



Investing in our future

The Global Fund

To Fight AIDS, Tuberculosis and Malaria

**Eighteenth Board Meeting
New Delhi, India, 7 – 8 November 2008**

**GF/B18/5
Decision**

REPORT OF THE PORTFOLIO COMMITTEE

OUTLINE:

1. This report summarizes the deliberations of the Portfolio Committee at its meeting on 9 – 10 September 2008 and the follow-on recommendations to the Eighteenth Board Meeting.

PART 1: INTRODUCTION

1. The Portfolio Committee (PC) met in Geneva from 9 – 10 September 2008. Ms. K. Sujatha Rao and Dr. Joseph André Tiendrebeogo served as Chair and Vice-Chair respectively.
2. This report contains the following sections:
 - Part 2: Review of the Global Fund's Quality Assurance Policy for Pharmaceutical Products
 - Part 3: Information Items

PART 2: REVIEW OF THE GLOBAL FUND'S QUALITY ASSURANCE POLICY FOR PHARMACEUTICAL PRODUCTS Decision

Background

1. In response to concerns raised by stakeholders throughout 2007, at its Sixteenth Meeting the Board requested the Secretariat, under PC oversight, to conduct a review of the Global Fund's Quality Assurance Policy for Pharmaceutical Products ("QA Policy") taking into account alignment with relevant partners' quality assurance policies, concerns about the safety, stability and efficacy of drugs, and market dynamics¹.
2. At the 9th PC Meeting, the PC endorsed the process put in place to review the Global Fund's QA Policy and emphasized the importance of partner involvement.

Process of the review

3. The Secretariat established a high-level, cross-functional internal steering committee to oversee the review of the QA Policy. In order to obtain advice and support from independent experts in the pharmaceutical field, the Secretariat also established a Technical Advisory Group (TAG)².
4. The review of the QA policy had three phases. During the first phase, the Secretariat compiled a report containing data relating to the past procurement of pharmaceuticals with Global Fund resources, information relating to the quality assurance policies of relevant partners, and market supply information for drugs to treat the three diseases. The TAG reviewed the Secretariat's report, analyzed the QA Policy and proposed recommendations to strengthen the QA Policy. During the second phase of the review, the TAG's recommendations and proposed amendments to the QA Policy were shared with partners and PC members for comments. In the last stage of the review, the TAG analyzed comments received from partners and the PC, and submitted its final recommendations to the Secretariat. Based on these recommendations, the Secretariat prepared and submitted its final report to the PC in August 2008.

Key recommendations

5. The Secretariat's key recommendations were formulated based on of the recommendations of the TAG. The Secretariat proposed the following key amendments to the QA Policy for the PC's consideration.

¹ Follow-up to GF/B16/DP17: "Interim Quality Assurance Policy for Multi-Source Products"

² GF/PC10/04 Annex 2 'Terms of Reference of the Technical Advisory Group for the QA Policy Review'

Clinical Standards

6. Grant applicants will be required to provide a technical justification for the selection of medicine that is included in the relevant national or institutional standards treatment guidelines or essential medicines lists, but is not included in the WHO standard treatment guidelines or essential medicines list, or vice versa.

Classification of pharmaceutical products

7. Pharmaceutical products will no longer be classified as either “single- and limited-source” or “multi-source” for quality assurance purposes.

Quality Standards: Staged Implementation Approach

8. The application of uniform quality assurance standards for Finished Pharmaceutical Products (FPPs) purchased with grant funds will be phased in. The quality standard set out below will initially apply only to antiretrovirals, anti-tuberculosis, and anti-malarial FPPs. For the time-being, all other FPPs need only comply with the quality standards prescribed by the National Drug Regulatory Authority in the country where the FPPs will be used.

Quality Standards for Antiretrovirals, Anti-tuberculosis and Anti-malarial FPPs

9. As a general rule, only FPPs that have been either WHO-prequalified or SRA-authorized can be purchased using Global Fund resources. However, if a PR determines that there is only one or no FPP available that meets either of those standards and wishes to purchase an alternate FPP, the Global Fund may approve the purchase of that FPP based on the recommendations of an “Expert Review Panel”, as described below.

10. An Expert Review Panel (ERP), composed of external technical experts, will be requested to review the potential risks/benefits associated with the use of FPPs that have not been either WHO-prequalified or SRA-authorized. The ERP will make recommendations to the Secretariat on whether it should fund the purchase of these products for a period of no more than 12 months from the start of the recommendation to the Secretariat, or until they have been either WHO-prequalified or SRA-authorized, whichever is earlier. An FPP will only be reviewed by the ERP if (i) WHO has accepted for review a pre-qualification application for that FPP or an SRA has accepted for review an application to authorize the use of that FPP; and (ii) that FPP has been manufactured at a site that is compliant with Good Manufacturing Practices³.

Definition of Stringent Regulatory Authority (SRA)

11. The definition of SRA has been amended to reflect the evolving membership profile and terms of reference of the International Conference on Harmonization of Technical Requirements for the Registration of Pharmaceuticals for Human Use (ICH).

Monitoring Product Quality

12. The Secretariat will establish robust requirements for monitoring the quality of FPPs and supply chain processes.

³ As verified by WHO, SRA, or a regulatory authority participating in the Pharmaceutical Inspection Cooperation Scheme (PIC/S)

Expert Review Panel

13. The Secretariat proposed two options for consideration by the PC regarding the hosting arrangements and management of the ERP. Under the first option, the ERP would be directly managed by the Secretariat. Under the second option, the ERP would be funded by the Secretariat, but managed by an external technical agency. The Secretariat recommended option two and the PC endorsed this option. The PC also requested the Secretariat to request the WHO to host the ERP, and to conclude the necessary arrangements with WHO. It stated that this approach is consistent with the Global Fund's aim to move towards harmonizing its quality criteria for pharmaceutical products with the criteria of its partners and to rely on partners for technical expertise.

14. The PC also requested that the Secretariat prepare indicative Terms of Reference (TOR) for the ERP. The draft TOR is contained in Annex 2 of this Report and will be finalized when the hosting arrangements for the ERP are concluded. The TOR will be shared with the PC at its 11th meeting and as part of the Secretariat's update to the PC on implementation of the revised QA Policy.

Amendments to the QA Policy Proposed by PC

15. The PC praised the Secretariat's review of the QA Policy. It noted that the review was conducted in a thorough and consultative manner in line with the Board's request. The PC agreed to approve the below Decision Point after receiving clarifications on the following issues:

- Definition of International Conference on Harmonization on Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH);
- Approval process for ERP;
- Definition of ERP recommendation and Global Fund decision for exceptions;
- Definition of Good Manufacturing Practice (GMP);
- Making ERP Terms of Reference publicly available;
- Making ERP approved products publicly available;
- Clarification of the role of LFA's in verifying compliance with random sampling activities; and
- PR contracts with suppliers for products under the existing Quality Assurance Policy.

Quality Assurance Policy for Diagnostics

16. Based on the recommendations of the TAG, the PC endorsed the Secretariat's proposal to initiate a review of the current status of quality assurance for diagnostic products and report the findings to the Board during its final meeting in 2009. This recommendation has been included in the proposed Decision Point to the Board.

Decision Point 1:

The Board approves the Quality Assurance Policy for Pharmaceutical Products ("QA Policy") as set out in Annex 1 to the Report of the Portfolio Committee (GF/B18/5). The QA Policy shall come into effect on 1 July 2009 and shall replace the Global Fund's previous policy for the quality assurance of pharmaceutical products (as approved at the Third Board meeting and amended at subsequent Board meetings).

The Board authorizes the Secretariat to request the World Health Organization (WHO) to host the Expert Review Panel described in the QA Policy, and to conclude the necessary arrangements with the WHO.

The Board delegates to the Portfolio Committee the responsibility for overseeing the implementation of the QA Policy, including the establishment of the Expert Review Panel. The Board requests the Secretariat to provide the Portfolio Committee with an update on the implementation of the QA Policy at the Portfolio Committee's final meeting in 2009, and thereafter, as requested by the Portfolio Committee.

The Board also requests the Secretariat, under the oversight of the Portfolio Committee, to review the current status of quality assurance for diagnostic products and make recommendations. The Board requests the Portfolio Committee to report the findings of this review at the Board's final meeting in 2009.

The budgetary implications of this decision point in 2009 amount to US\$ 1,245,000 which includes an allocation for 2 staff positions. (The cost will be covered by the budget contingency.)

PART 3: INFORMATION ITEMS

Information

Technical Review Panel (TRP) Replenishment 2009

1. The following three approaches for replenishing the Technical Review Panel in 2009 were presented to the PC:

- Option 1: Postpone the full replenishment of the TRP Support Group until after the May 2009 Board meeting, enabling new members to serve in Round 11. To fill the potential TRP vacancies in Round 10, the Secretariat recommended pulling members from (i) the existing TRP Support Group; (ii) the group of GAVI reviewers that joined the TRP on an interim basis in Rounds 8 and 9; (iii) persons working within the institutions of the retiring TRP members (where assessed by the PC sub-working group (pre-selection panel) to be technically qualified); and (iv) former TRP members who last served in Round 8 or earlier.
- Option 2: Undertake a limited TRP Support Group replenishment for malaria and tuberculosis expertise (given the depleted nature of these particular expert groups), starting in October 2008.
- Option 3: Undertake a broad call for new malaria and tuberculosis 'TRP Support Group' members starting in October 2008.

2. Ordinarily, the TRP Support Group replenishment process would be launched in October 2008, and a decision point on TRP replenishment would be presented to the Board by the PC in May 2009.⁴ However, due to various work streams on policy and strategy initiatives that are likely to impact the profile of TRP members and their scope of work, the Secretariat recommended option one.

3. The PC noted and appreciated the explanations for recommending a postponement of the full TRP Support Group replenishment. However it expressed concerns on the availability of gender experts. The PC understood that the intent of the Board is to strengthen gender expertise and that this could be best achieved through a partial replenishment process, similar to that indicated in option two above, prior to the May 2009 Board Meeting. Therefore, the PC requested the Secretariat to conduct a partial replenishment of up to 5 cross-cutting TRP members (with a gender focus).

⁴ See Technical Review Panel Terms of Reference and Round 8 Members, GF/PC9/04

Update on CCM Issues⁵

4. The Secretariat presented the key findings from the CCM case studies that were conducted in 40 countries using eight thematic areas⁶. The PC noted that the study results show improvements being made to strengthen CCMs. The PC looks forward to reading in-depth, thematic reports that are anticipated for release at the Eighteenth Board Meeting in November 2008.

5. The PC was comfortable with the process put in place to conduct a functional analysis of multiple CCM funding models that will be presented during the 11th PC Meeting in March 2009. The findings may change the CCM Funding Guidelines and will take into consideration the outcome of the 5 Year Evaluation. A decision point on this issue will be presented to the Board at the Nineteenth Board Meeting.

Local Fund Agent (LFA) Tender Process⁷

6. The Secretariat presented an overview of the LFA tender process and results, and reviewed the proposed approach to implementing the new LFA arrangements to ensure that the LFA transition is smooth and all LFAs consistently deliver high quality services to the Global Fund.

Round 9 Eligibility

7. The Secretariat presented the list of countries eligible for funding in Round 9. The PC noted the eligible countries and recommended the Secretariat review the latest available data on income level eligibility from the World Bank and OECD/DAC. The list of eligible countries was made public prior to the launch of Round 9 on 1 October 2008.

Changes to Global Fund Architecture

8. The PC endorsed the proposed changes to the Global Fund architecture which are based on three themes: (i) a single stream of funding, (ii) flexible and simpler access to funding; and (iii) enhanced performance management. The PC provided input to the Policy and Strategy Committee's (PSC) deliberations on this issue during the 10th PSC Meeting.

Operations Update

9. The Secretariat provided a portfolio update, reporting on the progress that has been made toward achieving key performance indicators and recent efforts to streamline and simplify internal processes. The PC was satisfied with the update provided.

⁵ Follow-up to GF/B16/DP19: "Guidelines on the Purpose, Structure, Composition and Funding of Country Coordinating Mechanisms and Requirements for Grant Eligibility"

⁶ PR/SR selection; PR-LFA-CCM communications; Governance and Civil Society Participation; Partnerships & Leadership; CCM Secretariats; Grant Oversight; Conflicts of Interest; Harmonization & Alignment

⁷ Follow-up to GF/B15/DP50: "Re-tendering of Local Fund Agent Contracts"

GLOBAL FUND QUALITY ASSURANCE POLICY FOR PHARMACEUTICAL PRODUCTS

BASIC PRINCIPLE

1. Global Fund grant funds may only be used to procure finished pharmaceutical products (FPP) in accordance with the standards prescribed in this policy.

GLOSSARY

2. Capitalized terms and acronyms used in this policy shall have the meaning given to them below.

Common Technical Document for the Registration of Pharmaceutical Products for Human Use (CTD) means a common format for the submission of information to regulatory authorities in ICH member countries.

Finished Pharmaceutical Product (FPP) means a medicine presented in its finished dosage form that has undergone all stages of production, including packaging in its final container and labeling.

Fixed Dose Combination (FDC) means a combination of two or more active pharmaceutical ingredients in a fixed ratio of doses.

Good Manufacturing Practices (GMP) means the practices, which ensure that pharmaceutical products are consistently produced and controlled according to quality standards appropriate to their intended use and as required by marketing authorization.

International Conference on Harmonization of Technical Requirements for the Registration of Pharmaceuticals for Human Use (ICH) is an initiative involving regulatory bodies and pharmaceutical industry experts that was established to make recommendations on ways to achieve greater harmonization in the interpretation and application of technical guidelines and requirements for product registration. ICH member countries are specified on its website: <http://www.ich.org>.

Pharmaceutical Inspection Cooperation Scheme (PIC/S) means the Swiss association of inspectorates which provides a forum for GMP training. The PIC/S is not subject to any international or domestic regulations. PIC/S member countries are specified on its website: www.picscheme.org.

Product Formulation means an active pharmaceutical ingredient (or combination of ingredients), dosage form and strength. Note: different FPPs may exist for the same Product Formulation.

Quality Control means all measures taken, including the setting of specification sampling, testing and analytical clearance, to ensure that starting material, intermediate, packaging material and FPPs conform with established specifications for identity, strength, purity and other characteristics.

Stringent Drug Regulatory Authority (SRA) means a regulatory authority which is (a) a member of the ICH (as specified on its website:); or (b) an ICH Observer, being the European Free Trade Association (EFTA) as represented by Swiss Medic, Health Canada and World

Health Organization (WHO) (as may be updated from time to time); or (c) a regulatory authority associated with an ICH member through a legally binding mutual recognition agreement including Australia, Norway, Iceland and Liechtenstein (as may be updated from time to time).

National Drug Regulatory Authority (NDRA) means the official drug regulatory authority of a country.

NDRA Recognized Laboratories means quality control laboratories for pharmaceutical products selected by NDRAs according to their standards to conduct their quality control testing for pharmaceutical products.

Medicine means an active pharmaceutical ingredient that is intended for human use.

WHO Prequalification Programme means the programme managed by WHO which prequalifies (a) medicines that are considered to be acceptable for procurement by the United Nations and specialized agencies; and (b) quality control laboratories for medicines.

CLINICAL STANDARDS

Compliance with Standard Treatment Guidelines and Essential Medicines Lists

3. Global Fund grant funds may only be used to procure medicines that appear in current national or institutional standard treatment guidelines or essential medicines list (“National or Institutional STGs or EML”), or the World Health Organization (WHO) standard treatment guidelines or essential medicines list (“WHO STG or EML”).

4. When submitting grant proposals to the Global Fund, applicants must ensure that they include a list of the medicines that they intend to procure with grant funds, together with a copy of the relevant National or Institutional STG or EML or the WHO STG or EML. If an applicant intends to procure medicine that is included in the relevant National or Institutional STG/EML, but not included in the WHO STG or EML, or vice versa, the applicant is requested to provide a detailed technical justification for the selection of that medicine, which will be reviewed by the Technical Review Panel (TRP).

5. A Principal Recipient (PR) must submit a technical justification to the Global Fund if it would like to procure a medicine that (i) was not specified in the grant proposal approved by the Global Fund; and (ii) is included in the relevant National or Institutional STG/EML, but not included in the WHO STG or EML, or vice versa. The Secretariat may, if it deems necessary, refer that technical justification to the TRP for review.

Adherence, Drug Resistance and Monitoring Adverse Effects

6. It is strongly recommended that PRs implement mechanisms to encourage adherence to treatment regimens (including but not limited to providing medicines in FDCs, once-a-day formulations and/or blister packs, and providing peer education and support), to monitor and contain resistance, and to monitor adverse drug reactions according to existing international guidelines⁸. The cost of implementing such mechanisms may be included in the budget for the relevant Global Fund

⁸ E.g. WHO, The Uppsala Monitoring Centre. The Importance of Pharmacovigilance. Safety Monitoring of medicinal products. Geneva: World Health Organization, 2002, available at <http://www.who.int/medicinedocs/en/d/Js4893e/>. Safety of Medicines. A guide to detecting and reporting adverse drug reactions. Geneva: World Health Organization, WHO/EDM/QSM/2002.2, available at <http://www.who.int/medicinedocs/en/d/Jh2992e/>

grant. To help contain resistance to second-line TB medicines and consistent with the policies of other international funding sources, all procurement of FPPs to treat Multi Drug Resistant Tuberculosis (MDR-TB) must be conducted through the Green Light Committee of the Stop TB Partnership hosted by the WHO (GLC).⁹

PROCUREMENT OF ANTIRETROVIRALS, ANTI-TUBERCULOSIS AND ANTI- MALARIAL FPPS

Quality Standards

7. Global Fund grant funds may only be used to procure antiretrovirals, anti-tuberculosis and anti-malarial FPPs that meet the following standards and, in accordance with the selection process described in Sections 8 and 9 below:

- (i) Prequalified by the WHO Prequalification Programme or authorized for use by a Stringent Drug Regulatory Authority (SRA)¹⁰.or
- (ii) Recommended for use by an Expert Review Panel (ERP), as described in Section 10 below.

Selection Process

8. If there are two or more FPPs available¹¹ for the same Product Formulation that meet the quality standards set out in Section 7(i), the PR may only use Global Fund resources to procure an FPP that meets either of those standards.

9. However, if a PR determines that there is only one or no FPP available¹² that meets either of the quality standards set out in Section 7(i) and it wishes to use Global Fund resources to procure an alternate FPP, it must request confirmation from the Global Fund that the PR's determination is accurate and that the alternate FPP meets the standard specified in Section 7(ii).

Expert Review Panel

10. Upon the Global Fund's request, an independent Expert Review Panel (ERP) composed of external technical experts will review the potential risks/ benefits associated with the use of an FPP that is not yet WHO-prequalified or SRA-authorized¹³ and will make recommendation to the Global Fund.

11. The Global Fund will maintain an up-to-date list of all FPPs that have been recommended by the ERP. This list will be made publicly available on the Global Fund's website. If, pursuant to Section 9, a PR requests to procure an FPP that does not appear on the list, the Global Fund shall request the ERP to review the relevant FPP.

12. The Global Fund will also make the terms of reference and rules of procedure for the ERP publicly available.

⁹ <http://www.who.int/gtb/policyrd/DOTSplu.htm>

¹⁰ Or approved or subject to a positive opinion under the Canada S.C. 2004, c. 23 (Bill C-9) procedure, or Art. 58 of European Union Regulation (EC) No. 726/2004 or United States FDA tentative approval.

¹¹ "Available" means the manufacture can supply the requested quantity of the FPP within not less than 90 days of the requested delivery date.

¹² Refer to footnote 11.

¹³ Refer to footnote 10.

Eligibility Criteria for ERP Review

13. FPPs are eligible for review by the ERP if the following conditions have been met:

- (i)
 - (a) the manufacturer of the FPP has submitted an application for pre-qualification of the product by the WHO Prequalification Programme and it has been accepted by WHO for review; OR
 - (b) the manufacturer of the FPP has submitted an application for marketing authorization to an SRA, and it has been accepted for review by the SRA,

AND

- (ii) the FPP is manufactured at a site that is compliant with the standards of Good Manufacturing Practice (GMP) that apply for the relevant Product Formulation, as verified after inspection by:
 - (a) the WHO Prequalification Programme; OR
 - (b) an SRA; OR
 - (c) a regulatory authority participating to the Pharmaceutical Inspection Cooperation Scheme (PIC/S).¹⁴

Time Limitation

14. If the ERP recommends the use of an FPP, the ERP's recommendation shall be valid for a period of no more than 12 months ("ERP Recommendation Period"), or until the FPP is WHO-prequalified or SRA-authorized¹⁵, whichever is the earlier.

15. In accordance with Section 9, the PR may enter into a contract with a supplier for the procurement of an FPP recommended for use by the ERP at any time until the expiry of the ERP Recommendation Period, but the term of the contract must not exceed 12 months (that is, the PR cannot place an order for FPPs under the contract more than 12 months after it is executed).

16. However, the Global Fund may, in its sole discretion, request the ERP to consider extending the ERP Recommendation Period for up to an additional 12 months if the FPP is not yet WHO-prequalified or SRA-authorized¹⁶ within the ERP Recommendation Period. The Global Fund may refer more than one request for such an extension to the ERP.

PROCUREMENT OF ALL OTHER FPPs

Quality Standards

17. All FPPs, other than antiretrovirals, anti-tuberculosis and anti-malarial FPPs, need only to comply with the relevant quality standards that are established by the National Drug Regulatory Authority (NDRA) in the country of use.

¹⁴ List of PIC/S members is available on the PIC/S website: www.picscheme.org.

¹⁵ Refer to footnote 10.

¹⁶ Refer to footnote 10.

Selection Process

18. PRs must select FPPs, other than antiretrovirals, anti-tuberculosis or antimalarial FPPs, in accordance with NDRA requirements.

NATIONAL DRUG REGULATORY AUTHORITY AUTHORIZATION

19. Global Fund resources may only be used to procure FPPs that have been authorized for use by the NDRA in the country where they will be used in accordance with its standard practices for drug registration or other forms of authorization (such as authorizations for marketing or importation).

20. For FPPs that have been prequalified by the WHO Prequalification Programme, NDRAs are encouraged to expedite the process for authorizing the use of such FPPs by accepting the prequalification approval letter and supporting documentation, including WHO prequalification report and the manufacturer's summary of information relating to the quality, safety and efficacy of the FPP, together with all necessary information to perform quality control testing of products and necessary reference standards.

21. For FPPs that have been authorized for use by an SRA¹⁷, NDRAs are encouraged to expedite the process for authorizing the use of such FPPs in the relevant country by accepting the executive summary of the Common Technical Document for the Registration of Pharmaceutical Products for Human Use (CTD) or sections of the CTD relating to the quality, safety and efficacy of the FPP, together with all necessary information to perform quality control testing of products and necessary reference standards, to fulfill national requirements.

PROCUREMENT PRACTICES TO ASSURE QUALITY

22. In addition to the Global Fund's existing policies for procurement practices, PRs must ensure that all FPPs are procured in accordance with principles set forth in the Interagency Guidelines: A Model Quality Assurance System for Procurement Agencies¹⁸ (as amended from time to time).

23. PRs are responsible for monitoring the performance of suppliers with respect to product and supply chain quality, and must submit information to the Global Fund on supplier performance as defined by the Global Fund.

MONITORING PRODUCT QUALITY

24. The quality of FPPs procured with Global Fund grant funds must be monitored. The cost of conducting quality control activities may be budgeted for in the Global Fund grant. PRs must submit to the Global Fund the results of quality control tests, which may be made publicly available by the Global Fund.

¹⁷ Refer to footnote 10.

¹⁸ A model quality assurance system for procurement agencies (Recommendations for quality assurance systems focusing on prequalification of products and manufacturers, purchasing, storage and distribution of pharmaceutical products). Annex 6. In: *WHO Expert Committee on Specifications for Pharmaceutical Preparations*, Fortieth report, Geneva, World Health Organization, 2006, (WHO Technical Report Series, No 937), and Interagency Publication by WHO, UNICEF, UNIDO, UNDP and World Bank WHO/PSM/PAR/2007.3.

For All FPPs

25. In collaboration with NDRA, PRs must ensure that random samples of FPPs are obtained at different points in the supply chain - from initial receipt of the FPPs in-country to delivery to end-users/patients - for the purpose of monitoring the quality of such FPPs (including quality control testing).
26. Such samples must be sent to NDRA laboratories or NDRA Recognized Laboratories or WHO Prequalified Laboratories or Global Fund contracted laboratory(ies) for quality control testing.
27. To ensure the NDRA Laboratories or NDRA Recognized Laboratories have adequate capacity for full pharmacopoeial testing, they must meet one of the following criteria:
- (i) Prequalified by WHO Pre-qualification Programme, or
 - (ii) Accredited in accordance with ISO17025.
28. The Global Fund will, based on the advice of WHO, provide protocols and standard operating procedures that may be used for quality control testing and reporting of results.
29. The Global Fund will request Local Fund Agents to verify whether PRs have complied with the process described in Sections 25 and 26.
30. Technical assistance aimed at strengthening NDRA Laboratories or NDRA Recognized Laboratories may be included in Global Fund proposals.

For FPPs Recommended for Use by the ERP

31. When a PR procures an FPP that has been recommended for use by the ERP, the Global Fund will make the necessary arrangements for randomly selected samples of the FPP to be tested for quality control purposes, in accordance with advice provided by the ERP, prior to the delivery of that FPP by the manufacturer to the PR or other designated recipient. The PR will ensure that its contract with the manufacturer affords the Global Fund and its authorized agents with access rights that would allow for such sampling to be undertaken. The cost of the sampling and testing of the FPP will be borne by the Global Fund.

TRANSITIONAL PROVISIONS

32. If a PR entered into a contract with a supplier on or before 30 June 2009 for the procurement of FPPs that complied with the Global Fund's previous QA Policy, but do not comply with this policy, the PR must notify the Global Fund of the details of this contract. The Global Fund may, after consultation with the PR, require the PR to take reasonable steps to discontinue procurement of FPPs under such contract, with a view to making a smooth transition to compliance with this policy at the earliest opportunity. In any event, the PR may not seek to extend or renew such a contract after 30 June 2009.

Global Fund Quality Assurance Policy for Pharmaceutical Products

Expert Review Panel Indicative Terms of Reference General Principles

Part 1: Background

1. At its 18th Meeting in November 2008, the Global Fund Board approved a revised Quality Assurance Policy for Pharmaceutical Products (“QA Policy”), as set out in the attached Board Decision(GF/[__]). The QA Policy shall come into effect on 1 July 2009 and shall replace the Global Fund’s previous policy for the quality assurance of pharmaceutical products.
2. The QA Policy provides that Global Fund grant funds may only be used to procure antiretrovirals, anti-tuberculosis and anti-malarial finished pharmaceutical products (FPPs) that meet the following standards:
 - (i) Prequalified by the WHO Prequalification Programme or authorized for use by a Stringent Drug Regulatory Authority (SRA)¹⁹; or
 - (ii) Recommended for use by an Expert Review Panel (ERP).²⁰
3. The Board has authorized the Secretariat to request the World Health Organization (WHO) to host the ERP and to conclude the necessary arrangements with WHO.
4. This document sets out an indicative the terms of reference for the ERP and will be subject to final approval following a review by the PC at its 11th Meeting in March/April 2009.

Part 2: Purpose of the ERP

1. As defined in the QA Policy, the ERP will be an independent technical body hosted by WHO that is composed of external technical experts.
2. The purpose of the ERP is to review the potential risks/benefits associated with the use of FPPs that are not yet WHO-prequalified or SRA-authorized. The ERP will make recommendations to the Global Fund on whether to allow grant funds to be used to procure such FPPs.

Part 3: Division of functions between Global Fund Secretariat and the ERP

1. The Global Fund Secretariat will be responsible for:
 - (i) inviting manufacturers of selected medicines to submit an Expression of Interest (EoI) to have FPPs reviewed by the ERP;

¹⁹ A Stringent Drug Regulatory Authority means a regulatory authority which is (a) a member of the ICH (as specified on its website:); or (b) an ICH Observer, being the European Free Trade Association (EFTA) as represented by Swiss Medic, Health Canada and World Health Organization (WHO) (as may be updated from time to time); or (c) a regulatory authority associated with an ICH member through a legally binding mutual recognition agreement including Australia, Norway, Iceland and Liechtenstein (as may be updated from time to time).

²⁰ Section 7 of the QA Policy.

- (ii) publishing guidelines on the application process for ERP review;
 - (iii) managing the receipt of product dossiers sent by manufacturers according to the EoI guidelines;
 - (iv) providing complete product dossiers to the ERP Coordinator at WHO for review;
 - (v) notifying manufacturers of the outcome of the ERP's review of their respective FPP dossiers; and
 - (vi) maintaining on its website an up-to-date list of all FPPs that have been recommended for use by the ERP.
2. The ERP hosted by WHO will be responsible for:
 - (i) establishing rules of procedure and criteria for ERP reviews;
 - (ii) reviewing product dossiers with a particular focus on the technical information described in Part 6 below; and
 - (ii) delivering to the Global Fund a report detailing the findings of each such review, including recommendations on whether to allow grant funds to be used to procure the FPP in question, within the timeline agreed with the Global Fund.

Part 4: ERP Membership

1. WHO will recruit an ERP Coordinator to be responsible for managing the selection and recruitment of ERP members in consultation with the WHO Prequalification Programme.
2. The ERP shall consist of a pool of at least 15 senior experts who may be called upon, from time to time, to participate in the review of product dossiers. Out of that pool, a maximum of seven experts will be selected by the ERP Coordinator to conduct a specific dossier review.
3. ERP membership shall be representative of a wide range of expertise in the pharmaceutical and medical fields. Each ERP Member shall have extensive professional experience in at least one of the following technical areas: (i) quality assurance of pharmaceuticals; (ii) quality control of pharmaceuticals; (iii) pharmaceutical regulatory affairs; (iv) disease control; (v) pharmaceutical manufacturing; and/or (vi) clinical and/or biopharmaceutics/pharmacokinetics.
4. ERP Members shall serve in their personal capacities only (that is, they shall not represent their employers or another organizations when serving as ERP members). The names and curricula vitae of ERP members shall be made available to the public.
5. ERP members are covered by the requirements of the Global Fund's Policy on Ethics and Conflict of Interest for Global Fund Institutions ("Ethics Policy"). Accordingly, each member shall be required to complete and submit declaration of interest forms to the Global Fund's Ethics Official in accordance with the requirements set out in the Ethics Policy.
6. ERP members are also required to sign a confidentiality statement prepared in accordance with the ERP's internal guidelines.²¹

Part 5: Scope of work of the ERP

1. As requested by the Global Fund, the ERP shall assess the quality of FPPs that meet the following eligibility criteria:
 - (i)

²¹ Such guidelines shall be developed by the ERP.

- (a) the manufacturer of the FPP has submitted an application for pre-qualification of the product by the WHO Prequalification Programme and it has been accepted by WHO for review; OR
- (b) the manufacturer of the FPP has submitted an application for marketing authorization to an SRA, and it has been accepted for review by the SRA,

AND

- ii) the FPP is manufactured at a site that is compliant with the standards of Good Manufacturing Practice (GMP) that apply for the relevant Product Formulation, as verified after inspection by:
 - (a) the WHO Prequalification Programme; OR
 - (b) an SRA; OR
 - (c) a regulatory authority participating to the Pharmaceutical Inspection Cooperation Scheme (PIC/S).
2. For each such assessment, the ERP shall review selected parts of the product dossier that have been sent to the ERP Coordinator from the Global Fund. The ERP assessment shall focus on the technical areas specified in Part 6 below.
 3. The ERP shall prepare and submit a report to the Global Fund, which outlines the key findings of its review and provides a recommendation on whether the Global Fund should allow the FPP to be procured with grant funds.
 4. The ERP review process should be conducted in accordance with in close collaboration with the WHO Prequalification and WHO disease programmes.

Part 6: Technical Areas of ERP review

1. The ERP will review a product dossier, focusing on the following technical areas:
 - (i) product registration information;
 - (ii) regulatory (licensing) status of the FPP and details about the manufacturing facility;
 - (iii) finished product specifications and information regarding compliance with international pharmacopoeia standards, if available;
 - (iv) stability testing data (both accelerated and real time studies in Zone IV) as per ICH and/or WHO Guidelines;
 - (v) product labelling information;
 - (vi) active pharmaceutical ingredient (API) characteristics and certification; and
 - (vii) safety and efficacy data or human bioequivalence data.

Part 7: Validity of the ERP recommendations

As specified in the QA Policy, if the ERP recommends the use of an FPP, the ERP's recommendation shall be valid for a period of no more than 12 months ("ERP Recommendation Period"), or until the FPP is WHO-prequalified or SRA-authorized²², whichever is the earlier. However, the Global Fund may, in its sole discretion, request the ERP to consider extending the ERP recommendation period for up to an additional 12 months if the FPP is not yet WHO-prequalified or SRA-authorized within the ERP Recommendation Period. The Global Fund may refer more than one request for such an extension to the ERP

²² Or approved or subject to a positive opinion under the Canada S.C. 2004, c. 23 (Bill C-9) procedure, or Art. 58 of European Union Regulation (EC) No. 726/2004 or United States FDA tentative approval.

Part 8: Transparency

Guidelines on the application process for ERP reviews will be made publicly available on the Global Fund website. All FPPs recommended for use by the ERP will also be made publicly available.

Part 9: Logistics

ERP members may receive an honorarium for their services, as approved by the Global Fund, in addition to travel expenses and perdiems.

The ERP is supported by the Secretariat to facilitate its activities, in particular with regards to the arrangements for the ERP sessions as well as provision of the relevant documentation for review.

Part 10: Evaluation of the ERP

No later than 18 months after the establishment of the ERP, the Global Fund will evaluate the performance of the ERP against the indicators that will be set forth in the contract between the Global Fund and the WHO.

GUIDANCE ON LOCATION OF FURTHER INFORMATION

The table below indicates where further information on items addressed in this report can be found.

All numbered papers may be found on the PC and Board documents website unless otherwise indicated:

<http://www.theglobalfund.org/protected/committees/pc>

Item:	Further information available:
1. Global Fund Quality Assurance Policy for Pharmaceutical Products	<ul style="list-style-type: none"> • Document GF/PC10/04: 'Review of the Global Fund's Quality Assurance Policy for Pharmaceutical Products' • GF/B16/DP17: 'Interim Quality Assurance Policy for Multi-Source Products'
2. LFA Re-tendering Process	<ul style="list-style-type: none"> • GF/PC10/06: 'Progress Update: Local Fund Agent Re-tendering' • GF/B15/DP50: 'Re-tendering of Local Fund Agent Contracts'
3. TRP Replenishment 2009	<ul style="list-style-type: none"> • GF/PC10/05: 'TRP Replenishment 2009'
4. Round 9 Eligibility	<ul style="list-style-type: none"> • GF/PC10/07 'Round 9 Eligibility'
5. Update on CCM Issues	<ul style="list-style-type: none"> • GF/PC9/06: 'CCM Composition and Funding Model' • GF/B16/DP19: 'Guidelines on the Purpose, Structure, Composition and Funding of Country Coordinating Mechanisms and Requirements for Grant Eligibility'
6. Changes to Global Fund Architecture	<ul style="list-style-type: none"> • GF/PSC10/03: 'Global Fund Architecture Review'