
Extending the wambo.org pilot to include COVID-19 products

Electronic Report to the Board

GF/B43/ER07

30 June 2020

Board Decision

Purpose of the paper: To support the response to COVID-19 and mitigate its impact on HIV, tuberculosis and malaria programs in implementing countries, the Secretariat requests to use wambo.org for non-Global Fund-financed procurement of the COVID-19 products it makes available to Global Fund Principal Recipients using grant funding, time-limited until end of 2020, to be excluded from the pilot's limit of USD 50 million for transactions but to be reported on and evaluated in conjunction with the pilot.

1. GF/B43/EDP07: Extending the wambo.org pilot to include COVID-19 products

Decision

Decision Point: GF/B43/EDP07: Extending the wambo.org pilot to include COVID-19 products

1. *The Board recognizes that the COVID-19 pandemic remains a global public health emergency and that failure to control the pandemic threatens to derail the Global Fund's mission to fight HIV/AIDS, tuberculosis, and malaria and to strengthen systems for health. The Board further recognizes the importance of ensuring rapid availability of quality COVID-19 products as part of the global response to COVID-19, and the significant benefits that beneficiaries in Global Fund-eligible and transitioned countries could potentially gain from improved access to pooled procurement volumes of these products.*
2. *The Board notes the Secretariat is engaging with partners, notably WHO, UNICEF, UNTAID, GDF, FIND, Africa CDC and the newly-created Africa Medical Supply Platform, and taking an active role in the ACT-A partnership and the Diagnostics Consortium, to ensure collaboration, coherence and flexibility in providing procurement options and solutions for countries to address the challenges of managing supply constraints and access to quality health products in the context of COVID-19. In this rapidly evolving context, the Board wishes to leverage wambo.org, and the pilot for non-Global Fund-financed transactions as defined in GF/B42/DP05 (the Pilot) to facilitate broader access to COVID-19 product.*
3. *The Board notes that the Secretariat is using the wambo.org platform to facilitate the procurement of certain COVID-19 products purchased by Global Fund Principal Recipients. The Board further notes that the framework of eligibility and quality assurance defined in GF/B42/EDP11 for COVID-19 products is being proposed to apply to products available to all eligible buyers on wambo.org.*
4. *In order to allow broader access to these products, as presented in GF/B43/ER07, the Board decides to formally extend the scope of the Pilot to include for eligible buyers as defined in GF/B42/DP05, the purchase of all COVID-19 products available in wambo.org for procurement by Global Fund Principal Recipients.*
5. *Such non-Global Fund-financed transactions for COVID-19 products will:*
 - a. *be individually subject to agreement by the Global Fund and, if applicable, to agreement by the product catalogue owners or manufacturers;*
 - b. *not count towards the cap of USD 50 million of transactions for the Pilot otherwise applicable to non-COVID-19 products;*
 - c. *be issued as Purchase Orders by wambo.org within the period ending in 31 December 2020, unless extended by the Board following recommendation by the Strategy Committee.*
6. *As with the Pilot, use of the wambo.org platform for non-Global Fund-financed transactions will remain optional for eligible buyers of COVID-19 products.*
7. *Recognizing the extraordinary conditions due to the COVID-19 pandemic under which non-Global Fund-financed transactions for COVID-19 products will be processed, and the importance of maintaining the integrity of the Pilot as currently established, the Board further decides:*
 - a. *reporting of transactions for COVID-19 products will be included in the biannual reporting on the Pilot to the Strategy Committee, following the same principles as other transactions, in particular with respect to the determination of metrics for reporting, which will be agreed by the Strategy Committee in October 2020. However, COVID-19 product transactions will be disaggregated from reporting on other Pilot transactions, so as to enable integration with overall reporting on the COVID-19 response, and to avoid distorting reporting on the original Pilot.*

- b. these COVID-19 transactions, disaggregated from other Pilot transactions, will be included in the final independent evaluation of the Pilot, to be delivered no later than end of 2022.**
- c. with the Strategy Committee, to resume broader discussions of wambo.org's future strategy for the Pilot and its role and market influence within the development of the Phase 2 of the Market Shaping Strategy and the next Global Fund Strategy in 2020-2021.**

Budgetary implications (included in, or additional to, OpEx budget)

The cost of additional licenses associated with the use of wambo.org will be absorbed within the Secretariat's existing license packages. If further licenses are needed, costs and options to cover these costs will be evaluated by the Secretariat.

Costs relating to the expansion of the product catalogue to include COVID-19 products, which are already being incurred as a result of the creation of C19RM under GF/B42/EDP11, will be managed within the existing budget and will be incurred independently of this decision.

There are no other anticipated budgetary implications at this time, as new buyer onboardings and transactions will be managed by existing staff. Priorities for 2020 are being re-evaluated in light of the COVID-19 pandemic and surge support for core sourcing activities, including user support and transaction management for grant and non-grant financed transactions, has already been added.

A summary of relevant past decisions providing context to the proposed Decision Point can be found in Annex 1.

Executive Summary

Context

- In response to the COVID-19 pandemic, the Secretariat is using wambo.org to facilitate efficient access to pooled procurement of COVID-19 products for Global Fund Principal Recipients (PRs) using available grant flexibilities and additional funding from the COVID-19 response mechanism (C19RM). Products are selected for inclusion in wambo.org to be made available to Global Fund PRs in accordance with applicable quality requirements. In some cases, wambo.org will be used to provide access to Global Fund PRs, on an optional basis, to other procurement channels, such as UNICEF and WHO.¹ In these cases, where the Global Fund lacks its own quality assurance policies, such as for Personal Protective Equipment (PPE), the Global Fund is relying on the relevant partners' quality assurance requirements while it develops its own.
- Partner organizations and governments in Global Fund-eligible countries have expressed interest in using wambo.org for COVID-19 procurement funded by them rather than by the Global Fund itself. Extending access to the COVID-19 products made available to Global Fund PRs through wambo.org (potentially including both those managed by the Global Fund and those managed by other procurement channels such as UNICEF and WHO) to buyers using non-Global Fund-funding could increase access to the benefits of wambo.org, the Global Fund's Pooled Procurement Mechanism (PPM), and of other pooled procurement mechanisms² beyond the approximately USD 1 billion in COVID-19 flexibilities approved by the Board to the significantly larger amounts of funds made available to countries by development banks and donors. As the needs for COVID-19 products in Global Fund-eligible countries are estimated to be in the billions of dollars,³ this decision could help significantly increase the scale of deployment of needed and quality products through an effective pooled procurement mechanism.
- In principle, the Secretariat could process such transactions through the existing wambo.org pilot for non-Global Fund-financed transactions. However given the scale of need, COVID-19 procurement through the approved pilot would rapidly exhaust the USD 50 million transaction limit. Furthermore, procurement for COVID-19 products is beyond the original intention of the Board-approved pilot ([GF/B42/DP05](#)).
- Therefore, the Secretariat proposes a decision to formally include access to the COVID-19 products available now or in the future in wambo.org for Global Fund PRs, including items related to the prevention, diagnosis and treatment of COVID-19, as a distinct module within the scope of the wambo.org pilot, procurable by eligible buyers as defined in [GF/B42/DP05](#), for a limited period until the end of 2020, subject to extension by the Board upon recommendation by the Strategy Committee, and excluding orders under this module from the transaction limit of USD 50 million. The anticipated use is primarily for partner-funded procurements such as by World Bank or African Development Bank, though domestically funded transactions could also be submitted by eligible governments with Global Fund agreement. As with procurements of other product categories through the pilot, use of wambo.org for non-Global Fund-financed procurement of COVID-19 products would remain fully optional. Buyers will be responsible for choosing their preferred procurement channel for COVID-19 products.

¹ The Global Fund is in the final stages of negotiating agreements with both UNICEF and WHO. In the case of UNICEF, the agreement would already apply to non-grant buyers, while the agreement with WHO would need to be amended, subject to WHO's agreement to make its PPE catalogue available to non-grant buyers. Products made available from these entities may be subject to different commercial terms than products managed directly by the Global Fund.

² Access via wambo.org to other procurement channels, such as UNICEF or WHO, through the Global Fund's partnerships with these organizations does not exclude buyers from sourcing from these organizations directly. This is similar to the relationship the Global Fund already has with UNFPA for condoms and lubricants, and with UNOPS for non-health products.

³ For Global Fund countries, the estimated resource need over 12 months is USD 10.8 billion for PPE and USD 4.4 billion for diagnostics. These estimates include procurement and in-country distribution costs.

- It should be noted that the Secretariat has yet to engage in advanced discussions with partners or countries regarding the use of wambo.org for non-Global Fund-financed procurement of COVID-19 products. This decision would allow the Secretariat to further such discussions, making wambo.org and Global Fund capacities available to partners and countries to contribute to the global COVID-19 response using their own funds, if and as opportunities to collaborate become available. For those that choose to use it, this would provide countries and partners with another option to access urgently needed products through a transparent, auditable and proven transaction mechanism. It could also potentially significantly expand the impact of the Global Fund's response to the COVID-19 pandemic without additional funding.
- Creating a distinct module outside the USD 50 million transaction limit would provide the required flexibility to support the emergency response. Transactions under this module will be reported and evaluated in conjunction with the other pilot transactions. In particular, reporting on these transactions will be included in the biannual reporting on the pilot to the Strategy Committee and will follow the same principles as the pilot, including the determination of metrics for reporting the progress of the pilot to the Strategy Committee to be agreed with the Strategy Committee in October 2020, but will be disaggregated from other transactions in recognition of the distinct nature of the emergency response versus procurement in the context of sustainability and transition. The independent pilot evaluation, to be delivered no later than end of 2022, will also cover the COVID-19 transactions, again disaggregated from other transactions. This will allow the Secretariat to capture learnings specific to the use of wambo.org beyond procurement for HIV, tuberculosis and malaria and will contribute to broader discussions with the Strategy Committee and Board about wambo.org's place in the global public health architecture and its future strategy. Data on COVID-19 transactions under the pilot will be made available within the Secretariat, for potential inclusion in general C19RM reporting.
- Acknowledging the necessity for urgent consideration of decisions directly related to the COVID-19 context, this decision is being brought directly to the Board for consideration under the expedited decision-making approach as agreed with Board Leadership, in consultation with the Coordinating Group, including previous Committee Leadership.

Questions this paper addresses

- A. What do we propose to do and why?
- B. What options were considered?
- C. What do we need to do next to progress?

Conclusions

- A. The Secretariat proposes to make wambo.org available for non-Global Fund-financed procurement, by eligible buyers as defined in [GF/B42/DP05](#), of the COVID-19 products available to Global Fund PRs through the platform. Access will be time-bound until the end of 2020, subject to extension by the Board upon recommendation by the Strategy Committee, and procurement of COVID-19 products through wambo.org will remain optional for buyers using non-Global Fund sources of funding. Buyers will be responsible for evaluating available procurement channels and selecting that which best meets their needs. The Secretariat further proposes to exclude transactions under this module from the USD 50 million limit, given the order of magnitude of projected needs in low- and middle-income countries. Reporting and evaluation of the transactions under this COVID-19 module will be done in conjunction with reporting and evaluation of other pilot transactions according to metrics to be agreed with the Strategy Committee in October 2020. However, the reporting and evaluation will be disaggregated to distinguish between transactions occurring as part of an emergency response to an emerging

public health threat and transactions for HIV, tuberculosis and malaria commodities occurring in the context of sustainable health programs. Deploying this new pilot module can strengthen the global COVID-19 response, increase the Global Fund's leverage with key suppliers, and facilitate the execution of volume guarantees or thresholds and allocation models coordinated at the global level.

- B. The Secretariat has also considered formally excluding COVID-19 products from the pilot or allowing access within the USD 50 million pilot limit. Both options represent missed opportunities to streamline and scale the global COVID-19 response in collaboration with partner organizations.
- C. This decision will allow the Secretariat to further discussions with suppliers, countries and other partner organizations to determine if and how to deploy this module.

Input Sought

The Board is requested to approve the Decision Point GF/B43/EDPO7.

Input Received

- This topic was discussed in several sessions of the 43rd Board Meeting and in subsequent weekly Board calls. Constituency comments have been incorporated in the development of this paper.
- **Coordinating Group review.** In line with the expedited decision-making process, the Secretariat has engaged with Board and Committee leadership, including previous leadership, and the Coordinating Group prior to submission of the proposed decision to the Board. The Coordinating Group is unanimously supportive of the proposal, noting the clear rationale for leveraging the wambo.org platform in support of enabling access to COVID-19 products, and expressing support for the partnership-based approach. The Coordinating Group sought and received clarification regarding financing arrangements, volume guarantees, allocation arrangements, assurance, and risk considerations, including reputational risk. The Coordinating Group emphasized the significant needs in eligible countries, particularly for diagnostics, and urged continued collaboration and coordination with partners in the operationalization, allocation and funding of COVID-19 procurements, while stressing the importance of the risk mitigation measures documented in this and previous Board papers. In addition, the group recognized the opportunity to generate additional learnings for the wambo pilot beyond HIV, tuberculosis and malaria transactions.

What is the need or opportunity?

1. The COVID-19 pandemic poses a global public health emergency that threatens to derail the Global Fund's mission and activities to fight HIV, tuberculosis and malaria and to strengthen systems for health in eligible countries. The Secretariat and the Board have responded with several measures to support the COVID-19 response in implementer countries, including making available up to USD 500 million through grant flexibilities and approving additional funding of up to USD 500 million through the COVID-19 response mechanism (C19RM) ([GF/B42/EDP11](#)).
2. Because of its pre-existing relationships with commodity manufacturers and suppliers, the Global Fund has been well positioned to respond, in collaboration with the WHO and other partner organizations, to procurement needs related to the COVID-19 pandemic for Global Fund PRs. Under PPM and through its involvement in the WHO Diagnostics Consortium, the Secretariat has negotiated with suppliers to secure access and pricing for certain key diagnostics (Abbott and Cepheid) for low- and middle-income countries.⁴ Using volume guarantees and global allocation models, the Secretariat has contributed to ensuring equitable and efficient distribution of available supply of these quality assured products using the wambo.org platform for Principal Recipients with approved grant funding. In addition, the Secretariat is collaborating with UNICEF and WHO to make their catalogues of PPE available, on an optional basis, to PRs via the wambo.org platform. PRs may also choose to work directly with UNICEF and WHO to procure these products.⁵ Other COVID-19 products, including items used for the prevention, diagnosis and treatment of COVID-19, may be added in the future, in accordance with the relevant quality requirements for that product category.
3. Until now, the Secretariat has refrained from actively promoting procurement of COVID-19 products through the wambo.org pilot.
 - i. In establishing the procurement aspects of the Global Fund's response to COVID-19, the Secretariat's initial focus has been on ensuring continuity of supply of essential HIV, tuberculosis and malaria products, and on securing access to essential COVID-19 products for Global fund-financed procurement. These products are selected for inclusion in wambo.org to be made available to Global Fund PRs in accordance with applicable quality requirements. Some of the COVID-19 products are managed directly by the Global Fund, while other products may be made available through partnerships with other procurement mechanisms, including UNICEF and WHO. Eligibility of products is governed by the C19RM decision.
 - On quality, for diagnostics, the Global Fund applies its existing [Quality Assurance Policy for Diagnostic Products](#), supplemented by the [Interim Quality Assurance Requirements for the Procurement of COVID-19 Diagnostic Products](#). For any pharmaceuticals that become available for treating COVID-19, the C19RM decision mandates that products must first be recommended by the WHO, including, where applicable, under its Emergency Use Assessment and Listing (EUAL) or authorized for use by a Stringent Regulatory Authority. Furthermore, products must comply with the relevant quality standards that are established by the National Drug Regulatory Authority (NDRA) in the country of use. For other product categories, such as PPE, where Global Fund quality assurance policies do not currently exist, the Global Fund is relying on partner organizations' (WHO and UNICEF) quality requirements while it develops its own quality assurance requirements.
 - ii. While the scope of the pilot technically allows the Secretariat to facilitate procurement for COVID-19 products through wambo.org for eligible buyers using non-Global Fund-funding within the limit of USD 50 million,⁶ as participants in the pilot have access to all products, services and functionalities as they become available on wambo.org ([GF/B42/DP05](#)), facilitating COVID-19 procurement is beyond the original intention of the pilot ([GF/B37/DP09](#)), which is meant to test the use of wambo.org for domestically funded HIV,

⁴ Other partners, including UNICEF and WHO, have negotiated agreements for other key products. Some or all of these products may be made available through wambo.org.

⁵ This is similar to the Global Fund's relationships with UNFPA for condoms and lubricants and UNOPS for non-health products.

⁶ As of 19 May 2020, approximately USD 11.5 million worth of transactions have been placed since the November 2019 Board decision, meaning that USD 38.5 million remains available.

tuberculosis and malaria procurements in the context of the Global Fund's overall strategy towards sustainability and transition, not to be used as a response to an international health emergency with anticipated procurement needs – much of which will be funded by partner organizations – in the billions.⁷

- iii. Supporting COVID-19 procurement through the pilot could rapidly exhaust the USD 50 million transaction limit as additional COVID-19 products and supply become available, given the scale of need in eligible countries. Only USD 38.5 million of this cap remains available. Anticipated procurement needs for the COVID-19 response in eligible countries are in the billions of dollars.⁸
 - iv. Using the available limit for this purpose could undermine the pilot's primary purpose of facilitating domestic HIV, tuberculosis and malaria procurements as part of the Global Fund's overall strategy toward sustainability and transition.
4. However, the Secretariat is well positioned to facilitate efficient and cost-effective procurement of those COVID-19 products that are already being made available through wambo.org to PRs using grant funds, when the products are purchased and funded by partner organizations or by non-government organizations or governments in Global Fund-eligible and transitioned countries. wambo.org and the pilot have been flexibly designed so that new products, new buyers and new funding sources can rapidly be onboarded. As with the pilot in general, use of the wambo.org platform for non-Global Fund-financed procurements would remain fully optional. Buyers would be responsible for evaluating available procurement mechanisms and selecting the channel best suited to their needs.
 5. Partner organizations and governments in Global Fund-eligible countries have expressed interest in using wambo.org for COVID-19 procurements, but the Secretariat has been constrained in its ability to explore and negotiate specific arrangements given the existence of the USD 50 million transaction limit. Formally including COVID-19 products as a module in the pilot for a limited period until the end of 2020, subject to extension by the Board upon recommendation of the Strategy Committee – primarily for partner-funded procurements but also for some government or non-government organizations – and excluding orders under this module from the transaction limit would allow the Secretariat to proactively respond to emerging opportunities to support and coordinate with countries and partner organizations, such as the World Bank, the African Development Bank and bilateral development partners. This would be consistent with the spirit and intent of both the Access to Covid-19 Tools Accelerator (ACT-A) and the Global Action Plan (GAP), in which the Global Fund is an active participant. Moreover, enabling the use of wambo in this way would provide countries and partners with another option via which to achieve better access to urgently needed products through a transparent, auditable and cost-effective transaction mechanism, potentially significantly expanding the impact of the Global Fund's response to the COVID-19 pandemic without additional funding.

What do we propose to do and why?

What is the proposal?

6. The Secretariat proposes to make wambo.org available for non-Global Fund-financed procurement, by eligible buyers as defined in [GF/B42/DPO5](#), of the COVID-19 products available to Global Fund PRs through the platform, now or in the future. This may include items used in the prevention, diagnosis and treatment of COVID-19. Access will be time-bound until the end of 2020, subject to extension by the Board upon recommendation by the Strategy Committee, and procurement of COVID-19 products through wambo.org will remain optional for buyers using non-Global Fund sources of funding. Buyers will be responsible for evaluating available procurement channels and selecting that which best meets their needs. The Secretariat further proposes to exclude transactions under this module from the USD 50 million limit, given the order of magnitude of projected needs in low- and middle-income countries. Reporting and evaluation of the transactions under this

⁷ For Global Fund countries, the estimated resource need over 12 months is USD 10.8 billion for PPE and USD 4.4 billion for diagnostics. These estimates include procurement and in-country distribution costs.

⁸ See footnote 7.

COVID-19 module will be done in conjunction with reporting and evaluation of other pilot transactions; however, the reporting and evaluation will be disaggregated to distinguish between transactions occurring as part of an emergency response to an emerging public health threat and transactions for HIV, tuberculosis and malaria commodities occurring in the context of sustainable health programs. Deploying this new pilot module can strengthen the global COVID-19 response, increase the Global Fund's leverage with key suppliers, and facilitate the execution of volume guarantees or thresholds and allocation models coordinated at the global level.

7. The Secretariat notes that if the Board approves the proposed decision point, the module may or may not be extensively deployed. A favorable Board decision will allow the Secretariat to enter into further discussions and to respond rapidly if and when opportunities arise in the evolving context of the pandemic response.
8. The scope of buyers and funding sources would be identical to that approved by the Board in November 2019 in [GF/B42/DPO5](#): government and non-government development organization buyers in Global Fund-eligible and transitioned countries that meet integrity due diligence criteria,⁹ procuring using domestic, donor or other legitimate funding. However, based on current discussions and the availability of funding to respond to COVID-19, the Secretariat anticipates that most transactions will likely be funded by known partner organizations such as the World Bank, the African Development Bank, and bilateral development partners. In all cases, the Global Fund will retain the right to select or reject participating buyers, and buyers will retain the right to select wambo.org or another procurement channel of their choice for the procurement of COVID-19 products. All transactions will also be subject to the agreement of suppliers or catalogue owners, as applicable.
9. Operationally, this proposal can be deployed quickly with minimal additional resources. Relevant products are already or will soon be available through the wambo.org platform for Global Fund-funded procurements, following negotiations with suppliers, manufacturers, and other partner organizations with their own manufacturer agreements, including UNICEF and WHO. It takes minimal additional effort to make them accessible to buyers using other sources of funding. Furthermore, the existing pilot registration and onboarding frameworks are broad enough to cover buyers interested in this additional product category and can be relatively easily adapted in case of urgent procurement.
10. The cost of additional user licenses associated with the use of wambo.org will be absorbed within the Secretariat's existing license packages. If further licenses are needed, costs and options to cover these costs will be evaluated by the Secretariat. Costs relating to the expansion of the product catalogue to include COVID-19 related products (which are already being incurred as a result of the creation of C19RM, under [GF/B42/EDP11](#)) will be managed within the existing budget. There are no other anticipated budgetary implications, as new buyer onboardings and transactions will be managed by existing staff. While the expected number of transactions will be a small percentage of the overall number of transactions managed each year,¹⁰ priorities for 2020 have been re-evaluated in light of the COVID-19 pandemic, and surge support for core sourcing activities, including user support and transaction management for grant and non-grant financed transactions, has already been added. Experience with the wambo.org pilot has shown that training and support needs, particularly for partner organizations accessing the platform, are light, and registration and onboarding can be completed rapidly.

Why is this the recommended option?

11. The Secretariat recommends including the COVID-19 products available through wambo.org to Global Fund PRs as a time-bound module in the pilot but excluding such transactions from the USD 50 million limit in order to provide the Secretariat with the flexibility to explore and negotiate opportunities to support the global response to COVID-19. Specifically, this will allow the Global Fund to facilitate pooled procurement for those buyers using non-Global Fund-funding (primarily

⁹ An integrity due diligence framework has been developed with the Secretariat's Ethics Team. The degree of due diligence applied will be adapted based on the Secretariat's familiarity and/or pre-existing relationship with the organization in question.

¹⁰ Wambo.org issues an average of 900 Purchase Orders per year; under this pilot module, the Secretariat anticipates a small number of high dollar-value transactions supported by partner funding, which should represent a manageable increase in level of effort for existing staff.

other partners, but potentially also governments and non-government organizations) who wish to make use of the wambo.org platform, which could have some important benefits, including:

- i. **Strengthening the global COVID-19 response.** Low- and middle-income countries may struggle to procure COVID-19 products individually by going direct to suppliers, which can exacerbate issues of access, equity and affordable pricing. Multilateral procurement options may offer a solution. Several multilateral procurement options already exist, including UNICEF (which can be accessed by going directly to UNICEF or, for PPE will be shortly available through wambo.org), GDF, PAHO, and WHO (which, like UNICEF, can be shortly be accessed directly or through wambo.org for PPE, though access to its catalogue through wambo.org for non-grant buyers will need to be negotiated). Implementing countries and other partner organizations have expressed eagerness to use wambo.org both for procurement of COVID-19 products managed by the Global Fund and for procurement of COVID-19 products offered through other partners on wambo.org. wambo.org may offer advantages in terms of greater geographic coverage; lower prices and service fees; more user convenience and increased operational transparency, compliance and efficiency; and existing working relationships with relevant suppliers and manufacturers. The Secretariat notes that wambo.org will not be the best choice for all buyers, and the use of wambo.org for non-Global Fund-financed COVID-19 procurements would remain completely optional. Buyers would be responsible for evaluating available procurement mechanisms and selecting the channel that best meets their needs. Offering wambo.org as an option for those buyers that choose it could potentially significantly expand the impact of the Global Fund's response to the COVID-19 pandemic without additional Global Fund funding and with minimal additional Secretariat resources and effort.
- ii. **Increasing the Global Fund's leverage with key suppliers.** Channeling additional volume through wambo.org may increase the Secretariat's leverage with key suppliers and manufacturers, reinforcing its ability to secure access and competitive pricing for Global Fund-eligible and transitioned countries, not only for COVID-19 products but also for HIV, tuberculosis and malaria products where these are produced by the same manufacturer.
- iii. **Facilitating the execution of volume guarantees and allocation models.**
 - *Volume guarantees:* For scarce products, including COVID-19 diagnostics and PPE, it is often necessary for the Global Fund and other organizations offering procurement services to make volume guarantees to manufacturers or other partners offering procurement services to secure access and competitive pricing for low- and middle-income countries. The Global Fund employs this sourcing strategy for PPM's framework agreement products where volume commitments are made based on Global Fund PR demand,¹¹ and it has taken generally the same approach for certain COVID-19 diagnostics.¹² The Global Fund may continue to deploy this sourcing strategy for other COVID-19 products, based on estimated Global Fund PR demand. In cases where Global Fund PR demand is lower than anticipated and there is a resulting risk of not meeting the volume commitments (or not doing so in an equitable way, as described below), allowing non-grant buyers to access the products and counting these procurements against the volume commitments may mitigate the risk of poor supply uptake and financial burden on the WHO on the WHO or the Global Fund.
 - *Volume thresholds:* For some products with or without volume guarantees, the Global Fund or other partners have negotiated volume thresholds, which, once achieved, result in lower prices for all future procurements.¹³ If the Global Fund negotiates volume thresholds with manufacturers or other partners acting as suppliers or offering procurement services for COVID-19 products, additional volumes from non-grant buyers could help achieve the

¹¹ Under the wambo.org pilot, non-grant volumes are not counted toward achievement of volume commitments for these products, nor is non-grant demand considered when establishing such commitments.

¹² For Cepheid and Abbott products, the Global Fund has made volume commitments for projected demand in low- and middle-income countries through August 2020, which it expects to cover with the 5% grant flexibilities and C19RM funding. However, the volume commitments are backed by the WHO, meaning any unanticipated gap between supply and demand will be compensated to manufacturers by the WHO. There is no financial risk to the Global Fund.

¹³ Under the wambo.org pilot, non-grant volumes are counted toward achievement of volume thresholds, and both grant and non-grant buyers benefit from subsequent price reductions.

threshold and subsequent price reductions for both non-grant and Global Fund-grant buyers.

- *Allocation models:* In addition, because the supply for COVID-19 products is often constrained despite the Global Fund's or other partners' best efforts to negotiate with suppliers, it is critical to distribute products to countries using agreed principles to maintain equity. This is the approach the Secretariat has taken for Abbott and Cepheid automated molecular COVID-19 diagnostics, with the Global Fund negotiating volume commitments with Cepheid and Abbott¹⁴ and the volumes then allocated based on country demand and principles agreed by the WHO-led Diagnostics Consortium. While allocation methods for other products may differ, having a greater percentage of volumes for different products tracked in one centralized procurement platform (whether the volumes are funded by the Global Fund, other partners, or even governments and non-government organizations) can provide better visibility to allow tracking and management of the distribution of supply.

What are the risks and proposed mitigations?

12. The same risks related to the wambo.org pilot in general, documented in [GF/B42/DPO5](#), also apply to the procurement of COVID-19 products using non-Global Fund grant funding. The mitigation measures in place for the pilot in general, and the financial, legal and operational controls already implemented for both grant and non-grant orders through wambo.org, will also be applied to transactions under the COVID-19 module.
13. Certain risks warrant additional comment:
 - i. Strategic Risk
 - As discussed in [GF/B42/DPO5](#), the pilot does not represent a full solution to all the procurement challenges facing countries, including legal barriers preventing full upfront payment to suppliers and/or accessing international pooled procurement, budget constraints, capacity or infrastructure issues relating to quantification and/or supply chain, etc. The expanded pilot scope will be subject, in some countries, to these same constraints.
 - The Secretariat continues to explore options to support countries with some of these challenges, such as exploring options for the development of pre-financing mechanisms (however, it should be recognized that progress on these issues has been slowed by COVID-19).
 - Moreover, many countries have demonstrated strong interest and ability to use wambo.org for domestic procurement, often despite the existence of these barriers.¹⁵
 - Furthermore, experience suggests that such barriers tend not to apply when procurements are financed with donor funding, as is expected for most COVID-19 transactions through wambo.org.¹⁶
 - The Secretariat believes that many of these issues, while clearly important in a broader sustainability and transition context, are likely to be less relevant in the context of emergency procurement in response to the COVID-19 crisis. To be able to access scarce commodities quickly, countries are demonstrating that they are prepared to overcome or sidestep constraints that might apply in more normal times. Furthermore, since most of the transactions the Secretariat envisages will be funded by other partner organizations, pre-financing challenges are less likely to be a problem.
 - In any case, even if it turns out that some countries face challenges in using the proposed mechanism for procurement of COVID-19 products, some countries will not face these challenges. The existence of challenges for some does not seem a good reason for not making it available to those countries that can benefit from it.
 - ii. Compliance Risk
 - Onboarding new buyers and funding sources may increase the risk of non-compliant procurements being processed through wambo.org.

¹⁴ UNICEF is doing the same with Roche and Thermo Fisher.

¹⁵ Buyers in 8 countries have used wambo.org to procure with domestic funds as part of the pilot.

¹⁶ Buyers in an additional 11 countries have used wambo.org to procure with other donor funding as part of the pilot.

- However, using wambo.org rather than relying on offline operational procurement approaches (email, Excel, etc.) will drastically increase transparency and auditability and may decrease the overall number on non-compliant procurements for COVID-19 products.
- Tried and tested processes developed for the pilot or for wambo.org grant transactions will be applied to these transactions, with minimal modification. Tracked approvals and order details in the system will reduce the risk of intentionally or unintentionally non-compliant procurement.
- In addition, this decision point will not be taken as a commitment to make all wambo.org products available to all buyers and funding sources wishing to procure COVID-19 products. As with the wambo.org pilot in general, decisions will be made on a case-by-case basis and supported by an integrity due diligence process, as well as supply and risk management considerations.

iii. Operational Risk

- Working with new buyers on a new product category may increase operational complexity and workload, leading to slower lead times or increased staffing requirements.
 - The legal framework, processes and controls put in place for the wambo.org pilot – designed to minimize operational complexity and systematize processes – will also apply to these transactions. This should result in smoother transactions for COVID-19, as the Secretariat already has experience with non-grant transactions.
 - Current projections suggest existing staff will be able to cover the additional number of new buyer registrations and transactions. Surge support has been put in place for these functions during the COVID-19 crisis, independently of this decision. Furthermore, experience with the pilot has shown that, especially when working with partner organizations, onboarding processes can be completed quickly with minimal training and support needs. Under this pilot module, there will likely be a small number of high dollar-value transactions, which will represent a manageable increase over the roughly 900 Purchase Orders already processed each year.
 - Costs relating to the expansion of the product catalogue to include COVID-19 related products for Global Fund PRs, which are already being incurred as a result of the creation of C19RM under [GF/B42/EDP11](#), independently of this decision, will be managed within the existing budget.
- Partner organizations funding procurements may have procurement regulations that conflict with or differ from the pilot's legal framework. Negotiating individual provisions is time-consuming and difficult to monitor and enforce.
 - As with the wambo.org pilot, only changes that would make sense for all buyers will be considered. In these cases, the pilot's legal framework will be updated accordingly for all users.
 - In cases where individual partners' requirements cannot be accommodated in the overall legal framework, partners will be asked to waive or modify their requirements in order to use wambo.org.
- While not strictly dependent on the expansion of the pilot requested in this decision, scaling up availability of COVID-19 products warrants consideration of the fact that the Global Fund may lack specific quality assurance requirements for certain product categories related to COVID-19, such as for PPE; a principle of the wambo.org pilot is that only products that are compliant with Global Fund quality assurance requirements are available through the platform.
 - Only those products that have been deemed of appropriate quality to be procured by Global Fund grant recipients will be available to non-grant buyers through the platform. Products are selected for inclusion in wambo.org in accordance with the applicable quality requirements. Some of the products are managed directly by the Global Fund, while other products may be made available through partnerships with other procurement mechanisms, including UNICEF and WHO. For diagnostics, the Global Fund applies its existing [Quality Assurance Policy for Diagnostic Products](#), supplemented by the [Interim Quality Assurance Requirements for the Procurement of COVID-19 Diagnostic Products](#). For any pharmaceuticals that become available for treating COVID-19, requirements will be implemented that products must be recommended by the WHO, as well as, where applicable, included under its Emergency Use Assessment and Listing (EUAL), or authorized for use by a Stringent Regulatory Authority following similar urgency registration procedures.

- For other product categories, such as PPE, where Global Fund quality assurance policies do not currently exist, the Global Fund is relying on partner organizations' (WHO and UNICEF) quality requirements. The Global Fund will develop specific quality assurance requirements and will put in place related processes, independently of the wambo.org pilot, for Global Fund-financed procurements, based on WHO guidance and other internationally recognized standards. This will be part of the larger procurement strategy, which has already included the development of interim quality assurance requirements for the procurement of COVID-19 diagnostic products¹⁷ and will also include interim requirements for PPE. In addition, the Global Fund Secretariat will organize risk mitigation and control measures through additional post-market surveillance activities, including Quality Control testing.
- iv. Financial Risk
- Financial risk to the Procurement Services Agents (PSAs) or partners offering procurement services: A principle of the pilot is that neither the Global Fund nor the PSAs/partners should bear financial risk. As a starting point, the Global Fund requires full upfront payment for all non-grant transactions. However, for transactions funded by other partner organizations that the PSAs/partners consider creditworthy, PSAs/partners and buyers/funders may choose to negotiate payment terms similar to those available to the Global Fund for grant-funded procurements, that is, payment upon invoicing for actuals instead of full upfront payment. This may create some financial risk for the PSAs/partners, though not for the Global Fund.
 - As with the wambo.org pilot, the Global Fund will have no direct financial liability to buyers, funders or PSAs/partners. No volume commitments will be made based on non-Global Fund demand. Products made available through partner organizations may be subject to further liability disclaimers.
 - PSAs/partners will have the ability to negotiate payment terms with each partner organization funder, only agreeing to those that are acceptable to them.
 - In addition, the Global Fund will perform an integrity due diligence review of buyers and funders prior to accepting their registration to wambo.org to minimize the risk of working with partners that do not meet the Secretariat's criteria.
- v. Reputational Risk
- Facilitating non-Global Fund-financed transactions for products with limited supply availability, such as some COVID-19 diagnostics, may result in some countries perceiving wambo.org as an unreliable procurement option. Although supply shortages and countries' inability to procure quantities to meet their full need are unrelated to the wambo.org platform, careful communication will be needed to manage these perceptions.
 - It is a reality that many countries will be unable to procure quantities that meet their full demand for certain product categories. The principles behind the distribution model(s) used will be clearly communicated and fairly and consistently applied.
 - In addition, the Secretariat has developed a new operational procurement process for certain COVID-19 products for Global Fund grants, the Accelerated Order Management for COVID-19 Mechanism (AOM). Under AOM, orders with the available allocated quantity are created by the Secretariat and sent to the buyer for review and approval, a departure from the regular process of buyers submitting requests to the Secretariat based on their full demand. This is intended to minimize back-and-forth communication and negotiation of available supply with buyers, while speeding up the transaction approval process. AOM may be extended to non-grant buyers for any products that are being centrally allocated due to limited supply.
 - Although there may be some negative perceptions, overall distribution and access will be more efficient and equitable if a material portion of the supply is managed centrally by an international pooled procurement mechanism and subject to allocation principles such as those provided by the WHO-led Diagnostic Consortium.
 - Many COVID-19 products are being developed and deployed as the pandemic progresses. There is additional reputational risk relating to quality assurance of COVID-19 products, compared to products for HIV, tuberculosis and malaria that have been brought to market under different contexts. A principle of the wambo.org pilot is that only products that are

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https://www.theglobalfund.org/media/9628/covid19_interimqualityassurancerequirementsdiagnosticproducts_guidance_en.pdf

compliant with Global Fund quality assurance standards are available through the platform.

- Only those products that have been deemed of appropriate quality to be procured by Global Fund grant recipients will be available to non-grant buyers through the platform. Products are selected for inclusion in wambo.org in accordance with the applicable quality requirements. Some of the products are managed directly by the Global Fund, while other products will be made available through partnerships with other procurement mechanisms, including UNICEF and WHO. For diagnostics, the Global Fund applies its existing [Quality Assurance Policy for Diagnostic Products](#), supplemented by the [Interim Quality Assurance Requirements for the Procurement of COVID-19 Diagnostic Products](#). For any pharmaceuticals that become available for treating COVID-19, requirements will be implemented that products must be recommended by the WHO, as well as, where applicable, included under its Emergency Use Assessment and Listing (EUAL), or authorized for use by a Stringent Regulatory Authority following similar urgency registration procedures.
- For other product categories, such as PPE, where Global Fund quality assurance policies do not currently exist, the Global Fund is relying on partner organizations' (WHO and UNICEF) quality requirements. The Global Fund will develop specific quality assurance requirements and will put in place related processes, independently of the wambo.org pilot, for Global Fund-financed procurements, based on WHO guidance and other internationally recognized standards. This will be part of the larger procurement strategy, which has already included the development of interim quality assurance requirements for the procurement of COVID-19 diagnostic products¹⁸ and will also include interim requirements for PPE. In addition, the Global Fund Secretariat will organize risk mitigation and control measures through additional post-market surveillance activities, including Quality Control testing.

What other options did we consider?

What are the other options?

14. The Secretariat considered the following other options:

- i. Formally excluding COVID-19 products from the wambo.org pilot
- ii. Including COVID-19 products in the wambo.org pilot, within the current limit of USD 50 million in transaction value, subject to revision by the Strategy Committee.

What assessment criteria were applied?

15. In evaluating these options, the Secretariat considered the potential impact on the global COVID-19 response and on the fight against the three diseases, the Secretariat's ability to rapidly and proactively explore and negotiate potential pooled procurement support for COVID-19, and the budgetary, operational and risk impacts for the Secretariat.

Given the above, what are the positives and negatives of each option?

16. For option 1, no change from current operations is required, so financial, operational and compliance risks related to an expansion of scope are avoided. However, this option creates a reputational risk of not intervening where the Secretariat's expertise and tools could positively impact the COVID-19 response, a strategic risk of derailed progress on funded HIV, tuberculosis and malaria programs due to a weaker global COVID-19 response, and an operational risk to effective partnerships in the WHO Consortia, ACT-A, etc. It also creates a risk that the volume commitments already secured by the Global Fund may not be fully utilized, which creates a liability for the WHO, which has provided a financial guarantee on the negotiated volumes.

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https://www.theglobalfund.org/media/9628/covid19_interimqualityassurancerequirementsdiagnosticproducts_guidance_en.pdf

17. For option 2, certain risks to processing COVID-19 transactions exist, as outlined above. Perhaps the most imminent risk specific to working within the current transaction limit is that this limit might be rapidly reached with a few large orders using non-Global Fund- funding, which would block progress on transactions for HIV, tuberculosis and malaria health products pending a decision to increase the limit by the Strategy Committee. Not having COVID-19 products count against the pilot cap would permit steady progress for continued and uninterrupted implementation and learning from the pilot, both in terms of its broader sustainability aims and in terms of its ability to support the urgent emergency response needed for COVID-19 products. Treating the cap separately for these two distinct aims can permit both to progress in parallel.

What do we need to do next to progress?

What is required to progress the proposal?

18. Operationally, the Secretariat is ready to implement the proposal. In-scope products are already or will soon be available on wambo.org, and the existing legal framework, registration and onboarding and transaction management processes created for the wambo.org pilot can be applied with little or no modification for these procurements.
19. New products are becoming available at a rapid pace, and this decision will allow the Secretariat to further discussions with other partner organizations and manufacturers as products are brought onto wambo.org or as global supply increases. It will give the Secretariat the ability to respond decisively and proactively as or when an opportunity becomes available.
20. The Secretariat will provide routine updates throughout 2020 via the reporting structure that will be put in place for the pilot, pending discussion and agreement with the Strategy Committee in October 2020, and for any additional period in which this flexibility is extended by the Board upon recommendation of the Strategy Committee. Updates will also be provided through the weekly informal Board calls on the response to COVID-19. Learnings specific to this module will be included in the final independent pilot evaluation. The Strategy Committee and Board will have opportunities to discuss the future strategy of the wambo.org pilot, in the context of the COVID-19 response and in the context of support to countries taking on greater procurement responsibility for their programs to fight the three diseases.

What would be the impact of delaying or rejecting the decision to progress?

21. The Secretariat will be constrained in its ability to seriously negotiate opportunities to support procurement of COVID-19 products with other partner organizations, implementing countries and manufacturers. Given the unprecedented and rapidly evolving context, delaying or rejecting this decision could negatively impact both the global COVID-19 response and progress against the three diseases in Global Fund-eligible countries. It will also weaken the ability of the Global Fund to fulfill its role as an active partner within ACT-A and create a missed opportunity to test wambo.org beyond procurement for HIV, tuberculosis and malaria.

Recommendation

The Board is requested to approve the Decision Point presented on page 2.

Annexes

The following items can be found in Annex:

- Annex 1: Relevant Past Decisions
- Annex 2: Relevant Past Documents & Reference Materials

Annex 1 – Relevant Past Decisions

Relevant past Decision Point	Summary and Impact
<u>GF/B42/EDP11: Additional Support for Country Responses to COVID-19 (April 2020)</u>	<p>In light of the urgency of the COVID-19 pandemic situation, and the need to take swift and decisive action with partners to control the impact of COVID-19 on the Global Fund mission and country health systems, the Board approved a series of measures, including among others, the creation of a temporary COVID-19 response mechanism (C19RM) to provide additional support for country responses to the pandemic, an initial funding for C19RM of up to USD 500 million, and that C19RM funds may be used to procure COVID-19 products approved under the WHO Emergency Use and Listing procedures or under other emergency procedures set up by any Stringent Regulatory Authorities.</p> <p>The Board agreed that the Secretariat may approve requests for C19RM funds for an initial six-month period through 30 September 2020, and that C19RM funds may be used through 30 June 2021. These dates may be extended by the Board, based on updated information on needs as the pandemic evolves.</p>

<p><u>GF/B42/DP05: Evolving the wambo.org pilot for non-Global Fund-financed orders (November 2019)</u></p>	<p>Based on the recommendation of the Strategy Committee (presented in GF/B42/04- Revision 1) the Board decided that, within defined scope of the wambo.org pilot, wambo.org may be made available for non-Global Fund-financed orders by governments and non-government development organizations in Global Fund-eligible and transitioned countries, for all products, services and functionalities as they become available on wambo.org, up to a cap of USD 50 million of transactions; and instructed the Secretariat to undertake consultations early in 2020, an evaluation of the wambo.org pilot in 2022 and bi-annual reporting on progress of the wambo.org pilot to the Strategy Committee.</p> <p>The Board also delegated to the Strategy Committee the authority to: (i) approve a higher cap for transactions within the scope prior to the consultations in 2020; and (ii) establish the future parameters of the wambo.org pilot within the scope, based on the outcome of the 2020 consultations.</p> <p>The Board further requested the Secretariat to include the results of the 2022 evaluation in the development of a strategy for future advancement of wambo.org to be presented for Board approval at the conclusion of the wambo.org pilot no later than November 2022.</p>
<p><u>GF/SC11/07: Extending access to wambo.org for non-Global Fund-financed orders (October 2019)</u></p>	<p>The Strategy Committee discussed the proposal by the Secretariat to make wambo.org available for non-grant orders outside of pilot mode. The Strategy Committee requested additional consultations and a formal evaluation of wambo.org prior to exiting the wambo.org pilot.</p> <p>The Strategy Committee unanimously agreed to recommend to the Board for approval making wambo.org available for orders financed with non-grant funds on an evolved pilot basis, whereby governments and non-government development organizations in Global Fund eligible and transitioned countries may have access to wambo.org, to all products, services and functionalities as they become available on wambo.org, subject, if applicable, to agreement by the product catalogue owner, up to a limit of US \$50 million in transaction value. The Strategy Committee would have delegated authority to adjust the value or the nature of the cap.</p>
<p><u>GF/SC09/DP1: wambo.org: Update on Implementation and Request for Additional Domestic Funding Transactions (March 2019)</u></p>	<p>The Strategy Committee discussed the implementation of wambo.org for Principal Recipients using wambo.org to procure with grant funds, as well as with domestic funds as part of the pilot approved by the Board under GF/B37/DP09. In accordance with delegated authority under GF/B37/DP09, it decided to approve 50 additional transactions to be conducted on wambo.org with domestic funding,</p>

	<p>on a pilot basis, within the same scope as approved by the Board under GF/B37/DP09.</p> <p>The Strategy Committee further requested the Secretariat to report back to the Strategy Committee with a final evaluation of the pilot and a strategy for future advancement of wambo.org.</p>
<p><u>GF/B37/DP09: wambo.org: Progress Update and Steps for Advancement (May 2017)</u></p>	<p>Based on the recommendation of the Strategy Committee, the Board approved the piloting of a limited number of transactions (no more than ten) by current Principal Recipients using domestic funding via wambo.org.</p> <p>The Board also requested the Secretariat to provide draft indicators of success of the pilot, and to report regularly on the operationalization of the pilot, to the Strategy Committee.</p> <p>Lastly, the Board delegated to the Strategy Committee the authority to approve further domestic funding transactions via wambo.org on a pilot basis.</p>
<p><u>GF/SC03/DP02: wambo.org: Progress Update and Steps for Advancement (March 2017)</u></p>	<p>The Strategy Committee discussed and provided input into the progress of wambo.org to date and the supplemental information addressing questions and concerns raised during the voting process and subsequent consultations after the Board did not adopt the same pilot that is presented in GF/SC03/16. The Strategy Committee recommended the Decision Point presented in GF/SC03/16 to the Board for approval with 9 votes in favor, and 1 abstention.</p>
<p><u>GF/AFC02/DP01 and GF/SC02/DP01: wambo.org: Progress Update and Steps for Advancement (October 2016)</u></p>	<p>The Audit and Finance Committee and the Strategy Committee jointly discussed and provided input into the progress of wambo.org to date and the steps for advancement as described in GF/AFC02/23a and GF/SC02/06a. The Audit and Finance Committee and the Strategy Committee unanimously recommended the decision point therein to the Board for approval.</p> <p>Following the Audit and Finance Committee and the Strategy Committee discussions, the proposed pilot was submitted to the Board in November 2016 as an electronic decision point. The recommendation received the two-thirds majority required for the decision point to pass in the implementer group. However, it did not receive the same required two-thirds majority in the donor group, where two constituencies voted against the decision point and two abstained. As such, the decision point did not pass at that time.</p>
<p><u>GF/B35/DP08: Sustainability, Transition and Co-financing Policy (April 2016)</u></p>	<p>Based on the recommendation of the Strategy, Investment and Impact Committee, the Board approves the Sustainability, Transition and Co-Financing Policy, as set forth in Annex 1 to GF/B35/04 - Revision 1.</p>

<p><u>GF/B34/DP08: Approval of the Amended and Restated Market Shaping Strategy (November 2015)</u></p>	<p>Based on the recommendation of the Strategy, Investment and Impact Committee, the Board approved the Amended and Restated Market Shaping Strategy, as set forth in Annex 1 to GF/B34/17 - Revision 1 (the “Amended and Restated Market Shaping Strategy”). This decision point and the Amended and Restated Market Shaping Strategy supersede Board decision point GF/B23/DP21 and the previous Market Shaping Strategy set forth in Annex 1 to GF/B23/09 – Revision 1. wambo.org was recognized in the Market Shaping Strategy as one way to channel the Market Shaping Strategy while contributing to its objectives.</p>
<p><u>GF/B23/DP21: Global Fund Market Shaping Strategy and Market Shaping Interventions for ARVs (May 2011)</u></p>	<p>The Board acknowledged the Global Fund’s critical role in shaping markets to maximize global access to health products and further emphasized its desire for the Global Fund to more actively shape markets for health products to optimize price, quality, design and sustainable supply. The Board approved the market-shaping strategy recommended by the Market Dynamics Committee, including a set of specific interventions for anti-retroviral medicines (ARVs). This strategy superseded the Market Shaping Strategy approved in 2007 (GF/B15/DP15).</p>
<p><u>GF/B23/DP09: Plan for Comprehensive Reform: Value for Money (May 2011)</u></p>	<p>The Board recognized that the Global Fund is well positioned to drive value for money and leverage its role as the primary financier of essential health products to improve quality, price, design, and sustainable supply. The Board asked the Market Dynamics Committee to propose expanded uses of the Global Fund’s market dynamics “toolkit”. Among other directives, it also requested the Secretariat to take all necessary and appropriate measures to fully implement voluntary pooled procurement and aggressively execute the Market Dynamics Committee recommendations.</p>
<p><u>GF/B15/DP15: Market Dynamics and Voluntary Pooled Procurement (April 2007)</u></p>	<p>The Board adopted the objective and guiding principles for market shaping set out at the 14th Board meeting and amended at this meeting. In addition, the Board decided to pursue voluntary pooled procurement as the first element of its market dynamics strategy. As such, the Board required that the pooled service shall be operated by one or more global or regional procurement agent(s), and that the Secretariat “shall direct the Procurement Agent to seek to award contracts for a given product to several suppliers, where possible and appropriate in view of consideration of market dynamics.” Finally, participants in the pooled service must agree to direct payment to the procurement agent for purchases. It also determined to strengthen the “Price Reporting Mechanism” (now the Price Quality Reporting Mechanism) and enter into contracts to provide procurement capacity-building services to Principal Recipients.</p>

Annex 2 – Relevant Past Documents & Reference Materials

- a) [Additional Support for Country Responses to COVID-19](#), GF/B42/EDP11 (April 2020)
- b) [Evolving the wambo.org pilot for non-Global Fund-financed orders – Revision 1](#), GF/B42/04 (November 2019)
- c) [Extending access to wambo.org for non-Global Fund-financed orders](#), GF/SC11/07 (October 2019)
- d) [wambo.org: Update on Implementation and Request for Additional Domestic Funding Transactions](#), GF/SC09/11 (March 2019)
- e) [wambo.org: Progress Update and Steps for Advancement](#), GF/B37/07 – Revision 2 (May 2017)
- f) [wambo.org: Progress Update and Steps for Advancement](#), GF/B35/ER17 (November 2016)