Draft Roadmap for the 2\textsuperscript{nd} phase of implementation of the Market Shaping Strategy

Global Fund Secretariat reflections  November 2017
Contents

▪ What has happened?
▪ Where are we going?
▪ How will we proceed?
The MSS is a key component of The Global Fund’s mission

There are icons throughout the presentation which do not render well in this text format. The mission of MSS is to leverage our position to facilitate healthier global markets for health products – today and in the future.
Healthy markets have 6 characteristics

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation</td>
<td>There is a robust pipeline of new products, regimens or formulations intended to improve clinical efficacy, reduce cost, or better meet the needs of end users, providers or supply chain managers</td>
</tr>
<tr>
<td>Availability</td>
<td>New and/or superior evidence-supported, quality-assured products are rapidly introduced in the market and made available to those in low- and middle-income countries. Adequate and sustainable supply exists to meet global needs</td>
</tr>
<tr>
<td>Demand and adoption</td>
<td>Countries, programs, providers (e.g., healthcare providers, retailers), and end users rapidly introduce and adopt the most cost-effective products (within their local context)</td>
</tr>
<tr>
<td>Quality</td>
<td>Medicines and technologies are available at an internationally-recognized standard of quality, and there is reliable information on the quality of the product. This includes not only the quality of the final, finished product, but also the quality of starting and intermediary materials used to manufacture the final product</td>
</tr>
<tr>
<td>Affordability</td>
<td>Medicines and technologies are offered at the lowest possible price that is sustainable for suppliers and does not impose an unreasonable financial burden on governments, donors, individuals, or other payers</td>
</tr>
<tr>
<td>Delivery</td>
<td>Supply chain systems (including quantification, procurement, storage, and distribution) function effectively to ensure that products reach end users in a reliable and timely way</td>
</tr>
</tbody>
</table>

Source: Market Shaping Strategy, Annex 1 to GF/B4/17 - Revision 1
The 1st phase of implementation of the Market Shaping Strategy has borne fruit

**Savings equivalent to:**

- >400mn courses of ACTs for under 5>65 mn bed nets
- Reduction of scale-up time
- Tenders including innovation criteria
- Collaboration and co-investment

**Terms and conditions of framework agreements extended**

- Large Buyer Forum in ARV market
- OTIF in PPM
- Introduced to prevent stockouts
- Price reductions LLIN/ARV
- mn$ savings (2016)

**Contribution to GF mission**

- Adoption of new/cost efficient products
- Stimulated innovation
- Availability and affordability
- Consistent quality standards

**Country transition and long-term market viability**

- 85%
- 50%
- 100%
- >35%
- 149

Source: Team analysis
To deliver on the 2nd phase of implementation of the Market Shaping Strategy, we have identified 6 strategic priority areas going forward:

**Strategic priority areas**
- Leveraging impact
- Total cost approach
- Innovation and new product introduction
- Responsible procurement
- Provision of market information
- Quality assurance

**Strategic measures**
- Fully establish what we have achieved
- Clearly define where we want to get to
- Identify measures to attain target state

**Expectations placed on GF**
- Overall expectation: Maintain healthy markets
- Priority expectations of sounding board:
  - Getting more for less (value)
  - Accelerate uptake of new products
  - Increase efficiency
- Underlying requirement: Ensure consistency with the SDGs

Source: GF; Team analysis
We are in the process of seizing prioritized opportunities in each strategic area.

### Process of seizing strategic opportunities

#### Description
- **Ideation**
  - Define strategic priority areas
  - Identify opportunities and pain points in status quo
  - Generate ideas, both consultatively and pro-actively

- **Selection**
  - Translate ideas and inputs into initiatives
  - Long-list initiatives and gain initial understanding of links and connections

- **Preparation**
  - Conduct high-level assessment of initiatives
  - Prioritize a limited set of initiatives per strategic areas
  - Identify what is needed to realize initiatives in terms of contributions by different stakeholders
  - Develop key milestones to realize prioritized initiatives

- **Implementation**
  - Assess initiatives and identify next steps to progress
  - Detail-out granular activities
  - Engage with partners as needed/possible

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**Output of Strategic Review Meeting 2017**

**Strategy development by GF**

**Stage-gate Deliverables**

**Focus of this document**

**Source:** McKinsey team analysis

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**Ideation**

<table>
<thead>
<tr>
<th>Stage</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ideation</td>
<td>Prioritize</td>
</tr>
</tbody>
</table>

**Where we are going**

**How we will proceed**

**Partner input**
Contents

▪ What has happened?
▪ **Where are we going?**
▪ How will we proceed?
We identified 6 strategic priorities for which we wish to improve collaboration with partner organizations

<table>
<thead>
<tr>
<th>Strategic priority areas</th>
<th>What we have achieved</th>
<th>What we want to attain</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Leveraging impact</td>
<td>Greatly improved <strong>affordability and availability</strong></td>
<td>Define ways of <strong>SMART</strong> collaboration</td>
</tr>
<tr>
<td></td>
<td><strong>Strong partner relationships</strong>, incl. co-investments and benefit sharing</td>
<td><strong>Sustain and extend impact</strong> achieved through, e.g., framework agreements, potential joint procurement solutions</td>
</tr>
<tr>
<td>2 Total cost approach</td>
<td>Significant <strong>value unlocked</strong> through unit-price focused efforts</td>
<td>Unlock <strong>additional benefits beyond unit price reductions</strong> through holistic cost approach</td>
</tr>
<tr>
<td>3 Innovation and new product introduction</td>
<td>Targeted <strong>case-by-case support</strong> leveraging organically evolving collaboration</td>
<td>Leverage <strong>synergetic end-to-end support</strong> based on each partner’s <strong>unique value proposition</strong></td>
</tr>
<tr>
<td>4 Responsible procurement</td>
<td>Societal and environmental concerns addressed through <strong>multiple ad-hoc initiatives</strong></td>
<td><strong>Work hand in hand with partners</strong> to comprehensively ensure responsible procurement across 4 dimensions (i.e., economy, ecology, society, and business practices)</td>
</tr>
<tr>
<td>5 Provision of market information</td>
<td><strong>Healthier markets</strong> through generous information sharing on case-by-case basis</td>
<td><strong>Improve impact and mitigate risk</strong> through <strong>principle-based</strong> information sharing</td>
</tr>
<tr>
<td>6 Quality assurance</td>
<td><strong>Averting of critical quality issues/incidences</strong> and improved patient safety</td>
<td><strong>Play more pro-active role</strong>, incl., improving of information flow and increasing ability to <strong>act upon quality relevant information</strong></td>
</tr>
</tbody>
</table>

1 Specific Measurable Achievable Realistic Timebound

Source: GF; Team analysis
Through collaboration we can unlock significant benefits and deliver on the Market Shaping Strategy

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**HIV/TB/Malaria health product expenditure run through PPM**

**TGF - PPM 1.1 $bn**

**Total public health spend**

$5-7 bn, incl. country spend

**International financing**

$2-4 bn spend of partners

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**Unleveraged impact**

- See to the left + grants by TGF for HIV/TB/Malaria health products not run through PPM
- See to the left + spend of financing partners on HIV/TB/Malaria health products
- See to the left + country and other (e.g., technical partners) spend on HIV/TB/Malaria

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**TGF influence**

- **Description**
  - Increase leverage and buying power through volume
  - Provide access to competitive market prices, eliminate procurement delays, support timely grant expenditure, and ensure quality
- **Benefits towards MSS**
  - Extend benefits through synergies and economies of scale in order to increase impact through collaborative initiatives
  - Build experience and refine tools/processes
  - Gain stakeholder recognition
  - Build market power and capture synergies / economies of scale
  - Attain resource relief by spreading disease burden further
  - Coordinating procurement of low volume ARVs
  - Locally embed and enforce impact and align with policies and initiatives
  - Achieve trickle-down effects on overall health system
  - Ensure legitimization and support

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**Sources:** Estimates based on Institute of Health Metrics and Evaluation; UNAIDS report on global AIDS epidemic 2013; Global Tuberculosis Report 2013; World Malaria Report 2013; TGF; extreme scenarios excluded

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## What could we do: Initiate SMART collaboration in 4 areas

### Initiatives

<table>
<thead>
<tr>
<th>Category</th>
<th>Initiatives</th>
</tr>
</thead>
</table>
| Supplier management approach | - Coordinate tender timing across big buyers  
- Align QA requirements where feasible  
- Promote balanced supply system and align performance management approach/metrics across GF procurement channels and other buyers  
- Coordinate with other buyers (incl. UNITAID) on demand and procurement timing for low volume specialist and new emerging products beyond ARVs |
| Leveraging information | - Simplify future exchange and use of information by continuing aligning on nomenclature  
- Share current demand and supply information and procurement practices, incl. assumptions, purpose and methods to decrease the impact of procurement fragmentation  
- Communicate examples of leveraging impact to illustrate potential of collaboration with partners |
| Mechanisms and contracts | - Identify procurement / tender approaches to deliver on common strategic objectives across different funders and buyers  
- Simplify the engagement between buyers and manufacturers through existing tools and mechanisms (e.g., aligned terms and conditions, order placement platforms such as wambo.org) |
| Capability/Capacity building | - Align and leverage regional/sub-regional procurement mechanisms where applicable and enable countries to access PPM terms and conditions to drive availability and affordability of health products  
- Improve information flow to enable better decision making and procurement capabilities at local level  
- Build capability to manage data and market information to strengthen procurement capabilities at local level |

1 Specific Measurable Achievable Realistic Timebound

Source: GF; Output of the Strategic Review Meeting; McKinsey team analysis
**What do we want to do:** Strengthen procurement by extending visibility, promoting effective criteria, aligning approaches and increasing coverage

<table>
<thead>
<tr>
<th>Priority initiatives, simplified</th>
<th>Description</th>
</tr>
</thead>
</table>
| A Promote balanced supply system | ▪ **Extend and disseminate benefits** of balanced supply system beyond PPM and to further volumes  
▪ **Promote inclusion of balanced supply system criteria** in tenders and contract implementation of non-PPM countries (i.e., performance, cost competitiveness, sustainability, and risk management) |
| B Coordinate with other buyers for low volume specialist and new emerging products | ▪ Coordinate with other buyers to **identify demand and align procurement** for low volume specialist/emerging new products  
▪ **Pool volumes across buyers and over time** for products for which partners individually do not have critical mass |
| C Drive visibility into demand and procurement | ▪ **Effectively and SMART¹-ly share** current demand and procurement practices information:  
  — Align on **nomenclature** for demand data to simplify future exchange and use of information  
  — **Collaborate with other large buyers to share harmonized demand information** for key products, incl. assumptions, purpose and methods (e.g., further extend current sharing practice for 18 months forward funded demand for ARVs)  
  — **Intensify dialogue** between manufacturers, buyers and technical partners about forward demand  
▪ Enable **harmonized efforts** on procurement with partners and **unlock value of information-synergies**  
▪ Communicate examples of leveraging impact to **illustrate potential of collaboration with partners** |
| D Identify procurement / tender approaches to deliver on common strategic objectives | ▪ Align on all or some procurement objectives and identify a range of complementary procurement models  
▪ Utilize complementary procurement models to **seize upon synergies and remove friction**  
▪ Enable partnership to **systematically, efficiently and effectively deliver on collective strategic objectives**  
▪ Ensure availability of **global mechanism as an option for procurement for transitioning countries**, e.g., PPM, GDF; PAHO |

¹ Specific Measurable Achievable Realistic Timebound  
Source: GF; Output of the Strategic Review Meeting; McKinsey team analysis
GF runs 2 waves of Total Cost initiatives to first seize the low hanging fruit and sufficiently prepare the big leaps in the long run.

First Total Cost wave

- Take-stock and identify levers to optimize Total Cost
- Prioritize low hanging fruit of high impact initiatives that are fairly easy to implement
- Unlock full value of current value chain

Second Total Cost wave

- Define target state of Total Cost
- Identify big leaps necessary to move towards target
- Deliver on target value chain

Objectives

- Focus on initiatives where GF has strong leverage
- Employ targeted approach to tweak existing value chain and identify opportunities, e.g.,
  - On internal processes (e.g., procurement)
  - On external operations (e.g., supplier operations)

Scope

Ease of implementation

- Focus on initiatives where partners and GF collectively and SMART1-ly can build critical leverage
- Increase depth of approach and identify opportunities to re-shape the value chain

Source: GF; McKinsey Team Analysis

1 Specific Measurable Achievable Realistic Timebound
## What we could do:
To unlock the value of the supply chain, a holistic approach identifies end-to-end levers to optimize Total Cost

### Supplier framework creation

<table>
<thead>
<tr>
<th>Demand</th>
<th>Sourcing</th>
<th>Manufacture</th>
<th>Delivery</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Improve forecasting and consolidate demand over time</td>
<td>▪ Get sourcing closer to demand</td>
<td>▪ Optimize packaging and labelling</td>
<td>▪ Optimize storage</td>
<td>▪ Optimize lab equipment and maintenance agreements</td>
</tr>
</tbody>
</table>

### Highest impact initiatives
- Explore outcome based procurement
- Explore contract manufacturing
- Jointly generate innovation

### Further key initiatives
- Optimize specifications
- Employ VMI
- Reduce/optimize requirements
- Enhance Quality Assurance oversight
- Value responsible procurement
- Optimize modes and means of transportation
- Optimize last mile transport
- Explore outcome based procurement
- Explore contract manufacturing
- Cut traders
- Optimize API and excipient price
- Optimize terms and conditions
- Improve warranties and insurances
- Negotiate service level warranty
- Reduce waste by improving HW skills

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1 First degree: Unnecessary orders; Second degree: necessary orders not made

Source: team analysis
## What do we want to do: Pull different levers that support visibility on and optimization of Total Cost of products funded by GF

<table>
<thead>
<tr>
<th>Initiative</th>
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</tr>
</thead>
</table>
| **A** Implement lean opportunities | ▪ Progress realization of **lean opportunities across sourcing in a systematic and targeted way**  
▪ Increase **efficiency of sourcing and procurement processes and external supply chain operations**  
▪ **Unlock value in the face of uncertain demand as well as complex processes;** both internally and externally |
| **B** Optimize packaging and labelling | ▪ Introduce **bar-coding for tracking and tracing** of products to enable next-level management of products, e.g., data generation and support, supply chain optimization, traceability (QA, pharmacovigilance, fraud)  
▪ **Reduce SKUs, customization and packaging** (volume, environmental) to enable greater demand consolidation, volume reductions and unlocking of further efficiency gains |
| **C** Source closer to demand | ▪ **Boost efficiency, responsiveness, supply security, as well as country transition potential**  
▪ **Build on existing Global Fund workstream** to engage **African manufacturers** |
| **D** Improve forecasting and consolidate demand over time | ▪ **Unlock cost savings** in the upstream supply chain, **reduce lead times, and improve supply security** through demand planning by **improving forecasting of volume, specification and time of demand**  
▪ **Contribute to and support GF Supply Chain Implementation Plan** to develop robust forecasts  
▪ Clearly articulate **methods and definitions** to better facilitate SMART¹ partner collaboration (e.g., coordinate with other buyers for low volume specialist and new emerging products) |
| **E** Optimize lab equipment & maintenance agreement | ▪ With partners and lab advisor, unlock value by further optimizing lab equipment and maintenance agreements by **establishing technical needs and developing procurement solutions** |

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¹ Specific Measurable Achievable Realistic Timebound

Source: GF; Output of the Strategic Review Meeting; McKinsey team analysis
## Key objectives

### Incentivize and facilitate research and development

- Disentangle, clarify and communicate simply presented route to scale in the LMIC market (with partners)
- Counsel Product Development Partnerships (PDP) and other partners (what GF can/cannot do)
- Continue to value innovation through tenders (as appropriate depending on category)
- Consider valuing participation in regional / WHO collaborative registration in tenders
- Determine value of any role for GF in engaging in negotiating global access agreements
- Intensify dialogue to identify complementary levers with partners, especially close to scale-up in order to sustain support post-donors and before demand scales
- **Fully leverage strong downstream position of GF to sustain needed products to smoothen exit and stabilize supply structures**

### Develop, sustain, and secure supply

- Engage with partners to include supplier performance considerations when they select industry partners (if willing and able)
- Help manufacturers forecast sales erosion and foresee market development
- Share information/forecasting/scenario perspective

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Source: GF; Output of the Strategic Review Meeting; Team analysis

Prioritized initiatives
(deep dive in the following)
3 What we could do: End-to-end support innovation together with partners

Ensure rapid scaling of new health technologies with improved efficacy and/or cost effectiveness

Facilitate transition/switching

Overarching

Key objectives

Initiatives

- Deliberately assess inclusion of opportunities of new products with step-change innovation
  - Convene structured focused periodic engagements to pool resources/information, leverage stakeholder relationships, perform ongoing pipeline analysis and product roadmaps as well as to ensure “needs” for scale are incorporated early on
  - Ensure policy coherence to reduce any unintended consequences impeding new product uptake
  - Encourage an increase in user and program acceptance to improve successful uptake
  - Evolve and prioritize the product scope of Global Fund Expert Review Panel (QA)
  - Propose assessment of intent for uptake after UNITAID country adoption activities
  - Leverage relationships with partners and PRs to support pick-up of demand

- Introduce cross-secretariat/partner biannual (focused) stock-take of new product uptake
  - Establish the two-way “needs” at each stage of the lifecycle to prepare for scale; identification and filling of gaps

- Articulate end-to-end value propositions of partnership, incl. what Global Fund can and cannot do

Source: GF; Output of the Strategic Review Meeting; McKinsey team analysis
### What do we want to do: Selected priority initiatives aim to take collaboration to the next level and leverage each partner’s value proposition

<table>
<thead>
<tr>
<th>Priority initiatives</th>
<th>Description</th>
</tr>
</thead>
</table>
| A Biannual joint stock take of uptake progress and reduce bottlenecks | - Establish TOR\(^1\) internally and with key partners  
- Invite **key group of partners** along the innovation value chain (variable, depending on product(s) in focus)  
- Provide **forum for regular exchange and alignment** on uptake progress and reduce bottlenecks for new products meeting criteria for success  
- **Ensure end-to-end support** by jointly assessing innovation landscape, removing roadblocks, as well as joining and aligning benefits |
| B Disentangle, clarify and communicate simply presented route to scale in LMIC market | - Provide simple clear picture to developers how to smoothly navigate introduction/scale up  
- Optimize chances of success for new products by reducing risk  
- Communicate broad position statement on Global Fund to value new products |
| C Articulate end-to-end value proportions of partnership | - Map **value proposition of each partner**, including capabilities, capacity and constraints  
- Drive **visibility and simplification of route to market** and identify **whitespots and opportunities** to further leverage partnership to introduce and accelerate uptake |
| D Fully leverage strong downstream position of GF | - Identify **products facing potential supply shortage** and evaluate measures to ensure continuity of supply until products and countries are ready  
- **Leverage downstream-position of GF** to facilitate smooth transition/switching |
| E More deliberately evaluate inclusion of new products with step-change innovation | - Define **role and responsibility** within GF to ability of advise on **landscape of** new products  
- **Foster proactivity and ensure timely inclusion** of new, promising products during grant approval, making and implementation |

\(^1\) Terms of Reference  
Source: GF; Output of the Strategic Review Meeting; McKinsey team analysis
The bi-annual stock take is an enabler initiative, since it allows to tackle multiple priority initiatives at once.

### Opportunities to implement priority initiatives

- Collective knowledge, insights and visibility of partners present at stock take
- Clear route to market as precondition to align partner activities and optimize support
- Comprehensive group of key stakeholders assembled
- Defined and delineated propositions of partners across value chain as precondition to align activities and optimize support
- Interest of all partners at stock take to leverage strengths and propositions
- Opportunity for GF to emphasize its downstream value proposition and align with partners

### Enabled initiatives

- **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**

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Source: GF; McKinsey team analysis
What do we want to do: Embark on a journey to build a holistic responsible procurement approach

- Engage with partners and donors
  - Gather and address inputs as well as understand requirements and expectations from key stakeholders (e.g., partners/donors)
  - Regularly engage in development of framework to ensure alignment
  - Screen landscape and identify complementary partner initiatives to build on and align with

- Establish a responsible procurement framework
  - Develop a holistic responsible procurement framework
  - Address GF’s end-to-end value chain along 4 dimensions: economy, ecology, society and business practices
  - Define scope of responsible procurement in 4 dimension and build on best practices

- Provide effective guidance
  - Ensure principle-based and timely effectuation of responsible procurement across GF and its suppliers
  - Detail-out guidance to ensure actionability
    - Create responsible procurement implementation plan to steer implementation of the responsible procurement framework
    - Revise the supplier code of conduct against the responsible procurement framework to clearly communicate GF’s expectations and requirements
    - Develop comprehensive responsible procurement guidelines to ensure compliance with policies/regulations, promote best business practices and build resilience against lobying

Source: GF; Output of the Strategic Review Meeting; McKinsey team analysis
## What do we want to do: Develop a principle-based approach to information sharing, evolve our tools and contribute to partners’ efforts

<table>
<thead>
<tr>
<th>Category</th>
<th>Initiatives</th>
<th>Description</th>
<th>Role of GF</th>
</tr>
</thead>
</table>
| **A** Overarching | Define information sharing framework | ▪ Move towards **principle-based information sharing** by establishing an information sharing framework  
▪ **Detail out when and how to share information**, incl. constraints (i.e., credibility, ethics, legal, and resources) | **Lead** |
| **B** Tools | Assess ability of PQR to meet today’s needs as a source of market intelligence and use PQR to shape markets | ▪ **Assess ability of tool to answer transaction level information needs** for market intelligence purposes by partners and industry – incl., enabling of self-analysis for on-demand requests  
▪ **Identify scale and scope of potential necessary changes**  
▪ **Enhance tool to tap its market shaping potential** |  |
| | Evolve standard market intelligence to increase usability | ▪ **Empower countries and partners** to enrich their procurement strategies  
▪ **Structure, organize and refine information** in a way that promotes usability |  |
| | Enhance management of on-demand requests | ▪ **Answer on demand requests in accordance with information sharing framework**  
▪ **Optimize answering of on-demand requests to be more targeted and resource-effective**  
▪ **Enhance PQR to enable self-service queries** to answer most on-demand requests |  |
| **C** Forecasting | Contribute information to collective partner forecasting efforts | ▪ **Clarity forecasting purpose, assumptions and methods** to enable assessment of ability and feasibility effective GF inputs  
▪ **Promote alignment of forecasting approach** across different category efforts (where appropriate)  
▪ **Share data where available and in accordance with information sharing framework criteria** | **Contribute** |

Source: GF; Output of the Strategic Review Meeting; McKinsey team analysis
What we could do: GF strives to evolve to further promote consistent quality standards

Initiatives

- Foster in-country capacity to ensure generation of quality-relevant data/information
  - a) Leverage external resource partners
  - b) 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
  - a) Clarify GF’s position to employ own risk appetite
  - b) Formalize process for decision making

Source: GF; McKinsey Team Analysis
## What do we want to do: Support and systematize information sharing and enable GF to play a more pro-active role in quality assurance

<table>
<thead>
<tr>
<th>Priority initiatives, simplified</th>
<th>Description</th>
<th>Role of GF</th>
</tr>
</thead>
</table>
| **External**                   | **Foster in-country capacity to generate quality-relevant data/information by leveraging external resource partners** | - Tackle limited capacities of countries to generate adequate information in a timely manner by building country quality assurance ability, e.g., through support on procurement, standard setting, and governance structures  
- Leverage capacity and capabilities of partners where they are more efficient / more able to enhance country capabilities than GF  
- Use strategic initiative funding to support WHO for building capabilities of selected countries for health product quality assurance  
- Mitigate insufficient information quantity and quality from the field for RRA authorities by fostering adequate availability, processing, and sharing of quality-relevant information  
- Strengthen in-house quality information system as first step; observe international standards and align/collaborate as far as possible to ensure compatibility and build interfaces  
- Engage in information sharing with partners and countries and pro-actively shape information flows in the quality assurance ecosystem  
| **Systemize and structure information sharing mechanisms** | | Catalyze |
| **Internal**                   | **Refine policies to enable application of own risk assessments**  
  a) Clarify GF’s position to employ own risk appetite  
  b) Formalize process for decision making | - Strengthen GF’s position to play a more pro-active role in quality assurance  
- Establish a principle-based risk appetite for quality of health products  
- Refine risk assessments to ensure full fact base for application of risk appetite  
- Enable application of GF’s risk appetite on outcomes of risk assessment by  
  – Refining QA policies (ex-ante mitigation)  
  – Establishing a risk committee with clear and sufficient mandate to act on ad-hoc quality issues observed (ex-post mitigation) | Own |
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▪ What has happened?
▪ Where are we going?
▪ How will we proceed?
Phasing-in implementation, we continue to welcome engagements

How we will proceed

Implementation

Define next steps and progress initiatives

- Assess initial implementation readiness of initiatives, including scoping and identification of necessary engagement with partners
- Conduct internal prioritization and resource allocation
- Progress initiatives if GF is able / engagement for necessary collaboration is initiated, otherwise postpone

Review and sustain impact

- Review impact achieved and adjust (as necessary)
- Establish lessons learnt
- Sustain impact
- Re-start process for next level of strategic initiatives

GF prioritizes initiatives that fulfill internal/external requirements for implementation …

- Assess scope and engage on initiatives (initialization)
- GF able to implement/needed partner engagement given?
- Yes → Start
- No → Postpone

… to achieve a continuous and efficient progression of initiatives

% of priority initiatives, indicative

2018 19 20 21 2022

Indicative