



A NEW  
PERSPECTIVE  
ON TB DRUG  
PROCUREMENT.

# GDF Business Advisory Committee

## Key Outcomes from 1<sup>st</sup> Meeting

### Background

For the GDF to effectively execute its broad ranging operations in a complex business environment, the Coordinating Board of the Stop TB Partnership established a GDF Business Advisory Committee (BAC) at its meeting of April 2006. After a transparent nomination and review process conducted in October and November 2006, seven international experts were chosen by the selection panel to participate in the BAC.

### Agenda

The members of the BAC met for the first time in March 2007 at the World Economic Forum in Geneva, Switzerland. Following briefings on GDF operations and future plans, the two-day meeting of the BAC focused on three topics:

- Increasing the number of prequalified suppliers of anti-TB drugs
- Effective introduction of additional TB products to the GDF catalogue
- Strategic evolution of GDF service lines

The complete agenda of the BAC meeting is appended to this document as Annex 1.

### Participants

In addition to staff from the Stop TB Partnership Secretariat, the following persons participated in the first meeting of the BAC:

- Mr. François Bonnici (World Economic Forum)
- Dr. Joseph M. Fortunak (BAC)
- Dr. Bernard Fourie (BAC)
- Mr. Jean-François de Lavison (BAC)
- Mr. Peter Riemersma (BAC)
- Mr. Frans Stobbelaar (BAC)
- Mr. Richard Wilder (BAC)
- Ms. Wendy Woods (BAC)

Note: Dr. Bernard Fourie was selected by BAC members as chairperson for the meeting, seconded by Mr. Richard Wilder.

### Key Outcomes

Upon completion of discussions, BAC members prepared and presented a summary of the meeting and BAC recommendations. These notes appear below.

#### Overarching points

- GDF should prepare and make widely known a clear statement on GDF's strategic position (comparative advantage) relative to the Global Fund, WHO and other donors and technical agencies.
- GDF should diversify its donor base, to:
  - Ensure GDF sustainability; and
  - Sustain support for existing GDF grants.
- GDF should encourage innovation, in particular:
  - Promote improvements on drug formulations; and
  - Improve lines of communication with the three New Tools working groups.
- GDF should re-evaluate its requirement that grant recipients increase national budget lines for anti-TB drugs.





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### Topic 1: Increasing the number of prequalified suppliers of anti-TB drugs

GDF should make it a high priority to increase the number of suppliers that are pre-qualified by WHO or registered for market and sale by a stringent regulatory authority (SRA). Some strategies for achieving this include:

- Advocate with countries and donors (such as the Global Fund) to promote use of pre-qualified drugs and the adoption of WHO regimens exclusively;
- Work with WHO to identify and address bottlenecks in the pre-qualification process;
- Facilitate the process of pre-qualification by providing assistance to manufacturers that a) have previously applied and failed to gain prequalification status, b) those that have passed SRA and c) those that are preparing to apply for pre-qualification; and
- Collaborate with industry to prepare a database of country treatment regimens as a basis for identifying potential new suppliers of raw materials and/or finished products, including local suppliers. Participate in CPHI (the international convention on pharmaceutical ingredients and intermediates) as a starting point for discussions with industry.

### Topic 2: Effective introduction of additional TB products to the GDF catalogue

GDF should make it a high priority to strengthen systems for supplying products recently added to its catalogue.

- Systems for demand and supply of paediatrics in place and showing success in the short-term, however there is a need to pre-qualify suppliers of these products and to identify low cost formulations.
- Systems for demand and supply of 2<sup>nd</sup> line products are not aligned: approved demand must respect supply realities. Lack of full convergence of GDF and GLC puts GDF at risk, and should either be expedited or else the entities should be de-converged. There is a need to identify alternative suppliers of some finished products. An expert analysis on supply capability, including API, should be performed and consider multiple scenarios.
- Systems for supply and demand for diagnostics are in place, but current diagnostic products lack documented international quality standards to follow. GDF should promote the creation of such standards. GDF should liaise closely with stakeholders preparing to introduce new diagnostics to be prepared for their availability and adoption by WHO.

### Topic 3: Strategic evolution of GDF service lines

GDF should make it a high priority to refine and promote its Direct Procurement service, in light of an apparent trend in its Grant Service to support only weak or vulnerable programmes that are not eligible for funding from other donors or for whom finances from donors are not available when drugs are needed. It was noted that focusing only on this niche of grant recipients introduces a greater risk of "less" success.

- GDF should explore opportunities for increasing Direct Procurement business through continued work with donors (such as the Global Fund), but also with the private sector, NGOs, governments and principal recipients of grants (such as UNDP).
- GDF should consider ways in which it or its agents can be flexible enough to offer procurement services in the context of varying government or donor regulations/requirements.
- GDF should pursue a targeted approach to brokering technical assistance (TA) for 1<sup>st</sup> and 2<sup>nd</sup> line anti-TB drug management, and steps to hire a TA manager in its secretariat to coordinate and ensure alignment with existing TA mechanisms should be accelerated.
- GDF should move forward with an analysis of its impact in countries, should routinely collect, analyze and adopt lessons learned from customer feedback, and should perform or assess existing drug market analysis.



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## **Annex 1: GDF Business Advisory Committee (BAC) Meeting 14 - 15 March 2007 Agenda**

During its November 2007 teleconference, GDF and members of the BAC agreed that the BAC's work plan should be defined during its first meeting (March 14-15 2007), rather than being predetermined by the GDF secretariat. Therefore, a primary goal of this initial meeting will be for Committee members to plan the work that will be required of them to (a) help GDF address the challenges and (b) capitalize on the opportunities, which currently exist and will arise in the future, in relation to its business operations. A secondary goal will be to provide clear, time bound and prioritized recommendations to the Stop TB Partnership Coordinating Board for consideration during its first biannual meeting in Geneva April 17-19 2007.

### **Day 1: Introduction**

- 09.00 to 09.30 Welcome by Executive Secretary, Stop TB Partnership and introductions.  
09:30 to 09:45 Selection of a Chairperson, review of agenda and administrative details.  
09.45 to 10.45 Briefing on GDF Strategic Plan/Question and Answer Period – Part 1.  
10:45 to 11:00 *Coffee break*  
11:00 to 11:30 Briefing on GDF Strategic Plan/Question and Answer Period - Part 2.

#### Topic 1

- 11:30 to 12:30 Increasing the number of prequalified sources of TB drugs – Finished Product Formulations and Active Pharmaceutical Ingredients.  
12:30 to 13:30 *Lunch*  
13:30 to 15:00 Topic 1 continued.

#### Topic 2

- 15:00 to 16:00 Effective introduction of additional products to the GDF catalogue: Paediatric drugs, 2<sup>nd</sup> line drugs and Diagnostic equipment. Short- and long-term scenarios for existing and new tools, respectively.  
16:00 to 16:15 *Coffee break*  
16:15 to 17:45 Topic 2 continued.

### **Day 2: Work Planning and Discussions**

- 08.30 to 08.45 Review of previous day and of agenda.

#### Topic 3

- 08.45 to 10.15 Strategic evolution of GDF's Service Lines: Grant, Direct Procurement and Technical Assistance.  
10:15 to 10:30 *Coffee break*  
10:30 to 12:00 Topic 3 continued.  
12:00 to 13:00 *Lunch*

#### Work plan preparation

- 13:00 to 14:00 Identification of priority areas for BAC focus in the coming year and assignment of members to sub-groups for each priority area.  
14:00 to 15:30 Sub-groups meet to discuss and arrive at recommendations for each priority area and develop plans of work for each area.  
15:30 to 15:45 *Coffee break*  
15:45 to 16:45 Sub-groups present their recommendations and work plans.  
16:45 to 17:45 Closing and finalization of recommendations and BAC work plan.

