

Supply Chain Roadmap





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List of Abbreviations

3PL	Third Party Logistics	NFM	New Funding Model
4PL	Fourth Party Logistics	NGO	Non-Governmental Organization
Bn	Billion	OIG	Office of the Inspector General
CCM	Country Coordination Mechanism	PDCA	Plan Do Check Act
CMS	Central Medical Store	PSE	Private Sector Engagement
CRG	Community, Rights & Gender	PSM	Procurement and Supply Chain Management
CT	Country Team	RACI	Responsible Accountable Consulted Informed
DRC	Democratic Republic of the Congo	ROI	Return on Investment
ERP	Enterprise Resource Planning	RSSH	Resilient and Sustainable Systems for Health
GHSC	Global Health Supply Chain	SC	Supply chain
GMD	Grant Management Division	SCR-CCP	Supply Chain Roadmap Co-Creation Process
GS1	Global Standards 1	SCR	Supply Chain Roadmap
HHL	Health & Humanitarian Logistics	SDG	Sustainable Development Goal
HIV	Human Immunodeficiency Virus	SO	Supply Operations
HPM	Health Product Management	SOP	Standard Operating Procedure
HR	Human Resources	STEP	Strategic Training for Executives Programme
KPI	Key Performance Indicator	TA	Technical Assistance
HSS	Health System Strengthening	TAP	Technical Advice & Partnerships
LMIS	Logistics Management and Information System	UHC	Universal Health Coverage
M	Million	USD	United States Dollar
MIS	Management and Information System		

1. Executive Summary

Robust health systems are not only essential to ending HIV, TB and malaria as epidemics. They yield broader health outcomes, delivering health services in a sustainable, equitable and effective way. Resilient and sustainable systems for health (RSSH) are necessary for accelerating progress toward universal health coverage (UHC), and they help countries fight new pandemics such as COVID-19 and prepare for emerging threats to global health security. Efficient procurement and supply chain management (PSM) systems serve as a backbone and catalyst in the effective delivery of health programs, in addition to contributing to the attainment of UHC.

The performance and maturity of in-country supply chains requires strengthening, despite the numerous investments and progress milestones that have been met in this critical pillar and notwithstanding the remarkable efforts implementing countries have made to improve them. Some of the main challenges include:

- Data reliability and information systems that require further strengthening;
- A need to further intensify effective governance and coordination structures;
- Storage and distribution arrangements that could improve efficiency, in addition to more consistently applying inventory management practices;
- A supply chain workforce that requires further training to gain skills that will allow them to be more effective; and
- Supply chain management systems require significant investments to deal with an ever-increasing throughput of health products.

In August 2020, the Global Fund launched the creation of a Supply Chain Roadmap (SCR) to *“strengthen and accelerate the development of efficient, agile, people-centric and sustainable national health system supply chains to ensure equitable access to quality assured and affordable health products.”*

The SCR provides an enhanced supply chain vision for the Global Fund partnership, which will be driven by five strategic objectives and a focused set of thematic roles to be played by everyone involved. The SCR also defines a comprehensive operating model to support the vision by articulating a more expansive, responsive, and effective approach to meeting the needs of all stakeholders.

2. The Current Context

Sustainable Development Goal (SDG) 3 on "Good Health and Well-being", one of the 17 SDGs, aspires to ensure health and well-being for all, including a bold commitment to end the epidemics of HIV, tuberculosis, malaria, and other communicable diseases by 2030. It also aims to achieve UHC and provide access to safe and effective medicines and vaccines for all. Expanding access to affordable medicines is an essential element to ensuring that this SDG is achieved. The Global Fund is playing a major role in the fight against HIV, tuberculosis and malaria by mobilizing and deploying resources through targeted programs to ensure healthy lives and promote well-being for all.

Building RSSH is a core part of the Global Fund's strategy. Strong health systems that integrate robust community-led approaches are required to end HIV, tuberculosis and malaria as epidemics, and emerging pandemics such as COVID-19. Investments in health systems ensure the effective implementation of programs, while also addressing system-wide constraints that affect the fight against the three diseases.

Within those broader system investments, efficient Procurement and Supply Chain Management (PSM) systems serve as critical enablers in the delivery of health programs, in addition to contributing to achieving UHC.

For **HIV**, efficient supply chains will contribute to achieving the 95-95-95 target¹ by enabling greater access to testing beyond traditional dedicated private diagnostic centers. Alternative distribution channels and differentiated service delivery approaches that integrate private pharmacies into pre-existing networks of public facilities will also ease and increase access to life-saving anti-retroviral treatment services for patients with a stable viral load. Efficient supply chains are critical as well in finding "missing cases" for Tuberculosis by enabling improved allocation of diagnostic equipment through optimized supply chain design, thus allowing **Tuberculosis** programs to better achieve their targets. Finally, exploring innovative ways to distribute bed nets through output-based financing will be instrumental in supporting **Malaria** elimination programs.

The Global Fund currently procures over \$2 billion worth of health products on an annual basis to support over 100 countries. In addition, the Global Fund also invests ~\$400M in PSM costs annually, such as freight and insurance, warehouse and storage, in-country distribution, quality assurance and quality control, among others, to deliver medicines and health products from manufacturers to beneficiaries². Successfully delivering those products from countries' central warehouses to their intended beneficiaries is critical to fight the three diseases.

¹) 95% of people living with HIV knowing their HIV status, 95% of people who know their status on treatment and 95% of people on treatment with suppressed viral loads

²) 2017-2019 allocation period (Global Fund data explorer)

Distributing those products to their intended beneficiaries, on time, to the right place, in the right condition and quantity, and at the best value for money is incredibly challenging as countries face a myriad of complex and widely divergent supply chain bottlenecks, often spurred by acute under-investments in supply chains.

In parallel, on-going macro trends are continuously shaping and changing the global health landscape. Anticipating their impact and harnessing the opportunities they offer is critical to successfully supporting countries' efforts to build more resilient health systems. Globally, an increasing amount of data is also being generated and amassed which opens new possibilities for innovations around supply chain visibility and analytics to improve operational decision-making.

Technology penetration and connectivity are also constantly increasing. Coupled with a burgeoning private sector, they enable a natural evolution towards patient-centric supply chains where the primary focus is on designing systems that best fit and meet patients' needs. The increasing private sector maturity also provides new opportunities to strengthen in-country supply chains and enhance their agility, through public-private partnerships or as a source of best practices. More importantly, pandemics such as COVID-19 – which are stressing health systems and specifically supply chains – will force countries to constantly adapt towards more resilient models that promote country stewardship to effectively respond to the challenges the pandemic has raised.



3.

The Case for Change

In 2016, the Global Fund strengthened its capacity at the Secretariat level with a new Supply Chain Department that supported the strengthening of in-country supply chain systems. Lessons learnt from the Office of the Inspector General (OIG) also noted that many in-country supply chain management systems remained weak and required significant investments to deal with the increasing throughput of health products.

Since then, notable progress has been made at the global level and in multiple countries to drive desired change. In 2019, the Global Fund and other funding agencies, including the Bill and Melinda Gates Foundation (BMGF), the Foreign, Commonwealth & Development Office (FCDO), Gavi, the Vaccine Alliance, the President's Emergency Plan for AIDS Relief (PEPFAR), the President's Malaria Initiative (PMI) and United States Agency for International Development (USAID), developed a collaborative approach to supply chain strengthening. The cross-partner collaboration included an alignment around the following thematic areas which have helped shape donor supply chain investments:

- **Governance:** Providing critical capacity building tools and approaches to facilitate the establishment of governance frameworks and avenues to consistently monitor supply chain performance and drive increased accountability.
- **Planning Innovation:** Building and strengthening foundations for well-integrated, interoperable data systems to ensure end-to-end visibility of in-country supply chain operations to support demand and supply planning while catalyzing more robust performance monitoring.
- **Segmentation:** Supporting the implementation of people-centric – i.e., demand driven – supply chains that provide alternate channels for distribution through supply chain segmentation to increase access to and availability of high-quality health commodities at various points of service.

- **Private Sector Engagement:** Improving supply chain operational efficiency through increased private sector engagement to support access to industry best practices and further allow central medical stores to focus on core competencies.

Despite those milestones, efforts and investments from countries, the Global Fund, and its partners, the performance and maturity of in-country supply chains requires further strengthening, as several issues faced by countries continue to persist. In particular, the increases in product throughput levels have not always been accompanied by commensurate systems strengthening.

Macro trends shaping the global health environment have also created substantial opportunities for in-country supply chain strengthening. In particular, the growing penetration of technology and corresponding data generation enables faster supply chain digitalization and enhanced data analytics. The emergence of a growing private sector in multiple countries also opens new realms of possibilities to develop alternative channels to improve access to and delivery of health products.

The SCR aims to address systemic in-country supply chain challenges more effectively, act on lessons learnt from the past five years, and seize the opportunities offered by on-going changes in the global health environment. To capitalize on the Global Fund's partnership approach, an extensive co-creation process was launched to develop and co-construct a supply chain vision for the Global Fund partnership, while reaffirming its long-term ambition to support countries in their efforts to strengthen their supply chains.

Figure 1.

Key stakeholders involved in the SCR-CCP



4. Supply Chain Strategy

4.1

Vision and Theory of Change

The SCR defined **six critical themes** to shape the supply chain vision. These themes form the backbone of the overall vision and highlight key areas of focus that the Global Fund partnership seeks to embrace as it moves forward in the journey to support in-country supply chain strengthening.

Attention will be focused on **supply chain health systems strengthening**, which includes not just an emphasis on supply chains supporting the fight against HIV, TB and Malaria, but also broader national health systems to ensure that the impact of more effective supply chains is felt in the wider health ecosystem. Simultaneously, the Global Fund will also contribute to principles of national ownership, stewardship of investments, and the development of transition or exit strategies for countries from donor funding. The Global Fund's approach to health system strengthening (HSS) consists of investing in activities to support health systems to overcome constraints to the achievement of improved disease outcomes. The supply chain is both a key building block and a critical enabler for health system strengthening overall. Through a holistic, HSS approach, countries will be better empowered to provide the required services for the people they serve.

The COVID-19 pandemic has put enormous pressure on health systems worldwide. It has both highlighted the limitations and fortitude of global and in-country supply chains, to quickly respond to emerging global health security issues. It will be critical that Global Fund partnership's efforts focus on supporting countries in developing and maturing **agile and resilient supply chains** to manage similar challenges in the future. To effectively respond to today's programmatic priorities, while robustly preparing for tomorrow's challenges, supply chains will need to be more agile in terms of how they adapt to changing programmatic needs, as well as how they manage emergencies.

While commercial supply chains have rapidly evolved to quickly respond to changing consumer demands by adopting strategies such as omnichannel distribution, public health supply chain designs have however remained relatively static over the past decade. In doing so, opportunities have likely been missed in ensuring they are more agile in their ability to get health products to patients. To harness the opportunity that digitization provides and a maturing private sector, countries could focus on developing more people-centric designs that would ensure **equitable access and availability** of health products to support programmatic priorities from a wide range of sources. Reaching patients where they need it and when they need it is a foundational priority in the fight against HIV, tuberculosis and malaria and other epidemics. To do so, multiple levers – including public private partnerships – will need to be leveraged to augment or strengthen country capacities and supply chain maturity levels to enable the development of omnichannel approaches to safeguard equitable access to life-saving medicines and related commodities.

Building on the theme of equity and access, the development of **people-centric** national health system supply chains will be of utmost importance, as they provide the right level of response to beneficiary needs and make a difference in terms of health outcomes. People-centric supply chains primarily driven by patient's needs enable effective and efficient reach beyond typical service delivery points, thus guaranteeing access to health products at peripheral points of use.

Guaranteeing the safety, efficacy, and quality of health products during storage or distribution is both critical and complementary to the aforementioned themes. **Quality assured** health products distributed through national supply chains are a fundamental priority of Ministries of Health, regulatory bodies and central medical stores given the recent rise in the proliferation of sub-standard or falsified health products in various geographies. Close interdependencies between quality assurance systems and in-country supply chain strengthening will be reinforced to minimize and subsequently eliminate this growing risk.

Supply chain **efficiency and health product affordability** are critical as countries and donors work collaboratively towards sustainable supply chain systems. The development of well-designed in-country supply chains, will be supported by efficient operations, driving delivery costs down, while optimizing stock management. This will help maximize the impact of available funding, by ensuring that supply chains are effectively enabling health products to reach those who need them, when and where they need them. Efficiency and affordability also ensure that country governments' and donors' financial investments in health products are safeguarded, while enabling programs to deliver on their expected programmatic objectives.

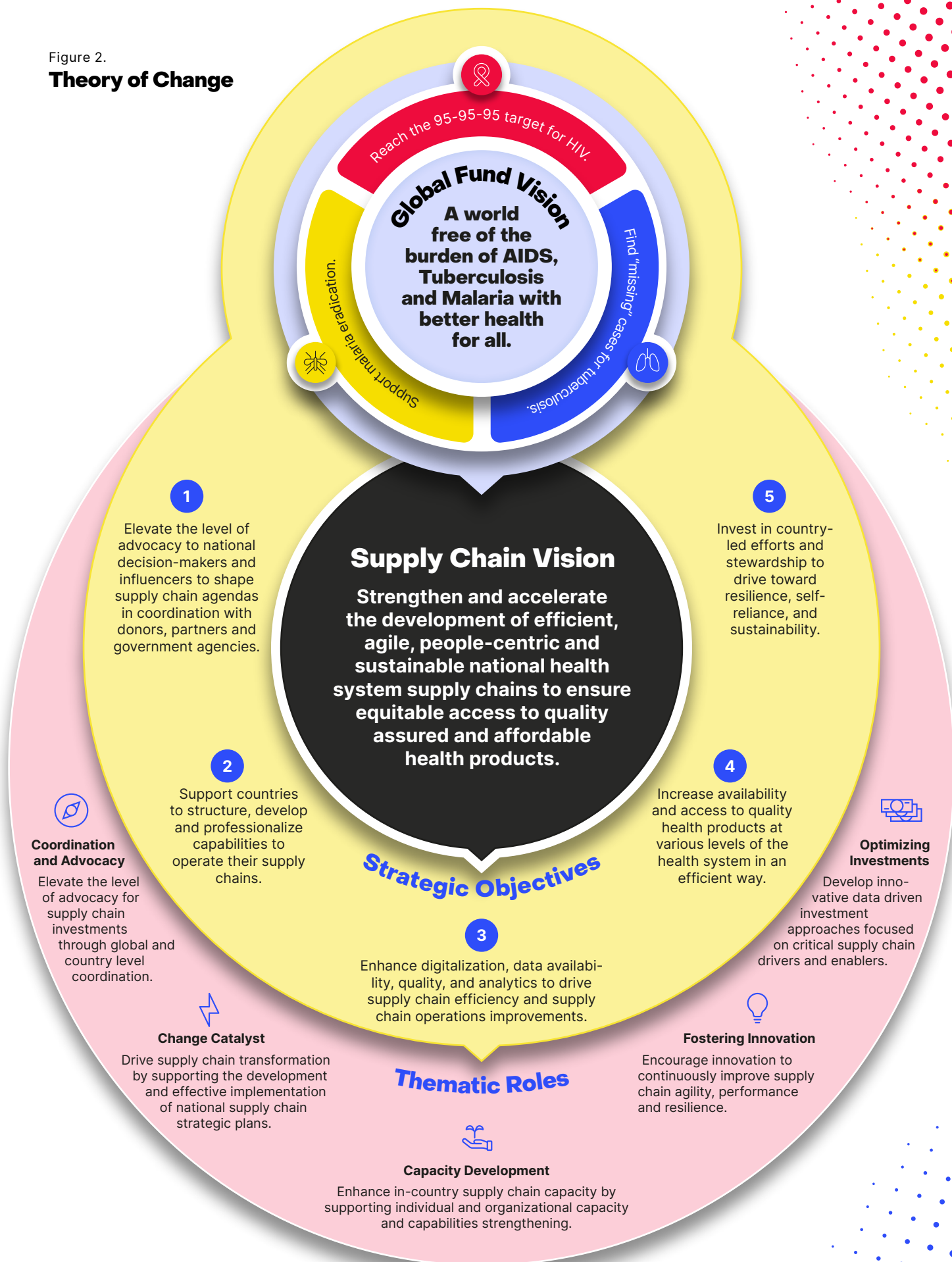
Thus, the vision of this roadmap is to:

“ Strengthen and accelerate the development of efficient, agile, people-centric and sustainable national health system supply chains to ensure equitable access to quality assured and affordable health products ”

The roadmap focuses on five strategic objectives, and a set of thematic roles, supported by an array of activities. When combined, these efforts will collectively better

support country efforts to drive overall supply chain improvements. All these elements are comprised into the Theory of Change of the Supply Chain Roadmap.

Figure 2.

Theory of Change

4.2

Strategic objectives to achieve the vision

To achieve the vision, five specific, actionable, and measurable strategic objectives were developed. Collectively, these objectives form a supply chain improvement journey to support countries in addressing their most pressing priorities.

1 Historically, supply chains have been plagued by acute underinvestment which has hampered their steady progression. To address this chronic challenge, the Global Fund partnership will support countries to **elevate the level of advocacy to national decision-makers and influencers to shape supply chain agendas in coordination with government agencies and collaborating partners**. Emphasizing the strategic importance of supply chain is critical to increase the mobilization of domestic resources invested into health products and the related logistical functions that enable continued storage and distribution of those health products. Advocacy at the highest level of governments will be key to encourage stronger in-country supply chain oversight from public authorities, and essential to triggering increased accountability. Aligning and converging on the enabling role of supply chains with national decision-makers will be critical to achieving increased attention of supply chain issues into national health agendas and funding priorities. This will require joint advocacy efforts by the Global Fund partnership and necessitate a relentless focus on the greatest areas of need including communities, to help ensure equity of service.

2 Facilitating strengthened supply chain governance by focusing on organizational and people development is another critical enabler to driving supply chain performance improvement and sustainability efforts. As such, a second strategic objective will focus on **supporting countries to structure, develop and systematize capabilities to operate their supply chains**, a key foundational element for efficient in-country supply chains. Among the top priorities is the development of the competencies needed to run core supply chain functions: supply chain planning, data systems and information management, and performance oversight. Systematizing capabilities along those core functions is key for countries to operate agile, yet well-functioning supply chains, supporting an increased availability of medicines. Achieving these systematized capabilities will require national supply chain strategies to integrate workforce assessments and comprehensive capacity building approaches to reach the target level of supply chain expertise.

3 Technology penetration and connectivity are constantly increasing and continuously generating more data, which creates new opportunities for supply chain innovation. The third strategic objective of this roadmap is **to enhance digitalization, data availability, quality, and analytics to drive supply chain efficiency and supply chain operations improvements**. Digitalization of supply chains and accompanying data and analytics offer multiple possibilities to reduce manual operations and human errors, improve supply chain visibility and accelerate advanced decision-making through data-based analysis. Leveraging of new technologies and analytics solutions will enable countries to seize improvement opportunities within their supply chains and maximize the impact of national programs. This will require the implementation of strong supply chain information systems (e.g., for planning or reporting), with requisite data sharing agreements, to foster greater efficiency and coordination between countries and donors on supply chain operational issues.

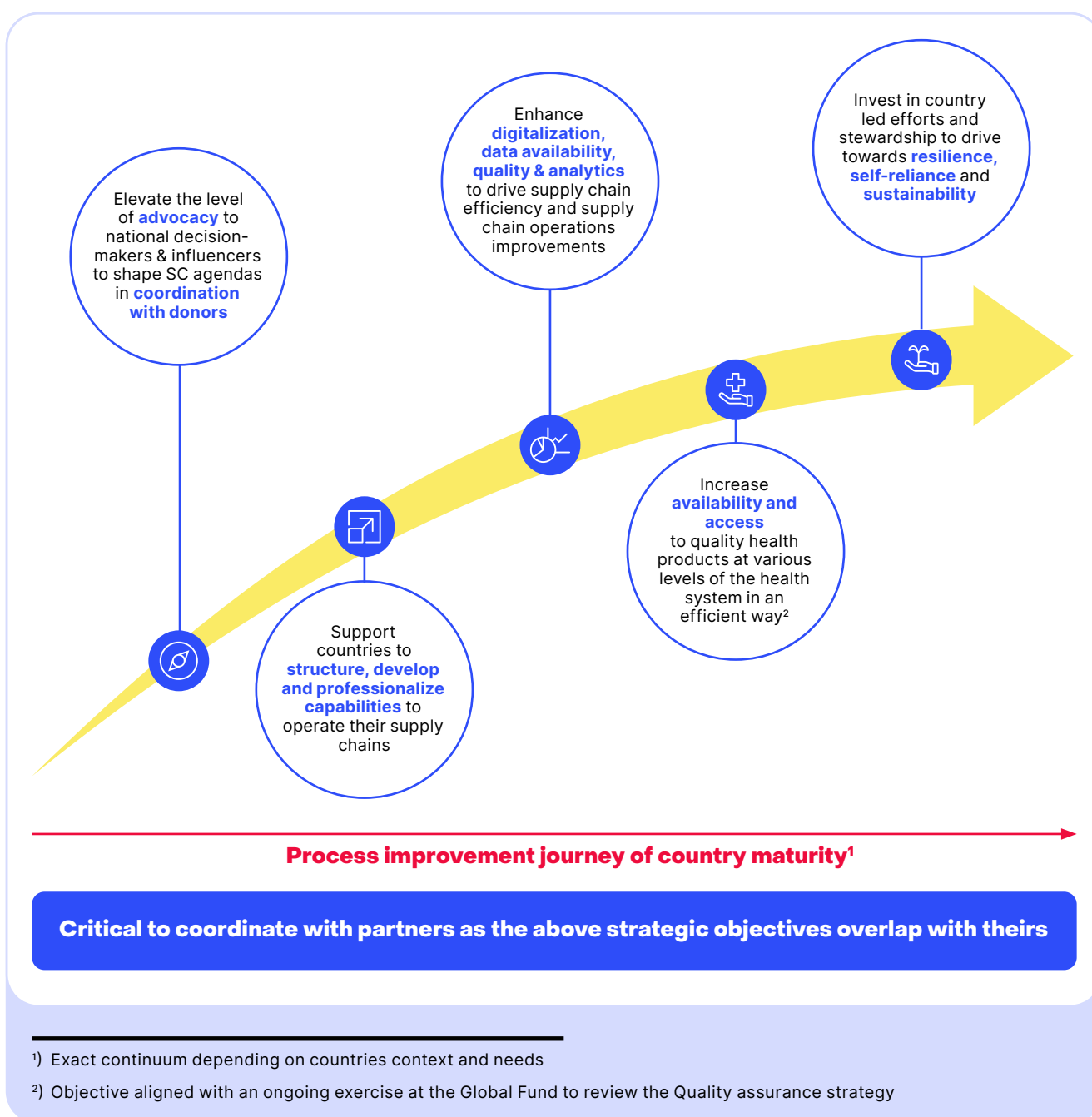
4 Some populations and communities remain out of reach of traditional supply chains. As a fourth strategic objective, this roadmap will focus **on increasing availability and access to quality health products at various levels of the health system in an efficient way**. The emergence of new technologies and the increasing demand for more patient-centric services, such as diagnostic testing services or prescription refills, creates opportunities for enhanced availability and access. Providing access to diagnostic and treatment solutions to marginalized populations and communities who remain out of reach of traditional supply chains is crucial to sustainably reducing the burden of the three diseases in a manner that is both cost-efficient and equitable. This will require deepening the use of technology and exploring new supply chain approaches, designs, and solutions, including public and private sector omnichannels, to offer new and increased points of access to beneficiaries with accompanying incentives to increase availability.

5 The fifth and final strategic objective is **to invest in country-led efforts and stewardship to drive towards resilience, self-reliance, and sustainability**. Ensuring in-country supply chains remain agile and responsive to global health security threats, such as the COVID-19 pandemic, is critical to sustainably support the reduction of the disease burdens in countries and avoid disruptions. Enabling countries to manage their health supply chains with ever-diminishing financial

and operational support from donors is also a key step towards transitioning from their support. Developing and strengthening national supply chain strategies with clearly defined, costed and funded priorities is crucial in that regard. This will notably require increasing domestic healthcare financing through government spending, and leveraging of growing health insurance schemes or private spending.

Figure 3.

Supply chain strategic objectives of this roadmap



4.3

The roles the Global Fund partnership will play

During the development of the vision and the strategic objectives, five thematic roles within the global health ecosystem to effectively drive in-country supply chain improvements became inherently apparent. The synergistic thematic roles all serve several of the strategic objectives. They will collectively enable the achievement of the supply chain vision. While these roles are critical, they however are not aimed at superseding the country ownership principle, but rather at enabling it.

Aligning and converging on the enabling role of the supply chain with all critical stakeholders is essential in supporting the fight against HIV, tuberculosis and malaria as well as emerging pandemics. Hence **coordination and advocacy** will be imperative to align policymakers, decision-makers and donors on supply chain agendas. This will be critical to ensure that supply chains are a key priority within countries' health agendas and financing priorities. To support countries with their objectives, the Global Fund partnership will work on:

- Strengthening coordination mechanisms at global, regional and national levels and align supply chain strategies and priorities between national stakeholders and partners at a global level;
- Supporting the convening of high-level, multi-sectorial, supply chain fora for Ministers of Finance and Health prior to each grant cycle, in coordination with regional bodies, with the objective to advocate for right-sized investments supply chain; and
- Developing data-driven advocacy materials including cost-benefit economic analysis of supply chain investments, to highlight benefits of investing in supply chains, and drive further supply chain investments.

Fostering and enabling change is of utmost importance to effectively drive in-country supply chain improvements. The second thematic role encompasses all efforts linked to a **change catalyst**. As such, the Global Fund partnership will work in unison with countries to:

- Support the development, review or renewal of national costed supply chain strategic plans, as the foundation of change and basis of coordinated investments in national supply chains;
- Co-design policies, frameworks and tools to encourage public-private partnerships that support supply chain operational improvements. This could also include conducting market assessments and facilitating contracting for various supply chain services; and
- Facilitate country efforts to leverage benchmarks, best practices and innovations from other counterparts and sectors. This could include in-country maturity assessments to identify improvement opportunities and measure impact from efforts to drive maturity improvements.

The lack of an adequately skilled supply chain workforce or insufficient distribution or warehousing capacity are some of the elements that weaken the overall supply chain management systems. Therefore, the third thematic role focuses on **capacity development**. With this role, the Global Fund partnership will work with countries to:

- Enhance individual and institutional workforce capacities by closely working with Ministries of Health on the systematization of supply chain human resources development, to equip health workers with fundamental technical, managerial and leadership skills to support their career progression and competency development;
- Evaluate in-country supply chain designs, networks, infrastructure, and performance to support countries in identifying key improvement areas such as warehousing and distribution network optimization as well as inventory management; and
- Foster south-south cooperation on pertinent supply chain topics to cross-fertilize and enable sharing of best practices and lessons learned across countries through high level fora or country exchange visits.

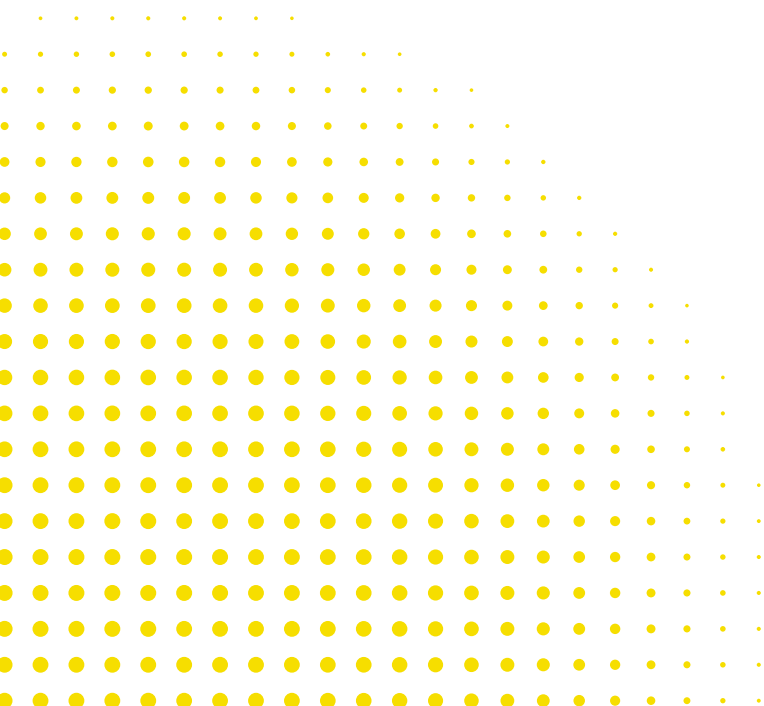
The emergence of new digital and data-driven supply chain solutions provides for an opportunity to leapfrog and solve some of the most challenging supply chain issues faced by countries. Through the fourth thematic role centered on **fostering innovation**, the Global Fund partnership will encourage innovation to continuously support the improvement of in-country supply chains through public-private partnerships, innovation incubation, development of knowledge hubs. Specifically, activities to support country objectives could include:

- Providing visibility on innovative solutions, whether proven and implemented in other geographies or by private sector players, or still in early-stage adoption and sub-scale, to provide new perspectives and opportunities to address chronic supply chain issues;
- Continuously sharing successful innovation stories to increase the risk-appetite for new supply chain management solutions, approaches, and public-private partnerships;
- Supporting the development and scaling of innovative solutions for data management and end-to-end supply chain visibility (e.g., crowd sourcing platforms to improve community-led monitoring, innovative data reporting tools, etc.); and
- Foster partnerships with educational institutions (e.g., universities) and supply chain professional organizations to create innovation incubators.

The fifth and final thematic role focuses on **optimizing investments** in supply chains, and will be facilitated through the development of smart investing approaches that are data-driven, impact focused and coordinated with collaborating partners on national priorities.

- Co-create joint investment frameworks with country governments and partners to identify and encourage a focus on the most impactful supply chain investments, based on robust data-based arguments;
- Invest in critical supply chain enablers such as information systems, in coordination with other donors; and
- Leverage collected data on past realized investments to develop data-based business cases and cost-benefits analyses, compute typically observed ROIs, identify best practices and most impactful investments, and detect key risks to better inform future supply chain investments.

Countries' positioning along the maturity improvement journey differs, as each one has a unique set of means, capacity and faces specific challenges. While some countries may be working to strengthen their information systems or systems of governance and accountability, others may need to improve storage and distribution arrangements or develop core skills amongst the supply chain workforce. Adapting approaches and support to that targeted context is critical in a differentiated manner. Moving forward, the Global Fund partnership will further tailor its support to respective country needs, driven by the constant ambition to support countries progress along the supply chain maturity improvement journey.



5. Operating Model

The operationalization of the SCR is intended to generate extensive dialogue with and among national stakeholders. Those consultations are anticipated to culminate in and encourage more expansive, data-driven supply chain related investments aimed at addressing the greatest supply chain bottlenecks that are hindering the fight against the three diseases and

other global health security threats. The new supply chain vision, strategic objectives and underlying thematic roles heavily depend on effective coordination within the Global Fund partnership. To that end, existing coordination mechanisms will be leveraged and, where necessary, strengthened at global, regional, and country levels to ensure a strong alignment with all partners.

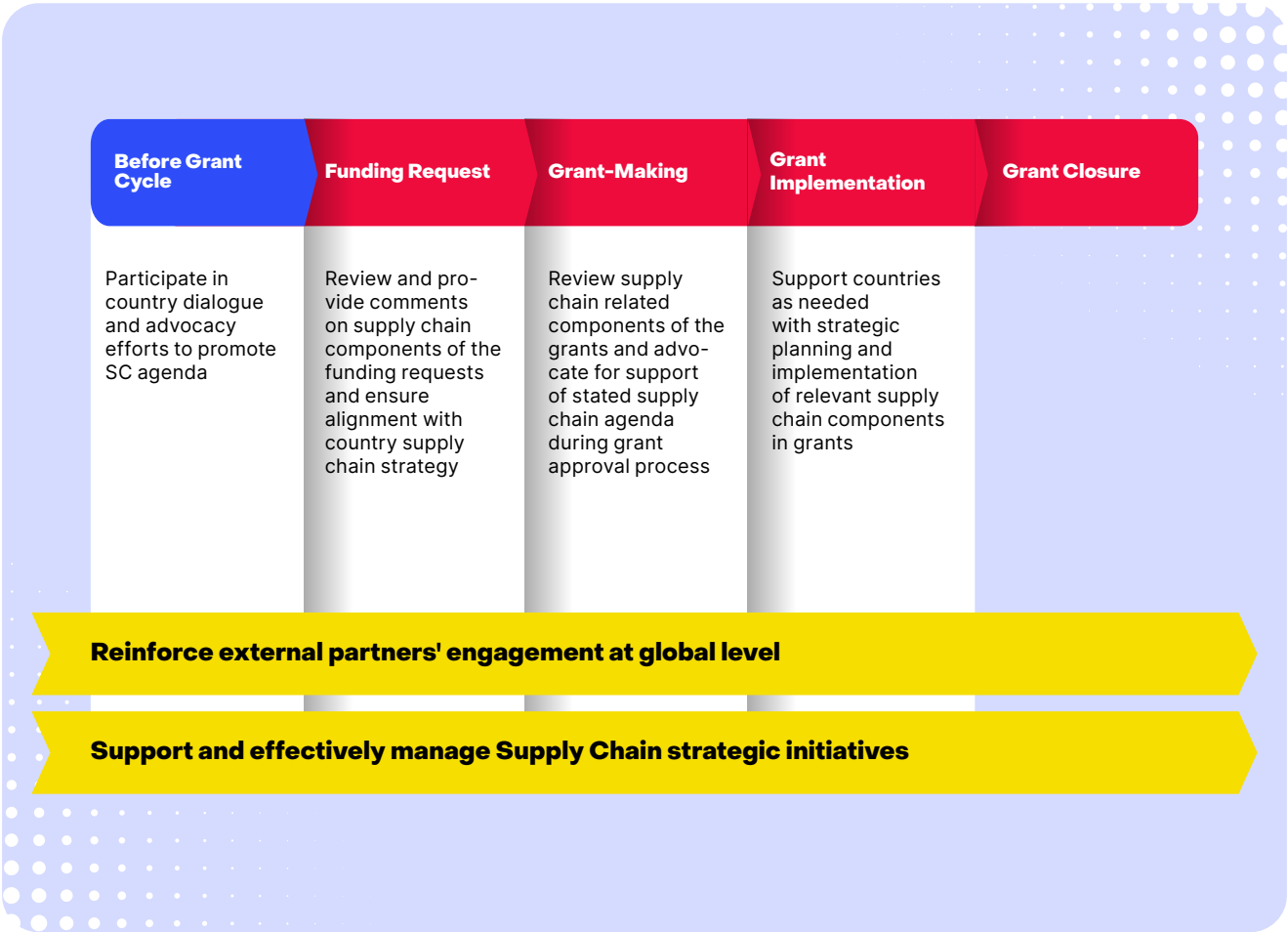


5.1
Operating Model

At the global level, the Global Fund will focus on reinforcing cross-donor coordination mechanisms, to align supply chain engagements and priorities. Alignment with collaborating donors will be particularly key to leverage synergies and avoid duplication of efforts for countries. The Global Fund may also notably advocate for developing and encouraging the

use of shared supply chain key performance indicators (KPIs). Such alignment would reduce reporting burdens of countries by avoiding duplication of data collection efforts, create opportunities to enhance data sharing between donors and countries, as well as drive the improvement of overall supply chain operations through greater visibility.

Figure 4.
Simplified view of the Grant Life Cycle



In country, the Global Fund will continue to support Country Coordinating Mechanisms (CCMs) to highlight aspects of supply chains and bring supporting expertise in national PSM working groups or committees charged with oversight of in-country supply chains. Through these fora, CCMs will be able to reinforce constant country dialogue with government stakeholders on supply chain matters to support necessary steps for change and improvement. Supply chain stakeholders in countries will be given the right tools to participate in funding

request development to help them showcase the need for greater supply chain strengthening investments. It will also provide support to relevant stakeholders throughout grant-life cycle. This support may be addressed to government stakeholders and take the form of a review on supply chain related components of the grants during grant-making. It may also be addressed to implementing partners, for instance by sharing relevant best practices during Grant Implementation (e.g., for contracting with 3PLs and 4PLs providers).

5.2

Performance framework – Tracking process against our commitments

Setting up a robust performance framework is essential to track progress against the strategic objectives and achieve the supply chain vision of this roadmap in support of better health outcomes. It is also key to have operational visibility on in-country supply chains, for all stakeholders to focus their efforts on addressing most pressing country needs.

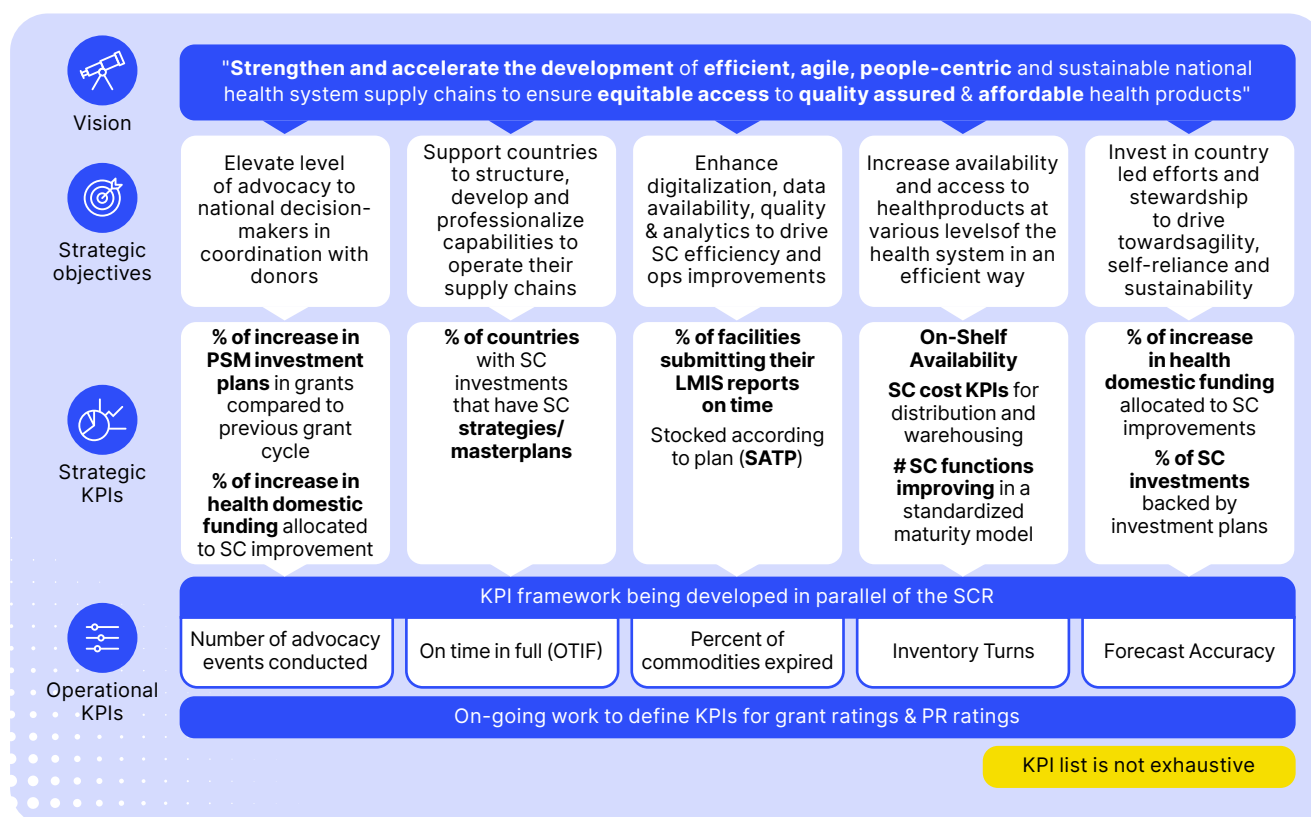
The SCR performance framework is comprised of both strategic and operational KPIs, selected to monitor progress against all five strategic objectives. Balancing output and in-process performance is essential to ensure reliable monitoring of the SCR delivery. Output KPIs enable the measurement of results as progress made against the strategic objectives. As an illustration, the share of countries with supply chain investments that have supply chain strategies or masterplans directly informs on the progress made on the second strategic objective (support countries to structure, develop and systematize capabilities to operate their supply chains). In addition, in-process KPIs enable performance measurement of in-country

supply chains and identify areas for improvement on which to focus. For instance, the percentage of health facilities maintaining appropriate levels of stocks (Stocked According to Plan) outlines potential improvement opportunities for stock management within the supply chain. Once properly addressed, this will enable an improvement in product flows and health outcomes.

Establishing reliable performance frameworks on in-country supply chains however remains challenging due to multiple roadblocks: manual data collection, limited use of collected data and KPIs by health workers, and lack of coordinated data sharing, are among the top ones. Increased advocacy on supply chain data collection, or investments in automated reporting tools and data management capabilities, as well as improved donor coordination on target KPIs, data collection and data sharing, will be key to establish efficient performance dashboards supporting in-country supply chain decision-making.

Figure 5.

Performance Framework

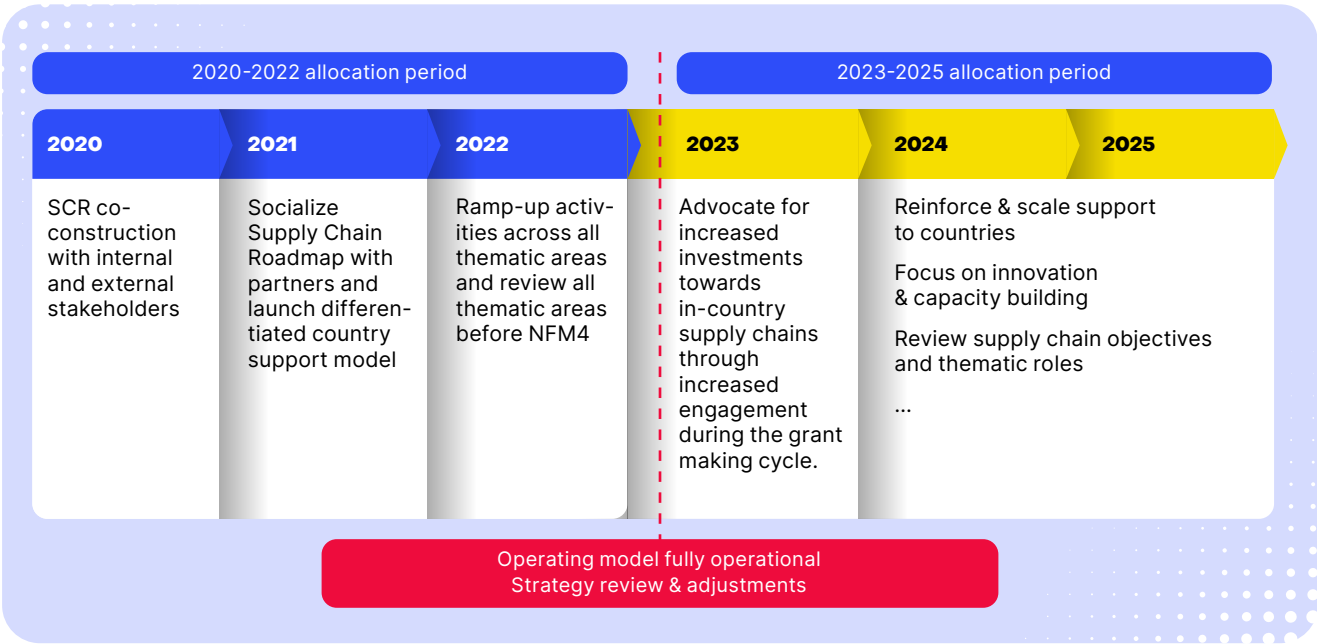


6. Implementing the Roadmap

2030 is now less than a decade away. The Global Fund partnership seeks to continue to support implementing countries to step up the fight to reach the SDG3 targets. To operationalize this support, the Global Fund has developed a comprehensive implementation roadmap, with annual milestones to guide the implementation of the SC Roadmap. Over the coming months, the Global Fund will focus on deploying its

new supply chain operating model, through a test & learn approach, while socializing the new supply chain strategy with all its partners. By the end of 2022, the objective is to have the target operating model fully proved and deployed, to already start dialogue and support in-country stakeholders engage on funding requests and grant-making for the next grant cycle.

Figure 6.
5-year high level implementation plan



The implementation of the SCR will bring multiple benefits to the different stakeholders of the Global Fund’s partnership engaged in supply chain strengthening. For government stakeholders, the implementation of the SCR will reinforce the country dialogue on supply chain topics throughout the grant life cycle, from designing funding requests to grant implementation. Along each step of this process, the Global Fund will serve as a thought partner to countries on their supply chain maturity improvement journey, notably to design robust supply chain masterplans or develop national capabilities. To implementing partners, the Global Fund

will bring experience and best practices from other projects and / or countries, to resolve in-country supply chain issues faster. For collaborating donors, it will enhance joint advocacy efforts, at global and local levels, towards supply chain strengthening investments. It will also allow stronger alignment on shared supply chain engagements and priorities, such as common KPIs or investment case frameworks, likely to increase the weight of guidance formulated to countries. Finally, greater coordination will enable to avoid duplication of investments between donors and leverage synergies to maximize the impact from invested funds.

Acknowledgements

The Supply Chain Roadmap for the Global Fund was developed through an extensive and consultative co-construction process launched in late 2020, with contributions from numerous partners and stakeholders who share common goals in global health. The process to formulate the supply chain strategy was steered under the leadership of the Supply Operations and Grant Management Division. The consultations included several group workshops, targeted meetings and individual consultations, with more than 130 participants from several countries. The Supply Chain Roadmap Co-Creation Process (SCR-CCP) harnessed the diverse expertise and partnership spirit of the Global Fund while integrating broader perspectives and experiences of its partners.

This document has been designed to provide clarity to the partnership on the outcomes of that consultative process. The process first sought alignment around a refined supply chain vision, actionable and measurable strategic objectives and well-delineated roles to be played by the Global Fund partnership.



Annex

Global Fund Activities for Coordination and Advocacy

		Elevation of advocacy	Country capabilities	Digitalization and data	Availability and access	Self- reliance and sustainability
Strengthen coordination mechanisms at global, regional and national levels	Strengthen existing donor coordination mechanisms to facilitate alignment on priorities and agendas in support of country needs (e.g., disease situation rooms).	Direct contribution	Enabler	Enabler	Enabler	Enabler
	Reinforce and leverage existing coordination mechanisms at country level (e.g., CCm, PSM working groups) to raise the level of attention given to supply chain and foster south-south coordination.					
	Develop and advocate for binding mechanisms among stakeholders that would support, among other issues, responsible transition from donor to domestic funding ensuring sustainability of current funded programs and SC initiatives.					
Align supply chain strategies and priorities between national stakeholders and partners at global level	Facilitate bi-annual gatherings of CMS Heads and supply chain focal points at Ministries of Health to discuss approaches, challenges and lessons learnt (e.g., global or regional level).	Direct contribution	Direct contribution	Enabler	Enabler	Enabler
	Organize high-level supply chain fora for Ministers of Health and Finance prior to each grant cycle in coordination with relevant regional bodies.					
	Map engagements of supply chain stakeholders to define strategies and align investments.					
	Ensure the Supply Chain Roadmap is reflected in the overall Global Fund strategy to fight the three diseases.					
Drive advocacy efforts globally and support coordination of in-country advocacy efforts	Advocate for the right level of PSM representation on CCMs (i.e., CMS Heads).	Direct contribution	Direct contribution	Enabler	Enabler	Enabler
	Support advocacy efforts of other stakeholders in countries (e.g., partners, civil society, communities, etc.).					
	Select a dedicated partner in-country to support the government and help assess and drive supply chain maturity and priorities, including supporting Funding Request development.					
	Ensure effective partner engagement in the review of country grant applications, aiming the right level of ambition and financing to support supply chain strengthening efforts.					
Leverage additional tools to facilitate advocacy messaging	Leverage catalytic funding from PSM Strategic Initiatives to improve grant spending and advocacy of best practices (e.g., private sector engagement).	Direct contribution	Enabler	Direct contribution	Enabler	Enabler
	Publish relevant data-driven advocacy materials (incl. cost-benefit analysis) to encourage supply chain investment.					
	Provide support to supply chain fora (e.g., GHSC summit, HHL Conference, GS1 summit, etc.) to increase visibility on supply chain improvement activities and lessons learnt globally.					

Global Fund Activities for Change Catalyst

		Elevation of advocacy	Country capabilities	Digitalization and data	Availability and access	Self-reliance and sustainability
Support development of national SC strategic plans based on benchmarks & best practices	Support Ministries of Health to develop comprehensive national supply chain strategic plans (masterplans), ensure alignment in the development of prioritized and customized supply chain actions and monitor the implementation of the plan.					
	Understand successes and failures of past strategies, identify benchmarks and best practices to be replicated (incl. country stewardship in the development of national SC masterplans).	Enabler	Direct contribution	Enabler	Direct contribution	Enabler
	Share best practices with countries and support development and application of standards to drive supply chain operations within countries (e.g., information system implementation, private sector engagement, etc.).					
Support maturity assessments to identify improvement opportunities and progress monitoring	Support routine maturity assessments of national supply chains to inform progress monitoring, investment planning and updating of established masterplans.					
	Develop and reinforce asset management standards in collaboration with other partners (e.g., warehouse management, distribution network, etc.).	Enabler	Direct contribution	Direct contribution	Direct contribution	Direct contribution
	Conduct market assessment of service providers (e.g., 3PLs and 4PLs) for key functions, including warehousing, distribution, diagnostic services, pharmacies, wholesalers and retailers, and encourage public-private partnerships where relevant.					
Foster operational change through right-sized and practical tools	Encourage & facilitate contracting with 3PLs and 4PLs providers, for various supply chain services, including warehousing, distribution, diagnostic services, pharmacies, wholesalers and retailers.					
	Play a "brokering role" to facilitate and support countries' efforts to identify alternative sources of funding for key initiatives that cannot be financed by the Global Fund or other partners, and support the development of business case.	Enabler	Direct contribution	Enabler	Direct contribution	Enabler
	Promote the adoption of tools and processes to increase efficiency and effectiveness of the supply chain (e.g., Lean Six Sigma, root cause analysis, economic cost analysis, etc.).					

Global Fund Activities for Capacity Development

		Elevation of advocacy	Country capabilities	Digitalization and data	Availability and access	Self-reliance and sustainability
Assess capacity & capabilities	Analyze supply chain related data to assess capacity and capabilities, enabling to identify priority areas.	Enabler	Direct contribution	Enabler	Enabler	Direct contribution
	Assess in-country supply chain design, networks, infrastructure and performance, and provide guidelines for improvement (e.g., warehouse management, centralization of storage locations, distribution planning, etc.).					
Provide best practices & support to professionalize in-country supply chains	Identify potential supply chain leaders, assess their capacity and develop specific programs to train and professionalize them to lead the development of the supply chain strategy.	Enabler	Direct contribution	Direct contribution	Enabler	Enabler
	Support organizational design to include adequate supply chain roles, appropriate recruitment, retention and motivation practices (incl. on-going capacity development).					
	Support the design of new supply chain ownership / governance models and accountability mechanisms, in close collaboration with governments and donors.					
	Provide best practices to define and implement tools for supply chain oversight, efficient performance KPIs and process sustainability (SOPs, job aids, daily management systems, PDCA boards, etc.).					
	Provide guidance to select and implement information systems (e.g., planning for implementation, best practices for effective reporting, interactive dashboards, etc.).					
Provide technical assistance	Provide inputs on prioritized topics leadership (e.g., STEP), development of specific skills in a sustainable way, contracting, performance management, data systems and data availability, quality & use to drive SC efficiency, and last-mile delivery.	Enabler	Enabler	Direct contribution	Direct contribution	Direct contribution
	Provide TA with a sustainable approach, if relevant (e.g., need to embed the resources within the government), and provide access to external TA pool if required.					
Reinforce partnerships and collaborations	Promote and support public-private twinning partnerships if relevant, including through small and medium national players (e.g., in warehousing, distribution and with professional associations).	Direct contribution	Enabler	Enabler	Enabler	Enabler
	Foster partnerships with external partners, educational institutions and supply chain organizations to jointly create pragmatic training programs and other initiatives (e.g., development of basic competencies, data tools, etc.).					
	Foster south-south cooperation on supply chain topics to cross-fertilize & enable sharing of best practices and lessons learned (e.g., through high-level fora, country exchange visits, etc.).					

Global Fund Activities for Fostering Innovation

		Elevation of advocacy	Country capabilities	Digitalization and data	Availability and access	Self-reliance and sustainability
Encourage innovative approaches	Promote investment in innovative solutions through Funding Requests to strengthen in-country supply chain and address supply chain risks.	Enabler	Enabler	Direct contribution	Direct contribution	Direct contribution
	Support the development of innovative solutions for data management such as crowd sourcing platforms to improve access beyond health facilities, innovative data reporting tools.					
	Support the implementation of supply chain innovation incubators and provide guidelines to ensure a sustainable implementation and scale-up (e.g., track & trace, last-mile distribution, data visibility).					
	Finance non-traditional players / small players / Principal Recipients developing new solutions in collaboration with ministries and governments (e.g., improvement of distribution).					
Develop public-private partnerships	Leverage the use of small and medium enterprises in countries to accelerate supply chain development through innovative distribution approaches.	Direct contribution	Direct contribution	Direct contribution	Direct contribution	Enabler
	Analyze and leverage private sector strategies & best practices to develop public competencies (e.g., trainings facilitated by private sector players, temporary assignments in public organizations, etc.) & develop long-term innovation capabilities.					
	Advise governments on how to capitalize on their assets and generate additional revenues (e.g., in case of available storage capacity, joint ventures or partnership approach with private actors to maximize use of under-utilized assets).					
Support other partnerships and collaborations	Develop a knowledge hub / Center of expertise on supply chain topics to share best practices among countries, external partners and private sector players.	Direct contribution	Direct contribution	Enabler	Enabler	Enabler
	Map innovation agenda of external partners to ensure coordination on innovation work, leverage best approaches, and avoid duplication of efforts.					
	Foster partnerships with educational institutions (e.g., professional associations, universities) and supply chain organizations to generate supply chain innovations incubators.					

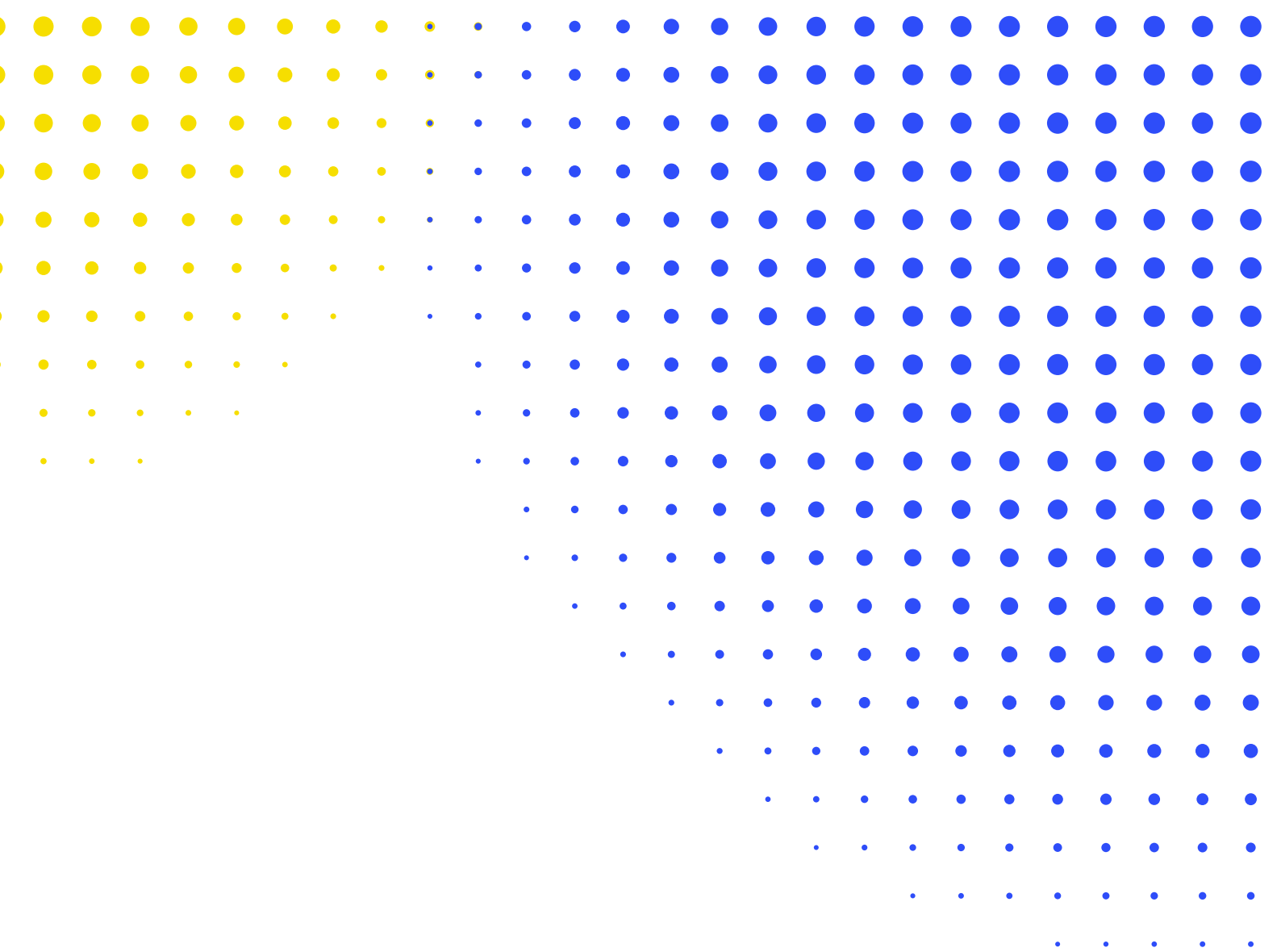
Global Fund Activities for Optimizing Supply Chain Investments

		Elevation of advocacy	Country capabilities	Digitalization and data	Availability and access	Self-reliance and sustainability
Proactively coordinate investments with partners	Regularly meet with other donors to share and align investment agendas at global and local levels (e.g., through quarterly meetings).	Direct contribution	Enabler	Enabler	Enabler	Enabler
	Jointly develop with partners standard investment cases, with differentiated time horizons corresponding to the specificities of each investment (e.g., MIS, etc.).					
Engage in smart investment advisory through the Grant Management Cycle & PSM Strategic Initiatives	Engage in critical process steps of the Grant Management Cycle to support a "performance based" funding principle (to position the Global Fund as an investor rather than a program manager). This includes developing investment cases.	Direct contribution	Direct contribution	Enabler	Enabler	Enabler
	Through PSM Strategic Initiatives, ensure the financing of critical intangible supply chain enablers based on in-country supply chain performance.					
Develop a data driven approach	Leverage collected data on past realized investments to develop business cases and cost-benefits analysis, compute typically observed ROI, identify best practices & most impactful investments, and detect key risks to be mitigated in the future.	Direct contribution	Direct contribution	Enabler	Enabler	Enabler
	Use data-driven approaches to drive efficiency and to identify the most critical risks & needs in countries, to be financed through grants (e.g., MIS investments).					
	Advise countries on optimal investments to be made to address identified needs and risks (e.g., assisting in "Make or Buy / Rent / Lease" analysis for major investments).					
	Advise countries on how to articulate the different steps of the SC investment activities (Journey of need > idea > solution > investment > oversight).					
	Encourage more informed decision-making around outsourcing (e.g., leveraging cost-benefit analysis tools, etc.).					



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