

# Large buyer Coordinated demand visibility update

July, 2019  
AMDS Meeting  
Geneva, Switzerland



Republic of South Africa

# Global Fund, PEPFAR, Governments of South Africa and Kenya are working together to improve the consolidated demand outlook

## What we will do

- Coordinated approach** and messages
- Synergistic** strategies
- Direct engagement** with suppliers & supplier visits (sometimes)
- Align on **key supplier performance metrics**
- Sharing of **synthesized market intelligence** and general supplier performance
- Sharing information** (without providing confidential / sensitive information)
- Providing **improved demand visibility**

## What we will not do together

- Long-term agreements** with manufacturers
- Selection of suppliers** and demand allocation
- Execution of **purchase orders**
- We will not manage actual **supplier performance jointly**
- Managing **overall supplier performance** (Price, lead-time, delivery etc.)

# Increased dialogue between buyers & sellers over the past 5 years



- All updated 18 month forecasts are posted @ <https://www.theglobalfund.org/en/sourcing-management/health-products/antiretrovirals/>
- Looking at larger issues to increase efficiency (packing, data visibility, dialogues on current concerns and appreciated actions)
- A number of procurement channels considering performance metrics, Framework contracts and moving away from frequent spot tenders
- Big funders/buyers committed to further strengthen partnership and improve on demand management

# Large ARV Buyers and Sellers Forum November 2018 (Mumbai)

## Key Take-Aways and Discussion Points

### Topics discussed

#### ARV Transitions are Occurring at a Rapid Rate

- Noted that the past transitions have taken 4 to 5 years to be completed, whereas current ARV transitions are expected to be completed much faster
- This has led to shorter production life cycles for ARVs, down to 3 years and less in some cases.

#### Accuracy and Demand Visibility

- Agreement to share more analysis on forecast accuracy
- Looking to share more firm demand for new ARVs that are required for optimization efforts
- Interest in sharing more data to show the decrease or “phase-out” of legacy ARVs that are being replaced

#### Interest in Ensuring Decreasing Shelf-Life Requirements for Importation

- Participants agreed that efforts are needed to reduce shelf-life requirements for the importation of ARVs
- This will increase supply chain efficiency and flexibility; and regularity of deliveries
- Further, this could help incentivize countries to ensure lean and efficient in-country supply chains, and reduce high buffer stock levels, which may limit ARV transition efforts

The 2019 ARV and Buyers and Sellers Forum will occur in mid-November.  
The Forum will be hosted by PEPFAR in the United States

# Global Fund, PEPFAR, Kenya ARV Demand Management July, 2019 Update

July, 2019  
Geneva, Switzerland



# Consolidated demand forecast is derived in 5 simple steps

- 1 Gather order information** from across high volume countries for high volume products
- Translate order dates to the **dates when order is placed towards the supplier**, adjusting for shipment lead times if necessary
- Consolidate the information from** The Global Fund, PEPFAR, Kenya, and South Africa
- Triangulate the data** with the general population information and historical order patterns
- Prepare a product-specific quarterly forecast breakdown** and share it with supplier and countries for their feedback

## Caveats and limitations to the current version of the visibility data

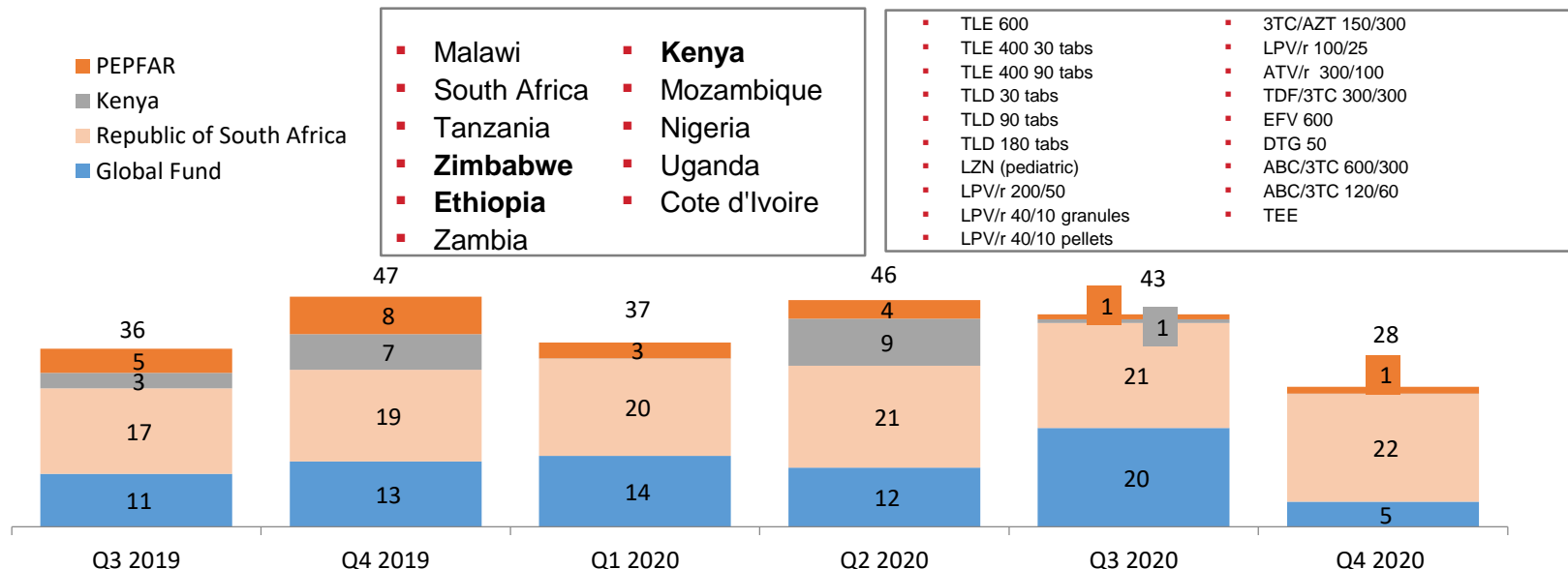
- **Conservative estimates** based on currently confirmed orders and demand
- Prepared based on **data currently available** to The Global Fund, Kenya, PEPFAR, and South Africa
- **Preliminary estimates for the discussion** – and not final purchase commitments
- **May not yet fully capture lead times** between order placement at manufacturer and in-country delivery
- **Seventh joint consolidated procurement** forecast

# Consolidated Total ARV Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, million

**Bold font – non-PPM countries** Regular font – PPM countries



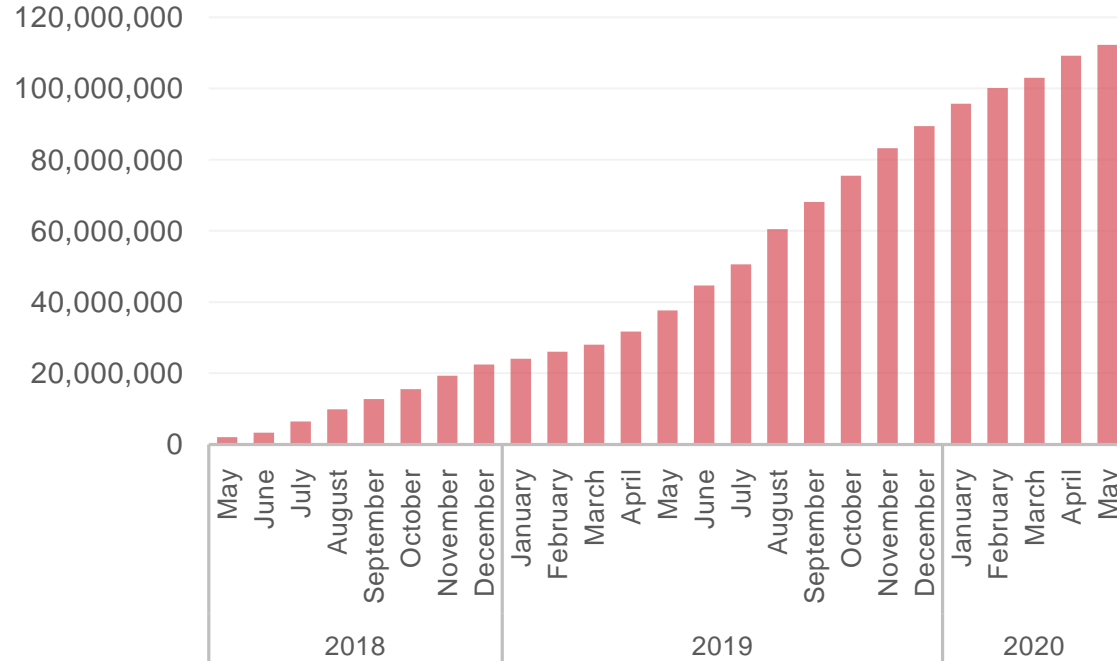
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SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa



# TLD supply evolution

TLD (packs of 30\*) cumulative demand  
May 2018 - May 2020



Based on current demand visibility information from Global Fund, PEPFAR, Kenya, South Africa.  
Dates refers to in-country delivery date and contains both actual and planned orders;  
not based on full reporting from all countries.

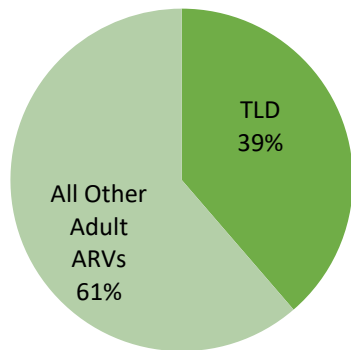
\*Packs of 90 are converted to packs of 30 for consistency purposes.

## Countries Procuring TLD

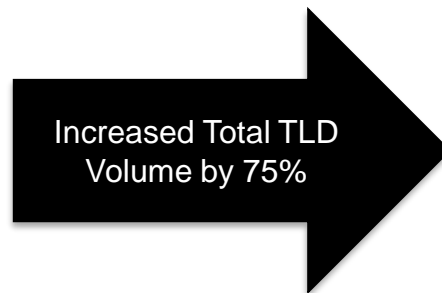
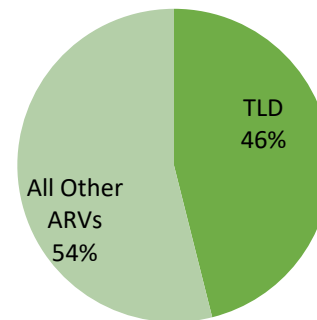
Armenia	Malawi
Benin	Mongolia
Botswana	Mozambique
Burkina Faso	Namibia
Burundi	Nigeria
Cameroon	Pakistan
Central African Republic	Papua New Guinea
Congo DRC	Rwanda
Cote d'Ivoire	Senegal
eSwatini	South Africa
Ethiopia	Tanzania
Ghana	Uganda
Guatemala	Ukraine
Haiti	Vietnam
Kenya	Yemen
Laos	Zambia
Lesotho	Zimbabwe
Madagascar	

# Comparison of TLD Demand as % of Total ARV Volume for 18 Month Demand (Global Fund, Kenya, and PEPFAR only)

**Q4, 2018-Q1,2020**



**Q3,2019-Q4,2020**



**November, 2018**  
**4<sup>th</sup> Annual Buyers/Sellers Forum**

**July, 2019**  
**Joint WHO/UNAIDS Annual Consultation**

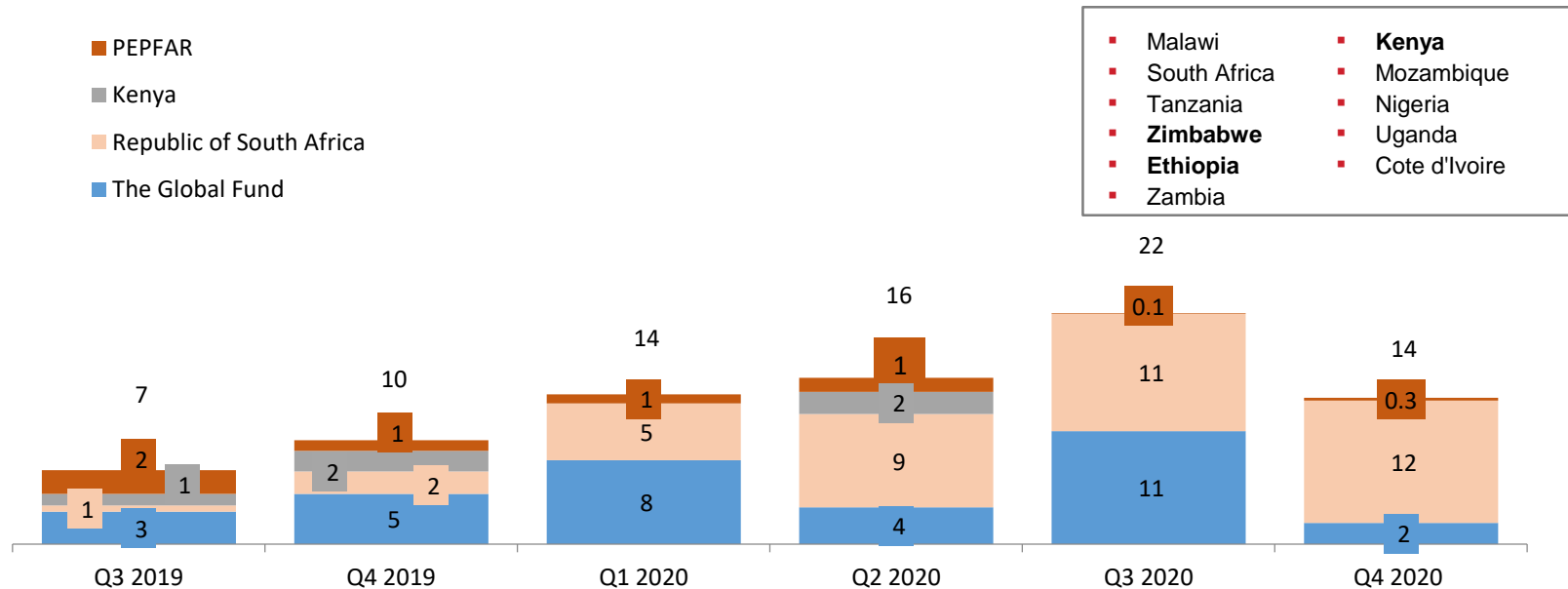
For TLD calculations for July, 2019, we combined the volume for TLD 30 tabs, TLD 90 tabs, and TLD 180 tabs. To make the TLD 90 tabs volume equivalent to TLD 30 tabs volume, we multiplied the TLD 90 volume by 3. To make the TLD 180 tabs volume equivalent to TLD 30 tabs volume, we multiplied the TLD 180 volume by 6.  
For TLE 400 calculations for July, 2019 (part of the "All Other Adult ARVs"), we combined the volume of TLE 400 30 tabs with TLE 400 90 tabs. To make the TLE400 90 tabs equivalent to the TLE 400 30 tabs, we multiplied the volume of TLE 400 90 tabs by 3.

# TLD 30 Tabs– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, millions

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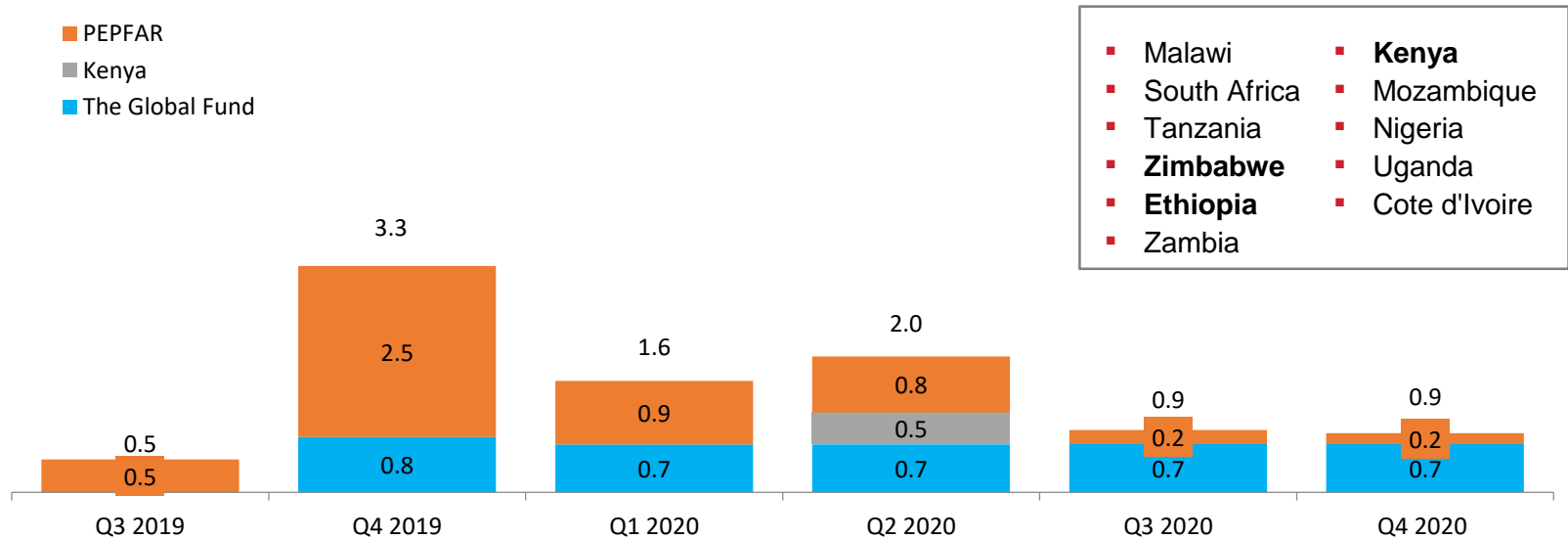
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# TLD 90 Tabs– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, millions

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SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# TLD 180 Tabs– Consolidated Demand Forecast Outlook

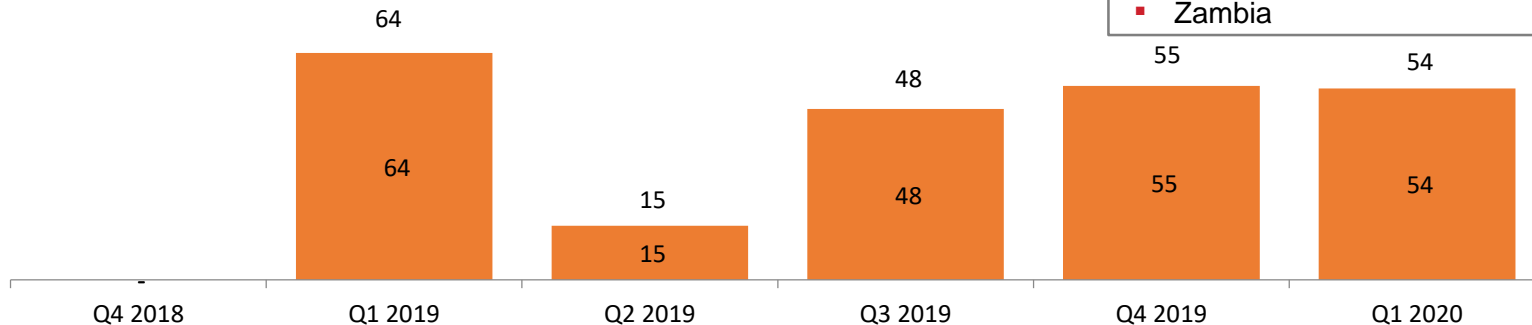
## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

**Bold font – non-PPM countries** Regular font – PPM countries

■ PEPFAR

- Malawi
- South Africa
- Tanzania
- **Zimbabwe**
- **Ethiopia**
- Zambia
- **Kenya**
- Mozambique
- Nigeria
- Uganda
- Cote d'Ivoire

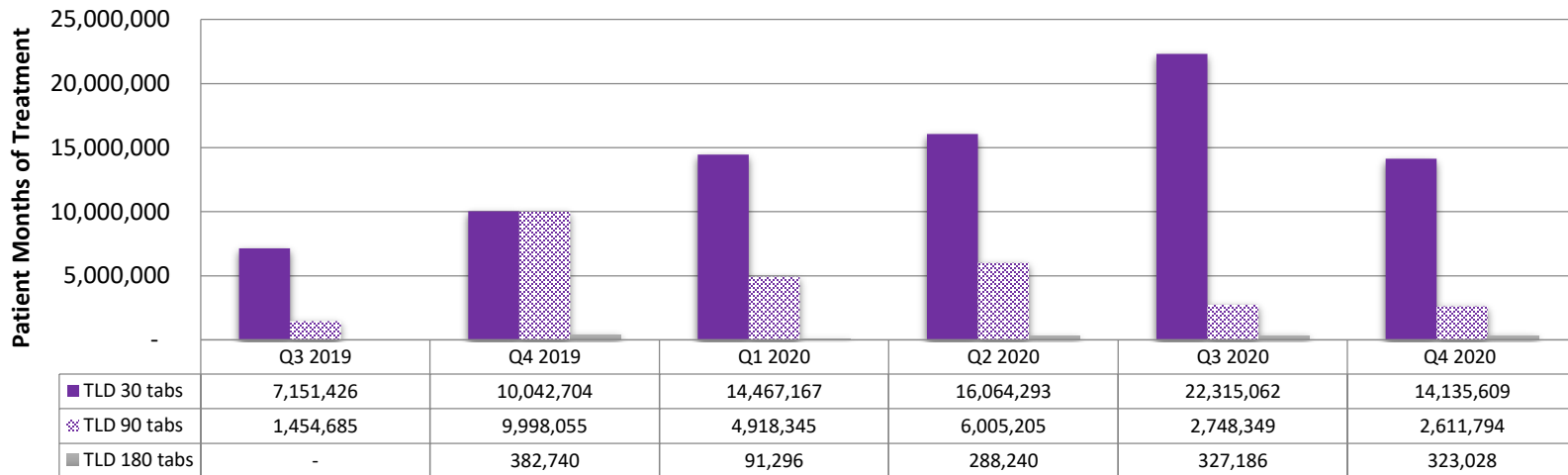


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SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# TLD Pack Size Comparison by Patient Months

## Comparison of TLD Pack Size by Patient Months of Treatment



### Total Volume of TLD Pack Size Demand for Q3, 2019-Q4, 2020

- TLD 30 Tabs= 84,176,262
- TLD 90 Tabs= 27,736,434
- TLD 180 Tabs= 1,412,490

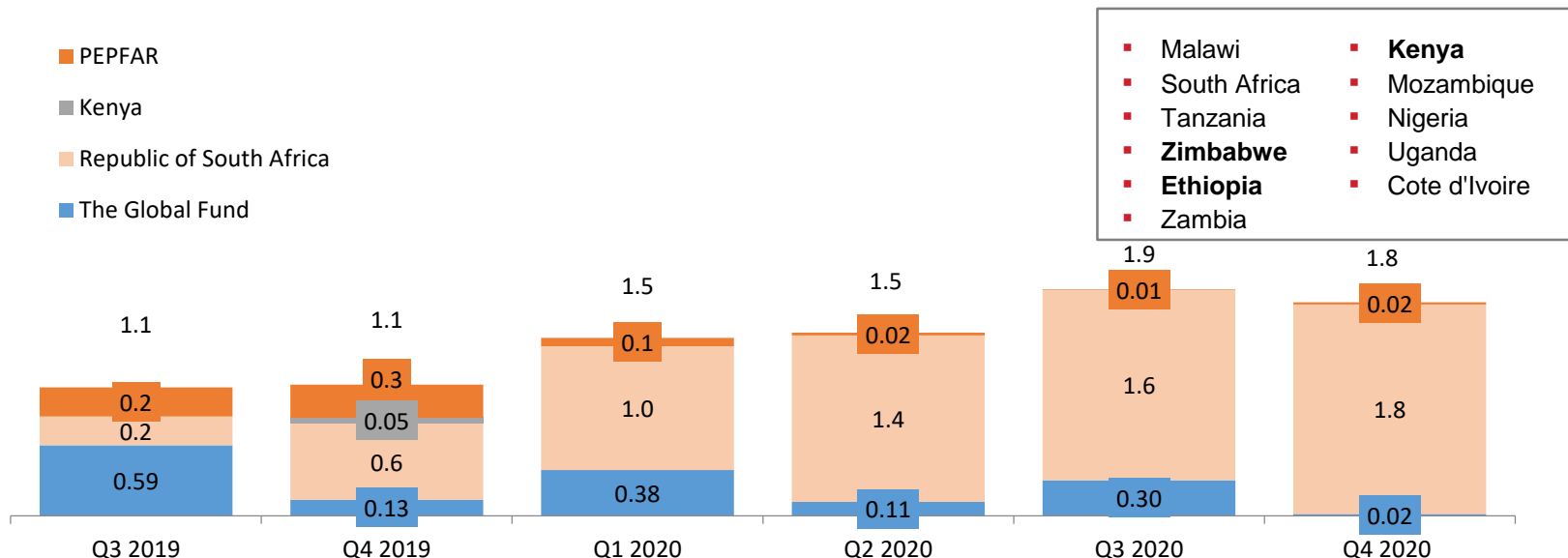
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# DTG 50– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, millions

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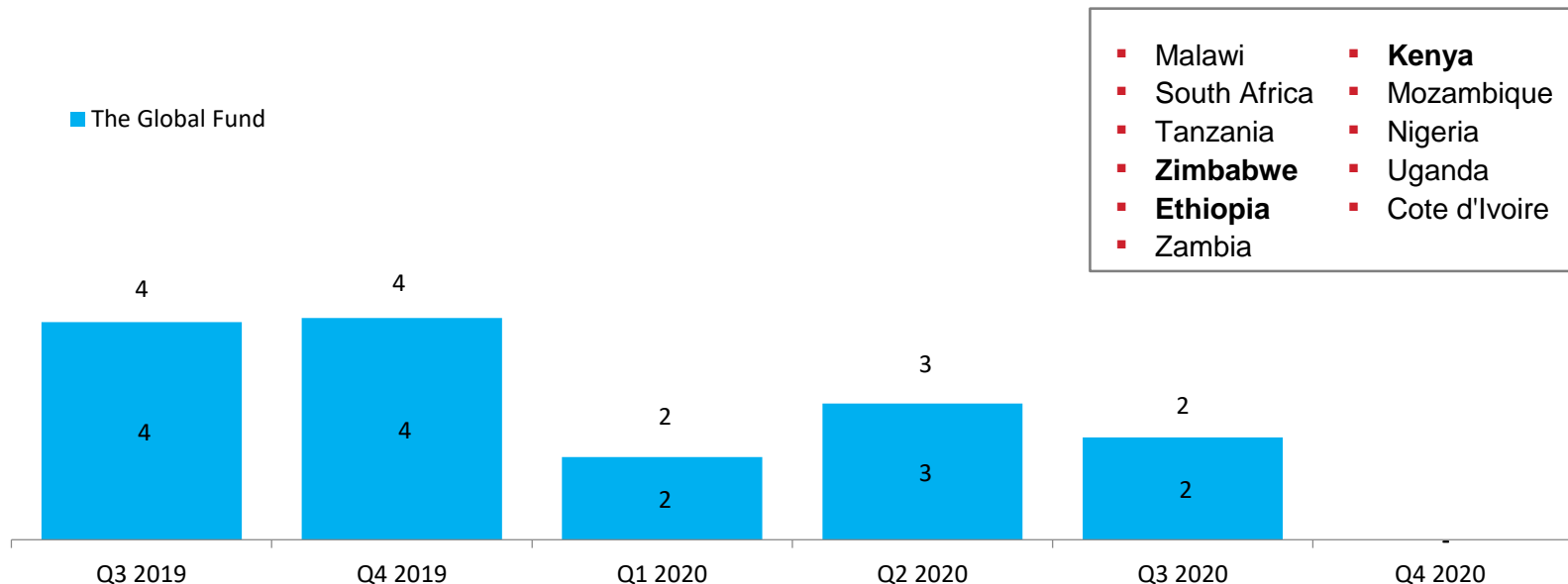
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# TLE 600– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, million

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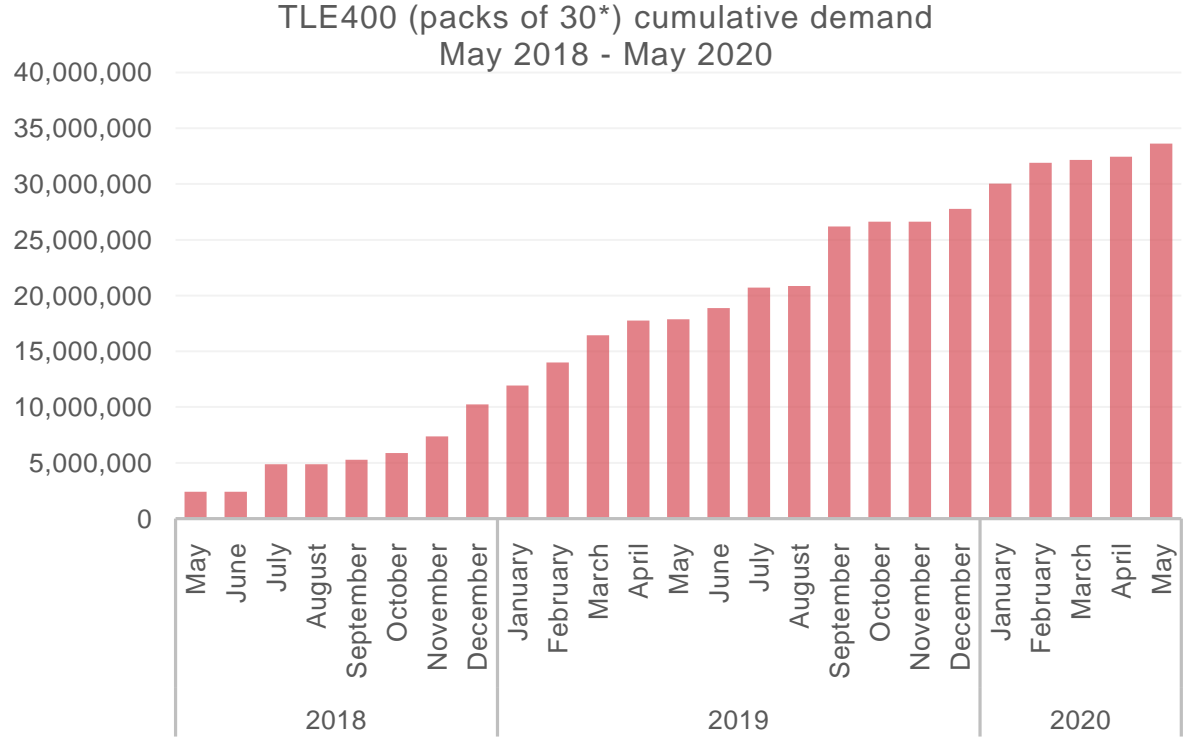


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SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa



# TLE400 supply evolution



## Countries procuring TLE400

- Armenia
- Benin
- Cape Verde
- Cote d'Ivoire
- Ethiopia
- Haiti
- Kenya
- Laos
- Lesotho
- Mali
- Mozambique
- Myanmar
- Namibia
- Nigeria
- Rwanda
- Uganda
- Vietnam
- Zambia

Based on current demand visibility information from Global Fund, PEPFAR, Kenya, South Africa. Dates refers to in-country delivery date and contains both actual and planned orders; not based on full reporting from all countries.

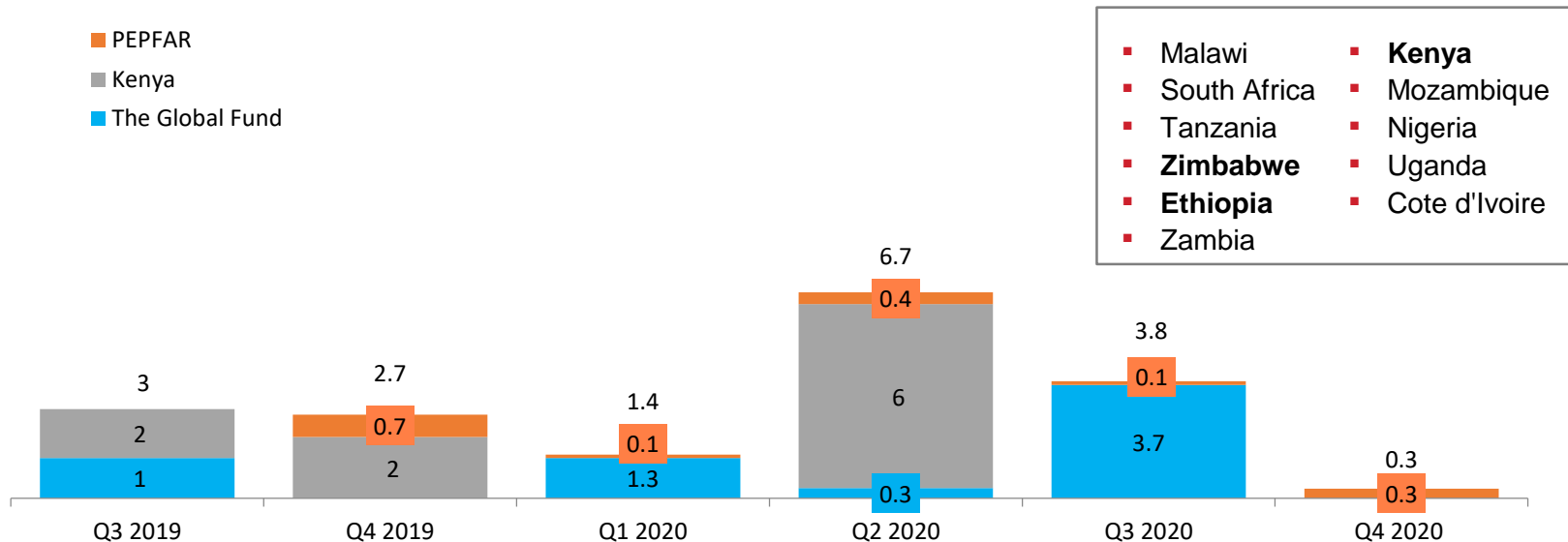
\*Packs of 90 are converted to packs of 30 for consistency purposes.

# TLE 400 30 Tabs– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, million

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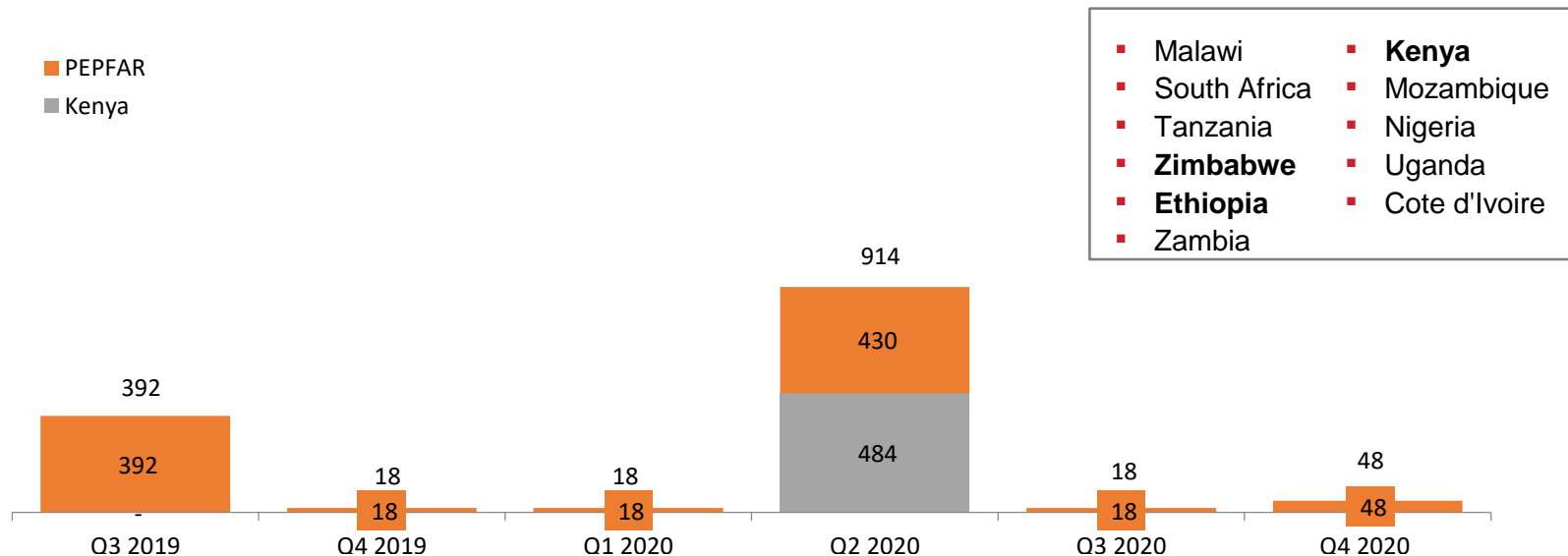
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# TLE 400 90 Tabs– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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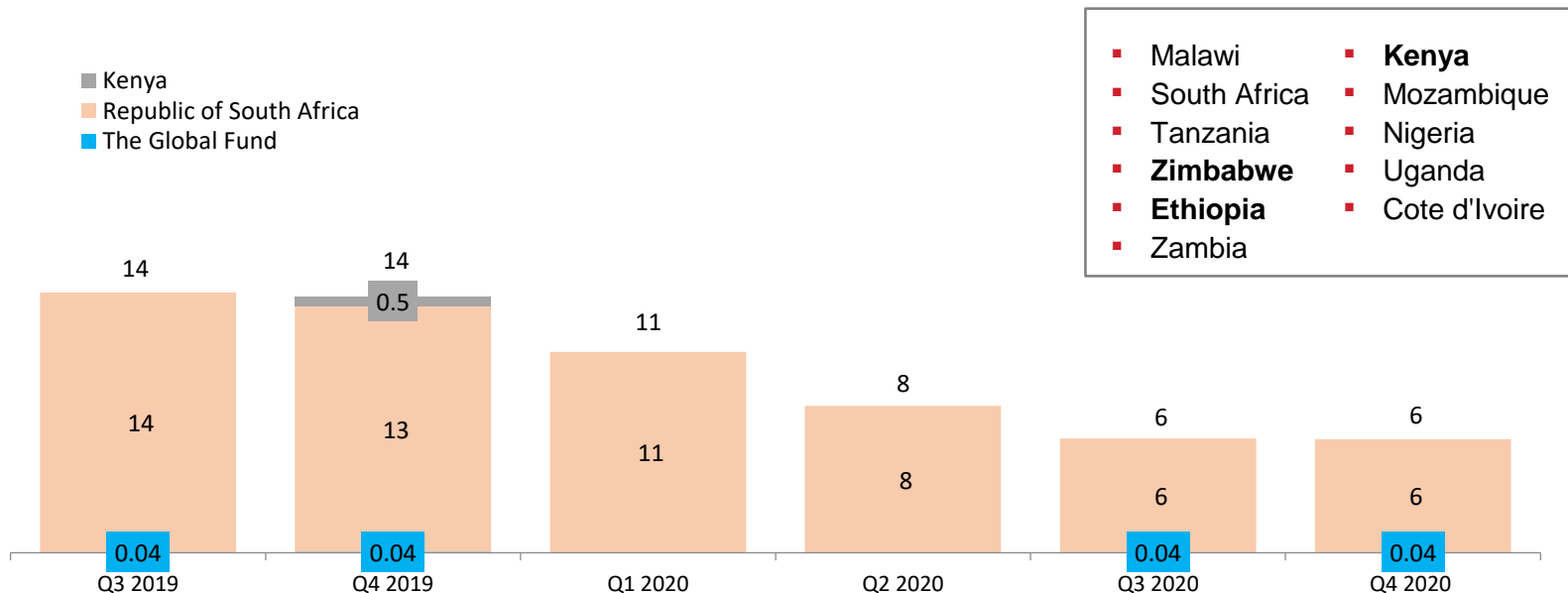
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# TEE– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, millions

**Bold font – non-PPM countries** Regular font – PPM countries



- Malawi
- South Africa
- Tanzania
- **Zimbabwe**
- **Ethiopia**
- Zambia
- **Kenya**
- Mozambique
- Nigeria
- Uganda
- Cote d'Ivoire

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SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# LPV/r 200/50– Consolidated Demand Forecast Outlook

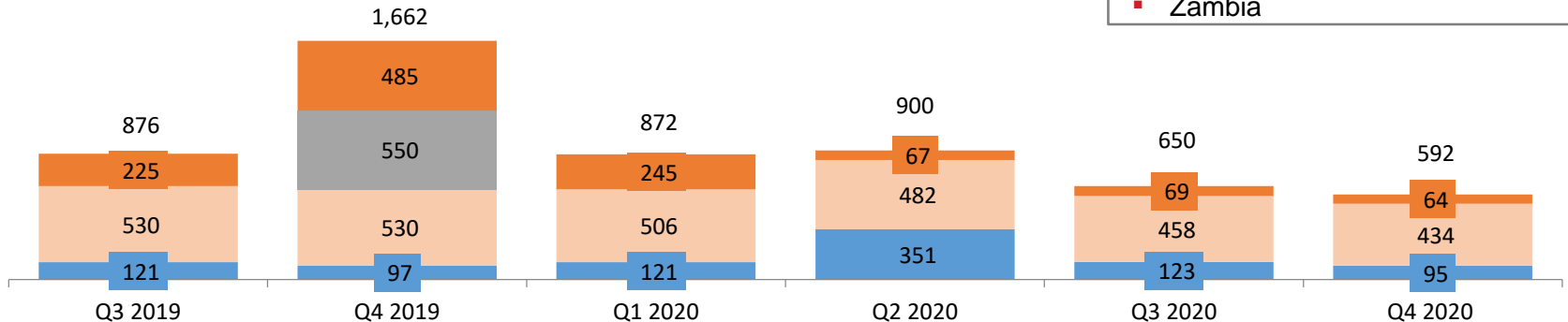
## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

**Bold font – non-PPM countries** Regular font – PPM countries

- PEPFAR
- Kenya
- Republic of South Africa
- The Global Fund

- Malawi
- South Africa
- Tanzania
- **Zimbabwe**
- **Ethiopia**
- Zambia
- **Kenya**
- Mozambique
- Nigeria
- Uganda
- Cote d'Ivoire



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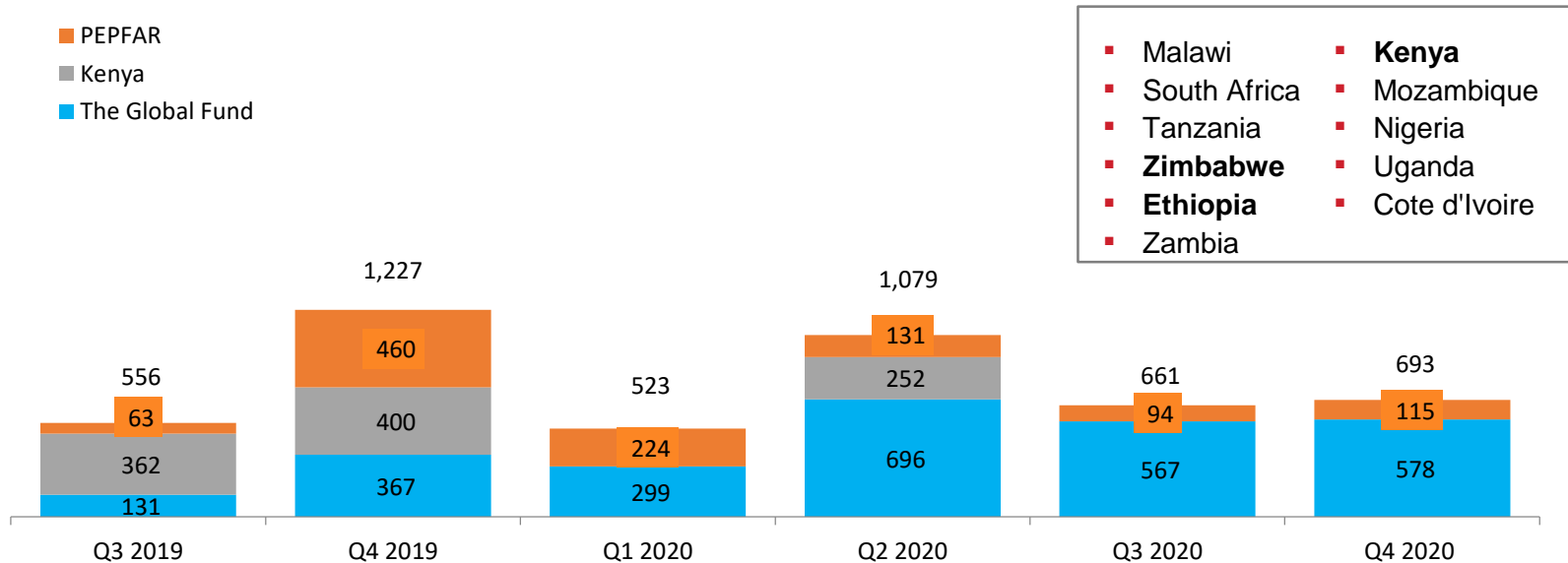
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# ATV/r 300/100 – Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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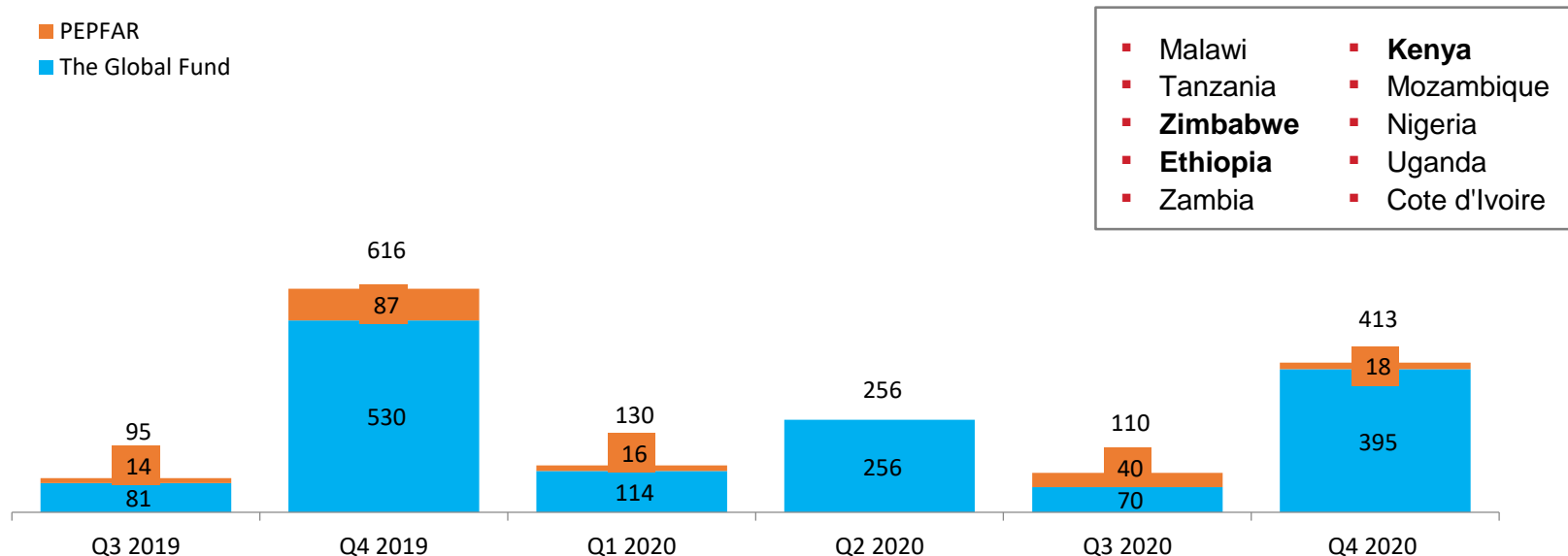
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# ABC/3TC 600/300– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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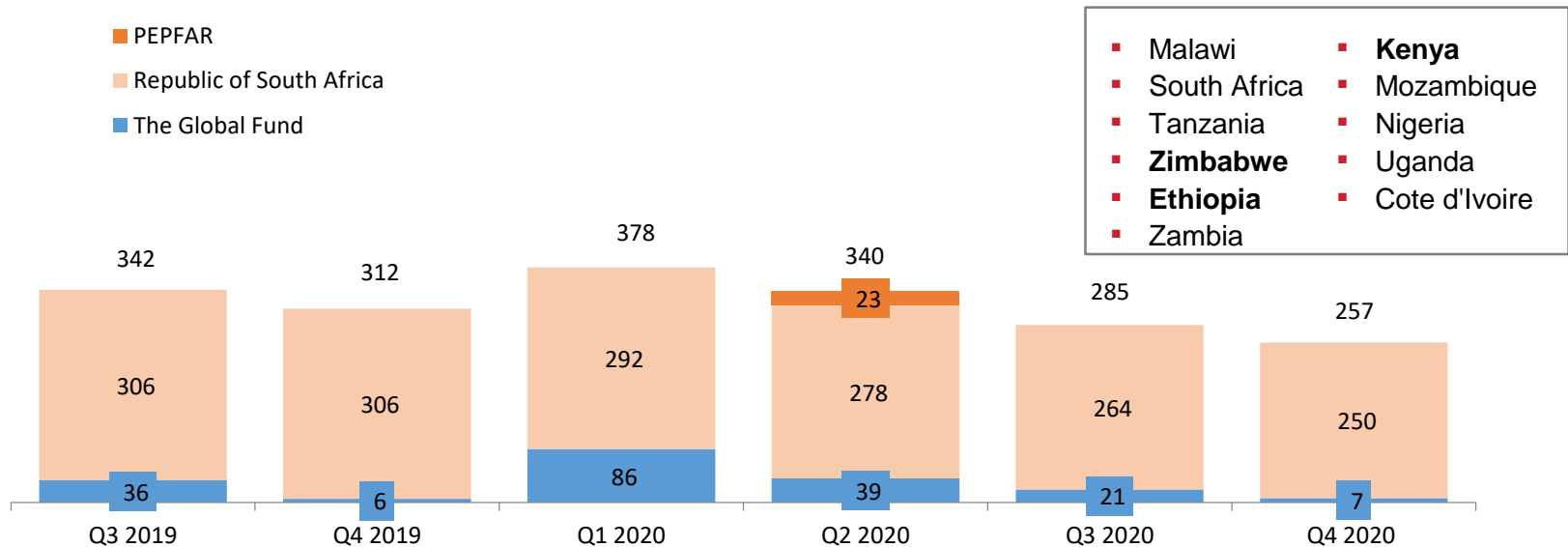
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# EFV 600 – Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

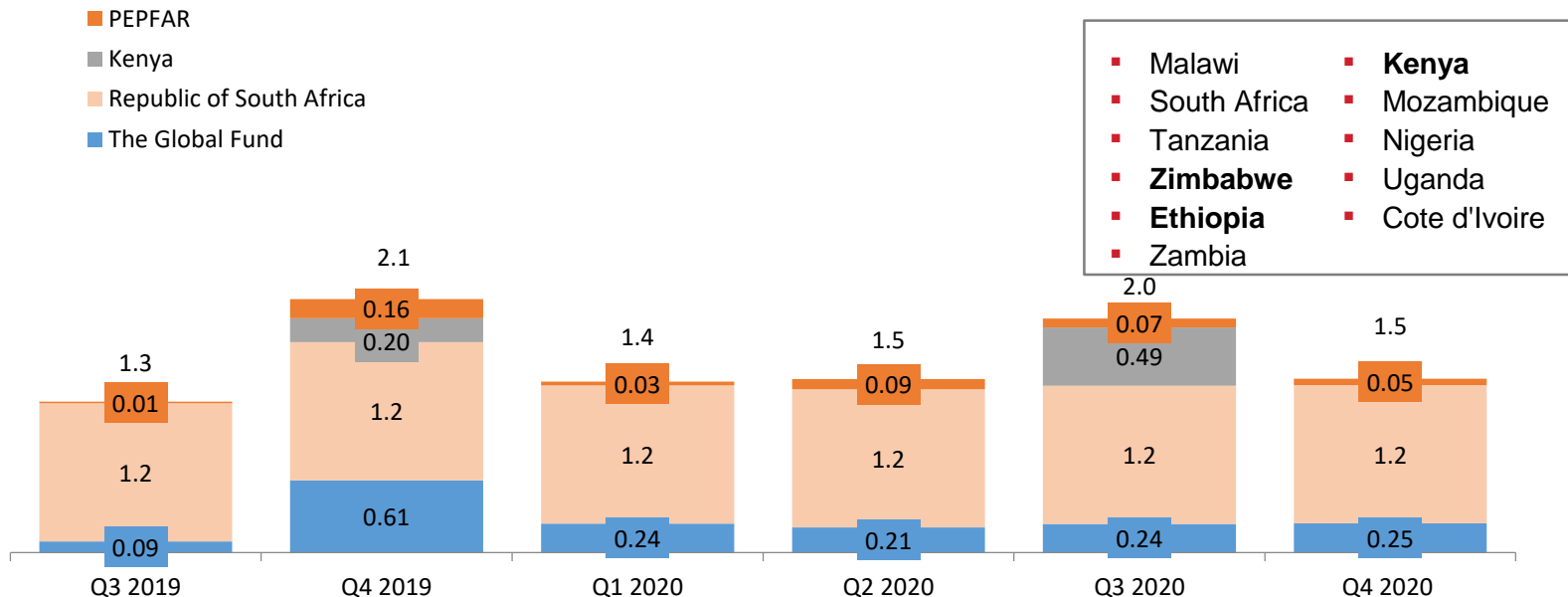


# 3TC/AZT 150/300 – Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, millions

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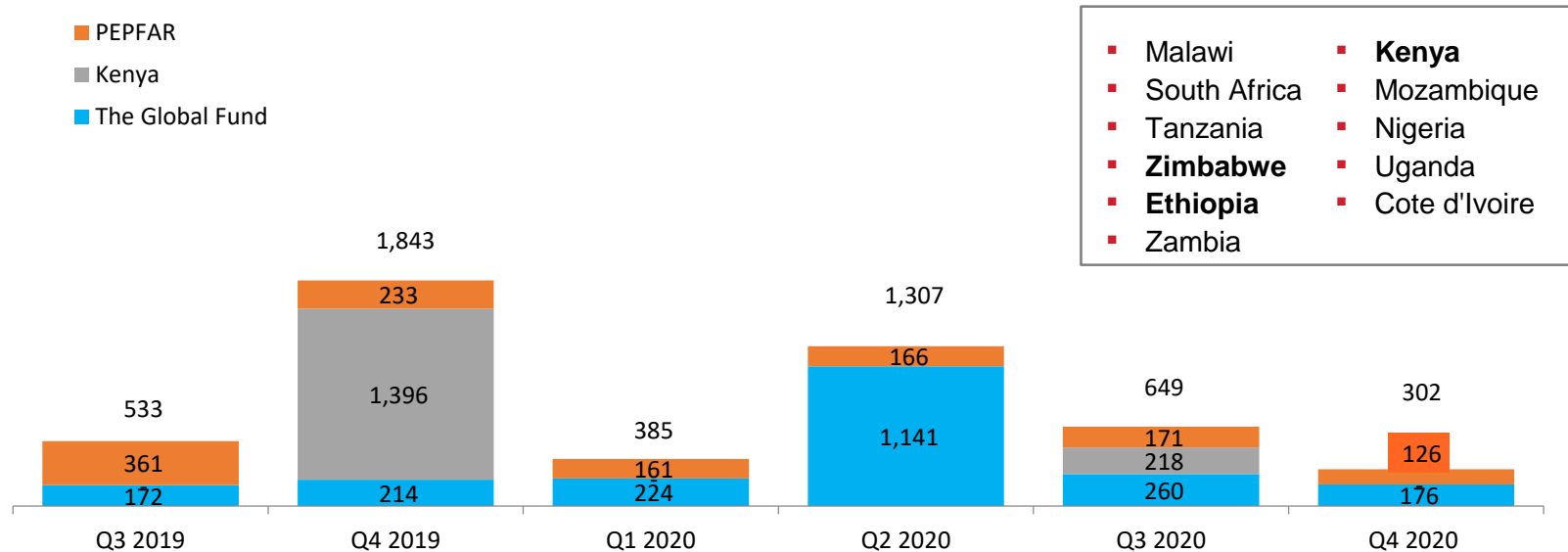
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# TDF/3TC 300/300 – Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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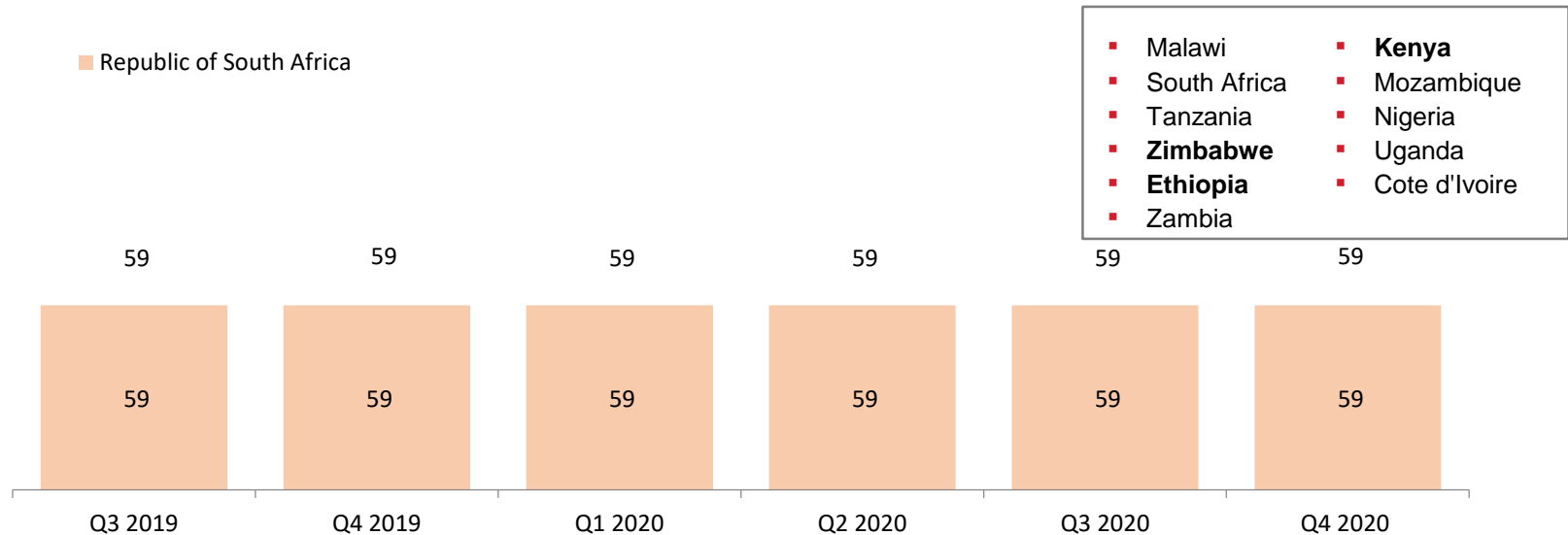
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# Nevirapine 200– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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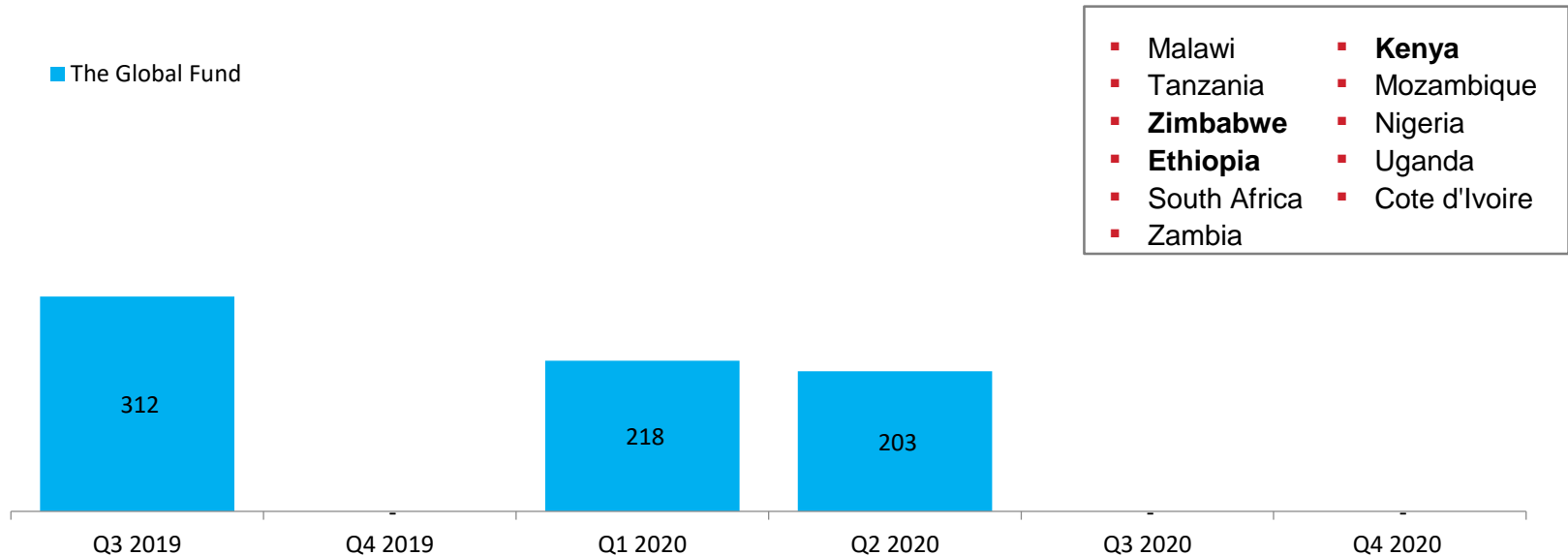
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# LZN Pediatric– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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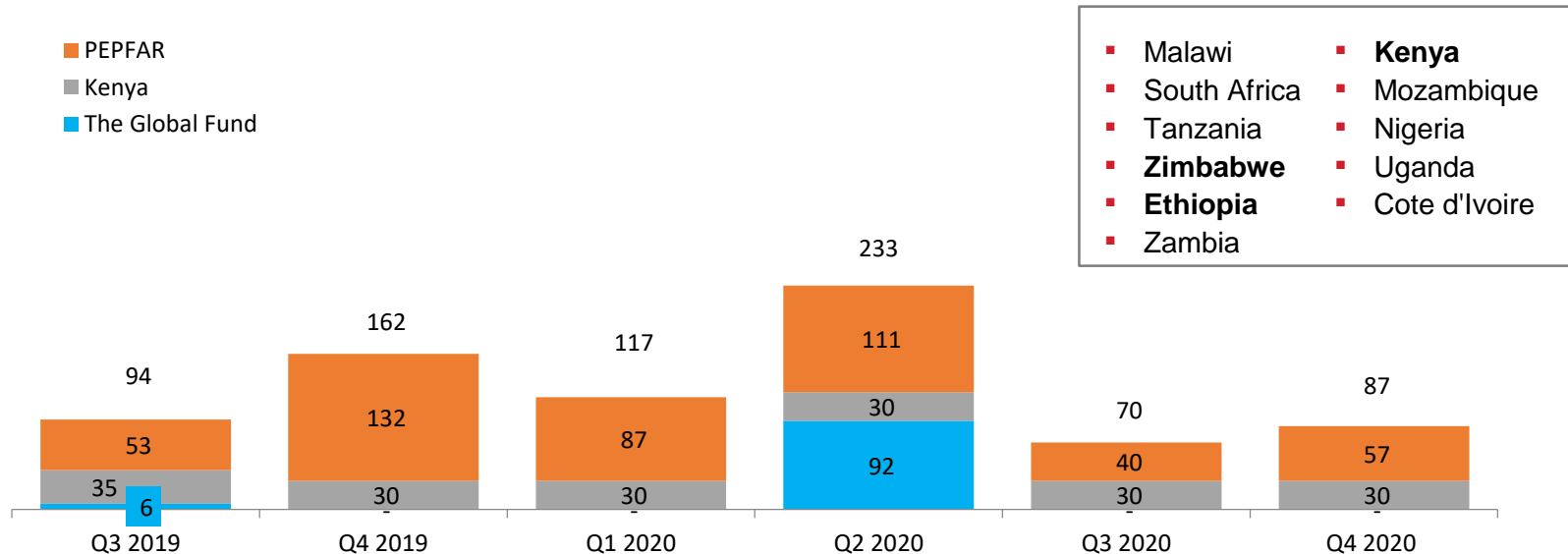
SOURCE: PEPFAR, Government of Kenya, The Global Fund , South Africa

# LPV/r 40/10 Pellets– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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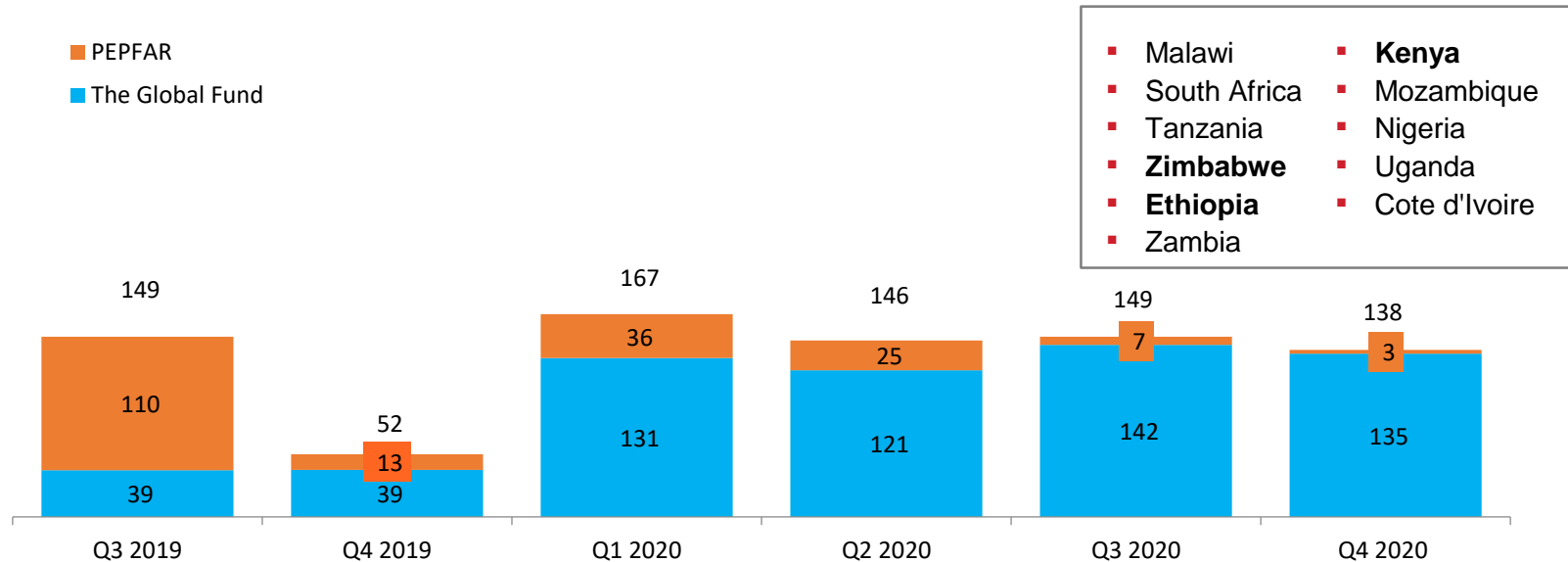
SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa

# LPV/r 40/10 Granules– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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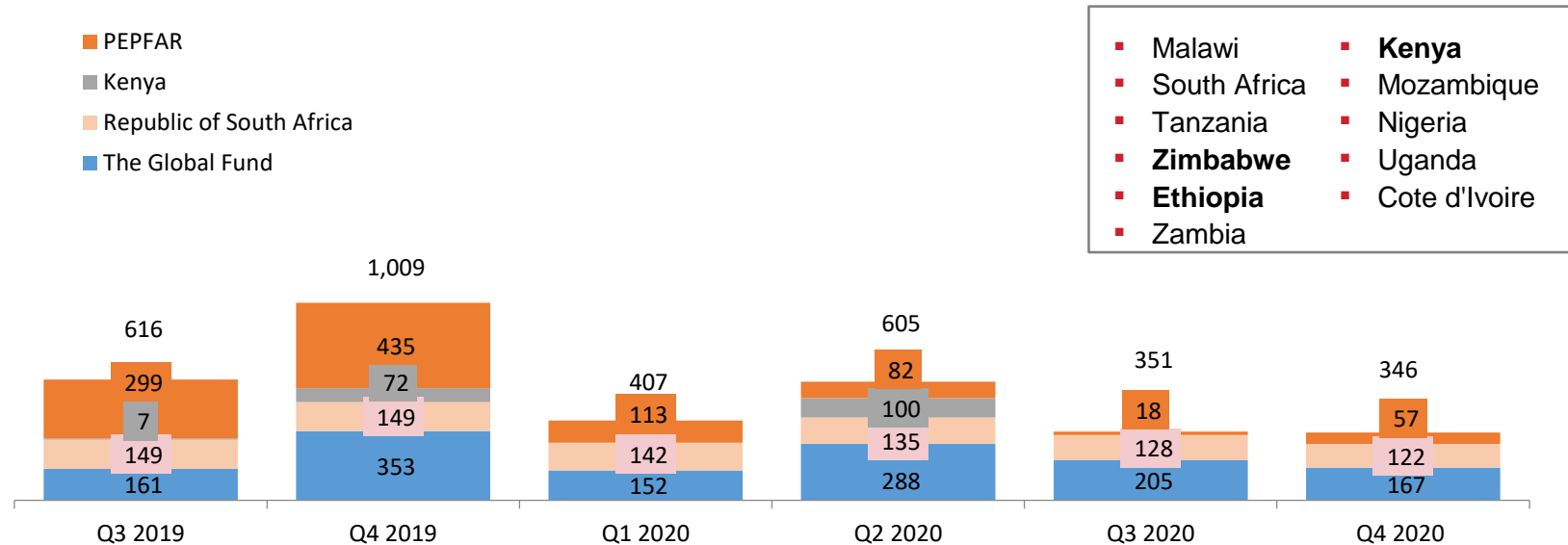
SOURCE: PEPFAR, Government of Kenya, The Global Fund , South Africa

# LPV/r 100/25– Consolidated Demand Forecast Outlook

## Overall ARV Demand Outlook

Q3 2019-Q4 2020, Number of packs, thousands

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SOURCE: PEPFAR, Government of Kenya, The Global Fund, South Africa