

Our Reference / Subject Line: **COVID-19 UPDATE FOR PPM PRS**

20 April 2020

Dear Principal Recipient:

The Global Fund, together with Stop TB/GDF and our Procurement Service Agents (PSAs), aims to continue to process requisitions efficiently and ensure products are delivered as close to the promised dates as possible.

The global response to COVID-19 continues to impact health product supply globally. We are sharing [regular updates](#) to provide clarity on the supply security situation. As of 17 April 2020:

- **The impact to manufacturing is moderate.** Pharmaceutical-related production in China is recovering. In India, production is expected to continue through the lockdown period, however capacity will be reduced due to manpower and increasing logistics constraints. Delays are likely over the next few months.
- **COVID-19 control measures at origin and destination are resulting in logistics disruptions.** Suspended operations, flight delays and cancellations are contributing to routing and capacity constraints. Delivery delays of several weeks or more are currently expected.

## Impact on future orders

In early March both the [Global Fund's Delivery Planning Guide](#) and [Stop TB/GDF's Delivery Planning Guide](#) were updated, and we requested that all Principal Recipients submit requisitions for deliveries expected in 2020 by 10 April to reduce manufacturing and supply chain pressures.

In the context of the current supply constraints we advise all Principal Recipients to take the following measures to optimize supply:

- **PRs to accelerate approvals for requisitions placed**
- **PRs to urgently submit all outstanding requisitions in wambo.org and/or send Procurement Request Forms (PRFs) to Stop TB/GDF for deliveries expected in 2020.** We will work with our PSAs to explore options to minimize risks to supply disruption. At this point deliveries may only be possible for late November/December 2020 at the earliest, and delays of more than 30 days are expected. Failure to place requisitions in line with communicated guidance increases the risk that an order will not be financed from the current implementation period because the order was not placed with sufficient lead time for delivery before the end of the grant.
- **New requests for customized labelling requests will not be accepted.** The Global Fund and Stop TB/GDF will no longer accept customized labelling to ensure that products can be quickly manufactured and efficiently deployed to all countries.

In some cases, PSAs may propose sea freight options instead of air freight. Currently, sea freight is more reliable and may enable timely delivery despite longer initial lead times. There are ongoing challenges with air freight, including flight cancellations and frequent re-routing which can cause substantial delays and cost implications. Rapid decisions by Principal Recipients of freight proposals are required to secure the best available slot, as approval delays could contribute several weeks' delays.

PRs may need 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 proactively 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.

We are assessing potential delays for every order. Currently, 8% of orders face delays of more than thirty days, including 14% of orders in transit. The Global Fund, Stop TB/GDF and PSAs will communicate directly with Principal Recipients to review mitigation plans and adapt lead times to minimize disruption where delays of more than 30 days are expected.

Consider 30 days delay as the threshold for escalation as the Global Fund and PSAs capacities are stretched due to government control measures in place in various countries.

Extra collaboration is necessary as we foresee changes to delivery schedules and freight providers. We appreciate your support in providing rapid feedback on the following:

- Timely feedback on approval of expiry dates;
- Greenlighting shipments and obtaining necessary waivers;
- Exercising flexibilities with the pertinent in-country stakeholders; and
- Approval on the increased freight costs.

Please reach out to your PR Services Focal Point, Stop TB/GDF and PSA contacts for further information and discuss with your Country Team as necessary.

Track and Trace Tools		
PPM	i+ Solutions	<a href="https://trackandtrace.iplussolutions.org/Account/Login">https://trackandtrace.iplussolutions.org/Account/Login</a>
	IDA Foundation	<a href="http://myorders.idafoundation.org/">http://myorders.idafoundation.org/</a>
	PSFCM	<a href="https://myorders.pfscm.org/#/delivery_status">https://myorders.pfscm.org/#/delivery_status</a>
	wambo.org	<a href="https://wambo.coupahost.com/asn/headers">https://wambo.coupahost.com/asn/headers</a>
Stop TB's Global Drug Facility (GDF)		<a href="http://www.stoptb.org/gdf/oms/">http://www.stoptb.org/gdf/oms/</a>