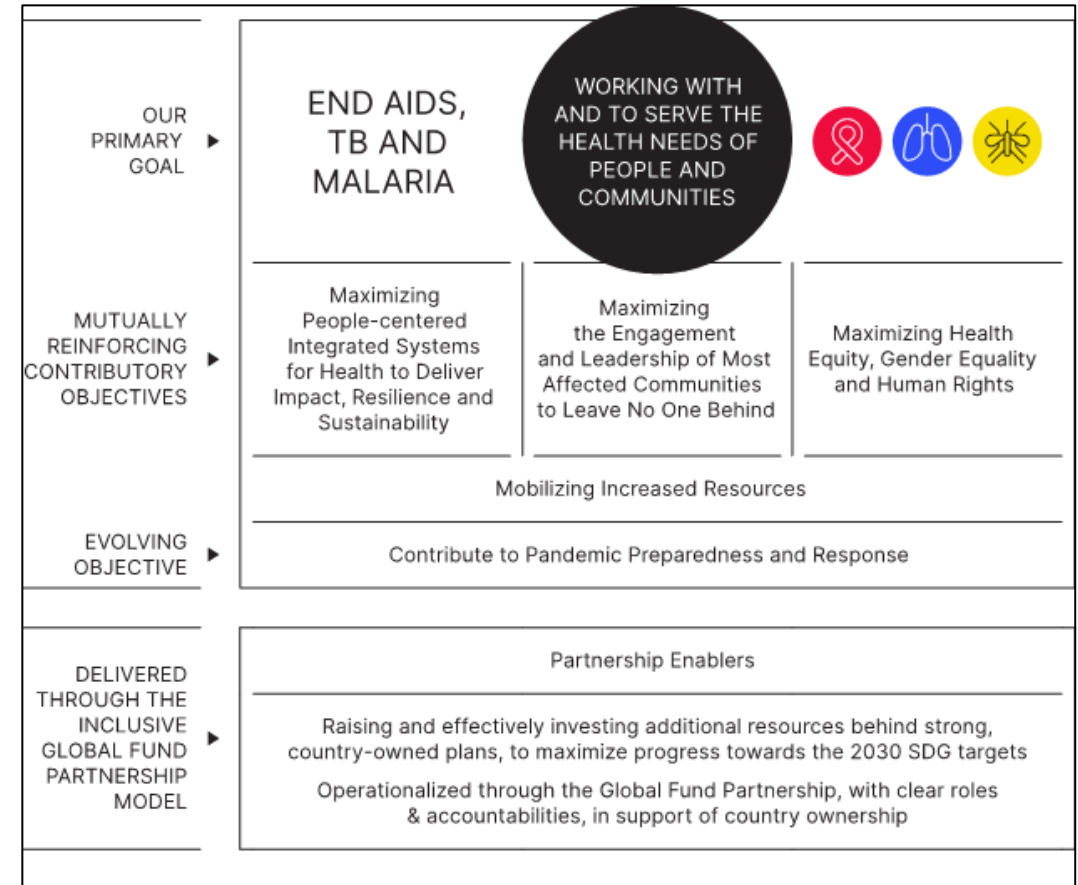
1. Implement malaria interventions, tailored to sub-national level, using granular data, and capacitating decision-making and action

2. Ensure optimal and effective vector control coverage

3. Optimize Chemoprevention

4. Expand equitable access to quality early diagnosis and treatment of malaria, through health facilities, at the community level and in the private sector, with accurate reporting

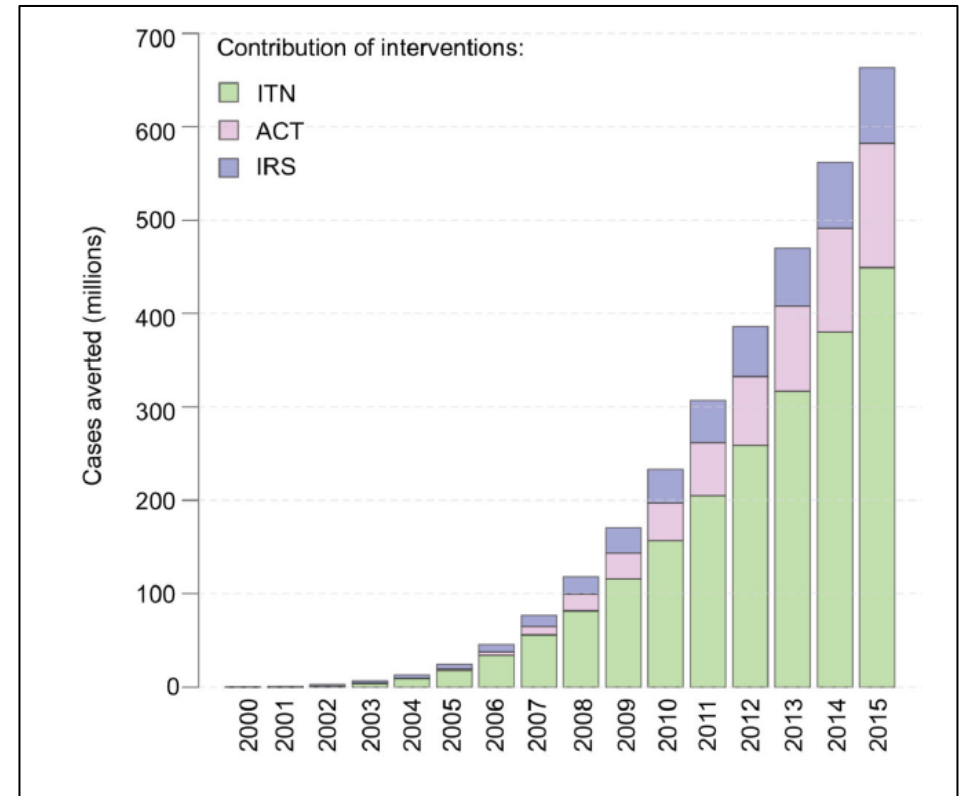
5. Drive towards elimination and facilitate prevention of reestablishment of malaria



Threats to vector control

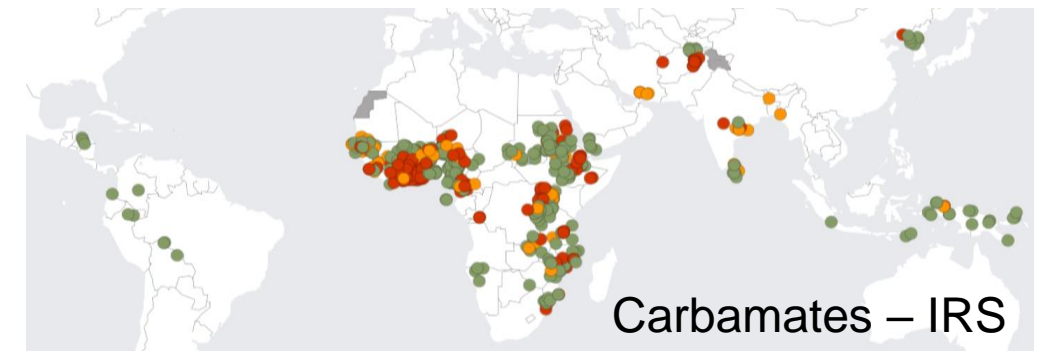
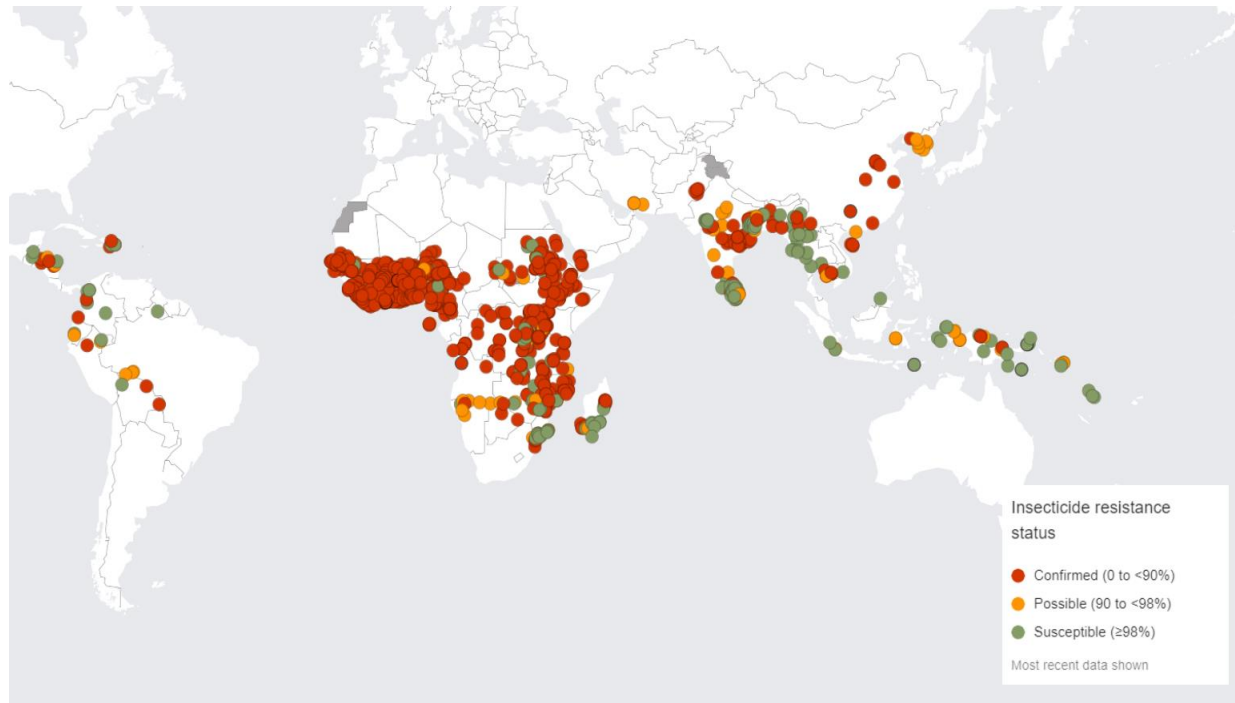
Biological threats (Insecticide resistance)

- Between 2000-2015, models estimated 663 million cases have been averted due to malaria control programs – **almost 78% of this impact was attributable to vector control interventions** (68% to Insecticide treated nets (ITNs) and 10% to Indoor Residual Spraying (IRS) and 22% to ACTs (Bhatt et al. 2015))
- Our two main vector control interventions – ITNs and IRS - are heavily reliant on pyrethroid insecticides (ITNs) and a small number of other classes (IRS)
- Reduced effectiveness of these classes has likely already impacted malaria control progress, and has the potential to further impinge on the gains made



Bhatt et al. (2015)

Insecticide resistance



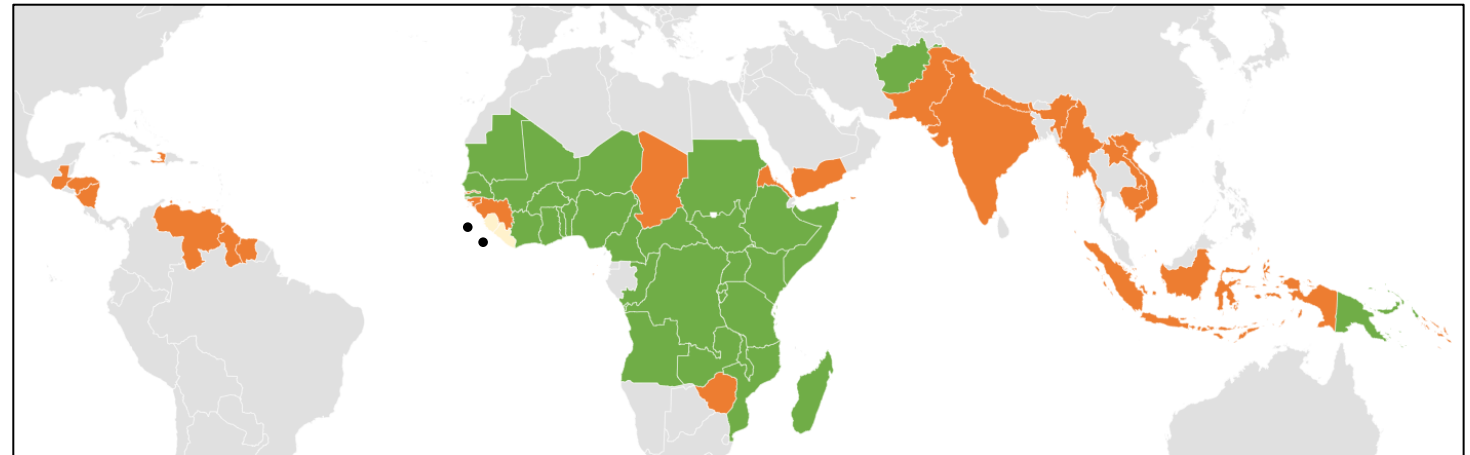
- Insecticide resistance to pyrethroids – which all ITNs are treated with – is widespread and intense, particularly in Sub Saharan Africa
- There is resistance to other classes also, including emerging resistance to newer classes - clothianidin

Mitigating Insecticide resistance bio threats

Optimal coverage with effective vector control

- Through GC6 and GC7 we have driven scale up of effective vector control in areas with pyrethroid resistance – points of influence have included: **grant development and review, portfolio optimization and the catalytic interventions of the New Nets Project and Net Transition Initiative**
- For GC7 guidance to grant development stresses the importance of deploying the most effective tools - in the context of prioritization and sub-national tailoring.
 - **Gap: Funding not sufficient to support optimal scale up of appropriate tools**
- Importance of insecticide resistance monitoring is stressed in the guidance for GC7
 - **Gap: GC7 does not include proposed catalytic funding to support enhancement of regional entomological surveillance**

Countries with type of ITNs included in their recent ITN campaigns 2021-2023



■ pyrethroid-ITN only

■ sub-nationally tailored campaigns including PBO and/or dual ITNs along with pyrethroid-only ITNs

■ sub-nationally tailored campaigns with only PBO and or dual ai ITNs

How do we continue maximizing the impacts from ITNs

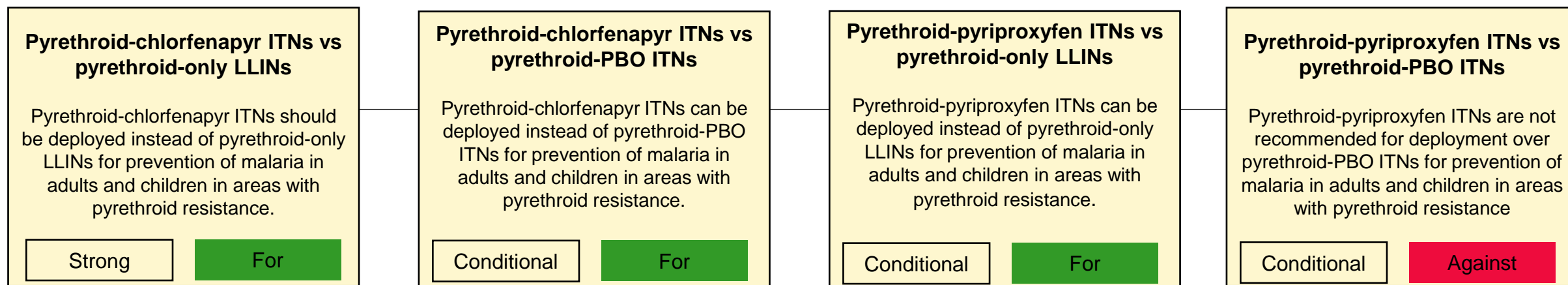
Multiple dimensions – retention, access, and use



Net quality	Quality of implementation
<ul style="list-style-type: none">• Durability<ul style="list-style-type: none">• Physical durability• Chemical durability• Comparative efficacy of different types of ITNs (Dual AIs, PBOs, Pyrethroid-only ITNs)	<ul style="list-style-type: none">• Targeting and quantification• Delivery strategies (mass, continuous)• Campaign frequency (3-yr vs 2-yr)• Choosing appropriate ITN type on epidemiology and entomology contexts• Sub-nationally tailored SBC for ITN care and use

Update on Dual AI ITNs

New WHO Recommendation (published 14 March 2023)



Implications

- Countries prioritizing **pyrethroid-chlorfenapyr ITNs (or, if not possible, PBO nets) in areas of pyrethroid resistance.**
- Countries may consider Pyrethroid-pyriproxyfen where Pyrethroid-chlorfenapyr or PBOs are not accessible/affordable.
- Countries with no pyrethroid resistance may continue to order pyrethroid-only nets (possible they might even consider switching to PBO/CFP as concerns over emerging pyrethroid resistance, but their tight fiscal space may be a limitation)
- **New pre-qualified pyrethroid-chlorfenapyr**– and that are covered under existing pyrethroid-chlorfenapyr recommendation – expanding supplier base – opportunities for market interventions – drive down the cost and increasing supply capacity to meet demands

Key Messages

- **Insecticide resistance is the biggest biological threat to malaria control:** Resistance to pyrethroid insecticides, the mainstay of malaria vector control to date, is intense and widespread. Accelerated availability of newer, effective ITNs achieved through catalytic funding and malaria partnerships to address resistance. Yet, financial constraints pose limitation on optimal scale up; also applicable to additional tools in the pipeline.
- ITNs are the global public goods that are critical to our fight against malaria. With new tools in horizon and with effective deployment, they can help us get back on track.
- Harnessing the strengths of the Global Fund partnership is critical to address the challenges in vector control.



Quality & Compliance

Eligibility requirements for Global Fund ITN procurement are specified on our website

As per our **Guide to Global Fund Policies on Procurement and Supply Management of Health Products** (PSM Guide June 2021*):

1. Compliance with **applicable national policy** and guidelines and/or **WHO guidelines**
2. **Pre-qualified under the WHO Prequalification Programme**; or as determined by the Global Fund based on the advice of the **Expert Review Panel (ERP)**; or Recommended for use by the WHO Pesticide Evaluation Scheme (WHOPES) and compliant with specifications indicated in WHOPES.

*See https://www.theglobalfund.org/media/5873/psm_procurementsupplymanagement_guidelines_en.pdf

The Global Fund takes the following steps when an ITN achieves WHO Prequalification

1. Global Fund QA Team sends out a **Product Information Sheet (PIS)** template for the supplier to complete and attach all necessary documents about the product.
2. Global Fund QA Team reviews all submitted information. If adequate, the ITN is added to the online [Global Fund ITN list](#), which is usually updated every quarter.
3. Before procurement, especially for new ITNs, the Global Fund may conduct **preliminary quality control testing**.
4. During the procurement process, the Global Fund conducts a **visual inspection, sampling and testing**.
 - Note: For newly WHO prequalified or re-listed ITNs, the **first 5 batches** will be sampled and tested as per **full WHO product specifications**.

References to Global Fund QA requirements for ITNs

1. [Guide to Global Fund Policies on Procurement and Supply Management of Health Products \(PSM Guide June 2021\) -- Section 6](#)
2. [Briefing Note on Visual Inspection of Insecticide-treated Nets \(ITNs\)](#)
3. [Briefing Note Pre-Shipment Sampling, Testing and Reporting Results for Insecticide-treated Nets \(ITNs\)](#)

All documents can be found on the Global Fund website under Quality Assurance/other products:

<https://www.theglobalfund.org/en/sourcing-management/quality-assurance/other-products/>

Integrity Due Diligence (IDD)

The Global Fund's Ethics policies in relation to suppliers

RFP Schedules

- All suppliers must complete the IDD questionnaire to its full extent
- Information on ownership and control is required for sanctions checks
- Conflict of interest (Col) disclosures required to develop mitigations
- Policies and case histories required to assess the ability to fulfill obligations under the Code of Conduct and other policies
- Limited fulfilment of expectations will inform risk management decisions

Code of Conduct

- Prohibits both direct and indirect:
 - Corruption
 - Fraud
 - Coercion
 - Collusion
 - Anti-competitive practices
- Full and open disclosures of Col, including potential and perceived
- Safeguarding (with obligatory reporting):
 - Protection from Sexual Exploitation, Abuse and Sexual Harassment
 - Child protection
- [Code of Conduct](#)

Other documents

- [Policy to Combat Fraud and Corruption](#)
- [Policy on Conflict of Interest](#)
- Responsible Procurement Framework
- Contractual terms with respect to ethical issues
- [Sanctions Panel Procedures](#)



ITN Market Observations & Evolution

Market challenges and opportunities

The Global Fund has identified several developments in the ITN sector which directly impact the ITN strategy

- The **new WHO recommendation** is expected to result in a **demand shift to new net types**, although capacity may initially be limited.
- To safeguard current vector control tools there is **need to continue innovation** and introduce ITNs with different insecticides.
- The next Global Fund grant cycle (GC7) sees only **limited increases in malaria budgets**, which may **hamper the uptake** of these more effective, and more expensive nets.
- The price dynamics demonstrate that the **market is sensitive to the plastic, crude oil and labor cost**.
- While **Pyrethroid-only nets prices reached and remained at a highly competitive mark**, the **PBO nets prices have gone up in comparison to Pyrethroid-only net** despite increasing demand due to the in-balanced supply and demand in the past three years.
- To date **Dual a.i. net** prices have been **supported through co-payment** and are **expected to further evolve** as mainstream procurement picks up following the strong WHO recommendation.
- **Freight issues, inflation, and raw material price increases** may threaten equitable access to ITNs.
- **Regional manufacturing remains a priority** as this can relieve some of the freight issues, contribute to **supply diversification and to the development agenda in LMICs**.
- We have experienced various **quality incidents** during the last three years.
- **Greater global focus on addressing climate change and carbon footprints encourage** manufacturers, buyers and national regulators to look into practices and policies to reduce environmental impact throughout the upstream production till the last mile delivery.

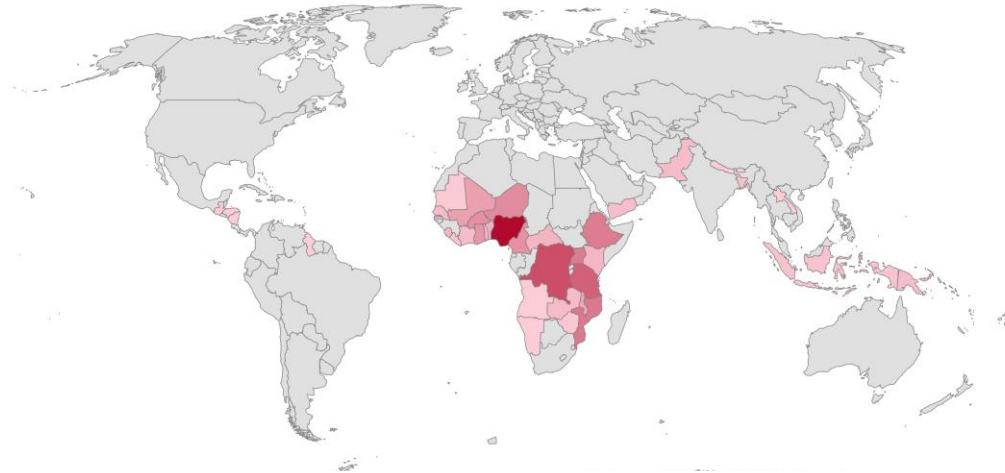
PPM ITN demand is driven by countries with the highest malaria burden

Nigeria, DR Congo, Uganda and Mozambique alone represent ~50% of malaria cases worldwide

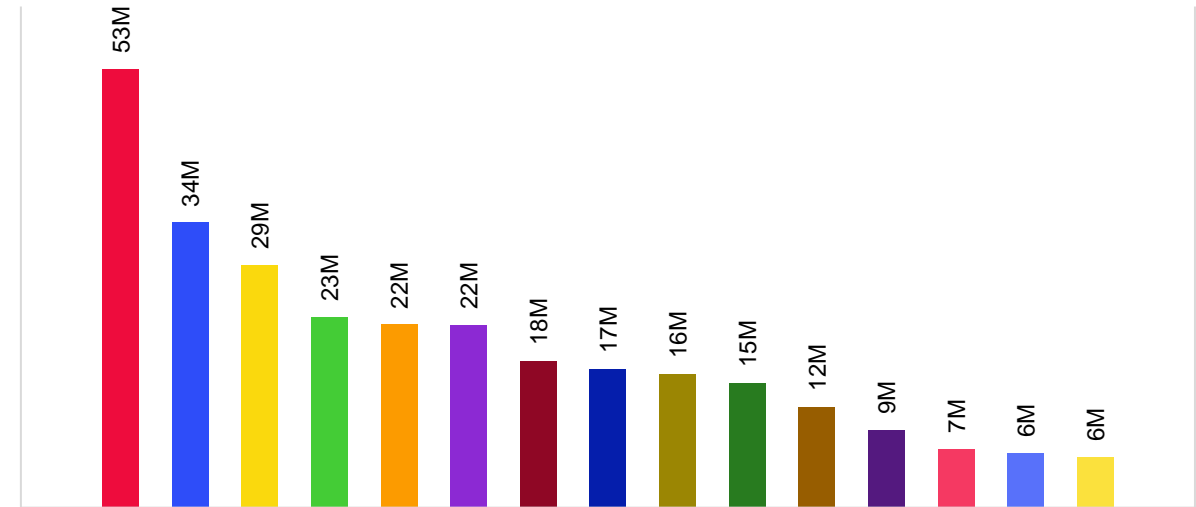
PPM delivered 346 million nets to 46 countries from 2020 to 2022

Top 15 countries represent 83% of the ITN total demand from 2020 - 2022

ITNs delivered by country between 2020-2022



Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Cameroon, Cape Verde, Central African Republic, Comoros, Congo, Democratic Republic of Congo, Ethiopia, Gambia, Ghana, Guatemala, Guyana, Honduras, Indonesia, Ivory Coast, Kenya, Laos, Liberia, Malawi, Mali, Mauritania, Mozambique, Namibia, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Papua New Guinea, Philippines, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Swaziland, Tanzania, Timor-Leste, Togo, Uganda, Yemen, Zambia, Zimbabwe.



- | | | |
|--------------|----------------------------|------------|
| ■ Nigeria | ■ DRC | ■ Tanzania |
| ■ Mozambique | ■ Uganda | ■ Ethiopia |
| ■ Niger | ■ Burkina Faso | ■ Cameroon |
| ■ Ghana | ■ Mali | ■ Malawi |
| ■ Benin | ■ Central African Republic | ■ Kenya |

ITN historical procurement & supplier overview

PBO net demand doubled in 2020 and 2021 and continued to outpace pyrethroid net demand in 2022

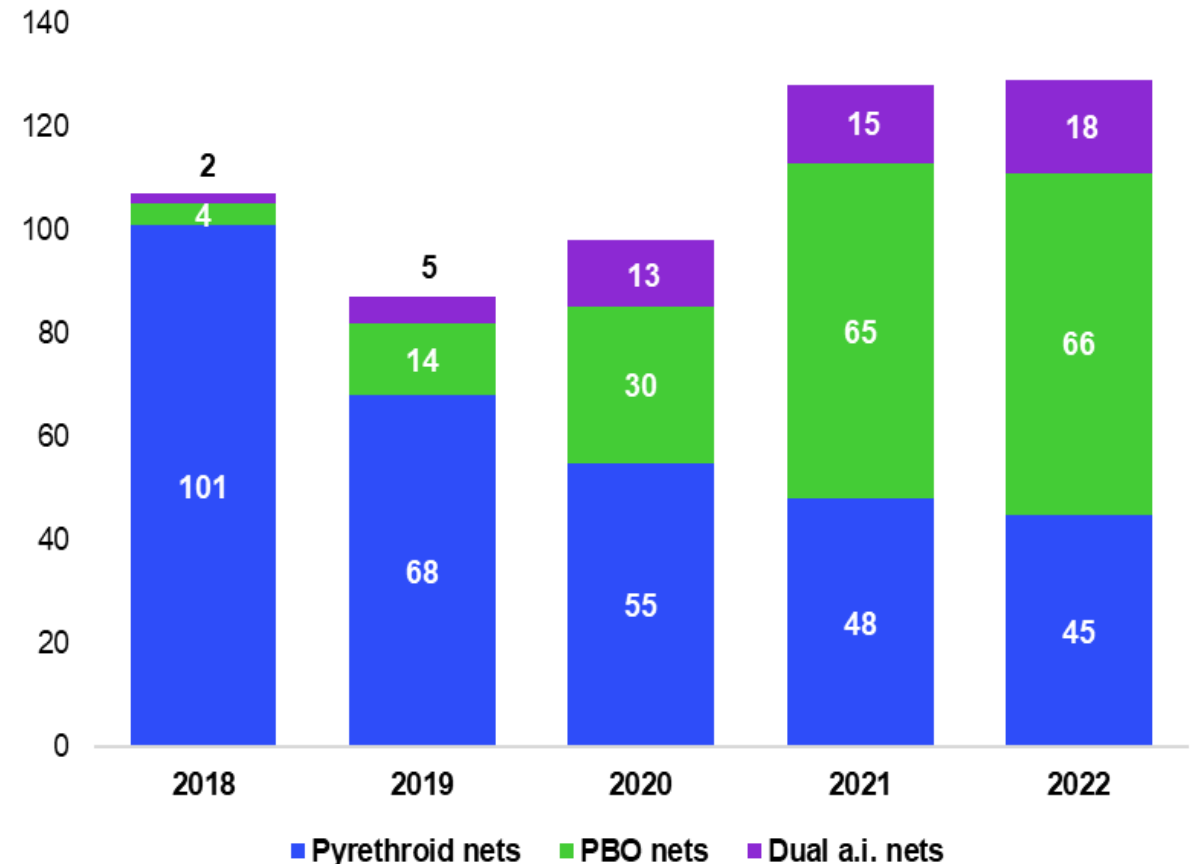
WHO Prequalified ITN Supply Base

Supplier	Pyrethroid nets	PBO nets	Dual ai nets
A to Z Textile Mills	X	X	
BASF	X		X
Disease Control Technologies	X	(X)*	X
Fujian Yamei	X	(X)*	
Life Ideas	X		
Mainpol	X		
PPP Hollandi	X	X	
Real Relief	X		
Shobikaa	X	X	
Sumitomo Chemical	X	X	
Vestergaard	X	X	X
V.K.A. Polymers	X	X	
Yorkool	X	(X)*	
Total	13	6 (3)	3

Source: [WHO Prequalified Vector Control Products list](#), status as of 12 April 2023

*Source: [WHO Vector Control Products Pipeline](#), status as of 12 April 2023

PPM ITN Supply
millions of nets

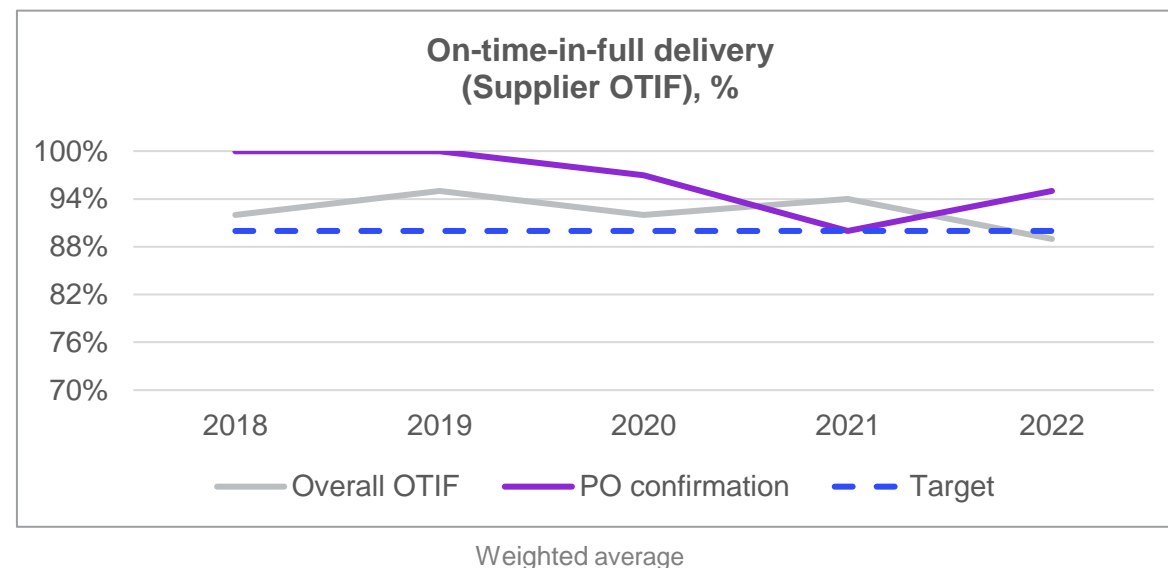


Dual AI nets were supplied as part of the New Nets Project and Net Transition Initiative with catalytic funding support. Following the strong WHO recommendation procurement will be mainstreamed.

Consistently high supplier delivery performance

Despite global challenges, on-time, in-full delivery (OTIF) performance remained at or above the 90% minimum target. Global Fund is grateful for the industry's commitment and agility, especially during the COVID pandemic.

- **Intensified communications with suppliers** provided early visibility of C19 concerns and potential mitigation measures.
- **Increased raw material stocks, expanded warehouse capacity and careful planning** helped to limit the potential impact on supply.
- **Procurement partner alignment** is key in crisis management; as such, Global Fund proactively engages with other major buyers on a regular basis.
- **Active participation in the ITN Taskforce** helped to connect the dots between upstream and downstream challenges impacting mass distribution campaigns.



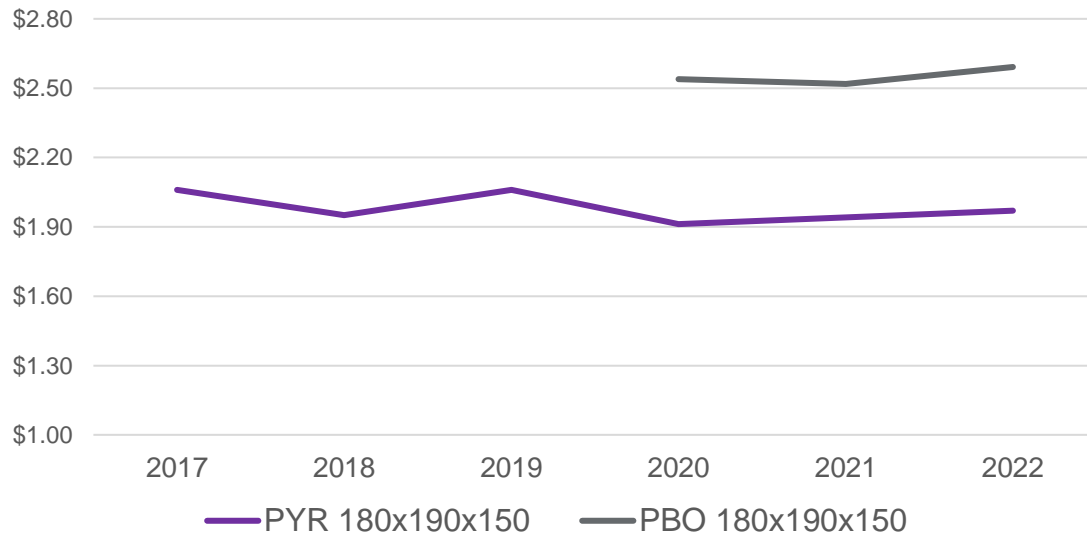
- Performance Measurement is based on the principle of comparing the number of supplier purchase orders delivered “On Time in Full” (OTIF) against the total number of Supplier Purchase Orders made. The measurement point shall be the point at which the Supplier has fulfilled their obligations to the PSA regarding the Committed Delivery Date.

ITN price evolution

- Several aspects impact the supplier's costs: **raw material prices**, **crude oil prices**, **exchange rate** fluctuations, **underutilized** production capacity, **labor cost** inflation and extended **order pick up** times.
- From 2020 the pyrethroid net price was fairly stable, while PBO net prices increased more owing to a **surge in demand** from a **limited supply base**.
- We expect the pyrethroid, PBO and Dual a.i nets **prices to further evolve**.
- We thank the suppliers for their efforts in **managing the cost pressure** and for providing **competitive prices** for the people we serve.

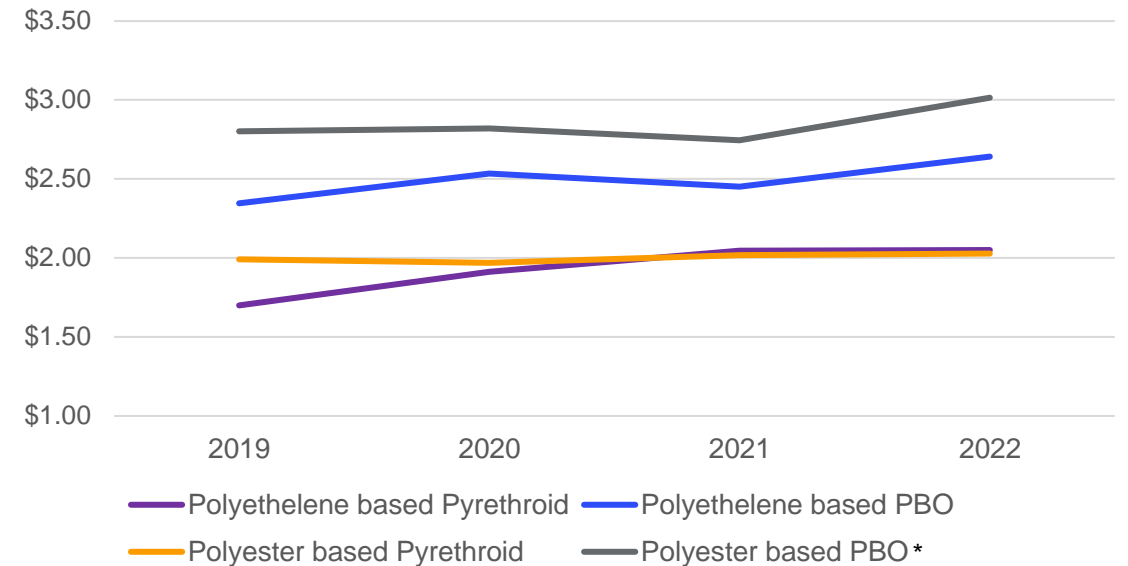


Price Evolution of PYR and PBO nets



Note: Weighted Average Price (WAP) 2017-2022 prices from PSA data

Price evolution based on the fabric



ITN Volume Forecast

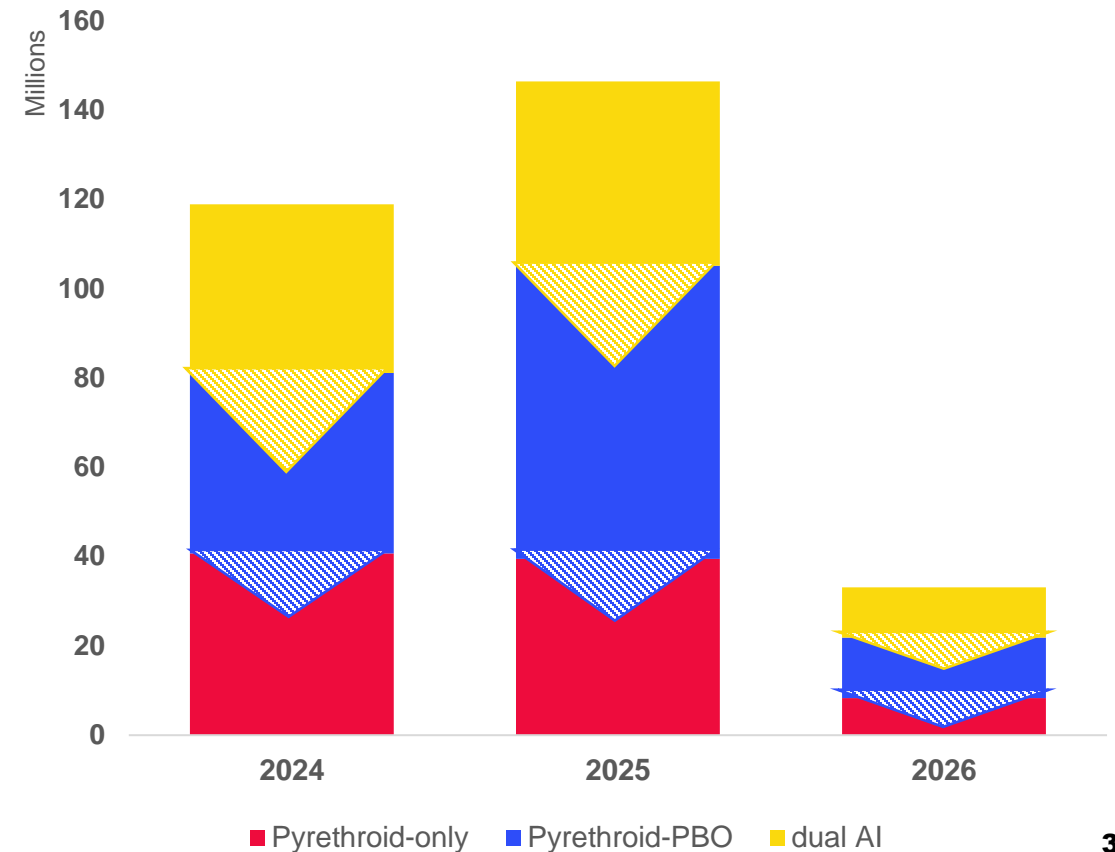
Volume forecast for Pooled Procurement Mechanism (PPM) for 2024 – 2026 period

CONTEXT

- Most large volume countries plan campaigns / place orders in years 1 and 2 (2024 & 2025) of the grant implementation period
- 2024 volume includes advance procurement orders from 2023 for delivery in 2024.
- Forecast to be updated throughout 2023 as countries firm their forecasts.
- Volume changes expected at both aggregate & disaggregate levels. **The pace of change in the split between net types will depend on affordability, supply lead-time and capacity secured through the tender.**

PRELIMINARY FORECAST (DELIVERIES)

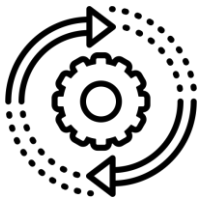
Projected volume of ~ 300 million nets for the period 2024 – 2026.



Global Fund's ITN ambition



The Global Fund is working with countries and partners to **optimize malaria portfolio investments** as part of the next grant cycle (**GC7 for the 2024-2026 implementation period**). This includes seeking to ensure optimal and effective vector control coverage at **the right scale with the right tools** as part of national malaria control strategy development and implementation.



The Global Fund aims to support countries with the **further scale up of newly recommended nets** in places where pyrethroid resistance is a concern. **Our ambition is to ensure that these newly recommended nets are available everywhere they are needed.**



Delivering on this will require **collaborative partnership efforts with industry**, technical and implementation partners to significantly improve access to these needed tools through better affordability, enhanced quality assurance, supply lead times and supply security.



ITN Strategy 2023 – 2026

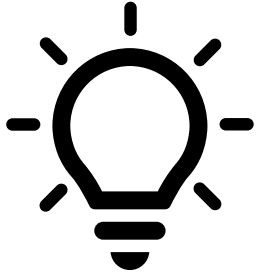
ITN Procurement Strategy 2023 - 2026

The ITN procurement strategy 2023-2026 aims to:

- **Accelerate and support the introduction of Dual ai bed nets**, in line with WHO recommendations and Global Fund Strategy, whilst creating and sustaining a **broad, resilient supply base** for all types of ITNs throughout the GC7 implementation period.
- **Foster partnerships and leverage Global Fund volumes to improve equitable access** to quality assured ITNs, to **facilitate regional manufacturing**, and to **improve the sustainability** of ITNs from upstream production to last-mile delivery in countries.

Objective 1: Accelerate new ITN product introductions at scale

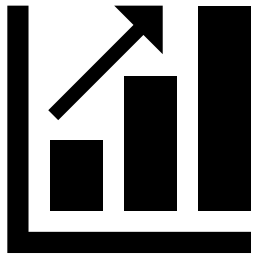
Ensure equitable introduction of, and access to the most effective and innovative ITNs



- Leverage procurement process to **support a robust pipeline of new products** intended to improve efficacy and better meet the needs of end users in line with latest WHO recommendations.

- Increase affordability of new ITNs, applying **market shaping tools** where needed, to accelerate uptake, especially for ITN distribution campaigns planned in the first half of 2024.

- **Harness partner support** to facilitate new product introduction at scale.



Objective 2: Maintain a diversified supply base to ensure a sufficient, resilient supply of all ITN types

Improved availability and affordability, maintain sustainable, transparent pricing for all net types



- Continue supporting **competitive and sustainable markets**.
- **Deepen partnership with suppliers** to proactively understand and mitigate supply challenges to maintain high delivery performance.
- Support the development of a long-term, **sustainable supply base for innovative nets** with different modes of action.
- **Support regional ITN manufacturing closer to end users** through technology transfer and/or licensing to improve access, diversify the supply base, and provide local economic benefits.

Objective 3: Supply quality-assured ITNs

Quality assurance is a key element of the ITN procurement strategy promoting equitable access to quality-assured health products



- **Product quality remains a key feature** in ensuring supply security for all types of ITNs: pyrethroid-only nets, pyrethroid-PBO nets and dual AI nets.
- The QA Team will continue to ensure that ITNs are available at **internationally recognized quality standards**.
- The framework agreements will include a **strengthened QA section**.

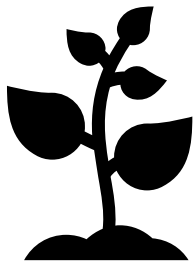


Objective 4: Promote Sustainable ITNs

Drive sustainable procurement and supply chains, in line with NextGen Market Shaping ambitions



- Supply Operations is piloting a **Responsible Procurement Framework** (RPF), an internal operational guide which **embeds sustainability principles** and practices into our sourcing activities.
- The RPF was developed in **response to the challenge of Climate Change** and supports the implementation of the Supplier Code Of Conduct.
- We will engage with and encourage our suppliers to:
 - **Continuously strengthen** suppliers' sustainability credentials and practices throughout their manufacturing and supply chains.
 - Initiate **supplier projects to address environmental impact of ITNs** at manufacturing and at end-user level and encourage suppliers to **reduce the environmental impact of distribution and delivery**.
 - **Share baseline sustainability information** to measure our impact.





Request for Proposals (RFP) Approach & Timeline

Principles underpinning ITN tender approach

CONTEXT

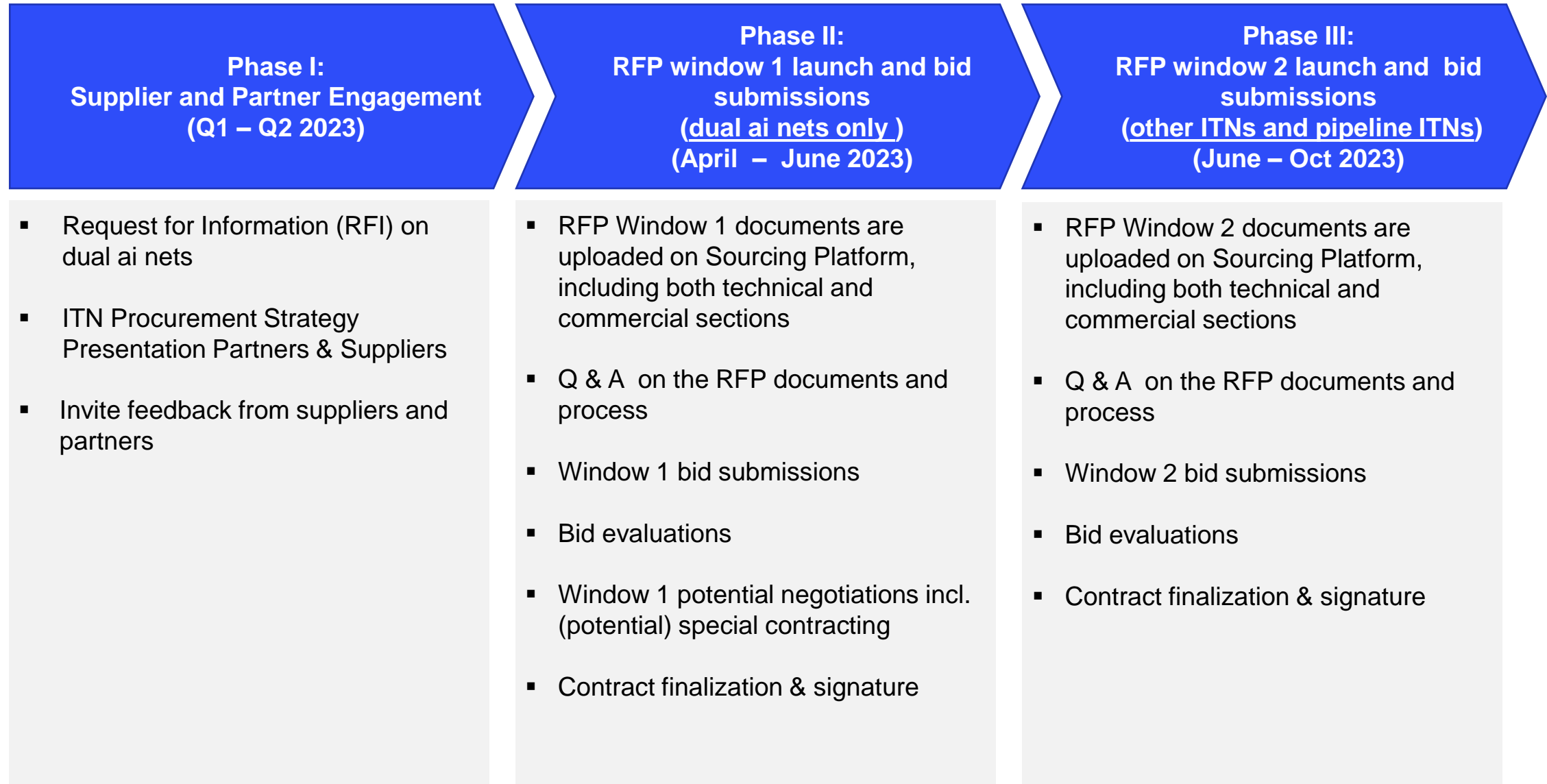
Global Fund's tender approach has been **developed to address the pressing needs for GC7 implementation**, including to:

1. Secure improved access and pricing for dual a.i. nets;
2. Support early purchase orders to be delivered in 2024 Q1/Q2;
3. Drive supply base diversification for quality assured bed nets.

APPROACH

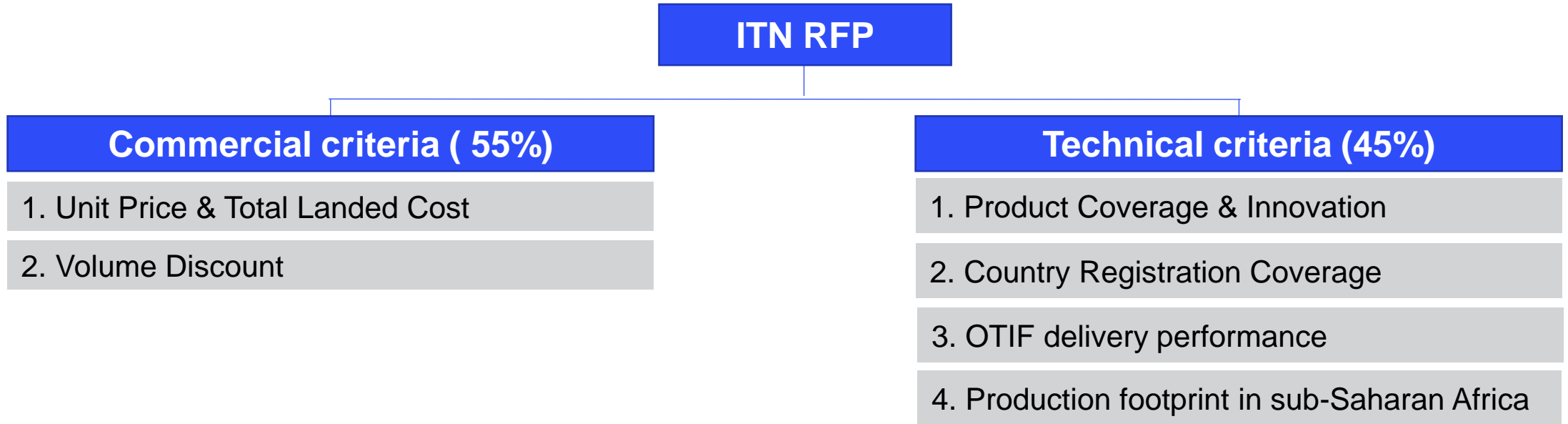
1. **Staggered, two window approach**, with window 1 focusing on dual a.i. nets and window 2 focusing on the pyrethroid nets and PBO nets.
2. **Accelerated timeline.**
3. Consideration of **special contracting terms** as part of the tender approach, used only where they secure additional benefits for countries.

RFP process and timelines *(indicative)*



Tender evaluation structure

Applicable to both RFP windows 1 and 2



- **The full scope of evaluation criteria** will be **reapplied at annual performance reviews** for subsequent allocation periods
- There will be a **process** to consider **new entrants and/or new products** that become **eligible** for procurement **after tender closure (subject to review)**
- **Volume discount will be part of the tender evaluation**

Tender eligibility and supplier assessment during contract

Tender Eligibility

Global Fund Quality Assurance requirements for ITNs

The tender also incorporates legal requirements and an Integrity Due Diligence Process.

Note: Business award subject to WHO Prequalification.

Performance Assessment

Volume allocations will be managed throughout contract implementation via a **performance-based approach**, which considers:

1. **Commercial competitiveness** to reflect evolving prices;
2. **On Time In Full (OTIF)** delivery against promised lead times;
3. Adherence to **sustainable supply and good business practices**. The Global Fund values responsible procurement and will factor this in during contract implementation.

Legal Matters: Certificate of Conformance

RFP Bidders will be required to submit a signed certificate by an authorized officer, to acknowledge and agree (among other things):

- Bidder will comply with Global Fund's Code of Conduct for Suppliers.
- Bidder's RFP submission implies Bidder's unconditional acceptance of the terms and conditions of the Framework Agreement.
- Any reservations on the Framework Agreement must be notified to the Global Fund as part of the RFP submission.
- Only limited, non-material amendments to the draft Framework Agreement submitted as part of the Bidder's proposal may be considered by the Global Fund.
- The reservations or amendment requests will be considered in the overall evaluation of the Organization's proposal.
- Modifications to the following provisions of the Framework Agreement will not be accepted:
 1. Record-Keeping and Audits,
 2. Governing Law and Dispute Resolution,
 3. No Waiver of Privileges and Immunities,
 4. Compliance with the Global Fund's Quality Assurance Requirements, Code of Conduct and Sanctions Panel Procedures,
 5. Principles set forth in Most Favored Nation clause.

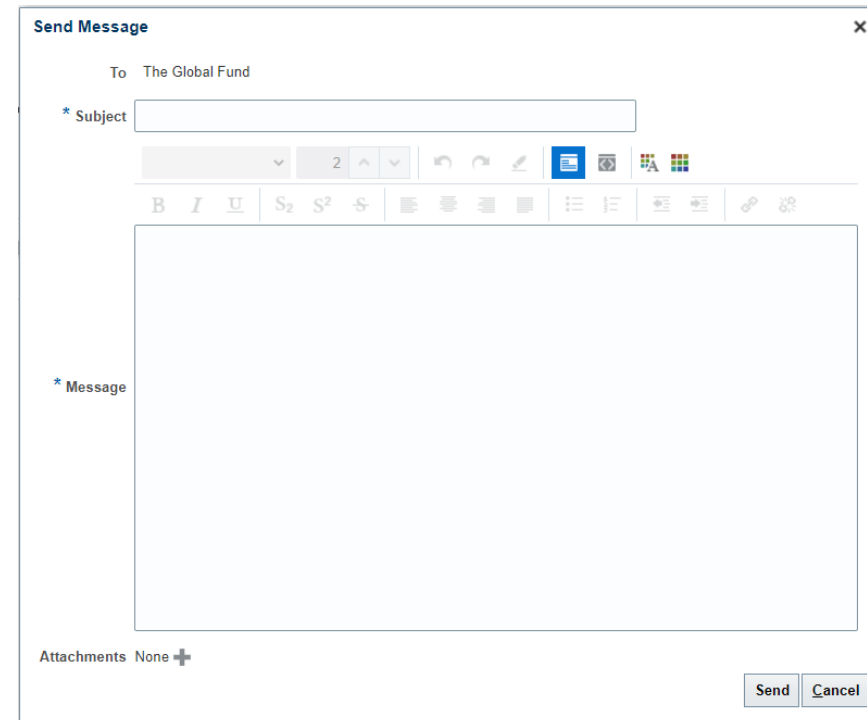
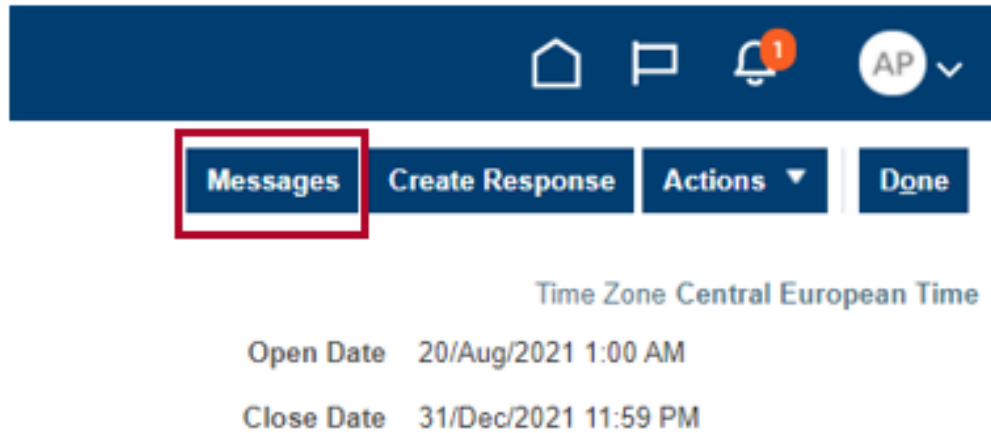
Sourcing Platform used for all RFP communications

Welcome page & Notifications

The screenshot shows the user interface of 'THE GLOBAL FUND' Sourcing Platform. At the top left is the logo and name 'THE GLOBAL FUND'. At the top right are navigation icons: a home icon, a flag icon, a notification bell icon with a red circle containing the number '2', and a user profile icon labeled 'AP'. The main content area has a dark blue background with white text. It starts with a greeting 'Good afternoon,' followed by a redacted name. Below this is a section titled 'Things to Finish' containing two white cards: 'Assigned to Me' with the number '2' and 'Created by Me' with the number '0'. A notification modal is open in the center, outlined in red. The modal has a close button (X) in the top right, a timestamp '1 minute ago' in red, and the text 'ACTION REQUIRED' in bold. The main message reads 'You Are Invited to Request for Proposal TGF-D-00011(RFP Test)'. Below the message is the name 'Briend, Cyril' and an 'Actions' dropdown menu with two options: 'Accept Invitation' and 'Decline Invitation'. A right arrow icon is visible on the right side of the main content area, and an information icon is in the bottom right corner.

Communications & Support on Platform Access

- All communications with regards to this RFP, including clarification questions, shall be in writing and sent through the TGF Sourcing Platform using the online discussion (see below).
- Any communication from an RFP Participant to the Global Fund related to this RFP which is **not** through the designated channel (<https://fa-enmo-saasfaprod1.fa.ocs.oraclecloud.com/>), is not permitted and will not be answered.
- Should the Global Fund deem it necessary to revise the RFP as a result of a clarification, it shall do so as an amendment to the RFP available on the Global Fund's website.



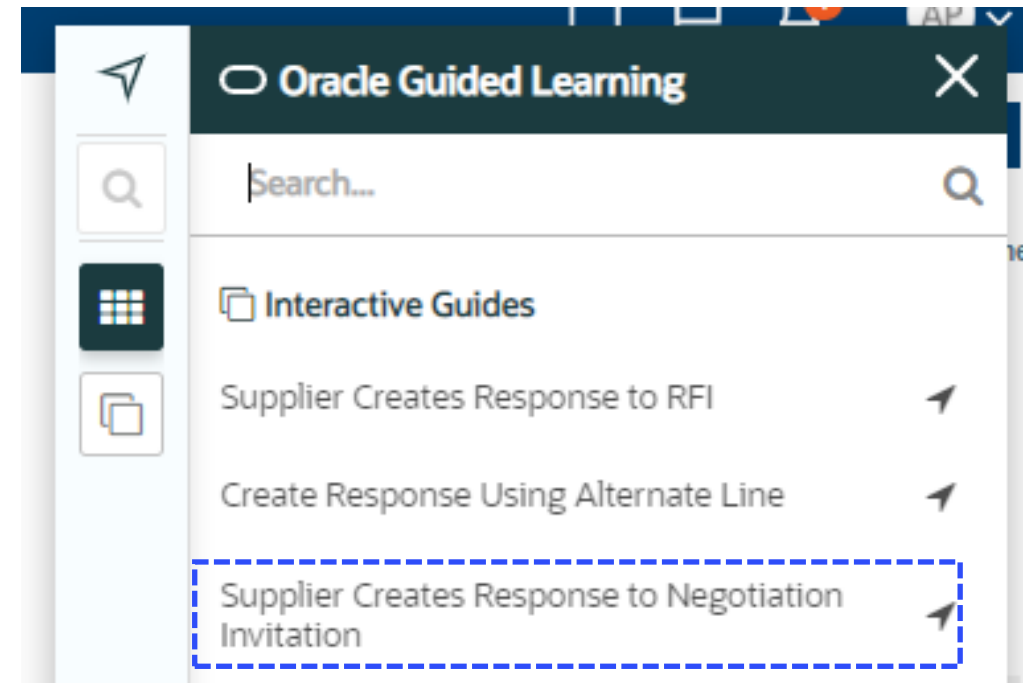
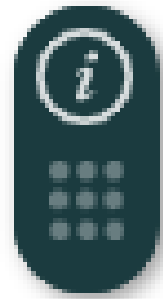
Sourcing Platform: Other Matters

Oracle Guided Learning (OGL)

- Feature which provides step-by-step and personalized guides in the negotiation module.
- Please open the following link in your browser to see the step guide (Supplier Creates Response to Negotiation Invitation):

<https://guidedlearning.oracle.com/player/latest/api/scenario/export/v1/WpUIM+OJRoSJYo3jQu37UA/k7hjkrg1/ang/--/?draft=undefined>

- Access to the OGL: Click on the “I” icon and select the appropriate Guide





THANK YOU