PPM Escalation Framework for Delayed Orders

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The lasting impact of COVID-19, the variability of extreme weather events occurring with increased frequency and severity, geopolitical and economic volatility all make the supply chain vulnerable to disruption. This has a direct impact on production and freight transportation resulting in delayed orders. This guidance is intended to facilitate discussion and decision-making to minimize the impact of delayed orders.

How can I tell if my order is delayed?

Principal Recipients should use available track-and-trace tools to monitor the progress of specific orders:

- I+ Solutions
- IDA Foundation
- Partnership for Supply Chain Management
- wambo.org

When should I escalate my delayed order?

Principal Recipients should escalate delivery delays concern only if:

- ✓ The delay is more than four weeks after the estimated delivery date.
- ✓ The delay has significant programmatic impact for lifesaving products or key interventions.
- ✓ The delay impacts Global Fund agreed product or service-level thresholds.
- ✓ You were informed of verified incidents concerning the order.

What can be done to better ensure timely delivery of orders?

- **Place clear orders on time** using the wambo catalogue and in-line with the prevailing Category and Product-level Procurement and Delivery Planning Guide – Health and non-health products. Timely order placement is critical to optimizing product and freight availability as well as mitigating or minimizing the programmatic impact of potential delays in order fulfillment.

- **Maintain transparent and proactive communication** around current and anticipated delays. Delays may be experienced at global and local levels, including the manufacturer, international shipping, and regional or in-country logistics.

- **Reflect, then take calculated, evidence and risk-based decisions**. In some instances, these may seem counter intuitive. For example, ocean freight may be more reliable than air freight and may enable timely delivery despite longer lead times. Other modes of transport may be considered based on the varying context.

- **Recall roles and responsibilities** and identify who is responsible and accountable for success and failure for each step. Procurement Service Agents (PSAs), their sub-contractors and Principal Recipients are signatories to the procurement transactional contract.

- **Facilitate real-time collaboration** by channeling concerns, triaging issues, and enabling swift decision-making.

- **Manage current and planned deliveries and optimize production and logistics** by prioritizing actions and exploring all resolution and contingency options.

- **Stay ahead of future demand** to get back on track and mitigate continued disruptions.

What are the steps to escalate delayed orders?

Principal Recipients and/or PSAs are encouraged to gather relevant information to facilitate discussion and inform rapid decision-making as outlined in the figure below. The first point of escalation for delayed orders is the Global Fund's Supply Operations PPM Procurement Transaction Management (PtM) Focal Point.

Step 1: Confirm the order meets escalation criteria

Step 2: Gather relevant information to facilitate discussions and agile decision-making

Principal Recipients

The Global Fund

Evaluate freight options and associated costs	**Evaluate programmatic risk of stock-out**	**Exchange knowledge with stakeholders**
Enable agile decision-making to: ❑ Rapidly agree to compliant decision-making mechanism with Global Fund Finance and Grant Management to avoid missing logistics opportunities	Establish standard metrics to: ❑ Estimate months-of-stock available in country ❑ Identify other planned supply / deliveries, especially with USAID and other key in-country partners ❑ Identify bottlenecks and work with PSA to explore mitigation options	Leverage Supply Operations to: ❑ Build on cross-PSA learnings; explore cross-PSA consolidation in challenging origin/destinations ❑ Utilize Supply Chain team expertise to support managing unforeseen or actual challenges ❑ Map relevant experience and country coverage for support

Step 3: Escalate to the Global Fund Procurement Transaction Management (PtM) Team