

Our Reference / Subject Line: **COVID-19 NON-PPM PR UPDATE**

20 March 2020

Dear Principal Recipient:

The Global Fund continues to work closely with our technical partners including StopTB/GDF as the global response to the COVID-19 outbreak evolves. Our goal is to support countries to continue to process requisitions efficiently and effectively, to ensure products are delivered as close to the promised dates as possible.

We are assessing the manufacturing and logistics situation and sharing [regular updates](#) to provide clarity on the supply security situation for products and freight/logistics. We encourage you to consult this site regularly for updates and updated advice.

As of 19 March 2020:

- **The impact to manufacturing is limited.** There were some delays in the manufacturing of both finished products and raw materials as a result of the initial shutdown in China which is now showing signs of normalization.
- **Delivery delays of a few weeks or more are currently expected.** We now see challenges related to freight and logistics such as disruptions in delivery schedules or shortages of shipping containers.

Impact on future orders

We recommend that all Principal Recipients (PRs) adopt measures to reduce manufacturing and supply chain pressures to be able to optimize supply in the context of a rapidly changing situation:

- **Place orders for deliveries expected in 2020 by mid-April 2020 for all grants.**
- **Requirements for customized labelling requests should be waived** to optimize manufacturing efficiency so that products can be quickly manufactured at maximum volume and efficiently deployed to any country should severe stock-out risks emerge.

Should the supply or logistics situation significantly worsen, we will expect PRs to accommodate greater flexibilities, such as reducing remaining shelf life requirements, accepting later deliveries for some quantities or to consider using alternative WHO-recommended products if there are supply shortages. Please consider these potential adjustments when planning future procurements and discuss alternate options with relevant in-country stakeholders and national regulatory authorities.

Support for current deliveries

PRs should use available track-and-trace tools to monitor the progress of specific orders. Extra collaboration is necessary as we foresee changes to delivery schedules and freight providers. PRs will be required to produce the associated documentation that may be needed to accommodate late changes to flight routes under expedited timelines. Please discuss exercising flexibilities with the pertinent in-country stakeholders. We have already seen increased freight costs.

If you incur significant challenges sourcing core life-saving products

Your HPM Specialist will be able to reach out to the Global Fund's Supply Operations Department and other partners should you incur significant challenges in sourcing core life-saving products. Delays are expected due to the current supply situation and we ask you to consider a 30-day delay threshold for requesting sourcing support from the Global Fund except in exceptional circumstances.

Your Country Team is available to provide additional information and support as necessary.