

# **Technical Evaluation Reference Group: Thematic Evaluation of the wambo.org pilot for non- Global Fund financed orders**

TERG Position Paper, Management  
Response and Final Report

December 2022

# TERG Position Paper on the Thematic Evaluation of the wambo.org pilot for non-Global Fund financed orders

# Executive Summary

## Context for the thematic evaluation:

The Global Fund Board requested the evolution of the wambo.org pilot for non-grant funds financed orders be accompanied by an evaluation of this pilot. The Strategy Committee (SC) in turn requested the Technical Evaluation Reference Group (TERG) to commission this independent evaluation intended to inform the decisions on the future direction of the wambo.org non-grant channel pilot (NGC). The results of the evaluation were to be examined before any scale- up and included in the development of a strategy for future advancement of wambo.org non-grant channel to be presented for Board approval in November 2022<sup>1</sup>.

## Questions this paper addresses:

This evaluation was commissioned by the TERG and carried out between August 2021 and January 2022. Using twelve country case studies, document review, a survey of grantees, and a total of 213 key informant interviews with 105 global stakeholders and partners, and 108 in-country stakeholders, the evaluation focuses on wambo.org pilot users, wambo.org users and wambo.org non-users across the Global Fund portfolio countries.

The evaluation's design was guided by the need to: assess the market dynamics of wambo.org pilot and the wider procurement ecosystem, leveraging existing evaluation frameworks and undertake cost-benefit, cost-effectiveness and value for money analyses.

Based upon existing OECD DAC and other frameworks described in the report, the consultants consolidated the evaluation questions within six parameters (see Figure 1).



Figure 1: The 6 evaluations parameters

## Key Messages from the Evaluation:

Findings from the qualitative and quantitative evaluation data support the **full implementation of wambo.org beyond the pilot phase**. Triangulation of this data demonstrates that the benefits of the wambo.org pilot outweigh the costs and identified risks. These benefits include: enhanced visibility and transparency of the procurement process; ensuring accountability for the buyers; access to quality-assured, competitively priced medicines; use of <http://wambo.org> catalogue for budgeting; lead time estimates to facilitate supply planning leading to lower risk of stock outs; potential for expanded use if the range of products is increased. Additionally, there is potential for large savings to be realized through the use of the wambo.org platform in some countries.

The wambo.org pilot proved a good option for commodities procurement and the Global Fund should continue to offer this option, noting that more must be done to publicize it and possibly incentivize its use. The pilot has been most used in countries where the government is flexible regarding ways to improve health product availability and efficient use of domestic funding. The report describes some barriers to use of wambo.org non-grant channel with domestic funds such as the prepayment

<sup>1</sup> <https://www.theglobalfund.org/board-decisions/b42-dp05/>

requirement, individual countries' procurement legislation, their regulatory framework which may not include products from wambo.org's portfolio, and the local manufacturing base which is largely excluded from wambo.org's catalogue. The evaluation did not consider certain external factors such as any potential constraints related to the legal status and operating model of the Global Fund. Also not in scope was an analysis of risks and liabilities potentially associated with the facilitation by the Global Fund of non-grant financed transactions, notably credit risk linked to pre-financing and reputational risks.

The report identifies a set of 8 high-level conclusions that cut across the 6 parameters of the evaluation framework. Based on the evaluation findings and these high-level conclusions, the report provides 8 main recommendations (see [Table 2 below](#)).

**TERG Position: The TERG largely endorses the key findings, high-level conclusions and the recommendations of the evaluation.** The TERG recommends that the use of wambo.org through domestic funding/non-grant channel should continue beyond its pilot phase to full implementation. It concludes that the net value add of the pilot has been demonstrated with benefits outweighing costs; identified risks and the "success criteria for pilot evaluation<sup>2</sup> have been met. The TERG notes the conclusions and recommendations from the evaluation report and highlights the need to rebrand the current wambo.org pilot's design using a clear process for onboarding new clients and to increase advocacy and awareness of the benefits of the platform.

The TERG, considering comments from the Secretariat and partners, has consolidated most of the consultants' recommendations into Strategic and Operational levels:

**Table 1: TERG Strategic and Operational Recommendations**

Strategic Recommendations
<ul style="list-style-type: none"> <li>• Redesign, enhance and fully implement wambo.org's non-grant channel (NGC)</li> <li>• Explore the possibility of expanding wambo.org's product catalogue to include NCDs and other disease areas that impact HTM programs</li> <li>• Help support sustainability by establishing and communicating an operational framework for the use of wambo.org non-grant channel for countries transitioning or projected to transition.</li> </ul>
Operational Recommendations
<ul style="list-style-type: none"> <li>• Design and implement a revised pre-payment mechanism to address regulatory barriers and get wider acceptance from the countries to use wambo.org with domestic funding.</li> <li>• Explore how wambo.org can be complemented with capacity building</li> <li>• Explore options to bring more visibility to the wambo.org competitive tendering process</li> <li>• Promote transparency and in-country data sharing</li> </ul>

Note that the report's high-level conclusion 8 on monitoring PSM/logistics costs and lead times is not included as a TERG recommendation because monitoring these costs at the Secretariat level may not

<sup>2</sup> [GF/SC12/06](#) March 2020: Update on wambo.org

sufficiently impact in-country procurement behavior or cost-effective transport mode selection. However, supporting the monitoring of these costs by other partners is suggested under the promotion of transparency and data sharing recommendation and procurement planning is present under capacity building. Lead times are already being monitored.<sup>3</sup>

## **Input Received**

The scope of work and the evaluation questions were developed after extensive consultations with the Secretariat and the SC. This evaluation was conducted with substantial contributions from the Global Fund Secretariat stakeholders and further inputs from SC as well as relevant external partners and stakeholders.

---

<sup>3</sup> [https://www.theglobalfund.org/media/10755/psm\\_categoryproductlevelprocurementdeliveryplanning\\_guide\\_en.pdf](https://www.theglobalfund.org/media/10755/psm_categoryproductlevelprocurementdeliveryplanning_guide_en.pdf) accessed 9 February 2022.

# Report

## Part 1: Background:

1. In 2016, the Global Fund rolled out the wambo.org platform to support and bring to scale the impact of the pooled procurement mechanism (PPM). Beyond the value of PPM, wambo.org increases access to quality assured health products and compliance of procurement practices with Global Fund and local regulations. The combination of PPM and wambo.org platform has been instrumental in the fight against HIV and malaria (TB related procurement is out of scope as this is currently managed through the Stop TB Partnership's Global Drug Facility (GDF)). In 2017, the Global Fund extended the use of wambo.org for non-grant funded transactions by countries and country organizations on a pilot basis. The wambo.org pilot was established to enable non-Global fund grant resources to also be used. It was initially limited to a number of transactions (maximum of ten) by current PRs and later the Board approved an expansion of the pilot in November 2019<sup>4</sup> to include all products, services and functionalities available on wambo.org, with a cap of US\$50 million. In 2020 the pilot was further extended to include all COVID 19 products made available on the wambo.org platform, noting that domestic funded COVID-19 commodities would not count towards the \$50 million transaction value cap. While twenty-three countries have participated in the pilot to date orders placed by three countries (Nigeria, Benin and Togo) accounted for 65% of products procured.

### Objectives:

- **Main Objective 1:** To assess implementation of the pilot against the parameters described in "Failure Criteria for pilot evaluation"<sup>5</sup> and articulate the current role and scope of the wambo.org pilot. To the extent possible, based on available data on key health products including some TB products, conduct a value for money assessment, cost-benefit analysis, efficiency and effectiveness of the wambo.org pilot and risk assessment for non-Global Fund users.
  - **Main Objective 2:** To evaluate its contribution in enhancing or hampering Global Fund strategic and disease priorities and market impact, and how it fits and contributes to the Global Fund's overarching market shaping strategy as well as areas such as supply chain, sourcing and procurement and new technologies.
  - **Main Objective 3:** Additionally, to determine whether or not there were negative outcomes that resulted or were generated for wambo.org pilot users (i.e., access barriers) and the Global Fund Secretariat (i.e., reputational risk) during wambo.org pilot implementation and the lessons learnt for improvement and inform a future strategy for wambo.org pilot.
2. **Methods:** The evaluation used qualitative and quantitative data from secondary and primary data sources collected through individual interviews, online survey and health products procurement data both at central and country level. Due to COVID-19 restrictions, most interviews were done remotely. The evaluation conducted 213 interviews including key

---

<sup>4</sup> [GF/B42/04 – Revision 1](#) Evolving the wambo.org pilot for non-Global Fund-financed orders

<sup>5</sup>Internal Document Update on wambo.org. Key consensus point (1/3): determine failure criteria for pilot evaluation. The success of offering wambo.org for non-grant orders will fall on a spectrum. Rather than try to determine the minimum success criteria, we should determine failure ("first do no harm") and cost-benefit criteria.

stakeholder interviews at global, regional, and country levels with 108 interviews at country level in 12 case study countries. In addition to desk-based review of documents, there was an on-line survey of 208 stakeholders in 67 countries with 85 responses collected across 50 countries (a 41% response rate).

Using the success criteria for the pilot evaluation ([Annex 3](#)) consultants determined the extent to which the wambo.org pilot was successful:

3. **Limitations:** Few of the country case studies had complete, good quality, available quantitative procurement data at country level and this limited the extent to which these findings could be generalised outside the study. In general, there was lack of transparency/limited availability from countries of domestic data on health products procurement data and impact. COVID-19 disruptions were another limitation, including regarding constraints on country visits.

## Part 2: Key Findings

4. **Findings from the wambo.org pilot transactions analysis of the total value of orders from all participating countries:** As of 31 December 2021, orders worth US\$42.7 million had been placed through the NGC. This represents 85% of the funds within the Board's approved cap (US\$50 million). It should be noted that the cap was never intended to be a target and the most important aspect was the integrity of the orders placed. The NGC in its current form will continue at least until the end of October 2022, when the Board will consider the outcome of the thematic evaluation in preparation for its November meeting and decide on the way forward for the NGC. As of the date of this report (17 February 2022), an additional order<sup>6</sup> for over US\$9 million had subsequently been placed.
  - a) **Nature of commodities procured:** For most countries, procurement through the NGC was for HIV-related commodities (US\$33.5million) with Benin, Nigeria and Togo with the largest volume of procurement through the NGC. There was limited malaria-related procurement through the NGC because there was little or no actual domestic spend on malaria commodities in the period, or countries preferred domestic suppliers for malaria commodities.
  - b) **Impact:** Direct linkage of the wambo.org pilot outputs and health outcome impact is difficult to establish as the success of the wambo.org platform ends when ordered commodities are received in country. However, almost all stakeholders interviewed at central level and at country level agreed that to some extent, the wambo.org pilot contributed to improving health outcomes by providing countries with a mechanism to acquire quality-assured health products at a competitive price. This view is supported by the user satisfaction surveys, the evaluation online survey and the growing volume of domestically funded commodities procured through wambo.org.
    - Other factors to be considered are intended beneficiary timely receipt of commodity/product in optimal condition with correct and consistent product utilization.

---

<sup>6</sup> Cameroon placed its first non-grant channel order through wambo.org of US\$9 million (excluding logistics costs), relating to 2.8 million bed nets, all to be delivered in early 2023. The order was placed in February 2022 and is not included in the analysis we performed for the evaluation as at 31 December 2021.

- Analysis on landed costs<sup>7</sup> in six countries suggests a potential saving of more than US \$ 220 million had wambo.org been used as the procurement platform (see Annex 7 for reference); it is to be noted that the quality of commodities used in this analysis and procured outside of wambo.org was not assessed. Annex 6 to the report provides an illustrative exercise demonstrating how many deaths might have been averted through the provision of one of the wambo.org commodities, LLINs.

### Part 3: Key Conclusions and Recommendations from the wambo.org pilot evaluation report

5. Based on the report's findings, eight recommendations are categorized under Strategy, Policy and Procedure (See Table 2):

**Table 2: Findings, Conclusions and Recommendations from the wambo.org pilot evaluation**

	Category	Findings	Conclusion	Recommendation
1	Strategy	Interviews with central and country stakeholders show that there is a clear recognition of the benefits that the NGC brings to countries for procurement of HIV, malaria and C-19 commodities. Quantitative data shows that the pilot is a good option for some products in terms of prices and lead times.	Given the varying procurement landscape of each country, wambo.org may not be a <i>one-size-fits-all</i> solution to all countries. While in some cases it might be beneficial to procure locally in terms of unit prices and lead times, countries would still benefit from the platform's economies of scale, quality assurance, transparency, and administrative efficiency. Some buyers clearly benefit, and no significant systemic risks have materialized.	Redesign and continue with the wambo.org non-grant channel (NGC) and incorporate an emergency procurement response.
2	Strategy	Some development partners interviewed expressed interest in having interoperable procurement systems for health products, which would be an opportunity to add more catalogues to the wambo.org platform. Further, based on interviews at central and at country level, there is strong support for the wambo.org catalogue to be expanded either directly or as a gateway to other partner systems for essential commodities required in health programs.	Disease burdens in low- and middle-income countries will shift from infectious to NCD (Non-Communicable Diseases). <sup>[1]</sup> Considering this evolving landscape, wambo.org has the potential to support countries by delivering quality-assured essential medicines for the treatment of NCDs but also maternity reproductive health commodities, and other essential medicines that support the above and HTM. Increased collaboration between stakeholders could lead to an	Increase collaboration and expand the non-Global Fund grant channel to other diseases.

<sup>7</sup> Landed costs are the total or end **cost** of a product once it arrives at the buyer's door including logistics/freight to country entry to reach the buyer.



		The most recurring commodities mentioned on wambo.org were medicines for MCH, non-communicable diseases, and any products where there is room for market-shaping.	expansion of the pilot and a greater impact.	
3	Policy	The pre-payment requirement is one of the strongest barriers to the NGC as it does not comply with national procurement frameworks and presents misalignment with national procurement budgets.	The lack of a pre-payment mechanism is a limiting factor. Despite the potential options discussed at Secretariat level, a solution has not yet been implemented.	Finalize and implement a suitable pre-payment mechanism to address regulatory barriers and get wider acceptance from the countries to use the NGC.
4	Strategy	An objective of the pilot was to support transitioning countries. However, countries projected to transition are not using the pilot extensively because of the presence of other platforms, regulatory barriers limited awareness of the NGC, and lengthy lead time perceptions.	The low usage of the non-grant channel procurement through wambo.org could be a missed opportunity for these countries to familiarize themselves with wambo.org as a platform they can leverage even after transitioning from Global Fund support in the future.	Establish and communicate an operational framework for the use of wambo.org non-grant channel for countries projected to transition.
5	Policy	Country stakeholders emphasized that they have limited clarity on how the Global Fund supports the strengthening of domestic procurement processes, which should run in parallel with the use of wambo.org to ensure a sustainable local procurement system. In addition, stakeholders emphasize that there are limited local manufacturers on the platform, and this can stifle the development of local competition and suppliers. There is little awareness as to how local suppliers can apply for WHO pre-qualification and be included on the platform.	It is not the NGC's role to provide capacity building as it is addressed through the wider Global Fund strategy and supported by other Global Fund technical partners. However, the concerns raised by country stakeholders as to how the Global Fund supports the country in procurement capacity building is an important finding as it poses some questions on the sustainable use of wambo.org.	Explore how wambo.org can be complemented with capacity building and enhance awareness on the inclusion of local suppliers
6	Policy	The non-disclosure of the competition process to appoint PSAs does not comply with national policies in some	Improving the visibility of the tendering process would be an advantage to the NGC as it would lead to wider acceptance from	Explore options to democratise the wambo.org

		countries. Some country stakeholders emphasized that the lack of transparency on the selection of products and suppliers, negotiations and framework agreements handled by the sourcing team may prove a hindrance to government users who need to demonstrate competitive and transparent tendering processes.	government officials and further promote transparency in the public domestic procurement landscape.	competitive tendering process.
7	Procedure	The collection of data related to domestic spending of HIV, malaria and C-19 commodities was a challenge. For some countries, the data was incomplete or inaccurate, while many data points were not provided.	The difficulty of obtaining domestic data is mainly due to a gap in technological infrastructure, and or a lack of transparency or policy barriers.	Introduce incentives to improve transparency and completeness of in-country data
8	Procedure	Data analyzed indicated significant logistics costs on some orders. Further, the COVID-19 pandemic affected global logistics timeframes, but it is certainly an area for the Global Fund to continue to monitor.	Lead time and PSM/logistics costs monitoring would further enhance the benefit of using NGC or wambo.org more generally.	Monitor PSM costs and lead times as part of the assessment of wambo.org's performance

<sup>[1]</sup> Lower-Income Countries That Face the Most Rapid Shift in Noncommunicable Disease Burden Are Also The Least Prepared, Global Health Policy, 2017

## Part 4: Discussion and TERG Position

- The TERG endorses most of the evaluation's key findings and the high-level conclusions. The TERG's analysis suggests that the main objectives of the evaluation have been covered, despite the constraints under which the team had to work. Highlighted was the reluctance and the challenges in accessing country level health commodities procurement data leading to the TERG supporting the recommendation for the need for incentives for transparency in data sharing.
- Based on the findings and conclusions of the wambo.org pilot evaluation report, the TERG discusses and provides 7 recommendations:

### STRATEGIC RECOMMENDATIONS

- Redesign, enhance and fully implement wambo.org non-grant channel (NGC)**  
The TERG recommends that the use of wambo.org through domestic funding/non-grant channel should be continued beyond pilot to full implementation, thereby opening wambo.org non-grant channel procurements to all Global Fund countries and those that are moving

towards transition with no cap. The following needs to be considered to ensure the success of **full-scale** implementation:

- **Rebrand** and mainstream the pilot, which becomes business as usual and not a continuing trial.
- **Design the next phase:** define a straightforward process and operational framework for onboarding new buyers, outline the platform's **value proposition and long-term vision**.
- **Increase advocacy and awareness** around the option for the use of domestic funding through wambo.org: The Global Fund should **assertively** offer wambo.org non-grant channel to current principal recipients (PRs) and potentially to other government and non-government stakeholders in Global Fund countries as it was a targeted and pull approach in its pilot phase implementation. Based on the country case studies and stakeholders' interviews, there is a need for in-country advocacy of policy makers to increase the utilization of the wambo.org platform.

a) **Benefits and Success of the Pilot:**

The wambo.org pilot has successfully leveraged technology to provide its users with a user-friendly and agile interface, ensuring a better platform adoption. Global Fund Country Teams particularly emphasised the added value of wambo.org and the wambo.org pilot in countries where quantities are low and / or where the procurement processes are more vulnerable. In these countries with little capacity, the platform allows local buyers to access quality-assured health commodities at a better price than local prices.

- b) **Potential savings:** The potential savings highlighted by the evaluation could be significant, though more data from other countries is needed to validate this finding. Barriers, risks and challenges to the expanded use of wambo.org non-grant channel for domestic procurements is described on page 35 of the main report.

9. **Explore the possibility of expanding wambo.org to include NCDs that impact HTM programs.**

Disease burdens in low- and middle-income countries is shifting from infectious to NCD (Non-Communicable Diseases)<sup>8</sup>. In light of this evolving landscape, wambo.org has the potential to intervene and support countries by delivering quality-assured essential medicines for the treatment of NCDs that impact HTM programs.

- Expanding wambo.org to other diseases would go beyond the Global Fund's mandate to fight TB, malaria and HIV. A change in the Global Fund mandate would be required for PPM/wambo.org to be authorized to procure such products. However, the TERG notes that the epidemiological transition to NCDs, which will disproportionately affect LMI countries, has a direct impact on the three diseases. There is strong support from countries to expand the wambo.org non-grant channel to other diseases including other essential drugs and any products where

---

<sup>8</sup> <https://www.who.int/news-room/fact-sheets/detail/noncommunicable-diseases> and [http://apps.who.int/iris/bitstream/handle/10665/94384/9789241506236\\_eng.pdf](http://apps.who.int/iris/bitstream/handle/10665/94384/9789241506236_eng.pdf)

WHO Global Action Plan for the Prevention and Control of NCDs 2013-2020 in May 2013 states: Noncommunicable diseases (NCDs)—mainly cardiovascular diseases, cancers, chronic respiratory diseases and diabetes—are the world's biggest killers. More than 36 million people die annually from NCDs (63% of global deaths), including more than 14 million people who die too young between the ages of 30 and 70. **Low- and middle-income countries already bear 86%** of the burden of these premature deaths, resulting in cumulative economic losses of US\$7 trillion over the next 15 years and millions of people trapped in poverty.

The 2030 Agenda for Sustainable Development recognizes NCDs as a major challenge for sustainable development. As part of the Agenda, Heads of State and Government committed to develop ambitious national responses, by 2030, to reduce by one-third premature mortality from NCDs through prevention and treatment (SDG target 3.4).

there is room for market shaping (where counterfeiting is high, or where demand is low, and products are expensive.), It is possible that partner organizations, including UN agencies, could provide the resources for non-three disease commodities to be included in wambo.org.

- The Global Fund should conduct a thorough risk assessment including the structures and capacity to be built in house to deal with potential increased reputational risk and other potential risks emanating from expansion of the wambo.org to other commodity groups.
- As other PSM platforms already exist at global level, TERG considers a first step for the Global Fund could be to consult with those platforms on a division of responsibilities to avoid duplication and enhance synergies related to the provision of commodities for NCDs and other diseases that lie outside of the Global Fund's mandate. This approach will reduce confusion within the LMI countries as they would otherwise be faced with multiple PSM platforms run by different global stakeholders.

#### **10. Ensure Quality Assurance for NGC funded products:**

Should there be a decision by the Board to mainstream the activities of the NGC pilot, the temporary measures applying the existing Global Fund Quality Assurance policy (QA) to the pilot will need to be revised as the current QA policy was intended to be applicable only to products procured with Global Fund funds. Hence there is a need for a comprehensive framework for quality assurance to include products procured with NGC as the quality assurance risk is increased in its absence. This entails quality assurance for all health products to which the wambo.org NGC will be extended. Additionally, it could include building the internal expert capacity for the new products or could be outsourced to a partner as is done for Condoms and Lubricants where the Global Fund relies on UNFPA and building on experience from lessons learnt on new product addition from COVID- 19 products i.e., COVID 19 diagnostics RDTs, PCR and PPE.

#### **11. Ensure sustainability by establishing and communicating an operational framework for the use of wambo.org non-grant channel for countries transitioning or projected to transition:**

Wambo.org non-grant channel is a strong enabler of co-financing and underpins the transition from Global Fund grants. For countries moving towards transition or small countries not having enough volumes for price negotiation, the platform can be leveraged to enjoy the benefits from procuring through wambo.org. The use of wambo.org for non-grant financed orders is key to ensuring sustainability.

- Forecast demand and long-term planning give uniqueness and value add to wambo.org, via the PPM mechanism in the backend that aggregates volumes and leads to access and ensures quality assured health commodities at affordable price and by extension applies to wambo.org non-grant channel procurement.
- The aim is to enable countries to build capacity to take up procurement and supply chain independence by 2030 via advantages of PPM and system strengthening through country coordination and partnership through international and regional pooled procurement mechanisms. The long-term vision of wambo.org non-grant channel should be considered from a transition and sustainability perspective.

## **OPERATIONAL RECOMMENDATIONS**

**12. Design and Implement a Pre- Payment Mechanism:**

The Global Fund Board should consider options to establish a pre-payment mechanism for wambo.org non-grant orders. and recommend a solution. This would address one of the strongest barriers identified to the use of wambo.org with domestic funding. Additionally, strategic partnerships with other financing institutions are key in overcoming the prepayments challenges i.e., with the World Bank.

**13. Explore procurement capacity building opportunities to underpin wambo.org:**

The Global Fund did not intend to provide technical assistance as part of wambo.org, as capacity building is addressed more broadly through the Global Fund RSSH and Market Shaping objectives and through catalytic funds. In line with sustainability, and as part of the Next Gen Market Shaping Strategy, which has a key component of capacity building, the Global Fund in collaboration with partners can strengthen in-country stakeholders' capacity and procurement contract negotiations skills, including on procurement planning and demand forecast, as a potential future direction. The relevant Secretariat team could usefully advise on the nature of the capacity weaknesses.

- a) Functionalities beyond pooled procurement, such as an online tendering tool, could be offered through wambo.org in the future, with sufficient demand and as part of a larger capacity-building initiative" (GF/SC14/11). Such a tool, if it involves local suppliers in the tendering process, could promote national ownership and the strengthening of procurement capacities.
- b) Additionally, contract management in public procurement is a limited skill in some implementing countries, where the Global Fund can assist in building capacity. The suggestion to include local manufacturers in the platform needs to be meticulously evaluated as long as local or regional manufacturers meet the Global Fund's quality assurance standards and/ or are ready for WHO pre-qualification.

**14. Explore options to bring more visibility to the wambo.org competitive tendering process:**

Improving the visibility of the tendering process without undermining tender confidentiality, would lead to wider acceptance from government officials and further promote transparency in the public domestic procurement landscape.

Involvement of in-country stakeholders could boost the credibility of the wambo.org non-grant channel in-country and would complement increased transparency of the procurement process provided by the technology.

As an illustration, the non-disclosure of the competition process (i.e., the lack of transparency on the selection of products and suppliers), that does not comply with national policies in some countries. Policy makers in some case study countries emphasized that the lack of transparency on the selection of products and suppliers, negotiations and framework agreements handled by the sourcing team may prove a hindrance to government users who need to use a competitive and transparent process.

**15. Promote transparency and in-country data sharing:**

Domestic health commodities procurement data transparency and access was a huge challenge during this evaluation particularly for the quantitative data (price, PSM costs, lead times, budget for

HTM products) leading to the need to explore potential incentives for data transparency and sharing. A robust collection effort in a data-driven culture could reveal cost-savings insights, drivers to purchasing decisions, and assist in supplier risk management. A proposal for a data portal with wambo.org users to share the health commodities procurement needs in country could lead to tracking products along the value chain including PSM costs, resulting in better end-to-end visibility into their value chains. As part of the RSSH strategy (Building Resilient and Sustainable Systems for Health), the Global Fund and other development partners could further harmonize and strengthen support for the development of a national public health procurement data repository to facilitate health procurement data management.

Evidenced through the recent efforts during COVID-19 pandemic was the value of data collaboration in addressing global challenges by the Clinical Research Coalition. Researchers are connected from all over the world to share data and findings from resource-limited settings to drive more equitable access to COVID-19 solutions. The more granular data researchers have access to, the more effective their Artificial Intelligence (AI) models would become in predicting the severity of outbreaks and hot-spot locations<sup>9</sup>.

## 16. Next steps

The Strategy Committee will consider the TERG recommendations on 28-29 of March 2022. The Strategy Committee and the Secretariat will, within the framework of GF/B42/DP05 and the subsequent decisions related to wambo.org, determine the actions to be taken with respect to the recommendations.

Additionally, the TERG recommends that a review point after three years of full expansion will be important to evaluate the performance of wambo.org non-grant channel for success or challenges and lessons learnt for possible course correction. This would be particularly important given the data limitations in this evaluation.

## Annexes

The following items can be found in Annex:

- Annex 1: Relevant Past Board Decisions
- Annex 2: Links to Relevant Past Documents & Reference Materials
- Annex 3: Strategy Committee Summary of Key consensus points to determine failure criteria for wambo.org pilot evaluation
- Annex 4: List of Abbreviations
- Annex 5: Potential impact of LLINs to save lives of children protected by the LLINs
- Annex 6: Potential savings on landed costs through the NGC
- Annex 7: High Level Conclusions

---

<sup>9</sup> <https://news.microsoft.com/wp-content/uploads/prod/sites/43/2021/09/Microsoft-Asia-Data-Sharing-for-Impact-Whitepaper.pdf>

## Annex 1 – Relevant Past Board and Committee Decisions

Relevant past Decision Point	Summary and Impact
<p><b><a href="#">GF/B44/EDP24</a>: Second Extension of the Timeline for Including COVID-19 Products in the wambo.org Pilot (April 2021)</b></p>	<p>The Board:</p> <ol style="list-style-type: none"> <li>1. Recalls GF/B43/EDP07 where it decided to extend the scope of the wambo.org pilot to allow for eligible buyers, as defined in GF/B42/DP05, to purchase all COVID-19 products available in wambo.org for procurement by Global Fund Principal Recipients and specified that such non-Global Fund financed transactions for COVID-19 products will be issued as purchase orders by wambo.org within the period ending 31 December 2020, unless extended by the Board following recommendation by the Strategy Committee;</li> <li>2. Recalls GF/B43/EDP17 where the Board approved the change in the end date of such period to 31 May 2021; and</li> <li>3. Based on the recommendation of the Strategy Committee, approves the change in the end date of such period through which non-Global Fund financed transactions for COVID-19 products may be issued as purchase orders by wambo.org until November 2022 or until the Board approves a future strategy for wambo.org if earlier and confirms that all other conditions and flexibilities set forth in GF/B43/EDP07 shall continue to apply.</li> </ol>
<p><b><a href="#">GF/B43/EDP17</a>: Decision on extending the timeline for including COVID-19 products in the wambo.org pilot (October 2020)</b></p>	<ol style="list-style-type: none"> <li>1. Recalls GF/B43/EDP07 where it decided to extend the scope of the wambo.org pilot to allow for eligible buyers, as defined in GF/B42/DP05, to purchase all COVID-19 products available in wambo.org for procurement by Global Fund Principal Recipients and specified that such non-Global Fund financed transactions for COVID-19 products will be issued as purchase orders by wambo.org within the period ending 31 December 2020, unless extended by the Board following a recommendation by the Strategy Committee; and</li> <li>2. Based on the recommendation of the Strategy Committee (GF/SC14/DP05), the Board approves the change in the end date of such period through which non-Global Fund financed transactions for COVID-19 products may be issued as purchase orders by wambo.org to 31 May 2021 and confirms that all other conditions and flexibilities set forth in GF/B43/EDP07 shall continue to apply.</li> </ol>



<b>GF/B43/EDP07: Extending the wambo.org pilot to include COVID-19 products (July 2020)</b>	<p>The Board, recognizing the importance of ensuring rapid availability of quality COVID-19 products as part of the global response to COVID-19 pandemic, noting the Secretariat's collaboration with partners to provide procurement options and solutions for countries to address the specific challenges of COVID-19, decided to extend the scope of the wambo.org 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. Such non-Global Fund-financed transactions for COVID-19 products will: - be individually subject to agreement by the Global Fund and, if applicable, to agreement by the product catalogue owners or manufacturers; - not count towards the cap of USD 50 million of transactions for the Pilot otherwise applicable to non-COVID-19 products; - 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.</p> <p>The Board further decided that the reporting of transactions for COVID-19 products will be included in the biannual reporting on the Pilot to the Strategy Committee, using metrics for reporting to 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.</p>
<b>GF/B42/DP05: Evolving the wambo.org pilot for non-Global Fund-financed orders (November 2019)</b>	<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</p>



	<p>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>
<b><u>GF/SC11/07: Extending access to wambo.org for non-Global Fund-financed orders (October 2019)</u></b>	<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, for all products, services and functionalities available on wambo.org, subject, if applicable, to agreement by the product catalogue owner;</p>
<b><u>GF/B37/DP09: Wambo.org: Progress Update and Steps for Advancement (May 2017)</u></b>	<p>Based on the recommendation of the Strategy Committee, the Board approves the piloting of a limited number of transactions (at a maximum ten in total) by current PRs using domestic funding via wambo.org.</p> <p>Accordingly, the Board: requests that the Secretariat: (i) provide to the Strategy Committee, by its next meeting, clearly defined draft indicators of success for the pilot; and (ii) report regularly to the Strategy Committee on the operationalization of this pilot, including any lessons learned from such transactions in light of the long-term perspective for wambo.org; and delegates to the Strategy Committee the authority to approve further transactions with domestic funding through wambo.org on a pilot basis, with the objective to provide input into further strategic and operational planning for wambo.org.</p>
<b><u>GF/AFC02/DP01 and GF/SC02/DP01: wambo.org: Progress Update and Steps for Advancement (October 2016)</u></b> <b><u>GF/B37/07 -Revision 2</u></b>	<p>The Audit and Finance Committee and the Strategy Committee jointly agree to present the following decision point to the Board for approval at its 36th meeting in November 2016 based on their review and discussion of the Secretariat's paper "Wambo.org: Progress Update and Steps for Advancement", as presented in GF/AFC02/23a and GF/SC02/06a:</p> <p>Decision Point: GF/B37/07: Wambo.org: Progress Update and Steps for Advancement.</p> <ol style="list-style-type: none"> <li>1. The Board acknowledges the progress update on wambo.org presented by the Secretariat and notes the proposal contained in the paper "Wambo.org: Progress Update and Steps for</li> </ol>

	<p>Advancement”, as set forth in GF/B36/XX, to pilot a limited number of transactions by current Principal Recipients (“PRs”) using domestic funding via wambo.org.</p> <p>2. Based on the joint recommendation of the Audit and Finance Committee and the Strategy Committee, the Board approves the piloting of a limited number of transactions (at a maximum ten in total) by current PRs using domestic funding via wambo.org.</p> <p>3. Accordingly, the Board: a. Requests that the Secretariat reports back to the Audit and Finance Committee and the Strategy Committee on the operationalization of this pilot, including any lessons learned from such transactions in light of the long-term perspective for wambo.org; and</p> <p>Delegates to the Audit and Finance Committee and the Strategy Committee the authority to approve further transactions with domestic funding through wambo.org on a pilot basis, with the objective to provide input into further strategic and operational planning for wambo.org.</p>
--	--

## Annex 2 – Relevant Past Documents & Reference Materials

[Evolving the wambo.org pilot for non-Global Fund-financed orders-Revision1](#), GF/B42/04 (November 2019)

[wambo.org: Progress Update and Steps for Advancement](#), GF/B37/07 – Revision2 (May2017)

[wambo.org: Progress Update and Steps for Advancement](#), GF/B35/ER17 - (31 November 2016)

[OIG Procurement and Supply Chain during the COVID-19 pandemic](#) : GF-OIG-21-016 (6 December 2021)

[The Global Fund Strategy 2017-2022](#): Investing to End Epidemics

[The Global Fund Strategy 2023 – 2028](#): Fighting Pandemics and Building a Healthier and More Equitable World

[Thematic Review of Marketing Shaping Strategy \(Mid-Term\)](#), December 2019

### Annex 3: Key consensus points to determine

- [GF/SC12/06](#) March 2020: including a summary of consensus points regarding the evaluation from the January 2020 (pages 7-9)



### Annex 4 – List of Abbreviations

Acronyms	
ARV	Antiretroviral medicines
C-19RM	C-19 Response Mechanism
DAC	Development Assistance Committee
GDF	Global Drug Facility
GF	The Global Fund to Fight AIDS, Tuberculosis and Malaria
HTM	HIV, TB and malaria
LLIN	Long-lasting Insecticidal Nets
LMI	Lower Middle-Income
NCD	Non-Communicable Diseases
NGC	Non-Grant Channel
OECD	Organisation for Economic Cooperation and Development
PEPFAR	President's Emergency Plan for AIDS Relief
PPM	Pooled Procurement Mechanism
PR	Principal Recipient
PSA	Procurement Service Agents
RDT	Rapid Diagnostic Tests
RSSH	Resilient and Sustainable Systems for Health

SC	Strategy Committee
SDG	Sustainable Development Goal
STC	Sustainability, Transition and Co-Financing
TA	Technical Assistance
TERG	Technical Evaluation Reference Group
TB	Tuberculosis
UNFPA	United Nations Population Fund
VfM	Value for Money
WHO	World Health Organisation

## Annex 5: Potential impact of LLINs to save lives of children protected by the LLINs

LLINs (Long Lasting Insecticidal Nets) are recognized as being effective at reducing child mortality rates, and a **Cochrane review** estimated that 5.6 lives are saved annually for every 1000 children (under 5) protected by LLINs<sup>10</sup>. Based on this estimate of lives saved, the evaluators calculated the lives that could potentially be saved through the LLINs procured through the NGC, assuming all LLINs were distributed to children under 5.

### 1. Introduction

In the period 2017- 2021, 23 countries procured various HIV, malaria and COVID-19 related health commodities through the NGC. This analysis focusses on what could be the potential impact of some of those commodities on malaria and HIV programs in country. Given current data, there is no perfect means to estimating these impacts. However, here we offer two approximations using different approaches, to make best use of available evidence.

### 2. Approach

The table below shows the total number of health commodities procured through the NGC on wambo.org in 2017 – 2021.

Table 1: Health commodities procured through the NGC

Commodity	Unit of Measure	Number of NGC commodities procured	Countries served by the procurement	Countries channelling all domestic funding through the NGC
LLIN	Piece	614,000	Benin, Papua New Guinea	Benin
ARVs - WHO Optimal	Month Treatment	1,936,734	Benin, Central African Republic, Guyana, Laos, Mongolia, Nigeria, Togo	Benin, Togo, Laos
ARVs – Specialist	Month Treatment	41,760	Benin, Guyana, Mongolia, Togo, Zanzibar	Benin, Togo
Mal RDTs	Pack	816,260	Benin, Papua New Guinea, Sri Lanka	Benin
HIV RDTs	Pack	3,258,535	Benin, Laos, Nigeria, Togo	Benin, Laos, Togo
ACT	Pack	522,900	Benin, Sri Lanka, Papua New Guinea	

RDTs and ACTs impact outcomes are a function of a large number of variables that we cannot generalise in an extrapolation exercise to attribute impact to commodities procured.

This analysis therefore focusses on the potential impact of LLINs and ARVs, which have fewer variables, procured through the NGC on the following disease indicators.

### Analysis of the potential impact of LLINs procured through the NGC to save lives (children under 5)

We assume that neither Benin nor PNG have any aspects which take them far from this average figure – i.e., children's overall health no worse; health systems no worse; malaria severity no worse.

Based on this estimate of lives saved, we calculated the lives that could potentially be saved through the LLINs procured through the NGC,

<sup>10</sup> Insecticide- treated nets for preventing malaria (review), Pryce J, Richardson M, Lengeler C, 2019

**Subject to the following assumptions:**

- The useful life of an LLIN is three years.
- Each LLIN protects two children on average.
- The LLIN distribution and utilisation rate in Benin is 89%. This assumes the same ownership and utilisation rate as per the Benin 2020 mass campaign<sup>11</sup> where 7,652,177 were distributed, out of 8,609,873 LLINs procured for the campaign.
- The LLIN utilisation rate in Laos is no less than 88%, based on the 2012 OIG reported “*Proportion of population in malaria risk areas protected by impregnated bed-nets*”<sup>12</sup>.

We assume the utilisation rates above take into account factors such as wastage during transportation, distribution and actual usage of the LLINs.

- In both countries, LLIN distribution targets households with children under 5 and pregnant women, which usually account for 75% - 85% of the total households covered.

The calculation of the potential lives saved by children protected by NGC LLINs is as follows:

$$\Rightarrow 5.6 * \left( \frac{\text{LLINs procured}}{1000} \right) * 2 * \text{utilisation rate} * 75\% \text{ households}$$

Note that this is only a partial estimate of impact as there will also be significant impact through adult deaths averted; child and adult infections averted; economic and educational benefits through reduced malaria incidence; reduced draw on health sector resources; etc.

**Potential impact of LLINs to save lives of children protected by the LLINs**

Table 2: Potential/indicative child lives saved annually through LLIN protection

Country	Number of LLINs procured through the NGC <i>Source: wambo.org data</i>	Effective distribution and utilisation rate	Computation	Potential lives saved annually over LLIN 3-year life span
Benin	500,000	89% <sup>11</sup>	$5.6 * \frac{500,000}{1,000} * 2 * 89\% * 75\%$	3,738
Laos	114,000	88% <sup>12</sup>	$5.6 * \frac{114,000}{1,000} * 2 * 88\% * 75\%$	843
<b>Total</b>				<b>4'581</b>

Note that the NGC LLINs procured by Benin and Laos were received in country in March/April 2020 and August/September 2021 respectively. **The analysis above only serves to demonstrate what could be the potential impact annually if the LLINs are distributed and used effectively.**

**Annex 6: Potential savings on landed costs through the NGC**

<sup>11</sup> Digitalised mass distribution campaign of ITNs in the particular context of Covid-19 pandemic in Benin: Challenges and lessons learned; Aikpon, Affoukou, Hounpkatin et al.

<sup>12</sup> [https://www.theglobalfund.org/media/2682/oig\\_gfoig10012auditlao\\_report\\_en.pdf](https://www.theglobalfund.org/media/2682/oig_gfoig10012auditlao_report_en.pdf)

Commodity type	General findings	Potential savings (US\$) through the NGC	
ARVs / HIV medicines	Wambo.org prices were cheaper than domestic/alternative options for TLE in Zambia and Cote d'Ivoire, TLD in Guyana, DTG in South Africa, and Azithromycin in Zambia. Other transactions analysed in case study country data revealed that countries were achieving prices comparable or better than through wambo.org.	Country C	2,772,650
		Country F	170,366
		Country A *	195,870,236
		Country B	366,000
HIV RDTs	Prices were largely comparable for large quantities of screening tests. However, for confirmatory tests and self-tests, wambo.org prices were significantly lower than those achieved through domestic procurement in one country in SEA, and in another in Latin America.	Country E	258,620
		Country D	39,691
LLINs	There are large potential savings for family size LLINs in a country South East Asia (SEA) if procured through wambo.org with high domestic unit prices reported.	Country D	3,124,904
Anti malarials	Local prices paid for ACT were consistently lower than through wambo.org. The exception noted was for two anti malarial medicines in a Southeast African country (Artemether/Lumefantrine, and Artesunate powder vial) based on the recently awarded national contract. The wambo.org reference prices for the same commodities would have resulted in savings of US\$13million on the landed costs.	Country A *	13,151,962
COVID-19 Commodities	The only comparable data available was from Southeast African country. Findings indicate that the country stands to make significant savings on domestic procurement of respirators and PPE through wambo.org than through domestic alternatives.	Country B	5,924,804
Malaria RDTs	Local prices paid for malaria RDTs were consistently lower than through wambo.org.	N/A	

## Annex 7: High Level Conclusions

The Report suggests eight main recommendations, which are elaborated further in Part 3, Table 2.

**High-level conclusion 1:** While wambo.org may not be a *one-size-fits-all* solution to all countries, it has helped reduce risks such in quality assurance, higher prices, and administrative inefficiencies. Considering the increase in domestic funding for health commodities, findings from both quantitative and qualitative evaluation data support the full implementation of wambo.org beyond the pilot phase as the benefits of the wambo.org pilot outweigh its costs and the identified risks. Countries should have the option to place orders through wambo.org and should be able to exercise the option as and when they need to.

**High-level conclusion 2:** Disease burdens in low- and middle-income countries will shift from infectious to non-communicable diseases (NCDs)<sup>13</sup>. In light of this evolving landscape, wambo.org has the potential to support countries by delivering quality-assured essential medicines for the treatment of NCDs, reproductive health commodities, and other essential medicines as well as HTM commodities. Increased collaboration between stakeholders could lead to an expansion of the wambo.org non-grant channel for domestic health commodities procurement and a greater impact.

**High-level conclusion 3:** The absence of a pre-payment mechanism is a substantial barrier to expanding wambo.org to domestic financing as it means that wambo.org procurement often fails to comply with national procurement frameworks and can present misalignment with national procurement budgets.

**High Level Conclusion 4:** wambo.org non-grant channel is a strong enabler of co-financing and underpins the transition from the Global Fund grants. One of the pilot's objectives is to support countries moving towards transition, which addresses one of the Fund's six Market Shaping Strategy objectives "*Prepare for country transitioning and long-term market viability*" (GF/B34/17).

**High level conclusion 5:** Limited clarity on the capacity building component. The concerns raised by countries regarding a lack of technical assistance pose some questions on the deployment of the procurement capacity building efforts. One of the risks identified is that increased uptake would lead to missed opportunities for capacity development and consequent dependency on wambo.org. This risk would occur if the in-country procurement capacity is not adequately strengthened. The capacity building component is not wambo.org's responsibility but rather addressed more broadly through the Global Fund ongoing investments.

**High level conclusion 6:** The lack of visibility over the tendering process is a barrier to the use of wambo.org. Additionally, countries perceive the lack of local manufacturers (on the platform?) as a barrier to the use of wambo.org for domestically funded procurements.

**High level conclusion 7:** Lack of transparency in data sharing: Countries are reluctant to share domestic health products procurement data due to a lack of trust or poor governance, or other reasons. Due to capacity and budget constraints, there is very limited harmonized management, storage and sharing of procurement data and PSM costs or adequate health expenditure reporting systems. Currently there are few incentives for transparency or to encourage economic and efficient procurement

<sup>13</sup> <https://www.who.int/news-room/fact-sheets/detail/noncommunicable-diseases> and [http://apps.who.int/iris/bitstream/handle/10665/94384/9789241506236\\_eng.pdf;jsessionid=92C1561C0805D22511D6D54CB20F8AF8?sequence=1](http://apps.who.int/iris/bitstream/handle/10665/94384/9789241506236_eng.pdf;jsessionid=92C1561C0805D22511D6D54CB20F8AF8?sequence=1)

WHO Global Action Plan for the Prevention and Control of NCDs 2013-2020 in May 2013 states: Noncommunicable diseases (NCDs)—mainly cardiovascular diseases, cancers, chronic respiratory diseases and diabetes—are the world's biggest killers. More than 36 million people die annually from NCDs (63% of global deaths), including more than 14 million people who die too young between the ages of 30 and 70. **Low- and middle-income countries already bear 86%** of the burden of these premature deaths, resulting in cumulative economic losses of US\$7 trillion over the next 15 years.

The 2030 Agenda for Sustainable Development recognizes NCDs as a major challenge for sustainable development. As part of the Agenda, Heads of State and Government committed to develop ambitious national responses, by 2030, to reduce by one-third premature mortality from NCDs through prevention and treatment (SDG target 3.4).



**High level conclusion 8:** Monitoring PSM/logistics costs and lead times. Lead time and PSM/logistics costs monitoring would enhance the benefits of using the non-grant channel (NGC) or wambo.org more generally. For countries to maximize the potential benefits of the wambo.org platform with domestic procurements, wambo.org users should have an awareness of procurement planning while optimizing related logistics costs

# **Secretariat Management Response**

## **Thematic evaluation of the wambo.org pilot for non-Global Fund-financed orders**

December 2022

### **Introduction**

The Technical Evaluation Reference Group (TERG) is an independent evaluation advisory group, accountable to the Global Fund Board through its Strategy Committee for ensuring independent evaluation of the Global Fund business model, investments, and impact. The Global Fund values transparency and publishes TERG reports according to the TERG Documents Procedure approved by the Strategy Committee.

The Strategy Committee requested that the TERG conduct an evaluation of the wambo.org pilot for non-Global Fund-financed orders in line with instructions from the Board that an independent evaluation of the wambo.org pilot should be undertaken before any extension, expansion, or cessation. The Evaluation was intended to inform the Board's decision to be taken at the end of the pilot in November 2022. This review was completed and deliberated at the Strategy Committee in March 2022.

Health products for diagnosis, treatment and prevention are critical for ending HIV, tuberculosis and malaria, and the Global Fund is a key player in global health product markets. Through competitive tendering processes and by leveraging pooled volumes, the Global Fund's Pooled Procurement Mechanism (PPM) has secured agreements with favorable terms and conditions for the supply of key health products and other equipment used by HIV, tuberculosis and malaria programs. These products are made available through the Global Fund's digital online procurement platform wambo.org.

Wambo.org is a digital online procurement platform that facilitates the Global Fund's pooled procurement transactions from requisition to delivery of WHO-recommended, quality-assured health products. It provides access not only to products and services available through PPM but also to select products, equipment and services through other pooled channels, currently including UNICEF,

UNFPA and UNOPS. With its multi-channel offering, wambo.org continues to be a valuable and efficient option for countries to access health products, associated services and commodities.

Since May 2017 and through subsequent Board decisions, on a pilot basis through 30 November 2022, these offerings have been extended for non-Global Fund financed transactions (e.g., domestic funds and Unitaied-funded pilot projects) to governments and non-government development organizations in Global Fund-eligible and transitioned countries. These non-grant-financed transactions offered through wambo.org, especially for products under long term framework agreements, enable the procurement of quality-assured products with strong value for money through domestic funds, thereby increasing the impact and sustainability of overall health funding.

Given tremendous economic challenges linked to the COVID-19 pandemic, a renewed focus on value for money and strengthening co-financing efforts to mobilize domestic resources is key for achieving the Global Fund's Strategy. Enhanced impact can be better realized when options for achieving value for money on quality assured health product investments are available to countries as they move toward full domestic funding of their systems for health, including their HIV, TB and malaria programs, to better realize enhanced impact and sustainability.

The Secretariat broadly agrees with the TERG's recommendations to continue to make available the non-Global Fund-financed procurement mechanism as an option for countries using non-Global Fund finances to access quality assured health products via the wambo.org platform. However, the Secretariat does not agree with the recommendation to expand the product catalogue to include non-communicable diseases at this time, given the current and anticipated future volumes for leverage and its current mandate. Areas of agreement and disagreement are further elaborated below.

Since the evaluation has been completed, the Board has subsequently approved the advancement of non-Global Fund-financed procurement utilizing the Pooled Procurement Mechanism and wambo.org.<sup>1</sup> The Board's decision was informed by this evaluation and the Secretariat's position.

## Areas of agreement

### ***Re-design, enhance and fully implement wambo.org non-grant channel***

The Secretariat agrees with the TERG recommendation to continue to make available the non-Global Fund-financed procurement mechanism through wambo.org to provide options for countries to use non-grant funding to access quality assured health products for the same eligible buyers and products as implemented during the pilot.<sup>2</sup> This should be considered in the context of the broader NextGen Market Shaping approach, which includes a related enabling intervention: "Integrate PPM/wambo.org and networked global and regional procurement platforms to drive further value through pooled mechanisms".

The Board has agreed to retain the Secretariat's continued operationalization of the current scope of non-Global Fund-financed orders by governments and non-government development

---

<sup>1</sup> See <https://www.theglobalfund.org/kb/board-decisions/b48/b48-dp07/> and [https://www.theglobalfund.org/media/12476/bm48\\_05-non-global-fund-financed-procurement-through-wambo\\_report\\_en.pdf](https://www.theglobalfund.org/media/12476/bm48_05-non-global-fund-financed-procurement-through-wambo_report_en.pdf)

<sup>2</sup> Eligible buyers and products are defined as: [i] **Eligible buyers:** governments and non-government development organizations in Global Fund-eligible and transitioned countries; and [ii]. **Eligible products:** all products, equipment, services and functionalities as they become available on wambo.org, including products needed for the response to COVID-19 and/or other future pandemics, subject to supplier agreement.

organizations in Global Fund-eligible and transitioned countries, for products and services as they become available on wambo.org, while in parallel working to strengthen the capacities of regional and national procurement channels to ensure value for money and options for access to quality-assured health products for countries.

***Establish and communicate an operational framework for the use of the wambo.org non-grant channel for transitioning countries***

The Secretariat agrees with the recommendation. The Secretariat will develop an operational framework with updated procedures, processes, monitoring and reporting for the non-Global Fund-financed procurement mechanism to optimize effectiveness and mitigate risks.

The communication of the non-grant operational framework will be part of the standard communication package of PPM/wambo.org, in partnership with other health financing partners and in coordination with the Global Fund's Health Financing Department and Grant Management Division, to ensure awareness, noting that transitioning countries and those projected to transition are a very small subset of the portfolio.

To further enhance sustainability, the Secretariat agrees with the TERG recommendation that there should be no cap on non-Global Fund-financed transactions. Order requests will be managed in accordance with the Secretariat's procedures and processes. Updates on progress will be provided to the Board through annual NextGen Market Shaping reporting.

The Board supported the Secretariat's proposed approach, including the removal of any cap.

***Design and implement a pre-financing mechanism to address regulatory barriers and get wider acceptance from countries to use wambo.org with domestic financing***

The Secretariat acknowledges that national procurement policies and regulations in some countries prevent their ability to meet pre-payment requirements. Hence, some countries would require a pre-payment solution to be able to access the non-Global Fund-financed procurement mechanism. The Secretariat proposes that this should be considered as part of the larger and ongoing discussions with partners and regional platforms to explore and leverage potential solutions to pre-financing challenges. This is in line with the TERG recommendation which de-linked the recommendation to maintain access to the non-Global Fund-financed procurement mechanism while designing solutions to address pre-financing-related challenges. As noted in the Board decision paper<sup>3</sup> the Secretariat is expected to revisit this view over time and based upon implementation experience, would then return to Board Committees for any potential recommendation to the Board.

***Explore how PPM/wambo.org can be complemented with capacity building***

By continuing the non-Global Fund-financed procurement mechanism, it is anticipated eligible buyers will continue to be able to access needed health products at favorable terms and conditions to fight HIV, TB and malaria, as described in the TERG evaluation findings. In parallel, longer-term partnerships and capacity building for sustainability for strengthened collaboration and engagement will progress with regional and national procurement channels. The aim of these complementary

---

<sup>3</sup> [https://www.theglobalfund.org/media/12476/bm48\\_05-non-global-fund-financed-procurement-through-wambo\\_report\\_en.pdf](https://www.theglobalfund.org/media/12476/bm48_05-non-global-fund-financed-procurement-through-wambo_report_en.pdf)

approaches will be to better ensure equitable access to quality assured health products as set out in the NextGen Market Shaping approach.

As described in GF/B48/11,<sup>4</sup> the NextGen Market Shaping approach includes as an enabling intervention: “Integrate PPM/wambo.org and networked global and regional procurement platforms to drive further value through pooled mechanisms”. This entails maintaining existing collaborations with global pooled mechanisms including GDF, UNFPA, UNICEF and UNOPS, regional pooled mechanisms, such as PAHO, and national platforms, such as Kenya Medical Supplies Authority and Ethiopian Pharmaceuticals Supply Agency, to provide access to long-term framework agreements and knowledge sharing. NextGen Market Shaping will take this further to strengthen collaborations with other regional platforms, such as African Medical Supplies Platform and will explore approaches with partners to strengthen in-country stakeholders’ capacity and procurement contract negotiations skills, including on procurement planning and demand forecast. This also includes capacity building for local manufacturing.

### ***Explore options to bring more visibility to competitive tendering processes***

The Secretariat values transparency and provides visibility on tender outcomes, including by making available in the public domain reference prices of commonly used products as well as data summaries of procurements made by Global Fund-supported programs (e.g., Price and Quality Reporting).

Going forward, the Secretariat is enhancing its Price and Quality Reports, and it will consider approaches for further enhancing visibility on tender approaches guided by public procurement principles, the Global Fund’s and partners’ legal requirements, and contractual constraints. This requires continuing to progress in a way that does not undermine confidential aspects of tenders.

[Note: This relates to an operational recommendation to be implemented by the Secretariat. For clarification, competitive processes relate to PPM, which inform products made available on the wambo.org platform.]

### ***Introduce incentives to improve transparency and completeness of in-country data***

The Secretariat agrees that there is value in increased transparency of country-led procurement processes and outcomes and will explore options to incentivize countries to provide greater visibility of their procurement outcomes in line with best practices.

## **Observations on other recommendations**

### ***Explore the possibility of expanding wambo.org’s product catalogue to include non-communicable diseases (NCDs) that impact HTM programs***

The Secretariat agrees that the health product offering on wambo.org should be expanded. However, the expansion of diseases/product groups needs to be considered in light of the risk exposure and potential liability for the Global Fund as a facilitator of procurement and informed by the mandate of the Global Fund, and/or a positive and accelerated impact in the fight against HIV, Tuberculosis and

---

<sup>4</sup> [https://www.theglobalfund.org/media/12483/bm48\\_11-equitable-access-quality-assured-products-nextgen-market-shaping\\_report\\_en.pdf](https://www.theglobalfund.org/media/12483/bm48_11-equitable-access-quality-assured-products-nextgen-market-shaping_report_en.pdf)

malaria, and/or driven by significant country demand in the context of Pandemic Preparedness and Response (PPR) or any health crisis emergency response, whereas country eligibility would remain as per current Board decisions.

Therefore, the Secretariat does not support the TERG recommendation to expand the product catalogue to include health products needed for non-communicable diseases. The Secretariat considers that this is not currently within scope or appropriate given the lack of current and anticipated future volume leverage to offer value for money beyond existing mechanisms, the significant workload and coordination with new partners required, and the expansion beyond its currently understood mandate. Ideas to utilize the Global Fund's effective pooled procurement mechanisms for broader health needs may be revisited in the future in discussions with the Board and its Committees.

In its November 2022 decision, the Board endorsed this approach.















## **Conclusions**

Making this procurement channel option available to countries and in-country development organizations and permitting them to determine whether it may be advantageous for them to secure specific products through the wambo.org platform with funds other than Global Fund grant funds, will support achievement of the 2023-2028 Global Fund Strategy and sustain progress made through in-country capacity building efforts. The proposed way forward is aligned with the 2023-2028 Strategy and NextGen Market Shaping approach to accelerate progress toward global goals.

With incremental and ongoing operating costs related to information technology and staff, the Secretariat will progress on the recommendations and implement beyond the pilot phase, based on key lessons learned, including from this evaluation, Committee recommendations and Board decisions.

The timeliness of this evaluation is appreciated as the findings and recommendations informed discussions by the Strategy Committee, Audit and Finance Committee and Board for its decision at the conclusion of the pilot in November this year. The Secretariat thanks the TERG for its strong collaboration to strengthen the impact of the Global Fund partnership.

## Summary of recommendations

Recommendation	Timeframe	Level of agreement	Level of control
<b>Strategic Recommendations</b>			
1. Re-design, enhance and fully implement wambo.org non-grant channel	Fall 2022: For Committee recommendation to the Board		
2. Explore the possibility of expanding wambo.org to include non-communicable diseases (NCDs) that impact HTM programs	2023		
3. Help support sustainability by establishing and communicating an operational framework for the use of wambo.org non-grant channel for countries transitioning or projected to transition.	2023		
<b>Operational Recommendations</b>			
1. Design and implement a revised pre-payment mechanism to address regulatory barriers and get wider acceptance from countries to use wambo.org with domestic funding	2023		
2. Explore how PPM/wambo.org can be complemented with capacity building	2023		
3. Explore options to bring more visibility to competitive tendering processes	2023		
4. Promote transparency and in-country data sharing	2023		

# Thematic evaluation of the *wambo.org* pilot for non-Global Fund financed orders

Final report to the TERG – The Global Fund to fight HIV, TB and Malaria

17 February 2022

*Disclaimer Views expressed in this report are those of the author. The author has been commissioned by the Technical Evaluation Reference Group (TERG) of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund) to conduct an assessment to provide input into TERG's recommendations or observations, where relevant and applicable, to the Global Fund. This assessment does not necessarily reflect the views of the Global Fund or the TERG.*



# Table of contents

<b>Abbreviations and acronyms .....</b>	<b>4</b>
<b>Executive summary .....</b>	<b>6</b>
Introduction and scope .....	6
Evaluation approach .....	6
Overall findings and conclusions .....	7
Findings from the wambo.org pilot transactions analysis (all participating countries) .....	7
Recommendations .....	15
<b>1. Background .....</b>	<b>19</b>
<b>2. Evaluation purpose, objectives and scope .....</b>	<b>21</b>
2.1 Evaluation purpose and objectives .....	21
2.2 Evaluation scope .....	21
<b>3. Evaluation approach .....</b>	<b>23</b>
3.1 Overall approach and methods .....	23
3.2 Quantitative data analysis .....	25
3.3 Limitations .....	26
<b>4. Evaluation findings .....</b>	<b>28</b>
4.1 Legislative, regulatory, policy and institutional framework .....	28
4.1.1 General findings .....	28
4.1.2 Summary findings from country case studies .....	29
4.1.3 Conclusion .....	31
4.2 Integrity and transparency .....	32
4.2.1 General findings .....	32
4.2.2 Summary findings from country case studies .....	33
4.2.3 Conclusion .....	35
4.3. Barriers, risks and challenges to the expanded use of wambo.org for domestic procurements .....	36
4.3.1 General findings .....	36
4.3.2 Summary from country case study findings .....	37
4.3.3 Conclusion .....	40
4.4. Impact .....	41
4.4.1 General findings .....	41
4.4.2 Summary findings from some country case studies .....	42
4.4.3 The role of the wambo.org pilot during the COVID-19 (C-19) response .....	43
4.4.4 Conclusion .....	44
4.5. Sustainability .....	45
4.5.1 General findings .....	45
4.5.2 Summary findings from country case studies .....	46
4.5.3 Conclusion .....	52
<b>5. Use of the wambo.org pilot, and Value for Money analysis .....</b>	<b>53</b>
5.1 Contextual analysis .....	53
5.1.1 Analysis of domestic funding per country per disease .....	54

5.1.2 Analysis of domestic procurement through wambo.org, relative to overall spend per disease .....	55
5.2 High-level analysis of the wambo.org pilot transactions .....	56
5.3 Value for Money analysis (economy, efficiency, effectiveness) .....	61
5.3.1 Economy .....	62
5.3.2 Efficiency .....	66
5.3.3 Effectiveness .....	68
5.4 Conclusion .....	73
<b>6. Conclusions and recommendations .....</b>	<b>75</b>
6.1 Summary conclusions by parameter .....	75
6.2 Summary recommendations .....	76
6.3 Detailed recommendations .....	79
6.3.1 Redesign and continue with the wambo.org non-grant channel (NGC) and incorporate an emergency procurement response .....	79
6.3.2. Increase collaboration and expand the non-Global Fund grant channel to other diseases .....	82
6.3.3. Design and implement a pre-payment mechanism to address regulatory barriers and get wider acceptance from the countries to use wambo.org with domestic funding .....	83
6.3.4. Establish and communicate an operational framework for the use of wambo.org non-grant channel for countries projected to transition .....	84
6.3.5. Explore how wambo.org can be complemented with capacity building .....	84
6.3.6. Explore options to democratise the wambo.org competitive tendering process .....	87
6.3.7. Introduce incentives to improve transparency and completeness of in-country data .....	88
6.3.8 Monitor PSM costs and lead times as part of the NGC performance indicators .....	88
<b>7. Key takeaways .....</b>	<b>91</b>
<b>8. Annexes .....</b>	<b>92</b>
8.1 List of interviewees at central level .....	92
8.2 List of interviewees at country level .....	92
8.3 List of references .....	92
8.4 Stakeholder survey results .....	92
8.5 Unit Price analysis .....	92
8.6 PSM costs analysis .....	92
8.7 Lead time analysis .....	92
8.8 Summary of central level interviews .....	92

# Abbreviations and acronyms

Acronyms	
ACT	Artemisinin-based Combination Therapy
ADB	African Development Bank
APA	Alternative Procurement Arrangements
APCPI	Agency Procurement Compliance and Performance Indicators
APPI	Agency Procurement Performance Indicators
ARV	Antiretroviral medicines
CAR	Central African Republic
CCM	Country Coordinating Mechanisms
CHAI	Clinton Health Access Initiative
C-19	COVID-19
C19RM	COVID-19 Response Mechanism
DAC	Development Assistance Committee
DFID	Department for International Development
DOH	Department of Health
DRM	Domestic Resources Mobilisation
ESA	Eastern and Southern Africa
FCDO	Foreign Commonwealth and Development Office
FDA	Food and Drug Agency
GDF	Global Drug Facility
GF	The Global Fund
HFD	Health Financing Department
HTM	HIV, TB and Malaria
IPP	International Pooled Procurement
ISPMS	Indicators of the Strength of Public Management Systems
KEMSA	Kenya Medical Supplies Authorities
KII	Key Informant Interview
LAC	Latin America and the Caribbean
LFA	Local Fund Agent
LLIN	Long-lasting Insecticidal Nets
LMI	Lower Middle Income
LMIC	Low and Middle Income Country
MAPS	Methodology for the Assessment of National Procurement Systems
MEC	Management Executive Committee

MoU	Memorandum of Understanding
MNCH	Maternal, new-born and child health
NCD	Non-Communicable Diseases
NGC	Non-GF Grant Channel
OECD	Organisation for Economic Cooperation and Development
OTIF	On Time, In Full
PAHO	Pan American Health Organisation
PEPFAR	President's Emergency Plan for AIDS Relief
PPM	Pooled Procurement Mechanism
PR	Principal Recipient
PSA	Procurement Service Agents
RDT	Rapid Diagnostic Tests
RSSH	Resilient and Sustainable Systems for Health
RT-PCR	Reverse Transcription Polymerase Chain Reaction
SC	Strategy Committee
SDG	Sustainable Development Goal
SEA	South East Asia
STC	Sustainability, Transition and Co-Financing
TA	Technical Assistance
TERG	Technical Evaluation Reference Group
TB	Tuberculosis
UMI	Upper Middle Income
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNOPS	United Nations Office for Project Services
USAID	United States Agency for International Development
VfM	Value for Money
WBG	World Bank Group
WCA	West and Central Africa
WHO	World Health Organisation

# Executive summary

## Introduction and scope

Since its inception in 2002, the Global Fund Secretariat (GF) has created a new development model which includes generating ground-breaking funding to drive prevention, diagnostics and treatment of HIV, tuberculosis (TB) and malaria in Low and Middle Income countries (LMICs) with the highest disease burdens. A major boost to the efficiency of the model was the design and implementation of its Pooled Procurement Mechanism (PPM) to aggregate order volumes for Principal Recipients (PR) and negotiate prices and delivery conditions with manufacturers for health products (including treatments, diagnostics and prevention commodities such as bed nets). PPM has a recognised market-shaping impact that generates annual savings of US\$150 million–US\$200 million<sup>1</sup>, which are reinvested by health programmes to procure additional health products.

In 2016, the Global Fund rolled out the *wambo.org* platform to support and bring to scale the impact of PPM. Beyond the value of PPM, *wambo.org* increases the access to high-quality health products as well as the compliance of procurement practices with Global Fund and local regulations. The combination of PPM and *wambo.org* has been a game-changer that significantly increases the procurement of high-quality medications, health products and other related commodities in the fight against HIV, TB and malaria, which LMICs could not afford previously. The *wambo.org* platform was made available as a pilot scheme to Global Fund grant recipient countries – beyond their grant funding – from May 2017, when the Global Fund Board approved the use of the *wambo.org* platform for procurement by eligible countries using domestic funds or resources from other donors and financing institutions. In this report, the *wambo.org* pilot refers to procurement of health commodities through the Non-Global Fund Grant Channel (NGC) on *wambo.org*.

The expansion of access to *wambo.org* to include procurement using non-grant resources was initially limited to a certain number of transactions (a maximum of ten in total) by the current Principal Recipients (PR). In November 2019, it was expanded to include all products, services and functionalities available on *wambo.org*, but with a cap of US\$50 million. Twenty-three countries have participated in the pilot to date.

In early 2020, the Global Fund Strategy Committee (SC) instructed the Secretariat that an independent evaluation of the *wambo.org* pilot should be undertaken before any extension, expansion or cessation of the NGC prior to scale-up. The scope of the evaluation was to be based on four geographical regions, namely, East and Southern Africa (ESA), West and Central Africa (WCA), Latin America and the Caribbean (LAC) and South-East Asia (SEA).

## Evaluation approach

We have carried out the evaluation using quantitative and qualitative data collection questionnaires at a central level (Global Fund, development partners, key actors in public health and other relevant stakeholders), supplemented with data from 12 case study countries, namely, Benin, Cote d'Ivoire, Guyana, Honduras, Kenya, Laos, Nigeria, Philippines, Rwanda, South Africa, Togo and Zambia.

On the basis of the existing OECD Development Assistance Committee (DAC) and other frameworks, we grouped the evaluation questions and consolidated them into an evaluation framework comprising the following six key parameters, which underpin the evaluation:

- Legislative, regulatory, policy and institutional framework
- Integrity and transparency
- Barriers, risks and challenges
- Impact
- Sustainability
- Economy, efficiency and effectiveness

---

<sup>1</sup> Market Shaping Strategy Mid-Term Review Position Paper, December 2019

The use of the above parameters ensures that we can provide responses to all the evaluation questions outlined in the RFP<sup>2</sup>.

## Overall findings and conclusions

### Findings from the wambo.org pilot transactions analysis (all participating countries)

- **Total value of orders:** As of 31 December 2021, orders worth US\$42.7 million had been placed through the NGC. This represents 85% of the funds within the Board's approved cap (US\$50 million). It should be noted that the cap was never intended to be a target and the most important aspect was the integrity of the orders placed. The NGC in its current form will continue at least until the end of October 2022, when the Board will consider the outcome of the thematic evaluation in preparation for its November meeting and decide on the way forward for the NGC. As of the date of this report (17 February 2022), an additional order<sup>3</sup> for over US\$9 million had subsequently been placed.
- **Nature of commodities procured:** For most countries, procurement through the NGC was for HIV-related commodities (US\$33.5 million), with Benin, Nigeria and Togo generating the largest volume of procurement through the NGC. There was limited malaria-related procurement through the NGC, either because there was little or no actual domestic spend on malaria commodities in the period or countries preferred to use domestic suppliers to procure malaria commodities.

Regarding procurement in relation to COVID-19, only one country (Comoros) placed an order for COVID-19-related commodities through wambo.org, using domestic funds. However, several countries did procure COVID-19 commodities funded by the Global Fund COVID-19 Response Mechanism (C19RM) through wambo.org. At the onset of COVID-19, wambo.org had a limited COVID-19 product range and therefore countries were using multiple channels to obtain commodities. Further, stakeholders' perceptions of wambo.org are that it is not geared for emergency procurement, which was critical at the onset of the COVID-19 pandemic. This could explain the initial, significant, domestically funded procurement volumes for COVID-19 commodities outside wambo.org. Expanding the wambo.org catalogue to accommodate COVID-19 items gives confidence that products relating to future public health emergencies could be channelled through the platform.

TB-related commodities are usually procured through the Global Drug Facility (GDF). However, six orders for TB products were placed through the NGC, five of which were for Determine TB LAM Ag test kits funded by the UNITAID/CHAI<sup>4</sup> programme. CHAI placed the orders through wambo.org and not through GDF because the programme was already using wambo.org for HIV-related procurement and it was possible to order TB commodities through the platform. We noted that the unit prices offered through wambo.org for the TB test kits were at a par with GDF's reference prices for the same commodities.

- **Participating countries:** Table 1 below lists the 23 countries and the aggregate orders by disease that they placed through the NGC on wambo.org.

---

<sup>2</sup> TGF-21-025 Thematic Evaluation of the wambo.org Pilot, issued 1 April 2021.

<sup>3</sup> Cameroon placed its first non-grant channel order through wambo.org of US\$9 million (excluding logistics costs), relating to 2.8 million bed nets, all to be delivered in early 2023. The order was placed in February 2022 and is not included in the analysis we performed for the evaluation as at 31 December 2021.

<sup>4</sup> The UNITAID/CHAI programme refers to the UNITAID grant implemented by CHAI, which procured through wambo.org. The wambo.org detailed list of transactions indicates CHAI as the source of funding for these transactions.

Table 1: Overview of commodities procured by country through the NGC (US\$)

Country	COVID-19-related	HIV-related	Malaria-related	TB-related	Total
Benin		3,211,893	1,540,577		4,752,470
Botswana		669,424			669,424
Cambodia		326,302			326,302
Central African Republic		615,890			615,890
Comoros	23,760				23,760
Ecuador		953,600			953,600
Ethiopia		1,184,668			1,184,668
Ghana		154,730			154,730
Guyana		341,229			341,229
Indonesia		379,260			379,260
Kenya		1,068,975			1,068,975
Laos		233,053			233,053
Lesotho		158,013		48,960	206,973
Malawi		858,145			858,145
Mongolia		54,562			54,562
Mozambique		1,003,899			1,003,899
Nigeria		14,257,067		29,400	14,286,467
Papua New Guinea			454,763		454,763
Sri Lanka			9,243		9,243
Tanzania		939,008			939,008
Togo		4,319,771			4,319,771
Uganda		873,170		54,600	927,770
Zanzibar		83,628		24,340	107,968
Zimbabwe		1,822,550		35,428	1,857,977
<b>Sub-total excluding PSM/logistics</b>	<b>23,760</b>	<b>33,508,836</b>	<b>2,004,583</b>	<b>192,728</b>	<b>35,729,906</b>
<b>Freight, insurance, PSA, duties, etc.</b>					<b>6,996,861</b>
<b>Total value of NGC orders</b>					<b>42,726,768</b>

*Zanzibar is not considered an independent country although presented separately from Tanzania.*

From the table above, one can see that the largest wambo.org pilot orders were placed by Nigeria (16 orders), Benin (16 orders) and Togo (11 orders). Orders placed by these three countries (including corresponding logistics) account for US\$28 million of the US\$42.7 million (65%) procured through the wambo.org pilot.

There was a low volume of domestically funded orders placed through wambo.org by countries expected to prioritise transition planning during the 2020–2022 cycle (Botswana, Comoros, Ecuador, Guyana, Laos and Sri Lanka). Based on qualitative and quantitative data from the case study countries, this could be due to the presence of alternative procurement platforms (in the case of Honduras, Laos), regulatory barriers and perceptions about wambo.org lead times (Guyana). Furthermore, the online survey indicated that stakeholders from 28 countries<sup>5</sup> using wambo.org for Global Fund grant procurements were not aware of the option to procure using non-Global Fund grants through the wambo.org platform.

The low use of the NGC could be a missed opportunity for these countries to familiarise themselves with wambo.org as a platform they can leverage even after transitioning from Global Fund support in the future.

## Findings and conclusions on the evaluation parameters

Table 2 below summarises the main findings and conclusions for each of the parameters stated in the evaluation approach, upon which the evaluation was structured.

*Table 2: Findings and conclusions on each of the six parameters*

<b>Legislative, regulatory, policy and institutional framework</b>	<p>The legislative, regulatory, policy and institutional frameworks differ from country to country, although there are often regional/sub-regional similarities. Nevertheless, our review of these elements in this and previous studies indicates that the national requirements often restrict rather than facilitate the introduction and implementation of wambo.org and the NGC.</p> <p>There is scope to encourage more countries with Global Fund grants to use the NGC, pave the way for Global Fund countries to move towards transition and even attract other organisations, such as NGOs and FBOs. Such additions to the NGC may need legislative and regulatory changes requiring bilateral agreement between the country legislature for public sector organisations and the Global Fund, and between the Global Fund and other NGOs. Facilitating such agreements will need ample time for the (often) complex negotiations to resolve perceived legislative hurdles. A further boost to dialogue could be provided by sharing lessons learned and examples of countries already making good use of the NGC.</p>
<b>Integrity and transparency</b>	<p>The Global Fund has a full integrity and transparency policy in place for all its activities. With regard to wambo.org and the NGC, the Global Fund has promoted transparency and integrity by offering local buyers' visibility on reference prices, product information, lead time guidance and the ability to track the status of the purchase along all stages of the ordering process. This improves decision-making, supply planning and grant budgeting.</p> <p>However, it has been evident since the launch of wambo.org and then the NGC, that there are some countries and stakeholders which are not interested in using wambo.org and the NGC. Among other factors, this may be due to wambo.org's transparency.</p> <p>Country stakeholders emphasised the wish also to have visibility on the upstream competitive process undertaken by the sourcing team, including the selection of PSAs, manufacturers and suppliers. This would enable in-country buyers to comply with national procurement policies requiring evidence that a competitive process was followed. Further, buyers would be able to learn from the process and build on good procurement practices.</p> <p>Apart from wambo.org's transparency throughout the procurement process, the platform also enhances the transparency of procurement data. For this evaluation, all the wambo.org data required for analysis were easily available on the wambo.org platform. On the other hand, domestic procurement information was not available or was only available in 'hard copy' format or was scanty and poorly organised. At the time of reporting, several case study countries had not provided some or all of the data required for the analysis of domestic procurement.</p>

<sup>5</sup> Belarus, Burkina Faso, Central African Republic (CAR), Chad, Comoros, Cote d'Ivoire, Djibouti, Dominican Republic, Ecuador, Ethiopia, Georgia, Guatemala, Guinea-Bissau, Haiti, India, Jamaica, Liberia, Malawi, Nicaragua, Pakistan, PNG, Philippines, Senegal, Thailand, Timor-Leste, Uganda, Zanzibar, Zimbabwe



**Barriers, risks and challenges** The evaluation findings indicate that some risks and barriers need to be considered when designing the next phase of the NGC. Such risks include a potential dependency on an externally managed procurement system if the local procurement system is not adequately strengthened in parallel with the use of wambo.org, and a lack of clarity on how wambo.org and the pilot support countries moving towards transition. The main barriers identified are the absence of a pre-payment mechanism, the lack of transparency on the competition process – as it does not comply with national policies in several countries – and insufficient awareness of how to involve local suppliers in the tendering process. Finally, because of the delays experienced with orders placed during the COVID-19 pandemic, stakeholders perceived that wambo.org is not geared towards emergency procurement.

**Impact** Almost all stakeholders interviewed at the central level and at country level agree that, to some extent, the wambo.org pilot contributed to improving health outcomes by providing countries with a mechanism to acquire quality-assured health products. This view is supported by the user satisfaction surveys, the evaluation online survey and the growing volume of domestically funded commodities procured through wambo.org.

While it is difficult to quantify the specific contribution of the wambo.org pilot to country health outcomes, countries have been able to access the following numbers of treatments, diagnostic tests or prevention commodities (in the case of LLINs).

*Table 3: Commodities and treatments procured through the NGC*

Commodity	Unit of measure	Number of treatments/ commodities	Number of countries served
<b>ACT</b>	Pack	522,900	2
<b>LLIN</b>	Piece	614,000	2
<b>Mal RDTs</b>	Pack	816,260	3
<b>HIV RDTs</b>	Pack	3,258,535	4
<b>ARVs* - WHO Optimal</b>	Month Treatment	1,936,734	7
<b>ARVs - Specialist</b>	Month Treatment	41,760	5

The figures show the potential number of beneficiaries that were reached with the support of the wambo.org pilot over 800,000 malaria diagnostic tests, over half a million malaria treatment courses in two countries as well as over 600,000 bed nets in two countries. More than three million HIV diagnostic tests were supplied to four countries and nearly two million treatment courses were supplied to seven countries. The availability of these quality-assured health products can be considered as having an impact on health outcomes.

These achievements are in addition to any other economies and efficiencies that countries would have obtained by procuring with domestic funds through wambo.org. As elaborated below in the 'Economy, efficiency and effectiveness' subsection, some case study countries could have achieved estimated savings of US\$221 million by procuring certain commodities through wambo.org.

---

**Sustainability** While wambo.org may not be a *one-size-fits-all* solution for all countries (barriers and procurement landscapes vary between countries), it can ensure sustainability in the public procurement of HIV, malaria and COVID-19-related commodities. In light of the increased domestic funding of health commodities, wambo.org helps mitigate the potential negative impacts of a decrease or absence of Global Fund financing, such as weak quality assurance, high prices, and cumbersome procurement and inefficient administrative procedures. Overall, the findings from the country case studies, the online survey, central interviews and quantitative data favour continuing the NGC. However, some challenges and barriers, such as the pre-payment mechanism, need to be recognised and mitigated going forward.

The key lessons learned are the need to address challenges identified through the evaluation and to increase in-country advocacy, as the evaluation's online survey and country case studies demonstrated low awareness about the pilot scheme. Central interviews further emphasised that communication needs to be more transparent and open to engage countries' interest. Finally, some country stakeholders raised concerns about how wambo.org can be used in a sustainable approach, as there is little clarity on how the Global Fund and partners support the strengthening of procurement systems in parallel with the use of wambo.org.

---

**Economy, efficiency and effectiveness** We analysed the economy, efficiency and effectiveness of placing orders through the NGC. This analysis focussed on comparing unit costs, PSM costs and lead times of NGC orders, placed through wambo.org, to orders for the same commodities placed by countries through other platforms/providers.

At the Global Fund Secretariat level, we found that the average annual cost associated with the NGC in the period 2017–2021 was US\$137,721 per year, mainly relating to staff costs and additional licenses for NGC users. At country level, we understand there were no significant additional costs incurred to use the NGC.

With regard to unit cost comparisons, we found variations in the experiences of countries procuring domestically with wambo.org. For some commodities, wambo.org prices, PSM costs and lead times were comparable or, in several instances, even lower than domestic/regional/other procurement channels used by the countries.

There were also a few commodities for which domestic procurement options provided lower unit and PSM costs as well as shorter lead times compared to procuring the same commodity through wambo.org. This was the main finding from the analysis of data provided from Kenya, where KEMSA managed to contract domestically at unit prices lower than wambo.org reference prices. It should be noted that the PPM reference price used for comparison (as the wambo.org indicative price) is a blended price across awarded manufacturers used for budgeting purposes. The actual prices contracted on wambo.org could be 15–20% lower than the reference price for some products where price varies widely between the suppliers in question.

**Landed cost analysis:**

The table below summarises the specific commodities for which wambo.org landed prices were cheaper than the domestic prices for the same commodities. Except for Honduras, all estimates in the table below have been performed on a landed cost basis and therefore PSM/logistics costs are accounted for.

Table 4: Potential savings on landed costs through the NGC

Commodity type	General findings	Potential savings (US\$) through the NGC	
ARVs / HIV medicines	Wambo.org prices were cheaper than domestic/alternative options for TLE in Zambia and Cote d'Ivoire, TLD in Guyana, DTG in South Africa, and Azithromycin in Zambia. Other transactions analysed in case study country data revealed that countries were achieving prices comparable or better than through wambo.org.	Country C	2,772,650
		Country F	170,366
		Country A *	195,870,236
		Country B	366,000
HIV RDTs	Prices were largely comparable for large quantities of screening tests. However, for confirmatory tests and self-tests, wambo.org prices were significantly lower than those achieved through domestic procurement in one country in SEA, and in another in Latin America.	Country E	258,620
		Country D	39,691
LLINs	There are large potential savings for family size LLINs in a country South East Asia (SEA) if procured through wambo.org with high domestic unit prices reported.	Country D	3,124,904
Anti malarials	Local prices paid for ACT were consistently lower than through wambo.org. The exception noted was for two anti malarial medicines in a Southeast African country (Artemether/Lumefantrine, and Artesunate powder vial) based on the recently awarded national contract. The wambo.org reference prices for the same commodities would have resulted in savings of US\$13million on the landed costs.	Country A *	13,151,962
COVID-19 Commodities	The only comparable data available was from Southeast African country. Findings indicate that the country stands to make significant savings on domestic procurement of respirators and PPE through wambo.org than through domestic alternatives.	Country B	5,924,804
Malaria RDTs	Local prices paid for malaria RDTs were consistently lower than through wambo.org.	N/A	

*\*Estimated savings are calculated as the difference between a country's awarded contract unit price and the wambo.org reference price for the same commodity at the same time. country prices are given in local currency and therefore forex differences can impact assumptions and calculations. Further, calculations are based on the volumes specified in the awarded tender. Actual procurement data were not available and it is possible that savings realised on the actual transactions may differ if awarded suppliers do not supply the amounts specified within the tender.*

An important caveat is that we have not assessed the quality of commodities used in this analysis and procured outside of wambo.org. However, key informants at country level noted that country procurements are also quality-assured in line with national standards.

#### PSM cost analysis:

Logistics and PSM costs for NGC procurements through wambo.org are within the expected average ranges as per Global Fund's indicative reference freight, insurance and quality assurance costs for budgeting purposes. However, findings from the case study countries show some outliers and variations in PSM costs as a percentage of the cost of goods, with PSM values ranging from 6% (Nigeria) for large quantities, especially those shipped by sea, to 497% (Kenya) for small quantities of low value, which were presumably sent by air. The large variations in logistics costs

---

may be due to:

- multiple orders for small volumes where it would have been more cost effective to ship larger quantities/volumes by combining orders;
- low value items (leading to a correspondingly high percentage of PSM costs);
- use of air freight over sea freight due to urgency or cold-chain requirements.

Therefore, one area for potential improvement in respect of Value for Money (VfM) of wambo.org procurement concerns logistics and PSM costs. For countries to maximise the potential benefits of the wambo.org platform with domestic procurements, wambo.org users should have an awareness on how to place orders while optimising the related logistics costs.

#### **Lead time analysis:**

We defined lead time as the period between the order placement and the initial delivery to enable a comparison between wambo.org and other procurement mechanisms. This definition is also a standard definition (time from order placement to delivery).

The overall picture from the country case study data is that wambo.org lead times were longer than those for domestic procurement (without taking into account any pre-ordering processes that may apply at country level). This is explained by the delays specific to international procurement (such as through wambo.org) and the related customs clearance and tax exemptions, which do not affect domestic procurement. In addition, COVID-19 impacted lead times, particularly deliveries from international suppliers, as is the case with wambo.org. A large number of NGC orders were placed in 2020, a period when the impact of COVID-19 distorted supply chain mechanisms.

Accordingly, the evaluation's findings indicate that wambo.org does not have an emergency procurement process.

It is, however, important to note that in supply planning, the procurement cycle starts well before the Purchase Order (PO) is created. Moreover, in some domestic procurement situations, there are several procurement steps before the creation of the PO. This ultimately increases the lead time for domestic procurements.

The advantage that wambo.org orders have in terms of lead time is that the procurement tendering processes are centralised and are managed by the Global Fund, such that when countries need commodities, the lead time is only from when the order is placed on wambo.org.

Some countries rely solely on wambo.org for the domestic procurement of specific commodities:

Certain countries procured commodities through wambo.org, including procurements using domestic funds. For example, Benin (HIV, malaria and COVID-19 commodities), Togo (HIV and malaria) and Laos (HIV). In these cases, no comparative analysis could be presented as there is no alternative; however, the benefits that these countries derive from procuring through wambo.org should not be ignored.

These benefits include the following:

- good visibility of the procurement process and approval steps;
- access to quality-assured medicines at competitive prices;
- use of wambo.org catalogue for budgeting;
- lead time estimates to facilitate supply planning and leading to lower risk of stock-out; and
- potential for expanded use if the range of products is increased.

#### **Potential for expansion to procurements funded by other partners:**

Some of the procurements that were not funded by the Global Fund but channelled through wambo.org were funded by other domestic partners/donors (UNITAID/CHAI).

---



## Recommendations

We set out below eight key recommendations arising from the evaluation.

### 1. *Redesign and continue with the wambo.org non-grant channel (NGC) and incorporate an emergency procurement response*

The findings from the evaluation data support the full implementation of wambo.org beyond the pilot phase. Based on the combination of quantitative and qualitative data, the benefits of the wambo.org pilot outweigh the identified risks. In addition to the high user satisfaction rates, available data from the case study countries demonstrate that the wambo.org platform facilitates domestic/non-Global Fund funded procurement at lower prices and shorter lead times for certain commodities. Comprehensive data are required to demonstrate the full potential benefits of channelling domestic procurement through wambo.org. However, even with the significant data gaps, the findings outlined above demonstrate that countries can obtain value for domestic procurement through wambo.org for certain commodities.

In those cases where wambo.org provides value for money for domestic procurement, countries should have the option to place orders through wambo.org and should be able to exercise the option as and when they need to. This is particularly important in order to optimise the use of domestic funds and secure any potential savings.

We therefore recommend implementing the use of domestic funding for procurement on wambo.org beyond the pilot phase. To ensure the success of the implementation, we recommend the following:

- **Rebrand** and mainstream the pilot so that it becomes business as usual and not a continuing trial.
- **Design the next phase:** define a straightforward process for onboarding new clients and develop a clear value proposition and long-term vision which outlines the benefits offered by the platform and how wambo.org and the NGC can accompany countries in the path towards transition. This would facilitate wider acceptance of the NGC by governments.
- **Increase advocacy and awareness** around the option of using wambo.org with domestic funding to enable the country actors to better understand the platform's features and capabilities.
- **Consider the implementation of an emergency procurement response:** explore with other development partners established emergency procurement mechanisms and how to minimise supply disruptions in crises, and support countries with robust supply planning and early order placement.

### 2. *Increase collaboration and expand the non-Global Fund grant channel to other diseases*

Several development partners agreed that there is a need for increased collaboration with the Global Fund to explore whether there could be interoperable procurement systems. Some partners (UNFPA and WHO NCD) were particularly keen for such increased collaboration, as people affected by HIV, TB and malaria are also more likely to be affected by other diseases that are combatted with funding from these other partners.

Increased collaboration on procurement systems and platforms would lead to increasing the range of commodities that countries can procure through wambo.org. This is in line with the findings from country level discussions, where there was strong support to expand domestic procurement through wambo.org to other diseases. According to the in-country stakeholders, the wambo.org catalogue could be expanded either directly or as a gateway to other partner systems for essential commodities required by health programmes. The recurring commodities most mentioned for inclusion on wambo.org were medicines for maternal and child health, non-communicable diseases (both of which are closely linked to HIV), essential medicines and any products where there is room for market shaping (commodities where counterfeiting is high, such as non-branded generics, and where there is low demand, which increases prices).

We recommend the Global Fund Management Executive Committee (MEC):

- Increase consultation and collaboration with key interested stakeholders to host more catalogues on wambo.org and specifically in the areas mentioned above linked with HIV, i.e. NCD, maternal and child health and other essential medicines that support the above and HIV, TB and malaria (HTM).

There has been such a collaboration with UNITAID exploring the potential to scale up access to innovative products related to HIV and malaria through wambo.org (GF/B37/07).

- Integrate additional catalogues or, at least, refine systems to exchange information with other partners. Greater interoperability would benefit the end-user and further improve efficiency.

3. *Design and implement a pre-payment mechanism to address regulatory barriers and gain wider acceptance by countries for the use of wambo.org with domestic funding*

The pre-payment mechanism is one of the most significant barriers to expanding wambo.org to domestic financing. It does not comply with national legislative and regulatory procurement frameworks and is not in line with national procurement budgets. The Secretariat has considered potential pre-financing solutions, but no option has been put forward to the Board Committees for their consideration.

We recommend the Global Fund Secretariat propose an updated pre-financing mechanism to the AFC for its consideration and recommendation to the Board. This would address one of the biggest barriers to the use of wambo.org with domestic funding.

4. *Establish and communicate an operational framework for the use of the wambo.org NGC for transitioning countries*

One of the NGC's objectives is to support countries moving towards transition beyond Global Fund grants, which addresses one of the six market-shaping objectives, namely, '*Prepare for country transitioning and long-term viability*'. However, few countries on track to transition are using the NGC. On average, those using the NGC placed 2.2 orders in the period 2017 to date. This is mainly due to a lack of awareness of the NGC, the presence of other platforms, regulatory barriers and a perception of longer lead times using the NGC.

We recommend the Global Fund consider the following:

- Nominate a working group including the Sourcing, the Health Financing and Sustainability teams to define a policy for transitioning countries to continue benefitting from the pilot.
- Establish a framework for transitioning countries on the use of wambo.org for domestic funding and share it in advance of the transition.
- Create a clear collaborative communication setting out the strategy/policy.

5. *Explore how wambo.org can be complemented with capacity building and enhance awareness of the inclusion of local suppliers*

Based on country case studies and interviews with Global Fund, partner and PSA stakeholders, one of the risks identified is that an increased uptake of the pilot would lead to lost opportunities for capacity development and consequent long-term dependency on wambo.org, if the in-country procurement capacity is not adequately strengthened concurrently (e.g. forecasting, budgeting and order planning as well as the management of competitive and transparent procurement processes). In addition, country case studies emphasised that there are limited or no local manufacturers on the platform, which can stifle the development of local competition and suppliers.

While it is not the Global Fund's nor the NGC's role to provide capacity building, as it is addressed more broadly through the Global Fund RSSH and market-shaping objectives, a clear framework needs to be established that outlines how wambo.org can be complemented by technical assistance for countries with gaps in procurement capacity. In contrast to other platforms (such as UNDP or UNICEF), wambo.org users have limited clarity on how the Global Fund accompanies the country in building a sustainable procurement system in parallel with wambo.org and the NGC. If capacity building remains out of the wambo.org scope, it should be made clear to countries that while wambo.org acts only as a procurement platform, capacity building will be provided alongside wambo.org.

In addition, to promote local competition and country ownership, we recommend the Global Fund create awareness around the possibility to include local manufacturers on the platform. To this end, local

manufacturers need support from the Global Fund's partners, such as UNITAID, on how to apply and receive approval through the WHO pre-qualification programme.

6. *Explore options to democratise the wambo.org competitive tender process*

The lack of visibility at country level on the comprehensive tendering process for wambo.org PSAs is a barrier for some countries procuring with domestic funds through wambo.org, as certain local procurement regulations require assurance that tendering processes are competitive.

We recommend the Global Fund explore options to improve visibility on the tendering process without undermining confidential commercial aspects of tenders. The Global Fund could interact with key selected country stakeholders from procurement and central logistic units in order to understand what kind of assurance governments would need to demonstrate that a transparent and competitive process is followed in selecting products and suppliers listed on the wambo.org platform. Another possibility to explore is whether the Global Fund could publish a summary of the tender process and its outcome. Furthermore, some countries wish to participate actively in the tender reviews and appointments., although this might require a change in the current Global Fund procurement procedures.

7. *Introduce incentives to improve transparency and completeness of in-country data*

We experienced significant challenges in the collection of data related to domestic spending on HIV, malaria and COVID-19 commodities. For some countries, the data were incomplete, which called for substantial quality controls. Some countries only had hard copy records, some of which had been archived and were not available. In other countries, data were simply not provided – in one case, citing confidentiality issues.

Our recommendations in this regard are as follows:

- As part of the RSSH (*Building Resilient and Sustainable Systems for Health*) strategy, the Global Fund and other development partners could harmonise and strengthen support for the development of a national public health procurement data repository to facilitate health procurement data management. This might be of interest to private as well as public health stakeholders.
- For countries with high dependency on Global Fund grants, it may be made a condition of the grant to provide evidence in sufficient detail of the government's contribution to fighting the three diseases. For low burden or transitioning countries, the Global Fund has co-financing requirements designed as a strategic tool to increase domestic financing. Hence, countries moving towards transition should show progressive government expenditure on health an indicator of their performance.
- In Kenya, the Millennium Challenge Account Threshold programme requires KEMSA (Kenya Medical Supplies Authorities) to publicise tenders, procurement prices and other data in order to qualify for additional funding. A similar approach can be applied to other countries under co-financing.
- In addition, when requesting countries share their data relating to domestic spending on HIV, malaria or COVID-19 commodities, the objective of the data collection should be clear and demonstrate how data sharing also serves their best interests.

8. *Monitor PSM costs and lead times as part of the NGC performance indicators*

Findings derived from the quantitative data analysed indicate that there is room to optimise further the logistics and PSM costs for each order, considering the nature of the commodity, the volume procured and mode of transportation. While logistics and PSM costs on NGC procurements through wambo.org are within the expected average ranges, there are significant outliers at country level indicating logistics and PSM costs are not often anticipated or carefully planned for at the ordering stage.

We recommend the Global Fund sourcing team consider monitoring PSM costs, as one of the key performance indicators for the use of wambo.org, and support countries in placing cost-effective orders from a logistics perspective.



In respect of order delivery times, the COVID-19 pandemic has affected global logistics timeframes; however, the Global Fund should continue to monitor lead times. A long lead time can be managed by robust supply planning that factors in realistic lead times and early placement of orders. Respondent countries still do not consider wambo.org an option for emergency orders.

We also recommend the Global Fund consider additional performance indicators to supplement those currently being monitored. See further details provided in section 6.3.8.

<b>Considering all the above findings, there is a strong rationale to continue with the NGC through the wambo.org platform.</b>
---

# 1. Background

## Background to the wambo.org pilot

In January 2016, the Global Fund introduced wambo.org as a new platform for partners to access and procure key health commodities using Global Fund grants in a transparent fashion. wambo.org is the Pooled Procurement Mechanism (PPM) interface which allows countries to leverage PPM competitive prices and negotiated terms. wambo.org was therefore introduced to help countries mitigate risks regarding access, quality assurance, affordability and efficiency. The transparency and price competitiveness that derive from PPM and wambo.org directly support the Global Fund in reaching its four strategic objectives:

- Maximise impact against HIV, TB and malaria.
- Build resilient and sustainable systems for health.
- Promote and protect human rights and gender equality.
- Mobilise increased resources.

By 2018, wambo.org managed 99% of PPM spend, making up US\$1.127 billion (29% of total Global Fund grant spend).

## The wambo.org pilot<sup>6</sup>

In May 2017, after completion of Phase 1a (onboarding the full PPM product portfolio onto wambo.org), the board approved a pilot (phase 1b) to extend the use of wambo.org for non-Global Fund funding, extending wambo.org beyond Global Fund grants. Specifically, the Board approved the piloting of a maximum ten transactions by current PRs using domestic funding via wambo.org (GF/B37/DP09).

The intention behind the pilot was to understand the risks, operational modalities, related challenges and interest level from the use of wambo.org for non-grant procurements in countries.

In November 2019, the pilot was expanded to include all products, services and functionalities available on wambo.org, with a cap of US\$50 million (GF/B42/04).

In 2020, the pilot was extended further to include all COVID-19 products made available in wambo.org (GF/B43/EDP07), noting that domestic-funded COVID-19 commodities would not count towards the cap of US\$50 million of transactions for the pilot otherwise applicable to non-COVID-19 products.

### Wambo.org pilot history

#### 2016

Global Fund introduced wambo.org as a platform for Global Fund funded procurements for HIV and malaria

#### 2017

Global Fund Board decision to pilot the use of wambo.org for non Global Fund funded procurements up to 10 transactions

#### 2019

Global Fund Board decision to extend pilot up to a cap of US\$50M

#### 2020

Global Fund Board decision to include C-19 commodities in the pilot (not counted towards US\$50M cap)

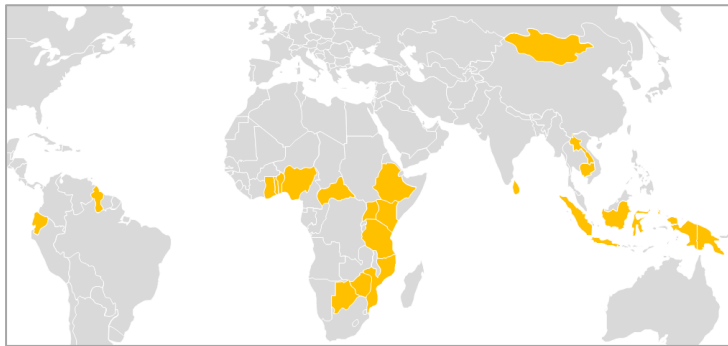
#### 2021

US\$42.7m in non grant orders on wambo.org

As at 31 December 2021, there were US\$42.7 million in non-grant orders placed through the wambo.org pilot. These are made up of 131 transactions ranging from purchases of over US\$3,000,000 to under US\$1,000.

<sup>6</sup> Any reference to the wambo.org pilot in this report refers to non-Global Fund grant funded procurement channelled through wambo.org-NGC.

*Figure 1: Countries which have taken part in the wambo.org pilot procuring with non-Global Fund funds*



*Countries: Benin, Botswana, Cambodia, Central African Republic, Comoros, Ecuador, Ethiopia, Ghana, Guyana, Indonesia, Kenya, Laos, Lesotho, Malawi, Mongolia, Mozambique, Nigeria, Papua New Guinea, Sri Lanka, Tanzania, Togo, Uganda, Zanzibar, and Zimbabwe.*

## 2. Evaluation purpose, objectives and scope

### 2.1 Evaluation purpose and objectives

In early 2020, the Global Fund Strategy Committee (SC) instructed the Secretariat that an independent evaluation of the wambo.org pilot should be undertaken before extending, expanding or ceasing the NGC. The results of the evaluation are expected to be presented to the SC and will be considered in the development of a strategy for the future advancement of non-grant-funded procurement through wambo.org.

This evaluation will therefore feed directly into decision-making regarding the future of wambo.org and the NGC, and the platform's evolution subject to Global Fund Board approval.

Given the nature of this project, the overall evaluation approach was guided by the need to:

- Assess the market dynamics of the NGC and the wider procurement ecosystem.
- Leverage on existing evaluation frameworks.
- Undertake cost-benefit, cost-effectiveness and value-for-money analyses.

### 2.2 Evaluation scope

The evaluation is performed through a combination of quantitative and qualitative data collection at headquarters level, supplemented with country case studies.

#### Qualitative data collection

- We have conducted extensive interviews with stakeholders at the Global Fund, partner organisations and other key informants, including at country level. As of 7 January 2022, we have conducted two hundred and thirteen (213) interviews including interviews at country level in the case study countries.
- Of these interviews, our in-country teams have interviewed one hundred and eight (108) stakeholders in twelve countries (Benin, Cote d'Ivoire, Guyana, Honduras, Kenya, Laos, Nigeria, Philippines, Rwanda, South Africa, Togo and Zambia).
- We have distributed a survey to all portfolios in the four regions of the study (Eastern and Southern Africa, West and Central Africa, Southeast Asia, and Latin America and the Caribbean). The objective of this survey is to give the opportunity to all countries in these four regions to contribute to the evaluation and to provide an accurate snapshot of the usage of wambo.org and the NGC across the four regions. The survey was sent to 208 stakeholders in 67 countries. 85 responses were collected across 44 countries in total, which represents a response rate of 41%. The responses collected provide insights from a wide range of countries (44 countries out of 67). The analysis of the survey results is included in the findings section of this report and as an Annex to the report.

#### Quantitative data collection:

We validated the qualitative data findings together with an analysis of quantitative data. The quantitative data include procurement-related data collected at country level through case studies, wambo.org extracts and downloads, supplemented by a review of relevant documents. The quantitative data collected are the basis for assessing important aspects of the wambo.org pilot, including value for money, efficiency and effectiveness of the pilot.

#### Country case studies

We selected twelve countries for case studies based on the guidance provided in the RFP as well as our own analysis. The criteria for the case study countries' selection are:

Figure 2: Selection criteria for case study countries

<b>1</b>	<b>Geographical spread across WCA, ESA, SEA and LAC.</b> Spread across the four regions is a key element when choosing the countries in question.
<b>2</b>	<b>Mix of countries procuring on wambo.org through a. non-grant funding (6 countries) b. through grant funding (4 countries) c. not using wambo.org (2 countries)</b>  We propose that 6 of the case study countries included are purchasing with non-grant funds, 4 countries that are using wambo.org for grant funds, and 2 case studies where wambo.org is currently not being used for either but is similar to one of the other case studies in the sample (e.g. sufficiently high disease burden and grant size), as this will provide valuable insights as to the key barriers to the lack of adoption of wambo.org for non-grant funds which would not be available otherwise.
<b>3</b>	<b>Size of procurements through wambo.org and grant sizes</b> A diverse mix of countries with large and smaller procurements, both through wambo.org and also more generally using grant funds is important to have a representative sample.
<b>4</b>	<b>High-impact, core and focused countries</b> It is important that the case studies are a mix of countries based upon the varying disease burden and financial capacity to respond in the fight against the three diseases to ensure it is representative of the wider portfolio.
<b>5</b>	<b>Local Fund Agent presence</b> We are currently Local Fund Agent in 71 countries (of which 12 are multi country grants). We therefore have contextual knowledge and detailed knowledge of the Global Fund architecture in these countries which could be leveraged for the case studies. In addition, we also have staff members based in the regions ready to carry out the evaluation in non- PwC LFA countries.
<b>6</b>	<b>Countries not studied in previous assignments</b> We have studied over twenty countries in the previous two wambo.org assignments. Therefore, we propose new case study countries where possible as it would bring greater value to the final insights and recommendations and we would have key information on a wide representation of the total Global Fund portfolio.

The twelve case study countries play a key role in providing coherent and credible insights, which will help drive future decision-making.

For this reason, the country samples selected are sufficiently diverse and have a broad range of characteristics which impacts the specific use and adoption rate of wambo.org.

The TERG requested that Nigeria be included as one of the case study countries. Given the size of Nigeria as a portfolio, we proposed to focus the Nigeria case study on the following two states as a representative picture of the country context:

- Kano, because it has a functional Drug Revolving Facility (DRF) and represents a typical state in the north of Nigeria.
- Lagos, as the state with the largest economic power in Nigeria.

Additionally, federal stakeholders were interviewed in Abuja, including MoH (Ministry of Health), PRs (Principal Recipients) and national disease programmes.

Below is the list of the case study countries agreed with the TERG focal points, classified according to their use of the wambo.org platform.

Table 5: Case study countries for the Thematic evaluation of the wambo.org pilot

wambo.org pilot users	wambo.org grant users	Non-wambo.org users <sup>7</sup>
Benin	Cote d'Ivoire	Rwanda
Guyana	Honduras	South Africa
Kenya	Philippines	
Lao	Zambia	
Nigeria		
Togo		

<sup>7</sup> Even with Global Fund grant funding for health commodities, Rwanda and South Africa do not procure through wambo.org, except recently for COVID-19-related commodities.

## 3. Evaluation approach

### 3.1 Overall approach and methods

In the early stages of the assignment, we tailored an evaluation framework specific to *wambo.org* that draws on several recognised evaluation frameworks with a focus on procurement. These include:

- OECD DAC Methodology for the Assessment of National Procurement Systems (MAPS)<sup>8</sup>.
- World Bank Methodology to assess 'Alternative Procurement Arrangements' (APA) which includes an additional pillar to MAPS, covering procurement operations and the use of minimum standards.
- A good example of a country evaluation framework is the Agency Procurement Compliance and Performance Indicators (APCPI used by Government of Philippines), based on the Base Line Indicator and Compliance and Performance Indicator Systems of MAPS and the Agency Procurement Performance Indicators (APPI).
- Indicators of the Strength of Public Management Systems (ISPMS) initiative, which is coordinated by the World Bank.

Our approach to the evaluation is built around the following six parameters and related indicators.

Table 6: Evaluation parameters

Parameter	Description	Level
1	<p>Legislative, regulatory, policy and institutional framework</p> <p>Frames the legal, regulatory and policy environment with respect to procurement of health products at country level. The framework guides various aspects of government procurement to promote and be consistent with values of good governance, transparency, accountability and economic development, which includes economy, efficiency, VfM, equality of access, open competition, non-discrimination and promotion of the domestic pharmaceutical manufacturing industry.</p> <p>Within this parameter and at a country level, we considered the legal and regulatory instruments from the highest level (national law, act, regulations, decrees, etc.) down to detailed policy frameworks, rules, regulations, procedures and procurement documents in use at the agency level. We drew insights to understand how existing country policies are operationalised and implications for the application of government procurement.</p>	Global Fund governance and country by country
2	<p>Integrity and transparency</p> <p>Assessment of whether the procurement arrangements, systems and governance environment ensure integrity and transparency. It focuses on whether appropriate controls are in place to mitigate the risks associated with fraud and corruption. Furthermore, it ensures that health products meet the stringent regulatory authority standards (including WHO, as defined by</p>	Global Fund governance level

<sup>8</sup> MAPS is anchored in the 2015 Organisation for Economic Co-operation and Development (OECD) Recommendation of the Council on Public Procurement and is reflective of leading international procurement frameworks such as: the United Nations Commission on International Trade Law (UNCITRAL); Model Law on Public Procurement (2011); the European Union (EU) Directives on Public Procurement (2014); the procurement frameworks used by multilateral development banks, countries and implementing institutions

Parameter		Description	Level
		the Global Fund Pharmaceutical and Diagnostics Policy) for quality assurance.	
3	<b>Barriers, risks and challenges</b>	<p>Assessment of whether existing planning, implementation and systems include measures to identify risks, scope for failures and existing failures in the procurement arrangements. It will reflect and identify if any potential barriers exist (not limited to technological/infrastructure barriers.)</p> <p>We drew insights to assess whether the wambo.org pilot encountered any of the pre-identified failure criteria, whether lessons have been learned and if additional key risks, failures and barriers were identified.</p>	National level; Organisation/ Agency level (wambo.org)
4	Impact	<p>Establishes whether wambo.org and the NGC have had an impact on:</p> <ul style="list-style-type: none"> <li>• health outcomes for the three diseases;</li> <li>• the market through its supply chain and framework agreements; and</li> <li>• in-country sourcing, procurement and new technologies.</li> </ul>	Key in-country stakeholders
5	Sustainability	The 2030 Agenda for Sustainable Development promotes public procurement practices that are sustainable in accordance with national policies and priorities (SDG Goal 12.7). To upscale the NGC, it is crucial to understand how Global Fund policies and implementation plans as well as the operating rules and functionalities of wambo.org are aligned with the national policies and priorities of the case study countries to ensure sustainability in public procurement practice.	Organisation/ Agency level (wambo.org)
6	Economy, efficiency, and effectiveness	Frames the analysis of the operational effectiveness and efficiency of the wambo.org platform along the Value for Money (VfM) principles of economy, efficiency and effectiveness, as defined in the respective sub-section. The analysis is based on data from the twelve country case studies.	Global Fund secretariat, wambo.org users including other agencies, country by country

As mentioned in section 2.2 above, we have collected relevant data both at central level (Global Fund, development partners, PSAs and other stakeholders) and in the case study countries to address the key questions relating to each of the parameters as described above.

Table 7: Data collection methods

Data collection method	Data type	Data collection level
Stakeholder interviews	Qualitative	Global, regional and country level
Procurement and wambo.org data requests	Quantitative	Secretariat and country level
Stakeholder survey	Qualitative	Country and regional level

## 3.2 Quantitative data analysis

### Contextual analysis

To set the context for the evaluation and obtain an understanding of the potential size of domestic funding for HIV, malaria and COVID-19 procurement, we performed the following analyses:

- **Indication of size of domestic funding**

We have provided a high-level analysis of the domestic spend for HIV, malaria and COVID-19 commodities as available for 2019 to 2021. This quantitative analysis demonstrates the funds available for domestic procurement at country level that could potentially be channelled through wambo.org. This analysis therefore gives an indication of the relative size of the potential expansion of non-Global Fund funded procurement through wambo.org for the countries in the case studies.

- **Indicative country interest in pilot enrolment (percentage)**

Where data are available, we have analysed the proportion of non-Global Fund procurement channelled through wambo.org out of the total national spend on procurement per respective disease element.

### Analysis of the wambo.org pilot transactions

We have further analysed the transactions that have been channelled through wambo.org with non-Global Fund funding. The analysis explores the following:

- Growth trend of non-grant funded orders year on year.
- Non-grant funded procurement by commodity type.
- Analysis of logistics costs associated with non-grant funded procurements through wambo.org.
- Volume of orders placed by country including countries preparing to transition from Global Fund support.

### Value for Money (VfM) analysis

With the available qualitative and quantitative data from interviews and country case studies, we have assessed VfM aspects of the wambo.org pilot in each of the countries in the case study, as indicated in section 5.3.

#### Definition of Value for Money

Several development partners<sup>9</sup> describe VfM as achieving balance in a programme's economy, efficiency, effectiveness and equity (the 'four Es'). The Global Fund's definition of VfM also considers the sustainability of a programme in addition.

The VfM analysis in this evaluation study centres on the quantifiable aspects of VfM, i.e. economy, efficiency and effectiveness.

<sup>9</sup> OECD, DFID, World Bank



The contribution of the wambo.org pilot to equity and sustainability of HIV, malaria and COVID-19 programmes in a country is difficult to measure as several contextual factors and external factors at country level also significantly contribute to or affect the performance of the programmes. Hence, the two parameters of equity and sustainability are not included in this evaluation.

### Obstacles to the cost-benefit analysis

We intended to conduct a cost-benefit analysis (CBA) of the wambo.org pilot by analysing the benefit derived per cost of the NGC. For this analysis, we needed data on the total costs of the wambo.org pilot both at Global Fund Secretariat level and at individual country level as well as the total benefit to countries of using the NGC.

Data on the total costs of the NGC to the Global Fund Secretariat were readily available. Minimal costs have been specifically incurred in respect of the NGC.

Quantitative data on benefits to case study countries using the NGC were highly fragmented and or not available. In addition, findings from the analysis of data from the countries that did provide the information indicate that country contexts and benefits from using wambo.org are heterogenous and cannot be generalised. Therefore, we cannot extrapolate benefits from those case study countries using the wambo.org pilot to all of the countries in the NGC.

These important limitations in data mean that we cannot perform a holistic cost-benefit analysis of the NGC and that we cannot triangulate results across all countries taking part in the pilot as was initially intended in our RFP response. Instead, with the information available, we have evaluated important aspects of VfM that countries attain by procuring through the NGC as explained above.

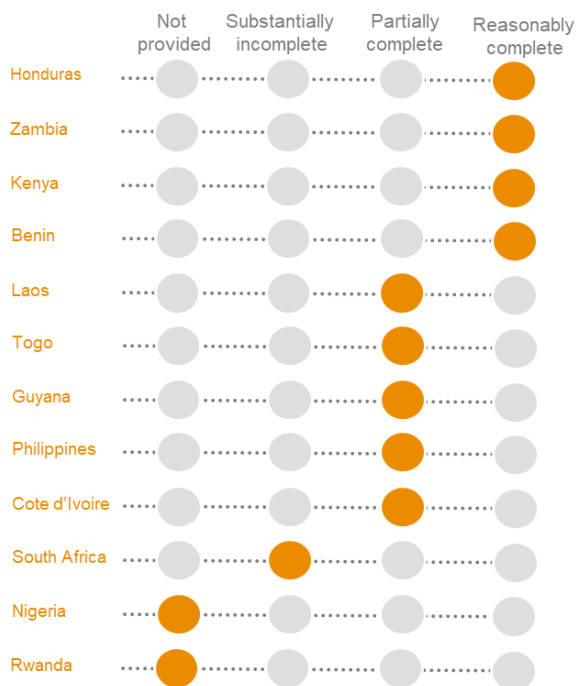
## 3.3 Limitations

We set out below are the main limitations that have affected the extent of our data analysis as part of this evaluation.

Country level limitations:

- **Unwillingness to share information:** Stakeholders in some countries were unwilling to share key data to facilitate our analysis. As of the date of this report, all necessary approvals had been obtained, but quantitative data have still not been provided for three countries (Nigeria, Rwanda and South Africa).
- **Extensive delays in obtaining relevant quantitative data:** With the exception of two countries, all other countries in the case study took at least six weeks to start to provide the required information (excluding the three countries that have not provided any data).
- **Data availability, completeness and accuracy:** Where data were provided, extensive back and forth communication was needed to clarify the data requests in several countries. In addition, as of the date of this report, four countries had provided data for only two disease components. (See detailed limitations by country in Figure 3 below.)
- **Coronavirus:** COVID-19 has had an impact on the evaluation, particularly as evaluation team members were unable to travel within countries to conduct face to face interviews with stakeholders in the same country. Furthermore, key interviewees were unavailable as they were also supporting their respective countries' COVID-19 response.

Figure 3: Status of quantitative data collection by country



For these reasons, we have submitted four complete case study reports (Honduras, Zambia, Kenya and Benin). We have also submitted eight partial case study reports (Laos, Togo, Guyana, Philippines, Cote d'Ivoire, South Africa, Nigeria, Rwanda).

*Substantially incomplete* – data provided relate to tender contracts and not actual procurement transactions.

*Partially complete* – some data provided for two disease components (HIV and malaria)

*Reasonably complete* – some data provided for HIV, malaria and COVID-19

## 4. Evaluation findings

The evaluation is presented along the six parameters described in the evaluation approach in section 3.

Based on the qualitative data collected, section 4 of the report presents findings on the first five parameters below (4.1–4.5). The qualitative data were a combination of the stakeholder interviews at central and country level and the online survey of the four regions covered in the evaluation.

Thereafter, in section 5 of the report, we summarise findings on the last parameter (economy, efficiency and effectiveness) based on the quantitative data collected from the country case studies, supplemented by information from interviews and other reviewed documents.

Parameter	Evaluation findings
Legislative, regulatory, policy and institutional framework	Section 4
Integrity and transparency	
Barriers, risks and challenges	
Impact	
Sustainability	
Economy, efficiency and effectiveness	Section 5

### 4.1 Legislative, regulatory, policy and institutional framework

As a backdrop to the in-country legislative, regulatory, policy and institutional frameworks, we first reviewed the Global Fund strategic and policy framework with the KIIIs in the following stakeholder groups:

- Global Fund governance and senior management
- Global Fund Supply Operations
- Global Fund Country Teams
- Partners and Implementers
- PSAs

We set out below a summary of the main findings on legislative, regulatory, policy and institutional frameworks, which answers the following questions:

- Where does wambo.org fit in the wider Global Fund procurement and supply chain and market-shaping strategies? Is there clear alignment?
- How does wambo.org compare with similar platforms?
- Are there areas where there is friction/competition, and where could there be more collaboration?
- What are the key legislative, regulatory, policy and institutional barriers to the expanded use of wambo.org for the NGC?

#### 4.1.1 General findings

##### Alignment with Global Fund strategies

All stakeholder groups agree that there is clear and strong alignment with the current and future Global Fund strategies, the Global Fund Procurement and Supply Strategy and the market-shaping strategy. However:

- The Global Fund's governance and senior management noted the need to consolidate PPM, wambo.org and the NGC into one approach. They also noted that more focus is needed on co-financing and transitioning.
- Global Fund Country Teams note that wambo.org and the NGC does not include the TB area, but that it is an important tool to shape the market for HIV and malaria.
- PSAs are concerned there is a lack of clarity about the Global Fund's market-shaping strategies.

### Comparison with other platforms

Based on the responses collected through the survey, and as previously emphasised in the User Satisfaction Surveys, wambo.org has successfully leveraged technology to provide its users with a *user-friendly* and agile interface, ensuring better platform adoption. The survey respondents were able to list many positive key features that improve their user experience and commended the availability of technical support and the responsiveness of the wambo.org team. The respondents would like to see more features/improvements on wambo.org, mostly related to greater visibility on delivery status, product specifications as well as additional reporting and alert functionalities. Please refer to Annex 8.4 Stakeholder Survey Results.

The Global Fund's governance, senior management and Supply Operations note that wambo.org is the only platform that:

- is directly connected to the source of funding;
- covers all the approval steps in the platform itself and provides a lot of visibility compared with other platforms;
- gives partners and implementers confidence that products are quality-assured;
- hosts catalogues from other organisations, e.g. UNOPS.

### Friction, competition and collaboration

There are some areas of friction and competition, largely in respect of TB. The Global Fund's governance and senior management, together with Supply Operations, see advantages in working more closely with UNFPA, WBG, UNICEF and, ideally, GDF. Nevertheless, there are already good examples of collaboration. UNFPA is working towards interoperability with wambo.org and, as they design their new system, suggesting they could consider system integration.

The Global Fund's governance and senior management are aware that there are institutional issues to address at the Global Fund Board level with the senior management. There are divergent views and differences in appetite to extend the NGC and to support an agreed way forward.

At an operational level in the countries, the Global Fund Country Teams note a healthy collaboration between the platforms, each one taking orders for different commodities. However, the PSAs consider that the large donors procure commodities in silos and there is poor coordination between them on procurement.

#### 4.1.2 Summary findings from country case studies

Key in-country legislative, regulatory, policy and institutional barriers to the expanded use of wambo.org for the NGC:

- The Global Fund's governance and senior management noted that the initial phases of the NGC were slow and the uptake limited, and expressed that *'the pilot was not big enough, not articulated enough, not ambitious enough'*.
- All stakeholder groups commented on the need for a pre-payment mechanism to enable countries to use the NGC and to pay upfront as required. The payment is also required in US dollars, which many countries do not have.
- Countries do not want to be part of a *pilot* or a *trial period*.
- Countries are reluctant to release funds until goods are received on the ground.

- The partners and implementers raised concerns that the wambo.org pilot is housed in the Global Fund Secretariat, and that grant and NGC users transact through Global Fund policies and procedures. Furthermore, some institutional stakeholders, including UN agencies, flagged a potential conflict of interest as the financing agency is also the procurement agent.
- The PSAs consider the NGC needs to be more attractive to local and regional suppliers and manufacturers.

### **Key in-country legislative, regulatory, policy and institutional enablers to the expanded use of wambo.org for the NGC**

Nearly all countries receiving Global Fund grants procure the approved health products through the Pooled Procurement Mechanism (PPM) and the wambo.org technology platform. A few countries such as the Republic of South Africa and Rwanda have the policies, skills, and capacities together with robust in-country systems to manage their health product procurement for Global Fund grants and the national public health requirements.

Against this background, many countries have the knowledge, skills and capacities to benefit from the wambo.org pilot to use the platform to procure health products funded by non-Global Fund grants from domestic funds and other donors or financing institutions.

However, it is important that the use of the PPM and wambo.org is consistent with each country's procurement, legislative and regulatory requirements. In most countries, the regulatory environment around health product registration is generally favourable and does not limit the use of wambo.org. However, some countries explicitly legislate for the use of IPP and electronic platforms, while others have no legislation related to IPP. In contrast, some countries legislate to prevent the use of IPP for domestic procurement. Furthermore, some countries have their own e-procurement platforms. In our case study countries, Côte d'Ivoire, Honduras, Kenya, Philippines, Rwanda, South Africa and Zambia all have their own e-procurement platforms. In such countries, there is often little appetite to use wambo.org outside of Global Fund grant procurements.

The selection criteria for the 12 countries in this study did not include compliant use of IPP/wambo.org with national requirements for non-Global Fund grant procurement. Interestingly in the current sample, there are very few legislative or regulatory limitations preventing more extensive take up of the pilot.

The procurement mechanisms allowed in each country in accordance with specific requirements in each of the Public Procurement Acts, including direct procurement, are consistent across the case study countries as follows:

- Request for quotations
- Open competitive bidding (national and international)
- Open selection (national and international)
- Limited bidding (national and international)
- Limited selection (national and international)
- Simplified bidding
- Direct bidding/contracting
- Procurement via procurement agents/pooled procurement mechanisms e.g., wambo.org, GDF
- Procurement via UN agencies e.g., UNICEF, UNOPS, WHO/PAHO
- Procurement via development partners e.g., USAID, ADB
- Community participation in procurement.

Furthermore, in some countries, the legislation can provide additional flexibility, for example:

- Provisions in the public procurement acts can facilitate the use of alternative procurement mechanisms and international agreements (with service level agreements) subject to obtaining relevant approvals, e.g., National Treasury, Attorney General etc. **Zambia, South Africa**

- An e-Government Procurement platform (e-GP) or any other e-procurement system that the Minister may prescribe through a statutory instrument, which could include the use of the wambo.org and the pilot. **Zambia**

**The main benefits at a country level (based on our country case study sample) derived from the NGC in respect of the legal, regulatory and policy requirements are:**

- Increased price competitiveness of health products and the increased range of available quality-compliant products in line with standard treatment guidelines based on the country Essential Medicines List and Essential Laboratory Supplies List. **All countries**
- Lower prices for health products, which enable funds to procure more health products for the same investment and more efficient use of the limited domestic funding. **Zambia, Laos.** Access to international suppliers and manufacturers can be limited for countries that need to purchase small quantities. The wambo.org pilot has facilitated the pooling of requirements from several countries, thus increasing access in a way that would not be possible under national procurement legislation and regulations.
- More discipline in the procurement processes for health products as pre-stipulated order deadlines push the procurement entities to comply with the guidelines. Furthermore, the approvals built into wambo.org mirror institutional approvals as stipulated in the regulations. **Zambia, Laos**
- wambo.org is an easy-to-use platform that offers a more accessible procurement platform for the MoH and which can co-exist with e-GP for procurement of health-related goods. **Zambia**
- Difficulties in benchmarking prices in the local market make wambo.org more favourable as the prices offered on the platform are based on a comparison with several suppliers. The prices are applicable for Global Fund grant and non-Global Fund grant procurement. **Laos**

#### **4.1.3 Conclusion**

The most important enabler for a country to benefit from the wambo.org pilot is the political will to make the best use of all channels and procure the most appropriately priced quality-compliant health products. This often occurs when there is a new government administration whose key focus is driving efficiencies in public procurement and eliminating corruption.

Against this background, a conducive legislative, regulatory and policy environment is a prerequisite for success. The Global Fund is fully aware that many governments do not have such an environment and would need to make constitutional and operational changes to accommodate the NGC and the wambo.org platform either as a stand-alone or a supplemental solution to give the country access to the benefits of the PPM and the technology, even if the country is no longer or has not been eligible for Global Fund grants.

The Global Fund now has a compendium of the legislative/regulatory framework in around 30 countries deriving from the current and previous evaluation. This information could enable Global Fund to work with more countries to understand the current state and to explore the options to implement the NGC.

## 4.2 Integrity and transparency

Findings from our evaluation show that the wambo.org pilot has promoted transparency and integrity by offering buyers visibility on key aspects along the various stages of the procurement process. These findings are based on qualitative feedback collected in the user satisfaction surveys conducted by a third-party commissioned by the Global Fund, our qualitative interviews with key stakeholders, our online survey to non-case study countries and the country case studies reports.

### 4.2.1 General findings

#### Main benefits of the NGC

The transparency provided through wambo.org and, by expansion, the NGC brings the following benefits for local buyers, implementers, national health sectors and other stakeholders, including the Global Fund and partners:

- **Decision-making:** The platform allows buyers to closely monitor the procurement process, which improves supply planning and facilitates informed decision-making in regard to budgeting, prioritising actions and, ultimately, efficiently contributing to the advancement of health programmes.
- **Accountability:** The information disclosed through wambo.org along the various stages of the procurement cycle reduces the risk of corruption and raises accountability for the buyer. It allows price comparisons and knowledge transfer, and it can progressively lead to better negotiation with suppliers over time. Corruption poses a significant danger to achieving better access to high-quality health products in LMICs. Certain conditions, such as limited or no transparency in a country's procurement systems, are conducive to corruption. Therefore, the wambo.org pilot can facilitate transparency and accountability by providing visibility on important procurement parameters. While the extent to which the NGC can reduce the risk of corruption seems limited to the scope of commodities procured, the platform is still beneficial in this respect because significant funds are usually at stake in procurement.

#### Limitations of the wambo.org pilot

While there is a general consensus about the positive influence of wambo.org and its pilot on order transparency, there are diverse views as to whether the wambo.org pilot can influence the level of transparency in the overall domestic procurement market. To achieve the required transparency, some conditions need to be reassessed:

- **Technical capacity:** The transparency achieved through wambo.org and the NGC could positively impact buyers' negotiation power if the latter has sufficient technical procurement capabilities. Price and procurement process transparency on wambo.org can be leveraged and contribute to the improvement of the domestic procurement system. This would be feasible if the domestic buyer were in a position to use and understand the data, and to transfer the knowledge over time to a wider scope of influential actors.
- **Greater transparency on the competition process:** During the first discussions around the vision of the e-procurement mechanism (2015, 34<sup>th</sup> Board Meeting, GF/B34/24), the Global Fund had anticipated that through greater price transparency, the platform would promote in-country competition. Based on the evaluation country case studies and stakeholder interviews, it is unclear whether this has been achieved.

Stakeholders involved in the local procurement cycle emphasised the lack of visibility on the selection of suppliers, negotiations and framework agreements managed by the Global Fund Supply Operations Team. The Global Fund manages the sourcing and procurement process through PPM framework agreements, PSA catalogues or Partner MoUs, and local buyers do not have access to the competition process behind these awards and agreements. This was emphasised in interviews conducted in Kenya, Zambia, Benin, Togo, CIV, Lao and the Philippines. The upstream competitive strategic sourcing process would need to be disclosed at the country level to further enhance transparency and integrity. This includes, but is not limited to, the evaluation criteria to select suppliers and manufacturers and the tender prices. Improving visibility on the competitive processes would:

- allow buyers to learn from the process, build on these good procurement practices and gain a more significant influential role;
- comply with national procurement law as some countries require the use of a competitive and transparent process; and
- get wider acceptance from government officials and further promote transparency in the public procurement landscape.

#### Other improvements that could further promote transparency on wambo.org and the NGC

Based on the online survey, in-country stakeholders emphasised the need for the following to further improve transparency:

- greater visibility on the delivery status (39% of the responses) for them to allow better planning;
- more detailed product specifications (44% of the responses) to facilitate the commodities selection process; and
- greater visibility on the cost breakdown, including PSM and logistical costs (17% of the responses).

#### 4.2.2 Summary findings from country case studies

The table below summarises the findings from the country case studies specific to transparency and integrity. For wambo.org users, we assessed the influence of the NGC on transparency at the local procurement level. For non-wambo.org users, we assessed the level of transparency within the country's procurement process based on the information available.

Table 8: Summary findings on transparency and integrity from case study countries

Country	Influence of the NGC on the level of transparency in the procurement process	What would further promote transparency?
wambo.org pilot users	<b>Benin</b> <b>Positive.</b> Even though the country does not participate in the supplier selection process, the country believes that the Global Fund's involvement in wambo.org guarantees confidence in the transparency of procedures. Thus, the use of such a platform influences the level of transparency in procurement and integrity. The platform avoids contact between the beneficiaries of the products and the suppliers, thus reducing corruption risks.	No specific observations noted.
	<b>Guyana</b> <b>Positive.</b> When using wambo.org, managers have visibility and controls over different procurement stages, which increases the transparency and integrity of the procurement process.	No specific observations noted.
	<b>Kenya</b> <b>Limited.</b> PRs have misgivings about the use of wambo.org, as they did not have enough information about the suppliers on wambo.org, how they were selected, whether the process was open and competitive, and the criteria used to select the manufacturers or suppliers of wambo.org.	For wambo.org to gain wider acceptance, country stakeholders suggested that once a requisition is placed, there should be competition among suppliers and/or a way to evaluate and pick suppliers that offer the lowest price for a product.



Country	Influence of the NGC on the level of transparency in the procurement process	What would further promote transparency?
<b>Laos</b>	<b>Positive.</b> The wambo.org pilot allows transparent use of government funds. Users of the platform can view the procurement process, product information and prices offered by various suppliers and can select objectively the required product. The platform also generates adequate and detailed documentation on the procurement process. With regard to local procurement, procurement staff may know suppliers personally and may favour one supplier over another; however, in the wambo.org pilot, such a conflict of interest does not arise.	There should be greater visibility on the sourcing and procurement process at country level. As the procurement and sourcing responsibilities have been transferred to the Global Fund, local stakeholders cannot learn from the procurement process.
<b>Nigeria</b>	<b>Positive.</b> There is clear visibility on the procurement process through wambo.org, which is more effective than the national Public Procurement Act.	Engagement of the private sector in the public procurement processes will further promote the quality and transparency of the procurement system.
<b>Togo</b>	<i>Similar findings for Togo and Côte d'Ivoire</i> <b>Positive.</b> wambo.org has an impact on the level of transparency of the procurement process. As contact with the suppliers is very limited, there is less risk of corruption.	No specific observations noted.
<b>Côte d'Ivoire</b>		
<b>Honduras</b>	<b>Positive.</b> Buyers have visibility on and control of the different procurement stages, which allows close monitoring of the procurement process and feeds into supply planning decisions.	Establishment of agreements with international organisations that offer pooled procurement mechanisms and user-friendly platforms as wambo.org.
<b>Philippines</b>	<b>Limited.</b> The use of wambo.org as a procurement channel is seen as transparent in terms of the approval processes and enables the tracking of the status of a purchase order. However, the behind-the-scenes selection of products and suppliers, negotiations and framework agreements handled by the sourcing team are not seen as transparent by wambo.org users. This may prove an obstacle to government users who need to use a competitive and transparent process (to comply with national procurement law).	Publishing the wambo.org catalogue and tender prices would further promote transparency in public procurement.

wambo.org grant user

Non wambo.org pilot users	Country	Influence of the NGC on the level of transparency in the procurement process	What would further promote transparency?
	Zambia	<b>Positive.</b> Transparency is an integral component of high-quality public procurement. To a large extent, wambo.org has been seen as influencing the transparency and integrity of Zambia's public health procurement process as supplier payments are managed centrally by the Global Fund. The system has adequate controls to promote competition and minimise the risk of fraud, corruption, waste and the mismanagement of resources.	To further enhance transparency and integrity, the upstream competitive strategic sourcing process of wambo.org needs to be visible at country level to demonstrate overall transparency in the system.
	Rwanda	With the technical support of the World Bank, Rwanda is the first African country to have established an e-procurement system. The platform was established in 2016 to increase public spending efficiency and transparency, and the rollout was considered a success. However, there is still limited transparency on lead times and unit prices as the Rwanda Medical Supply Limited (RMS Ltd) was not able to share this information during the evaluation period.	It may be necessary for the Global Fund and other donors to provide incentives to share procurement information in order to compare the prices obtained on wambo.org for countries with similar budgets. One such incentive could be for development partners to use case countries as examples of good practice in data sharing, demonstrating the benefits of data transparency for the country and regional procurement.
	South Africa	The National Treasury has established the e-tender publication portal on which all government tenders are published. The fact that the public can access upstream tender-related information on the platform shows that traction is being made to improve transparency in public procurement. Respondents highlighted that the country has a robust public procurement legislative framework. However, there has been constant reference in the national media to corruption and inefficiencies in public procurement (more so at provincial level), which indicates there are integrity/transparency issues within the national procurement system.	wambo.org presents an opportunity for enhancing transparency as it provides visibility on the ordering and payment process. Decentralised use of wambo.org at provincial level might be explored to counteract transparency issues when procuring health products at that level.

#### 4.2.3 Conclusion

wambo.org brings a high degree of transparency and integrity across the procurement process for HIV, malaria and COVID-19 commodities, which helps improve decision-making, supply planning and grant budgeting.

In addition, wambo.org enhances the transparency of and accessibility to procurement data (for products procured using both grant and domestic resources), which is easily available on the platform.

However, there is still scope for improving transparency. Country stakeholders emphasised the lack of transparency on the competitive sourcing process, which is incompatible with country legislation, and additionally might result in missed opportunities in capacity building.

### 4.3. Barriers, risks and challenges to the expanded use of wambo.org for domestic procurements

We set out below a summary of the main findings on barriers, risks and challenges to the possible extension and/or expansion of the NGC in response to the following evaluation questions:

- What are the major barriers to increased use of the NGC?
- What are the risks associated with the wambo.org pilot?
- Have risks been adequately mitigated?
- What challenges and weaknesses have been identified during the wambo.org pilot and how can they be mitigated?
- Have there been negative implications from the wambo.org pilot on the Global Fund Secretariat?
- Has this had any impact on the Global Fund's reputation?

#### 4.3.1 General findings

##### Barriers

By far the most frequently mentioned and the biggest barrier to expanding the use of the NGC for domestic procurement is the **100% pre-payment requirement** for transactions, which is considered prohibitive and affects **all countries**. For many countries, such pre-payments are not feasible within their current legislative frameworks. It should be noted that the **Global Fund is fully aware of this issue**.

UNFPA, UNICEF and PAHO's Strategic Fund each have mechanisms to handle the upfront payment issues and many other stakeholders are looking at such solutions. Many countries do procure through the International Agencies' platforms and their financing facilities. However, a bigger barrier to the expanded use of wambo.org for domestic procurements is the presence of national platforms, which often promote awards going to local suppliers/manufacturers. In some countries, these are government-wide platforms through which all domestic procurement has to be processed by law. In other countries, there are platforms and systems specifically for public health.

In 2020, the Global Fund Secretariat prepared some options for consideration to facilitate the financing required for countries to benefit from wambo.org non-Global Fund grant procurement. Some elements of these options were shared in a multi-stakeholder consultation workshop. This existing body of work will enable the Global Fund to move forward with its own pre-financing system, subject to the review and approval of the AFC and the Board. , as appropriate.

The second most frequently mentioned barrier is that the national legislative framework promotes the development of local businesses (pharmaceutical companies, retailers) owned by citizens. In turn, this inhibits the use of domestic resources on wambo.org, which currently has framework agreements favouring manufacturers that can cater to a large number of countries rather than just a single country/small region. There is a perception that wambo.org only procures from international entities, although this is not a unique barrier to wambo.org, nor is it specific to public health procurement. A further inhibiting factor in some countries is that foreign suppliers have to partner with national/citizen bidders identified through a competitive process in order to be eligible to bid to be a supplier/manufacturer.

Other barriers include:

- Management-related barriers, in particular resistance to change, especially where public procurement officials may have vested interests in maintaining the status quo.
- Protection of sovereignty, i.e. the control and management of government procurement systems remains with the government as opposed to using an international procurement platform controlled/managed by an external entity.

##### Risks

The Global Fund's governance and senior management stakeholder group has identified some key risks:

- Through highly commoditised grants, in small portfolios, the Global Fund contributes a large amount of the national budget for combatting the three diseases. Putting 'more eggs in the same basket' with the NGC may be seen to increase the risk exposure.
- Many countries have not yet signed up to the Global Fund privileges and immunities, which may put them at risk if procuring through the NGC and could also expose the Global Fund through lack of clear legal protection in matters such as custom duty and tax exemptions.
- There is potential fiduciary risk across all countries in the case that one or more parties in the procurement process fail.
- There is a potential reputational risk for the Global Fund, which takes on significant responsibility if any negative implications arise from PPM, wambo.org and the NGC.
- The Global Fund is not party to the contract between PSAs, suppliers and buyers.
- Some key development partners do not fully understand the NGC and may spread their negative views to others.

These high-level risks do not seem to have been mitigated.

The Global Fund Country teams noted:

- Many governments have no interest in using the NGC, citing the risk that the country would not build capacity in its own systems and would become over-reliant on the Global Fund.
- A conflict of interest arises when a 'donor' (Global Fund) is also a procurement agent.
- A reputational risk arises for the Global Fund if anything should go wrong with country funds. If there is fraud or embezzlement of domestic funds or other donor funds being placed through the NGC, this would have an impact on the Global Fund's reputation.

#### 4.3.2 Summary from country case study findings

##### Barriers

With respect to the need for a pre-payment mechanism, some countries have a degree of flexibility. For example, the **Zambia and Rwanda** procurement regulations have allowable thresholds (e.g. in Zambia of 25% as upfront payment prior to receipt of goods). **Benin** has legalised pre-payment to procure through wambo.org, and in **Togo** there is political will to facilitate pre-payments, endorsed by the Treasurer General, to ensure there are no delays or issues with the NGC.

Even for the countries which allow upfront payment, the process is lengthy as the request passes through multiple ministries and agencies (e.g. one month in Laos). Further, for NGC procurement, there is a buffer amount to pay and actual PSM costs turn out to be higher than the budgeted PSM cost.

Wambo.org product unit costs may seem low. However, when there are additional costs to the original order, such as customs clearance, taxes and changes to freight (to bring forward delivery deadlines, for instance), the unit costs may be higher than those offered by local suppliers. **Zambia, Laos, Guyana**

In respect of national legislative frameworks, an inhibiting factor is that foreign suppliers have to partner with national/citizen bidders identified through a competitive process before they can bid to become a supplier/manufacturer. **Zambia, Laos, Côte d'Ivoire, Benin**

There are a number of recurring barriers, too.

At an operational level:

- Some countries allow tax exemptions for the procurement of health products by donors and financing institutions. However, tax exemptions are yet to be approved for procurements made with non-grant/domestic funds. This makes it difficult, for example, when settling an invoice that has products procured through Global Fund grants (which are tax-exempt) and domestic funding (which are not).

However, the invoicing flows for the two different processes (Global Fund grants and NGC) are separated systematically. **Laos, Honduras**

- In many countries, high fiscal deficits have resulted in a high level of public debt, the interest on which absorbs a growing amount of government revenues, leaving less each year to meet the recurring costs of financing the country's health. This effect is seen across domestic health financing and is not specific to NGC; hence, the impact would be the same if procurement was local. **Laos**
- Drug registration requirements stipulated by the Drug Regulatory Authority might include the inspection of the manufacturing site and a review of documentation, which is unlikely to be possible if the suppliers are not located in the country of purchase. **Laos, Kenya**
- Potential technical barriers in relation to platform hosting and legal rights to the system and data. **Zambia**
- The need to obtain authorisation to facilitate the use of an alternative platform for procurement funded by domestic resources. **All countries, although some have facilitated use (Zambia, Togo)**
- Lack of understanding at MoH of how wambo.org and the NGC work. **Laos, Côte d'Ivoire, South Africa, Rwanda**
- Some countries find the in-country approval processes can be very long (one example requires 21 approvers). This is a consequence of the specific country's approval chain and not the requirements of the wambo.org platform. **Laos**
- Constraints due to a limited number of human resources and uneven distribution of qualified staff throughout the health sector, particularly in the procurement services. **Laos, Benin**

The recurring barriers to the use of wambo.org most frequently noted by implementers, partners, constituencies and communities 'on the ground' are:

- Legislative barriers that promote domestic preferences and reservation policies for public tenders in a bid to boost local economic development. **Zambia, Nigeria, South Africa, Rwanda**
- Delays in receiving the non-grant funds to place the orders, in particular government funds. **Laos**
- Long lead times with the expected time of arrival of shipments varying between two to four months. **Laos**. Such a situation arose with a purchase of IRS with domestic funding and could have created a reputational risk for the Global Fund.
- The buffer amount results in a lower budget with which to procure the actual products. However, the buffer is only 30% of the freight costs, which would represent only 2–3% of the total value. However, it can become a more significant proportion in cases of emergency deliveries involving air freight and low volumes. **Laos**
- wambo.org is appreciated in the area of planned procurement, but is perceived to be less responsive to emergency orders. Several countries struggled to source C19RM products, but the major influence on delays was global shortages rather than the performance of the wambo.org pilot. **Nigeria, Togo, Côte d'Ivoire, Benin**

## Risks

- The inherent risk of the NGC is that it relies on the use of an independent and externally managed procurement system in which the government has no control on supplier selection, appointment and engagement. In many countries, it is a requirement stipulated by the procurement legislation that there is evidence of an open competitive process. **Zambia, South Africa, Philippines, Rwanda**
- The wambo.org platform, in its current state, is managed and controlled by the Global Fund with no participation from in-country purchasers in key procurement stages, such as supplier selection.
- Government funding can be re-programmed at any time, for example, to cater for emergency requirements. **All countries**
- Many countries are moving towards the final cycle of their Global Fund grants, such as Guyana in the unified TB/HIV grant 2022–2024. For such countries, the availability of the NGC for non-Global Fund grant funded procurements may increase other options for procurement, potentially including in-country product

availability. There is a risk if the policy framework for procurement transition is not prepared in time, with a high profile and a transparent communications plan. The countries need clarity early in the process.

- The increasing use of the wambo.org platform and its extension to the NGC increased the potential reputational risk profile of the Global Fund if platform did not perform as expected. In reality, there has been no impact on the Global Fund's reputation.
- Non-performance by freight forwarders appointed by the Global Fund sourcing team. The country has no control over freight forwarders, which communicate with the Sourcing team not the country. In light of this, the country loses visibility over the whole process. **Togo**

wambo.org platform is not favourably viewed in terms of in-country procurement capacity building, which would develop human resources able to design, implement and manage proprietary in-country systems. The wambo.org team provides on-boarding training and support for countries in the use of wambo.org. It also provides access to a helpline/troubleshooting support for users. However, other public health partners, such as GDF, GIZ and USAID, provide substantive procurement initiatives, including technical assistance.

Furthermore, the Global Fund is responsible for strategic execution at the tendering stage for PSAs, supplier relationship management and contract management. Hence, there is little increase in these skills in the countries themselves. Moreover, the extended use of wambo.org may suppress the growth of local manufacturers. However, the Global Fund does work with a number of African manufacturers, in which case their listing on wambo.org hugely supports their growth. **Zambia, Nigeria, South Africa**

## Challenges

- The use of public funds is subject to public scrutiny. Should delays affect the wambo.org pilot, governments will have to explain to the public why they use wambo.org and the NGC.
- Delays in receipt of some supplies during emergency situations, which can be counteracted by in-sourcing (locally), indicates the need for the Supply Operations team to design and implement a robust emergency process that can be rolled out to NGC user countries. **Most countries.** Health products can be an issue of national security and therefore always represent a risk. To some extent this can be mitigated by a country using its own systems to make procurements or by increasing local manufacturing capacity (which would be the best route towards a sustainable solution).
- Total reliance on wambo.org may leave users with no 'fall-back'. However, the extension/expansion of the NGC should not stop the strengthening of national systems, but act as a tool to facilitate and support those systems.
- There is limited participation in upstream supplier selection by in-country stakeholders, who may wish to be more than 'passive' participants. The Global Fund could facilitate the involvement of country stakeholders in the supplier selection process.
- The use of wambo.org with domestic funding is a big ask of countries. There is hesitancy regarding the control of the funding which the countries receive. Even major donors are unwilling to share information about the size and use of the financing. This is a very sensitive area, hence it is very difficult to give reassurance that wambo.org has the national interest at heart. Once the order has been fulfilled, there is a reconciliation of the reference unit price and other expenses, plus the buffer to accommodate changes. Any remaining amounts should be refunded to the buyers, but experience shows that this can take a very long time. **Guyana, Benin**
- Poor internet connectivity interferes with the uploading of documents.
- There is a lack of information on the right people to contact when there are issues with the wambo.org platform or with order fulfilment. Nevertheless, stakeholders commented that the wambo.org team is accessible and flexible in resolving issues.

#### 4.3.3 Conclusion

The major barrier and risk to the Global Fund's reputation arising from the NGC is the need for a pre-payment mechanism that enables countries to make the upfront payment when they place an order. In order to mitigate this key risk, swift action is required.

Another key risk relates to countries becoming dependent on an externally managed procurement system if the local procurement system is not adequately strengthened in parallel with the use of *wambo.org*. Further, there is a lack of clarity on how *wambo.org* and the pilot support countries moving towards transition.

Besides the above, significant barriers are the lack of transparency concerning the competition process and insufficient awareness on how to involve local suppliers in the tendering process.

## 4.4. Impact

### 4.4.1 General findings

Almost all stakeholders interviewed at central level and at country level noted that by facilitating efficient access to quality-assured health products, the NGC helps countries to increase in-country product availability, thereby making a direct positive contribution to treatment outcomes and country health programmes.

However, the direct impact of the wambo.org pilot on HIV, malaria and COVID-19 treatment outcomes is difficult to quantify, as the role of the platform is considered successful once products arrive in a country. Subsequently, the health system must enable the timely distribution of the health products in optimal conditions to the intended beneficiaries. Of course, wambo.org plays no role in this process. Nevertheless, the role of the NGC in enabling access to quality-assured health products should not be underestimated as this is fundamental to the success of health programmes.

As of 31 December 2021, countries were able to access the following treatments and commodities through the NGC. These figures show the potential number of beneficiaries that were reached with the support of the wambo.org pilot. The inference is that these NGC-procured products were subsequently made available for use and therefore impacted the diagnosis and treatment of HIV and malaria as well as preventing cases of malaria.

Table 9: Indicative treatments procured through the wambo.org pilot

Commodity	Unit of measure	Pack size	No. of packs	No. of treatments/ commodities	No. of countries served
ACT	Pack	30	17,430	522,900	2
LLIN	Piece	1	614,000.00	614,000	2
Mal RDTs	Pack	25	31,250	816,260	3
	Pack	30	1,167		
HIV RDTs	Pack	100	30,425	3,258,535	4
	Pack	20	6,018		
	Pack	25	3,827		
ARVs* - WHO Optimal	Month Treatment	1	1,936,734	1,936,734	7
ARVs - Specialist	Month Treatment	1	41,760	41,760	5

\*Assumption: one bottle of ARV = one month's treatment

- The NGC accesses the same commodities as in the wambo.org catalogue and the procurement process is the same for all onboarded entities. This is particularly beneficial to countries, such as Benin, which procure exclusively through the wambo.org platform and do not use any alternatives for domestically funded procurements. The wambo.org platform plays a fundamental role in health outcomes for such countries.
- By bringing efficiencies into the procurement processes, the wambo.org pilot facilitates access to health products by offering competitive prices for quality products. The platform's efficiencies free up programme managers' time previously spent on procurement, tendering and evaluation, and contract management.
- While countries would likely have procured commodities without wambo.org, using the wambo.org pilot provides them with quicker access to products. The timely availability of essential health commodities is key to test, diagnose and treat HIV, malaria and COVID-19.



- Products accessed via wambo.org pilot are WHO pre-qualified products. The quality of products that countries would have procured locally using domestic funds may not be guaranteed in this way. Quality-assured products sourced through wambo.org lower the risk of sub-standard pharmaceuticals/health products, which have a detrimental effect on patient outcomes, being used in programmes.
- Ultimately, procurement through the wambo.org pilot allows countries to treat patients with a high risk of mortality effectively with quality-assured medicines. Whether countries could have achieved the same outcome or achieved it more efficiently without using the wambo.org pilot is difficult to determine.

### Limitations in attributing the direct impact of the NGC

Some stakeholders had contrasting views regarding the impact of the NGC. Although some views might be contested, others reflect the experience of the countries.

- Some partners noted that the wambo.org pilot was too small to have a direct impact on health outcomes. This view can be contested. While the value of procurements through the pilot may be considered to be low relative to typical procurements in grants, in at least three pilot countries the volume procured through the NGC is the total procurement made of health products (for HIV and malaria) for these countries. There was no other procurement made outside NGC. Therefore any health outcomes that these countries achieved are in part because of treatments made possible by commodities procured through the NGC. Moreover, as illustrated in section 3 above, more domestically funded orders have been placed on wambo.org and therefore the potential contribution to treatment continues to increase.
- Some countries are already procuring domestically products of the same quality as available through wambo.org. Therefore, in these countries, shifting domestic orders to wambo.org would not have a noticeable impact.
- It was pointed out that, based on a previous study, increasing the availability of commodities does not necessarily increase delivery outcomes because there are other significant barriers and interventions have to be in place. By providing access to commodities, the NGC has the potential to improve outcomes but there is no guarantee it will generate an increase in services and an improvement in outcomes.
- There is a need to balance the positive contribution of the pilot with unintended consequences at country level. wambo.org creates efficiencies especially in countries where procurement quantities are low and/or where the procurement system is fragile. However, by continuing to use a donor-funded platform, countries remain dependent on contracts negotiated elsewhere, which is one of the main risks and unintended consequences of the wambo.org pilot.

This risk is not unique to the pilot, although countries' domestic procurements would have been a good opportunity to them to build expertise procuring with their own funds rather than donor funds.

'If the objective of the wambo.org pilot is to support transitioning countries, it should provide capacity building, which is done by other UN agencies including UNICEF and UNDP.'

### 4.4.2 Summary findings from some country case studies

The following points are a summary of the feedback provided by countries using the wambo.org pilot that were included in the evaluation case studies.

- **Laos's experience:** Respondents noted that wambo.org has contributed to successful procurement of products that are of good quality. The platform allows Laos to access a wider supplier base. This is particularly important as the country has few manufacturers and suppliers. The wambo.org pilot gives Laos access to quality health products at competitive prices and increased access to suppliers in the global market, thus ultimately improving health outcomes and allowing the government to save money.
- **Guyana's experience:** Similar to Laos' experience, the view is that the wambo.org pilot improved health product procurement outcomes by increasing the availability of and providing equitable access to health commodities. Observers also noted that wambo.org allows programme managers to follow up on

procurement orders. This has increased their understanding of the different stages in the procurement process and will contribute to improving their ability to make informed decisions about supply planning.

- Other than Laos and Guyana's feedback, stakeholders interviewed in other case study countries (not pilot users) also expect that the option to use domestic resources to procure via wambo.org will facilitate access to quality-assured products, thus contributing to availability and treatment outcomes.
- **Benin's experience:** Findings from interviews conducted indicate that all Benin's HIV, malaria and COVID-19-related procurements, both funded domestically and with Global Fund grants, were made through wambo.org. There were no other procurement mechanisms used in the country for domestically financed health products in the period 2019–2021.
- **Philippines' experience:** The use of wambo.org has increased availability of quality-assured health commodities to grant-supported sites, facilities and communities. However, there has been no domestic procurement through wambo.org, so the effect on health outcomes is unknown.
- **Togo's experience:** Stakeholders interviewed noted that the wambo.org pilot made it possible to use state budgets to acquire good-quality products in a timely manner. They noted that the use of wambo.org and wambo.org pilot could have a beneficial impact on procurement at the national level through the transparency, time savings and economies of scale it brings. However, such increased use can have a reverse effect by undermining the development of local suppliers. Furthermore, the cost of delivering products can be high because of currency fluctuations and transportation costs for small quantities delivered by air.
- **Kenya's experience:** Respondents concluded it was too early to measure the impact of the wambo.org pilot as only 14 shipments had been received in the country since the start of the pilot. Kenya Red Cross Society, for example, has not received any shipments from wambo.org. Its order was placed in September 2021 and the first shipment is expected in January 2022 (a detailed analysis of the NGC lead time is provided in section 5).

Respondents also noted that wambo.org would have had a high impact in Kenya at the beginning of the COVID-19 pandemic when there was a supply crisis. However, now that in-country supply chains have stabilised, there may be less reliance on external procurement systems.

In addition, the Ministry of Health might need to be made more aware of the advantages of wambo.org if domestically funded procurements are to be channelled through wambo.org.

With the exception of Kenya, the interview findings at country level, particularly on product quality assurance, are largely consistent with some of the Global Fund reporting metrics for the wambo.org pilot/non-grant financed orders.

#### 4.4.3 The role of the wambo.org pilot during the COVID-19 (C-19) response

As of the date of this evaluation, only one COVID-19 commodity had been procured through wambo.org with domestic funds from Comoros. Details of the transaction are given below.

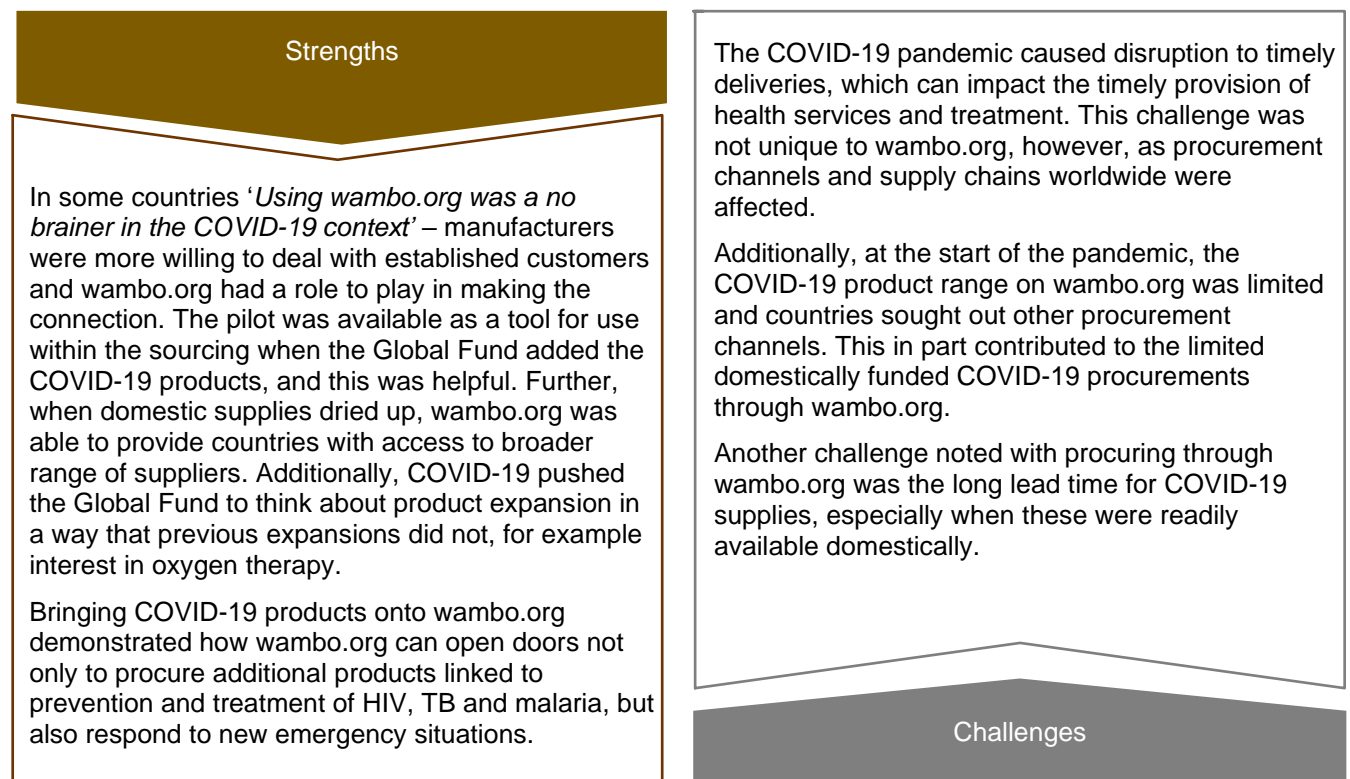
Table 10: COVID-19 commodities procured through the wambo.org pilot

Recipient	Item	Commodity	Qty	Price (US\$)	Line total (US\$)	Order date	Delivery date	Manufac-turer
COM - COMPASS, Ministère de la Santé, de la Solidarité, de la Protection Sociale et de la Promotion du Genre	Xpert Xpress SARS-CoV-2 kit - 10 Tests	COVID-19 Diagnostic Tests	120	198	23,760	12/03/2021	25/05/2021	CEPHEID HBDC

No other COVID-19 commodities had been procured with domestic funds on wambo.org as at 31 December 2021. At the onset of the COVID-19 pandemic, wambo.org had a limited COVID-19 product range and countries used multiple channels to obtain commodities. This might explain the significant COVID-19 procurements initially placed outside wambo.org for products ranging from PPE, infection prevention commodities, oxygen generation and delivery systems, and related consumables, COVID-19 RDTs and RT-PCR diagnostics.

Given the current expansion of wambo.org, future investments in such products might be tapped into and possibly channelled through the platform. At the same time, it should be noted that several countries' COVID-19 programme funding is largely from donors, including the Global Fund's own C19RM grants, where grant funded procurements are channelled through wambo.org. As such, the potential to expand the procurement of domestically funded COVID-19 commodities through wambo.org might not be significant in the short to medium term.

While only one country actually procured COVID-19 commodities through the NGC, interviewees at central and country level commented on their perception of the role of the pilot in the COVID-19 response as follows:



#### 4.4.4 Conclusion

The NGC has contributed to health outcomes by providing a mechanism for countries to procure quality-assured products at competitive prices. The NGC helped provide close to two million ARV treatments, more than 600,000 bed nets and more than four million test kits for HIV and malaria to facilitate testing and treatment. The number of beneficiaries served across 23 pilot countries can be inferred from these numbers.

These results reflect the first few years of the NGC. There is potential to expand the NGC through wambo.org and generate greater impact as countries become more familiar with the platform and increasingly use it to procure health products.

## 4.5. Sustainability

### 4.5.1 General findings

In terms of this parameter, we assess based on qualitative and quantitative data whether the use of wambo.org with domestic resources should continue, expand or reduce in scope. We also outline the key lessons learned from the pilot in this regard. In addition, we have an understanding of how the operating rules and functionalities of wambo.org align with the national policies and priorities of the case study countries to ensure sustainability in public procurement practice.

Continuation of the non-grant channel

*'The pilot should not be stopped. It has a lot of potential, but it should not go forward without a recognition of the challenges and how to address them'*

Based on the country case studies and consultation with various stakeholders, there is a general consensus that the wambo.org NGC should be continued. The benefits wambo.org and the pilot bring to the procurement of HIV, malaria and COVID-19 commodities is clearly recognised. However, some challenges need to be addressed before designing the next phase, such as the pre-payment mechanism, the low use of the pilot in countries projected to transition and the extended lead times. As further reflected in the section 5 'Use of the wambo.org pilot and Value for Money analysis', wambo.org's landed prices are comparable to or more economical than local procurement for specific commodities. However, economic gains can vary across countries and products and cannot be generalised. Despite this, wambo.org remains a valuable procurement mechanism that should continue to be offered to countries as it complements existing procurement mechanisms (and, in some cases, it is the sole mechanism for HIV or malaria commodities) and provides countries with transparent reference prices that encourage decision-making and planning.

### Expansion to other diseases

*'The impact if the scope is extended is potentially quite big – a Ministry of Health is not buying for three diseases only'.*

The country case studies and the online survey support the idea of expanding the pilot to other products. Partners, PSAs and Global Fund stakeholders also seem to support this idea if the current challenges can be resolved. Based on our findings, the following products have potential for expansion on wambo.org:

- **Essential medicines for NCDs:** Disease burdens in low- and middle-income countries will shift from infectious diseases to NCD (Non-Communicable Diseases). Against this background, governments will need to procure a different set of products to serve the population's health needs. In light of this, the Global Fund has the potential to intervene and support countries by delivering through wambo.org quality-assured essential medicines for the treatment of NCD.
- **Any other essential medicines:** In-country stakeholders have expressed the need to include essential medicines in general on wambo.org. There is little in-country competition in the supply of these medicines, which affects their prices in low- and middle-income countries<sup>10</sup>. wambo.org could play a role by ensuring fair prices and delivering the most value for money.
- **Family planning products:** Family planning products within HIV programmes and MNCH with governments procuring using own funds in an otherwise fragmented market. Here there are significant opportunities to improve health outcomes for new-borns and for women giving birth.
- Finally, interviewees think there is room for market-shaping for any commodities where 1) counterfeiting is high (non-branded generics, such as paracetamol, and antibiotics, such as amoxicillin) and 2) demand is low and hence products are expensive.

---

<sup>10</sup> Tackling the Triple Transition in Global Health Procurement, Centre for Global Development, 2019

#### 4.5.2 Summary findings from country case studies

Our country case studies include six pilot users (Guyana, Kenya, Benin, Laos, Togo and Nigeria). We note that overall, the findings are in favour of continuing the pilot, except for Kenya and Nigeria where regulatory and procurement barriers might prevent the optimal and sustainable use of wambo.org.

For those countries where the context was favourable to the pilot (Guyana, Benin, Laos and Togo), the main enablers are political will and commitment, which in some cases encouraged a relaxation of national policies (Benin, Togo and Laos), and the recognition and understanding of the platform's benefits.

For Kenya and Nigeria, on the other hand, the main barriers are legislative and regulatory. Kenya requires all products and medical devices to be registered by the National Drug Regulatory. Furthermore, the country has its own e-procurement platform which complies with national procurement policies. In contrast, wambo.org's procurement process does not comply with the national regulations. However, wambo.org has the potential to provide support in emergencies, as demonstrated during the COVID-19 pandemic. While respondents in Kenya recognised the limitations of wambo.org, they all agreed that it would be an important tool to have on hand in case of global disruptions to the supply chain or when their procurement systems in the country fail due to governance issues. In these cases, there should be provisions within wambo.org to request commodities that are already registered in the country to avoid delays in seeking waivers for registration of products. In the case of Nigeria, the national policy requires all procurement to be based on open competitive bidding, except if otherwise exempted, and must be in accordance with the prescribed procedures and timelines. In addition to regulatory barriers, country stakeholders see wambo.org as not encouraging local markets.

For grant users (Philippines, Honduras, Côte d'Ivoire and Zambia), despite some existing barriers in the countries – mostly related to the national procurement framework and a lack of awareness and understanding of the pilot – there is potential for expanding the use of wambo.org with domestic resources. Extensive advocacy will be needed to encourage this. We noted that Côte d'Ivoire seems more resistant to using the pilot for national programmes, largely because the procurement procedures do not allow pre-payment and the tender award process lacks visibility.

For non-wambo.org users (Rwanda and South Africa, which used the platform in exceptional cases only), the current operational process is not conducive to the use of the pilot, as there is a strong preference for the national procurement system. Rwanda and South Africa both have robust procurement frameworks (in Rwanda, procurement systems were reviewed by the WB, USAID and other partners). However, although wambo.org has had limited use in South Africa, it has proved to be an effective and efficient platform in its response to COVID-19 when local markets were constrained – a role which can be further explored. In Rwanda, the procurement mechanism is currently being strengthened with the technical assistance of USAID. As part of the transformation process, there might be flexibility to include wambo.org as a procurement mechanism if it can show it brings pricing efficiencies.

The table below summarises findings from the country case studies in respect to continuing the pilot:

Table 11: Key findings on the pilot's sustainability

Country	wambo.org use	Country context conducive to the continuity of the pilot (1-3, low to high)	If low, what are the 1) main barriers and 2) actions to address these (if barriers can be overcome)	If high, what are the 1) main enablers and 2) immediate next steps to ensure an efficient continuity of the pilot
Guyana	Pilot user	2	<p><b>Barriers:</b> As seen in other countries within the LAC and Caribbean Region, wambo.org is perceived as a competitor of PAHO.</p> <p><b>Mitigation actions:</b> There is a need to explore how both procurement mechanisms can collaborate and contribute to improve access of quality products in the country. This collaboration might help to identify (i) strengths and weaknesses of each platform, (ii) specific areas or types of health products where each platform can provide more benefits to the country and iii) competition as having multiple supply sources can be an advantage when procurement through one channel is delayed.</p>	<p><b>Main enablers:</b></p> <ul style="list-style-type: none"> <li>Platform allows funding that is not only from Global Fund grants.</li> <li>Health commodities offered are high-quality items.</li> <li>Good option to procure broad use and essential commodities.</li> <li>The platform allows managers to have visibility and control of the different stages within the procurement process.</li> </ul> <p><b>Next steps:</b> Extensive in-country advocacy to address misconception of delayed deliveries and to explore mechanisms to avoid delays in deliveries of refunds.</p>
Kenya	Pilot user	1	<p><b>Main barriers:</b> Legislative barriers: all products and medical devices need to be registered by the National Drug Regulatory Authority; country has its own e-procurement system; lead times on wambo.org are high due to the various in-country administrative process.</p> <p><b>Mitigation actions:</b> The Global Fund country team has requested waivers for all commodities to be procured through wambo.org. Early indications are those that are COVID-19-related may be waived but this process is still ongoing. There are discussions ongoing in country to streamline the in-country administrative processes for tax exemptions related to the supply chain.</p>	Not applicable
Laos	Pilot user	3	Not applicable	<p><b>Main enablers:</b> National procurement laws and regulation have provisions for international procurement when supplies cannot be obtained locally and in emergency cases. In addition, Laos government is supportive of mechanisms that allow efficient utilisation of government funds.</p> <p><b>Next steps:</b> Advocacy and raising awareness of government officials about wambo.org and the pilot to increase utilisation of the platform, especially for procurements made using domestic funding.</p>

<b>Togo</b>	Pilot user	3	Not applicable	<p><b>Main enablers:</b> According to the UCP FM (Prime Minister's office) the government is engaged to continue with wambo.org pilot. Legal and regulatory provisions have already been taken to use the pilot.</p> <p><b>Next steps:</b> Address challenges experienced by the buyers to improve the use of the platform. This mainly includes the long delays in the provision of invoices that remain a risk for the sustainability of the process insofar as the non-justification of expenditure exposes the risk of non-provision of funds for future purchases.</p>
<b>Benin</b>	Pilot user	3	Not applicable	<p><b>Main enablers:</b> National policy has allowed pre-payment mechanism to ensure the use of the pilot.</p> <p><b>Next steps:</b> For Togo, address challenges experienced by the buyers to improve the use of the platform which mainly relates to the long delays in providing invoices.</p>
<b>Nigeria</b>	Pilot user	1	<p><b>Main barriers:</b> The expansion of wambo.org for domestic procurements may face some regulatory barriers given that Nigeria's Procurement Act encourages local products. The current bidding process under the Drug Revolving Fund scheme conflicts with the wambo.org operational guidelines. In particular, procurement under the Drug Revolving Fund is done through tendering process where annual orders are negotiated, and a quarterly supply plan is developed, and prices are paid upon delivery at the warehouses. From an economic perspective, wambo.org offers an efficient procurement system, but empowers offshore economies at the expense of local suppliers, hence government will prefer local procurement compared with wambo.org. Use of wambo.org may also deny some potential employment opportunities for Nigerians: the procurement conducted through the Public Procurement Act is a manual process. wambo.org procurement, if adopted, will automate procurement processes, which could lead to lower workforce requirement.</p> <p><b>Actions:</b> Use of wambo.org should expand with consideration for local Procurement Act. Inclusion of local suppliers by joining wambo.org may address some barriers and even expand their markets. Consideration for payment of commodities upon delivery as against advance payment of the commodities on wambo.org procurement system.</p>	Not applicable

<b>Côte d'Ivoire</b>	Grant user	1	<p><b>Main barriers:</b> National legislation does not allow for advance payment.</p> <p><b>Mitigation actions:</b></p> <p>Extensive in-country advocacy with the new government and key stakeholders (demonstrating broader wambo.org value proposition) and to enhance comprehension of the pilot's features and capabilities. Government allowed the use of pre-payment for the procurement of vaccines and it could make such an exception for wambo.org.</p>	Not applicable
<b>Philippines</b>	Grant user	2	<p><b>Main barriers:</b></p> <ul style="list-style-type: none"> <li>• Ensuring wambo.org complies with national procurement legislation.</li> <li>• Foreign currency and upfront payment.</li> <li>• Caution with diversifying product range too soon.</li> <li>• GOP keen to support local economy.</li> <li>• Need for long-term strengthening of national systems.</li> </ul> <p><b>Mitigation actions:</b></p> <ul style="list-style-type: none"> <li>• Extensive in-country advocacy with the DOH. Use of wambo.org needs to be supported by a policy/guideline that allows procurement through the platform, defines the steps, and must have approval of Secretary of Health. Consider local presence/registered party in country.</li> <li>• Develop workarounds for foreign currency and payment options.</li> <li>• Maintain focus on HTM commodities or consider separating wambo.org platform from the Secretariat.</li> <li>• Consider allowing local suppliers to apply for wambo.org onboarding.</li> </ul>	<p><b>Main enablers:</b> Good experience to date with grant resources. Has been used successfully for C19 supplies such as PPE and some health equipment. Efficient procedures free up time taken for tenders, contract management, administration for other programme activities.</p> <p><b>Next steps:</b></p> <p>Need advocacy to DOH procurement section, which considers wambo.org as 'GF only'. Careful expansion of database/catalogue.</p>
<b>Honduras</b>	Grant user	2	<p><b>Main barriers:</b> In Honduras, wambo.org is perceived as a competitor of PAHO, which is well positioned at governmental level. In addition, wambo.org is perceived as only used with Global Fund grants.</p> <p><b>Actions:</b> There is a need to explore how both procurement mechanisms and collaborate to improve access of quality products in the country. Furthermore, in-country advocacy is needed to increase understanding of the NGC's features.</p>	<p><b>Main enablers:</b> While the wambo.org pilot is currently not listed as an available procurement mechanism in Honduras due to legal agreements, national policies will evolve in 2022 which would allow the use of wambo.org with domestic resources.</p> <p><b>Next steps:</b> Explore collaboration with PAHO; for an expansion of wambo.org, in-country advocacy is needed so SESAL staff (Secretary of Health) get a better understanding of its features.</p>



<b>Zambia</b>	Grant user	1	Non applicable	<p><b>Main enablers:</b> National legislation has provisions for the establishment of international procurement agreements with international organisations for health product procurement; allows for advance payment up to the stipulated threshold and the current climate is underscoring the need to drive efficiencies in public procurement; hence, facilitates the use of wambo.org for domestic procurement.</p> <p><b>Next steps:</b> Extensive in-country advocacy with the new government and key stakeholders (demonstrating broader wambo.org value proposition) and to enhance comprehension of the platform's features and capabilities.</p>
<b>Rwanda</b>	Non-wambo.org user	1	<p><b>Main barriers:</b> Rwanda has strong procurement processes that have been reviewed by the World Bank, USAID and other partners. Integrated procurement processes led by the Rwanda Medical Supply Limited (RMS Ltd) are preferred. The key barrier to use of wambo.org is lack of knowledge of wambo.org as a procurement mechanism and demonstrated benefits of using wambo.org. In addition, although advance payment is allowed, this is not a preferred payment mechanism by the Rwanda Medical Supply Limited. As much as possible, payments are made once goods have been delivered and inspected as a risk mitigation measure.</p> <p><b>Actions:</b> The expanded use of wambo.org for domestic procurement is not feasible under the current procurement law; however, as RMS Ltd is an autonomous organisation, it could decide to use wambo.org if a case were made from a cost-benefit perspective. A clear business case should be made for wambo.org to reflect the cost-benefit analysis of procurement through the wambo.org platform. This can be done on a prospective basis by comparing the prices achieved in-country through national procurement with the prices achieved from wambo.org procurements on an ongoing basis.</p>	Non applicable

<b>South Africa</b>	Non wambo.org user	1	<p><b>Main barriers:</b> National legislation is strongly anchored in local market protectionism and makes it mandatory to procure from local suppliers as part of economic development and to redress previous socio-economic inequalities.</p> <p><b>Actions:</b> Extensive country stakeholder engagement is warranted to ensure strong commitment and high adoption rate for wambo.org with domestic funding, but with limited scope (emergencies, to meet excess demand and for low-demand products). This could be through demonstrating the wambo.org value proposition and enhancing stakeholders' comprehension of the platform functionalities, supplier selection process and complementarity with local procurement systems. Consideration of the expansion of the wambo.org supplier base to include local manufacturers and local suppliers is key. There is potential for wambo.org to facilitate procurement of products with low demand (i.e. anti-malarials, methadone and insulin).</p>	Not applicable
---------------------	--------------------	---	--	----------------

#### 4.5.3 Conclusion

While wambo.org may not be a *one-size-fits-all* solution to all countries, it has helped reduce risks, such as weak quality assurance, high prices, and cumbersome procurement and administrative procedures, in light of the increase in domestic funding for health commodities. Overall, the findings from the country case studies, online survey, central interviews and quantitative data speak in favour of continuing the NGC.

Key lessons learned are the need to address the challenges identified by the evaluation and increase in-country advocacy where there is low awareness of the pilot. Communication needs to be more transparent and more open to engage countries' interest.

Finally, country stakeholders raise concerns about how wambo.org is used in a sustainable approach as there is little clarity on how the Global Fund supports the strengthening of procurement systems in parallel. The sustainability aspect of wambo.org, which is part of the 2030 Agenda for Sustainable Development to promote sustainable public procurement practices in accordance with national policies and priorities (SDG Goal 12.7), needs to be carefully considered and embedded in the value proposition when designing the next phase.

Lessons learned and next steps are further reflected in our recommendations in section 6.

## 5. Use of the wambo.org pilot, and Value for Money analysis

This section presents a summary analysis of the use of the wambo.org pilot as well as a Value for Money (VfM) analysis of the economy, efficiency and effectiveness of the wambo.org pilot based on quantitative data provided by the case study countries.

The section is structured as follows:

- 5.1 Contextual analysis on funding at country level that could be channelled through wambo.org
- 5.2 High-level analysis of the non-grant channel (NGC) transactions
- 5.3 Value for Money (economy, efficiency and effectiveness) of the NGC

### 5.1 Contextual analysis

As explained in section 3 (evaluation approach) of the report, we have provided a high-level analysis of the domestic spend for HIV, malaria and COVID-19 commodities based on the following two parameters in order to set the context for the quantitative data analysis of the VfM of the NGC. This quantitative analysis demonstrates the funds available for domestic procurement at country level that could be channelled through wambo.org and, therefore, the relative size and potential for expansion in the case study countries.

- **Indicative size of domestic funding**

$$(\%) \text{ Per disease category} = \frac{\text{Total health product spend in the period funded by government}}{\text{Total health product spend/budget in the period}}$$

---

- **Indicative country interest in NGC enrolment (percentage)**

$$(\%) \text{ Per disease category} = \frac{\text{Total health products spend of non-Global Fund funded procurements through wambo.org}}{\text{Total national procurement spend on disease health commodities}}$$

---

### 5.1.1 Analysis of domestic funding per country per disease

Table 12: Proportion of domestic spend on HIV health products and pharmaceuticals procurement spend

Country	Total health product and pharmaceuticals spend in the period* funded by government US\$	Total health product and pharmaceutical public spend/budget in the period US\$	Indicative size of domestic public funding (percentage)
Guyana	1,863,441	2,329,153	80%
Honduras	6,420,735	7,019,976	91%
Laos	296,595	3,713,112	8%
Zambia	1,500,000	71,069,349	2%

\* Period refers to 2019–2021 for which data were provided by country case studies as part of this evaluation. Insufficient data provided for analysis for other countries in the case study.

Table 13: Proportion of domestic spend on malaria health products and pharmaceuticals procurement spend

Country	Total health product spend in the period funded by government US\$	Total health product public spend/budget in the period US\$	Indicative size of domestic funding (percentage)
Honduras	- (a)	2,148,386	0%
Philippines	- 9,989,464	12,102,775	83%
Zambia	- (b)	52,430,500	0%

Insufficient data provided for analysis for other countries in the case study

(a) Honduras malaria commodities in the period 2019–2021 procured through wambo.org with Global Fund grant funds

(b) Zambia malaria commodities funded by partners with no domestic resources used for procurement 2019–2021

Table 14: Proportion of domestic spend on COVID-19 health products and pharmaceuticals procurement spend

Country	Total health product spend in the period funded by Government US\$	Total health product public spend/budget in the period US\$	Indicative size of domestic funding (percentage)
Honduras	209,478,403	210,237,007	100%
Zambia	114,542,103	157,592,955	73%

Insufficient data provided for analysis for other countries in the case study

Honduras and Zambia are the only two countries that provided holistic data for this analysis. Both countries spend more domestic resources on the procurement of HIV and COVID-19 commodities compared to malaria, where both countries' malaria interventions are funded by the Global Fund/partners.

Neither Honduras nor Zambia is currently using the wambo.org platform for procurement with domestic resources. Any opportunities to use wambo.org for domestically funded commodities in these two countries would likely be for HIV and COVID-19 commodities rather than malaria commodities.

However, in the case of Zambia and Laos, domestic procurement for HIV commodities is below 10%. This is likely because most HIV commodities are funded by donors and therefore no significant domestic funds are spent on procurement for commodities in these countries. For these two countries, unless the countries' domestic resources increase significantly, there would not be any significant additional procurement of HIV commodities through wambo.org with domestic funds.

### 5.1.2 Analysis of domestic procurement through wambo.org, relative to overall spend per disease

We further analysed the total volume of domestic funds channelled through wambo.org against the total national procurement spend as below:

Of the six countries in the case study that use wambo.org for domestic procurement, data was only provided for the three countries below and only for HIV commodities as below:

Table 15: Proportion of HIV procured through the NGC

Country	Total health products spend through the NGC on wambo.org (pilot transactions) US\$	Total national procurement spend on disease health commodities US\$	Indicative usage of the NGC (percentage)
			18
Guyana	434,458	2,329,153	.65%
Kenya	1,216,395	507,566,793	0.24%
Laos	296,595	3,713,112	7.99%

Of the three countries for which data were available, Kenya has the smallest proportion of procurement channelled through the NGC. Kenya also makes limited use of wambo.org in general (outside of the pilot, only using it for procurement of COVID-19 commodities). As such, Kenya is one country with significant potential to increase its use of wambo.org NGC.

It should be noted that Kenya leverages wambo.org for non-grant procurement in the context of a UNITAID/CHAI programme. The UNITAID/CHAI grant and all the different entities procuring through the NGC are further explained in section 5.2 below.

Guyana channels a fair proportion of its HIV procurement through the NGC. As Guyana also funds 80% of its HIV procurement, there is potential for additional procurement through wambo.org with domestic funds. Important considerations have been noted through discussions with stakeholders at country level explaining the proportion of domestic funds channelled through wambo.org (detailed in the Guyana case study report). At country level, the key concern with wambo.org using domestic funding seems to be about delayed lead times. Specifically in Guyana, the perception of extended lead times is due to delays that occurred during the COVID-19 pandemic. However, in 2021, the wambo.org lead times improved and were comparable to alternative options at country level. These misconceptions need to be resolved to enable the country to benefit from wambo.org as an option for procurement using domestic resources.

Laos' HIV domestic spend through wambo.org is only 8%. However, the country's HIV response is largely funded by the Global Fund and procurement using grant funds is already channelled through wambo.org.

Consequently, the expanded use of wambo.org for domestic funding in Laos in the short to medium term would be limited.

## Conclusion

Based on the limited number of countries willing to share data, the proportion of government funded procurement of HIV and malaria commodities varies significantly from country to country and per disease component, ranging from 91% government-funded procurement of HIV commodities in Honduras to 0% government-funded procurement of malaria commodities in Honduras and Zambia (2019–2021).

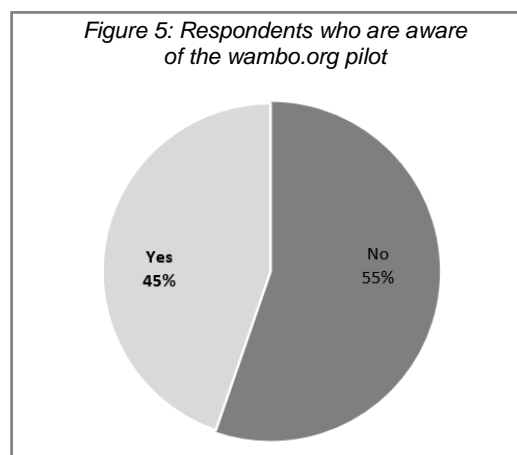
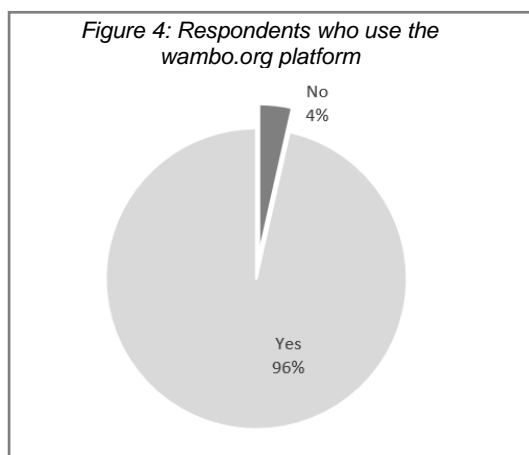
Therefore, the use of the NGC and potential for expansion should be considered on a country-by-country basis and, potentially, by disease component.

Nevertheless, for countries with significant government-funded procurement, the wambo.org NGC could be a valuable alternative procurement mechanism to complement existing mechanisms and ensure countries achieve the best value for their money in health product procurement.

## 5.2 High-level analysis of the wambo.org pilot transactions

According to the stakeholder survey conducted as part of this evaluation, 96.5% of the 87 respondents use the wambo.org platform. However, only 44.7% of the 87 respondents are aware of the NGC through wambo.org.

Evidently, countries should be made more aware of the option to procure with domestic funds through wambo.org.



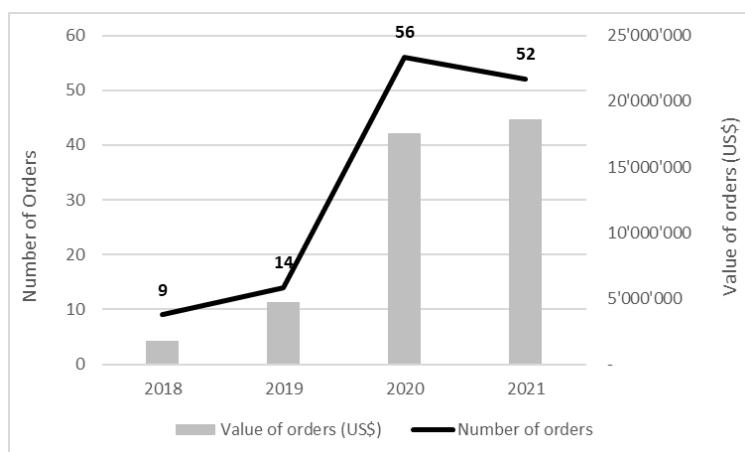
### Analysis of domestically funded procurement through wambo.org

As of 31 December 2021, a total of 131 orders had been placed through the wambo.org pilot amounting to US\$42.7 million, which is 85% of the funds within the cap of US\$50 million.

Below are a few observations on the wambo.org pilot transactions:

- **Upward trend in non-grant funded orders placed year on year since 2018:**

*Figure 6: wambo.org pilot orders 2018 - 2021*



This trend is due to more countries coming on board and perhaps growth in confidence of users.

For 2021, the increase in the use of wambo.org due generally to COVID-19 commodities being channelled through wambo.org could provide more traction for the use of the wambo.org pilot, particularly among grant users. It remains to be seen if this growth will have a knock-on effect on the NGC.

- **Various entities procuring through the non-grant channel on wambo.org**

While 59% of the non-grant funded orders on wambo.org were placed by government entities including Ministries of Health, the remaining 41% of the orders were placed by/funded by non-government entities as illustrated in the table below.

Therefore, wambo.org could potentially play an important role as a procurement tool for mainstreaming seed investments from partners to larger scale financing providers, such as the Global Fund, US government, etc. In such scenarios, the procurement tool would remain the same and the only change would be the source of funds.

Table 16: Entities procuring through the non-grant channel on wambo.org

	Entity	Percentage of wambo.org pilot orders placed	Number of countries
Government bodies	Ministries of Health	29%	15
	National Disease Programs	26%	7
	National Pharmaceutical Supply Entity	3%	1
	Office of the Prime Minister	1%	1
Non-Governmental Organisations	Aurum Institute	4%	1
	Clinton Health Access Initiative (CHAI)*	32%	8
	Rotary Club	5%	1

\*In some cases, CHAI orders were placed by MoH officials as part of the UNITAID/CHAI grant implemented by the respective ministry.

- **Non-grant channel mostly used for procurement of HIV-related commodities**

This is most likely because of the large range of commodities used for HIV, addressing prevention, diagnosis, treatment and monitoring. In addition, the number of different drug formulations used by HIV patients who need continuous supplies, as opposed to shorter term treatments for TB and malaria, means that HIV has the highest number of lines (or products) and therefore account for the majority of the pilot spend.



Nigeria, Benin and Togo placed the highest number of orders through the NGC on wambo.org. The explanations at country level for these countries focusing on HIV (as opposed to malaria) procurement through the NGC are as follows:

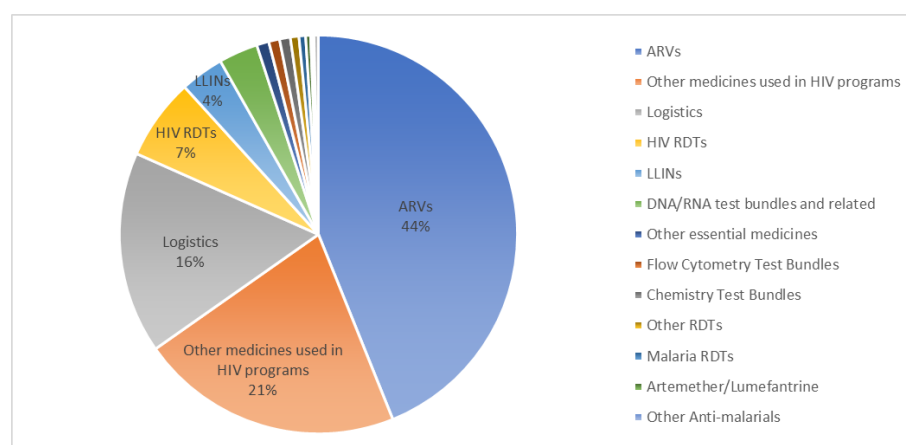
- Nigeria: The endemicity of malaria in Nigeria resulted in mass marketing of malaria prevention and treatment products, leading to both increased local production and more suppliers importing commodities into the country. We understand the malaria products available in country are all registered in the country's regulatory framework. Country stakeholders therefore have less appetite to source malaria commodities on wambo.org using domestic funding. Additionally, malaria commodities procurement is conducted mainly at the state level and further decentralised to hospitals under the Drug Revolving Fund scheme and down to the LGAs (districts). At these levels, stakeholders are not familiar with the wambo.org platform.
- Benin: The malaria programme is largely donor-funded. This is evidenced by the modest government spend on procurement for malaria commodities in 2019–2021 (total of US\$1.5 million all channelled through the NGC as shown at table 1).
- Togo: The malaria programme is largely donor-funded and therefore there is no significant domestic spending at country level.

In respect of the limited COVID-19 procurements through the NGC, findings from the country case studies indicate that wambo.org is not seen as sufficiently rapid for emergency procurement. Therefore, countries preferred to procure domestically, especially during the initial stages of the pandemic.

While TB-related commodities (including those funded by the Global Fund) are usually procured through GDF, six orders for TB-related commodities were placed through the NGC:

- One order was for Zanzibar's GeneXpert warranty extension and GeneXpert site laptop system.
- Five of the orders were funded by the UNITAID/CHAI programme for Determine TB LAM Ag test kits in Lesotho, Nigeria, Uganda and Zimbabwe. CHAI placed the orders through wambo.org and not through GDF because the programme wanted to use one platform for health product procurement and it was already using wambo.org for HIV-related procurement. We noted that the unit prices offered through wambo.org for the TB test kits were at par with GDF's reference prices for the same commodities.

Figure 7: wambo.org pilot commodities' categorisations (percentage of order value)



- **Logistical/PSM costs account for 16% of the total pilot spend**

US\$7 million of the value of orders placed at 31 December 2021 relates to logistics costs, including freight, insurance, PSA fees, QA costs and cost-fluctuation buffer. This converts to 19% of the value of the products

across all countries and commodities, which is considered reasonable for costs associated with logistics to land the goods as per Global Fund PPM guidelines.<sup>11</sup>

The wambo.org NGC PSM cost percentages range from 6% (lowest PSM cost including freight) on a specific order for Nigeria to 497% on a specific order for Kenya (explained below). These averages mask important differences in PSM costs by commodity and by country, which we have analysed further in section 5.3.

For international procurement, freight costs will naturally vary according to the geographical distance between the country of manufacture and the destination country. Other factors are the weight and volume of the consignment, delivery arrangements (modality, route, incoterm, final in-country destination), product-specific considerations (temperature requirements, packaging) and other factors, such as oil price, global trade economics, supply and demand, and air/ocean port infrastructure. Sea freight is cheaper than air freight and is the preferred method for bulky items such as PPE, condoms, lubricant, needles and syringes. Air freight, while faster, is more expensive.

Other factors affecting freight when expressed as a percentage of costs (noting that freight costs are not related to product value) is the volume and value of the orders. Small quantities of low value items are likely to attract a high percentage freight cost. This was the case for one country in east Africa PO for Isoniazid for TB Preventative therapy with a value of US\$541, which had logistics costs of US\$2,687. Another country in west africa, on the other hand, ordered large quantities of WHO Optimal Recommended ARVs where the value of products was US\$2.5 million against freight costs of around US\$144,000.

- **Low volume of non-grant orders from countries expected to prioritise or build upon existing sustainability and transition planning during 2020–2022 cycle**

One of the objectives of the NGC is to allow countries to continue to access quality-assured health products at competitive prices through wambo.org, even after transitioning from Global Fund support. However, only six of the twenty-four countries that procured through the NGC have disease burden and or income classifications that could make them ineligible for Global Fund financing for certain disease components – these countries are encouraged to prioritise transition planning during the current grant cycle.

Specifically, as per the projected transitions from Global Fund country allocations by 2028<sup>12</sup>, Botswana (HIV, TB), Ecuador (HIV) and Guyana (HIV, TB, malaria) are Upper Middle Income (UMI) countries with *not high disease burden* for the indicated disease components. Comoros (HIV, TB,) Laos (HIV) and Sri Lanka are Lower Middle-Income countries (LMIs) with *not high disease burden* for indicated disease components.

On average, these countries have placed 2.2 orders in the period 2017 to date. The NGC was not used extensively by these six countries and not used at all by other countries meeting these criteria. Some of the reasons provided for the low uptake include:

- Regulatory barriers, as elaborated in detail in section 4.1.
- Use of own platforms or other existing platforms that countries are aware of (notably PAHO in the LAC).
- Unfamiliarity with the NGC, as noted in figure 6.
- Country perception about lengthy lead times on wambo.org.

Nevertheless, the wambo.org non-grant channel is a valuable tool at a country's disposal to access quality-assured commodities at already negotiated prices, and the low uptake could be a missed opportunity to further enhance the VfM of domestic procurement of health commodities.

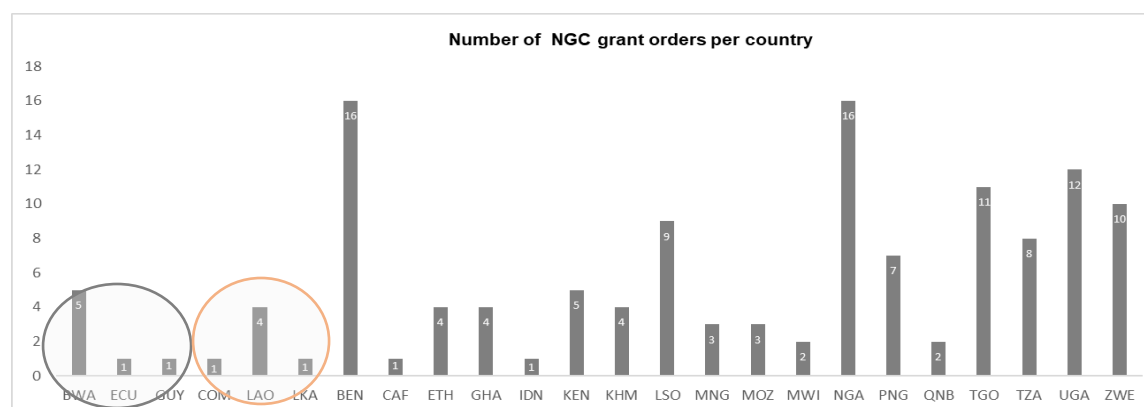
---

<sup>11</sup> Calculated based on:

[https://www.theglobalfund.org/media/8668/ppm\\_procurementservicesagentfees\\_list\\_en.pdf](https://www.theglobalfund.org/media/8668/ppm_procurementservicesagentfees_list_en.pdf);  
[https://www.theglobalfund.org/media/8985/ppm\\_freightinsurancequalityreferencecosts\\_list\\_en.pdf](https://www.theglobalfund.org/media/8985/ppm_freightinsurancequalityreferencecosts_list_en.pdf)

<sup>12</sup> [https://www.theglobalfund.org/media/9017/core\\_projectedtransitionsby2028\\_list\\_en.pdf](https://www.theglobalfund.org/media/9017/core_projectedtransitionsby2028_list_en.pdf)

Figure 8: wambo.org pilot commodities per country



- Upper Middle Income (UMI) countries with *no high disease burden* for specific disease components
- Lower and Middle Income countries (LMICs) with *no high disease burden* for specific disease components

## Conclusion

The findings indicate that countries may not be aware of the wambo.org NGC. Therefore, any effort to expand the NGC should start by creating awareness among countries about wambo.org as an option for procurement using domestic funds. This is particularly important for countries that are expected to prioritise existing sustainability and transition planning during the 2020–2022 cycle, as their utilisation of the NGC was lower than expected.

Among the countries that use the NGC, their preference has been to procure commodities for HIV interventions more than for malaria or COVID-19.

The wambo.org NGC is also a valuable alternative procurement mechanism, particularly when procurement is funded by other development partners. As demonstrated by the NGOs procuring through the NGC (CHAI, Aurum Institute, Rotary Club), partners can procure quality-assured health products through established mechanisms on wambo.org.

Logistics and PSM costs on NGC procurements through wambo.org are generally within expected averages. However, there are significant outliers at country level which indicate that logistics/PSM costs are not always anticipated or carefully planned at the ordering stage. There are opportunities to optimise planned procurement in this respect, as elaborated in the subsequent section.

### 5.3 Value for Money analysis (economy, efficiency, effectiveness)

With the available qualitative and quantitative data from interviews and country case studies, we have assessed the Value for Money (VfM) aspects of the wambo.org pilot in each of the countries in the case study.

Several development partners<sup>13</sup> describe VfM as achieving balance among a programme's 'four Es' – economy, efficiency, effectiveness and equity. The Global Fund's definition of VfM also considers the sustainability of a programme.

The VfM analysis we conducted is focused on the quantifiable aspects of VfM that can be attributed to the NGC, i.e. economy, efficiency and effectiveness. The analysis is based on data from eight countries, which provided sufficient data for comparison on at least one of the VfM aspects evaluated (Cote d'Ivoire, Guyana, Honduras, Kenya, Laos, Philippines, South Africa, Zambia).

Importantly, achieving VfM is not simply about achieving the lowest cost for interventions, and this is evident for the wambo.org pilot. The table below summarises the key considerations in the VfM assessment of the wambo.org pilot, which attributes are quantifiable and measurable, and which are not.

Table 17: VfM parameters considered in the evaluation

	Definition in the context of the wambo.org pilot	Parameters considered	Measurable	Not measurable or directly attributable
<b>Economy</b>	Whether the wambo.org pilot provided the right quality of commodities at the lowest cost possible	Savings on purchase price of quality-assured commodities relative to available options	✓	
		Savings on time spent by bypassing country tendering processes (pre-qualification, bidding, and supplier selection), contract management		✓
		Savings on PSM costs relative to available options	✓	
		Direct costs attributable to the wambo.org pilot at the Global Fund Secretariat	✓	
		Direct costs attributable to the wambo.org pilot at country level*		✓
<b>Efficiency</b>	Whether the commodities procured through the wambo.org pilot were made available in the most optimal way	Savings on lead time to deliver product in country, relative to available option	✓	

<sup>13</sup> OECD, DFID, World Bank

Definition in the context of the wambo.org pilot	Parameters considered	Measurable	Not measurable or directly attributable
<b>Effectiveness</b>			
Whether procurement through wambo.org pilot achieved intended results in line with programme objectives	User satisfaction from experience with wambo.org pilot	✓	
	Contribution of wambo.org pilot to timely delivery of affordable quality products to treat patients with HIV, malaria or COVID-19		✓

\* Country level stakeholders did not keep track of additional time spent specifically on the wambo.org pilot. In many cases, the time is expected to be limited, as all pilot countries also use wambo.org for Global Fund grant procurement and are familiar with the platform.



Where data is available, we performed the VfM analysis focused on the economy, efficiency, and effectiveness of the wambo.org pilot in each country in the case study. The key findings are elaborated in the next pages.

### 5.3.1 Economy

To assess whether the NGC provides the right quality of commodities at the lowest possible cost, we performed the following:

- **Assessed total costs of the NGC through wambo.org at both Secretariat level and country level**

From our discussions with the Sourcing Team at the Global Fund, the costs specifically attributed to the wambo.org pilot are as follows (additional costs are not expected to be significant).

				Total Costs (2017 – 2021) US\$
Global Fund Secretariat		Human Resources	1.5 Full Time Equivalent staff and other support	590,204
		wambo.org licenses	95 additional licenses specifically for wambo.org pilot users	98,400
	Subtotal costs covering the period 2017–2021			688,604*

**Country Level** No significant costs noted or expected

\*Average cost per year to Global Fund Secretariat: US\$137,721

Based on available information, costs associated with the NGC have mainly been at Global Fund Secretariat level. Our findings from discussions with in-country stakeholders indicate that no significant or quantifiable costs associated with launching or using the wambo.org pilot have been incurred at country level.

Further, we understand from our discussions with the Global Fund Secretariat that there would be no significant additional costs if the wambo.org pilot were to expand organically.

- **Compared cost savings of domestically funded procurements on the wambo.org pilot**

Per disease category for similar products and unit packs = 
$$\frac{\text{[Unit cost } ^{(d)} \text{ versus unit cost } ^{(w)}]}{\text{[Unit cost } ^{(d)} \text{ versus unit cost } ^{(w)}]}$$

In general, the results of the price comparison vary by country and by commodity. In each country, wambo.org pilot prices are lower for certain commodities, but not consistently. In several instances, the wambo.org unit price is comparable to the domestic price for the same commodity. There are instances in each country where domestic prices are lower for other commodities, or for commodities previously purchased through the wambo.org pilot. It should be noted that the quality of products procured domestically may not be comparable to the quality of products procured through the NGC.

#### Key highlights by commodity type:

ARVs/HIV medicines	wambo.org prices were cheaper than domestic/alternative options for TLE in Zambia and Cote d'Ivoire, TLD in Guyana, DTG in South Africa, and Azithromycin in Zambia. Other transactions analysed in the case study country data revealed that countries were achieving prices comparable or better through wambo.org.
HIV RDTs	Prices were largely comparable for large quantities of screening tests. However, for confirmatory tests and self-tests, wambo.org prices were significantly lower than those achieved through domestic procurement in Philippines and Honduras.
Antimalarials	With the exception of one local tender in South Africa, local prices paid for ACT were consistently lower than through wambo.org. Differences were significant in Kenya and Guyana. While cheaper domestic prices could be due to regional/domestic suppliers with lower unit costs, it should be noted that the PPM reference price compared (as the wambo.org indicative price) is a blended price for budgeting purposes across awarded manufacturers. The actual prices contracted on wambo.org could be 15–20% lower than the reference price for some products.
LLINs	There are large potential savings for family-size LLINs in Southeast Asia if procured through wambo.org, as high domestic unit prices have been reported.
MAL RDTs	Local prices paid for malaria RDTs were consistently lower than through wambo.org. Differences were significant in Kenya and Philippines. As with antimalarials above, the impact of comparing actual realised domestic prices against reference prices could contribute to the significant differences, as actual prices realised through wambo.org are often lower than the reference prices.

## Key highlights by country

The table below summarises the key commodities where wambo.org (landed) unit prices were cheaper than domestic/other procurement mechanism used in country.

The commodities presented are extracts that focus only on instances where countries could have benefitted by procuring through wambo.org. Other commodities where wambo.org prices were comparable or higher are not included. However, these and further details are provided in annex 8.5 for countries where there was comparable data on domestic procurement costs.

Table 18: Commodities where wambo.org landed prices were cheaper than domestic options

Country	Commodity	Quantity procured	*Actual/ potential savings on landed prices US\$
Country A	ARVs – See Note 1	225,147,050	195,870,236
Country A	Artemether/Lumefantrine, and Artesunate powder vial – See Note 1	517,735	13,151,962
Country B	Efavirenz/Lamivudine/Tenofovir-400/300/300mg tablets- 30s no carton	200,000	366,000
Country B	Respirator, high-filt, fpp2/N95,no valve, non ster.,piece	6,438,280	5,182,815
Country C	Abacavir/Lamivudine	91,280	*136,920
Country C	Efavirenz/Lamivudine/Tenofovir	508,272	*2,772,650
Country C	Lopinavir/Ritonavir	92,760	*148,416
Country D	LLINs	328,660	3,124,904
Country D	RDTs: HIV RDTs	1,677,340	258,620
Country E	RDTs: HIV RDTs (Determine Complete HIV Kit, 100 tests & OraQuick HIV Rapid Antibody Kit, 100 tests) – note 2	3,741	*39,691
Country F	Dolutegravir/Lamivudine/Tenofovir	21,675	170,366

\* Relates to actual savings realised on the wambo.org landed price compared to the domestic price for the same commodity.

All prices indicated above are landed prices (except for one of the countries in Latin America ) and PSM costs are already taken into account. The analysis above should be interpreted in the context of the detailed workings at Annex 8.5, together with the accompanying explanatory notes below.

**Note 1:** No data was provided on actual procurement in one of the South East Africa countries . The analysis is based on the Government's ARVs Tender of 1 July 2019 to 30 June 2022 procurement period, the contracted price at which the Government expects to procure the indicated volume of ARVs in the period 2019–2022. Because of the significant procurement volumes by the country, even small exchange differences have a significant impact on the overall calculations.

Further, calculations are based on volume in the awarded tender. Actual procurement data were not available, and it is possible that savings realised on the actual transactions may differ if the awarded suppliers do not supply the amounts within the tender.

Importantly, also based on the tender details reviewed, wambo.org reference prices (adjusted for PSM costs) were cheaper for 36% of the commodities in the tender. We acknowledge that the prices achieved by the Government of this country on the remaining commodities were cheaper than the wambo.org reference price.

**Note 2:** The analysis for Honduras is based on Ex Works Incoterm prices, which differ from all the other analyses presented on a landed cost basis.

- We also compared wambo.org PSM/procurement costs to similar costs for domestic procurements

Per disease category for similar products and unit packs =  $\frac{\text{Average PSM costs}^{(d)} \text{ versus average PSM costs}^{(w)}}{\text{Average PSM costs}^{(d)} \text{ versus average PSM costs}^{(w)}}$

Again, findings vary by country and by commodity. Moreover, the impact of COVID-19 on lead times and PSM costs must also be taken into account.

### Key highlights by commodity

We compared the PSM costs as a percentage of total order value for key commodities procured through the NGC versus PSM costs as per Global Fund's indicative reference freight, insurance and quality assurance costs for budgeting purposes<sup>14</sup>.

Table 19: PSM costs comparison

	Computed PSM costs on NGC procurements through wambo.org			Range for total "Logistics" costs as % of value of goods*	
	Lowest	Average	Highest	Ocean	Air
ACTS	51%	84%	127%	11.64%	37.64%
ARVs	6%	28%	72%	5.64%	18.64%
HIV RDTs	9%	25%	36%	14.39%	20.39%
LLINs	22%	35%	47%	22.94%	
Malaria RDTs	19%	71%	132%	23.39%	45.39%

\*Source:

[https://www.theglobalfund.org/media/8985/ppm\\_freightinsurancequalityreferencecosts\\_list\\_en.pdf?u=637084674260000000](https://www.theglobalfund.org/media/8985/ppm_freightinsurancequalityreferencecosts_list_en.pdf?u=637084674260000000)

Findings indicate that there are some high percentage PSM costs associated with malaria RDTs and ACTs. As previously mentioned in 5.2 above, this can be due to small volumes of low value items (notably ACTs) and small quantities of RDTs sent by air freight.

LLINs' and HIV RDTs' computed PSM costs were generally found to be in line with the indicative range, although averages were distorted by outliers.

<sup>14</sup> This is a document published by the Global Fund to provide indicative reference costs for freight, insurance and quality assurance for PR budgeting purposes. Comparison is based on the Q4 2021–November 2021 information



## Key highlights by country

Direct comparison of PSM costs between wambo.org and domestic procurement mechanisms was only possible for 3 countries: Honduras, Guyana, and Kenya.

- In respect of Honduras, wambo.org PSM costs were comparable except for Raltegravir 400 mg (60 tabs) in 2019 which had much higher PSM Costs for domestic procurement (24% vs 5% through wambo.org). This disparity evened out in 2020 with 10% and 11% PSM costs respectively.
- In Guyana, wambo.org PSM costs were higher than the domestic alternative, particularly for ACT AL (30% against domestic rate of 18%). Notably, however, most of the country's wambo.org orders were placed in 2020 when supply chains were disrupted by COVID-19.
- In Kenya, local PSM costs were only quoted as 2% for LLINs, against 27% computed for LLINs through wambo.org. KEMSA achieves lower PSM costs than wambo.org because the only cost that applies to KEMSA shipments normally is the procurement fee. Warehousing and distribution fees of 6% would apply equally to all commodities regardless of source.

In the other case study countries, it was not possible to separate PSM costs from domestic procurement unit prices which are considered the landed price and therefore a comparison with wambo.org costs was not possible. Notable observations in these country case studies include the following:

- Laos PSM costs are high (even through wambo.org), presumably because of the small quantities (small population) and, being land-locked, there is no ocean freight option. Goods must come by air or road from Thailand, China, Vietnam, etc.
- In Philippines, the findings clearly demonstrate the variation in PSM costs as a percentage of the cost of goods, with wambo.org PSM values ranging from 7% for large quantities of LLINs shipped by sea to 498% for small quantities of low value anti-malarials, which were presumably sent by air. Another example from 2021 is observed for Philippines HIV test kits, where PSM costs fell from 23% to 9% due to the larger order volume and value.

PSM costs as a measure of cost effectiveness must be included when countries are considering procurement through wambo.org. There are considerable efficiencies in freight and shipping costs when placing larger consolidated orders, but this may not be possible in some country contexts, such as the declining number of malaria cases requiring treatment resulting in reduced need for anti-malarials.

Detailed analyses per country are provided in annex 8.6.

### 5.3.2 Efficiency

To assess whether the commodities procured through the wambo.org pilot were made available in the most optimal way, we performed the following analyses at country level.

- **Assessed lead time of the wambo.org pilot compared to other domestic procurement mechanisms**

Per disease category for similar products and unit packs = 
$$\frac{\text{Average lead time}^{(d)} \text{ versus average lead time}^{(w)}}{\text{Average lead time}^{(d)} \text{ versus average lead time}^{(w)}}$$

⇒ where lead time (in months) = [ Actual delivery date - Order date ] / 30 days

We defined lead time as the period between order placement until first delivery to enable comparison between wambo.org and other procurement mechanisms. This definition is also a standard definition (time from order placement to delivery).

However, it is also important to note that in supply planning, the procurement cycle starts well before the Purchase Order (PO) is raised. In domestic procurement situations, there are several procurement steps (preparation of bid documents, advertising, bid opening, bid evaluation, evaluation report, approval of award) before the raising of the PO. This ultimately increases the lead time.

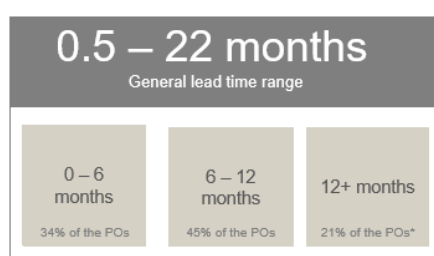
The advantage that wambo.org orders have in terms of lead time is that the procurement tendering processes take place centrally and are managed by the Global Fund, such that when countries need commodities, the applicable lead time is only from placing the order on wambo.org.

## Key highlights by commodity

We compared the lead times achieved for NGC procurements through wambo.org to the Global Fund PPM guidance released November 2021.

Of the 131 NGC orders placed by 31 December 2021 on wambo.org, 89 orders (comprising 362 products) had delivery dates supplied and therefore formed the basis for this analysis.

The results were grouped into blocks of three months for analysis and findings were as follows:



Products delivered after 12 months were largely:

- HIV viral load kits and commodities (1 order)
- TB preventative therapy medicines (11 orders)
- CD4 test kits (one order)
- OI medicines for HIV (3 orders)
- Limited use ARVs (1 order)

The table below presents a high-level summary of lead time ranges achieved for key commodity groupings on wambo.org compared to Global Fund's lead time reference table as per PPM guidance in July 2020 and November 2021.

Table 20: Comparison of NGC lead times to Global Fund PPM lead time guidelines

	Lead time range (months) achieved for NGC orders through wambo.org								Total orders
	0-3	3-6	6-9	9-12	12-15	15-18	18-21	21-24	
ARV - WHO Optimal Recommended		9	38	35					82
ARV - Specialist or Limited-Use			13	1	1				15
Other medicines used in HIV programs	7	21	43	17	12	6	1	4	111
HIV RDTs		6	11	1					18
Artemether/Lumefantrine		6							6
Malaria RDTs		1		1					2
LLINs		2	2						4
<b>Total orders</b>	<b>7</b>	<b>45</b>	<b>107</b>	<b>55</b>	<b>13</b>	<b>6</b>	<b>1</b>	<b>4</b>	<b>238</b>

Lead times per Global Fund PPM guidance			
Lead Time Range as of July 2020 (months)		Lead Time Range as of November 2021 (months)	
6	8	7.5	8.5
6	8	7.5	9.5
7	8	8.5	9.5
7		8.5	
6		7.5	
7	8	8.5	9.5
7		8.5	

Commodities with more than nine months' lead time are flagged because they exceed the Global Fund's own lead time reference.

## Key highlights by country

The overall picture from the case study country data is that wambo.org lead times were longer than with domestic procurement (without taking into account any pre-ordering processes that may apply at country level). This can be explained by:

- Delays specific to international procurement and related to customs clearance and tax exemptions that are not faced in domestic procurement. This applies specifically to Honduras and Kenya.
- The impact of COVID-19 on lead times, particularly when procuring through international suppliers. In Guyana for instance, wambo.org procurement lead times in 2020 were higher than lead times with alternative procurement mechanisms. However, wambo.org orders in 2021 had comparable or better lead times than domestic options.

While the evaluation period is largely impacted by the COVID-19 pandemic, the findings indicate that wambo.org is not really geared to 'emergency procurement'. This can be mitigated through robust supply planning that factors in realistic lead times (especially in the current pandemic climate), early placement of orders and the inclusion of local suppliers.

Details of the analysis performed by country are provided in annex 8.7.

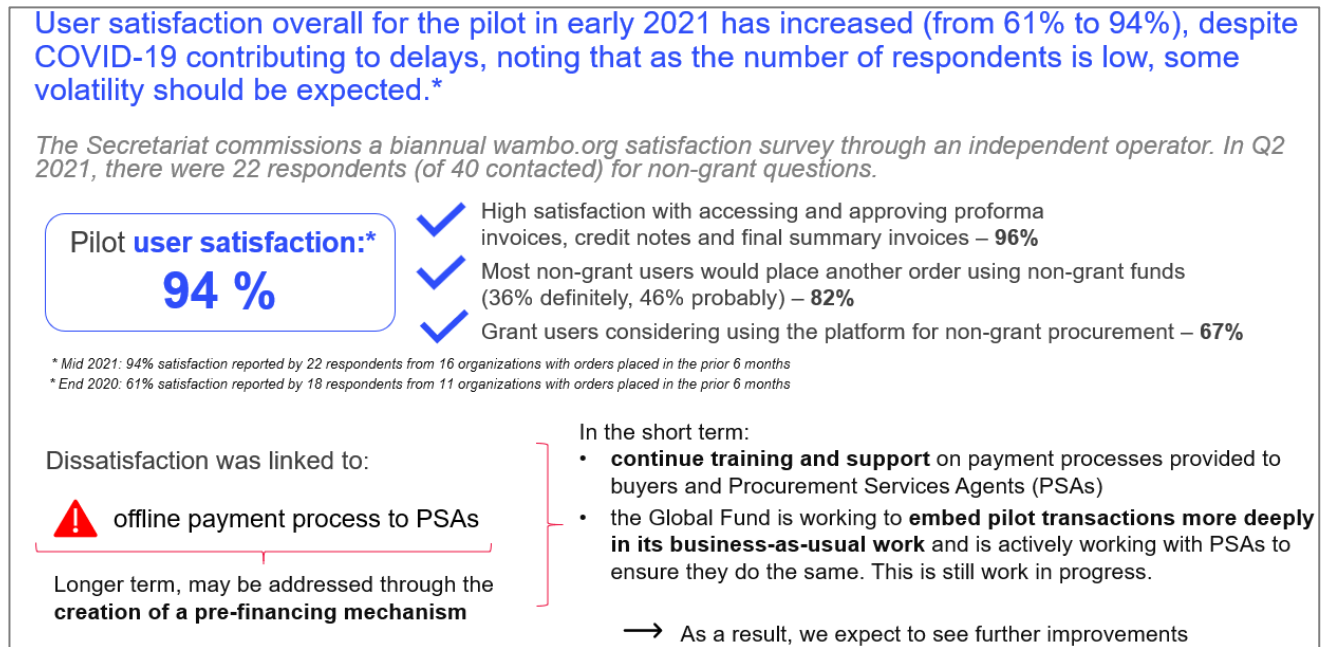
### 5.3.3 Effectiveness

To assess whether procurement through wambo.org pilot achieved the intended results in line with programme objectives, we took into account the feedback from:

#### 1) Global Fund-commissioned user satisfaction surveys among pilot users as per extract below.

In general, the impact of COVID-19-related delays in the delivery of commodities ordered through the pilot, as well as the prepayment requirements for domestic funded procurements affected the user satisfaction. Nevertheless, user satisfaction subsequently increased and about 82% of the respondents would definitely or likely place another order through wambo.org with domestic funds.

Figure 9: wambo.org pilot user satisfaction results Q2 2021

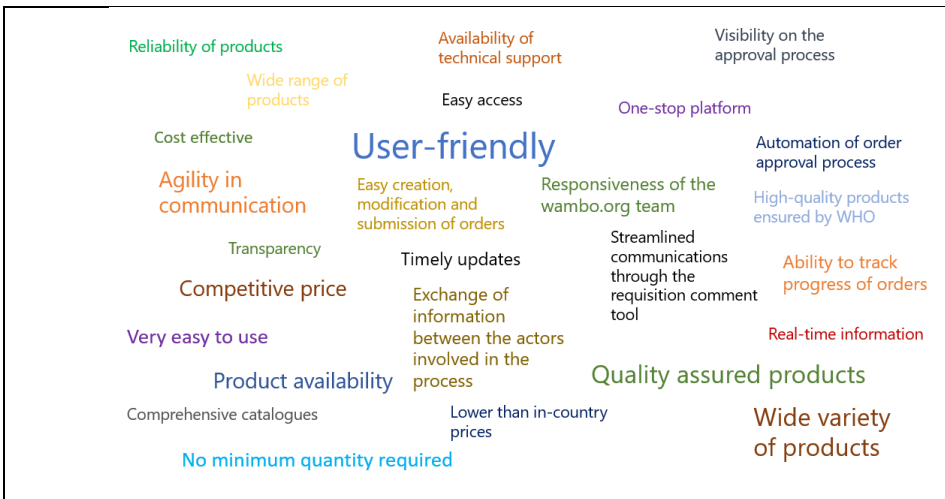


Source: Global Fund internal document

## 2) Stakeholder survey launched as part of this assessment:

The results of the stakeholder survey show that users' experience of wambo.org is positive as the platform was described as 'user-friendly' by a high number of respondents. The respondents appreciate the platform's interface and its various features, including but not limited to the visibility on the approval process, product availability and the easy exchange of information between the actors involved in the procurement process.

Figure 10: Key positive features of wambo.org



### 3) Other findings on economy, efficiency and effectiveness of the wambo.org pilot based on interviews:

The evaluation focussed on the wambo.org pilot. However, there are features of wambo.org that benefit to the pilot. Therefore, we have made a qualitative assessment of the platform, supplemented by previous evaluations of the platform itself to inform the strengths and challenges of the wambo.org pilot.

#### **Key success factors of the wambo.org pilot that attract users**

Based on interview findings, the key success factors of wambo.org and the wambo.org pilot that attract users to the platform are:

- Quality assurance
- Transparency
- Reliability and stability with suppliers
- Visibility of supply and flow of funds
- Ease-of-use
- Reactive and supportive wambo.org team
- Access to other organisations not limited to PRs

When assessing the contribution of wambo.org to the efficiency of Global Fund's investments, there are noticeable efficiency gains driven by the key success factors identified above (transparency, visibility, process automation and reliability).

Global Fund country teams particularly emphasised the added value of wambo.org and the wambo.org pilot in countries where quantities are low and/or where the procurement processes are more vulnerable. In these countries with little capacity, the platform allows local buyers to access quality-assured health commodities at a better price than if procured locally. However, based on interviews during the country case studies, wambo.org seems to bring little or no efficiency in terms of lead time and cost savings for countries with strong and established procurement systems. This observation is consistent with the findings from the data analysis in the section on effectiveness.

By comparison, the table below summarises stakeholders' feedback on the features of different platforms they have engaged with for health product procurement:

Table 21: Stakeholders' feedback on the features of different platforms other than wambo.org

Platform	Products purchased	Positive features	Challenges
GDF	TB products, health equipment, PPE	<ul style="list-style-type: none"> <li>• Products fully compatible with the health system</li> <li>• Negotiated prices</li> <li>• Quality-assured products</li> <li>• Easy to use</li> </ul>	<ul style="list-style-type: none"> <li>• Approval of PO takes time</li> <li>• Long shipment times</li> <li>• Procurement lead time longer than with local procurement</li> <li>• A long delay in providing an offer</li> <li>• Pre-payment condition</li> <li>• Delayed deliveries</li> <li>• Orders need to be downloaded one by one</li> </ul>
UNICEF	Cold chain equipment and vaccines, vaccines, and condoms	<ul style="list-style-type: none"> <li>• User-friendly and easy to navigate</li> <li>• Products are grouped in described and clear categories</li> </ul>	No responses provided
UNDP	For all TB, HIV, and COVID products	<ul style="list-style-type: none"> <li>• Quality of products offered</li> <li>• Prices comparable to market</li> </ul>	<ul style="list-style-type: none"> <li>• Long delays in accessing information</li> <li>• Long delays for delivery</li> <li>• Not able to access financial information, including invoices</li> </ul>
UNOPS	Motorcycles, laptops, vehicles	<ul style="list-style-type: none"> <li>• Ordering is easy and secure</li> <li>• Products are quality-assured</li> <li>• Allows the purchase of specific products (solar, computer, rolling stock)</li> <li>• Training and reporting</li> <li>• Possibility to place an accelerated order</li> </ul>	<ul style="list-style-type: none"> <li>• Long delivery time</li> <li>• Long lead time</li> </ul>
PAHO	Malaria RDTs, LLIN, COVID products (PPE)	<ul style="list-style-type: none"> <li>• Provides technical assistance on PSM-related issues</li> <li>• Similar product accessibility compared to wambo.org</li> </ul>	<ul style="list-style-type: none"> <li>• One cannot follow the procurement steps and must rely on information provided by the procurement officer, which takes more time.</li> <li>• Communication has been a problem when no focal point has been assigned in country.</li> <li>• Pre-payment conditions</li> <li>• Delays have been observed when providing offers.</li> </ul>
WHO Strategic Fund	ARVs	<ul style="list-style-type: none"> <li>• It frees the public system from administration processes</li> </ul>	<ul style="list-style-type: none"> <li>• Information is not as easily accessible as wambo.org</li> </ul>

Platform	Products purchased	Positive features	Challenges
African Medicines Agency	N95 masks, hand sanitiser, surgical gowns, test kits, even ventilators, vaccines, vaccines accessories.	<ul style="list-style-type: none"> <li>• Purchases are aggregated so that suppliers are not dealing with so many countries</li> <li>• Customers pay market rates for high-quality PPE. N95 masks are approximately US\$2, and everything on the website comes directly from the manufacturer to minimise fraud</li> <li>• AMSP acts with a sense of urgency that COVAX was never able to summon</li> <li>• Transparency</li> <li>• More importantly, because it is run entirely by people from Africa, AMSP understands the challenges ahead and will be better suited to meet them</li> </ul>	<ul style="list-style-type: none"> <li>• The uptake is relatively low in Africa</li> </ul>

## 5.4 Conclusion

Even on a limited evidence base, it is apparent that country's experiences with wambo.org vary and cannot be generalised. Therefore, the decision of whether to procure domestically or through wambo.org is determined by country and by product.

However, wambo.org is a valuable complement alternative procurement mechanisms.

From the VfM analysis, the average annual cost of the NGC to the Global Fund is US\$137,721. Against this cost, there are significant benefits that countries, partners and the Global Fund stand to gain by using the NGC on wambo.org as an alternative procurement mechanism. Below is a summary of the key benefits from the findings on economy, efficiency and effectiveness and from a sustainability perspective.

- **Economy:**

The available data indicated that in several instances wambo.org landed prices are comparable to or more economical than the alternatives at country level for specific commodities (assuming the quality is the same). In these cases, countries (or partners) stand to benefit in significant dollar terms by procuring through wambo.org without comprising quality.

Table 23 below summarises the commodities where wambo.org landed prices were comparable or more economical than domestic options based on the available data. For the commodities indicated, countries achieved significant savings on landed costs through the NGC or could have achieved significant savings had they procured through the NGC rather than domestically.

*Table 22: Commodities where wambo.org is comparable or more affordable than domestic prices for the same commodities*

Product category	Cote d'Ivoire	Guyana	Honduras	Philippines	South Africa	Zambia
HIV RDTs		✓	✓	✓✓		
HIV ARTs	✓✓	✓✓			✓✓	✓✓
Anti malarials		✓			✓✓	
LLINs				✓✓		
COVID related PPE	No data for comparative analysis					✓✓
COVID related respirators						✓✓

Notes:

- ✓ wambo.org landed prices are comparable to domestic alternative
- ✓✓ wambo.org landed prices are more favourable than domestic alternative

Blanks indicate that wambo.org landed prices were more expensive, or there was no data provided for analysis.

- **Efficiency:**

Because of the significantly large volume of health commodities procured by countries, the impact of small differences in unit costs can result in material savings. If procuring through wambo.org can help countries consolidate such savings, the NGC could become a valuable channel to optimise domestic resources. In light of the limited domestic funds available, it is important that countries have the option to procure in the most economic and efficient way possible.



In such instances, countries can be encouraged to explore the use of wambo.org as an option for procurement with domestic resources if they are not already using it. Of course, countries will procure locally where local mechanisms provide commodities at appropriate quality and/or more favourable terms (prices, lead times).

- wambo.org unit reference prices are available for countries for planning purposes. This makes wambo.org an important tool for informed decision-making. Countries and partners can make comparisons before placing orders domestically to ensure they obtain the same quality products at the most favourable price and lead time.

- Effectiveness:

wambo.org and NGC are the only procurement mechanisms for certain countries' HIV and malaria commodities. Based on the data provided, the following countries used wambo.org for all procurements for the indicated commodities.

	HIV	Malaria	COVID-19
Benin	✓	✓	✓
Honduras*		✓	
Laos	✓		
Togo	✓	✓	

*\*In Honduras, all malaria commodities for the period 2019–2021 were procured through grant funds on wambo.org.*

Further, satisfaction rates among the NGC users are high, in spite of the disruption caused by COVID-19 to global supply chain mechanisms. Users specifically acknowledge the guaranteed quality of health products on the platform.

- Sustainability:

Certain countries are expected to transition from Global Fund support in the medium term. For such countries, expected to prioritise sustainability and transition planning in the 2020–2022 period, access to the NGC is important to ensure that their access to quality-assured health products is not disrupted once they transition from Global Fund support. It is therefore a concern that countries in or approaching transition seemed to make very little use of the wambo.org pilot.

To further maximise the benefit of procuring through the NGC, the following aspects need to be monitored and planned:

- PSM costs: available data indicate that there is room for improvement in optimising PSM costs and ensuring that orders are delivered in the most efficient manner. The Global Fund sourcing team can work with countries to ensure that the volume, value and means of transport for each order placed represents the best VfM in the circumstances.
- Lead times: findings indicate that COVID-19 had a significant impact on the lead times of international procurement platforms, including wambo.org. However, this can be managed by robust supply planning that factors in realistic lead times and by early placement of orders.

## 6. Conclusions and recommendations

### 6.1 Summary conclusions by parameter

Below are key conclusions against the six parameters on which the evaluation is based:

Legislative, regulatory, policy and institutional framework	The most important enabler to optimal use of the NGC is a conducive legislative, regulatory and policy environment underpinned by political will. Some governments do not present such an environment and may have to make some changes in their legislative frameworks for the NGC to be viable. The Global Fund would also need to make constitutional and operational changes to accommodate wambo.org and the NGC either as a stand-alone or additional solution to give the country the access to the benefits of the PPM and the technology, even when the country is no longer eligible to Global Fund grants.
Integrity and transparency	The evaluation shows that wambo.org and the pilot achieved a high degree of transparency and integrity across the procurement of HIV, malaria and C-19 commodities which improves decision-making, supply planning and grant budgeting. However, there is still scope to improve transparency by providing countries further visibility in the competitive sourcing process, which might represent a legislative barrier in some countries.
Barriers, risks and challenges	The evaluation findings indicate that some risks and barriers need to be taken into account when designing the next phase of the NGC. Such risks include a potential dependency on an externally managed procurement system if the local procurement system is not adequately strengthened in parallel with the use of wambo.org and a lack of clarity on how wambo.org and the pilot support countries moving towards transition. The main barriers identified are the absence of a pre-payment mechanism, the lack of transparency over the competition process, as it does not comply with national policies in a number of countries, and insufficient awareness on how to involve local suppliers in the tendering. Finally, stakeholders perceived that wambo.org is not geared towards emergency procurement due to the delays experienced with orders placed during the COVID-19 pandemic.
Impact	Almost all stakeholders interviewed agree that, to some extent, wambo.org contributed to improving health outcomes by providing countries with a mechanism to acquire quality-assured health products for HIV, malaria and COVID-19 diseases. Based on the analysis of the NGC transactions, the number of beneficiaries served through the pilot can be measured by the number of treatments/commodities purchased: over 800,000 malaria diagnostic tests, over half a million malaria treatment courses; over 600,000 bed nets procured; over 3 million HIV diagnostic tests procured; and close to 2 million ARV treatments supplied.
Sustainability	Qualitative and quantitative findings from the evaluation support the implementation of the NGC beyond the pilot phase, as wambo.org and the NGC has helped reduce risks such as weak quality assurance, high prices, cumbersome procurement, and administrative procedures. However, to ensure a sustainable local procurement system, wambo.org needs to be completed with procurement capacity building for countries in need.
VfM analysis on Economy, efficiency, and Effectiveness	From a VfM perspective where country level data was available, findings indicate that wambo.org landed prices are comparable to or more economical than local procurement for specific commodities. Furthermore, the disclosure of unit reference prices makes wambo.org an important tool for informed decision-making. To further maximise the benefit of procuring through the NGC, PSM costs and lead times need to be monitored proactively as these indicators present room for improvement and optimisation.

## 6.2 Summary recommendations

Based on the evaluation findings, we propose eight key recommendations categorised as Strategy, Policy and Procedure recommendations. We present below a summary of the key recommendations:

	Category	Findings	Conclusion	Recommendation
1	Strategy	Interviews with central and country stakeholders show that there is a clear recognition of the benefits that the NGC brings to countries for procurement of HIV, malaria and C-19 commodities. Quantitative data shows that the NGC is a good option for some products in terms of prices and lead times.	Given the varying procurement landscape of each country, wambo.org may not be a <i>one-size-fits-all</i> solution for all countries. While in some cases it might be beneficial to procure locally in terms of unit prices and lead times, countries would still benefit from the platform's economies of scale, quality assurance, transparency and administrative efficiency. Some buyers clearly benefit and no significant systemic risks have materialised.	Redesign and continue with the wambo.org non-grant channel (NGC) and incorporate an emergency procurement response.
2	Strategy	Some development partners interviewed expressed interest in having interoperable procurement systems for health products, which would be an opportunity to add more catalogues to the wambo.org platform. Further, based on interviews at central and at country level, there is strong support for the wambo.org catalogue to be expanded either directly or as a gateway to other partner systems for essential commodities required in health programmes. The most recurring commodities mentioned for inclusion on wambo.org were medicines for maternal and child health, non-communicable diseases, and any products where there is room for market-shaping.	Disease burdens in LMICs will shift from infectious to NCD (Non-Communicable Diseases). <sup>15</sup> Considering the evolving landscape, wambo.org has the potential to support countries by delivering quality-assured essential medicines for the treatment of NCDs but also maternal and reproductive health commodities, and other essential medicines that support the above and HTM. Increased collaboration between stakeholders could lead to an expansion of the NGC and a greater impact.	Increase collaboration and expand the NGC to other diseases.

<sup>15</sup> LICs that face the most rapid shift in the NCD burden are also the least prepared, Global Health Policy, 2017

	Category	Findings	Conclusion	Recommendation
3	Policy	The pre-payment mechanism is one of the strongest barriers to the NGC as it does not comply with national procurement frameworks and presents misalignment with national procurement budgets.	The lack of a compliant pre-payment mechanism is a limiting factor. Despite the potential options discussed at Secretariat level, a solution has not yet been implemented.	Finalise and implement a suitable pre-payment mechanism to address regulatory barriers and get wider acceptance from the countries to use the NGC.
4	Strategy	One of the objectives of the pilot was to support transitioning countries beyond Global Fund grants. However, countries projected to transition are not using the pilot extensively because of the presence of other platforms, regulatory barriers limited awareness of the NGC and lengthy lead time perceptions.	The low usage of the non-grant channel procurement through wambo.org could be a missed opportunity for these countries to familiarise themselves with wambo.org as a platform they can leverage even after transitioning from Global Fund support in the future.	Establish and communicate an operational framework for the use of the NGC for countries projected to transition from Global Fund support.
5	Policy	Country stakeholders emphasise that they have limited clarity on how the Global Fund supports the strengthening of domestic procurement processes, which should run in parallel with the use of wambo.org to ensure a sustainable local procurement system. In addition, stakeholders emphasise that there are limited local manufacturers on the platform, and this can stifle the development of local competition and suppliers. There is little awareness as to how local suppliers can apply for WHO pre-qualification and be included on the platform.	It is not the NGC's role to provide capacity building as it is addressed through the wider Global Fund strategy and supported by other Global Fund technical partners. However, the concerns raised by country stakeholders as to how the Global Fund supports the country in procurement capacity building is an important finding as it poses some questions on the sustainable use of wambo.org.	Explore how wambo.org can be complemented with capacity building and enhance awareness on the inclusion of local suppliers.
6	Policy	The non-disclosure of the competition process to appoint PSAs does not comply with national policies in some countries. Some country stakeholders emphasised that the lack of transparency on the selection of products and suppliers, negotiations and framework agreements handled by the sourcing team may prove a hindrance to government users who need to demonstrate competitive and transparent tendering processes.	Improving the visibility of the tendering process would be an advantage to the NGC as it would lead to wider acceptance from government officials and further promote transparency in the public domestic procurement landscape.	Explore options to democratise the wambo.org competitive tendering process.

	Category	Findings	Conclusion	Recommendation
7	Procedure	The collection of data related to domestic spending of HIV, malaria and C-19 commodities was a significant challenge. For some countries, the data were incomplete or inaccurate, while many data points were not provided.	The difficulty of obtaining domestic data is mainly due to a gap in technological infrastructure and/or a lack of transparency or policy barriers.	Introduce incentives to improve transparency and completeness of in-country data.
8	Procedure	Data analysed indicated significant logistics costs on some orders. Further, the COVID-19 pandemic affected global logistics timeframes, but it is certainly an area for the Global Fund to continue to monitor.	Lead time and PSM/logistics costs monitoring would further enhance the benefit of using the NGC or wambo.org more generally.	Monitor PSM costs and lead times as part of the assessment wambo.org's performance.

## 6.3 Detailed recommendations

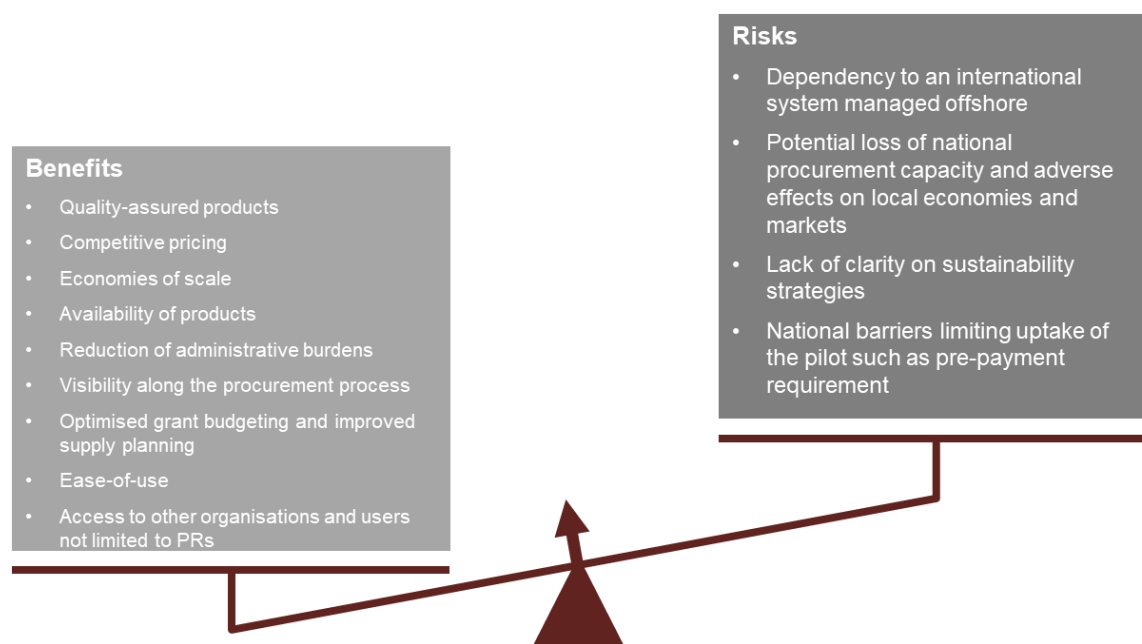
### 6.3.1 Redesign and continue with the wambo.org non-grant channel (NGC) and incorporate an emergency procurement response

Responsibility: Strategic Committee

Strategy 

As previously highlighted in the *Sustainability* section, the findings support the full implementation of wambo.org beyond pilot phase. Below is a summary of the benefits and risks of the pilot:

Figure 11: Balance of risks and benefits of the wambo.org pilot



Based on our combination of quantitative and qualitative data, the benefits of the pilot outweigh the identified risks. The quantitative analysis so far demonstrates that the wambo.org platform facilitates domestic procurements at comparable or lower prices for certain commodities. In other cases, lead times and PSM costs are more favourable through wambo.org than domestic alternatives for certain commodities. In such a case where wambo.org provides value for money for domestic procurements, countries should have the option to place orders through wambo.org and should be able to exercise the option as they require. This is particularly important to optimise the use of domestic funds and secure any possible savings.

When looking at the landscape of the countries' procurement systems including government platforms, there was no identified competition or collusion of wambo.org with other platforms but rather a healthy collaboration where each tool offers different commodities and services in the country. 'wambo.org will not replace national systems but is rather an option for countries to evaluate' (GF/SC14/11). The wambo.org pilot is considered a good option in the countries. This is further enhanced in countries where the government is open to any solution that could improve health product availability and efficient use of domestic funding. While quality assurance and competitive pricing are also offered through UN agencies' platforms, PAHO and GDF, wambo.org differentiates itself mainly through the technological attributes, the ease-of-use and the *watcher's* functionality with visibility along the various stages of the process.

If the NGC option is no longer offered to the countries, governments will return to the procurement processes used before the implementation of the pilot. The impact of the non-availability of the pilot would range from low to high impact depending on each country's context. Overall, it would reduce the range of procurement options within reach of the local buyer and give less room for purchasing decision-making. In addition, countries would no longer benefit from economies of scale offered through wambo.org. In a *worst-case scenario*, this would lead to potential administrative inefficiencies, volatile prices and product quality issues for the procurement of HIV, malaria and C-19 commodities with domestic funding. This outcome could be avoided if the Global Fund continues to offer the option to countries to procure through wambo.org with domestic funding.

Table 23: Impact of discontinuation of the wambo.org pilot

Impact level	Country context	Description of impact
Low	Impact would be low for countries with a healthy pharmaceutical and diagnostics supply base with a solid procurement system (South Africa, Rwanda) and/or countries not using the pilot (Côte d'Ivoire)	Countries would maintain status quo procuring through transversal national and international contracts to drive efficiencies
Moderate	Impact would be moderate for countries that have started using the pilot recently and/or to a small extent	Countries would resort to national procurement mechanisms which may lead to some increase in pricing and availability challenges for some products
High	Impact would be high for countries where sourcing and procurement is highly inefficient for HIV, malaria and C-19 commodities and/or countries using wambo.org extensively with domestic funding (e.g. Benin)	This would lead to a decrease in the availability of high-quality products in-country and inefficiencies in the overall procurement chain and, ultimately, the Global Fund programme advancement

Against this background, we assessed the implementation of the pilot against the six parameters of our evaluation framework and the parameters described in Figure 12 below:

- 1) **Some buyers benefit, and no significant systemic risks have materialised.** The ease of access of the platform and its technological features, the transparency along the procurement process, and the quality assurance of the products at competitive prices benefit the local buyers.
- 2) **The degree of uptake of the pilot justifies its running costs.** Running costs of the pilot are hosted under the wambo.org platform. The pilot does not incur significant additional running maintenance costs at this stage.
- 3) **wambo.org should be available for non-grant orders** beyond the pilot phase.

Figure 12: Success criteria for pilot evaluation (as per TGF-21-025 RfP)



We recommend implementing the use of wambo.org through domestic funding beyond the pilot phase. To ensure the success of the implementation, we recommend the following:

- **Rebrand** and mainstream the pilot, which becomes business as usual and not a continuing trial.
- **Design the next phase:** define a straightforward process for onboarding new clients, outline the platform's value proposition and long-term vision. Some country stakeholders emphasised that there is a lack of clarity regarding the use of wambo.org in the long term (mainly due to the concerns around the absence of capacity building).
- **Increase advocacy and awareness** around the option for domestic funding: Based on the country case studies and stakeholders' interviews, there is a need for in-country advocacy of policymakers to increase the utilisation of the pilot. This would allow the country actors to better understand the platform's features and capabilities. Local actors seem to see the pilot's benefits to the country but lack information on the platform's functionalities.
- **Consider incorporating an emergency procurement response:** explore together with other development partners' established emergency procurement mechanisms, how supply disruptions can be minimised in crisis situations; and support countries in robust supply planning and early placement of orders



### 6.3.2. Increase collaboration and expand the non-Global Fund grant channel to other diseases

Responsibility: Management Executive Committee



Based on interviews at the central and at country level, there is strong support from countries to expand the pilot to other diseases. According to the country stakeholders, the catalogue should be enriched with other essential drugs used by health programmes. Most recurring commodities mentioned were medicines in reproductive health, NCDs and any products where there is room for market-shaping (where counterfeiting is high such as non-branded generics, and where demand is low and hence products are expensive). Disease burdens in LMICs will shift from infectious diseases to NCDs.<sup>16</sup> Considering this evolving landscape, wambo.org has the potential to intervene and support countries by delivering quality-assured essential medicines for the treatment of NCDs but also maternity reproductive health commodities, and other essential medicines that support the above and HTM. Increased collaboration between stakeholders could lead to an expansion of the pilot and a greater impact.

We recognise that expanding wambo.org to other diseases would go beyond the Global Fund's mandate to fight TB, malaria and HIV diseases. However, the epidemiological transition to NCDs, which will disproportionately affect LMICs, has a direct impact on the three diseases and more specifically on HIV. As emphasised by UNAIDS in a recent report on the response to the NCDs<sup>17</sup>, people living with HIV are vulnerable to NCDs due to aging, as a result of greater access to antiretroviral treatments, and due to HIV-related comorbidities. Hence, the gains achieved on HIV could be threatened by the increasing burden of NCDs.

Donor investments in HIV/AIDS and other infectious diseases should continue, and the many contributions they have made to reducing the incidence and mortality of HIV/AIDS should be celebrated. However, it is not sustainable to devote significant resources to fighting treatable and preventable communicable diseases only to watch the same patient populations prematurely succumb to equally treatable and preventable noncommunicable diseases.

Under the objective 'to end AIDS' of the Global Fund Strategy narrative 2023–2028 (GF/B46/03), the Global Fund outlined the importance of promoting HIV service integration with other health areas including TB, maternal and child health and NCDs. In addition, considering the funding gap in the prevention, diagnostic and treatment of NCDs, the Global Fund has a role to play in leveraging its market-shaping capabilities and addressing the governments' future needs. However, procurement of NCD medicines is complex as it includes a larger scope of products and high market fragmentation. This expansion requires joint collaboration with other partners such as UN agencies or the World Bank to improve access to NCD medicines. Some joint initiatives have already started such as ENACT (Empowering Country Negotiation & Actions) for NCDs held by WHO and the UN Interagency Task Force on NCDs. PAHO, who has promoted access to HIV, TB and malaria medicines through the PAHO Revolving Fund Mechanisms, has made available essential medicines and supplies to treat NCDs for the Member States.<sup>18</sup>

---

<sup>16</sup> Lower Income Countries that face the most rapid shift in noncommunicable disease burden are also the least prepared, Global Health Policy, 2017

<sup>17</sup> Responding to the challenge of non-communicable diseases, UNAIDS, 2019

<sup>18</sup> Essential medicines for noncommunicable diseases available through the PAHO Strategic Fund - PAHO/WHO | Pan American Health Organization, 2021

Further, key stakeholders interviewed also expressed interest in having interoperable procurement systems for health products, which would be an opportunity to add more catalogues to the wambo.org platform.

We recommend the following:

- Increase consultation and collaboration with key stakeholders to host more catalogues on wambo.org and specifically in the areas mentioned above linked to HIV: NCD, maternal and child health and other essential medicines that support the above and HTM. Such collaboration was done with UNITAID, where the Global Fund and UNITAID explored the potential to integrate innovative products (e.g. new-generation insecticide sprays and innovative bed nets, HIV self-testing) into wambo.org (GF/B37/07).
- As previously agreed with UNOPS, consider the possibility to integrate strategic partners' products in the wambo.org catalogue or at least refine systems to exchange information with other partners. Greater interoperability would benefit the end-user and further improve the efficiencies offered by wambo.org.

### 6.3.3. Design and implement a pre-payment mechanism to address regulatory barriers and get wider acceptance from the countries to use wambo.org with domestic funding

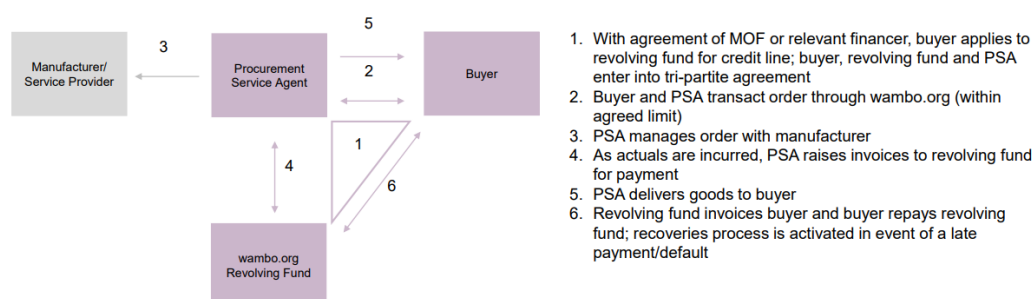
Responsibility: The Board



As mentioned in the *Risks, failures and barriers* section, the pre-payment mechanism appears to be one of the most substantial barriers to expanding wambo.org to domestic financing as it does not comply with national procurement frameworks and is not in line with national procurement budgets. The Global Fund is well aware of this challenge and evaluated the pre-financing solutions in early 2020 (GF/SC12/07), although no final solution has been implemented so far.

The preferred approach considered by the Global Fund was a Global Fund wholly-owned subsidiary solution where the buyer, a wambo.org Revolving Fund capitalised by the Global Fund, and the PSA would enter into a tri-partite agreement. However, this implies the Secretariat assume a credit risk on behalf of the countries, which is not part of the Secretariat's current mandate. Discussions were ongoing with partners to minimise the cost of risk transfer, but the COVID-19 pandemic has interrupted these efforts (GF/SC14/11).

Figure 13: Envisaged pre-financing mechanism solution as per stakeholder consultation in January 2020 (GF/SC12/06)



We recommend the Strategy Committee, Audit and Finance Committee and Board decide on options for the pre-financing mechanism and implement a solution. This would address one of the key barriers identified to the use of wambo.org with domestic funding.

### 6.3.4. Establish and communicate an operational framework for the use of wambo.org non-grant channel for countries projected to transition

Responsibility: Sustainability, Co-Financing and Transition Team



One of the pilot's objectives is to support countries moving towards transition beyond Global Fund grants, which addresses one of the six Market-shaping Strategy objectives: '*Prepare for country transitioning and long-term market viability*' (GF/B34/17). However, as emphasised under the *Economy, Efficiency and Effectiveness* section, few countries on track to transition are using the pilot. For those using wambo.org through domestic funding, there is a low number of transactions (on average these countries have placed 2.2 orders in the period 2017 – to date). Based on our country case studies, this could be due to the presence of other platforms (Laos), regulatory barriers or misconceptions around the pilot (Guyana). Central interviews emphasised that providing increased access to countries preparing for transition is aligned to the new 2023–2028 Global Fund Strategy, but the operational framework needs to be more explicit. This is also highlighted as a risk in the *Barriers, risks and failures* section.

wambo.org is a strong enabler of co-financing and underpins the transition from the Global Fund grants, together with in-country capacity building. To further strengthen the pilot's support to countries preparing for transition, our recommendations are the following:

- Nominate a working group including the Sourcing, the Health Financing and Sustainability teams to define a policy for transitioning countries to continue benefitting from the pilot during the transition plan and, subsequently, beyond Global Fund grants.
- Establish a framework for countries projected to transition by 2028 regarding the use of wambo.org for domestic funding and share it well in advance of component/country transition.
- Create a clear collaborative communication setting out the strategy/policy, so stakeholders really understand what will be available.

### 6.3.5. Explore how wambo.org can be complemented with capacity building

Responsibility area: Secretariat and Partners



One of the objectives of the wambo.org pilot was to support and strengthen domestic procurement of quality-assured health products in both eligible and transitioned countries (GF/B42/04). This objective is also part of the wider Global Fund strategy, which is to promote and strengthen capacity in many areas, including procurement. While wambo.org brings significant efficiencies and transparency for the procurement of HIV, malaria and C-19 commodities, there is limited clarity on how wambo.org and the pilot contribute to the strengthening of national procurement systems.

Based on central and country interviews, we outline below two main findings:

*'Government risks losing capacity as use of wambo.org is similar to outsourcing procurement and some of the related functions. Global Fund and wambo.org could consider using local suppliers thereby supporting job creation. Agencies such as UNDP, UNICEF offer a lot of capacity building training and GF can do likewise.'* (South Africa)

**Limited clarity on the capacity building component.** Based on country case studies and central interviews, one of the risks identified is that increased uptake of the pilot would lead to lost opportunities for capacity development and consequent dependency on wambo.org. This risk would occur if the in-country procurement capacity is not adequately strengthened. In addition, when comparing wambo.org to other

platforms (GDF, PAHO and UNFPA), country stakeholders identified the lack of technical assistance as a main differentiating criterion. These findings emphasise that country stakeholders do not see how the Global Fund supports the strengthening of domestic procurement processes, which should run in parallel with the use of wambo.org. The lack of clarity on sustainability beyond donor exit was also presented as a barrier to the use of wambo.org through domestic funding in Zambia.

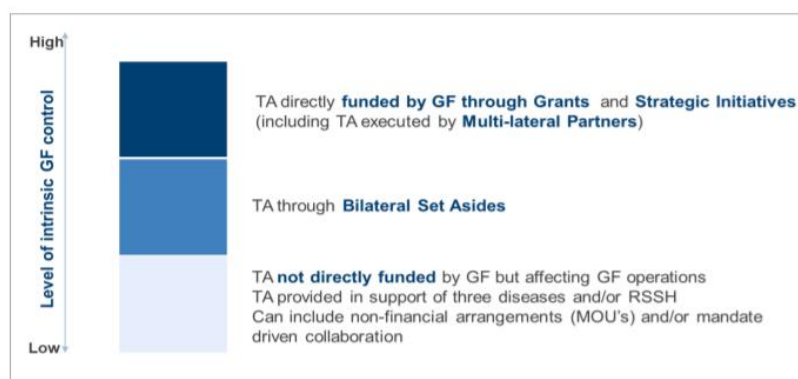
**Limited local manufacturers on the platform.** Country case studies emphasised that there are limited or no local manufacturers on the platform, and this can stifle the development of local competition and suppliers. There seems to be little awareness as to how local suppliers can apply for WHO pre-qualification and be included on the platform. wambo.org has the potential to further promote local competition and support job creation by including qualifying local manufacturers.

Below, we put these findings into perspective to understand how wambo.org fits in the capacity building landscape and the efforts currently in place by the Global Fund to strengthen domestic procurement systems.

**wambo.org and procurement capacity building.** The question of wambo.org's role in capacity building was raised during the development of the e-marketplace discussions (GF/B34/24). The Board had concluded that *'While the e-marketplace could aid the overall procurement and supply chain process by providing expedited order processing and greater visibility, in-country supply chain and capacity building are efforts that require alignment across the Secretariat, including Grant Management, Strategy, Investment and Impact Divisions, and include elements that are outside of the scope of the e-marketplace project.'* Consequently, procurement capacity building was reassigned to the Sourcing team as part of the market-shaping strategy. Hence capacity-building is currently limited to training for the use of the platform. We note that, however, the capacity building component within wambo.org was discussed during a Strategic Committee meeting in October 2020 and it was concluded that *'functionalities beyond pooled procurement, such as online tendering tool, could be offered through wambo.org in the future, with sufficient demand and as part of a larger capacity-building initiative'* (GF/SC14/11). Such a tool, if it involves local buyers in the tendering process, could promote national ownership and the strengthening of procurement capacities.

**The Global Fund and partners' efforts towards country capacity building.** The Global Fund supports activities to strengthen in-country capacity through the Global Fund RSSH grants and through the Market-shaping Strategy Objective 05 (Long-term market viability including capacity building and transition). Investments in technical assistance (TA) and capacity building represented 8% of the Global Fund total allocations for the 2017-2019 funding cycle (GF-OIG-20-009). The Global Fund relies on in-country implementers to source capability and TA providers. However, as raised in the Audit of Global Fund Capacity Building and Technical Assistance 2020 (GF-OIG-20-009), the Global Fund has limited visibility and oversight over the effectiveness of its TA and capacity building investments. This challenge of lack of visibility and control is further compounded for TA not directly funded by the Global Fund, but affects the Global Fund operations, which might create a risk of effort duplication and lost synergies. The Global Fund recognises the need for improvement in capacity building and it is one of the Global Fund's 2023–2028 Strategy objectives: build national and regional capabilities in procurement, supply chain and laboratory services (GF/B46/03).

Figure 14: Global Fund level of control over in-country investments in technical assistance and capacity building



Source: OIG report 2020 (GF-OIG-20-009)

The capacity building component is not in wambo.org's scope but rather addressed more broadly through the Global Fund's ongoing investments. The concerns raised by countries regarding the lack of technical assistance pose some questions concerning the deployment of the procurement capacity building efforts. As emphasised in the above-mentioned audit report, the current approach of the Global Fund to managing capacity building and TA investments is fragmented. There is a need for stronger partnership engagement and coordination and the development of policies and procedures to guide the management of technical assistance.

We recommend the Global Fund Sourcing team:

- Carefully consider the capacity building component when discussing the outcome of the pilot and its long-term vision.** An increased use of wambo.org and the pilot should go hand in hand with the capacity building component to ensure a sustainable local procurement system and to address the potential risk of dependency on an international procurement tool. An operational framework could be developed to ensure countries using wambo.org/the PPM are concurrently supported with technical assistance for procurement when needed. To ensure effective initiation of the capacity building efforts, Country Teams together with in-country implementers could conduct a procurement capacity assessment (as currently done by UNDP in Global Fund supported countries<sup>19</sup>) and an understanding of the ongoing technical assistance conducted by partners (funded by the Global Fund or other donors). This would allow to implement a workplan tailored to the country's needs and engage with the right partners to strengthen the local procurement system. The detailed assessment of the country's procurement capabilities gaps and the current technical assistance landscape could be included as part of the Funding Request.
- Explore how more qualifying local manufacturers can be added to wambo.org.** If wambo.org wants to cater to domestic funding, the processes need to be more attractive to regional manufacturing to further promote local competition and the country's economic development agenda. We recommend the Global Fund to create advocacy around the option for local manufacturers to be involved in the process and strengthen collaboration with partners to support countries in applying and complying with the WHO prequalification system.

<sup>19</sup> <https://www.undp-capacitydevelopment-health.org/en/capacities/focus/procurement-and-supply-chain-management/3-procurement/>

### 6.3.6. Explore options to democratise the wambo.org competitive tendering process

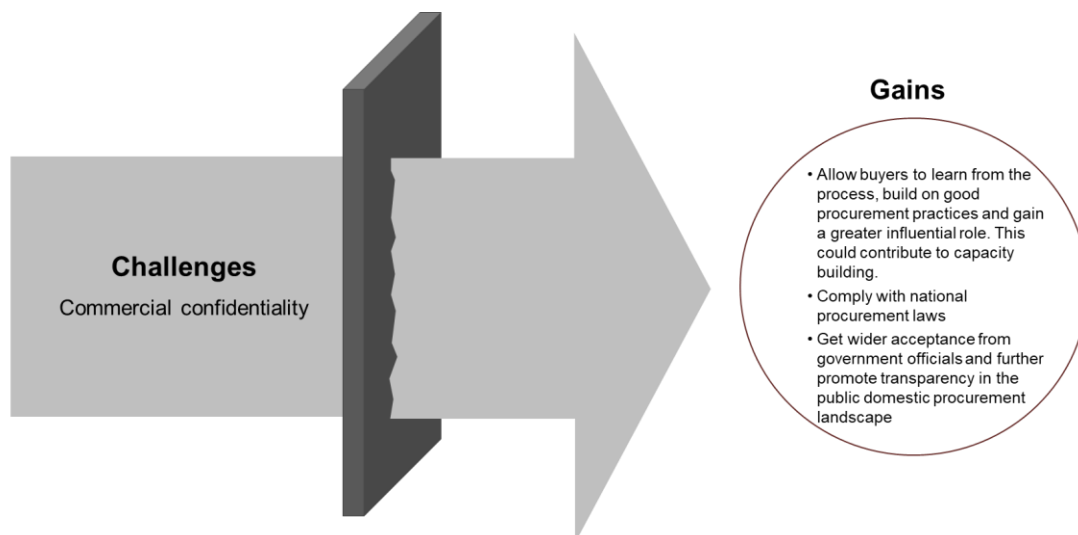
Responsibility area: Sourcing Team



The responsibility of sourcing and procurement is transferred to the Global Fund and the PSAs, which has significant benefits; for example, suppliers' payments are centralised. This reduces the risks of corruption and conflicts of interest. However, as mentioned in the *Transparency* section, the lack of visibility on the PPM procurement and tender award process has some negative implications:

- The non-disclosure of the competition process does not comply with national policies in some countries. Policy makers in Zambia, Philippines and South Africa emphasised that the lack of transparency on the selection of products and suppliers, negotiations and framework agreements handled by the sourcing team may prove a hindrance to government users who need to use a competitive and transparent process.
- Countries do not learn from an effective procurement process such as wambo.org. Increasing the use of the wambo.org pilot may imply a potential loss of capacity and proficiency in procurement in the country.

Figure 15: Democratise the wambo.org competition process



Our recommendation is to explore the options to improve the visibility of the tendering process. Due to commercial confidentiality challenges, disclosing the whole procedure may not be feasible. Still, efforts could be made to provide information that would be most beneficial to the local buyer. Based on the country case studies, stakeholders emphasised the need to understand the criteria used to select the manufacturers or suppliers of wambo.org and the tender prices. A possibility would be to publish tender prices at the end of the agreement. As our findings are based on a sample of 12 countries only, a survey may be sent to a wider range of countries to refine the needs of local buyers and to better understand the requirements to comply with national policies. This will build up an understanding of how many countries (and the proportion they represent) are affected by the lack of visibility over the tendering process as a barrier to the use of wambo.org through domestic funding.

The Global Fund may want to evaluate the feasibility and challenges associated with the disclosure of sourcing information and the resources needed to achieve this, taking into account the gains it could bring to the country.



### 6.3.7. Introduce incentives to improve transparency and completeness of in-country data

Responsibility area: Strategic Information Team

#### Procedure

We have experienced challenges in the collection of data related to domestic spending of HIV, malaria and C-19 commodities. For some countries, the data were sometimes incomplete or inaccurate, which required substantial-quality controls. Based on the country case studies, we identified three main causes behind this challenge as outlined below:

- **Gaps in technological infrastructure/information system:** data is not centralised and is fragmented across various sets of data sources. Due to capacity and budget constraints, there is no harmonised management, storage and sharing of procurement data or adequate health expenditure reporting systems. Hence, extracting domestic spend, when available, becomes a highly time-consuming task and sometimes requires going through physical letters and purchase requisitions.

**Recommendation:** As part of the RSSH strategy (*Building Resilient and Sustainable Systems for Health*), the Global Fund and other development partners could further harmonise and strengthen support for the development of a national public health procurement data repository to facilitate health procurement data management. The key areas of support would include a needs and gap assessment, technological infrastructure (hardware and software) and HR capacity building.

- **Lack of transparency:** Countries are reluctant to share domestic procurement data due to a lack of trust or poor governance. In two of the case study countries, the extensive approvals required before providing data made it impossible to obtain the data in time for inclusion in the evaluation.

**Recommendation:** For countries with high dependence on Global Fund grants, it may be a condition of the grant to provide evidence of government contribution to the three diseases. For low burden or transitioning countries, the Global Fund has co-financing requirements designed as a strategic tool to increase domestic financing (Sustainability, Transition and Co-financing Guidance Note, 15 May 2019). Hence countries moving towards transition should show progressive government expenditure on health, which is an indicator of their performance. In Kenya, the Millennium Challenge Account Threshold programme required KEMSA (Kenya Medical Supplies Authorities) to publicise tenders, procurement prices and other data in order to qualify for additional funding. This approach can be applied in countries under co-financing. Government officials might be reluctant as they have no clarity on how their domestic data will be used and to what extent it would be shared or distributed within the Global Fund. When requesting countries for their domestic spending for HIV, malaria or C-19 commodities, the objective of the data collection should be clear and demonstrate how the data sharing would also serve their best interest.

- **Policy barriers:** This challenge was observed in Rwanda, as it does not provide reports outside its own internal country reports to any partner. For example, Rwanda does not provide PUs (Progress Update) or PUDRs (Progress Update Disbursement Request) to the Global Fund. There is therefore a policy barrier towards providing sensitive information on procurements. The LFA has not been able to review procurements carried out with Global Fund funding since 2017 as a result of the barrier. From the interviews, there were indications that the LFA is now able to do procurement reviews for the Global Fund procurement and this negotiation is in the early stages and it remains to be seen if the spot checks on the procurement will actually proceed.

**Recommendation:** One idea could be for development partners to show case countries as examples of good practice in data sharing, demonstrating the benefits of data transparency to the country and regional procurement.

### 6.3.8 Monitor PSM costs and lead times as part of the NGC performance indicators

Findings from the quantitative data analysed indicate that there is room for further optimising logistics/PSM costs for each order, taking into account the nature of commodity, volume being procured and mode of

transportation. While logistics and PSM costs on NGC procurements through wambo.org are within expected averages, there are significant outliers at country level which indicate that logistics/PSM costs are not often anticipated or carefully planned at ordering stage.

We recommend that the Global Fund sourcing team consider monitoring PSM costs as one of the key performance indicators for the use of wambo.org and supporting countries in placing cost effective orders from a logistical perspective.

Further, our analysis of the wambo.org pilot transaction lead times indicates the platform did not achieve the guidance period given for PRs and stakeholders when planning order schedules.

Certainly, the COVID-19 pandemic has affected global logistics timeframes, however lead times is an area for the Global Fund to continue to monitor. A long lead time can be managed by robust supply planning that factors in realistic lead times, and early placement of orders. Respondent countries still do not really consider wambo.org an option for emergency orders.

Based on findings from our evaluation, we set out below possible indicators that the Global Fund might monitor as part of assessing the NGC's performance:

Indicators to be included in the assessment of wambo.org' pilot's performance (based on central interviews)	
Included in wambo.org reporting	<input type="checkbox"/> OTIF (On Time in Full)
	<input type="checkbox"/> Lead times
	<input type="checkbox"/> Repeat order placement
	<input type="checkbox"/> Quality assurance
	<input type="checkbox"/> User satisfaction
	<input type="checkbox"/> Number of beneficiaries served
<b>Not included in the current assessment of wambo.org's performance.</b> Inclusion of these indicators to be assessed by the wambo.org team based on their feasibility and relevance.	<input type="checkbox"/> Availability of products <span style="color: red;">C</span>
	<input type="checkbox"/> Affordability of products <span style="color: red;">C</span>
	<input type="checkbox"/> PSM costs <span style="color: red;">C</span>
	<input type="checkbox"/> PSAs performance <span style="color: green;">GF</span>
	<input type="checkbox"/> Percentage of orders completed vs. orders that remain open but are never completed <span style="color: green;">GF</span>
	<input type="checkbox"/> Time saved (in comparison to countries issuing, managing and deadline with an RFP and RFQ) <span style="color: red;">C</span>
	<input type="checkbox"/> Sustainability for graduating countries: to what extent is wambo.org servicing countries projected to transition from Global Fund's support <span style="color: green;">GF</span>
	<input type="checkbox"/> Volume of domestic budget procured through wambo.org vs. volume procured elsewhere <span style="color: red;">C</span>



Indicator that can be measured with data available centrally at Global Fund



Indicator that requires collection of central data and in-country data



Stakeholders suggested 14 indicators to be included in the assessment of wambo.org's performance, of which six are currently captured in wambo.org's reporting. These KPIs are important measures of wambo.org's success as they assess the platform's impact (number of beneficiaries served), the efficiency of the procurement process (OTIF, lead times, quality assurance) and the end-user's satisfaction (user satisfaction, repeat order placement).

Some of the other indicators that could be included in the future can be measured centrally: PSAs performance, percentage of orders completed vs. orders that remain open but are never completed, and extent to which wambo.org servicing countries projected to transition from Global Fund support (how many countries projected to transition are benefitting from wambo.org and the pilot).

The other indicators can be measured with central data but will be of greater relevance if compared against country data: availability of products, affordability of products, PSM costs and time saved when ordering through wambo.org. The reporting of such indicators can be challenging given the difficulties in obtaining country procurement data. Furthermore, given each country's different procurement landscape, gains in terms of products pricing and lead times vary across countries and products.

## 7. Key takeaways

Evaluation findings indicate that even with limited quantitative data, the substantial quantifiable and unquantifiable benefits that countries can derive from the NGC significantly exceed the cost incurred by the Global Fund in running the NGC. The NGC therefore supports countries to efficiently utilise domestic resources for procurement and generate savings that can be reallocated in the health sector to strengthen and sustain disease programmes.

In this regard, the NGC aligns with the Global Fund Strategy 2017- 2022  
'Support sustainable responses for epidemic control and successful transitions'.

Consequently, the evaluation findings support the full implementation of NGC procurement through [wambo.org](http://wambo.org) beyond the pilot phase.

To optimise and benefit from the full potential of the NGC, we recommend that the Global Fund explore the proposed recommendations and work with partners and countries to implement sustainable solutions to ensure the procurement of quality-assured health products can continue through the NGC.

## 8. Annexes

- 8.1 List of interviewees at central level
- 8.2 List of interviewees at country level
- 8.3 List of references
- 8.4 Stakeholder survey results
- 8.5 Unit Price analysis
- 8.6 PSM costs analysis
- 8.7 Lead time analysis
- 8.8 Summary of central level interviews

# Contents

Annex 8.1 List of interviewees at central level.....	2
Annex 8.2 List of interviewees at country level .....	5
Annex 8.3 List of references .....	10
Annex 8.4 Stakeholder Survey Results .....	11
Annex 8.5 Unit price analysis .....	21
Annex 8.6 PSM cost analysis .....	28
Annex 8.7 Lead time analysis .....	33
Annex 8.8 - Mapping of interview findings by stakeholder group .....	41

## Annex 8.1 List of interviewees at central level

Interviews conducted at central level

	<b>Role</b>	<b>Organization</b>
1	ALMA Chief Technical Advisor	ALMA
2	Program Officer, Market Dynamics for RMNCH and Health Systems Innovation	BMGF
3	Deputy Director, Global Policy and Advocacy, Bill & Melinda Gates Foundation, Board Member at the Global Fund	BMGF
4	Senior Program Officer at Bill and Melinda Gates Foundation	BMGF
5	Global Deputy Director, Health Products, Programs & Markets	BMGF
7	Senior Advisor, Global Policy and Advocacy	BMGF
8	independent consultant, BMGF, senior adviser to the CSIS Global Health Policy Center	BMGF
9	Special Advisor on External Relations for the Advisory Board, ProActividad (Board Member)	Board
10	Senior Director of the HIV Access Program	CHAI
11	Chief Access Officer, ACT-Accelerator Secretariat,	FIND
12	Head of Market Shaping · Associate Director & Lead - Global Health (India & SE Asia) ·	FIND
13	Head, Market Shaping and Pooled procurement	Gavi
14	Country Supply Team Leader · Stop TB Partnership Secretariat, Global Drug Facility	GDF
15	Programme Manager at IDA Foundation (PSA)	IDA Foundation
16	Senior Procurement Specialist at IDA Foundation (PSA)	IDA Foundation
17	DIRECTOR PROCUREMENT SERVICES at IDA Foundation (PSA)	IDA Foundation
18	Director Global Supply Chain IP Solutions	IP Solutions (PSA)
19	Health Policy & Advocacy Advisor within the Analysis and Advocacy Unit	MSF
20	Head of Client Account Management at PFSCM	PFSCM
21	Senior Finance Officer	PFSCM
22	PPM Project Director - PFSCM (PSA)	PFSCM
23	Executive Director, STOP TB Partnership	STOP T.B
24	Chief, Global Drug Facility (GDF)	Stop TB Partnership
25	TERG Chair	TERG
26	Programme Director	The Aurum Institute
27	Team Leader, Quality Assurance Health Products Management	The Global Fund
28	Specialist, Strategic Sourcing, Market Shaping	The Global Fund
29	TERG Wambo.org pilot evaluation Focal point	The Global Fund
30	Assoc. Specialist, Onboarding and Support, Supply Operations	The Global Fund
31	Manager, Health Product Management	The Global Fund
32	Specialist Health Products Management for Philippines	The Global Fund
33	Pharmaceutical Sourcing Manager,	The Global Fund
34	Manager, Supply Operations Risk	The Global Fund
35	Fund Portfolio Manager (Former FPM Honduras)	The Global Fund
36	Senior Fund Portfolio Manager for South Africa	The Global Fund
37	Fund Portfolio Manager for Laos	The Global Fund
38	Head of Tuberculosis (Global Fund)	The Global Fund
39	Specialist Health Product Management, High Impact Africa 1 Department	The Global Fund
40	Fund Portfolio Manager for Guyana	The Global Fund
41	Head, Strategy & Policy Hub at the Global Fund	The Global Fund

42	Specialist, Supply Chain (SC) Investment	The Global Fund
43	Head, Sourcing and Supply Chain Department, SSC Division Front Office	The Global Fund
44	Senior Fund Portfolio Manager for Nigeria	The Global Fund
45	Senior Fund Portfolio Manager, Kenya	The Global Fund
46	Head Health Financing Department	The Global Fund
47	Specialist Health Product Management, Africa and Middle East Department/ TOGO	The Global Fund
48	Senior Advisor for quality assurance and knowledge management, Health Financing Department	The Global Fund
49	Board Member and SEA Constituency	The Global Fund
50	Senior Manager, Strategic Sourcing	The Global Fund
51	Head of High Impact Africa 2	The Global Fund
52	Fund Portfolio Manager for Honduras	The Global Fund
53	Head of High Impact Africa 1	The Global Fund
54	Head of GMD	The Global Fund
55	Senior Fund Portfolio Manager for Philippines	The Global Fund
56	Specialist Health Product Management, Rwanda, Africa and Middle East Department	The Global Fund
57	Interim Manager, Data, Analytics, Processes, and Tools, Sourcing and Supply Chain	The Global Fund
58	Sustainability Department	The Global Fund
59	Lead, Customer Acquisition and Relations	The Global Fund
60	Head of TAP	The Global Fund
61	Specialist Health Products Management for Zambia	The Global Fund
62	COACT Consultant: TA for People who use drugs	The Global Fund
63	Senior Fund Portfolio Manager for Rwanda	The Global Fund
64	Senior Policy Advisor at the Global Fund	The Global Fund
65	Head of Strategy, Investment and Impact Division (SIID)	The Global Fund
66	Senior Fund Portfolio Manager for Zambia	The Global Fund
67	Specialist Health Product Management (Honduras)	The Global Fund
68	Fund Portfolio Manager for Cote D'Ivoire	The Global Fund
69	Executive Director, Office of the Executive Director	The Global Fund
70	Chief Risk Officer, Risk Management Department	The Global Fund
71	Office of the Inspector General (OIG)	The Global Fund
72	Office of the Inspector General (OIG)	The Global Fund
73	Specialist, Strategic Sourcing, Outsource	The Global Fund
74	Specialist, Health Product Management, Guyana/LAC Team	The Global Fund
75	Head, Country Risk Management	The Global Fund
76	Senior Fund Portfolio Manager for Togo	The Global Fund
77	Head of Malaria	The Global Fund
78	Senior Advisor, Value for Money, Health Finance	The Global Fund
79	Assoc. Specialist, Onboarding and Support, Supply Operations	The Global Fund
80	Specialist Health Product Management, High Impact Asia Department	The Global Fund
81	Specialist, Health Product Management, Nigeria	The Global Fund
82	Business Financial Controlling & Administration	The Global Fund
83	Senior Program Officer for Philippines	The Global Fund
84	Specialist, Global Sourcing Pharmaceuticals Antiretroviral Medicines	The Global Fund
85	Head, High Impact Asia Department	The Global Fund
86	Fund Portfolio Manager for Benin	The Global Fund
87	Global Sourcing Specialist Vector Control	The Global Fund
88	Procurement Associate UNFPA	UNFPA

89	Regional Procurement Specialist	UNFPA
90	UNICEF Supply Divison	UNICEF
91	UNICEF Supply Divison/ Procurement Centre	UNICEF
92	Director, Strategy	UNITAID
93	Programme Manager, Procurement and Supply Management	UNITAID
94	Director, Operations	UNITAID
95	General Manager, Vitalliance corp/Supply Chain Managing Consultant- USAID GHSC TA - South Africa	USAID
96	Deputy Director, Global Health Bureau, leads the Supply Chain for Health Division	USAID
97	USAID GHSC TA - South Africa	USAID
98	Senior Supply Chain and Commodities Advisor Maternal Newborn Health Division USAID	USAID
99	Chief, Malaria Supply Chain Branch	USAID
100	Head of HIV supply chain, HIV Department	USAID
101	WHO Technical Officer: Access to NCD Medicines and Health Products	WHO
102	GF Focal Point- WHO	WHO
103	PSM consultant at WHO	WHO
104	WHO and Group Lead, Supply and Access to Medicines	WHO
105	Global Lead, Health, Nutrition and Population, Global Lead for Private Sector	World Bank

## Annex 8.2 List of interviewees at country level

Number	Country	Role and organization
1	1-5 Benin	CNLS-TP
2		PSM CNLS-TP
3		PSM Expert - PNLP
4		PSM Expert - PSLS
5		PSM Expert Head of Pharmacy Department PNLP
6	6-13 CIV	Departement achat et approvisionnement, NPSP
7		Responsable GAS, PNLP
8		Administrateur des finances chef de division des finances, PNLS
9		Directeur des Projets et Programmes de Santé, PNLT
10		Procurement, SAVE CI
11		Financier, SAVE CI
12		Responsable GAS, SAVE CI
13		VICE PRESIDENT, CCM
14		CCM Coordinator
15		Administrative Officer, CCM Secretariat
16	14-20 Guyana	Programme Manager, National AIDS Programme Secretariat, MoH
17		Director Vector borne Disease, MoH
18		MDR-TB Focal Person, Tuberculosis Programme, MoH
19		Health Sector Development Unit, MoH
20		Project Manager and Finance Professional, LFA
21		Grant coordinator. Global Communities, Principal Recipient
22		Procurement and Supply Management Officer, Global Communities, Principal Recipient



23		Director, ULMI, SESAL
24		Technical officer, ULMI, SESAL
25		Technical officer, ULMI, SESAL
26		Legal representative, SESAL
27		Technical Secretariat, CCM
28		National Program Officer, UNFPA
29		National consultant, transmissible diseases, PAHO
*		Former Honduras Fund Portfolio Management, Global Fund
*		Health Products Management, Global Fund
30	30-42 Kenya	Finance Specialist AMREF
31		Procurement Manager AMREF
32		Procurement Officer AMREF
33		Acting Procurement Director - KEMSA
34		Procurement Manager in charge of Donor Procurements - KEMSA
35		Procurement Manager - KEMSA
36		Procurement Advisor Department of Health Products and Technologies – Ministry of Health
37		Country Director - CHAI
38		Project Manager for Infectious Diseases Program - CHAI
39		Global Fund Pharmacist – The National Treasury
40		Procurement Manager – Kenya Red Cross Society
41		Finance Manager – Kenya Red Cross Society
42		Program Manager – Kenya Red Cross Society
43	43-46 Lao PDR	Lao PDR Fund Portfolio Manager, The Global Fund
44		Procurement consultant, Department of Planning and Corporation, Ministry of Health
45		Head of health policy financing unit, Department of Finance, Ministry of Health

46		Deputy Director General, Department of Finance, Ministry of Health
47	47-55 Nigeria	PSM Expert, PMU, National Malaria Elimination Programme (NMEP)
48		National Agency for the Control of AIDS (NACA)
49		PSM Expert, Lagos State Ministry of Health (TB Grant division)
50		Achieving Health Nigeria Initiative (AHNi)- Fhi360 Nigeria
51		National Tuberculosis and Leprosy Control Programme-NTBLCP
52		CCM- Executive Secretary
53		Director General Drug and Medical Consumables Supply Agency, Kano State
54		Chief of Party, Global Fund Malaria   Catholic Relief Services Nigeria Country Program
55		PSM Specialist, Global Fund Malaria   Catholic Relief Services Nigeria Country Program
56	56-77 Philippines	HIV Program Manager, PR - PSFI
57		Deputy Executive Director Program Manager, Externally Funded Programs, PR - PSFI
58		Program Manager – Movement Against Malaria, PR - PSFI
59		HIV Procurement, PR - PSFI
60		MAL Procurement, PR - PSFI
61		Finance, PR - PSFI
62		Finance, PR - PSFI
63		Finance, PR - PSFI
64		Program Manager, Access TB Project, PR - PBSP
65		Program Manager NTP, DOH
66		Program Manager NASPCP, DOH
67		Program Manager NMEP, DOH
68		Head of Infectious Diseases, DOH
69		PSM Staff NTP, DOH
70		PSM Staff NASPCP, DOH

71		BIHC and PCCM Secretariat, DOH
72		BIHC, DOH
73		STAR Public Health Institute, DOH
74		Project Management Specialist (Infectious Diseases) and PCCM Alternate member, USAID
75		Technical Lead for Infectious Diseases, USAID
76		PCCM KAP Committee Chair, Camillian Fathers Inc
77		Country Director and PCCM Oversight Committee (PCOC) Chair, UNAIDS
78	78 - 84 Rwanda	Head of Procurement at SPIU/RBC
79		Secretary CCM
80		MinSante
81		Rwanda Biomedical Center/Single Project Implementation Unit (SPIU)
82		Finance Manager (-LFA)
83		Procurement and Supply Chain Expert (LFA)
84		Chief Operation Officer, Rwanda Medical Supplies Ltd
*		Health Products Manager Global Fund
85	85-93 South Africa	Executive Manager: Technical Support Unit, Resource Mobilization and Donor Coordination- South African Aids Council (SANAC)
86		Manager: Global Fund CCM-SANAC
87		PSM Specialist -LFA-KPMG South Africa
88		Health System Specialist: Supply chain & Differentiated Care- USG/Centre for Disease Control and Prevention
89		Director of Finance- NDoH: Global Fund Chief Directorate Unit
90		PSM Specialist- NDoH: Global Fund Chief Directorate Unit
91		Public Policy Specialist-Public Finance-National Treasury
92		Supply Chain Managing Consultant- USAID, GHSC-PSM, South Africa
93		Director- GHSC-PSM, Washington DC, USA
*		Senior Fund Portfolio Manager -Global Fund, South Africa

*		Health Product Management Specialist- Global Fund, South Africa
94	94-101 Togo	Directeur des affaires financières, DAF SANTE
95		Administrateur des finances chef de division des finances, DAF SANTE
96		Directeur des Projets et Programmes de Santé, DPPS/CAMEG-TOGO
97		Pharmacien responsable des approvisionnements pharmaceutiques, UGP FM
98		Coordonnateur UGP FM
99		Responsable GAS, PNLT
100		Pharmacien Conseiller Technique Principal/ PNLP Togo
101		Coordonnateur National du Secrétariat Permanent du CCM-Togo
102	102-108 Zambia	LFA PSM Expert-PwC
103		Senior Procurement Manager-MOH-PMU
104		MOH-PMU
105		Head of Pharmaceutical Services-Churches Association of Zambia (CHAZ)
106		Procurement Manager-CHAZ
107		Acting Director-ZAMMSA
108		Supply Chain Advisor-USAID
*		Fund Portfolio Manager: The Global Fund
*		PSM Specialist: The Global Fund

*\* Person was interviewed at central level for country-specific inputs.*

## Annex 8.3 List of references

- The Global Fund, 34<sup>th</sup> Board Meeting GF/B34/24, Development of an e-marketplace for the procurement of public health commodities (2015)
- The Global Fund, 42<sup>nd</sup> Board Meeting GF/B42/04, Evolving the wambo.org pilot for non Global Fund-financed orders (2019)
- The Global Fund, Electronic Report to the Board GF/B43/ERXX, Extending the wambo.org pilot to include COVID-19 products (2020)
- The Global Fund, 35<sup>th</sup> Board Meeting GF/B35/04, The Global Fund Sustainability, Transition and Co-financing Policy (2016)
- The Global Fund, OIG GF-OIG-17-021, Audit Report - The wambo.org platform (2017)
- The Global Fund, OIG GF-OIG-16-016, Limited scope review of the processes undertaken to procure services and resources for the implementation of wambo.org (2016)
- The Global Fund, GF-OIG-20-009, Audit of Global Fund Capacity Building and Technical Assistance
- The Global Fund, wambo.org pilot survey documents May 2018; May 2019; November 2019; May 2020; November 2020; May 2021
- The Global Fund, 46<sup>th</sup> Board Meeting GF/B46/03, Approval of the Global Fund Strategy 2023-2028 Narrative 2021)
- The Global Fund, Focus on Sustainability, Transition and Co-Financing (2017)
- The Global Fund, Projected transitions from Global Fund country allocations by 2028: projections by component (2021)
- The Global Fund, 207 UN Business Seminar, Global Fund and Pooled Procurement Mechanism (2017)
- The Global Fund, Focus on Domestic Financing for Health (2019)
- The Global Fund, TERG, Market Shaping Strategy Mid-Term Review (2019)
- The Global Fund, Market-Shaping Strategy 2021 Review
- Aidspan, Domestic financial contributions to HIV, TB, and malaria (2019)
- International Federation of Pharmaceutical Manufacturers & Association, The Changing Landscape on Access to Medicines (2012)
- Center for Global Development, Tackling the Triple Transition in Global Health Procurement (2019)
- Global Health Policy, Lower-Income Countries That Face The Most Rapid Shift In Noncommunicable Disease Burden Are Also The Least Prepared (2017)
- UNAIDS, Responding to the Challenge of Non-communicable Diseases (2019)
- PAHO, Essential medicines for noncommunicable diseases available through the PAHO Strategic Fund - PAHO/WHO (2021)
- WHO, ENACT NCDs, Executive Summary (2021)
- Center for Global Development, The Future of Global Health Procurement: Issues around Pricing Transparency (2019)

## Annex 8.4 Stakeholder Survey Results

### Online survey for the thematic evaluation of wambo.org pilot

#### Survey results

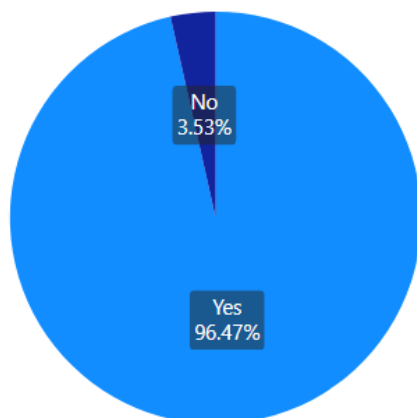
##### Introduction

A short survey has been designed and sent to selected stakeholders in all countries in the four regions of the study Eastern Southern Africa, West Central Africa, Southeast Asia, and Latin and America Caribbean. The objective of this survey was to give the opportunity to all countries in these four regions to contribute to the evaluation and have an accurate snapshot of the usage of wambo.org and wambo.org pilot across the four areas.

The survey was sent to 208 stakeholders in 67 countries. 85 responses were collected across 44 countries in total, which represents a response rate of 41%. Despite the low response rate, the responses collected remain satisfactory as we were able to collect insights from a wide range of countries (44 countries out of 67). These countries can be found in Annex 1.

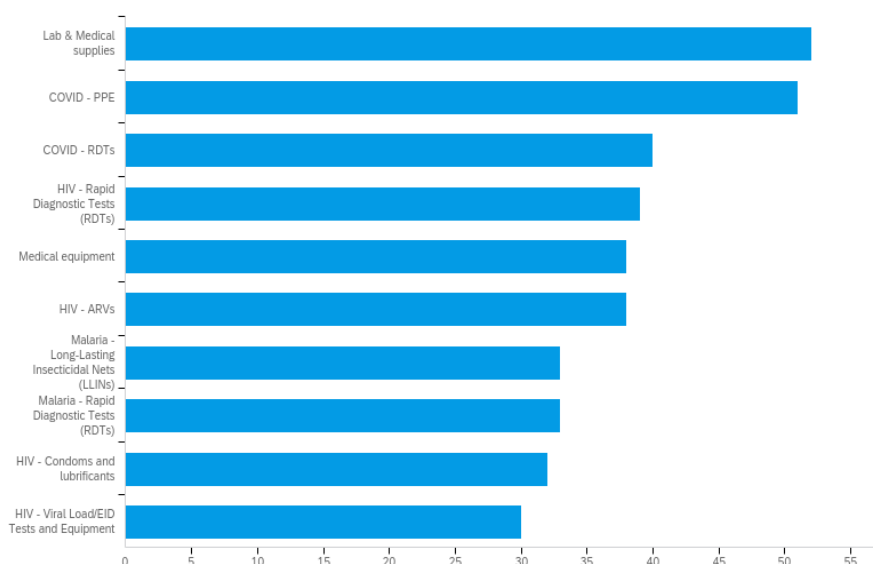
##### Use of wambo.org

Do you use the wambo.org platform?

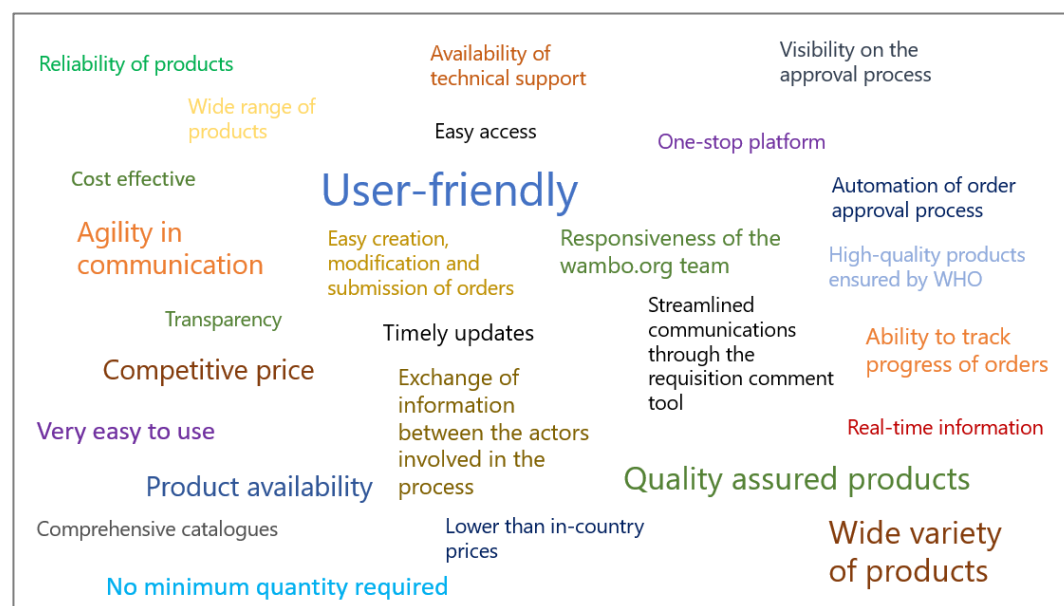


## For what products/health commodities?

This chart represents the top 10 products/health commodities purchased through the wambo.org pilot.



## Based on your experience, what are the key positive features of wambo.org?



As previously captured through the Satisfaction Surveys (conducted by a third-party commissioned by the Global Fund), the results show that the user experience on wambo.org is positive as the platform was described as "user-friendly" by a high number of respondents. The respondents appreciate the platform's interface and its various features, including but not limited to: the visibility on the approval process, the product availability, and the easy exchange of information between the actors involved in the procurement process.

What other specific features would you like to see in wambo.org that are not currently present?

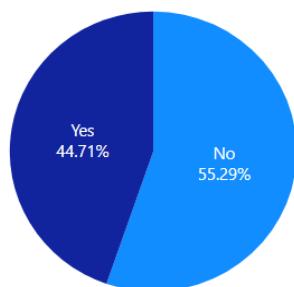
<b>1. Visibility on the delivery status</b>	<p><i>"An alert to show that the materials purchased have been dispatched for delivery"</i></p> <p><i>"Confirmation of delivery"</i></p> <p><i>"Delivery tracking"</i></p> <p><i>"Tracking of transport to destination"</i></p> <p><i>"Progress update on deliveries"</i></p> <p><i>"Link to tracking access after PO is issued"</i></p> <p><i>"Status of orders in progress"</i></p> <p><i>"Automatic email alerts on the progress of purchases"</i></p> <p><i>"Easy track system of cargo"</i></p> <p><i>"Updates on delivery times"</i></p>
<b>2. Products specifications</b>	<p><i>"More explanatory product specifications"</i></p> <p><i>"Product details and pictures"</i></p> <p><i>"Include a link to specifications of products"</i></p> <p><i>"Catalogues should have photographs and more details"</i></p> <p><i>"Technical specifications of products"</i></p> <p><i>"It would be better if the administration or suppliers write technical specifications of the products."</i></p> <p><i>"I would like to see pictures included in the system so that buyers can view products as procure"</i></p>
<b>3. Get notifications on...</b>	<p><i>"Get notifications on prices changes in the system"</i></p> <p><i>"Get notifications on new authorized products"</i></p> <p><i>"In case the approval is pending at some official more than 2-3 days, automatic reminders could be generated with having the CC/notice to other colleagues of the organization so that timely approval may be accorded."</i></p> <p><i>"Automatic email alerts on the progress of purchases"</i></p> <p><i>"An alert to indicate that wambo.org has submitted the approved requisition to the supplier."</i></p>
<b>4. Products offering</b>	<p><i>"Availability of anti-tuberculosis drugs"</i></p> <p><i>"More COVID products e.g. Oxygen generator plants"</i></p> <p><i>"Diversify the pharmaceutical products"</i></p> <p><i>"More non-health commodities"</i></p>



	<i>"Have more non-health products like gumboots, bags, solar lanterns"</i>
<b>5. Reporting features</b>	<i>"I need access to a wider range of reports e.g. pipeline orders versus delivered"</i> <i>"Financial statements by month, a summary of orders"</i> <i>"In the invoice module, if possible to include PO # in the column. This will help in cross checking the invoice posted on wambo.org for ease-of-use"</i> <i>"Include the PO/Requisition number in the façade of the invoice module"</i> <i>"Better presentation of invoices"</i> <i>"Update of budget information, possibility to see the available credit of an order when the related delivery is closed"</i> <i>"Exportable catalogs from purchasing agents"</i> <i>"Make it easier to find final invoice"</i> <i>"Ability to print and download invoices"</i> <i>"There should be a linkage between wambo.org and the statement of accounts which sent separately"</i>
<b>6. Training</b>	<i>"Continuous training especially on financial aspects"</i> <i>"User training"</i>
<b>7. Other features</b>	<i>"Flexibility for emergency purchases"</i> <i>"Clarity on logistic costs"</i> <i>"Linkage with local procurement agencies"</i>

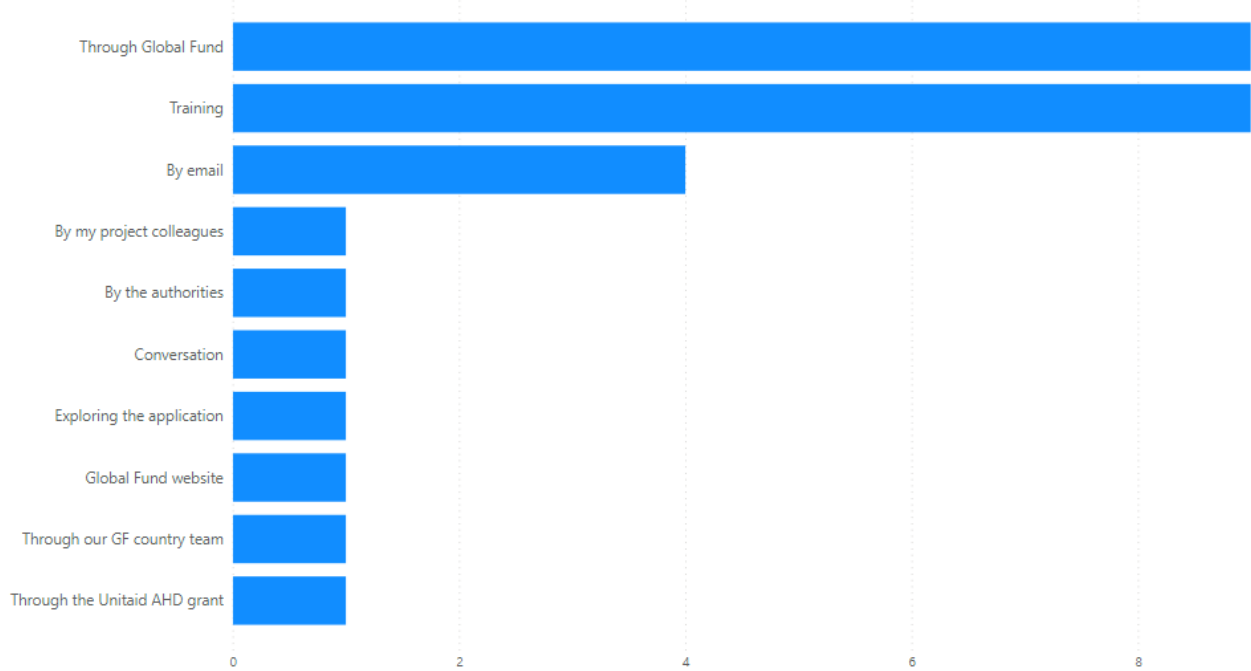
## Use of wambo.org pilot

Are you aware of the wambo.org pilot?

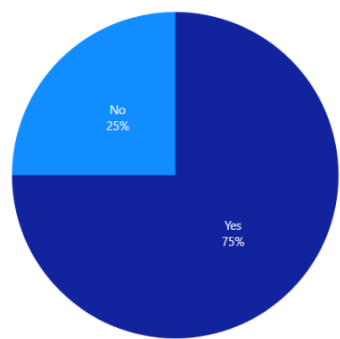


A majority of the respondents (55%) are not aware of the use of domestic funding on wambo.org, which can partially explain the low uptake of the pilot as the communication does not seem to reach all the Global Fund-supported countries.

How were you made aware of it?

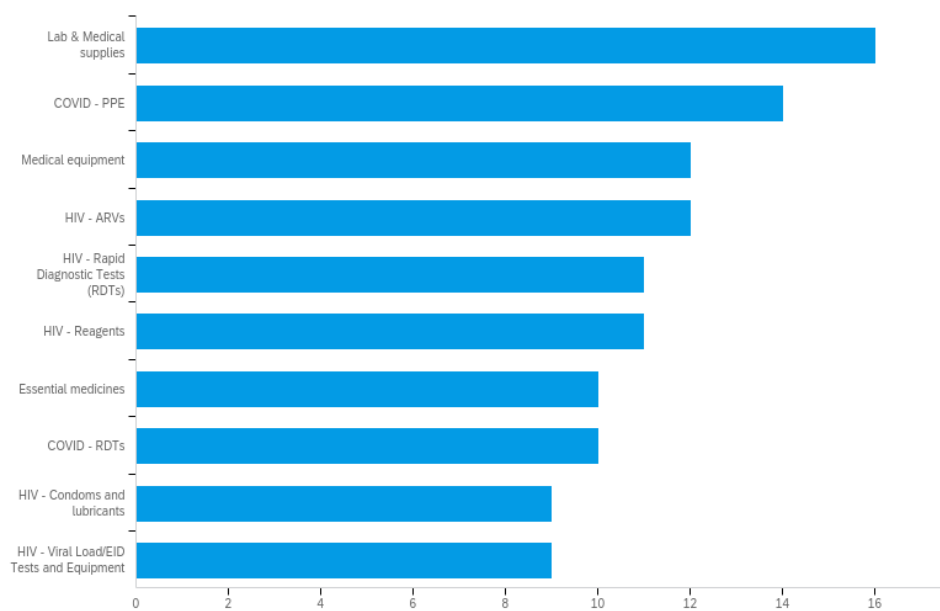


Do you make use of the wambo.org pilot?

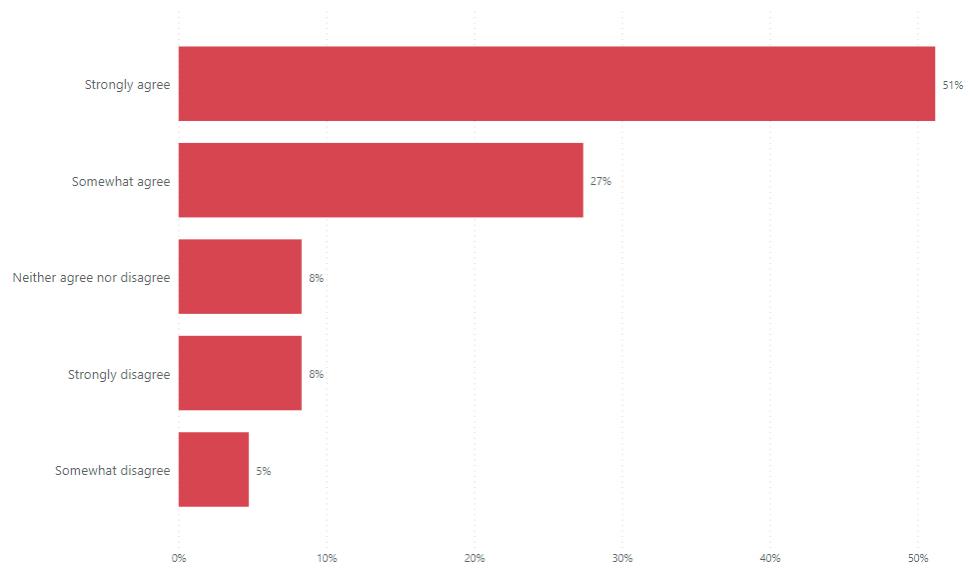


For what products/health commodities?

This chart represents the top 10 products/health commodities purchased through the wambo.org pilot.



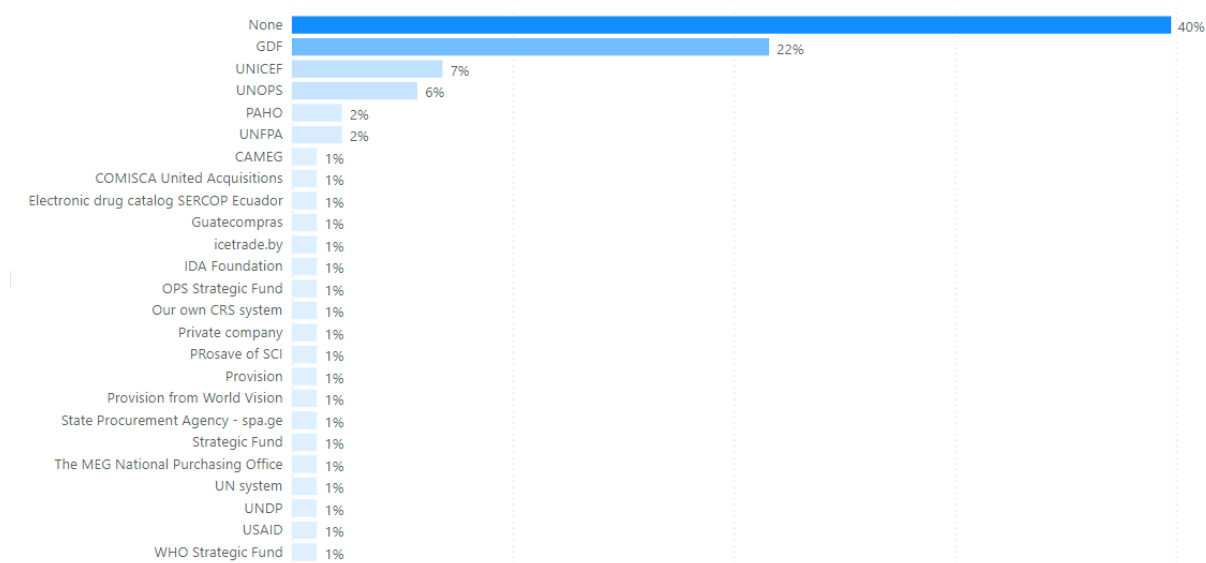
Do you think Global Fund should provide access to <http://wambo.org> to enable transitioning countries to benefit from the PPM mechanism / the platform to fight the three diseases beyond the life of the GF grant?



A majority of the respondents believe wambo.org would benefit transitioning countries as it would support the countries' fight against the three diseases beyond the Global Fund grant.

In order to help with our thematic evaluation of the wambo.org pilot, please list any other public health procurement platforms:

a. Which you use/have used:



A majority of the respondents indicated using wambo.org only as a health procurement platform. The three other platforms most frequently used by the in-country stakeholders are the following: 1) GDF, 2) UNICEF, and 3) UNOPS.

b. For what products?

c. Please provide a brief description of positive features and any challenges that you faced

The responses to the above questions have been summarised in the table below:

Platform	Products purchased	Positive features	Challenges
GDF	TB products, health equipment, PPE	<ul style="list-style-type: none"> <li>Products fully compatible with the health system</li> <li>Negotiated prices</li> <li>Quality assured products</li> <li>Easy to use</li> </ul>	<ul style="list-style-type: none"> <li>Approval of PO takes time</li> <li>Long shipment times</li> <li>Procurement lead time longer than with local procurement</li> <li>A long delay in providing an offer</li> <li>Pre-payment condition</li> <li>Delayed deliveries</li> <li>Orders need to be downloaded one by one</li> </ul>
UNICEF	Cold chain equipment and vaccines, vaccines, and condoms	<ul style="list-style-type: none"> <li>User-friendly and easy to navigate</li> <li>Products are grouped in described and clear categories</li> </ul>	N/A
UNDP	For all TB, HIV, and COVID products	N/A	<ul style="list-style-type: none"> <li>Long delays in accessing information</li> <li>Long delays for delivery</li> <li>Not able to access financial information, including invoices</li> </ul>

UNOPS	Motorcycles, laptops, vehicles	<ul style="list-style-type: none"> <li>• Ordering is easy and secure</li> <li>• Products are quality-assured</li> <li>• Allows the purchase of specific products (solar, computer, rolling stock...)</li> <li>• Training and reporting</li> <li>• Possibility to place an accelerated order</li> </ul>	<ul style="list-style-type: none"> <li>• Long delivery time</li> <li>• Long lead time</li> </ul>
PAHO	Malaria RDTs, LLIN, Covid products (PPE)	N/A	<ul style="list-style-type: none"> <li>• You can not follow the procurement steps and have to rely on information provided by the procurement officer, which takes more time</li> </ul>
WHO Strategic Fund	ARVs	<ul style="list-style-type: none"> <li>• It frees the public system from administration processes</li> </ul>	<ul style="list-style-type: none"> <li>• There is no speed of information and coordination as on wambo.org</li> </ul>
Wambo.org		<ul style="list-style-type: none"> <li>• Visibility on the approval chain is a key feature</li> <li>• Easy-to-use</li> <li>• Communication with the wambo.org team</li> <li>• Cost-effective</li> </ul>	<ul style="list-style-type: none"> <li>• Process from requisition generation until the issuance of the PO takes time</li> <li>• Procurement of commodities through domestic funding is a challenge since many legal documents must be authorised and filed before the orders can be processed and approved</li> </ul>

## Key takeaways

### *Wambo.org use*

Based on the responses collected through this survey, and as previously emphasised in the User Satisfaction Surveys, wambo.org has successfully leveraged technology to provide its users with a *user-friendly* and agile interface, ensuring a better platform adoption. Respondents were able to list many positive key features that improve their user experience and commended the availability of technical support and the responsiveness of the wambo.org team. The respondents would like to see more features/improvements on wambo.org mostly related to greater visibility on the delivery status, products specifications as well as additional reporting and alerts functionalities.

In terms of products purchased, we note that following Lab & Medical supplies, COVID (PPE and RDTs) came across the most frequent products procured through wambo.org and the wambo.org pilot, which emphasised the role wambo.org has played in the Covid-19 response. It would be interesting to see how many countries started using the pilot following the expansion to Covid-19 related products and whether this has encouraged the uptake of the pilot.

### *Wambo.org pilot use*

Focusing now on the pilot, we were surprised to see that most of the respondents are not aware of the pilot. As a pilot by definition, the mechanism was not intended to be fully deployed across all eligible countries nor marketed during this first phase. Hence, transactions on the pilot were capped at \$50 million (Covid-19 products excluded) to allow the

Strategic Committee to evaluate the pilot before onboarding more countries. However, as of 31<sup>st</sup> of December, there are \$7.3 million remaining transactions to be made before reaching the ceiling of \$50m before the end of 2022 end which poses questions around the advocacy and communication strategy of the pilot. Respondents who know about the pilot have indicated that they were made aware of it mainly through the Global Fund, including through training.

#### *Other public health procurement platforms*

A majority of the respondents indicated using only wambo.org. The most occurring response was GDF (Stop TB) for respondents using other platforms, followed by UNICEF, UNOPS and PAHO and UNFPA. We note that the insights collected in respect to other platforms are limited (e.g. no response on the challenges of UNICEF). However, based on the available information, we notice that long lead times and delivery times appear as a common challenge across the platforms. In addition, we observe that GDF can be compared to GDF (the Order Management System) and UNOPS in terms of:

- Positive features: easiness of use and quality assurance
- Challenges: pre-payment condition and long lead times

## Annex 1: List of countries covered in the survey

Benin  
Cameroon  
Cape Verde  
Central African Republic  
Chad  
Gabon  
Togo  
Côte d'Ivoire  
Nigeria  
Ethiopia  
Kenya  
Tanzania (United Republic)  
Uganda  
Zanzibar  
Zimbabwe  
India  
Pakistan  
Philippines  
Cambodia  
Thailand  
Viet Nam  
Bolivia  
Dominican Republic  
Ecuador  
Guatemala  
Haiti  
Jamaica  
Nicaragua  
Peru  
Multicountry  
Nepal  
Papua New Guinea  
Sri Lanka  
Timor-Leste  
Botswana  
Comoros  
Malawi  
Burkina Faso  
Gambia  
Guinea  
Guinea-Bissau  
Liberia  
Mali  
Sénégal

## Annex 8.5 Unit price analysis

Domestic procurement mechanism	Product Name	Period of procurement	Quantity procured domestically	wambo.org unit price data source (realised or reference price)	Difference per unit	Total difference in US\$ (difference per unit * domestic quantity)	Comments
	Abacavir; 20mg/ml; Solution; 240 ml	2019-2022	2'302'801	Reference	-36%	-4'628'630	Quantities for all ARVs are estimated volumes from the current ARVs tender award. Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued . Wambo.org landed prices (applicable for all ARVs) is based on GF/PPM published ex-works reference unit costs plus Indicative ARVs PSA, Freight/Insurance and QA proportions.
Existing procurement mechanism	Abacavir; 300mg; Tablet; 56 Tablets	2019-2022	1'300'000	Reference	-16%	-1'586'000	Domestic landed prices are actual awarded contract prices-1 supplier awarded contract.
Existing procurement mechanism	Abacavir; 60mg; Tablet, dispersible; 56 Tablets	2019-2022	1'200'000	Reference	-40%	-1'716'000	
Existing procurement mechanism	Darunavir; 150mg; Tablet; 240 Tablets	2019-2022	3'200	Reference	-65%	-86'272	
Existing procurement mechanism	Darunavir; 400mg; Tablet; 56 Tablets	2019-2022	1'600	Reference	-24%	-13'248	
Existing procurement mechanism	Darunavir; 600mg; Tablet; 56 Tablets	2019-2022	32'000	Reference	-27%	-355'520	
Existing procurement mechanism	Darunavir; 75mg; Tablet; 480 Tablets	2019-2022	1'000	Reference	-44%	-20'850	
Existing procurement mechanism	Dolutegravir; 50mg; Tablet; 30 Tablets	2019-2022	19'000'000	Reference	29%	21'280'000	Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued.
Existing procurement mechanism	Efavirenz; 200mg; Capsule; 84 Capsules	2019-2022	799'990	Reference	14%	847'989	Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued.
Existing procurement mechanism	Efavirenz; 50mg; Capsule; 28 Capsules	2019-2022	620'000	Reference	-45%	- 328'600	Domestic landed prices are actual awarded contract prices-1 supplier awarded contract.



Existing procurement mechanism	Efavirenz; 600mg; Tablet; 28 Tablets	2019-2022	841'013	Reference	18%	470'967	Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued.
Existing procurement mechanism	Lamivudine, Abacavir; 300mg, 600mg; Tablet; 28 Tablets	2019-2022	12'099'991	Reference	13%	16'939'987	Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued.
Existing procurement mechanism	Lamivudine; 150mg; Tablet; 56 Tablets	2019-2022	2'999'972	Reference	10%	689'994	Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued.
Existing procurement mechanism	Lopinavir, Ritonavir; 100mg, 25mg; Tablet; 60 Tablets	2019-2022	670'000	Reference	-35%	- 1'185'900	Domestic landed prices are actual awarded contract prices-1 supplier awarded contract.
Existing procurement mechanism	Lopinavir, Ritonavir; 200mg, 50mg; Tablet; 112 Tablets	2019-2022	2'500'000	Reference	-21%	- 8'425'000	
Existing procurement mechanism	Lopinavir, Ritonavir; 80mg/ml, 20mg/ml; Solution; 60 ml	2019-2022	2'000'000	Reference	-54%	- 4'760'000	
Existing procurement mechanism	Nevirapine; 50mg/5ml; Suspension; 100 ml	2019-2022	440'000	Reference	-107%	- 479'600	
Existing procurement mechanism	Ritonavir; 100mg; Tablet; 60 Tablets	2019-2022	230'000	Reference	-66%	- 676'200	
Existing procurement mechanism	Tenofovir, Emtricitabine, Efavirenz; 300mg, 200mg, 600mg; Tablet; 28 Tablets	2019-2022	28'031'193	Reference	7%	13'174'661	Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued.
Existing procurement mechanism	Tenofovir, Emtricitabine; 300mg, 200mg; Tablet; 28 Tablets	2019-2022	11'164'000	Reference	-1%	-669'840	Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued.
Existing procurement mechanism	Tenofovir, Lamivudine, Dolutegravir; 300mg, 300mg, 50mg; Tablet; 28 Tablets	2019-2022	146'998'860	Reference	13%	129'358'997	Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued.
Existing procurement mechanism	Tenofovir; 300mg; Tablet; 28 Tablets	2019-2022	376'000	Reference	10%	101'520	Domestic landed prices are actual awarded contract prices-1 supplier awarded contract.
Existing procurement mechanism	Zidovudine, Lamivudine; 300mg, 150mg; Tablet; 56 Tablets	2019-2022	14'000'031	Reference	13%	12'460'028	Domestic landed prices are awarded contract prices. For this ARV landed price has been averaged as multiple supplier awards were issued.
Existing procurement mechanism	Zidovudine; 300mg; Capsule; 56 Capsules	2019-2022	19'000	Reference	1%	1'330	Domestic landed prices are actual awarded contract prices-1 supplier awarded contract.
Existing procurement mechanism	Zidovudine; 50mg/5ml; Syrup; 200 ml	2019-2022	400'000	Reference	-10%	-84'000	

Domestic procurement mechanism	Product Name	Period of procurement	Quantity procured domestically	wambo.org unit price data source (realised or reference price)	Diff. per unit	Total difference in US\$ (difference per unit * domestic quantity)	Comments
Domestic	Efavirenz/Lamivudine/Tenofovir-400/300/300mg tablets-30s no carton	2021	200'000	Realized	24.4%	366'000	Domestic price is landed cost (DDP incoterm) and GF price is also landed (unit price and actual PSM costs realized).
Government / Existing procurement mechanism	Gloves, Examination, non-sterile, s.u./disp, powder free, nitrile, size L-piece	2020	7'000'000	Realized	0.0%	-	Both prices are landed costs. For all domestic and government shipments- the data was for Year 2020 up to February 2021 shipments. (The quantity of 7 000 000 glove pieces has been converted from packs to each. It includes a shipment procured by UNICEF for 60 000-pack of 100s gloves.
	Gown, Surgical, Sterile,s.u/disp,st.Perf, size L,pack of 10	2020	220'000	Realized	16.5%	310'200	Both prices are landed costs. GF landed prices are for procurements executed in 2021
	Azithromycin 250mg, tablet	2020	135	Reference	74.9%	343	Both prices are landed costs. Note GF-wambo.org unit costs is 0.7 for a 6 tablet pack with indicative PSM costs of 21.64% (PSA fees and Freight + Insurance as per latest GF PPM references). For government procurement, the pack size information was not shared and we have requested for further clarification.
	Paracetamol (Acetaminophen) 120mg/5ml, Syrup 100ml bottle	2020	1'200	Reference	-63.2%	- 288	Both prices are landed costs. Note GF-wambo.org unit costs is for a bottle of 60ml (latest reference price and indicative PSM costs) whilst governments for a bottle of 100ml
	Respirator, high-filt, fpp2/N95,no valve, non ster.,piece	2020	6'438'280	Reference	21.4%	5'182'815	GF wambo.org realized unit price was US\$85/pack of 20 and with PSM costs translated to US\$ 5,457. This was at the start of COVID 19 when prices were very high. GF latest reference price pack of 20 translates to USD 2.60 exworks (each cost \$0.13 on wambo.org) plus indicative PSM costs hence current DDP price would be USD 2,96. Landed prices for government were averaged as multiple procurements were executed. No quality related issues were highlighted during data collection for locally procured masks
	Coverall protection Cat III, type 6b XL	2020	15'250	Reference	88.1%	431'789	Both prices are landed costs. For government the landed unit costs is an average of multiple procurements. The high government landed costs can be attributed to price surges at the start of COVID 19 in 2020. For wambo.org-costs are based on latest reference costs (ex works) and indicative PSM costs hence ( In 2021, prices have gone significantly lower as market availability improves hence the large margin between government price in 2020 and latest wambo.org price.
Existing procurement mechanism	Pipette Tip-sterile with filter- 1000ul, 4800 pieces	2020	117	Realized	-13.8%	- 2'609	Both prices are landed costs. For GF-prices are for procurements executed in 2021

Domestic procurement mechanism	Product Name	Period of procurement	wambo.org unit price data source (realised or reference price)	Diff. per unit	Total difference in US\$ (difference per unit * domestic quantity)	Comments
Existing procurement mechanism	Artemether Lumefantrine Tablets- 20/120mg (12's) Dispersible Tablets	2021	<a href="https://wambo.coupahost.com/items/28/detail">https://wambo.coupahost.com/items/28/detail</a>	-25.7%	- 91'959	<p><b>Prices for Existing procurement mechanism are DAP for NFM3 commodities evaluated in December 2021.</b> The wambo.org price used as a comparison is the Ex Works price for the corresponding item on the wambo website at the time of evaluating the Existing procurement mechanism tender. <b>The wambo.org Ex-works price has been adjusted by the indicative reference costs for budgeting purposes for freight, insurance, and quality assurance</b> - the median price for freight as 4% for ARVs, 10% for ANTM's (Antimalarial medicines) and 20% for Malaria-RDT. (Link <a href="https://www.theglobalfund.org/media/8985/ppm_freightinsurancequalityreferencecosts_list_en.pdf">https://www.theglobalfund.org/media/8985/ppm_freightinsurancequalityreferencecosts_list_en.pdf</a> ).</p> <p>The Malaria RDT purchased in country is specific to Plasmodium Falciparum and has a specificity and sensitivity of 95%. The price comparison therefore is restricted to a similar specification on the wambo.org website.</p> <p>Note that the total quantity contracted does not represent the entire need for the country for each year as there are several other procurements by PMI for antimalarials, and USAID for HIV commodities whose procurement takes place through a separate channel and whose procurements are not in scope for the assignment.</p>
	Artemether Lumefantrine Tablets- 20/120mg (6's) Dispersible Tablets	2021	<a href="https://wambo.coupahost.com/items/27/detail">https://wambo.coupahost.com/items/27/detail</a>	-31.4%	- 61'683	
	Artemether Lumefantrine Tablets- 20/120mg (24's)	2021	<a href="https://wambo.coupahost.com/items/26/detail">https://wambo.coupahost.com/items/26/detail</a>	-47.0%	- 99'170	
	Artemether Lumefantrine Tablets- 20/120mg (18's)	2021	<a href="https://wambo.coupahost.com/items/25/detail">https://wambo.coupahost.com/items/25/detail</a>	-4.2%	- 17'480	
	Artesunate Injection 60mg	2021	<a href="https://wambo.coupahost.com/items/92/detail">https://wambo.coupahost.com/items/92/detail</a>	-34.0%	- 206'550	
	Malaria RDTs - pack of 25's	2021	<a href="https://wambo.coupahost.com/items/72/detail">https://wambo.coupahost.com/items/72/detail</a>	-37.7%	- 3'126'600	
	Nevirapine Oral Suspension -100mg/ml	2021	<a href="https://wambo.coupahost.com/items/72/detail">https://wambo.coupahost.com/items/72/detail</a>	-31.6%	- 515'399	
	Tenofovir/Lamivudine/Dolutegravir 50/300/300mg	2021	<a href="https://wambo.coupahost.com/items/684/detail">https://wambo.coupahost.com/items/684/detail</a>	-29.6%	- 9'644'194	

Domestic procurement mechanism	Product Name	Period of procurement	Quantity procured domestically	wambo.org unit price data source (realised or reference price)	Diff. per unit	Total difference in US\$ (difference per unit * domestic quantity)	Comments
Existing procurement mechanism of the central medical store (NPSP)	Abacavir/Lamivudine 60/30mg tablet dispersible 60	2019	91,280	Realised	31%	136,920	<p><b>Unit prices stated are landed prices.</b></p> <p>Government procurement agency did not provide the Ex works Incoterm unit price. We used the costs delivered at place at government agency stores to make the comparison with the Landed price via wambo. The wambo.org landed price includes the unit price (Ex Works) plus buffer, freight, insurance and QA, supplier service fee.</p>
	Efavirenz/Lamivudine/Tenofovir 400/300/300mg tablet 30 – no carton	2019	114,232	Realised	46%	605,430	
	Efavirenz/Lamivudine/Tenofovir 600/300/300mg tablet 30 – no carton	2019	394,040	Realised	46%	2,167,220	
	Lopinavir/Ritonavir 200/50mg tablet 120	2019	92,760	Realised	7%	148,416	
	Lopinavir/Ritonavir 80/20mg/ml oral solution 60ml*5	2020	1,200	Realised	-43%	-17,880	
	Cepheid Viral Load Test Kit - PURCHASED EQUIPMENT - 10 tests	2020	537	Realised	0%	-161.1	
	180x100x180 Rectangular LLIN	2021	20,000	Realised	-10.0%	-3,600	
Competitive Bidding	MAL RDT PF/Pv per test	2020	123,700	Realised	-47%	(12,597)	wambo.org prices were consistent in 2020 and 2021, but significantly higher than the prices achieved through domestic procurement.
Sole source	LLINs Family	2020	209,310	Realised	80%	1,825,183	Single source for LLINs in country with unit price 5 times higher than through wambo.org. Opportunity for large savings.
Competitive Bidding	MAL RDT PF/Pv per test	2021	123550	Realised	-219%	(32,111)	wambo.org prices were consistent in 2020 and 2021, but significantly higher than the prices achieved through domestic procurement.
Sole source	LLIN Family Size Net	2021	119,350	Realised	83%	1,299,721	Single source for LLINs in country with unit price 5 times higher than through wambo.org. Opportunity for large savings.
Competitive Bidding	RDTs: HIV RDT - 1 Determine	2019	600,000	Realised	0%	600	Unit prices comparable
Domestic procurement mechanism	Product Name	Period of procurement	Quantity procured domestically	wambo.org unit price data source (realised or reference price)	Diff. per unit	Total difference in US\$ (difference per unit * domestic quantity)	Comments

Competitive Bidding	RDTs: HIV RDT - 1 Determine	2020	500,340	Realised	3%	16,011	Unit prices comparable
Competitive Bidding	RDTs: HIV RDT - 1 Determine	2021	506,000	Realised	5%	24,288	wambo.org slightly lower
Competitive Bidding	RDTs: HIV RDT 2 SD Bioline	2021	30,000	Realised	55%	33,180	wambo.org prices lower than domestic procurement
Competitive Bidding	RDTs: HIV RDT 3 StatPak	2021	41,000	Realised	79%	184,541	wambo.org prices significantly lower than domestic procurement

	Product Name	Period of procurement	Quantity procured domestically	wambo.org unit price data source (realised or reference price)	Diff. per unit	Total difference in US\$ (difference per unit * domestic quantity)	Comments
Existing procurement mechanism	Malaria Antigen PF / Pv, HRP2, pLDH, Kit, 10 Tests	2020	20,000	Realised	-21.1%	-17,400	Unit prices stated are Ex works Incoterm US\$  For LLINs, the price comparison is based on UNOPS procurement price for 2020 and Wambo procurement unit price for 2021. As prices are from two different time periods, it is possible that other factors could have impacted the unit price obtained by wambo.org.
	180x100x180 Rectangular LLIN	2021	20,000	Realised	-10.0%	-3,600	

Domestic procurement mechanism	Product Name	Period of procurement	Quantity procured domestically	wambo.org unit price data source (realised or reference price)	Diff. per unit	Total difference in US\$ (difference per unit * domestic quantity)	Comments
Existing procurement mechanism	Raltegravir 400 mg, tabs, 60 tabs (2019 procurement)	2019	200	Realised	0.0%	-	Unit prices stated are Ex works Incoterm US\$  Wambo.org unit prices are comparable and in many cases cheaper than PAHO.
	RDTs HIV 1+2 - Determine Complete HIV Kit, 100 tests	2019	2'431	Realised	4.8%	12'131	
	RDTs - HIV 1+2 - OraQuick HIV Rapid Antibody Kit, 100 tests	2019	10	Realised	32.4%	1'560	

	Anfotericina B Liposomal, pwd f conc f disp f inf, vial, 10 vials	2019	1'530	Realised	-5.8%	-1'438	was verified in wambo.org records (PO 2869 – lplussolutions).
	Raltegravir 400 mg, tabs, 60 tabs	2020	1'000	Realised	0.0%	-	
	Darunavir 600mg, tabs, 60 tabs	2020	268	Realised	16.7%	2'680	
	Ritonavir 100mg tabs, 30 tabs	2020	2'200	Realised	-369.7%	- 56'936	
	Etravirine 200mg tabs, 60 tabs	2020	400	Realised	0.0%	-	
	RDTs HIV 1+2 - Determine Complete HIV Kit, 100 tests	2020	1'300	Realised	20.0%	26'000	
	RDTs - HIV 1+2 - OraQuick HIV Rapid Antibody Kit, 100 tests	2020	20	Realised	0.0%	-	
Existing procurement mechanism	HIV 1+2 - Uni-gold HIV Kit - accessories included -20 tests	2021	85	Realised	0.0%	-	<b>Unit prices stated are Ex works Incoterm US\$.</b>  However for Dolutegravir+Lamivudine+Tenofovir unit price is local supplier price (DDP Incoterm); to compare with wambo.org, we computed the indicated price as unit cost+PSM costs (16%)
Local supplier	Dolutegravir/Lamivudine/Tenofovir 50/300/300mg tablet 30 –	2021	21'675	Realised	56.3%	170'366	
Existing procurement mechanism	Artemether 20mg + Lumefantrine 120mg Tablets, Blister 3X6, Box/30	2020	75	Realised	-4.0%	- 45	
	Artemether 20mg + Lumefantrine 120mg Tablets, Blister 2X6, Box/30	2020	102	Realised	-28.5%	- 319	
	Artemether 20mg + Lumefantrine 120mg Tablets, Blister 1X6, Box/30	2020	32	Realised	-41.9%	- 79	

## Annex 8.6 PSM cost analysis

		2019				2020				2021				Average		
Domestic procurement mechanism	Product Name	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost (months)	wambo.org PSM cost	Observations
<b>Country E</b>																
Existing procurement mechanism	Raltegravir 400 mg, tabs, 60 tabs	24%	200	5%	179	10%	1,000	11%	36					17.2%	8.2%	It should be noted that during 2020 wambo.org PSM costs were generally higher than the costs observed during 2019; this increase, as mentioned by the PR was due to the supply changes observed due to COVID-19 pandemic.
	Darunavir 600mg, tabs, 60 tabs					10%	268	11%	36					10.0%	11.0%	
	Ritonavir 100mg tabs, 30 tabs					10%	2,200	11%	72					10.0%	11.0%	
	Etravirine 200mg tabs, 60 tabs					10%	400	11%	36					10.0%	11.0%	
	RDTs HIV 1+2 - Determine Complete HIV Kit, 100 tests	14%	2,431	15%	621	35%	1,300	40%	140					24.5%	27.7%	
	RDTs - HIV 1+2 - OraQuick HIV Rapid Antibody Kit, 100 tests	25%	10	15%	5	35%	20	40%	2					30.0%	27.6%	
N/A	180x190x150 Rectangular LLIN			19%	59,037			22%	46,854						20.5%	All malaria health products procured through wambo.org
	Malaria P.f./P.v Ag Combo RDT 25T			31%	559			34%	935						32.5%	
	Deltamethrin WG-SB - 20g - 25% water dispersible granule in water soluble bag, 150 sachets							15%	39,780						15%	
	Deltamethrin WG-SB - 20g - 25% water dispersible granule in water soluble bag, 150 sachets							15%	19,800						15%	
	Deltamethrin WG-SB - 20g - 25% water dispersible granule in water soluble bag, 150 sachets							15%	7,650						15%	
	Deltamethrin WG-SB - 20g - 25% water dispersible granule in water soluble bag, 150 sachets							15%	180						15%	
	Bendiocarb WP-SB - 100g - 80% wettable powder in water soluble bag, 120 sachets							15%	8,900						15%	

		2019				2020				2021				Average		
Domestic procurement mechanism	Product Name	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost (months)	wambo.org PSM cost	Observations
Country F																
Existing procurement mechanism	HIV 1+2 - Uni-gold HIV Kit - accessories included -20 tests									37%	85	29%	15	36.5%	29.1%	wambo.org PSM costs are generally higher than the domestic procurement mechanism. Notably, most of the wambo.org orders were placed in 2020 when supply chains were disrupted by COVID-19. The PSM costs for the document procurement mechanism take into account relevant service charges by the procuring entity.
	Artemether 20mg + Lumefantrine 120mg Tablets, Blister 3X6, Box/30					18%	75	30%	66					18%	30%	
	Artemether 20mg + Lumefantrine 120mg Tablets, Blister 2X6, Box/30					18%	102	30%	90					17.7%	29.6%	
	Artemether 20mg + Lumefantrine 120mg Tablets, Blister 1X6, Box/30					18%	32	30%	29					17.7%	29.6%	
	210x190x180 Rectangular LLIN, piece							17%	36,400	21%	17,660			20.9%	17%	
Country I																
Existing procurement mechanism	LLINs polyethylene									2%	7,107,946	27%	3,061,312	2.0%	27%	PSM costs are lower as the only cost that applies to an existing procurement mechanism shipment normally is the procurement fee. Warehousing and distribution fees of 6% would apply equally to all commodities regardless of source.
	LLINs polyester									2%	2,120,868	27%	2,957,574	2.0%	27%	
	Abbott Realtime SARS-COV-2 Amplification Reagent Kit – 96 tests									2%	1,875	8%	1,100	2.0%	8%	
	Abbott Realtime SARS-COV-2 Amplification Reagent Kit – 96 tests									2%	600	18%	300	2.0%	18%	
Country B <sup>1</sup>																
N/A	Clothianidin + Deltamethrin (Fludora Fusion), 1 sachet-IRS			5.1%	424,580			7.89%	983,190						6.5%	An increase of 2.79% in wambo.org PSM costs is noted for IRS chemical Fludora Fusion between 2019 and 2020 as a result of COVID 19 impact on freight lines. PSM costs for 2020 are an average of multiple procurement transactions.
N/A	Rectangular LLIN 180x160x150, each			18%	297,716			13.08%	4,872,457						15.8%	

		2019				2020				2021				Average		
--	--	------	--	--	--	------	--	--	--	------	--	--	--	---------	--	--

<sup>1</sup> Information shared on Malaria domestic procurements was not provided, hence no comparison of PSM costs could be made.



Domestic procurement mechanism	Product Name	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	wambo.org PSM cost	Observations
Country L																
Existing procurement mechanism	Malaria RDTs			26%				14%				18%			19.3%	Wambo.org PSM costs for Malaria RDTs and LLINs are higher than PSM costs incurred by UNOPS.
	LLINs			8%				11%				6%			8.3%	
	ACTs			23%				13%				63%			33.0%	
N/A	Malaria RDTs (wambo.org)							46%							46.0%	
N/A	LLINs 180x100x180 (wambo.org)											48%			48.0%	For HIV, all the products that were procured during the period of analysis were funded using Global Fund grants and domestic funding via wambo.org and the pilot.
N/A	ARVs (wambo.org pilot)			31%				28%				32%			30.4%	
	ARVs (wambo.org)			20%				30%				38%			29.3%	
	HIV RDTs (wambo.org pilot)			11%											11.0%	
	HIV RDTs (wambo.org)			19%				88%				21%			42.7%	
	Viral Load test kits (wambo.org)							13%				10%			11.4%	

		2019				2020				2021				Average		
Domestic procurement mechanism	Product Name	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	wambo.org PSM cost	Observations
Country D																
<p>Not possible to separate PSM costs from domestic procurement unit prices which are considered the landed price.</p> <p>PSM cost analysis performed is for commodities procured through wambo.org</p>	Malaria RDT Pf/Pv Meriscreen (each)							17%	225,000			31%	156,875		24%	
	Malaria RDT Pf/Pv Meriscreen (each)							57%	50,010			54%	37,500		56%	High % PSM costs for small quantity of RDTs
	Artemether 20mg + Lumefantrine 120mg Tablets AL 24 30 blister per pack							71%	284			498%	20		285%	High % PSM costs for small quantities of low value anti-malarials
	Artemether 20mg + Lumefantrine 120mg Tablets AL 6 30 blister per pack							71%	91			498%	64		285%	
	Primaquine 15mg pack 100							71%	2,147			498%	48		285%	
	Artesunate Inj. 60mg vial							71%	4,668						71%	
	LLIN Family size							7%	38,150			17%	147,000		12%	
	LLIN Single							7%	134,900			17%	97,100		12%	
	LLIN Single											60%	13,100		60%	High % PSM costs for small quantity of LLINs
	Male condom 53 mm - thin - pack of 144			10%	16,600							22%	44,800		17%	
												18%	439,333		18%	
	HIV 1+2 - Determine Complete HIV Kit - accessories included - 100 tests			11%	206			21%	200			19%	130		17%	
		2019				2020				2021				Average		

Domestic procurement mechanism	Product Name	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	wambo.org PSM cost	Observations
	Emtricitabine/Tenofovir 200/300mg tablet 30			44 %	2,448			15%	4,200			14%	24,600		24%	High % PSM cost for small volume and value shipment in 2019
	Dolutegravir/Lamivudine/Tenofovir 50/300/300mg tablet 30							9%	98,630						9%	PSM % much lower with larger order volume and value
								8%	98,630							
	HIV 1/2 - Bioline 3.0 Kit - accessories included - 25 tests							19%	4,722			23%	4,722	N/A	17%	PSM % much lower with larger order volume and value
												9%	11,234			
	HIV Self Testing - Generic Rapid Diagnostic Self Test Kit - 1 test							19%	34,576			23%	34,576	N/A	17%	PSM % much lower with larger order volume and value
												9%	108,992			
	PPE Surgical Mask 50 pcs per pack							29%	19,946			3%	4,600		29%	
	PPE Faceshield individual							21%	6,000						21%	
	PPE Mask N95 50 pcs per pack							21%	120						21%	
	COVID-19 Oxygen Equipment - suction pump											36%	100		36%	
	COVID-19 Oxygen Equipment - pulse oximeter handheld											17%	100		17%	
	COVID-19 Oxygen Equipment - pulse oximeter fingertip											12%	6,331		12%	
	Dexamethasone 4mg tablet scored 100											12%	100		12%	

		2019				2020				2021				Average		
Domestic procurement mechanism	Product Name	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	Volume procured "domestically"	wambo.org PSM cost	volume procured through wambo.org	Domestic procurement mechanism PSM cost	wambo.org PSM cost	Observations
	COVID-19 Oxygen Equipment - medical ventilator											12%	200		12%	
	COVID-19 Oxygen Equipment - vital signs monitor											12%	500		12%	
	COVID-19 Oxygen Equipment - oxygen concentrator											12%	900		12%	
	Dexamethasone (as Phosphate) Injection, 4mg/ml, - 10 ampoules											53%	10,282		53%	High % PSM costs for low value item
	Waste management - autoclave + online training											13%	35		13%	
	Laboratory equipment - refrigerator											30%	35		30%	
	Laboratory equipment - biosafety cabinet											36%	35		36%	

## Annex 8.7 Lead time analysis

			2019				2020					2021					Average		
Country	Domestic procurement mechanism	Product Name	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	wambo.org Lead time (months)	Observations		
Honduras	Existing procurement mechanism	Raltegravir 400 mg, tabs, 60 tabs	9.1	200	6	179	4.4	1,000	9.9	36					6.8	8.0	For the different product categories, PAHO lead times are shorter than wambo.org. In some cases, delays in deliveries have been due to administrative problems: when shipments arrive, as part of the customs clearance process, the PR has to submit a tax waiver document prepared by the Secretary of Finance. As explained by PR, the preparation for this tax waiver lasts between 45-60 days. Delays in the preparation of this document means that product has to stay in the customs warehouse and it its liberated only once this is submitted, delaying the delivery process. For PAHO orders, this tax waiver document is not required as shipments are consigned to SESAL. Even though this situation with clearance through customs might delay deliveries, lead times for specific products such as OIs are high and have caused a bad reputation for wambo.org.		
		Darunavir 600mg, tabs, 60 tabs					4.4	268	9.9	36					4.4	9.9			
		Ritonavir 100mg tabs, 30 tabs					4.4	2,200	9.9	72					4.4	9.9			
		Etravirine 200mg tabs, 60 tabs					4.4	400	9.9	36					4.4	9.9			
		RDTs HIV 1+2 - Determine Complete HIV Kit, 100 tests	9.1	2,431	8.2	621	9	1,300	8.2	140									
		RDTs - HIV 1+2 - OraQuick HIV Rapid Antibody Kit, 100 tests	9.1	10	8.2	5	9	20	8.2	2					9.1	8.2			
		Anfotericina B Liposomal, pwd f conc f disp f inf, vial, 10 vials	9.8	1,530	25.9	1,700									9.8	25.9			
	N/A	210x190x180 Rectangular LLIN, piece			6.3	36,400			3.4	17,600					N/A	4.9			
		Malaria P.f./P. v Ag Combo RDT 25T			6.2	559			8.3	935					N/A	7.3			
Deltamethrin WG-SB - 20g - 25% water dispersible granule in water soluble bag, 150 sachets								12	39,780					N/A	12.0				

		Deltamethrin WG-SB - 20g - 25% water dispersible granule in water soluble bag, 150 sachets						12	19,800						12.0	
--	--	--	--	--	--	--	--	----	--------	--	--	--	--	--	------	--

			2019				2020					2021			Average		
Country	Domestic procurement mechanism	Product Name	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	wambo.org Lead time (months)	Observations
Honduras	Existing procurement mechanism	Deltamethrin WG-SB - 20g - 25% water dispersible granule in water soluble bag, 150 sachets							12	7,650						12.0	As above
		Deltamethrin WG-SB - 20g - 25% water dispersible granule in water soluble bag, 150 sachets							12	180						12.0	
		Bendiocarb WP-SB - 100g - 80% wettable powder in water soluble bag, 120 sachets							12	8,900						12.0	
		Deltamethrin WG-SB - 20g - 25% water dispersible granule in water soluble bag, 150 sachets							12	53,820				N/A	12.0		
Guyana	Local supplier	Dolutegravir/Lamivudine/Tenofovir 50/300/300mg tablet 30 –									4.1	21,675	4.2	18,766	4.1	4.2	Wambo.org lead times were generally higher than lead times achieved with local procurement, possibly because orders placed through wambo.org were made in 2020 when COVID-19 disrupted supply chains globally. It should be noted that wambo.org orders placed in 2021
	Existing procurement mechanism	Artemether 20mg + Lumefantrine 120mg Tablets, Blister 3X6, Box/30					4.3	75	6.7	66					4.3	6.7	
		Artemether 20mg + Lumefantrine 120mg Tablets, Blister 2X6, Box/30						4.3	102	6.7	90					4.3	

		Artemether 20mg + Lumefantrine 120mg Tablets, Blister 1X6, Box/30					4.3	32	6.7	29					4.3	6.7	had better or comparable lead times to the domestic option.
		210x190x180 Rectangular LLIN, piece							3.5	36,400	4.1	17,660			4.1	3.5	

			2019				2020				2021				Average		
Country	Domestic procurement mechanism	Product Name	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	wambo.org Lead time (months)	Observations
Kenya	KEMSA	LLINs polyethylene									9.7	7,107,946	6.6	3,061,312	9.7	6.6	KEMSA Lead time with tender process added (3 months). Lead times on wambo.org are higher, however lead times are a factor of administrative processes both on wambo.org and in KEMSA procurement. There could have been delays with tax exemption processes done within the Ministry of Health and the National Treasury that significantly impacted the wambo.org shipments as these items were added into the grant at the start of the pandemic therefore had not been initially included in the general tax exemption master list. In the absence of clarity on tax exemptions the PR will not approve commodities on wambo.org or indeed any other procurement process to avoid items being held at the airport and incurring demurrage charges or the cold chain being breached.
	KEMSA	LLINs polyester									9.7	2,120,868	6.6	2,957,574	9.7	7.7	
	KEMSA	Abbott Realtime SARS-COV-2 Amplification Reagent Kit – 96 tests									4.5	1,875	8.6	1,100	4.5	8.6	
	KEMSA	Abbott Realtime SARS-COV-2 Amplification Reagent Kit – 96 tests									4.0	600.00	5.0	300	4.0	5.0	



			2019				2020				2021				Average		
Country	Domestic procurement mechanism	Product Name	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time (months)	wambo.org Lead time (months)	Observations
Zambia	N/A	Clothianidin + Deltamethrin (Fludora Fusion), 1 sachet-IRS			4.0	424,580			8	983,190						6	The wambo.org lead times are averages of multiple transactions executed each year. The source of wambo.org information is centrally extracted GF wambo.org data representing GF financed transactions. The lead time increased for Clothianidin + Deltamethrin (Fludora Fusion), 1 sachet-IRS, Artemether/Lumefantrine 20/120mg 24 tab dispersible 30 blister and m-RDTs-pf 25 tests between 2019 and 2020 depicting the impact of COVID 19 on freight lines in 2020.
	N/A	Rectangular LLIN 180x160x150, each			8.0	297,716			8	4,872,457						8	
	N/A	Artemether/Lumefantrine 20/120mg 6 tab dispersible 30 blister			5.0	79,667			5	140,204			5.0	76,530		5	
	N/A	Artemether/Lumefantrine 20/120mg 24 tab dispersible 30 blister			4.0	17,383			5	165,801						4.5	
	N/A	Artemether/Lumefantrine 20/120mg 12 tab dispersible 30 blister							5	18,098						5	
	N/A	Artemether/Lumefantrine 20/120mg 18 tab dispersible 30 blister							2	15,527						2	
	N/A	Malaria Rapid Diagnostic Test Kit - Pf only - 25 tests			5.0	200,875			7	615,979			4.0	252,990		5.3	
	UNICEF	Gloves, Examination, non-sterile, s.u./disp, powder free, nitrile, size L-Pack of 100					5.0	60,000	5				5.0	68,426	5	5	

			2019				2020				2021				Average		
Country	Domestic procurement mechanism	Product Name	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	Volume procured "domestically"	wambo.org Lead time	volume procured through wambo.org	Domestic procurement mechanism Lead time	wambo.org Lead time (months)	Observations
Laos	UNOPS	Malaria RDTs	5				4.1		5.0						4.3	5.0	wambo.org lead time higher than UNOPS lead time
	UNOPS	LLINs	7				7.0		5.0						7.0	5.0	wambo.org lead time lower than UNOPS lead time
	N/A	ARVs (wambo.org pilot)			6.1				6.4							6.3	HIV commodities only procured through wambo.org and wambo.org pilot, therefore no comparison possible with country mechanisms.
	N/A	ARVs (wambo.org)			3.9				5.0				2.7			3.9	
	N/A	HIV RDTs			3.4				3.7				3.0			3.4	
	N/A	Viral Load test kits							6.2							6.2	
Philippines	Competitive bid	Malaria RDTs					4	123'700	8.8	225'000					4	8.1	Domestic procurement lead time shorter than wambo.org
	Competitive bid	Malaria RDTs							7.3	50'010							
	Single source	Long-Lasting Insecticidal Nets (LLINs) (piece)					0.7	209'310	3.9	134'900	2.1	119'350	2.8	13'100	1.4	3.4	Domestic procurement lead time shorter than wambo.org. Note that the domestic supplier is a single source supplier for LLINs who is aware of annual net targets, so once requisition is raised they can source from manufacturer in Vietnam. However time from requisition to PO is over 12 months and this additional time is not reflected in this analysis.
	Competitive bid	RDTs: HIV RDT - 1 Determine (each)	3.0	600'000	5.7	20'600	3.1	500'340	2.1	20'000					3.1	3.9	Lead times comparable

	Competitive bid	RDTs: HIV RDT - 2 StatPak (each)	2.5	30'000					4.9	8'000			6.5	8'880	2.5	5.7	Domestic procurement lead time shorter than wambo.org
									5.6	8'880					4	8.1	

## Annex 8.8 - Mapping of interview findings by stakeholder group

We have conducted extensive interviews with stakeholders at the Global Fund, partner organisations and other key stakeholders. We have mapped the interview findings by stakeholder type around the six evaluation parameters.

Legal, Regulatory and Policy Framework				
GF governance and senior management	GF sourcing	GF Country Teams	Partners and Implementers	PSAs
<i>Where does wambo.org fit in the wider Global Fund Procurement and Supply Chain and Market Shaping strategies? Is there clear alignment?</i>				
<ul style="list-style-type: none"> <li>• PPM, wambo.org and pilot, improving in-country supply chain are not consolidated into one approach. The new strategies when approved will confirm if the above elements will be mainstreamed into the Procurement and Supply Chain and Market Shaping strategic intents. In particular whether country procurement capacity will be a key element in the Market Shaping Strategy.</li> <li>• There is clear alignment of the wambo.org pilot and the current Global Fund Market Shaping Strategy. However, market shaping includes strengthening country procurement mechanisms.</li> <li>• More focus is needed on co-financing and transitioning. Further opening the wambo.org pilot to transitioned and</li> </ul>	<ul style="list-style-type: none"> <li>• It was clearly articulated that supporting in-country procurement through the pilot was one of the priorities for market shaping strategy. Wambo.org ensures right prices, quality and products are maintained.</li> </ul>	<ul style="list-style-type: none"> <li>• Wambo.org is an element of access and market shaping</li> <li>• Wambo.org is a key instrument within GF to influence market and steward to right direction. It doesn't leverage TB area but is an important tool to shape the market for HIV and Malaria</li> <li>• The pilot seems aligned with the strategy. Enabling PRs or countries to access products with domestic funds at lower costs is an element of access and market shaping</li> </ul>	<ul style="list-style-type: none"> <li>• Wambo.org is not mentioned in the market shaping strategy</li> <li>• There are questions to be asked in the longer term, what will be the role of the Global Fund in market shaping in 5-10 years? The vision and goal need to be clearly articulated.</li> <li>• For some partners' it is clear that wambo.org is a tool that gives access to PPM, but it is not market shaping</li> </ul>	<ul style="list-style-type: none"> <li>• It does fit in the market shaping strategy to some extent. Part of market shaping is to support countries in transition to self-reliance and self-funding. In that perspective, offering wambo.org beyond GF grants is contributing to the market shaping strategy. However, by continuing to use a centralised program, countries remain dependent on contracts being negotiated elsewhere.</li> <li>• It is difficult to judge because there is a lack of clarity about the Global Fund's market shaping strategy</li> </ul>

transitioning country is aligned to 2023-2028 strategy but needs to be more explicit				
<i>How does wambo.org compare with similar platforms?</i>				
<ul style="list-style-type: none"> <li>wambo.org is the only platform which is directly connected to the source of funds</li> <li>In wambo.org all the approval steps are contained in the platform itself and watchers can observe the progress</li> <li>Comparison to GDF: the two organisations use very different tools / platforms Wambo.org is an integrated software platform with all modules within. The GDF approach relies on emails and exchange.</li> </ul>	<ul style="list-style-type: none"> <li>Wambo.org is directly connected to source of funding</li> <li>Wambo.org allows progress monitoring</li> <li>unwebbyuplus : good user interface but lacks some of the core functions that wambo.org offers</li> <li>GDF: is not a platform itself but rather an order management system</li> </ul>	<ul style="list-style-type: none"> <li>Wambo.org provides a lot of visibility compared to other platforms</li> <li>There is no similar platform, however, compared to other organisations such as UNDP and UNICEF, these agencies offer a lot of capacity building which is not the case with TGF and wambo.org</li> <li>In terms of volume and influence, wambo.org can be compared to GDF</li> </ul>	<ul style="list-style-type: none"> <li>Wambo.org is more global, quality assured, while country platforms cater to local markets.</li> <li>Wambo.org has competition from homegrown platforms, although Wambo.org is probably more sophisticated and on its feet longer.</li> </ul>	<ul style="list-style-type: none"> <li>A lot of initiatives are coming up around Covid e.g., the African Union set up a mechanism also looking at marketplace mechanism – buyers and sellers come together. There are several such initiatives in individual countries. Not aware of any global platform especially where the donor is also the secretariat.</li> </ul>
<i>Are there areas where there is friction/competition and where there could be greater collaboration?</i>				
<ul style="list-style-type: none"> <li>There would be strength in wambo.org and pilot working together with UNICEF/UNFPA and ideally GDF. Is it thinkable that GDF remains responsible for its procurement role, but makes use of the wambo.org technology to place the orders</li> <li>UNFPA works very closely with GF and the two organisations use each</li> </ul>	<ul style="list-style-type: none"> <li>GDF could put its catalogue onto wambo.org</li> </ul>	<ul style="list-style-type: none"> <li>There is a healthy collaboration: each platform offers different commodities in each country</li> </ul>	<ul style="list-style-type: none"> <li>“Everyone agrees that donors need to coordinate better, but it is very difficult to implement.”</li> <li>There is a good collaboration between UNFAP and the Global Fund but UNFPA and Wambo.org systems do not talk to each other</li> <li>The other critical gap that wambo.org doesn't really address, is between</li> </ul>	<ul style="list-style-type: none"> <li>Do not think there is currently competition for wambo.org</li> </ul>

other's catalogues. However, the two procurement systems are not compatible. UNFPA will be implementing an Oracle system and aims to provide interoperability with wambo.org. The implementation will take at least two years.			USAID procurement and GF procurement – which comprises a huge chunk of the market for the three diseases	
<i>What are the key legislative/regulatory/policy/institutional barriers to the expanded use of wambo.org for domestic funding?</i>				
<ul style="list-style-type: none"> <li>There is slow and limited uptake for the wambo.org pilot. Some views that if the operational challenges with the wambo.org platform had been addressed earlier more countries may have joined the pilot.</li> <li>Some stakeholders expressed concern that “The pilot was not big enough, not articulated enough, not ambitious enough. There is a need to measure it against what it is intended to do”</li> <li>As long as the wambo.org pilot remains as such, some countries may not use the pilot. If/when the wambo.org pilot is mainstreamed and not considered as a temporary trial, additional countries may make use of the pilot platform and services.</li> <li>Countries are reluctant to release the funds via wambo.org until goods are</li> </ul>	<ul style="list-style-type: none"> <li>Pre-payment, countries having issue unlocking funds to pre-pay for the products.</li> <li>Payment currency : some countries do not have USD currency in their bank accounts</li> <li>Approval process is a concern, there are many steps and many people involved. Need to think about the overall process and if it can be narrowed to reduce lead time and time for approval</li> <li>Regulatory barriers: national financial procurement policies do not allow to go directly with sole source and want to have visibility on how manufacturers are selected.</li> </ul>	<ul style="list-style-type: none"> <li>Lead times</li> <li>Policy issues which limit consideration of international organisations, there is a preference to procure locally</li> <li>Pre-payment is against national regulatory procurement policies</li> <li>Perspective from a country with a strong procurement system (Cote d'Ivoire): wambo.org in their eyes would weaken the national procurement system.</li> <li>Non proximity with local suppliers (perspective from LAC: LAC countries generally far from suppliers used by GF which leads to delays and increase in price)</li> <li>For some countries the procurement is done at provincial level and not</li> </ul>	<ul style="list-style-type: none"> <li>Concerns that the wambo.org platform is housed in the Secretariat and under the same governance framework, and that domestic users, and other donors are transacting through the GF policies and procedures.</li> <li>Since wambo.org went live stakeholders such as UNICEF, UNFPA and MSF have flagged a risk of conflict of interest since GF as a financing organization/donor is also a procurement agent</li> </ul>	<ul style="list-style-type: none"> <li>If wambo.org wants to cater to domestic funding, we can not continue to think about its value proposition in the Global Fund lens, limit number of domestic procedures, preclude local or regional options, etc. The system is skewed to standard for Global Fund funding, and needs to be made more attractive to local, regional manufacturing</li> <li>The large donors procuring commodities work in silo and there is poor coordination among them about the procurement</li> <li>Registration barrier (if products are not registered in the country)</li> <li>Non-recognition of the difficulty for a country to change its procurement policies is a barrier</li> <li>If wambo.org is supposed to be a vehicle to help countries to transition, it has to be more than a tool. Capacity building is also essential for the transition.</li> </ul>

<p>received on the ground. This results in staff in Sourcing Division using their time to persuade countries to release the funds.</p> <ul style="list-style-type: none"> <li>There are institutional issues to address at the Global Fund Board and Secretariat as key governance and executive personnel have divergent views and less/more appetite to extend use of wambo.org for domestic funding.</li> </ul>		centrally (e.g. South Africa)		
<p><i>What are the key legislative/regulatory/policy/institutional enablers to the expanded use of wambo.org for domestic funding?</i></p>				
<ul style="list-style-type: none"> <li>GF has a strong reputation as a trusted organisation in global public health which encourages countries and funders to join the wambo.org pilot</li> <li>The co-financing policy is a strong enabler, especially for transitioning countries, bringing in additional non-grant funds to procure through the pilot</li> </ul>	<ul style="list-style-type: none"> <li>Needs of the PRs to get fairer prices</li> <li>Ease of use</li> </ul>	<ul style="list-style-type: none"> <li>For PRs, enablers are value for money, assurance, and quality control</li> <li>Countries good at adopting new technologies and innovation</li> <li>Willing government and competent technical staff</li> </ul>	<ul style="list-style-type: none"> <li>Countries get something that they can't achieve themselves, either because they don't have volumes individually to attract suppliers, or they can't procure at the price offered on wambo.org, giving them something that brings value to being a client. These are the only reasons why countries should use wambo.org</li> </ul>	<ul style="list-style-type: none"> <li>Enablers are good payment terms, good training and good guidance to PRs who will use wambo.org for domestic orders</li> <li>Dedicated resources overcoming the barriers</li> </ul>

## Economy, efficiency, and effectiveness

GF governance and senior management	GF sourcing	GF Country Teams	Partners and Implementers	PSAs
<i>Are there any indicators not included currently in the assessment of wambo.org's performance that should be included moving forward?</i>				
<ul style="list-style-type: none"> <li>How does GF benchmark wambo.org's features and performance? Against which other organisations? e.g. do other international platforms require 100% upfront payment?</li> <li>Perceived value OTIF (on time in full)</li> <li>Time saved by countries when not having to issue RfQs, RfPs, or saving additional costs when not having to redo a contested RfP</li> </ul>	<ul style="list-style-type: none"> <li>Time saved (in comparison to issuing, managing, and dealing with an RFP and RFQ)</li> <li>Quality assurance offered by wambo.org (in comparison to countries where QA checks are less stringent)</li> <li>Price offered by wambo.org vs. price in the country (this indicator is going to be more relevant for a smaller country, due to the low volumes)</li> <li>Regional performance</li> <li>Lead time (look at category lead time document which is published on the website providing lead times for all the core categories)</li> <li>OTIF</li> </ul>	<ul style="list-style-type: none"> <li>OTIF</li> <li>Accurate delivery delay</li> <li>Lead times</li> <li>Efficiencies in terms of any savings realized from the process and how close to target prices they are achieved</li> <li>Freight costs</li> </ul>	<ul style="list-style-type: none"> <li>Availability of products and pricing</li> <li>Market share with focus on percentage of HIV, TB, Malaria products channeled through wambo.org</li> <li>Affordability: to what extent is the platform with domestic funding more cost effective than the counterfactual</li> <li>Sustainability for graduating countries: how wambo.org is servicing countries that have transitioned from Global Fund</li> <li>Choice: to what extent does use of wambo.org provide wide offer of QA products to go through domestic channels</li> <li>Indicators to hold PSAs accountable for performance</li> </ul>	<ul style="list-style-type: none"> <li>Would be interesting to assess how many orders were actually completed as some orders remain open but are never completed</li> <li>Pricing of orders through domestic funding vs. orders through GF grant</li> <li>Cost benefit analysis comparing products (products plus rates of fully delivered products using PPM vs those without)</li> <li>Are customers returning after initiating first procurement?</li> <li>Comparing the spend of domestic (e.g. HIV) budget-how much is going through the platform and how much is going elsewhere?</li> <li>Overall cycle time – countries doing own procurement (what is their average cycle time between releasing budget and delivery) vs. time with wambo.org platform</li> <li>Performance. What is on time delivery performance using wambo.org vs. if they do their own procurement</li> </ul>



*How and to what extent has wambo.org contributed to the efficiency of Global Fund's investments?*

<ul style="list-style-type: none"> <li>• On boarding more countries will add to the efficiency of more GF investments</li> <li>• Small countries/GF portfolios can access much better prices than they can achieve on their own.</li> <li>• By following the seasonal cycles for malaria infections, the countries have a long-term view and can plan procurement, delivery, and receipt well in advance.</li> </ul>	<ul style="list-style-type: none"> <li>• Wambo.org is a strong enabler of co-financing, it's a transition from GF support.</li> <li>• When countries transition, we make sure all the infrastructure is in place before transition, but it can't happen all the time, with wambo.org we can provide continuous support.</li> </ul>	<ul style="list-style-type: none"> <li>• Domestic procurements are augmenting GF programmes.</li> <li>• It is more efficient because it improves visibility and transparency. This allows better planning along that timing.</li> <li>• It brings more efficiency for countries where procurement system is fragile</li> <li>• Wambo.org appears to bring little efficiency in countries where the procurement system is solid and well-developed.</li> <li>• Perspective from country with a solid procurement system (Rwanda and CIV): no clear efficiency gains from using wambo.org</li> </ul>	<ul style="list-style-type: none"> <li>• The big efficiency gain has been systematizing the supply logistics side. Wambo.org has changed processes from paper-based processes. There is big value not in cost savings and product prices but in tracking and visibility, and ease of ordering.</li> <li>• Wambo.org has provided efficiency across the procurement chain from the ease of placing orders, connection to PSAs, to relatively smooth delivery process in country (Covid withstanding). While there have been mixed experiences with some PSAs, the platform has been efficient.</li> </ul>	<ul style="list-style-type: none"> <li>• There is consistency in the system, data is maintained in a consistent way. From recipient perspective, it does give access to recipients better pricing and quality assured products</li> </ul>
--	--	--	--	---

*What have been the key success factors of the wambo.org pilot?*

<ul style="list-style-type: none"> <li>• The negotiated prices which are attractive, appropriate, stable, and transparent. Prices in country for e.g. ARVs can</li> </ul>	<ul style="list-style-type: none"> <li>• Giving countries the ability to access strategic products quality assured and at a fair price.</li> </ul>	<ul style="list-style-type: none"> <li>• Quality assurance</li> <li>• Visibility of supply and flow of funds</li> </ul>	<ul style="list-style-type: none"> <li>• Covid created clear use case for wambo.org. wambo.org has got more attention and</li> </ul>	<ul style="list-style-type: none"> <li>• Multilateral organisations like UNITAID able to use the platform – coordinated</li> </ul>
---	--	---	--	--

<p>be up to 40% higher than with the wambo.org catalogue. Further the locally sourced products often do not meet the QA requirements.</p> <ul style="list-style-type: none"> <li>• The wambo.org team is very appreciated for their support</li> </ul>	<ul style="list-style-type: none"> <li>• Covid procurement: helped countries to reduce lead time and get products into countries ASAP</li> <li>• Opening to other organizations not limited to current PRs. e.g. coming through with UNITAID grants or other sources of funds</li> </ul>	<ul style="list-style-type: none"> <li>• Very good wambo.org support, providing the necessary information needed</li> <li>• Transparency</li> <li>• wambo.org has a competitive advantage in countries where there is low quantity</li> </ul>	<p>awareness and has helped wambo.org in other areas</p> <ul style="list-style-type: none"> <li>• Access to the PPM, competitive prices, and quality assured products from quality assured suppliers, which eliminates the need for countries to enter into tendering processes which would add timelines beyond donors' control</li> <li>• Transparency: anyone that has access to wambo.org can have a look at a specific work and see the updates</li> <li>• Communications and how you can log comments directly into requisition which tends to be more efficient than exchanging emails</li> </ul>	<p>approach for some of the programs.</p> <ul style="list-style-type: none"> <li>• From a Global Fund perspective, if it is part of the Grant Agreement that countries will make domestic contribution through the platform, this is a good avenue to monitor this – i.e. co financing requirements.</li> <li>• Having standard set of Terms and Conditions</li> </ul>
--	--	---	--	--

Impact				
GF governance and senior management	GF sourcing	GF Country Teams	Partners and Implementers	PSAs
<i>Has the wambo.org achieved the objectives of: a) Gaining a practical understanding of additional risks; b. Operational modalities and related challenges; c. The level of interest from countries in using wambo.org?</i>				
a. Yes, on a country-by-country basis b. Yes, for example by reducing inefficiencies c. Not really	N/A	c. There has been no evident push to encourage countries to join the domestic pilot. Therefore, it is difficult to assess whether the level of interest from countries in using wambo.org has increased	c. Judging by how difficult it has been to onboard and sell the pilot, partners are not sure that Global Fund teams have done enough to “sell” the pilot	c. Based on the volumes coming through, the wambo.org team was hoping to see much more transactions and volumes to really judge the impact
<i>What are the positive and negative implications associated with the PPM mechanism and wambo.org for domestic procurements?</i>				
N/A	<ul style="list-style-type: none"> <li>Negative implications: Reputational risk</li> </ul>	Positive implications: <ul style="list-style-type: none"> <li>Wambo.org is the platform and PPM is the mechanism. Always beneficial to have the PPM – it allows better use of resources in a transparent manner in case of audits / avoiding fraud.</li> <li>Eliminates risk of fraud including unintentional non-compliance</li> <li>Wambo.org makes process easier for procurement managers – no need to elaborate tenders</li> </ul>	Positive implications: <ul style="list-style-type: none"> <li>There is no value without PPM, although it is recognized that PPM can be controversial. When talking about value proposition of wambo.org, people are often talking about PPM especially on the market side.</li> </ul> Negative implications: <ul style="list-style-type: none"> <li>Drawback of buying from wambo.org is that it potentially could limit the procurement system development domestically. Question to be addressed is how to retain the good things of market shaping with wanting to build in-country capacity</li> </ul>	<ul style="list-style-type: none"> <li>Positive implications: Benefits of PPM are really in sourcing and realising on supply side. Automating the transaction is a small part of the benefit of PPM. Big benefits are on the sourcing side.</li> <li>Negative implications: Time between request and money transferred. For domestic procurement, it can take 6-8 months before the payment</li> </ul>

<i>Has the wambo.org pilot contributed to improved: a. Health outcomes; b. country health product procurement outcomes; c. Quality assurance; d. Equitable access?</i>				
<p>a. wambo.org and more specifically the pilot, are too small to have a direct impact on health outcomes. Unlikely to get sufficient data from this evaluation to tell. Nevertheless, countries can cite examples where there has been an innovation or a major improvement in services, or reduction of cases.</p> <p>b. Wambo.org is a tool which enables the pilot – “Don’t give them fish, help them to fish”. In turn the positive features of wambo.org support improvements in national procurement outcomes e.g. to enable countries to get quality drugs on time.</p> <p>c. Yes. Emphatic agreement that wambo.org and the pilot improve the consistency of the use of quality assured drugs.</p> <p>d. The pilot does ensure guaranteed access. Once onboarded all entities have the same access to the products in the wambo.org catalogue and the same procurement process.</p>	<p>a. Yes, by having better coverage and diagnostics</p> <p>b. By enabling a country to use their own funds with the right timelines, it influences the country health product procurement outcomes</p> <p>c. Yes</p> <p>d. By bringing efficiencies in the procurement, you are going to make access to these health products much easier. These efficiencies are around being able to trust supply chain, ensure goods will be delivered any pay the right price. All these elements increase the equitable access.</p>	<p>a. Efficiency gain can be translated at country level but difficult to see the direct link on the country’s health outcomes</p> <p>b. N/A</p> <p>c. If country is achieving similar or comparable wambo.org quality assurance standards, then wambo.org has not contributed because the country would only be switching in that case</p> <p>d. yes, from a perspective of higher quality and prices</p>	<p>a. The pilot has contributed indirectly yes. Ultimately it enabled to procurement to treat patients with advanced HIV Disease for example, and patients facing high risk of mortality. “Would we have had these outcomes without wambo.org? Maybe yes. As efficiently? Probably no.”</p> <p>b. Partner had only two countries where the MoH was embedded in the process. Based on this experience, would say that yes, the pilot contributed to health product procurement outcomes, although it is hard to say what the status would have been if they had not used wambo.org platform.</p> <p>c. Partner would say wambo.org has helped Quality Assurance. Partner itself would have undertaken same level of quality assurance, they can’t say that wambo.org has improved quality assurance, but has helped.</p> <p>d. This has not been a deciding factor. Countries would have procured where they have procured anyway. Allowing countries to have a quicker access to products through</p>	<p>a. Yes, it \$32m were used with local procurement, individual countries would get fewer products. Countries that participated got better products for their money. In addition, wambo.org has made the supply chain more transparent and this contributes to health outcomes.</p> <p>b. N/A</p> <p>c. Yes. wambo.org has WHO prequalified products – what countries get on their own may not be quality assured, but with wambo.org it guarantees the quality of products</p> <p>d. Linked to being able to buy quality products at better prices</p>

			wambo.org has probably contributed to equitable access.	
<i>What is the potential for wambo.org to have greater impact if the scope is extended beyond the three diseases?</i>				
<ul style="list-style-type: none"> <li>• There is great potential, but only if there is Board/Secretariat support to resolve the need for up-front payment, to manage the credit risk and to ease cash flows.</li> <li>• Possible candidates: health products for health conditions and diseases which have an impact on outcomes of those touched by HTM; essential medicines; maternal, child and reproductive health; tests and treatments for Opportunistic Infections and STDs; Commodities for pandemic and Response (PPR)</li> </ul>	<ul style="list-style-type: none"> <li>• If we can solve the cash flow hurdle, solve the upfront payment question, we could transform public health in lower middle-income countries through a pre-financing mechanism and wambo.org. Could be expanded to all essential medicines and NCDs.</li> </ul>	<ul style="list-style-type: none"> <li>• For some interviewees the benefits of using wambo.org are noticeably clear, expanding it to other products would bring impact. Impact would be on visibility, better planning, help countries meet their targets. We saw with covid that it can have greater impact, but if the scope would be extended, it needs to be done gradually to make sure the platform is able to deliver</li> <li>• For other interviewees, wambo.org should focus on the three diseases. "We must do better with current scope before spreading the list"</li> <li>• There are other ways of doing increasing products through wambo.org: Countries have the option of procuring or seeing UNOPs catalogue through wambo.org. Platform can connect to other options. And would be helpful to countries to have everything in the same place</li> </ul>	<p>Several schools of thought:</p> <ul style="list-style-type: none"> <li>• Before expansion, the Global Fund must assess what problem it is trying to solve, what it thinks it is going to achieve, and what the benefit is to countries. You do not want to expand if you lose on ability to deliver what you already delivering</li> <li>• The impact if the scope is extended is potentially quite big- A ministry of health is not buying for three diseases only. Therefore, the benefits realised now with the pilot have potential to be realised on other programs</li> <li>• Looking at the number of commodities that these 3 programmes provide, it is donor funds that really drives the availability of those commodities. When you look at other drugs funded by the government, the availability is much lower.</li> </ul>	N/A

*What are the potential long-term implications of wambo.org pilot on the country, regional and international global health market dynamics?*

<ul style="list-style-type: none"> <li>Strong support to create regional procurement mechanisms and platforms with suppliers geographically closer to the market than the current suppliers. Such mechanisms would need to be tailored to the region in terms of existing or emerging regional organisations e.g. ECOWAS, and to the legislation, policies, culture, and language</li> <li>PAHO is considered as a good example of regional procurement system with a geographic focus</li> </ul>	<ul style="list-style-type: none"> <li>There is a strength in uniting around pooled procurement, whether it is fully global or regional initiatives, both are validating depending on the market to reach critical mass</li> <li>There are many niche categories where countries do not have critical mass, this is where it's always relevant for international pooled procurement. PAHO is a good example in terms of regional pooled procurement, it brings value through regional pooled procurement</li> </ul>	<ul style="list-style-type: none"> <li>Market-shaping - local suppliers will be forced to lower prices</li> <li>It will not have a good impact on local manufacturers unless they are included</li> <li>Wambo.org could be spin off to have greater impact and to allow other donors to support it</li> <li>If successful, it would grow organically and get ever-growing share of domestic, regional international pie. At some point, if more powerful economically, the question on whether it should become independent from GF would have to be addressed</li> </ul>	<ul style="list-style-type: none"> <li>Currently we don't see long term impact on market dynamics because the pilot is small and not doing market-shaping</li> <li>The vision and the end state of wambo.org needs to be clearly articulated first</li> <li>The pilot could still be used to enable local and regional markets if the system is flexibility. As it stands, it is not. It is to serve procurements in India, or outside Africa. More flexibilities are required about the potential to open the market for domestic manufacturer to supply to other countries in the Africa.</li> </ul>	<ul style="list-style-type: none"> <li>We have seen countries that have graduated from PPM programs and started to do the procurement on their own. They have struggled and sometimes they came back to us to get back access to the international pricing and quality assurance.</li> <li>It might work against countries setting up on procurement capacities</li> </ul>
---	---	---	--	--

*How does the expanded use of wambo.org for domestic procurements impact the ability of countries to manage their own procurements?*

<ul style="list-style-type: none"> <li>"there's no capacity building, you just get quoted a price", but not all pilot users have the same experience and point of view.</li> </ul>	<ul style="list-style-type: none"> <li>There are different reasons why countries are on wambo.org, some don't have the ability/resources, others are smaller countries with volume challenges, others have other issues why they are forced to wambo.org, e.g. OIG audit leading to requirements. For some countries, the capacity gap</li> </ul>	<ul style="list-style-type: none"> <li>Provides countries with choices and options</li> <li>It can work to outsource the procurement for certain products, but as a general principle it is better to strengthen the local capacity</li> </ul>	<ul style="list-style-type: none"> <li>Wambo.org plays a role in bringing greater visibility to procurements and domestic funds would also be under greater visibility</li> <li>Anything that is reliable and easy to use to help countries is always useful especially if this tool exists, it saves time, reduces corruption and leakage risks</li> </ul>	N/A
--	---	--	---	-----

	may never be filled as wambo.org is an outsourced platform		<ul style="list-style-type: none"><li>• The pilot can lead to a lot of risks: the financing side of public funds, the cycles of when funding is available and the uncertainty around country budgets.</li></ul>	
--	--	--	---	--

## Integrity and transparency

GF governance and senior management	GF sourcing	GF Country Teams	Partners and Implementers	PSAs
<i>Do you see the expanded use of wambo.org influencing the level of transparency in the domestic procurement process for countries? Why?</i>				
<ul style="list-style-type: none"> <li>• “One school of thought is that wambo.org is there in country to keep procurement honest, rather than a pricing mechanism”</li> <li>• Reference prices published on wambo.org are transparent and facilitate comparisons with e.g. UNICEF and local suppliers</li> <li>• Countries can track how much they are spending on co-financing</li> <li>• Managers and even high-ranking officials can track the progress of a tender, including how the tender was evaluated, and the award</li> </ul>	<ul style="list-style-type: none"> <li>• UNITAID represents a quarter to a third of the total transactions through the pilot</li> <li>• Two projects from UNITAID were financed and went through the wambo.org pilot. From UNITAID, this brings transparency, track what is going on, as well as the grant recipient, and the implementing country</li> </ul>	<ul style="list-style-type: none"> <li>• Significant opportunity for advocacy by being completely transparent regarding what is coming down the pipeline</li> <li>• It brings prices down in the country</li> <li>• It provides visibility on how much governments spend to meet their co-financing requirement is a strong benefit</li> <li>• The pilot supports intervention, supports transparency, and managing the risks associated with corruption and conflict of interest</li> <li>• Perspective from LAC: When procurement is done at local level there is no transparency. The LFA can do a review but we don't have enough LoE to go into the details, so we might miss some important details about the</li> </ul>	<ul style="list-style-type: none"> <li>• If a significant portion of domestic resources are used for procurement on the pilot, then the pilot will have created more transparency, less abuse, and more visibility. However, the pilot must be used extensively to make it useful.</li> <li>• By nature, there is transparency with the Global Fund grants procuring through wambo.org. However, this transparency is also available with other UN agencies' tools.</li> <li>• The expanded use of wambo.org has not influenced increased transparency because there are other challenges with transparency and integrity in the supply chain that go beyond just procurement.</li> <li>• If country chooses to procure through the pilot, then that country is probably less likely to be corrupted</li> </ul>	<ul style="list-style-type: none"> <li>• Comparing to old situation where you just email and people use whatever system, a “regulated” system such as wambo.org where everyone uses same rules, has added transparency compared to what was originally there. System regulates the process, and authorizations. Integrity and transparency are regulated.</li> <li>• Depends on the perspective, from a country perspective there is limited influence on the domestic procurement. But it does influence the level of transparency globally</li> </ul>



		government local process.		
<i>What would promote further transparency and integrity in public health procurement beyond wambo.org?</i>				
<ul style="list-style-type: none"> <li>• A clear lead from Ministry of Health</li> <li>• A clear lead from National Programme to manage resources effectively and to avoid duplication.</li> </ul>	<ul style="list-style-type: none"> <li>• Payment facility needs to improve, would help to resolve the credit and fraud risk around the procurement of good in low-middle to income countries</li> </ul>	<ul style="list-style-type: none"> <li>• It depends on the interest of the people working at the government level.</li> </ul>	<ul style="list-style-type: none"> <li>• Visibility in tracking</li> <li>• Increasing financial autonomy down to more individual facilities while transparency is increased to central level</li> <li>• Increase traceability, visibility in different parts of health system</li> <li>• Flexibility in contracting &amp; accountability</li> </ul>	<ul style="list-style-type: none"> <li>• Publish tender prices</li> <li>• If the lowest price were not selected, explain why decision went elsewhere as this would help the suppliers and keep process transparent</li> </ul>

## Risks, failures, and barriers

GF governance and senior management	GF sourcing	GF Country Teams	Partners and Implementers	PSAs
<i>What are the risks associated with the wambo.org pilot? Have those risks been adequately mitigated?</i>				
<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Fiduciary risk: what happened if one party in the procurement process fails?</li> <li>• Many countries have still not signed up to the GF privileges and immunities, which may put them at risk if procuring through the pilot</li> <li>• In highly commoditized grants, in small portfolios, GF contributes a large amount of the national budget. Putting “more eggs into the same basket” through the pilot may be seen to increase the risk exposure</li> <li>• Lack of understanding of the wambo.org pilot from GF partners’ perspective</li> </ul> <p><b>Mitigations</b> These risks do not seem to have been mitigated</p>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• If funding is confirmed and supplier can't supply, it leads to delays in delivery</li> <li>• Risks of relationships with suppliers regarding placing orders where financing can't be met. We must ensure that confirmation of funding comes in before requisition occurs</li> </ul> <p><b>Mitigations</b></p> <ul style="list-style-type: none"> <li>• Only approach suppliers once the financing is available</li> </ul>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Governments not willing to use wambo.org</li> <li>• MoH would need a lot of hand holding to get onboarded - Using the pilot actually reduces the risks. More benefits than risks overall.</li> <li>• Risk for the countries is to not build the capacity of the procurement system and over relying on GF</li> <li>• Risk for GF is not to have enough capacity to respond to an increasing demand and then not being able to deliver</li> <li>• Conflict of interest is a risk when a donor is also a procurement agent.</li> <li>• Reputational risk: with country funds, anything that goes wrong would be scrutinized. E.g. delays attributed to wambo.org. Visibility along the process can help to manage this risk</li> </ul> <p><b>Mitigations</b></p>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• The cause for low demand for the pilot should be explored, there could be other preferences that have not been addresses</li> <li>• The risk is that because it is a pilot, it doesn't buy in</li> <li>• If GF expands their mandate and catalogue, and they can't deliver, this will be a risk to the Global Fund and its reputation</li> <li>• If a country is not able to use wambo.org due to the current barriers, the risk is that the country will access lower quality drugs at a higher price</li> </ul> <p><b>Mitigations</b></p> <ul style="list-style-type: none"> <li>• Consider revolving credit options</li> <li>• Looking at stringency that Global Fund follows to vet products for international distribution</li> </ul>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Risk is not to build capacity at country level</li> <li>• Financial risk</li> </ul> <p><b>Mitigations</b> N/A</p>

		<ul style="list-style-type: none"> <li>Capacity building risk: this has not been mitigated. Wambo.org could use local suppliers and create jobs. Agencies such as UNDP, UNICEF and others offer a lot of capacity building training</li> <li>Conflict of interest risk: solution would be to legally separate wambo.org from TGF. Like UNICEF, UNDP, MSF and other organisations</li> <li>Reputational risk: Further visibility along the process could help to mitigate this risk</li> </ul>		
Challenges and weaknesses identified during the wambo.org pilot				
<b>Challenges and weaknesses</b> <ul style="list-style-type: none"> <li>“The pilot was not articulated enough. There is a need to measure it against what it is intended to do”</li> <li>Stock-outs, increase in unit costs, and delayed delivery</li> </ul> <b>Mitigations</b> N/A	<b>Challenges and weaknesses</b> <ul style="list-style-type: none"> <li>Pre-payment: Countries reluctant to send the money until pharmaceuticals on the ground.</li> <li>Reticence of countries to trust a third party with their procurement decisions</li> <li>Operational challenges: struggling to facilitate and monitor all the payments</li> <li>Currency in USD</li> <li>Significant difference between initial and actual prices due to logistical costs</li> </ul>	<b>Challenges and weaknesses</b> <ul style="list-style-type: none"> <li>Covid caused some disruption to timely delivery.</li> <li>Delays impact the smooth implementation of the programmes</li> <li>Long approval process leads to a difference in prices</li> <li>Freight costs can be very expensive</li> <li>Pre-payment</li> </ul>	<b>Challenges and weaknesses</b> <ul style="list-style-type: none"> <li>There is a long approval process</li> <li>The large donors procuring health commodities work in silo and there is poor coordination among them about the procurement</li> </ul> <b>Mitigations</b> N/A	<b>Challenges and weaknesses</b> <ul style="list-style-type: none"> <li>Procedures: we have seen orders that remain open because the recipient is not able to finalise the mechanism. It is challenging because then the orders remain open and it's difficult to understand the pipeline.</li> <li>Communication: when client is onboarding on this transition program, we usually have one contact person, sometimes is not</li> </ul>

	<p><b>Mitigations</b></p> <ul style="list-style-type: none"> <li>Pre-financing mechanism: should be further developed with the health financing system team who is under Calypso. Trying to build a pre-financing mechanism to transfer the credit risk into the structure. Revolving funds that exist in other org offering procurement services: PAHO (\$20m revolving fund; UNICEF \$100m fund mostly for COVID; GDF \$2m) but reimbursement rate is very slow</li> </ul>	<ul style="list-style-type: none"> <li>Perspective from Cote d'Ivoire, country with a strong procurement system, prices on GF higher than prices from national procurement systems</li> </ul> <p><b>Mitigations</b></p> <ul style="list-style-type: none"> <li>To address expensive freight costs and delivery delays: engage discussions about getting suppliers closer, getting Africa or LAC based suppliers.</li> </ul>		<p>the right person, or when it's the right person they are usually unresponsive. There is no escalation or back-up. We don't have the opportunity to explain our processes.</p> <ul style="list-style-type: none"> <li>Pre-payment: Before proceeding a requisition, we need to make a pre-payment and there are two issues. When we receive a quote, there is always a validity date. We then need the funds, but it is lengthy and sometimes the funds are received too late, and we need to start the pricing quote again. This leads to additional work for us and the Global Fund.</li> </ul> <p><b>Mitigations</b></p> <ul style="list-style-type: none"> <li>In the future, it would be good to make sure that the item is selected is clear and to avoid write-ins</li> </ul>
<p><i>Have there been negative implications from the wambo.org pilot on the secretariat, and this had any impact on the Global Fund reputation?</i></p>				
<ul style="list-style-type: none"> <li>No specific instances cited, but the issue of delays frequently mentioned</li> <li>No indications of negative impact on GF's reputation</li> </ul>	<ul style="list-style-type: none"> <li>There have been negative implications from the wambo.org pilot on the secretariat based on the risks and challenges mentioned above</li> </ul>	<ul style="list-style-type: none"> <li>Yes, because of delays and rising prices. "If a country orders ventilators through wambo.org in a critical situation and the ventilators get delivered 5 months later, it impacts the reputation of the secretariat"</li> </ul>	<ul style="list-style-type: none"> <li>Stress. the pilot must have resulted in a lot of work for the Global Fund</li> <li>There is a greater reputational risk to the secretariat of having something like wambo.org , supposed to increase availability of high-quality</li> </ul>	<ul style="list-style-type: none"> <li>A different dynamic for the supply division and the PR services team – should they get involved or not? It is not really a Global Fund transaction. It is a contract between the agent and PR and should be treated be consistently (sometimes</li> </ul>

			<p>commodities in countries, using countries' own funding.</p> <ul style="list-style-type: none"><li>• There have been unfortunate effects because the Global Fund was not very clear on the objectives of wambo.org.</li><li>• There is no clear vision for the pilot, which makes it difficult for donors to understand</li><li>• Donors do not think that there has been great damage done reputationally. However, there could have been some frustration from the recognition that the pilot was not necessarily the tool that would be able to bail a country out.</li></ul>	<p>CTs get involved, sometimes not at all)</p> <ul style="list-style-type: none"><li>• For Strategic sourcing team it has implications because they have been stepping up in terms of providing forecasts to suppliers. Because of the uncertainty/lack of visibility on timely of payments, it is difficult to include volumes for domestic funding.</li></ul>
--	--	--	--	---

## Sustainability

GF governance and senior management	GF sourcing	GF Country Teams	Partners and Implementers	PSAs
<i>What do you see as the outcome of this pilot phase? Do you think the pilot should continue, expand, or reduce in scope?</i>				
<ul style="list-style-type: none"> <li>• “Why is the pilot still a pilot?”</li> <li>• The wambo.org tool can be a tool to improve HSS</li> <li>• Countries which use wambo.org for GF grant procurement know how to use the platform and can make very effective and efficient use to enable pilot procurements</li> <li>• The pilot cannot continue as is, change is needed in order to have a real impact.</li> <li>• The future will depend on the evaluation outcomes and the Board decision late 2022.</li> </ul>	<ul style="list-style-type: none"> <li>• Pilot is essential</li> <li>• Regional partnerships: e.g. Africa or LAC. given the number of African countries that we have, given the distances, if we can have some proper partnerships it could have a significant impact</li> <li>• Long term goal is to coordinate market shaping with other organisations</li> <li>• If we can solve the cash flow hurdle, solve the upfront payment question, we could actually transform public health in lower middle-income countries through a pre-financing mechanism and wambo.org. Could be expanded to all essential medicines and NCDs. Essential medicines are challenging because no one is doing strategic sourcing because the margin is so low and there are no international standards. For NCD it's much easier.</li> </ul>	<ul style="list-style-type: none"> <li>• Wambo.org should stick to the 3 diseases and for transition countries, we can then look at other commodities where prices are particularly high in some countries, this could be a "quick-win"</li> <li>• There is room for market shaping for other commodities e.g. pain killers, not necessary TB/HIV and Malaria</li> <li>• Perspective from country with a strong procurement system: wambo.org should only be used in Countries with little to no capacity</li> </ul>	<ul style="list-style-type: none"> <li>• The pilot requires a clear understanding of whether its objectives have been achieved, a clear indication of the value proposition, and the barriers and enablers to this value proposition, and engage countries interest</li> <li>• Some partners don't think the pilot should be stopped. It has a lot of potential, but it should not go forward without a recognition of the challenges and how to address them</li> <li>• The pilot needs the buy in of governments to take it forward. Further the pilot has some proponents but does not seem to have the weight of the organisation behind it – many folks who are happy with it are not pushing for it.</li> <li>• There is also a need to look at costs (relative to scale) and determine if the cost is worth it and the platform is able to deliver,</li> </ul>	<ul style="list-style-type: none"> <li>• We think it should expand, we as PSM have access to products that can be very challenging to source in some countries. What could be added: medicines in reproductive health, non-communicable diseases, cancer. These are categories where there are a lot of counterfeit medicines. We see countries where they are begging us to handle the situation</li> </ul>

			<p>compared for example to the alternative that Global Fund should support regional platforms that exist</p> <ul style="list-style-type: none"> <li>• Other partners think it will probably be good to extend it for a while. The timing of the pilot was a unique time, and more time may be required</li> <li>• With the timing of Covid 19, commodities for the pandemic were included on the pilot, although it was not intended or foreseen when the pilot started. It will be important to assess how Covid-19 affected the pilot, and how wambo.org and pilot was able to respond.</li> </ul>	
<p><i>What key lessons can be learned from the wambo.org pilot?</i></p>				
<ul style="list-style-type: none"> <li>• The need to assist the countries with cashflow: Many times, especially for grant payment, orders are placed but then there are significant delays or even cancelled. In these instances, funds are reimbursed after a significant time or even after grant closure. The amounts are therefore no longer available for grant implementation.</li> <li>• Countries which use wambo.org for GF grant</li> </ul>	<p>Not related to the pilot but to wambo.org in general, improvements to be done:</p> <ul style="list-style-type: none"> <li>• Streamline and increase functionalities of wambo.org, make it fit the purpose more in terms of GF management</li> <li>• Proper oversight/functionalities/tracking</li> <li>• Internal operational aspects</li> <li>• Optimise the approval chain</li> <li>• Solve the financial risk: prepayment issue</li> </ul>	<ul style="list-style-type: none"> <li>• There are ways that wambo.org should improve its invoicing to recycle cash back into the grant in a more efficient manner, rather than just have it waiting or wasted</li> <li>• Mitigate the delays that have been identified</li> <li>• More visibility on the co-financing mechanism.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider adding commodities</li> <li>• Consider whether the pilot is worth pushing in an established organisation, where the pilot is beyond the organisation's core mandate.</li> <li>• Onboarding process should be planned for as the platform has some level of detail. This is an important step to build</li> </ul>	<ul style="list-style-type: none"> <li>• For countries to adopt the pilot, it requires a different approach</li> <li>• There is almost a need to create awareness/selling the concept to no more countries</li> </ul>

procurement know how to use the platform and can make very effective and efficient use to enable pilot procurements. <ul style="list-style-type: none"> <li>• Clearer, open, direct communication to bring countries into the pilot</li> </ul>		<ul style="list-style-type: none"> <li>• We should focus on transitioning countries for the pilot</li> <li>• When relevant, have the suppliers closer to reduce lead time and freight prices</li> </ul>	confidence and not make using the pilot seem too onerous.	
<i>What are the best practices that emerged? Are there any best practices that should be incorporated further into wambo.org moving forward?</i>				
<ul style="list-style-type: none"> <li>• Suppliers to respond quicker, even if it is to inform buyers, and in particular if the products are not available.</li> </ul>	N/A	<ul style="list-style-type: none"> <li>• Good governance bodies remain key in ensuring that funding goes into the right direction</li> <li>• Continuous engagement with countries. It might be useful to engage directly with Ministry of Health as it would provide more visibility into the systems</li> <li>• Expand supplier base to include local manufacturers and local suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• There is need to understand the customer before standing the pilot as things never roll out as quickly as expected.</li> <li>• Expansion of the pilot has been slow as countries do not know how to invest. The Global Fund may need to invest in marketing that Wambo.org gives purchasers visibility, and this should be done upfront.</li> </ul>	N/A
<i>What role did the wambo.org platform play in the COVID 19 response?</i>				
<ul style="list-style-type: none"> <li>• Bringing C19 RM onto the platform demonstrated how wambo.org, including in pilot countries made a difference to the supply of COVID health products to LMICs. The positive impact shows that wambo.org, can open the</li> </ul>	N/A	<ul style="list-style-type: none"> <li>• A lot of processes were simplified. It helps bring down prices</li> <li>• One of the big benefits: it provides guarantees to manufacturers.</li> </ul>	<ul style="list-style-type: none"> <li>• The pilot and Covid-19 pushed the Global Fund to think about products expansion in a way that previous expansions did not, e.g. interest in Oxygen therapy.</li> <li>• The pilot was helpful in the Covid 19 setting as it was an</li> </ul>	<ul style="list-style-type: none"> <li>• Items' interface was a challenge but overall, it was very beneficial. Without wambo.org we would not be able to manage the volumes</li> </ul>



door not only to procure additional health products linked to prevention and treatment of HTM, but also to respond to any new pandemic/emergency situation.		<ul style="list-style-type: none"><li>• If another outbreak, wambo.org should help market shape and streamline the process</li></ul>	online platform for procurement that is a little more streamlined. Wambo.org makes it easier to add products for countries to order and add products – easier for countries and for Global Fund.	
---	--	--	--	--