

Antiretroviral & other strategic medicines used in HIV programs

Procurement Strategy: 2018-2020

Manufacturer Consultation

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16 November 2017

Cape Town, South Africa

The Global Fund Procurement Strategy on Anti-retroviral medicines is currently under development and will be finalized in the forthcoming months.

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 of the Global Fund.

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

Key contacts: Procurement Strategy here today



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Objectives of the Supplier Consultations

1. Present the Global Fund's Procurement Strategy for Anti-retroviral Medicines
2. Share the Global Fund tender processes and timelines
3. Obtain feedback in plenary meeting (...and also afterwards...)

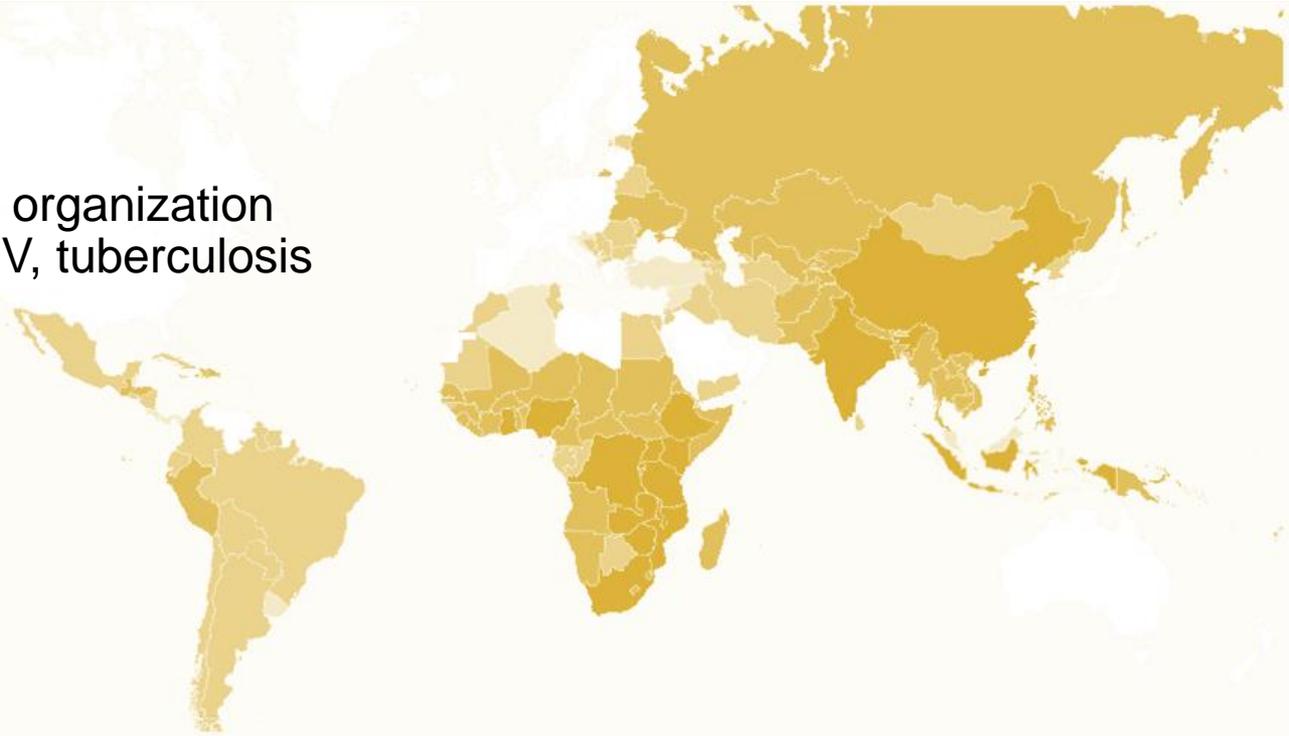
Agenda

1. The Global Fund, Sourcing and the Pooled Procurement Mechanism

2. Implementing the 2nd phase of the Global Fund's Market Shaping Strategy
3. 2015-2017 ARV Procurement Strategy and implementation
4. 2018-2020 Procurement Strategy and tender timelines

The Global Fund

A 21st-century partnership organization to accelerate the end of HIV, tuberculosis and malaria as epidemics



Founded in 2002, the Global Fund is the **leading contributor of resources in the fight against AIDS, tuberculosis and malaria. It mobilizes and invests nearly US\$4 billion a year** to support countries and communities most in need. It has an active portfolio of **over 430 active grants in over 100 countries**, implemented by local experts.

Successful Replenishment for the 2018-2020 implementation period to finance the Global Fund Strategy

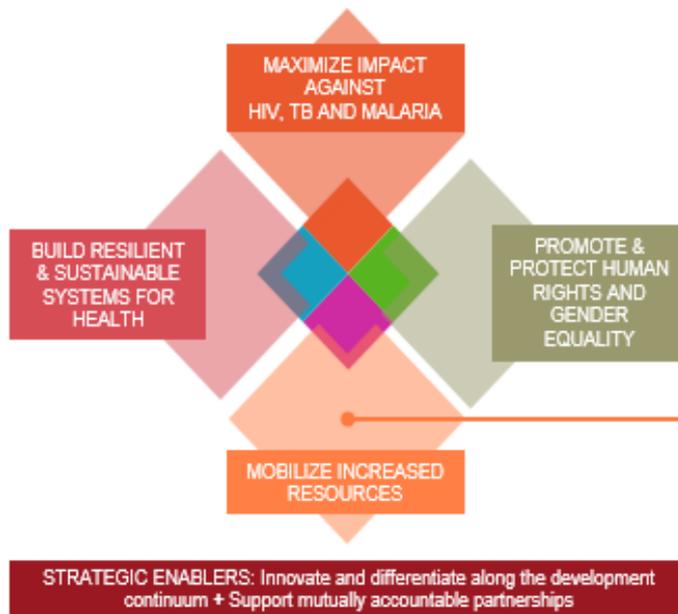
- **Over US\$ 12.9 billion at the 5th Replenishment Conference in Canada; September 2016**
- Most grants are now being made or signed to take them through 2020



Funding envelopes	Amount		Countries
	USD million	%	#
HIV/AIDS	5,098	50%	105
Malaria	3,227	32%	71
TB	1,842	18%	98

Health products = 40-60% spend depending on category

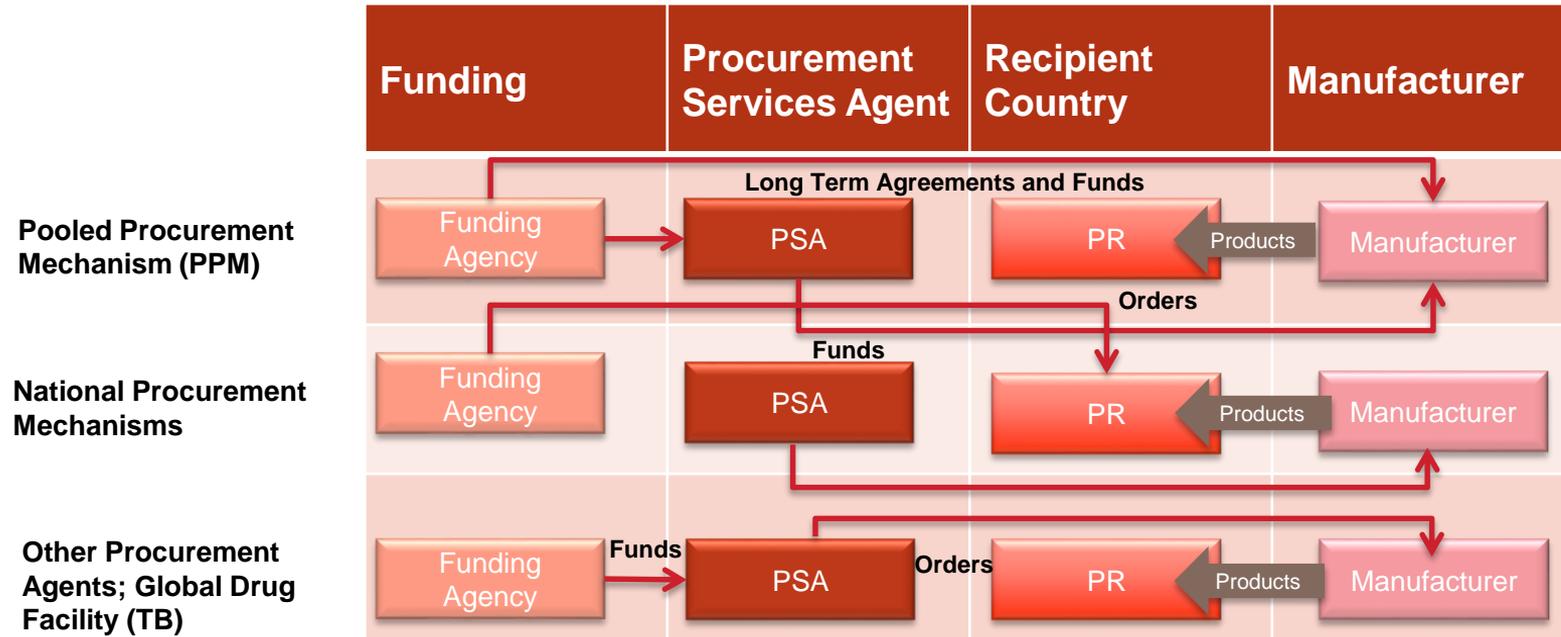
A market shaping role beyond the Global Fund spend



- 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

Procurement Channels and Routes to Market

There are a number of procurement channels - with the Pooled Procurement Mechanism representing around 55% total Global Fund health product spend (depending on category)



PPM: The Global Fund's Pooled Procurement Mechanism

Established in 2009 to aggregate order volumes from participating PRs in 60 countries with over 160 grants

Currently, leveraging market spend of US\$ 1.1 billion spend annually

Objectives of PPM

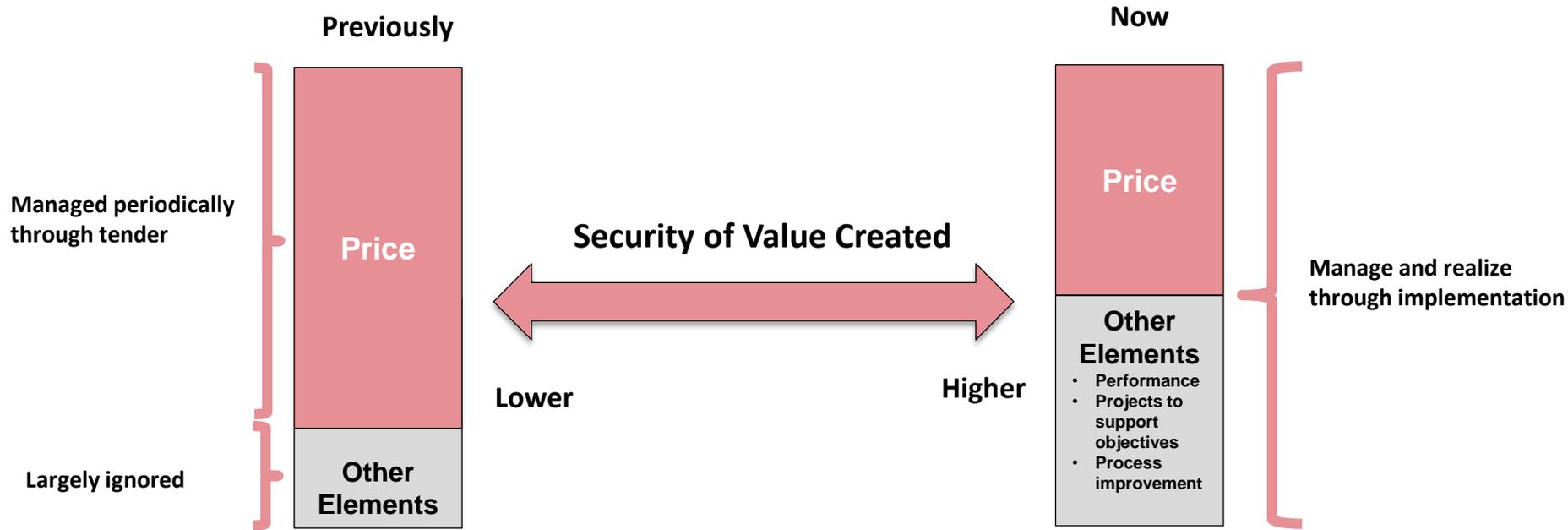
- secure quality-assured products
- obtain better value-for-money through best pricing and delivery conditions
- reduce lead times for critical health products by engaging with manufacturers using framework contracts
- contribute to sustainable markets for core life-saving health products

Sourcing team implements the Market Shaping Strategy by managing health products through PPM along 5 key dimensions

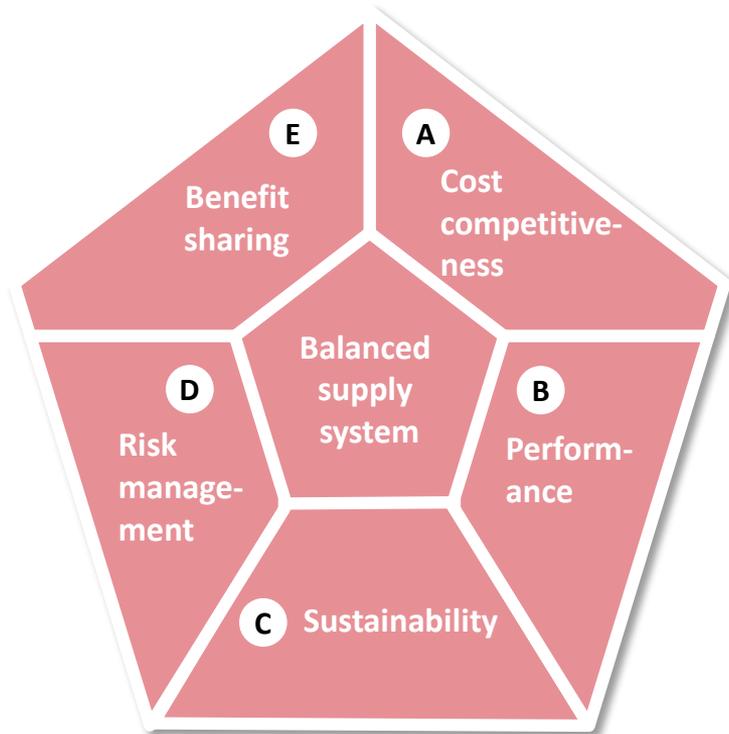
Pooled Demand	Registering Principal Recipients into the mechanism creates the opportunity to pool volumes of large and small volume countries
Product Category Strategies	Design, issue and manage sourcing strategy including competitive tenders to support category-specific market shaping objectives
Supplier Relationship Management	Manage the implementation of long term agreements including the allocation and performance management of suppliers
Demand Management	Optimize resources to manage Principal Recipient demand along three dimensions: volume, time and specification
Transaction Management	Execute PPM orders from requests to deliveries via wambo.org , a PR-facing portal that increases visibility of ordering operations with full visibility and a transparent and auditable process

Maximizing Value through Supplier Relationship Management

- Previous approaches focused on the price value lever
- Value creation has been extended and can be further extended across a range of lever
- The importance of this will increase in importance as cost is optimized



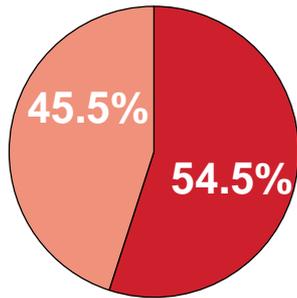
Global Fund's Balanced Supply System Based on Five Elements



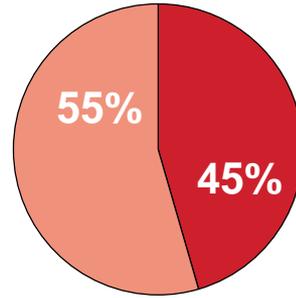
- A**
 - ❖ Providing quality assured products **at the lowest possible affordable and sustainable price** to reach the maximum number of patients
 - ❖ **Reducing price volatility** and eliminating predatory pricing
 - ❖ Operationalizing **value creation levers**
- B**
 - ❖ Supplying product **timely and in full**
 - ❖ Incentivizing the **introduction of new regimen and better formulations**
- C**
 - ❖ **Supporting existing and new suppliers** to ensure **sufficient supply of all the needed products and mitigate geographic supply risks**
 - ❖ Investing in suppliers with **responsible and sustainable practices**
- D**
 - ❖ Maintaining **well-diversified supplier base**
 - ❖ Meeting the **Global Fund and national quality** requirements
 - ❖ Mitigating **implementation risks** including quality & supply security risks
- E**
 - ❖ Publishing **reference prices**
 - ❖ **Building capabilities** and implementing rapid supply mechanisms
 - ❖ **Providing access** to PPM contract terms for other buyers
 - ❖ Further incentivizing **broad national registration footprint**
 - ❖ Leveraging volumes to **improve access to other products**

The Approach in Current Practice

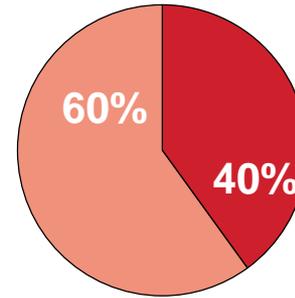
The commercial weighting during tender evaluation reflecting the specific category objectives and market situation



ARV 2014



LLIN 2015



ANTM 2017



Commercial factors



Technical factors

Agenda

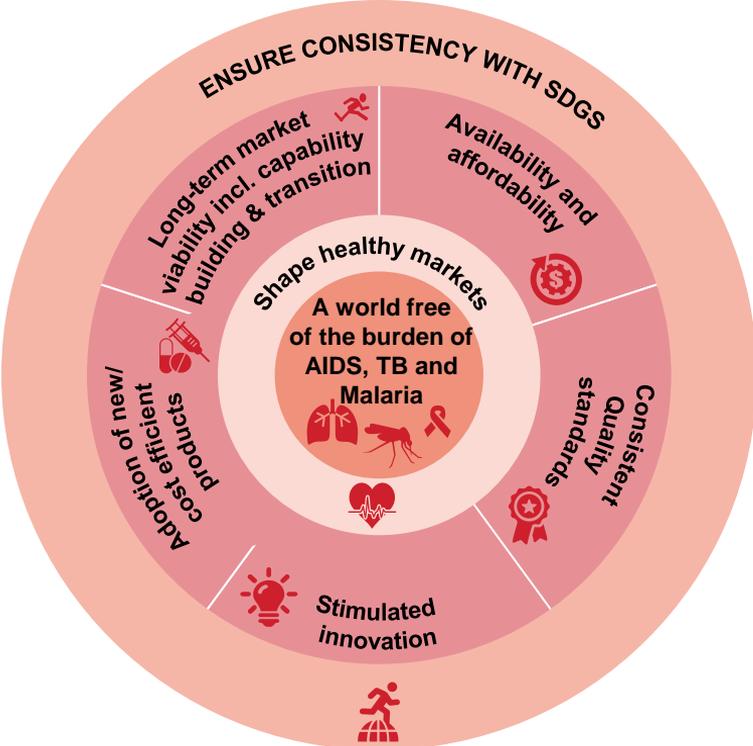
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The Market Shaping Strategy is a key component of The Global Fund's mission

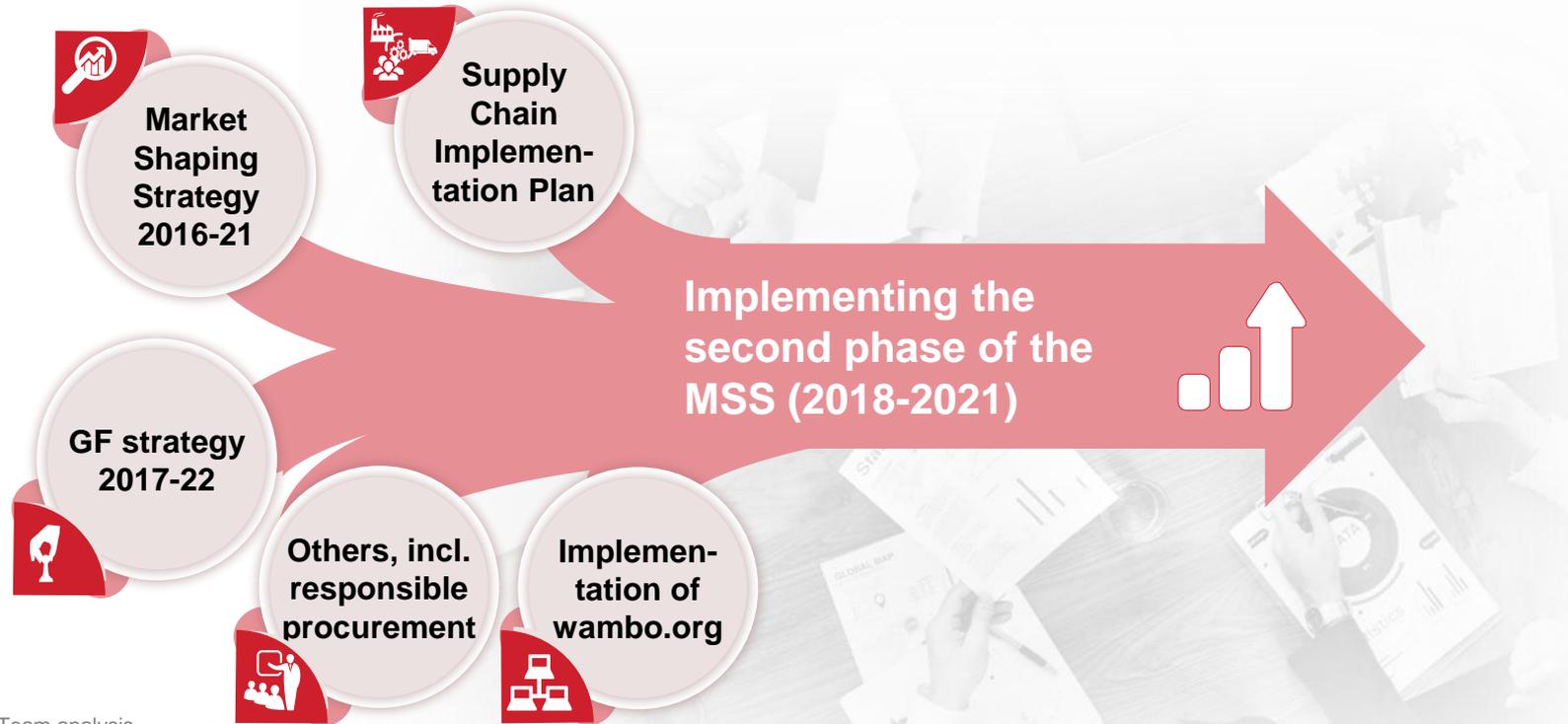


Mission of MSS: Leverage our position to facilitate healthier global markets for health products – today and in the future



Source: Team Analysis

The journey to evolve sourcing needs to take place against the backdrop of existing strategies and initiatives



Source: Team analysis

Key elements: 1) leveraging impact; 2) total cost approach; 3) innovation and product introduction

1



Leveraging impact

Promote balanced supply system

Coordinate with other buyers for low volume specialist and new emerging products

Drive visibility into demand and procurement

Identify procurement / tender approaches to deliver on common strategic objectives

2



Total Cost Approach

Implement lean opportunities

Optimize packaging & labelling

Source closer to demand

Improve forecasting and consolidate demand over time

3



Innovation & product introduction

Biannual joint stock take of uptake with partners on progress and to reduce bottlenecks

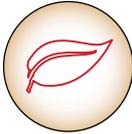
Disentangle, clarify and communicate simply presented route to scale in LMIC market

Articulate end-to-end value proportions of partnership

Fully leverage strong downstream position of GF

More deliberately evaluate inclusion of new products with step-change innovation

Key element 4: responsible procurement

		Description	
		<hr/>	
Dimensions		Economy	<ul style="list-style-type: none">▪ Provide additional economic benefits to in-country community▪ Empower community by sharing knowledge
		Ecology	<ul style="list-style-type: none">▪ Mitigate effect on environment along the end-to-end supply chain▪ Use knowledge and skills to contribute to a constant rise in eco-efficiency
		Society	<ul style="list-style-type: none">▪ Promote fundamental human rights, e.g.,<ul style="list-style-type: none">– Advocate for decent labor conditions– Promote children rights▪ Promote workers' health and safety
		Business practices	<ul style="list-style-type: none">▪ Promote best business practices among suppliers and other buyers



Principles to build holistic standards

- Build on existing guidelines
- Provide practical guidance
- Include phased approach
- Focus on procurement
- Align with GF objectives

SOURCE: Adapted from corporate responsibility's framework by Crane et al, 2014

Key element 5: principles of information sharing

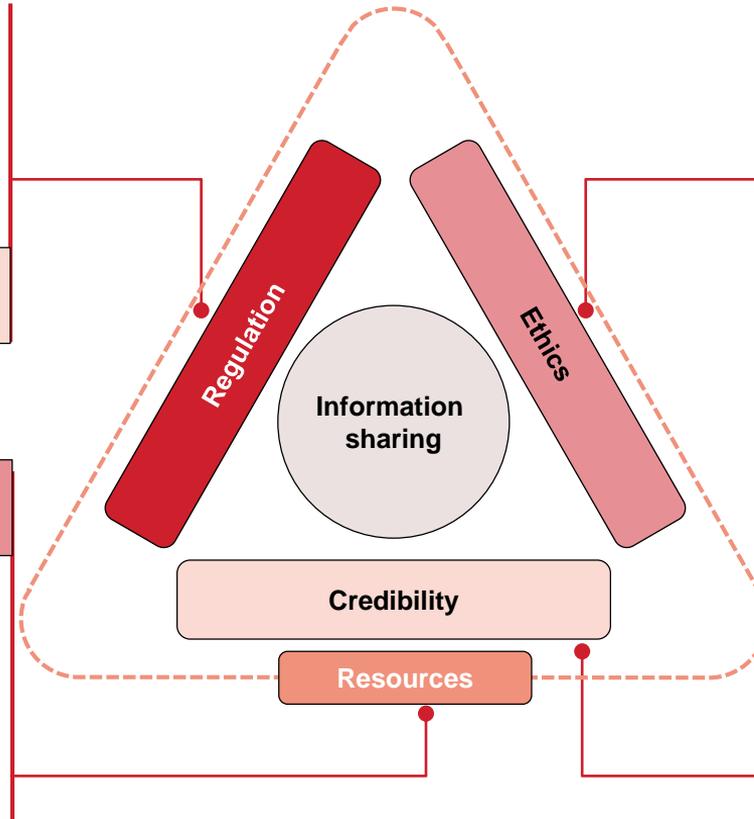
■ Hard¹ constraints
 □ Soft¹ constraints

- Information that could distort markets might violate antitrust law
- IP law or contractual obligations set further constraints
- GF will always “better be safe than sorry” and prudent in information sharing

Ensure rigorous compliance with applicable regulations/obligations

Use resources efficiently and effectively

- GF gets approached by multiple stakeholders with information requests
- Answering requests binds significant resources
- As resources are limited, GF has to prioritize and optimize efficiency/effectiveness of information sharing



- Stakeholders place high trust in GF
- Trust- and loyalty-based relationships are the foundation of GF's ability to shape markets in the long-term
- GF will protect confidences and share information only to the extent that does not infringe upon legitimate stakeholder interests

Uphold high ethical standards

Safeguard GF's reputation a trusted source of reliable information

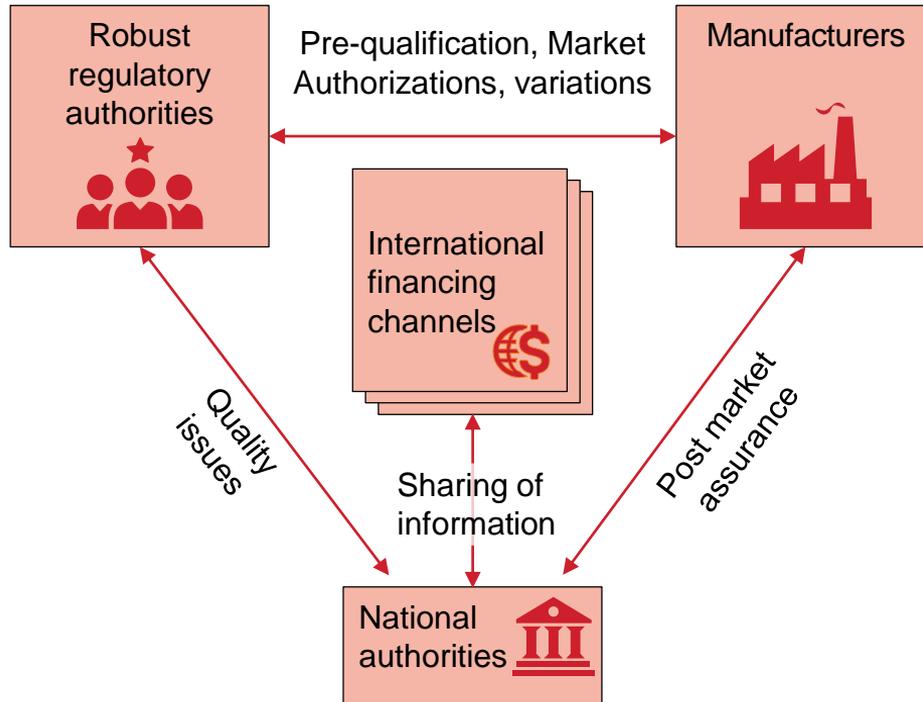
- Both market and stakeholders place high expectations in the quality and relevance of intelligence provided by GF
- Credibility is crucial for GF to be taken seriously in the market and remain a trusted partner

SOURCE: Team analysis ¹Hard constraints give clear gos/no-gos; soft constraints are flexible as, e.g., extra resources can be allocated/provided to enable information sharing

Key element 6: GF strives to evolve to further promote consistent quality standards

↔ Quality related interaction

Quality assurance ecosystem



Initiatives

Foster in-country capacity to ensure generation of quality-relevant data/information

- Leverage external resource partners
- Structure GF financing for increased coherence

Systemize and structure information sharing mechanisms to accelerate and increase actionability

Extend rigorous information loop to all national authorities and facilitate information flow

Refine policies to enable application of own risk assessments and appetite

- Clarify GF's position to employ own risk appetite
- Formalize process for decision making

Pool and leverage resources, knowledge, and data of GF and other organizations by sharing of regulatory data with key stakeholders (e.g., PRs)

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2015 - 2017 ARV Procurement Strategy

Challenges @ 2014

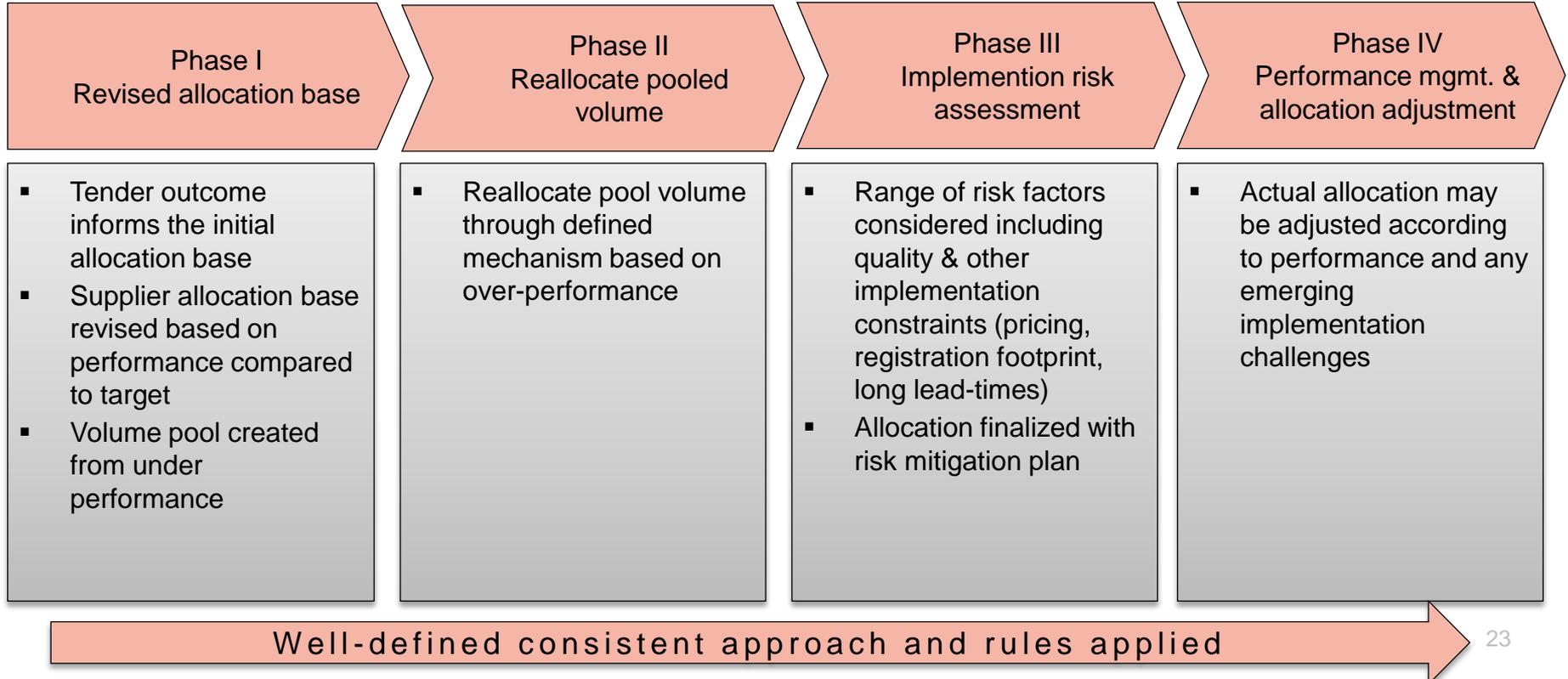
- Poor OTIF
- Relilable supply limited by API & Key Starting Material supply security and sourcing strategies
- Spend skewed to 1st line WHO-optimal regimens that is increasing with regimen rationalization
- Long tail of specialist adult and pediatric treatments with fragmented demand for small quantities
- Optimal products produced under license
- Small number manufacturing the broad range of needed products
- Short product life-cycle with high regulatory burden
- Some manufacturers not participating in the tenders for some products
- Competition for production between products of different margins

Procurement Strategy

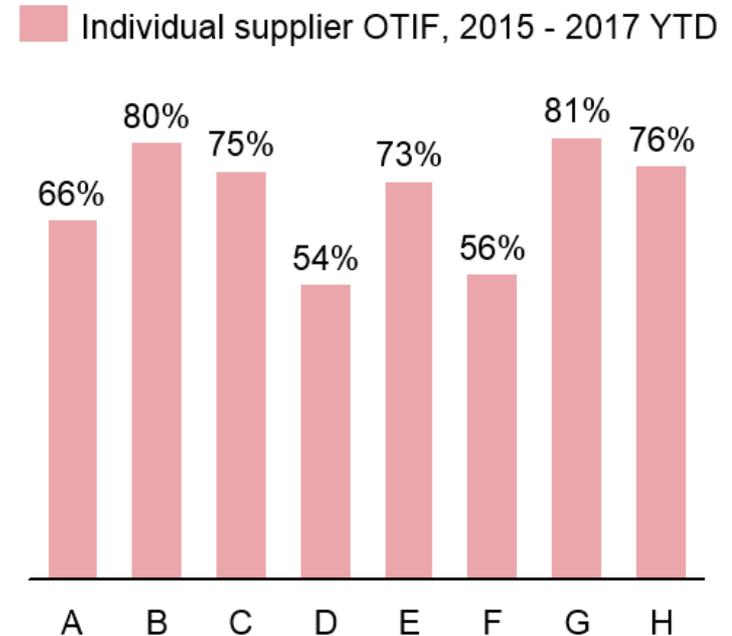
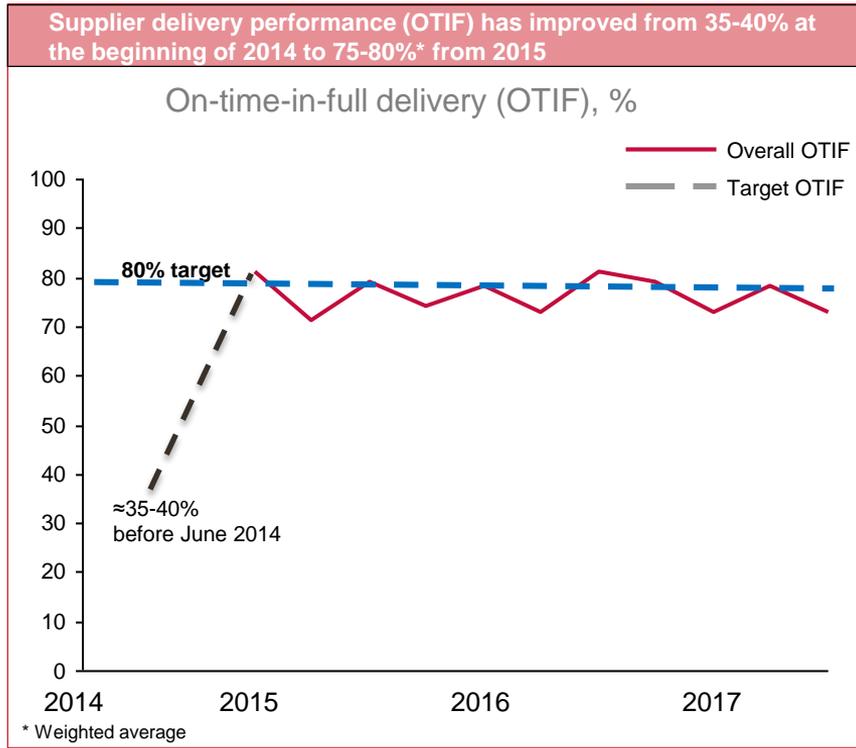
- Maintain a sustainable and predictable supply of the full range of needed products
- De-risk supply of API & key starting materials (KSM).
- Improve OTIF and reduced lead times
- Competitive pricing through supplier engagement strategies
- Maintain sufficient supplier presence by understanding and supporting adequate returns to enable forward investment
- Encourage new entrants who can demonstrate sufficient value add to the program
- Quicker introduction of new products
- Encourage the development of products with longer shelf life and widespread country registration
- Use of longer-term contracting
- Implementation of a Vendor Managed Inventory mechanism to respond to stock-outs across the Global Fund grant portfolio
- The provision of increased visibility through better forecasting and a reduction in costs by streamlining administrative processes.

Active supplier performance management

- Performance is reviewed on a quarterly basis and adjusted annually
- Opportunity for incremental gain (or loss) of volume



Major improvements in reliable supply (OTIF) and a 4-5 week reduction in manufacturing lead-times by enabling more ocean freight



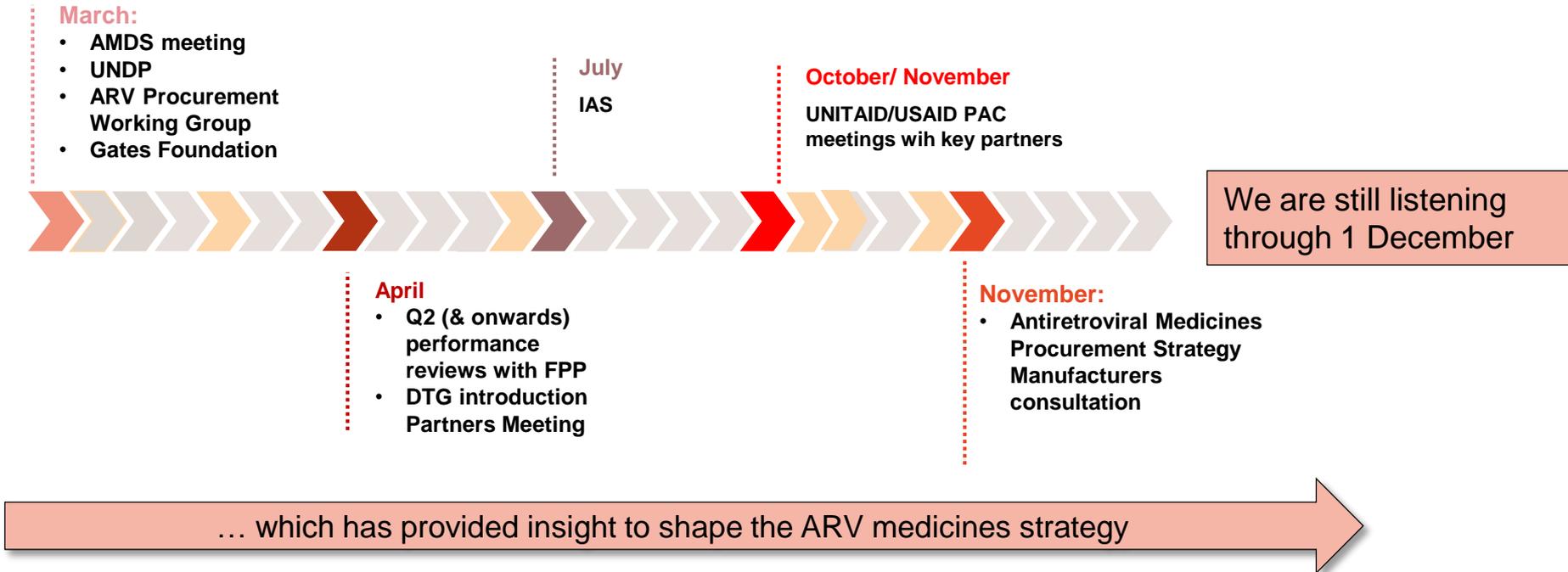
And many other outcomes

- Managed collaboration with suppliers through price strategy roadmaps enabling more for less
 - Substantial savings
 - Price of 1st line regimen down by 35% since 2014; 2nd line by 25%
- Clinical choices more in the forefront with price equalization of
 - alternate WHO recommended regimens: 1st & 2nd line
 - better formulations for children
- Rapid Supply Mechanism able to respond to ARV stock-outs in 12 countries
 - within 1 month from request to in-country delivery through vendor managed inventory
- Annual committed volumes met for each of 3 years
 - frequent sharing of forecast of upcoming orders at the line level
- Increased SMART engagement with other large buyers, partners and other Global Fund procurement channels
 - Terms extended to other buyers: PAHO and national governments
 - Procurement approaches evolving to include more non-price factors and stronger performance based contract implementation
 - Expanded scope of ARV Procurement Working Group: more partners & also adult products

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Since the beginning of 2017, we have consulted with manufacturers, API suppliers, finished dosage form manufacturers and international partners



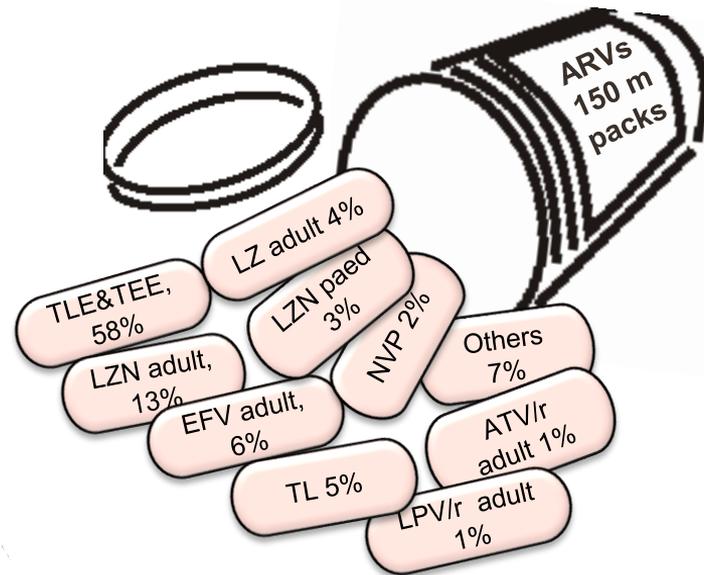
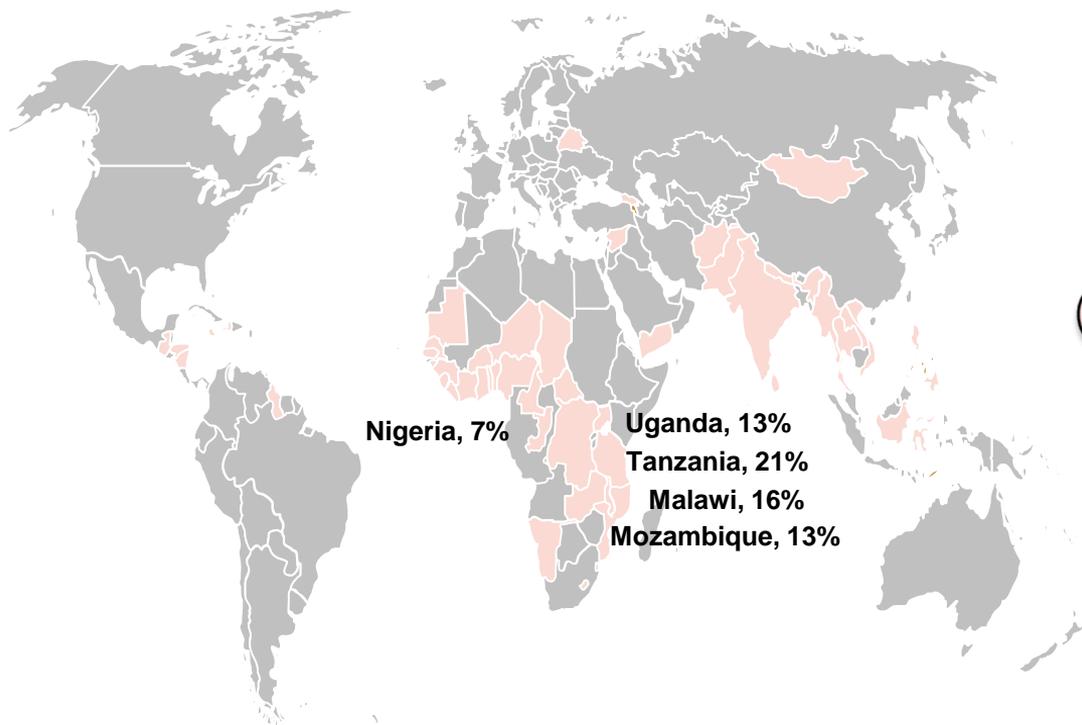
ARV Market Observations

- ARV FPP is a high volume and complex business with a number of challenges
- API make or buy decisions are fundamental to determining cost competitiveness, supply security and long term FPP strategy
- Mid and long term 1st line ARV products landscape is not yet clear
- Formulation capacity is not necessarily a bottleneck of the FPP capacity, but API/INT availability from the registered manufacturers can be the limiting factors of the continuous FPP supply
- KSM supply challenges become an emerging issue in terms of cost increase and supply continuity

ARV Market Observations

- Overall, competition is rising and product lifecycle is becoming shorter
- Varying level of understanding and maturity among suppliers
- External parties encouraging anti-competitive and cartel behavior
- Disingenuous lobbying concerning entitlement and equity distracts from overall market issues

150 million (monthly) packs delivered to 53 countries (2015-2017)



Afghanistan, Armenia, Belarus, Benin, Burkina Faso, Burundi, Cote d'Ivoire, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Congo DRC, Fiji, Gambia, Georgia, Ghana, Guatemala, Guinea, Guyana, Haiti, Honduras, India, Indonesia, Jamaica, Laos, Lesotho, Liberia, Malawi, Mauritania, Mongolia, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Philippines, Senegal, Sierra Leone, Sri Lanka, Syrian Arab Republic, Tanzania, Thailand, Timor-Leste, Togo, Uganda, Vietnam, Yemen, Zambia

Product segmentation & recognizing offering across different product sets

Antiretroviral and other strategic medicines used in HIV programs

Product set	Spend	Focus	Notes
1. WHO preferred and alternative regimens	98%	Full scope and leverage of strategy objectives	30 mainstream adult and paediatric 1 st and 2 nd line products (including multi-month 90-packs) “Strategic” ARVs may include TLD; TLE-400; ATV/r; DRV/r; paed 4-in-1
2. WHO limited use/ specialist products	2%	Availability across multiple procurement channels	<ul style="list-style-type: none"> ▪ Panel of suppliers ▪ Utilize the multiagency ARV procurement working group to inform allocation ▪ Communicate longer lead-times ▪ Disaggregate in OTIF measurement and performance management
3. Related products used in HIV programs	low	Access and affordable pricing to Global Fund & other buyers	<ul style="list-style-type: none"> ▪ Hepatitis B & C ▪ Preventative therapies <ul style="list-style-type: none"> ▪ Isoniazid ▪ cotrimoxazole/isoniazid/B6 ▪ Advanced HIV disease <ul style="list-style-type: none"> ▪ flucytosine ▪ amphotericin B: deoxcholate/liposomal ▪ pegolated liposomal doxorubicin

Objective: Increase access to all the needed WHO-recommended Anti-retroviral medicines and formulations at the optimum price whilst simultaneously maintaining a sustainable competitive market

- Sustainable supply
- Competitive pricing and affordability
- Availability and reliable delivery
- Quality and regulatory

Strategic objectives (supplier related aspects will be reflected in the tender scope, objectives & evaluation)

Indicative

	Sustainable supply	Competitive pricing & affordability (Total Cost approach)	Availability & reliable delivery	Quality, regulatory & risks
Detailed objectives	<ul style="list-style-type: none"> Continued supply of all needed anti-retroviral medicines De-risking API/KSM supply Accelerating the introduction and uptake of new products and formulations Promote responsible procurement, including good business practices, through the supply chain Improved demand forecasting and management Encourage bids and make conditional allocations for strategic products for PQ/SRA approvals expected in the current calendar year Encourage new entrants with volumes being available to include new entrants where needed especially for products in the early lifecycle stages 	<ul style="list-style-type: none"> Sustainable (lower) pricing Price roadmaps for strategic products Improve efficiencies by reducing SKUs, cartonless packaging & customization Facilitating multi-month dispensing Longer shelf life products allocated especially for later lifecycle products with falling sporadic demand Products with reduced volume packaging preferentially allocated once a product is registered in country Require GS1 barcoding standards (aligned with USAID & South Africa) More proactive engagement on most-favoured nation clause 	<ul style="list-style-type: none"> Improved & sustained delivery performance: moving OTIF target to over 90% More responsive supply <ul style="list-style-type: none"> Shorter lead times including through innovative supply chain solutions VMI and stock visibility for low volume orders and stock outs Further strengthen RSM (VMI) Bundling of low and high volume products Coordinated procurement with other buyers for low volume/ niche products Alignment with UNITAID investments in new product introduction 	<ul style="list-style-type: none"> More proactive management of quality and other risks Broad national registration footprint Evolve ERP to be more strategically focussed Mitigate risks <ul style="list-style-type: none"> Product quality & safety Geographic diversity for API and FPP
Leveraging impact	<ul style="list-style-type: none"> All ARVs under Global Fund direct management scope (including originators) Coordinate tender timelines with other big buyers Zero tolerance for anticompetitive behaviour in the market 	<ul style="list-style-type: none"> Extending impact by including PAHO volumes in RFP Extension of terms to other public sector funders and buyers Leverage access to other strategic medicines used in HIV from same supplier base: <ul style="list-style-type: none"> Hepatitis B & C Preventative therapies Advanced HIV disease 	<ul style="list-style-type: none"> Benchmarking, monitoring and intervening on GF non-PPM procurement performance: price and non-price factors Extend principles of performance-based procurement to others especially Global Fund volumes 	<ul style="list-style-type: none"> Encourage participation in WHO collaborative and regional pooled registration initiatives Strategic initiative funding to strengthen national capabilities for QA Sourcing decisions due to quality risk assessments extended beyond PPM Systemize and structure information sharing mechanisms on QA with partners and countries

Sustainable supply

Detailed objectives

- Continued supply of all needed anti-retroviral medicines
- De-risking API/KSM supply
- Accelerating the introduction and uptake of new products and formulations
- Promote responsible procurement, including good business practices, through the supply chain
- Improved demand management
- Encourage bids and make conditional allocations for strategic products for PQ/SRA approvals expected in the current calendar year
- Encourage new entrants with volumes being available to include new entrants where needed especially for products in the early lifecycle stages

Leveraging impact

- All ARVs under Global Fund direct management scope (including originators)
- Coordinate tender timelines with other big buyers
- Zero tolerance for anticompetitive behaviour in the market

Competitive pricing & affordability (Total Cost approach)

Detailed objectives

- Sustainable (lower) pricing
- Price roadmaps for strategic products
- Improve efficiencies by reducing SKUs, cartonless packaging & customization
- Facilitating multi-month dispensing
- Longer shelf life products allocated especially for later lifecycle products with falling sporadic demand
- Products with reduced volume packaging preferentially allocated once a product is registered in country
- Require GS1 barcoding standards (aligned with USAID & South Africa)
- More proactive engagement on most-favoured nation clause

Leveraging impact

- Extending impact by including PAHO volumes in RFP
- Extension of terms to other public sector funders and buyers
- Leverage access to other strategic medicines used in HIV from same supplier base:
 - Hepatitis B & C; preventative therapies; advanced HIV disease

Availability & reliable delivery

Detailed objectives

- Improved & sustained delivery performance: moving OTIF target to over 90%
- More responsive supply
 - Shorter lead times including through innovative supply chain solutions
 - VMI and stock visibility for low volume orders and stock outs
 - Further strengthen RSM (VMI)
- Bundling of low and high volume products
- Coordinated procurement with other buyers for low volume/ niche products
- Alignment with UNITAID investments in new product introduction

Leveraging impact

- Benchmarking, monitoring and intervening on GF non-PPM procurement performance: price and non-price factors
- Extend principles of performance-based procurement to others especially Global Fund volumes

Quality, regulatory & risks

Detailed objectives

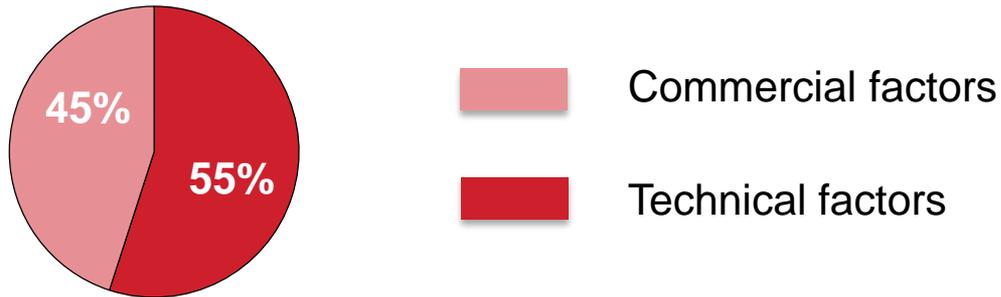
- More proactive management of quality and other risks
- Broad national registration footprint
- Evolve ERP to be more strategically focussed
- Mitigate risks
 - Product quality & safety
 - Geographic diversity for API and FPP

Leveraging impact

- Encourage participation in WHO collaborative and regional pooled registration initiatives
- Strategic initiative funding to strengthen national capabilities for QA
- Sourcing decisions due to quality risk assessments extended beyond PPM
- Systemize and structure information sharing mechanisms on QA with partners and countries

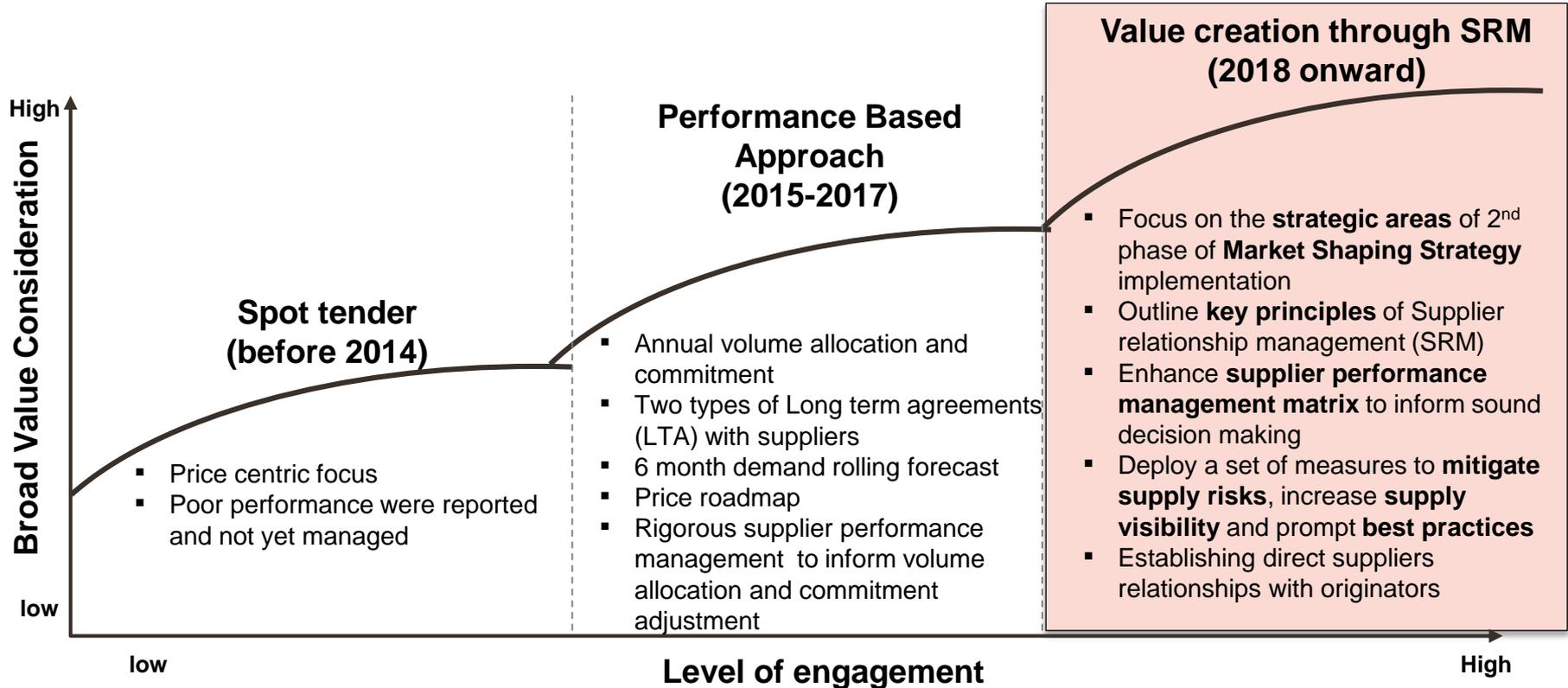
Global Fund will offer...

- 3 years framework agreement with option for extension with a process for new entrants/products
- Tender evaluation will comprise of **45%** of commercial factors and **55%** of technical factors



2018 ARV

Evolution of the implementation of the ARV strategy with emphasis on value creation through Supplier Relationship Management (SRM)



The principles of our approach

Tender Eligibility

1. Related firms may only submit one bid
2. Global Fund Quality Assurance Policy

Performance Principles

1. Volumes allocations will managed throughout implementation via a performance based approach (incentive volume pool)
2. Supply security will be a focus area
3. OTIF and Responsiveness vs promised lead times will be a factor in performance based approach
4. Global Fund values responsible procurement and will factor this during implementation

Key measures to mitigate supply risks, increase supply visibility and prompt best practices

Scope:

Some of the measures may only apply for some products

Reporting:

Reports required on annual, quarterly or monthly basis depending on the specific measure

Confidentiality:

Commercially sensitive information will be kept confidential

Key measures – Most Favored Nation (MFN) Clause

- MFN clause in contract supports our efforts to ensure best value for Global Fund
- We will proactively manage the principles and implementation of the MFN clause
- We will require each supplier to inform the Global Fund their price bids for tender submissions
- These submissions would not automatically trigger the MFN clause, but supplier are required to notify the Global Fund within 7 days of tender award
- This notification will trigger a decision from the Global Fund

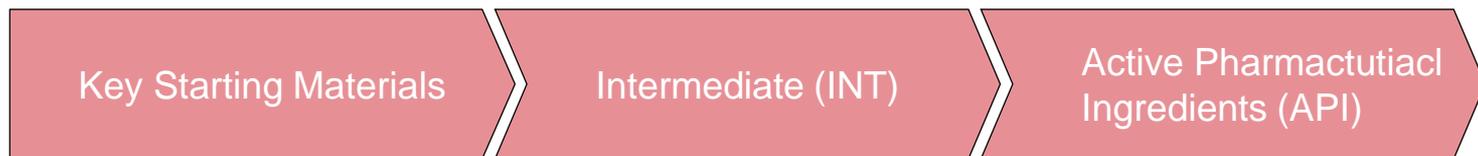
Key measures – Planned Capacity

Indicative

- In order to smoothly implement the transition to new products we will require the reporting of future planned capacity for selected products
- This will include specifically reporting on capacity for a rolling 6-12 month period
- In addition to planned capacity we will require the reporting of any foreseen capacity constraints within that same time 6-12 month time frame

Key measures - upstream supply visibility

Indicative



Scope

- KSM may have impact on supplier security and cost
- Registered Intermediate (INT) and APIs in the FPP dossier

Information required

- Name /CAS number
- Supplier information
- others
- Name /CAS number
- Supplier information including current registered supplier and suppliers are in the process with indicative approval timeline
- others

Supporting documents

- Copy of dossier with regards to the route of synthesis of the API (DMF open part); registered INT and API manufacturers in FPP the dossier;
- Variation approval with regards to new API/INT suppliers or new INTs

Note: We may or may not share information with RSA and USG under mutually agreed confidentiality terms

Key measures – production lead time and responsiveness

Product sets

- WHO preferred and alternative regimens
- WHO limited use/ specialist products

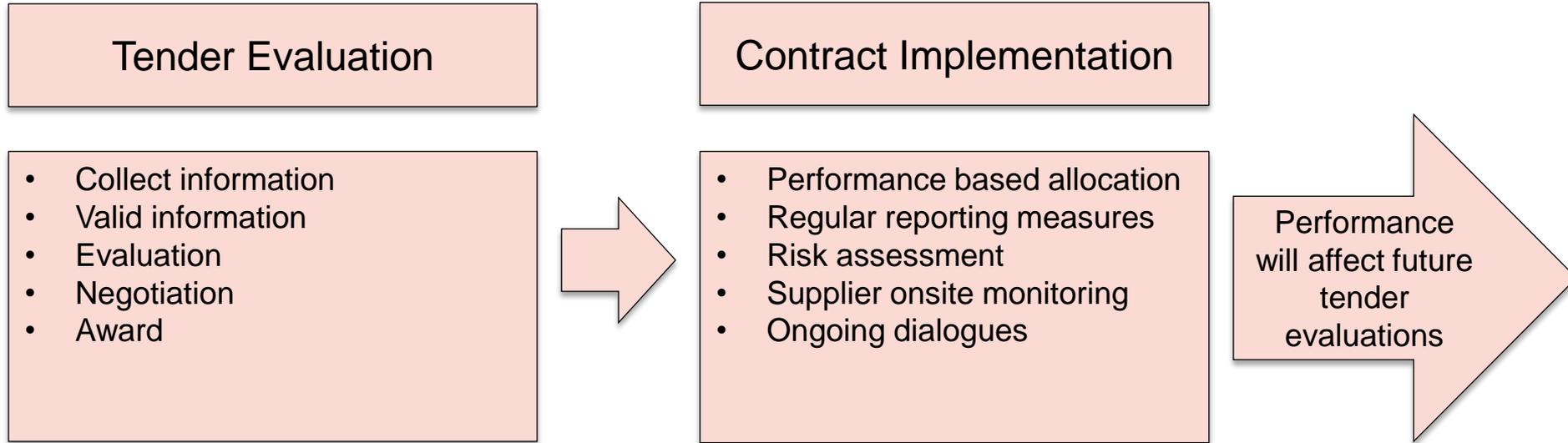
Information required

- Promised lead times per product
- Actual lead times per product purchase order

Product set measurement objective

- Shorten lead times and increase overall responsiveness; key focus area of measure
- Maintain reliable lead times for planning purposes; shorten where possible

Following the tender evaluation process, we will focus our efforts on generating value through SRM during the implementation phase of the contracting cycle



ARV tender process and timeline

Indicative

Phase I: Tender Launch
(January-February
2018)

- RFP on Platform
- Two rounds of questions/answers

Phase II:
Submissions and
Evaluations
(March-May 2018)

Round 1: Bid submissions and initial evaluation

Round 2: Evaluation Workshop, including face to face negotiations (including price roadmaps/value levers)

Phase III:
Evaluations
(June 2018)

- Final Evaluations
- Internal Approvals
- Award

Phase IV:
Contracting
(June-July 2018)

- Contract finalizations and signing

Request for Proposal Preparation

1. RFP Documentation will be available through the Sourcing Platform and posted on the Global Fund website for downloading
2. There may be a number of documents
 - Main RFP document
 - Schedules
 - Certificate of Conformance
 - Confidentiality agreement
 - Draft Framework Agreement
3. To submit a complete response to RFP bidders will need to comply with all requirements as specified
4. We will request a significant amount of information. We will clearly advise which will be evaluated and which are for implementation purposes only

More information: <https://www.theglobalfund.org/en/sourcing-management/health-products/>



Overview

Updates and Events

Information for Suppliers

Policies & Principles

Quality Assurance

Price & Quality Reporting

Sourcing & Procurement of Health Products

Antiretrovirals (ARVs)

Antimalarial Medicines

Private Sector Co-payment Mechanism

Long-lasting insecticidal nets (LLINs)

Viral Load and Early Infant Diagnosis Selection and Procurement Information Tool

HIV & Malaria Rapid Diagnostic Tests (RDTs)

Implementer Support

Sourcing & Procurement of Health Products

The Global Fund play a significant role in global markets for health products for these three diseases as a key financier and support countries get the most value for their investment. To ensure that the Global Fund's purchasing power is best used to impact the three diseases, our Board has approved a Market Shaping Strategy.

The sourcing and management of health products which ranges from antiretrovirals (ARVs), anti-malarials, TB medicines, insecticide-treated nets to laboratory supplies is a critical component of the response to AIDS, TB and malaria.

One key tool for maximizing the purchasing power is the Pooled Procurement Mechanism, through which we are able to negotiate the best prices and delivery conditions with manufacturers on behalf of our Principal Recipients.

Through this mechanism, a strategy for each category of health product is developed using a standardized, rigorous and analytical approach. All procurement is guided by the relevant Global Fund quality assurance and procurement policies. Information on all procurement carried out by Global Fund-supported programs is made available through our online database, the Price & Quality Reporting tool.

Between 2012 and 2015, the Global Fund has seen measurable results in sourcing products through global tenders, including:

- Cost savings of nearly US\$500 million
- Increase in on-time delivery, from 48 percent to 80 percent (for core health products)