

# Improving Access for Quality-Assured TB Medicines + Diagnostics



## Update on GDF Model & Activities

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# Outline

1. What is the Global Drug Facility?
2. Key achievements to date & how is GDF model evolving?
3. What are the current TB supply chain vulnerabilities & challenges?
4. Discussion / Q&A



# What is the Global Drug Facility?

**An initiative of the Stop TB Partnership (2001), mainly funded by USAID and CIDA, with projects supported by UNITAID & Kuwait Fund, hosted in WHO and managed by the Stop TB Partnership**

An operating mechanism to support the Stop TB Strategy:

- **expanding access to quality-assured first (FLD) and second-line TB drugs (SLD) and diagnostics,**
- **contributing to the development of sustainable procurement and supply management for countries in need**

**GDF began supplying FLDs in 2001, and in 2008 added the supply of SLDs, pediatric TB medicines and diagnostics and is a major source for GeneXpert**



# GDF Mission and Evolving Mandate

## Mission

Ensure timely access to quality assured, affordable TB drugs and diagnostics and contribute to the development of sustainable TB drug management capacity for countries in need.

## GDF Mandate

GDF is more than a traditional procurement mechanism – it is a one-stop access for provision of medicines and diagnostics through:

- Emergency one year grants - bridging TB program gaps for FLDs or
- Grants for FLDs to continue for 1 more year to allow for proper phase-out
- Grants for SLDs: under discussion with donors
- Direct procurement (DP) – Any country, TB program, NGO can buy FLDs, SLDs, Diagnostics through GDF
- In-country technical assistance in procurement and supply chain management

⇒ **Pooled procurement platform with market shaping impact**

⇒ **Alignment with GFATM New Funding Model > ensuring drugs needs are in concept notes with accurate quantification**

⇒ **Increased focus on data collection / management for strengthening overall supply chain**



# GDF Strategic Objectives

1. **Save lives** by ensuring an uninterrupted supply of quality-assured, affordable anti-TB drugs and diagnostics to population in need
2. **Strengthen national drug supply management systems** and sustainable procurement capacity by providing tailored technical assistance, innovative tools to countries/organizations in need and enhance partners' engagement for technical and financial support
3. **Contribute to TB commodities market shaping** by linking strategic interventions on the demand and supply sides with stakeholders/partners, focusing on market analysis, supply security, suppliers engagement, affordable and sustainable prices, innovation and new products introduction/uptake by countries
4. **Maximize impact and value for money** by enhancing efficiency/effectiveness of operations focusing on quality of services and clients/partners feedback





# Key GDF milestones

## 133 countries benefited from GDF procurement / bundled mechanism

- ❖ > 23,7 M Adult FLDs & 1,3 M pediatric treatments & 131,559 SLDs patient treatments delivered since inception (**overarching goal of 25 M patient treatments reached in 2014**)
  
- ❖ > 1 billion USD of TB commodities procured since 2002
- ❖ **Market shares in 2013** (public sector) around:
  - 25% for FLDs (all notified cases)
  - 34% for SLDs (reported on treatment)
  - 59% for paediatrics (all notified cases)
  
- ❖ **GDF model & processes restructured**
- ❖ FLDs / SLDs / Diagnostics procurement lines merged
- ❖ + friendly Direct Procurement platform (88% activity)
  - greater SLDs supply security (26 products – 12 suppliers => more than x 2 since 2011)
  - new financial flexibilities
  - new tools and TA model for improved forecast
  - on-going new stockpile policies

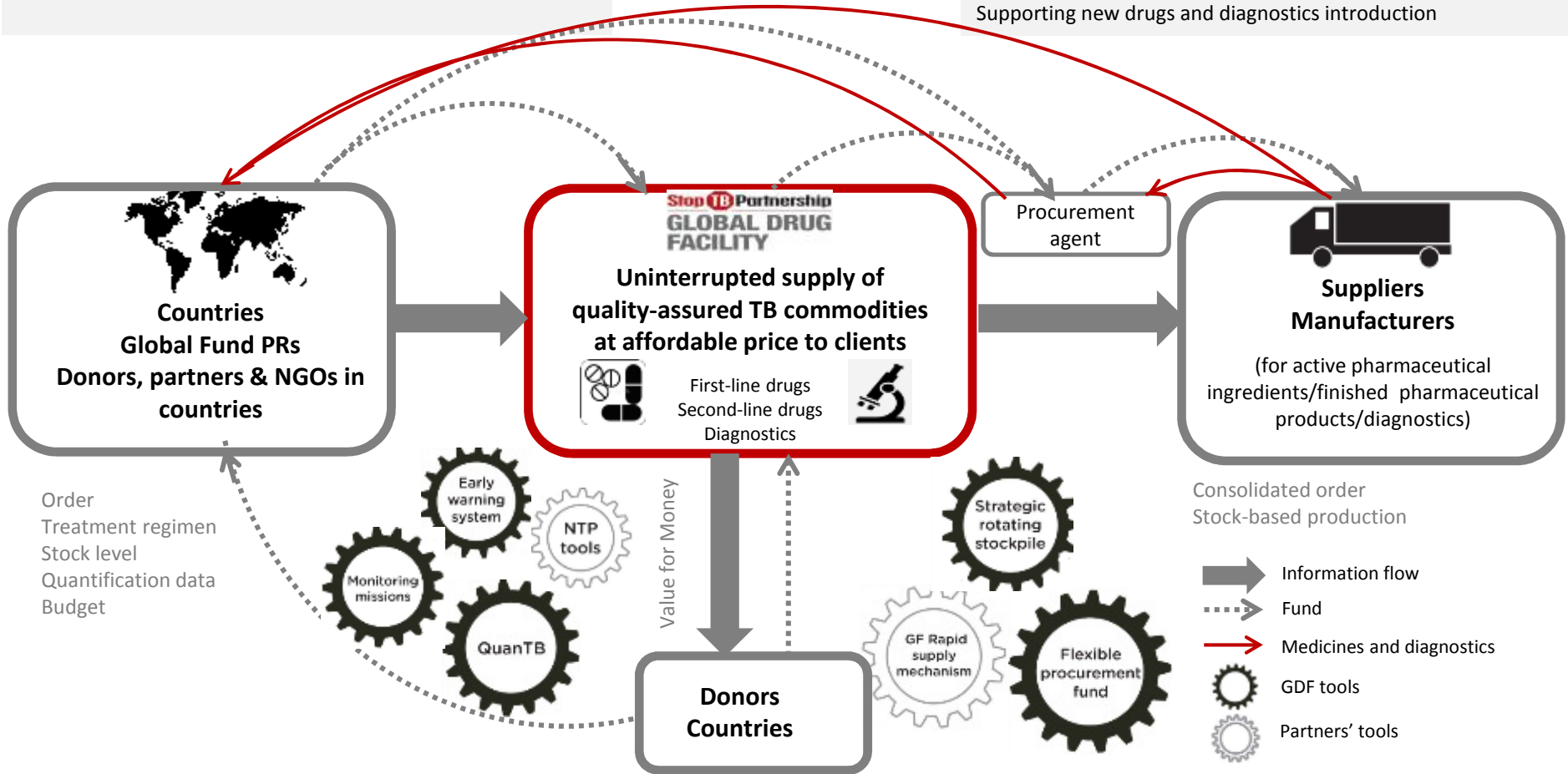


### Country Support

One-stop mechanism  
Improved quantification at country & regional level  
Capacity building to strengthen in-country supply chain system  
TA coordination with partners and countries  
Prevent stock out

### Market Shaping

Visibility of Demand  
Global Forecasting  
Market landscape analysis  
Diversifying Suppliers and product portfolio  
Price reduction  
Supporting new drugs and diagnostics introduction



### Changes in GDF operations to maximize impact

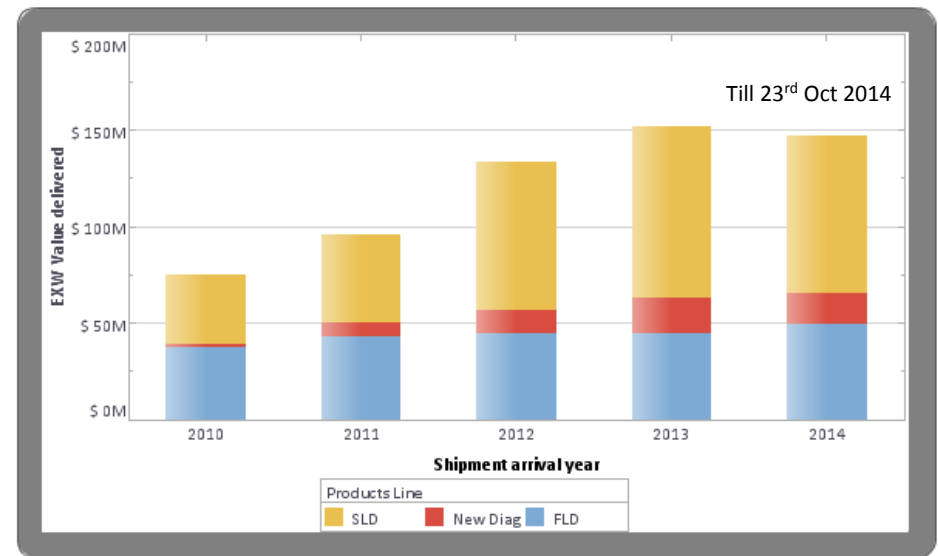
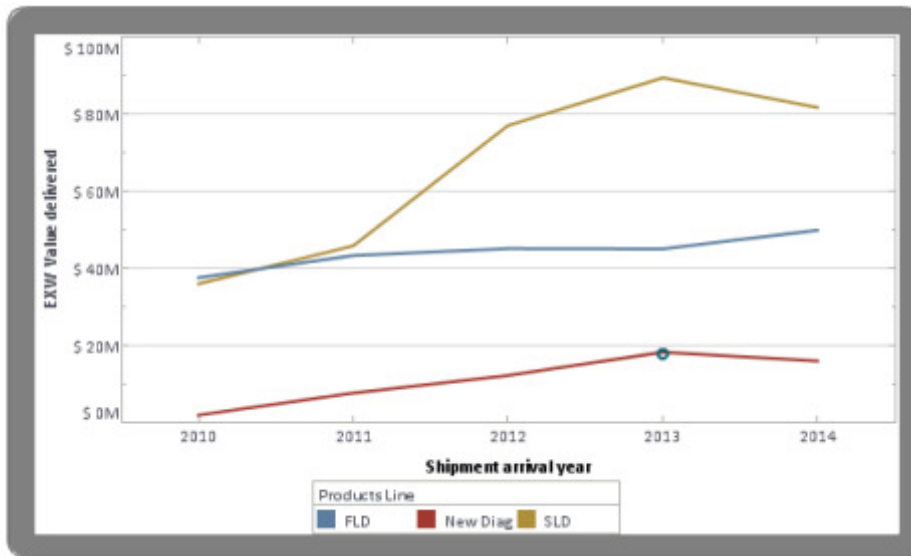
Evolve from Grant model toward Direct Procurement model  
Foster closer/earlier interaction for GF NFM Order placement optimization by using advance ordering  
GDF strategic stockpile to contemplate FLDs + SLDs  
Financial flexibility  
Quality Management

### Striving suppliers engagement

Monitor key supply chain vulnerabilities with stakeholders  
Change from *production to order* to *production to stock*  
Increasing stockpile capacity to meet production challenges  
Products: Unified multilingual packaging/ longer shelf life

# Orders Delivered USD Value all fees incl. per Line per Year

OMS 23/10/2014

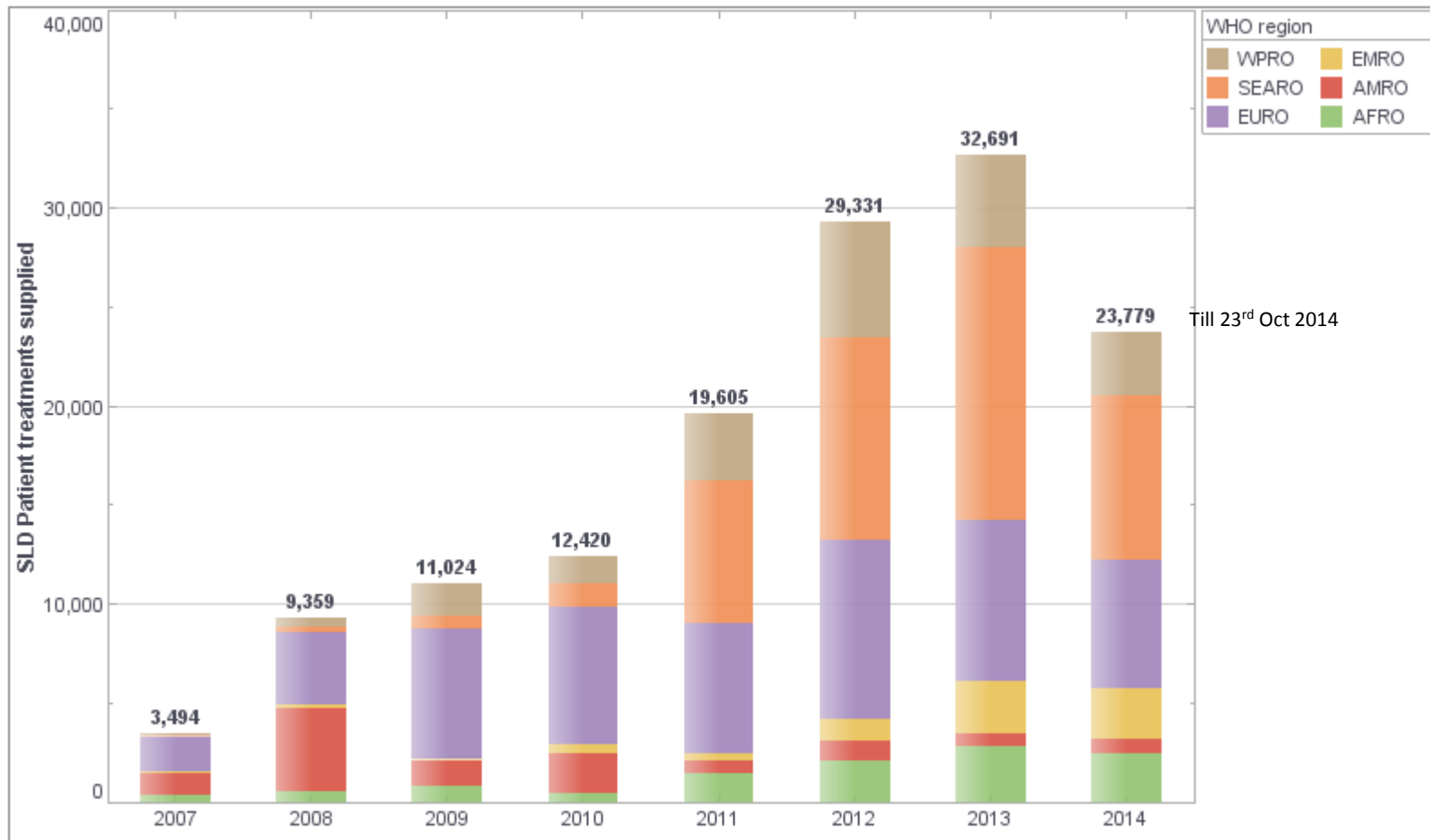


| Order Delivered Value EXW per Line per Year |                      |                      |                       |                       |                       |                       |
|---|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Products Line                               | 2010                 | 2011                 | 2012                  | 2013                  | 2014                  | Grand Total           |
| FLD   | \$ 37,341,647        | \$ 43,090,679        | \$ 44,883,113         | \$ 44,795,042         | \$ 49,632,390         | \$ 219,742,872        |
| New Diag                                    | \$ 1,725,567         | \$ 7,458,514         | \$ 12,009,534         | \$ 18,042,117         | \$ 15,748,907         | \$ 54,984,640         |
| SLD   | \$ 35,755,281        | \$ 45,587,507        | \$ 76,771,954         | \$ 89,155,539         | \$ 81,442,995         | \$ 328,713,275        |
| <b>Grand Total</b>                          | <b>\$ 74,822,494</b> | <b>\$ 96,136,701</b> | <b>\$ 133,664,601</b> | <b>\$ 151,992,697</b> | <b>\$ 146,824,292</b> | <b>\$ 603,440,787</b> |





# SLD treatments supplied as of October 23, 2014



Stop TB Partnership

Source: GDF OMS  
 Consulted 24 Sept 2014

GLOBAL DRUG FACILITY

## 2011/2014 Change in Regiment costs: High end regimen cheapest suppliers 12 Cm Pto Cs Mxf PAS/ 12 Pto Cs Mfx PAS



| Country     | Main regimen  | Mean average prices in USD |            |            | Trend |
|-------------|---|----------------------------|------------|------------|-------|
|             |   | Costs 2012                 | Costs 2013 | Costs 2014 |       |
| Azerbaijan  | 12 Z-Ami-Lfx-Eto-Cs-PAS / 12 Z-Lfx-Eto-Cs-PAS           | 4,541                      | 4,195      | 3,907      |       |
| Bangladesh  | 8 Z-Km-Lfx-Eto-Cs / 16 Z-Lfx-Eto-Cs                     | 2,221                      | 2,085      | 1,913      |       |
| Belarus     | 8 Cm-Lfx-Eto-PAS-Cs-Z/12 Lfx-Eto-PAS-Cs-Z               | 4,519                      | 4,432      | 4,108      |       |
|             | 8 Cm-Mfx-Eto-PAS-Cs-Z-AmxCiv/12 Mfx-Eto-PAS-Cs-Z-AmxCiv | 5,835                      | 5,306      | 4,846      |       |
| Ethiopia    | 8 Z-Cm-Lfx-Pto-Cs / 12 Z-Lfx-Pto-Cs                     | 2,849                      | 2,860      | 2,522      |       |
| Georgia     | 12 Z-Km-Lfx-Pto-Cs-PAS / 12 Z-Lfx-Pto-Cs-PAS            | 4,805                      | 4,578      | 4,408      |       |
|             | 12 Z-Cm-Lfx-Pto-Cs-PAS / 12 Z-Lfx-Pto-Cs-PAS            | 5,977                      | 5,920      | 5,466      |       |
| India       | 6 Km-Lfx-Eto-Cs-Z-E/18 Lfx-Eto-Cs-E                     | 2,261                      | 1,739      | 1,709      |       |
| Indonesia   | 6 Km-Lfx-Eto-Cs-Z(E) / 12 Lfx-Eto-Cs-Z(E)               | 1,737                      | 1,629      | 1,507      |       |
| Kazakhstan  | 12 Z-Cm-Pto-Cs-PAS-Lfx/12 Z-Pto-Cs-PAS-Lfx              | 5,977                      | 5,920      | 5,466      |       |
|             | 12 Z-Am-Pto-Cs-PAS-Lfx/12 Z-Pto-Cs-PAS-Lfx              | 4,682                      | 4,348      | 4,042      |       |
| Kenya       | 8 Km-Pto-Lfx-Cs-Z/12 Pto-Lfx-Cs-Z                       | 2,074                      | 1,973      | 1,824      |       |
|             | 8 Cm-Pto-Lfx-Cs-Z/12 Pto-Lfx-Cs-Z                       | 2,849                      | 2,860      | 2,522      |       |
| Kyrgyzstan  | 8 Cm-Lfx-Cs-Pto-Z-PAS / 16 Lfx-Cs-Pto-Z-PAS             | 5,288                      | 5,173      | 4,819      |       |
| Moldova     | 8 Cm-Eto-Lfx-Cs-Z-E/16 Eto-Lfx-Cs-Z-E                   | 3,097                      | 2,890      | 2,655      |       |
| Mongolia    | 9 Z-Km-Lfx-Eto-Cs/15 Lfx-Eto-Cs-Z                       | 2,296                      | 2,160      | 1,987      |       |
| Myanmar     | 6 Am-Lfx-Eto-Cs-Z/14 Lfx-Eto-Cs-Z                       | 1,739                      | 1,573      | 1,362      |       |
|             | 6 Am-Lfx-Eto-Cs-PAS-Z/14 Lfx-Eto-Cs-PAS-Z               | 3,527                      | 3,273      | 3,072      |       |
| Pakistan    | 8 Am-Lfx-Eto-Cs-Z-PAS/16 Lfx-Eto-Cs-Z-PAS               | 4,284                      | 3,972      | 3,721      |       |
| Philippines | 6 Km-Lfx-Pto-Cs-Z/12 Lfx-Pto-Cs-Z                       | 1,771                      | 1,679      | 1,546      |       |
| Tajikistan  | 11Cm-Lfx-Pto-Cs-Z-PAS/13Lfx-Pto-Cs-Z-PAS                | 5,805                      | 5,733      | 5,304      |       |
| Ukraine     | 8 Z-Km-Lfx-Eto-Cs/12Z-Lfx-Eto-Cs                        | 1,950                      | 1,838      | 1,692      |       |
|             | 8 Z-Km-Lfx-Eto-Cs-PAS/12 Z-Lfx-Eto-PAS-Cs               | 3,738                      | 3,538      | 3,402      |       |
| Uzbekistan  | 8 Z-E-Cm-Lfx-Pto-Cs/14 E-Z-Lfx-Pto-Cs                   | 3,083                      | 3,075      | 2,733      |       |
| VietNam     | 8 Km-Lfx-Pto-Cs-Z-E/14 Lfx-Pto-Cs-Z-E                   | 2,302                      | 2,181      | 1,972      |       |

| H/M/L regimen costs definition: |           |
|---------------------------------|-----------|
|                                 | USD       |
| High costs                      | 3501-6000 |
| Medium costs                    | 2001-3500 |
| Low costs                       | 1400-2000 |

# GDF is adjusting its operating model to address key supply chain challenges & new drugs introduction

## Shift from one-shot technical assistance

- to support countries with SCM needs:
- new Tools adapted for drugs supply monitoring & for new drugs / regimens introduction
- Systems Interfaces for better demand consolidation and easier data management (accuracy / validation / online submission)

## Strategies focused on GDF clients

- GF + other donors supported countries (ie. USAID bilat. agreements)
- DP from countries transitioning from donors support to domestic funding
- More flexible financial platform

## Focus on key demand and supply challenges

- Market Research & Monitoring
- Country & Global forecast strategies
- Strive Suppliers engagement
- Production to stock model / SRS
- Supporting Regional Registration Mechanisms



# Demand Forecasting Process Cycle

## DATA COLLECTION

- QuanTB
- Country Monitoring Mission
- GeneXpert/TB Reach/ TB Xpert
- OMS
- Information from partners and donors



## FORECAST UPDATE IN STOCKPILE TOOL

- Country parameter and forecast input
- Output of future supply plan
- Arbitration and outlook sharing internal and external stakeholders



## DATA ACCURACY VERIFICATION

- Data screening for typo mistakes



Country  
Master File  
and Country  
Profile  
Update

## FINAL FORECAST VALIDATION

- Vs Orders in pipeline
- Vs GF Enrollment data
- Vs Historical data and trends
- Vs other GDF available data



## PRIMARY FORECAST VALIDATION

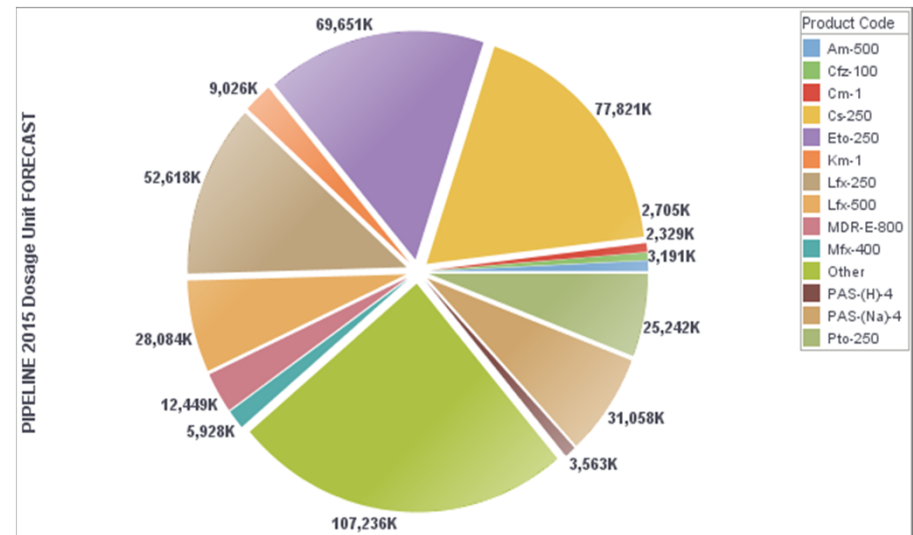
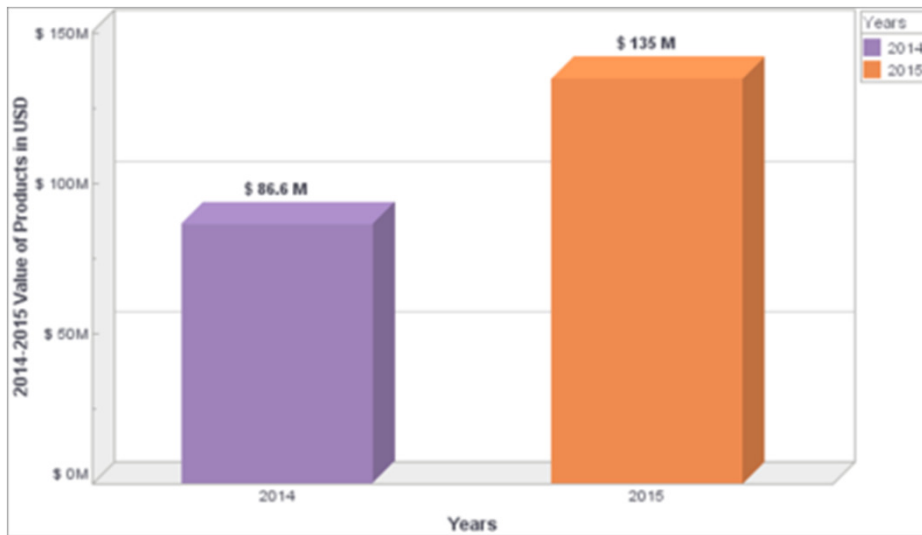
- Country CSOs makes data qualitative validations
- Contact country in case of additional questions





# Progress on Forecast: Towards an holistic approach

Based on GDF order management system & data on quantities / products supplied:  
 ⇒ New forecasting tool developed to support GDF operations & strategies  
 ⇒ Impact on NTP planning, management of orders, suppliers' relations and market shaping



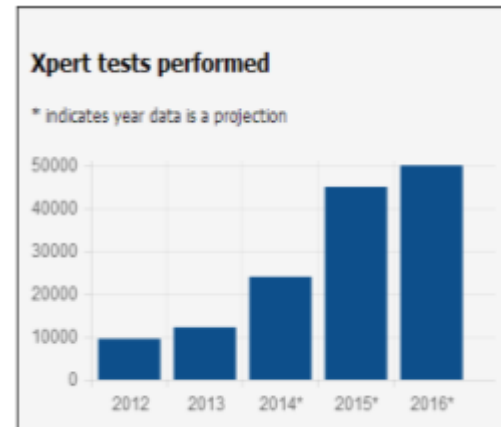
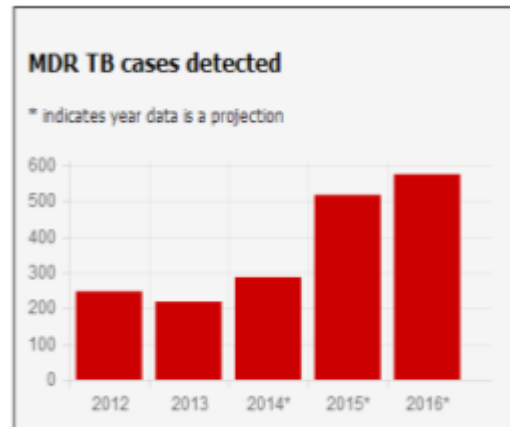
⇒ Additional data sources required to be fed into the forecasting tool regularly

⇒ Data Validation Processes



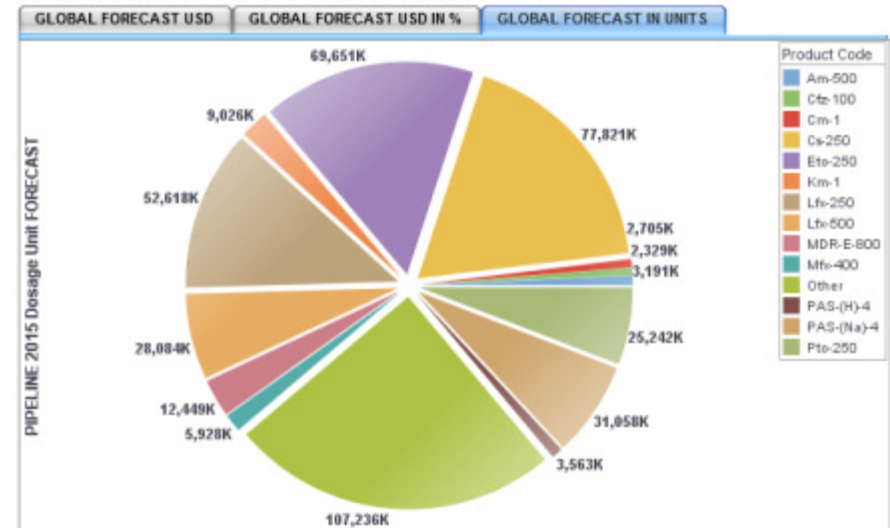
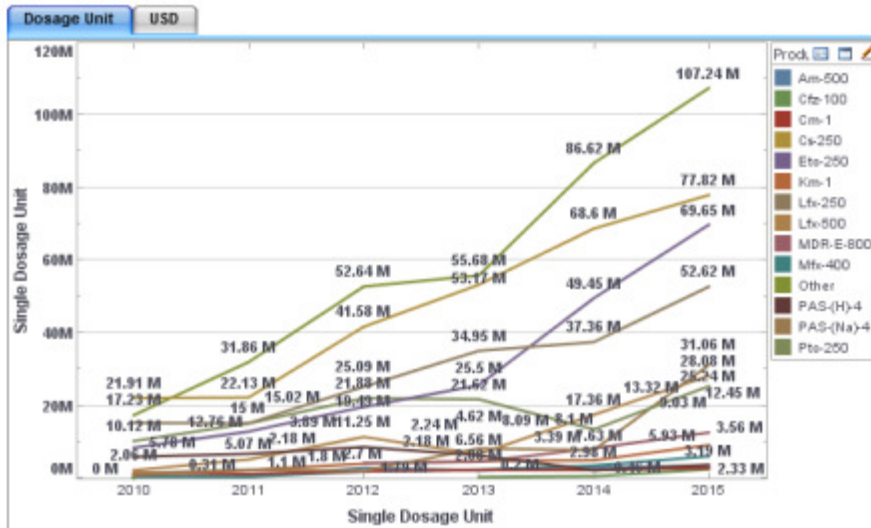
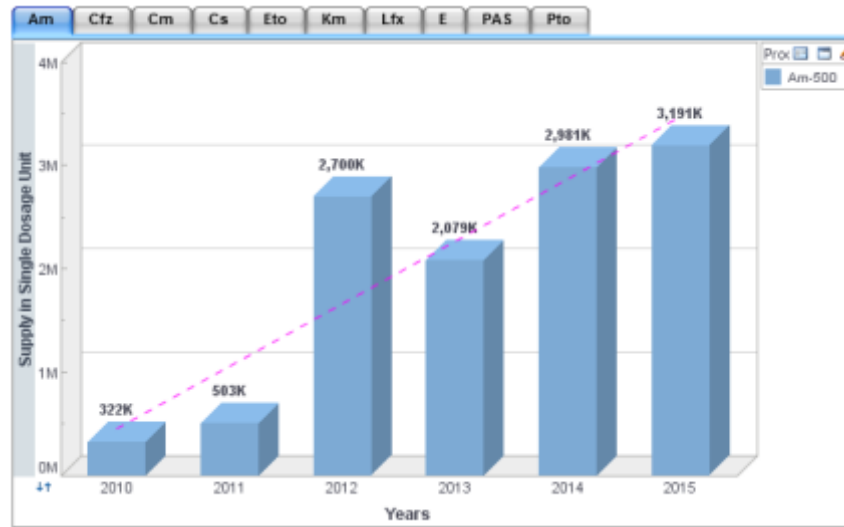
# Forecast Visualization 1

## Country Level and Global View



# Forecast Visualization 2

## Country Level and Global View



# Discussion



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