

Global Fund Market Shaping Strategy
Pooled Procurement Mechanism (PPM)
wambo.org
Quality Assurance & PQR

Supply Operations Dpt

LFA training 2019/2020
Geneva

The Global Fund

Overview

I. Intro and quick organizational orientation
   - Supply Operations Department

II. The Global Fund Market Shaping Strategy
   - Linkages with GF Strategy, objectives, and results

III. Quality Assurance and PQR
   - Notes on updated Guide to Global Fund Policies on Procurement and Supply Management of Health Products
   - PQR

IV. Pooled Procurement Mechanism (PPM)

V. Demos
   - wambo.org: the tool through which PPM orders – and beyond – is managed
   - PSA tracking platforms (PFSCM, IDA Foundation, i+ Solutions)

VI. Supply Chain

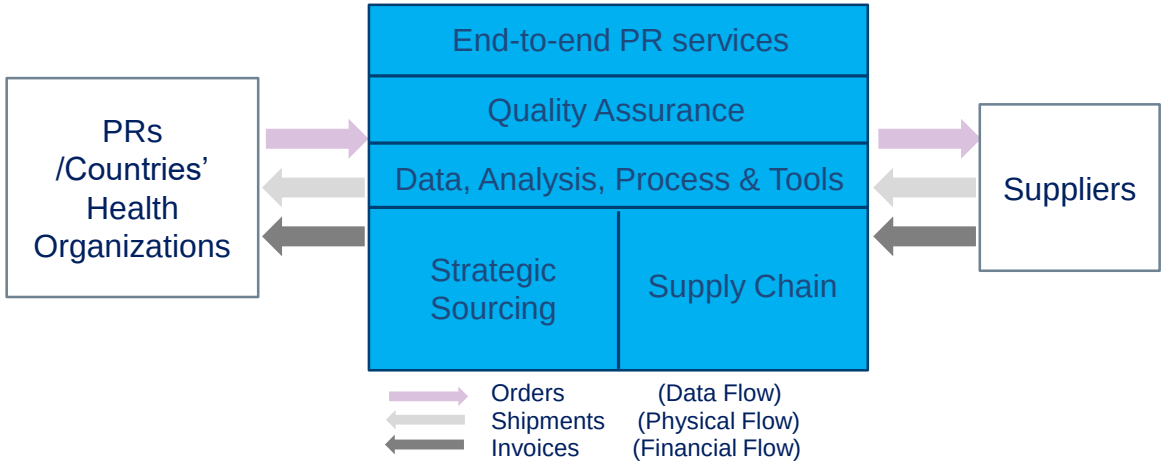
VII. Discussion, additional Q&A

I. Quick organizational orientation

- Supply Operations Department
- Structure and roles within Supply Operations

New Supply Operations Department

Committed to further enhance interfaces with supply and demand



- Secure **continuity of supply, affordability of product and accelerated new product launch** through supplier long term agreements
- Enforce **quality standards** with PSAs & PR Services
- Develop **end-to-end processes & tools** to secure **product access & compliance**

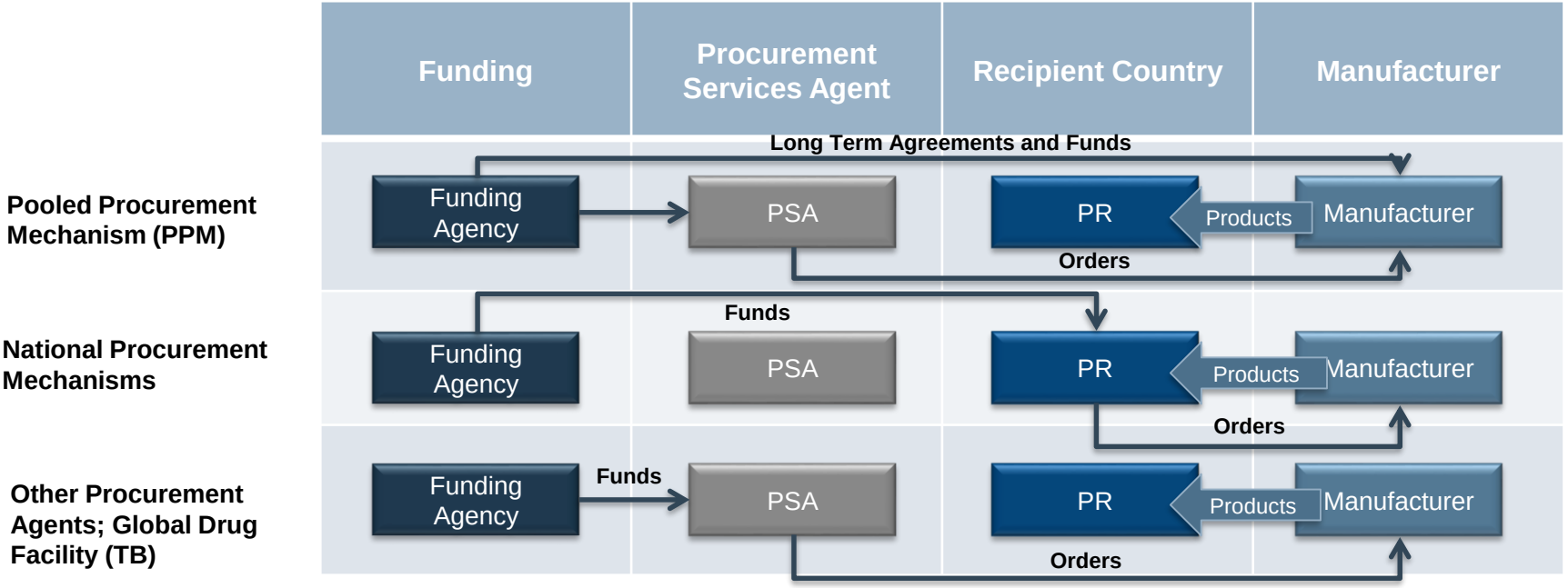
Supply Operations Department – more detailed description of teams

End-to-End PR Services	• Realize all value opportunities (including savings) identified in the sourcing strategies through ensuring efficient and compliant transactions to deliver health products in order to achieve the disease targets in the grants
Strategic Sourcing	• Leverage the Global Fund and others' spend to implement the Market Shaping Strategy to make optimal health products available and affordable for procurement to deliver broad value, including savings
Quality Assurance	• Strengthen pre-qualification and regulatory systems • Provide relevant information for eligible products
Data, Analytics, Processes and Tools	• Support end-to-end process integration • Enforce data standards • Enable data analytics
In-country Supply Chain	• 16 in-country supply chain transformations • Embed critical demand & supply processes with other partners and donors • Capacity building in-country & deploy relevant public-private partnerships

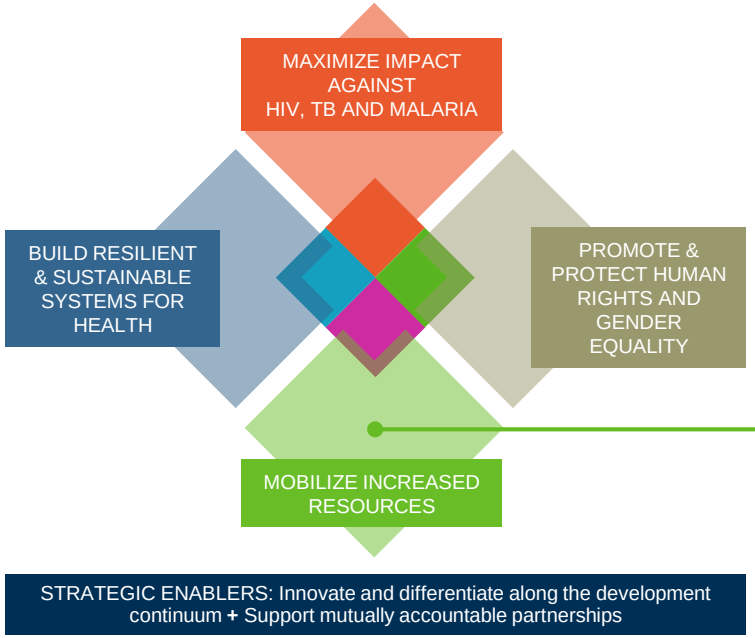
II. Market Shaping Strategy

- Linkages with Global Fund strategy
- Objectives, achievements and outlook

GF utilizes a number of procurement channels - with the Pooled Procurement Mechanism (PPM) representing around 55% total GF health product spend (depending on product category)



The Sourcing team focuses on two key areas within the new Global Fund Strategy



c Implement and partner on market shaping efforts that increase access to affordable, quality-assured key medicines and technologies

d Support efforts to stimulate innovation and facilitate the rapid introduction and scale-up of cost-effective health technologies and implementation models

How does the MSS define ‘healthy markets’ and key tools?

Healthy markets have six characteristics

Innovation	There is a **robust pipeline of new products** intended to improve efficacy, reduce cost, or better meet the needs of end users, providers or the supply chain
Availability	**Adequate and sustainable supply exists to meet global needs** with new products being rapidly introduced and available
Demand and adoption	Countries, programs, providers and end users rapidly introduce and adopt the **most cost-effective products**
Quality	Medicines and technologies are available at an **internationally-recognized standard of quality**
Affordability	**Medicines and technologies are offered at the lowest possible price that is sustainable** for suppliers and does not impose an unreasonable financial burden on buyers
Delivery	Supply chain systems (including quantification, procurement, storage, and distribution) **function effectively to reach end users in a reliable** and timely way

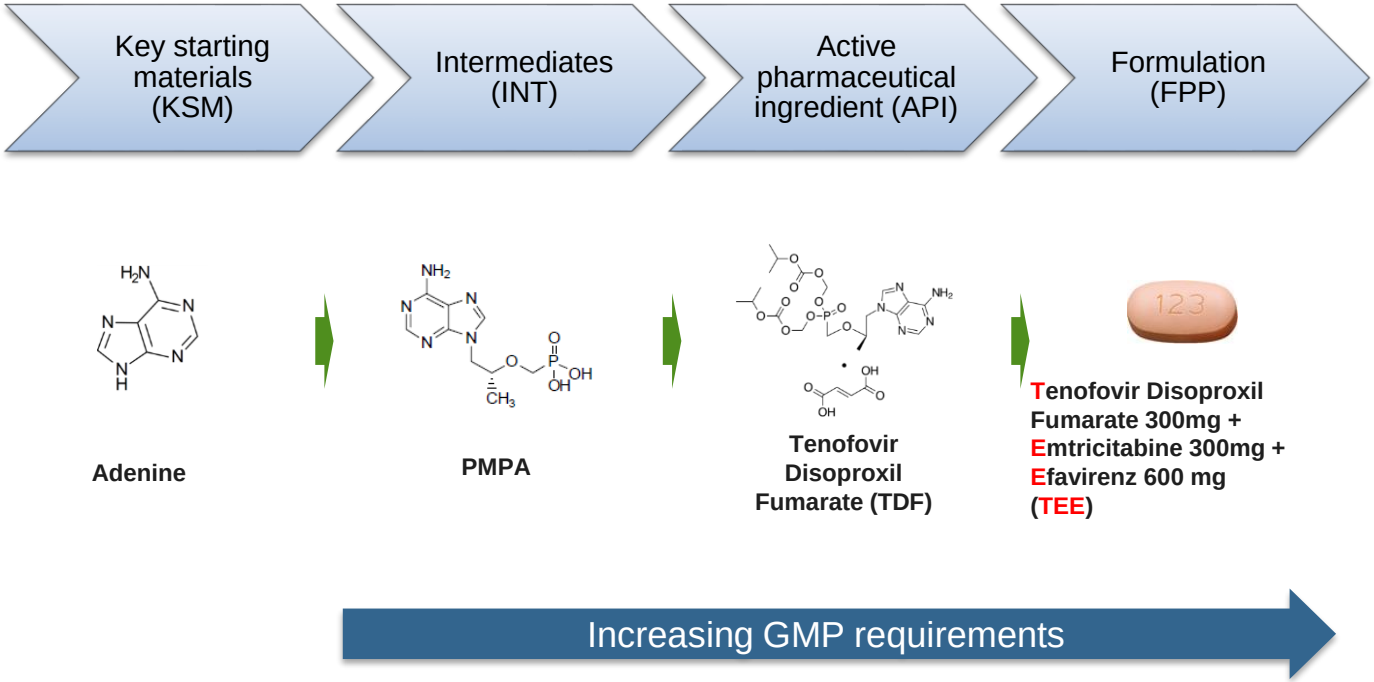
Seven key implementation tools are highlighted in the MSS

✓ = Operationalized

Price & Quality Reporting	Public database with transaction-level data on Global Fund-financed procurements of core health products, after delivery	✓
Quality Assurance policies	Policies to assure quality of pharmaceutical and diagnostic products financed by the Global Fund Expert Review Panel to accelerate procurement for products with few suppliers	✓
Pooled Procurement Mechanism	Mechanism to pool procurement of health products. Can be leveraged toward market shaping objectives, reduces grant implementation risks	✓
Revolving fund	Small revolving fund that provides working capital to scale up new products	
Guide to Procurement and Supply Management Policies	Legal obligations and best practices that recipients should apply in procuring Global Fund-financed products	✓
Guidance from Health Product Management Specialists	Country Team members responsible for procurement and supply management topics throughout grant-making and implementation	✓
Cost-effectiveness Analysis	Commissioned by countries with Global Fund financing or centrally via GF’s Value for Money special initiative, to inform country priority-setting and selection of health technologies	

N.B. Strategies related to in-country supply chain and health product delivery were defined in 2015 as outside of the scope of the MSS

Focus-in: Upstream supply security
- Example pharmaceuticals – but also for other health products



* GMP: Good manufacturing practices (GMP) refer to guidelines laid down by agencies which control authorization and licensing for manufacture and sale of food, drug products , and active pharmaceutical products.

Generating savings and efficiencies through simply removing the bottle carton in a single country

Traditional Packaging

Individual cartons for each bottle.

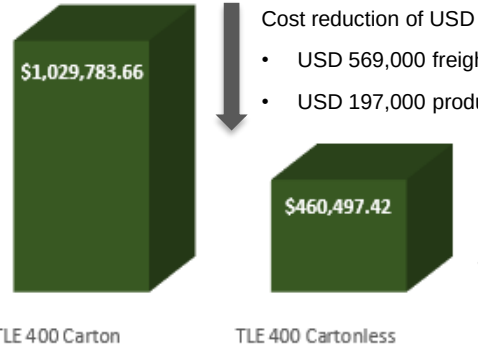
More paper, higher costs, requires more storage space.

Carton less Packaging

Bottles are packed and shrink wrapped in shippers, together with leaflet pads.

Eliminating unnecessary packaging lowers freight volume and **generates freight cost savings.**

Freight costs



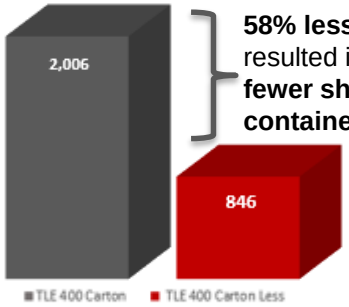
Cost reduction of USD 766,500

- USD 569,000 freight reduction
- USD 197,000 product cost reduction

Estimated **paper savings:** >100 tons

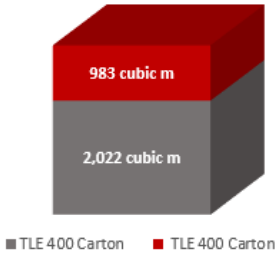
Estimated **wood savings:** 17 tons

Number of Pallets



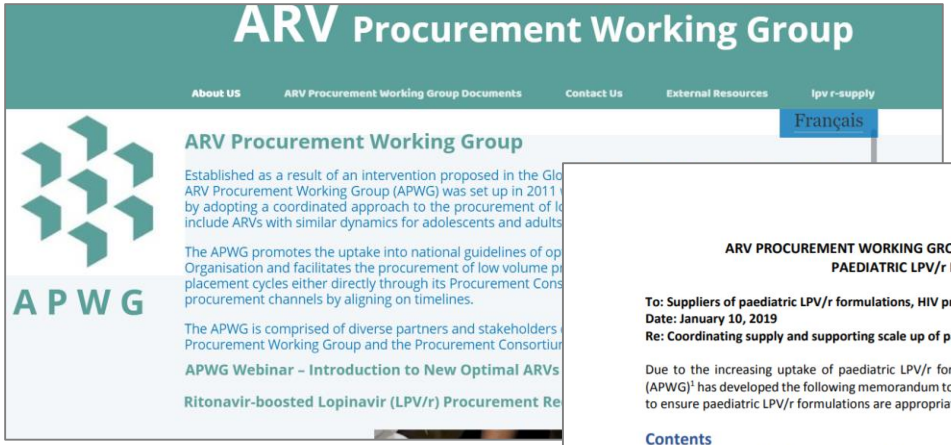
58% less pallets resulted in **45% fewer shipping containers** needed

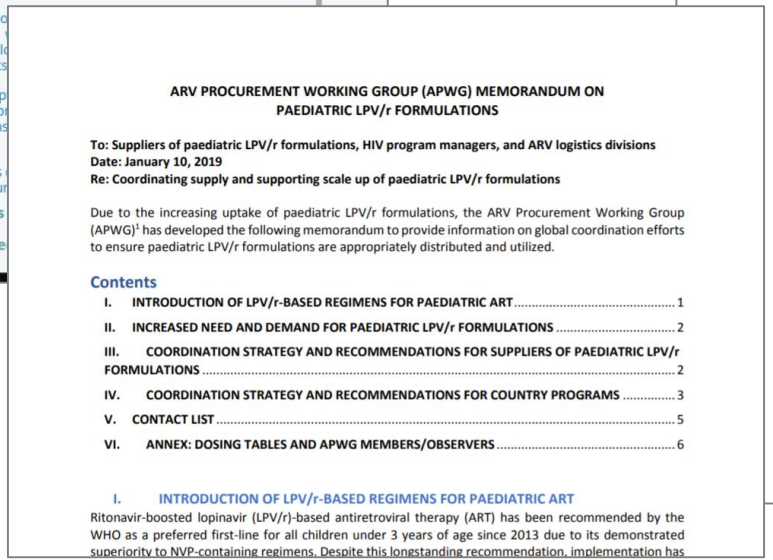
Total Pallet Volume



Total **pallet volume reduction by 51%** to optimizes storage space in warehouses and distribution centers.

Supporting the adoption & access to new and low volume products: ARV Procurement Working Group





ARV PROCUREMENT WORKING GROUP (APWG) MEMORANDUM ON PAEDIATRIC LPV/r FORMULATIONS

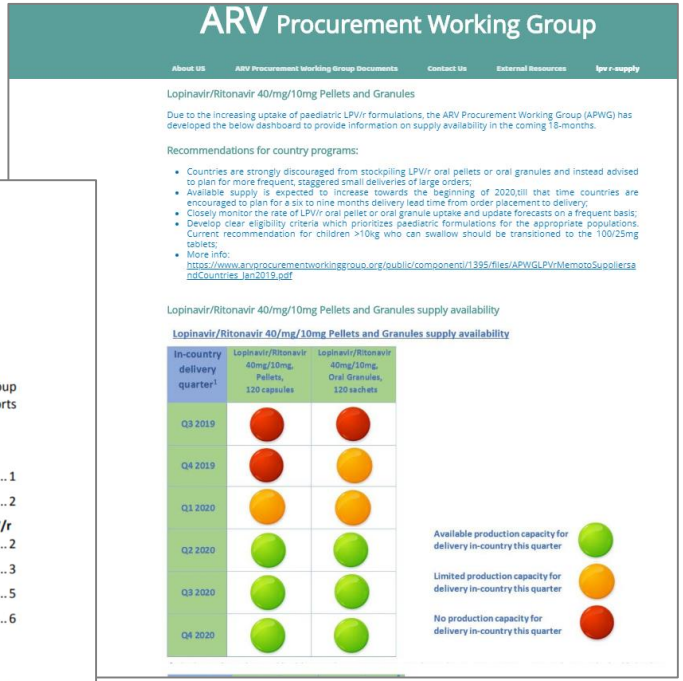
To: Suppliers of paediatric LPV/r formulations, HIV program managers, and ARV logistics divisions
Date: January 10, 2019
Re: Coordinating supply and supporting scale up of paediatric LPV/r formulations

Due to the increasing uptake of paediatric LPV/r formulations, the ARV Procurement Working Group (APWG)[1] has developed the following memorandum to provide information on global coordination efforts to ensure paediatric LPV/r formulations are appropriately distributed and utilized.

Contents

I. INTRODUCTION OF LPV/r-BASED REGIMENS FOR PAEDIATRIC ART

Ritonavir-boosted lopinavir (LPV/r)-based antiretroviral therapy (ART) has been recommended by the WHO as a preferred first-line for all children under 3 years of age since 2013 due to its demonstrated superiority to NVP-containing regimens. Despite this longstanding recommendation, implementation has



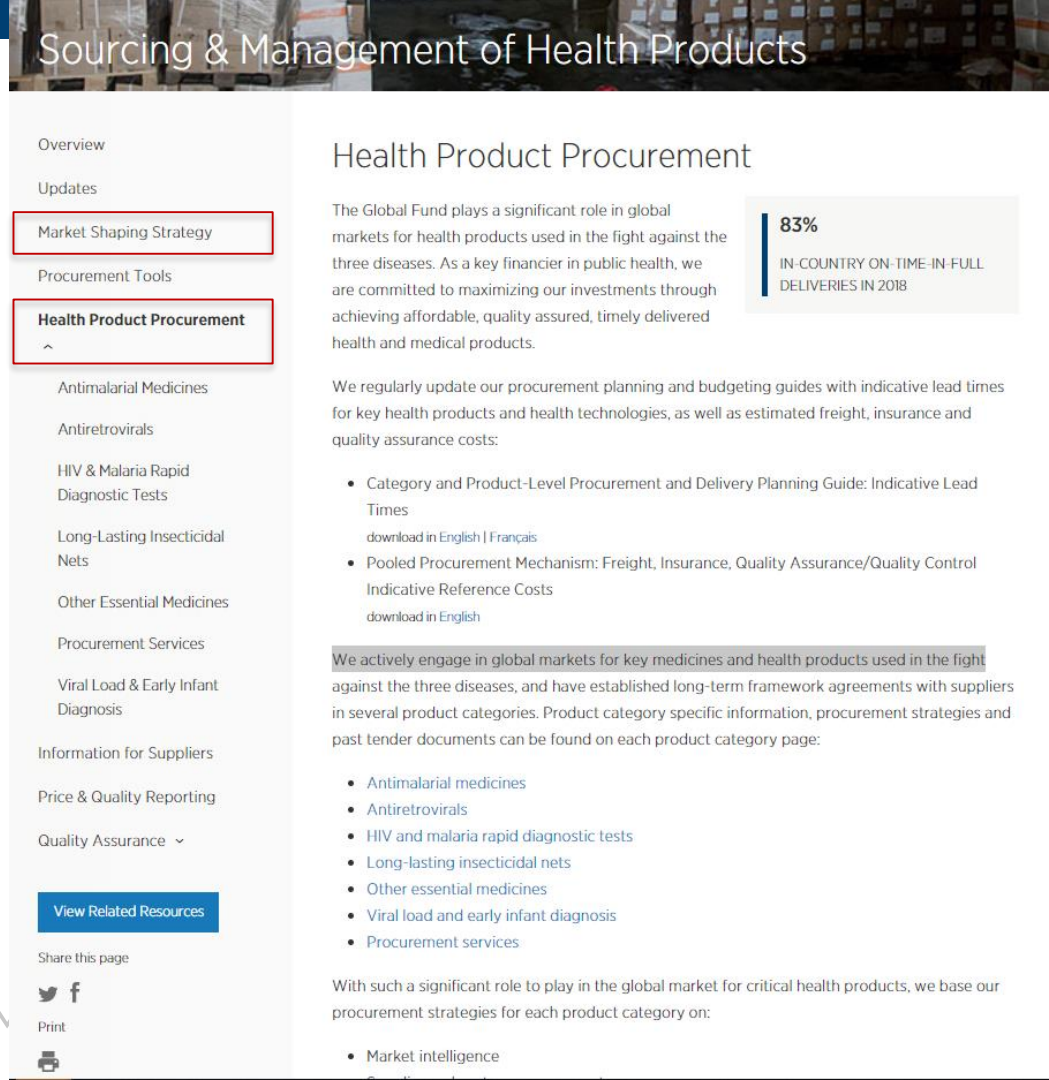
https://arvprocurementworkinggroup.org

More on Market Shaping

and on Sourcing & procurement of health products

- Category information
- Supply & demand information
- Previous RFP documentation
- Reference pricing
- Lead times
- Etc.

https://www.theglobalfund.org/en/sourcing-management/health-products/



III. Quality Assurance and PQR

Guide to Global Fund Policies on Procurement and Supply Management of Health Products

Revised version October 2018

The Global Fund

Title

Overview

Updates

Information for Suppliers

Policies & Principles

Policies & Principles

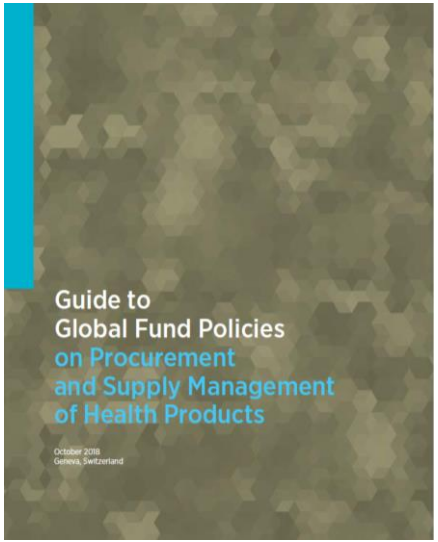
Guide to Global Fund Policies on Procurement and Supply Management of Health Products (the PSM Guide)

- outlines the policies and principles that govern the procurement and supply management of health products financed by the Global Fund.
- describes quality assurance requirements by category of health products according to the Global Fund quality assurance policies.

It is available for download: English | Español | Français

The PSM guide - Highlights of the last revision in October 2018

- Provide clarification on the language regarding TRIPS flexibilities
- Add new Global Fund guidance on the adoption of **GS1 Global Data Standards**
- Provide clarification on **price and quality reporting (PQR)** requirements:
- Reflect changes related to **vector control (VC)** transitioning from the WHO Pesticide Evaluation Scheme (WHOPES) to the WHO Prequalification Mechanism and other alignements with other health products practices
- Improve the reporting mechanism for **adverse drug reaction** and **non-compliance** to National Regulatory Authority and the Global Fund Secretariat
- Clarify the definition of a **Stringent Regulatory Authority (SRA)**
- Require that Principal Recipients designate a **Quality Assurance focal point.**



GS1 Standard Adoption

Announcement of the Global Fund's adoption of GS1 Global Data standards (GS1 Standards) for product identification, location identification, and product master data and the preparation of an implementation plan by product categories, as described below:

GF is requesting manufacturers to be compliant with GS1 standards for product identification and sharing in a phased manner.

PQR Reporting

- Clarification of the list of laboratory equipment that needs to be reported

i. ARVs;
ii. anti-malarial pharmaceutical products;
iii. anti-TB pharmaceutical products;
iv. anti-hepatitis C pharmaceutical products;
v. long lasting insecticidal nets or other insecticide treated nets with WHO Policy recommendation
vi. insecticides for indoor residual spraying activities;
vii. condoms;
viii. diagnostic tests for HIV, TB, malaria, and co-infections such as syphilis, hepatitis B and hepatitis C; and
ix **Laboratory equipment**: for HIV, Hepatitis, TB and Malaria testing.

- ✓ Polymerase chain reaction (PCR) equipment for HIV Viral Load and HIV early infant diagnostics (EID), Hepatitis and Malaria.
- ✓ TB Liquid culture equipment,
- ✓ TB molecular and Cartridge based molecular testing,
- ✓ CD4 and Enzyme-linked Immunosorbent Assay (ELISA) Test equipment.

Note: QA Team manage the creation of core QA Attributes in the system but do not deliver access to PR

Vector Control Products

- Add the requirements for vector control (VC) products to be **WHO Prequalified** but maintaining the WHOPES approved products for old products

  Note: WHO VC listed products can be WHO prequalified or WHO converted products (from WHOPES)
- Add the **Expert Review Panel (ERP)** pathway for VC products in line with other products

- Requirements to **monitor the quality of Vector control products** along the supply chain and to report to the Global Fund

  = PR advisory guideline to be developed later on
- Requirements to set up a mechanism to **inform GF of any non-compliance** identified on vector control
- Requirements for the **compliance to WHO Specifications for the equipment** to be used for vector control activities
- Requirements to comply with **national requirements** on vector control products (in any)
- Requirement to comply with **national policy** for vector control (if any)

Stringent Regulatory Authority Definition

- Clarification of the definition of Stringent Regulatory Authority, in line with the interim WHO definition to consider changes in the institutional membership of ICH which was used in the past

  Note: Only for pharmaceuticals

Stringent Pharmaceutical Regulatory Authority (or Stringent Regulatory Authority) means a regulatory authority which is

- A member of the International Conference for Harmonization of Technical Requirements for Pharmaceuticals for Human Use (*www.ich.org*) being the European Commission, the US Food and Drug Administration and the Ministry of Health, Labour and Welfare of Japan also represented by the Pharmaceuticals and Medical Devices Agency (as before 23rd October 2015).
- An ICH observer, being the European Free Trade Association, as represented by Swissmedic, and Health Canada (as before 23rd October 2015); or
- A regulatory authority associated with an ICH member through a legally-binding, mutual recognition agreement, including Australia, Iceland, Liechtenstein and Norway (as before 23 October 2015).

Post-Marketing surveillance requirements – PR Reporting requirements

- Recipients are required to provide to the Global Fund, or arrange for the provision of the results of quality control tests – Current Statement

  - In case of product non-compliance, Recipients are required to provide the same within five working days to minimize the risk of exposure to the patient – New

  - Recipients shall make the necessary arrangements to ensure the Global Fund is authorized to use these results – New

  - In case of serious Adverse Drug Reaction (ADR) Recipients shall provide to the Global Fund, or arrange for the provision of reports relating to those products within five working days to minimize the risk of exposure to the patient.

  - All ADRs related to ERP products should be reported to Global Fund Secretariat.

NOTE: Standard forms will be made available from the 1st December 2019 at https://www.theglobalfund.org/en/sourcing-management/quality-assurance/medicines/

QA Focal Point

Requirement for the PR to identify a Quality Assurance Focal Point to support the PR in ensuring that Global Fund Quality Assurance requirements are implemented

- Not a new requirement. The concept is coming from the Guidance on In-country monitoring of pharmaceutical products in Global Fund supported programs January 2014 which states in section 14. *It is recommended that the person appointed by the PR to coordinate quality monitoring activities*…
- But put forward in the PSM guide.

Note: QA Induction/refresher training can be organized by Global Fund QA Team for PR QA contact people

Recalling Changes in previous edition (just in case…)

- Recipients should ensure that the relevant **norms and standards** which are necessary for the adequate implementation of the MQAS are established and implemented
  - Because MQAS provides detailed guidance on the system to be put in place but let some flexibility to the products norms and standards to apply
  - We request PR to have better visibility on the standards applied by procurement agent
  - For now we don't specify the standards as such

- Recipients shall monitor, or shall take measures to ensure adequate **monitoring of the quality of condoms** throughout the supply chain

- New definitions:
  - **Antiretroviral (ARVs)**
  - **Anti-malarial pharmaceutical products**
  - **Anti-Tuberculosis pharmaceutical products**

Way forward (as suggested by GF QA team)

PR Responsibilities:

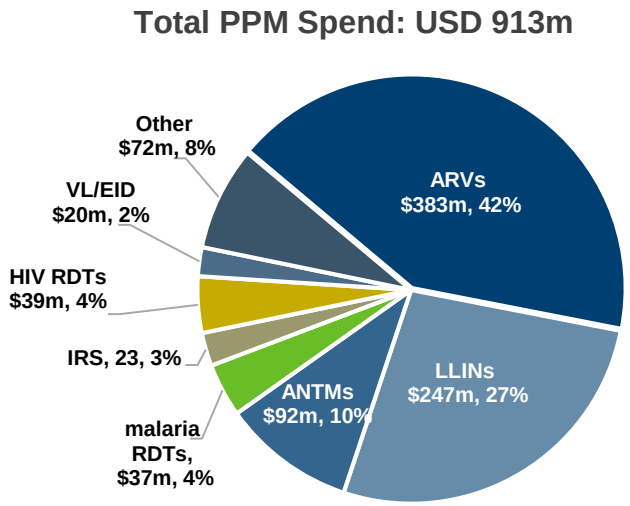
- Designate a QA focal point and forward details to CT/HPM
- Review the changes of QA requirements and seek if they are relevant to your activities
- Define the activities which are needed to satisfy the new requirements
- Set a plan describing main activities, responsible person and deadline for completion
- Implement the plan and make it available to CT/HPM upon request
- Forward to CT/HPM if support is need from QA perspective

IV. Pooled Procurement Mechanism (PPM)

The Global Fund's Pooled Procurement Mechanism (PPM)

- Established in 2009 (as Voluntary Pool Procurement, VPP), 60 countries with over 150 grants
- Enables the Global Fund Secretariat to aggregate order volumes from participating PRs to leverage market spend
- US$ 1 billion spend annually (85% on core products)
- Aims to:
  - Secure quality assured products
  - Obtain better value-for-money through best pricing and delivery conditions
  - Reduce lead times for critical health products by engaging with manufacturers using framework contracts
  - Contribute to sustainable markets for core life-saving health products

PPM Spend (only product costs, USD m) and Countries



Acronyms:

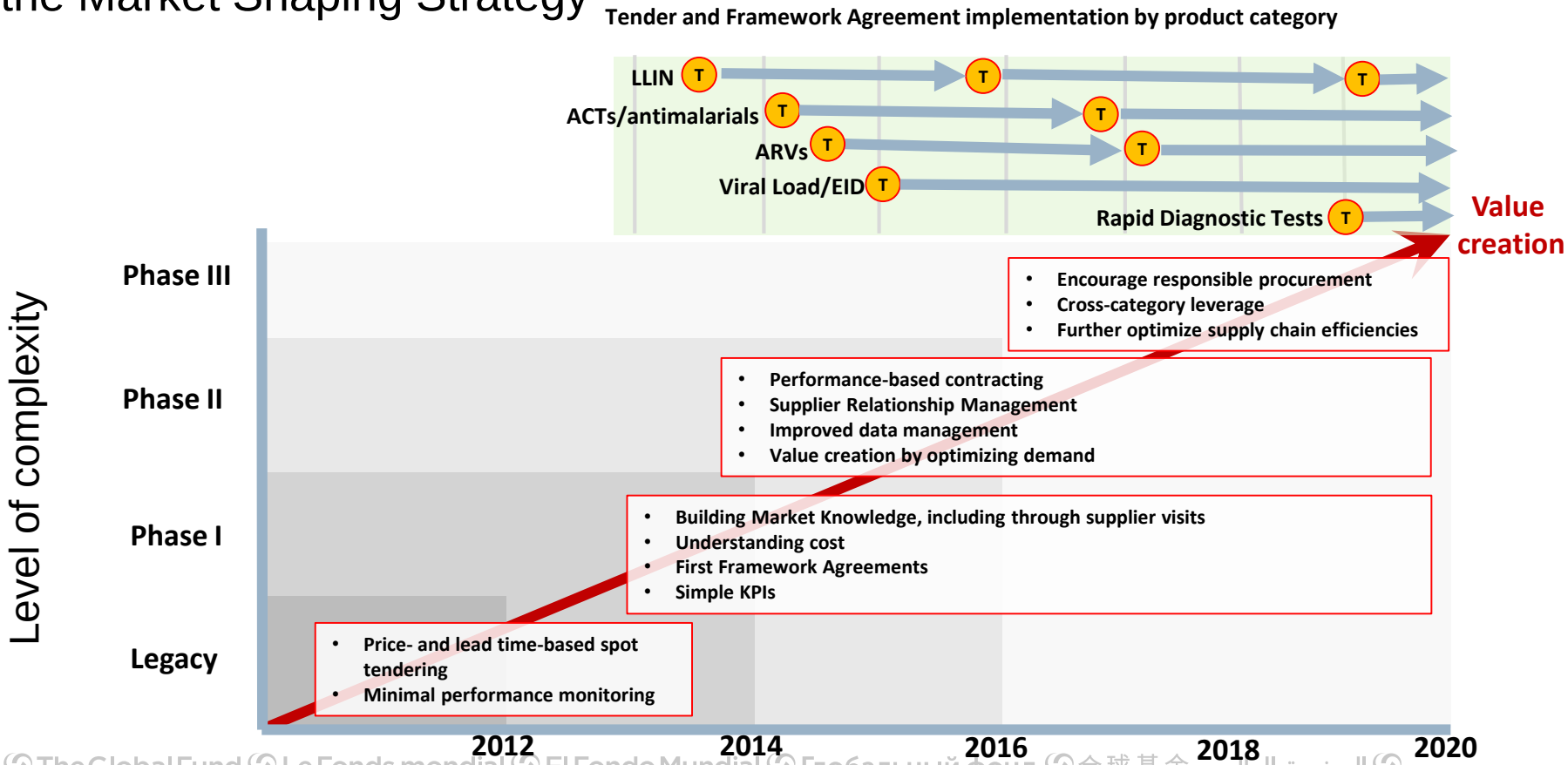
ARVs:	*Antiretroviral medicines*	*RDTs:*	*Rapid Diagnostic Tests*
ANTMs:	*Antimalarial medicines*	*VL/EID:*	*Viral Load/Early infant diagnosis*
IRS:	*Indoor Residual Spraying*	*Other:*	*General lab equipment & supplies, essential medicines, condoms, and other diagnostics*
LLINs:	*Long-Lasting Insecticidal Nets*		

High Impact	Asia - Europe – Lat. America - Caribbean	Africa and Middle East
High Impact Africa 1	E. Europe and Central Asia	Central Africa
• Burkina Faso	• Armenia	• Benin
• Congo (Dem. Republic)	• Belarus	• Cabo Verde
• Côte d'Ivoire	• Georgia	• Cameroon
• Ghana	• Ukraine	• Central African Republic
• Mali	• Uzbekistan	• Chad
• Nigeria	Latin America and Caribbean	• Congo
High Impact Africa 2	• Dominican Republic	• Togo
• Ethiopia	• El Salvador	Middle East and North Africa
• Mozambique	• Guatemala	• Eritrea
• Tanzania (United Republic)	• Guyana	• Mauritania
• Uganda	• Haiti	Southern Africa
• Zambia	• Honduras	• Angola
• Zanzibar	• Jamaica	• Comoros
• Zimbabwe	• Nicaragua	• Eswatini
High Impact Asia	South East Asia	• Lesotho
• Bangladesh	• Bhutan	• Madagascar
• Indonesia	• Lao (PDR)	• Malawi
• Myanmar	• Mongolia	• Namibia
• Pakistan	• Nepal	Western Africa
• Philippines	• Papua New Guinea	• Gambia
• Thailand	• Solomon Islands	• Guinea
• Viet Nam	• Sri Lanka	• Liberia
	• Timor-Leste	• Niger
		• Senegal
		• Sierra Leone

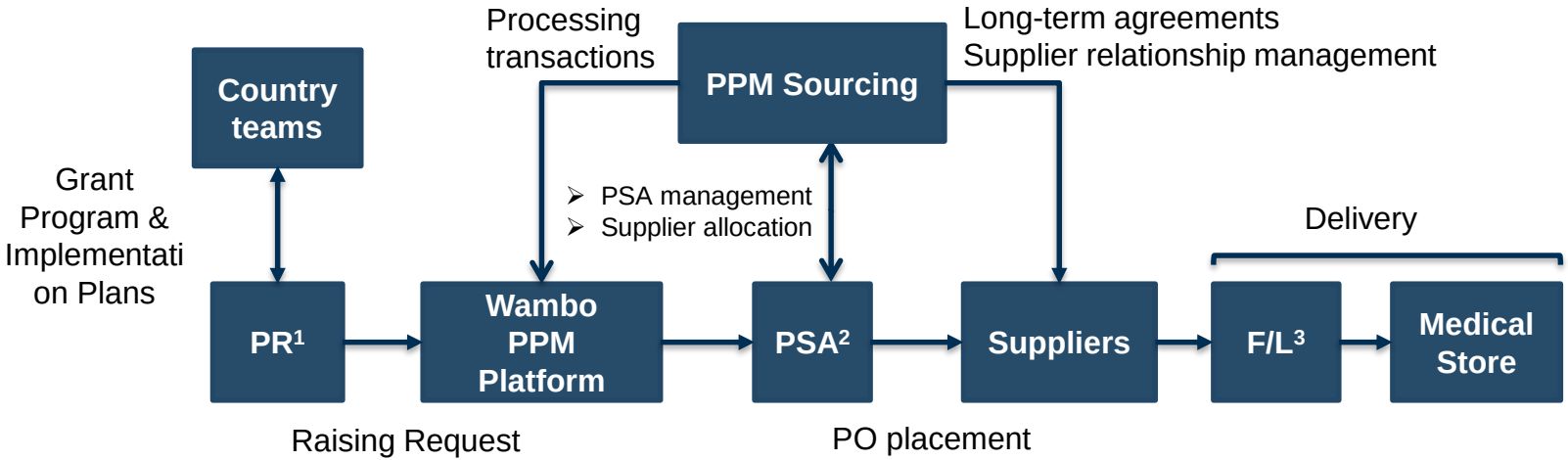
⇨ “Core products” represent +/- 85% of procurement value

⇨ PPM spend is approximately 55% of the total Global Fund health product spend

Implementation of PPM has evolved over time to better deliver on the Market Shaping Strategy

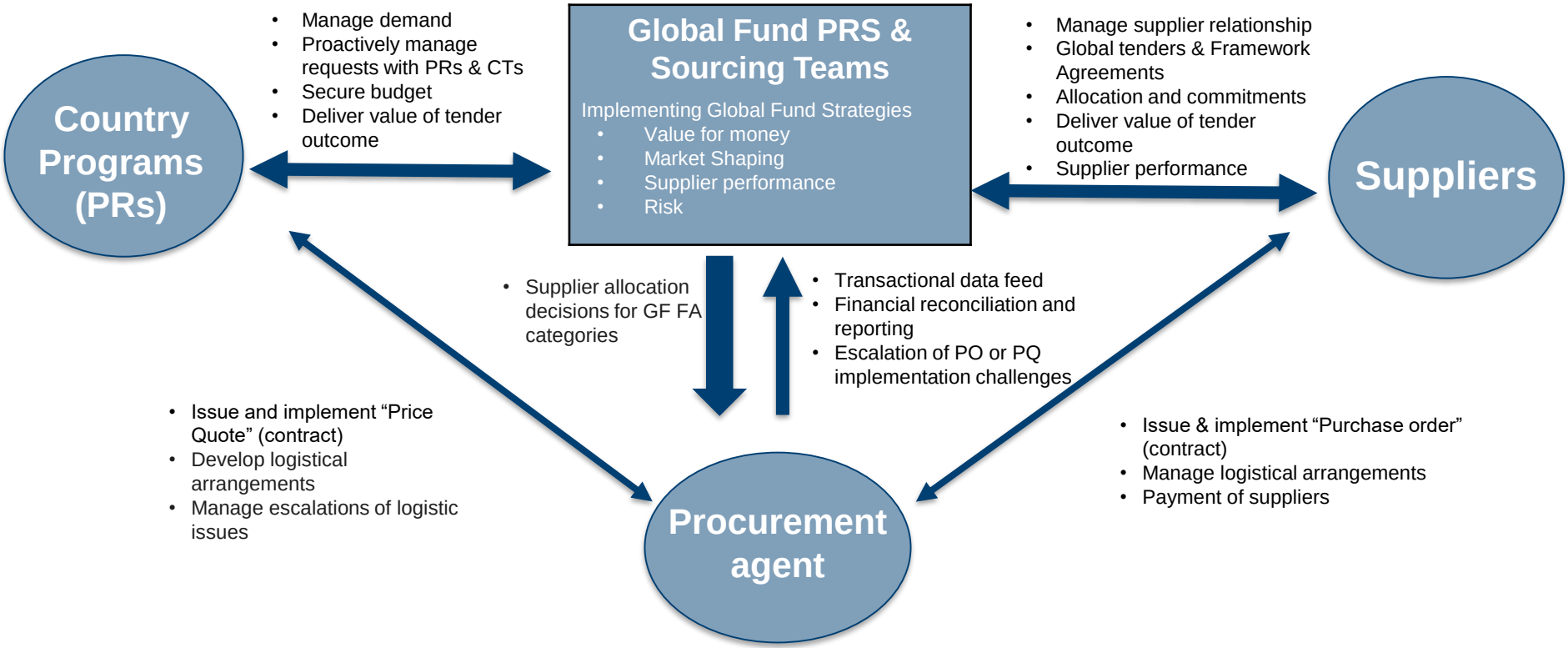


Pooled Procurement Mechanism (PPM) Process Flow



1. Principal Recipients
2. Procurment Services Agent
3. Freight Logistics

Relationships



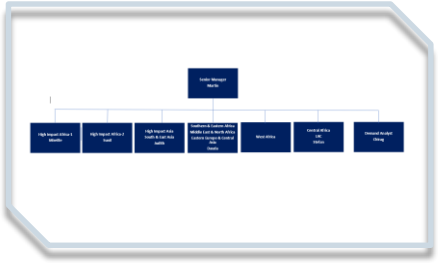
Good practices and opportunities

- Adoption of product innovation and avoidance of waste
  - Cartonless ARVs
  - LLINs packed in bulk
  - Rifapentine
  - ACTs: high-strength tablets…
  - Etc.
- Clear segregation of PPM costs from in-country costs in detailed budget, to allow easier determination of savings
- Earlier ordering to allow for more consolidation of shipments and sea delivery
- Staggering of deliveries to reduce in-country logistics costs and expiry risks

Resources on the Pooled Procurement Mechanism

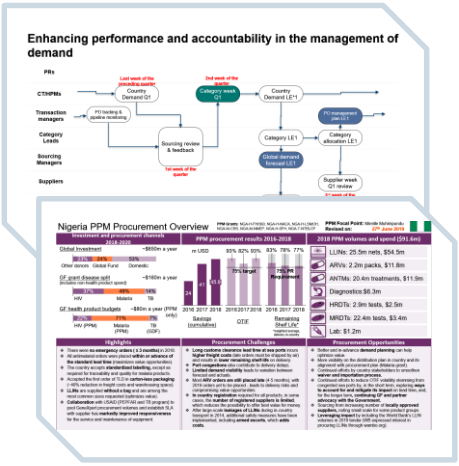
- Operational Policy Note and Operational Procedures on PPM
  - See Operational Policy Manual (https://www.theglobalfund.org/media/3266/core_operationalpolicy_manual_en.pdf)
- Reference prices/costs:
  - ARVs (https://www.theglobalfund.org/media/5813/ppm_arvreferencepricing_table_en.pdf)
  - HIV RDTs (https://www.theglobalfund.org/media/7564/psm_hivrdtreferencepricing_table_en.pdf)
  - HIV Viral Load and EID (www.theglobalfund.org/en/sourcing-management/health-products/viral-load-early-infant-diagnosis/)
  - Antimalarial medicines (www.theglobalfund.org/media/5812/ppm_actreferencepricing_table_en.pdf)
  - LLINs (https://www.theglobalfund.org/media/5861/psm_llinreferenceprices_table_en.pdf)
  - Malaria RDTs (https://www.theglobalfund.org/media/7565/psm_malariardtreferencepricing_table_en.pdf)
  - PSA fees (https://www.theglobalfund.org/media/8668/ppm_procurementservicesagentfees_list_en.pdf)
  - Indicative other PSM reference costs (https://www.theglobalfund.org/media/8985/ppm_freightinsurancequalityreferencecosts_list_en.pdf)
- Lead time planning tool
  - (https://www.theglobalfund.org/media/4754/psm_categoryproductlevelprocurementdeliveryplanning_guide_en.pdf)
- Procurement Service Agents and their allocated product categories
  - (https://www.theglobalfund.org/media/8460/ppm_procurementserviceagentsprovisionalallocatedactivities_list_en.pdf)
- Online tools (see demos)
- Quarterly Grant Account Statements per PSA

End-to-end Principal Recipient (PR) Services – Team objectives



Maximizing the delivery of value at the grant and global level

- **Shaping specifications** and **pooling demand** to underwrite the sourcing strategies, global tenders and Framework Agreement implementation
- **Maximizing performance** by realizing all the value opportunities for each **grant** and **delivering global market shaping strategy outcomes** through proactively managing demand and ensuring efficient and compliant management of transactions
- **Reducing end-to-end lead times** to improve **responsiveness** and supply chain and financial **efficiency**
- **Leveraging further impact with other buyers** (including domestic resources) through **aligning specifications** and **demand**; and **improving sourcing capability**



Enhancing Secretariat and PR performance and accountability

- **Strengthen relationships** through full **alignment** to Grant Management Division regional organization and **engagement** in grant management processes
- **Introducing rigor into demand-side management** similar to that achieved for managing supply-side/ manufacturer performance
- Demand process sequencing aligned with **grant management** needs; **large buyer** demand processes; and Strategic Sourcing **contracting and negotiating needs**
- **PR and Secretariat supply/demand performance dashboard and engagement** to enable resolution of challenges and operationalizing opportunities at the grant and Global Fund portfolio level
- **Improved** health product **budget management** to **optimize efficiency and rational utilization of funds** throughout the various stages of the grant cycle from grant making through to grant closing

V. Demos

- wambo.org: the tool through which PPM orders – and beyond – are managed
- PSA tracking platforms (PFSCM, IDA Foundation, i+ Solutions)

PSA tracking tools

- PFSCM MyOrders: Register/access through https://myorders.pfscm.org
- IDA MyOrders: Register/access through https://myorders.idafoundation.org
- i+solutions – i+ Track: Register/access through https://trackandtrace.iplussolutions.org

VI. Supply Chain

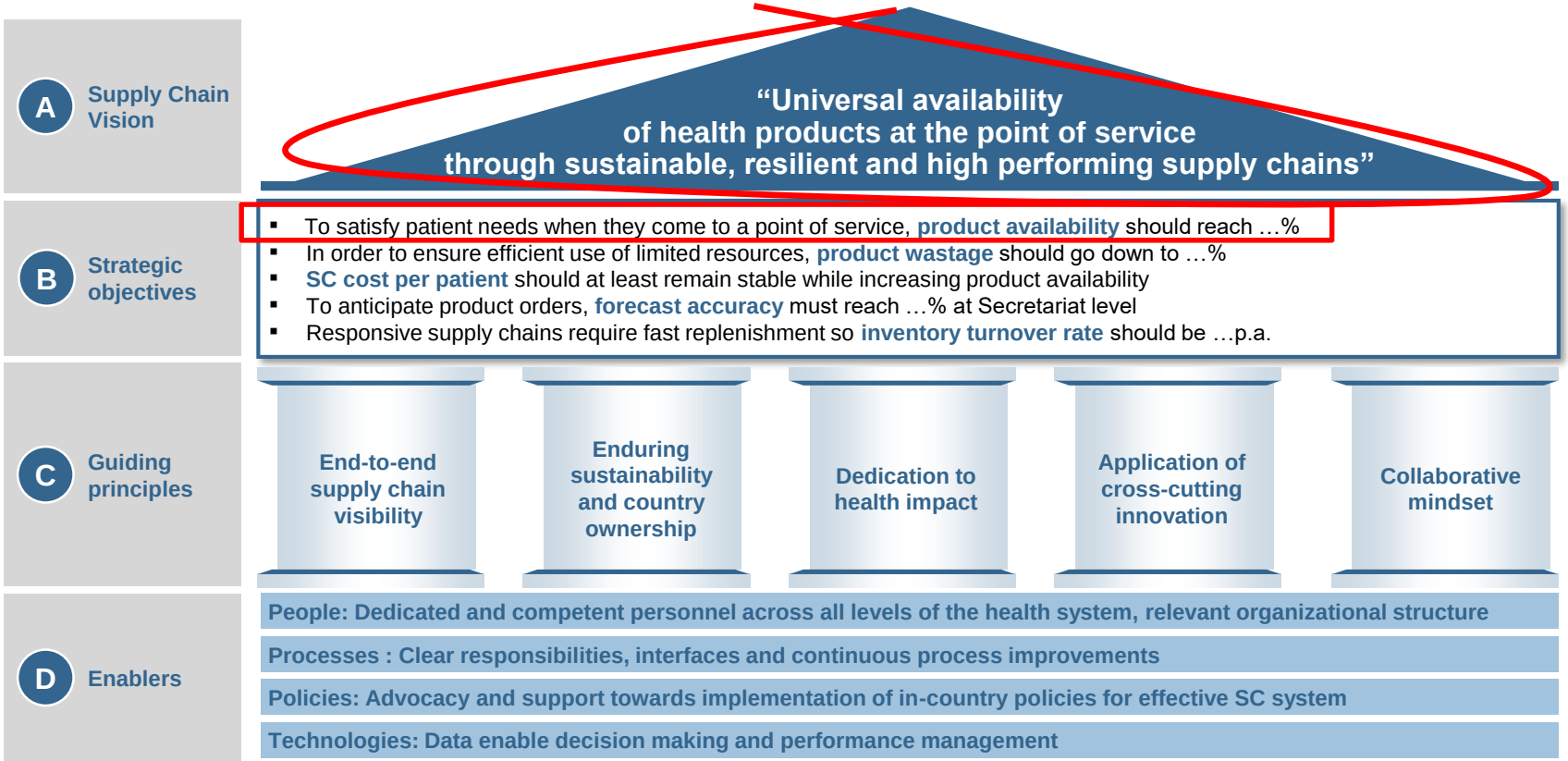
- OSA data collection

LFA training

OSA data collection

The Global Fund

Global Fund Supply Chain Vision



Source: TGF Supply Chain Implementation Plan Team

Reminder: Focus more on Few countries (16)

Key Countries (6)

- Ethiopia
- DR Congo
- Nigeria
- Bangladesh
- Ghana
- Ivory Coast

Benefits

- Dedicated in-country resource (contractor)
- +++ SC Specialist time
- SI Funding priority
- SI Capacity & Innovation priority
- Joint SSC & GMD targets
- Monthly Review ME & PF

Support Countries (10)

- Burkina Faso
- Tanzania
- Malawi
- Uganda
- South Africa
- Pakistan
- India (4 states)
- Haiti
- Liberia
- Niger

Benefits

- SC Specialist time (current)
- SI Funding available
- SI Capacity & Innovation
- Quarterly Review ME & PF
- Joint SSC & GMD targets

Other Countries

- All other GF recipients

Benefits

- Support with:
  - Standardised Logistics contracts
  - Support with SC KPI setting and data collection
- Political / replenishment activities

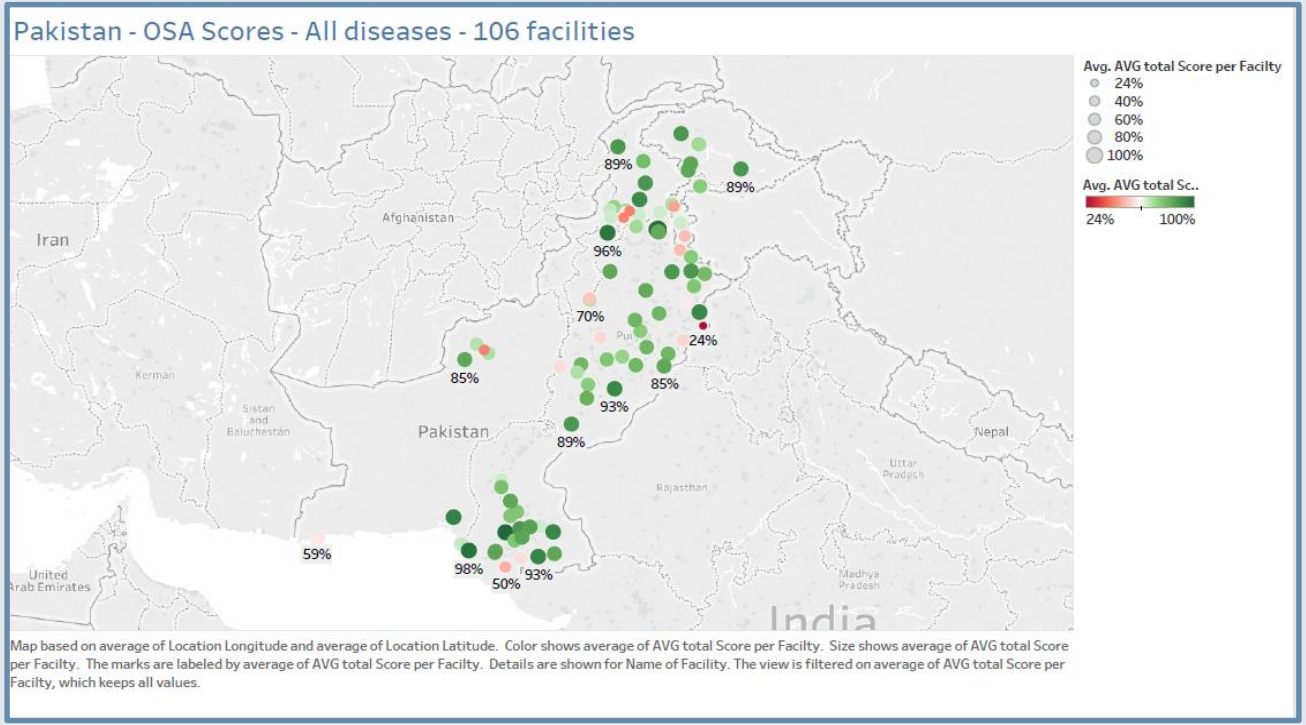
Reminder: GMD & SC 2019 Target setting – 4 objectives

Key dates: Targets submitted online 15th of March, line managers sign off 31st March

Objective 1	KPI6B: Measure On shelf Availability Quarterly	*Quarterly collection based on:* ❑ *Quarterly USAID/Chemonics reports, if not available* ❑ *Country LMIS data, if not available* ❑ *LFA/Vendor spot checks in statistically relevant # HF's*
Objective 2	KPI6B: Improve On Shelf Availability (15% reduction of out of stocks or % based on workplan)	*Example: if OSA is 82%, the total loss is 18points, 15% of these 18 points is 2.7point improvement, which results in a target of 84.7%* *(If performance is +90%, maintain performance)*
Objective 3	Measure Inventory Turns at CMS level	*(LFA) Collect inventory turn data from the Central Medical Stores to get visibility of inventory velocity and associated risks of over or understocking*
Objective 4	Invest in results	*Investments in RSSH presented on improving On Shelf Availability and/or Waste reduction and/or cost optimisation* and/or data creation

All targets underpinned by a joint workplan with Roles & Responsibilities

Public Health: We start to see where & what products are problematic



On Shelf Availability (KPI6B) update: Access to Health Products are trending upwards, but improvements are still necessary to avoid treatment / diagnostics disruption

Dashboard and trends

Key achievements in 2019

	HIV				Malaria				TB			
Country	HIV diagnostic Capacity YTD AVG	YTD TGT	HIV First Line Drugs YTD AVG	YTD TGT	Malaria diagnostic Capacity YTD AVG	YTD TGT	Malaria First Line Drugs YTD AVG	YTD TGT	TB diagnostic capacity YTD AVG	YTD TGT	TB First Line Drugs YTD AVG	YTD TGT
Niger	97	93.0	87	86.4	92	93.0	75	81.3	98	95.0	99	99.0
Liberia	81	83.9	58	64.3	85	89.0	67	71.1	63	68.6	81	83.9
Malawi	98	98.0	98	98.0	99	100.0	96	99.0	96	71.1	91	86.4
Bangladesh									95	99.0	84	85.5
Pakistan	100	88.1	98	100.0					98	98.0	100	100.0
Haiti	92	92.0	88	89.8	88	89.8	52	59.2	96	96.0	90	90.0
India	100	100.0	97	86.4					95	88.1	98	77.7
Congo DRC	74	62.6	83	77.9	83	89.0	80	86.4	31	33.7	52	60.1
Côte d'Ivoire	97	99.0	100	99.0	85	63.0	91	76.7	78	67.7	93	89.0
Ghana	97	92.0	97	89.8	99	79.6	78	54.1	83	79.6	88	68.6
Uganda	89	88.1	78	81.3	95	95.0	95	96.0	69	59.2	86	67.7
Burkina Faso	97	95.0	91	89.0	96	90.7	82	85.6	84	75.4	91	87.3
Ethiopia	87	91.0	99	97.0	94	90.7	89	88.1	89	94.0	96	98.0
Tanzania	100	91.0	92	96.0	99	96.0	93	95.0	80	68.6	96	96.0
South Africa			99	99.0							74	75.4
Nigeria	88	90.7	87	96.0	92	67.7	56	82.2	87	72.0	96	89.0
	Average results	Average target	**Average results**	Average target	**Average results**	Average target	**Average results**	Average target	**Average results**	Average target	**Average results**	Average target
	92.5	90.3	**90.0**	90.0	**92.1**	86.9	**79.4**	81.2	**82.7**	77.7	**88.4**	84.6

May	Mark E. & Philippe F. Townhall
June	Baseline communicated + Target
Sept	LFA data collection contract sign-off

Based on Q3 reported country / product category figures we are tracking on / above target on 5 out of the 6 OSA KPIs.

Triangulate data to develop a loss tree – Data collected

Data Required

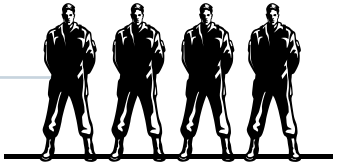
- *Quarterly USAID/Chemonics reports, if not available*
- *Country LMIS data, if not available*
- *LFA/Vendor spot checks in statistically relevant # HF's*

OSA Score

Outlets Order and Shipment qty

Weekly Closing Stock central medical store

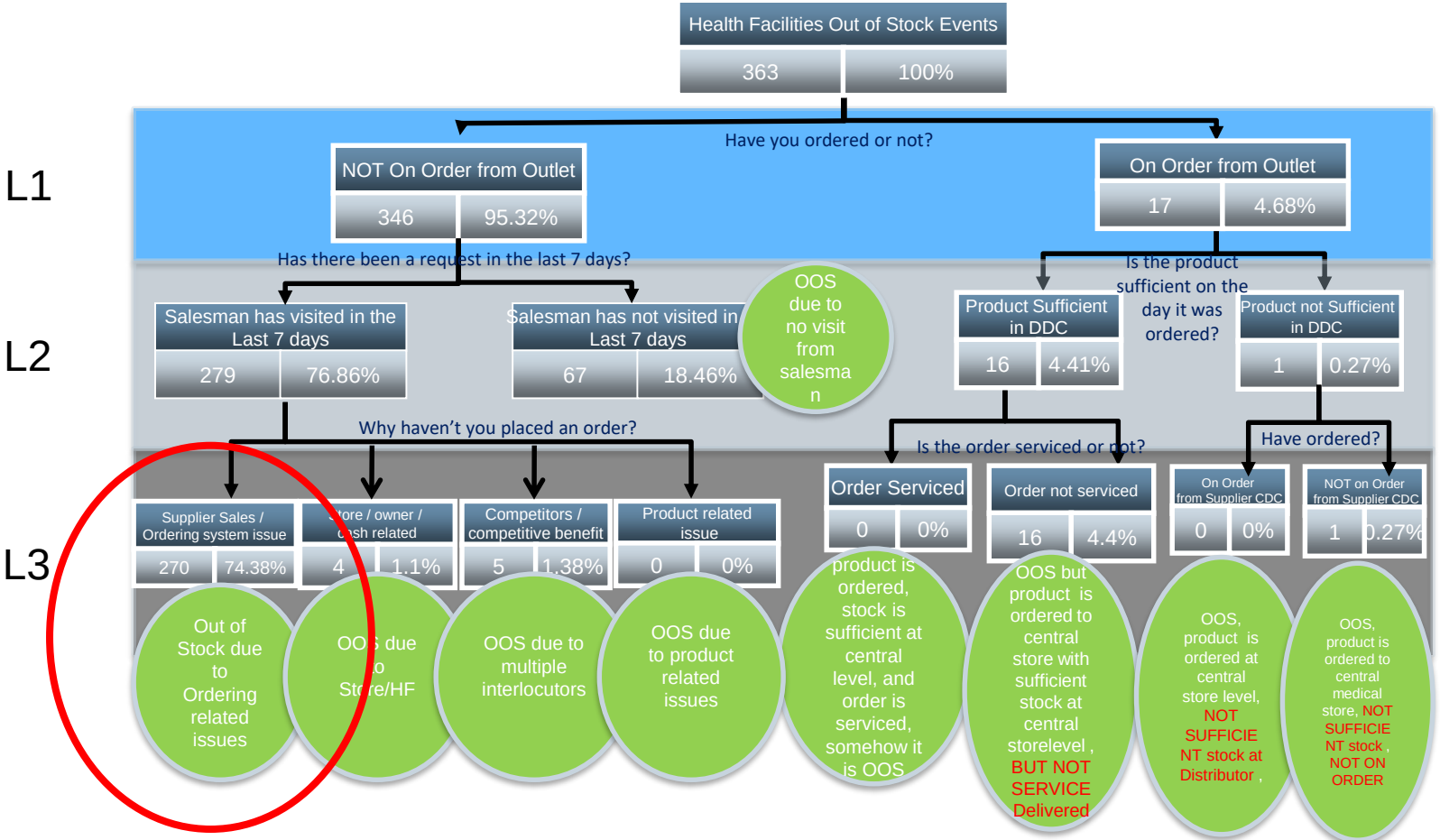
Order from Distributor to central medical store



OSA Auditor

Operator

Loss tree assessment - what are the roots causes?



VII. Discussion, Q&A

THANK YOU

Backup slides

III. Pooled Procurement Mechanism (PPM)

- Innovative packaging for ARVs

Overall benefits of shrink and multi-month packaging

Clinical

- Less clinical visits to pick up medication
- Reduced financial costs of travelling to the clinic
- Higher retention in care for stable patients
- Indirect cost savings i.e. medical personnel would be able to attend to other patients

Environmental

- Minimize the use of materials and resources throughout the product lifecycle
- Green packaging
- Reducing paper consumption

Economic

- Savings in terms of transportation costs including freight cost, inland transportation, handling and clearance charges etc. - Number of packs per 40 ft container can be increased up to 42% i.e. for every 3 containers you can save 1 container in transportation
- Savings in terms of space in the warehouse
- In transit damage can be minimized as no mono carton is used
- Easy to handle shrink packaging