

# ARV Procurement Working Group (APWG)

## December 2020



# Working group structure

## Procurement Working Group

- Guides the direction of the Procurement Consortium
- Advocates broadly for improved product selection/optimization
- Coordinates and collaborates with similar groups and governments
- Raises awareness with stakeholders on general and specific challenges in the ARV marketplace

## Market Coordination & Support

- Collect, analyze, and disseminate market intelligence
- Provide country technical assistance for procurement and forecasting
  - Support coordination of global stakeholders

## Procurement Consortium

- Subgroup of transactional procurement agents focusing on coordination of procurement activities
- Engage with suppliers, aligns member forecasts and forecasting
- Pools demand/ coordinates ordering
- Ensures a competitive and transparent order allocation
- Facilitates procurement of high supply-risk, low volume formulations through GF Rapid Supply Mechanism
- Monitors country market-related challenges

# APWG role in Optimal Formulary List

- Advice on products to be included in the Optimal Formulary & Limited Use list
- Highlight procurement and supply elements for each product
- Initiate conversations with suppliers on production capacity and supply timelines
- Identify products for monitoring in quarterly APWG calls



POLICY BRIEF

THE 2018 OPTIMAL FORMULARY  
AND LIMITED-USE LIST FOR  
PAEDIATRIC ARVS

# APWG role in advocating Optimal formulary ordering

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- APWG buying organizations only show products on their catalogue that support treatment optimization
- Dialogue with countries to transition towards optimal formularies
- Highlight supply chain and procurement advantages of treatment optimization to countries
- Organize webinars on supply chain related elements of treatment optimization
- Publish recommendation letters for transition to optimal formularies

# 2019 Procurement overview

90

**Number of countries ordered through the APWG members**

In 2019



95%

**Percentage of APWG orders for Optimal and Limited Use products**

In 2019



40%

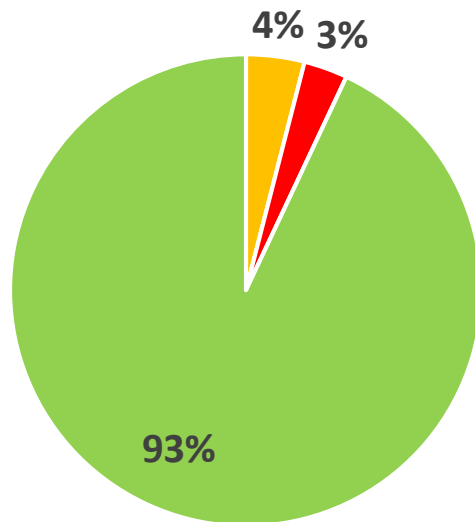
**Reduction in manufacturing delivery lead times for optimal products**

Between 2013 and 2019



# Orders placed by APWG members mostly for Optimal formulations

2020 deliveries



■ Limited-Use ■ Non-Essential ■ Optimal

Optimal Formulations	Quantity	%
ABC/3TC (120/60 mg) Tablet (Disp) - 30	6,300,000	37%
LPVr (100/25 mg) Tablet (HS) - 60	3,100,000	18%
ABC/3TC (120/60 mg) Tablet (Disp) - 60	2,500,000	15%
NVP (50 mg/5 mL) Oral Solution – 100 mL	1,500,000	9%
LPVr (40/10 mg) Oral Granule - HS - 120	1,450,000	8%
LPVr (40/10 mg) Oral Pellet - HS - 120	1,371,000	8%
AZT/3TC (60/30 mg) Tablet (Disp) - 60	885,000	5%

Limited-Use Formulations	Quantity	%
EFV (200 mg) Tablet (Scored) - 90	474,000	75%
AZT/3TC/NVP (60/30/50 mg) Tablet (Disp) - 60	94,000	15%
LPVr (80 mg + 20 mg/ml) Oral Solution	65,000	10%

Non-Essential Formulations	Quantity	%
AZT (50 mg/5 ml) Oral Solution – 240 mL	320,000	56%
ABC/3TC (60/30 mg) Tablet (Disp) - 60	185,000	32%
EFV (200 mg) Capsules - 90	65,000	12%

# APWG Anticipated Demand Forecast published quarterly

## APWG Quarterly Anticipated Demand Forecast

- Provides summary of **expected orders over 12-18 months** that are visible to APWG members
- Includes **pediatrics ARVs, low-volume adult ARVs, and adult products in transition**
- Shared **quarterly** (usually third month of each quarter)
- Includes **summary of countries that have already placed or are expected to place orders** for priority products
- Provides a **breakout of procurement agents sourcing orders** for each member country

### APWG Anticipated ARV Demand Forecast as of September 23, 2020: *By*

#### *Expected Delivery Quarter*

(total pack volumes across all procurement agents by expected delivery quarter, defined as the quarter in which ARVs are expected to be handed over to the local client according to the respective incoterms. Below orders are listed as "placed" or "to be placed" by the procurement agents.)

Below forecast only includes order data from APWG Procurement Agents: GHSC-PSM, PPM, UNICEF, UNDP, KEMSA, PAHO, EPSA. Forecast data from the USAID ARV Forecast is included in the second table below (row 61 and down), and only includes 'to be placed' orders.

Target Delivery Quarters →	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>Optimal Pediatric Products</b>				
ABC/3TC (120/60 mg) Tablet (Disp) - 30	1,771,438	725,350	-	100,131
ABC/3TC (120/60 mg) Tablet (Disp) - 60	20,454	254,240	-	18,900
AZT (50 mg/5 ml) Oral Solution - 100ml	3,532	60,850	-	-
AZT/3TC (60/30 mg) Tablet (Disp) - 60	231,835	60,443	2,789	-
LPV/r (100/25 mg) Tablet (HS) - 60	312,922	416,116	168,329	33,128
LPV/r (100/25 mg) Tablet (HS) - 120	28,033	-	-	-
LPV/r (40/10 mg) Oral Pellet - HS - 120	211,817	72,720	13,104	-
LPV/r (40/10 mg) Oral Granule - HS - 120	285,999	81,288	155,718	-
NVP (50 mg) Tablet (Disp) - 30	50,000	-	-	-
NVP (50 mg) Tablet (Disp) - 60	-	2,598	-	-
NVP (50 mg/5 ml) Oral Solution - 100ml	198,691	199,190	100,105	20,193
RAL (25 mg) Tablet (Scored) - 60	60	45	-	971
<b>Limited-Use Pediatric Products</b>				
3TC (50 mg/5 ml) Oral Solution - 100ml	-	-	-	-
ABC (60 mg) Tablet (Disp) - 60	-	-	-	-
ATV (200 mg) Capsule - 60	6	-	-	-
AZT/3TC/NVP (60/30/50 mg) Tablet (Disp) - 60	-	-	-	-
DRV (75 mg) Tablet - 480	-	-	-	526
EFV (200 mg) Tablet (Scored) - 90	12,462	683	-	627
LPV/r (80 mg + 20 mg/ml) Oral Solution - 160ml	1,073	-	-	-
LPV/r (80 mg + 20 mg/ml) Oral Solution - 5x60ml	14,721	1,940	30	6,506
RAL (100 mg) Granules - 60	1,920	-	-	-
RTV (100 mg) Powder - 30	6,588	-	-	-
RTV (25 mg) Tablet - 30	-	-	-	-
RTV (25 mg) Tablet - 60	-	-	-	-

Latest quarterly demand forecast and other APWG documents can be found here:

<https://www.arvprocurementworkinggroup.org/arv-procurement-working-group-documents>

# Key messages

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## **Message for suppliers:**

- Support to ensure supply and capacity availability for pediatric and low ARV products required to treat patients as per the regimes in WHO guidelines

## **Message for countries:**

- Share demand forecast for pediatric and low volume products on a quarterly basis
- Share a transition supply plan on how to implement new products and phase-out existing stocks
- Countries are strongly discouraged from stockpiling and instead advised to plan for more frequent, staggered small deliveries of large orders

# The APWG website includes relevant optimization documents

The APWG has a dedicated website hosting all important documents and communications including:

- The quarterly demand forecast
- Bi-annual newsletters
- Recorded webinars
- Key recommendations and product guidance documents
- A LPV/r product dashboard
- DTG peds and 4-in-1 supply updates
- <https://www.arvprocurementworkinggroup.org/home>

## ARV Procurement Working Group

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ARV Procurement Working Group Documents

Contact Us

External Resources

LPV/r supply

DTG & 4-in1 supply

Français



APWG

### ARV Procurement Working Group

Established as a result of an intervention proposed in the Global Fund's May 2011 Market Shaping Strategy, the ARV Procurement Working Group (APWG) was set up in 2011 with the aim to "secure the paediatric ARV market" by adopting a coordinated approach to the procurement of low volume paediatric ARVs that evolved in 2016 to include ARVs with similar dynamics for adolescents and adults.

The APWG promotes the uptake into national guidelines of optimal products recommended by the World Health Organisation and facilitates the procurement of low volume products through promoting quarterly order placement cycles either directly through its Procurement Consortium members or indirectly for other procurement channels by aligning on timelines.

The APWG is comprised of diverse partners and stakeholders organized into two inter-linked groups: the ARV Procurement Working Group and the Procurement Consortium.

**APWG Webinar - Introduction to New Optimal ARVs and Country Supply Planning**



**Ritonavir-boosted Lopinavir (LPV/r) Procurement Recommendations (Jan 2019)**

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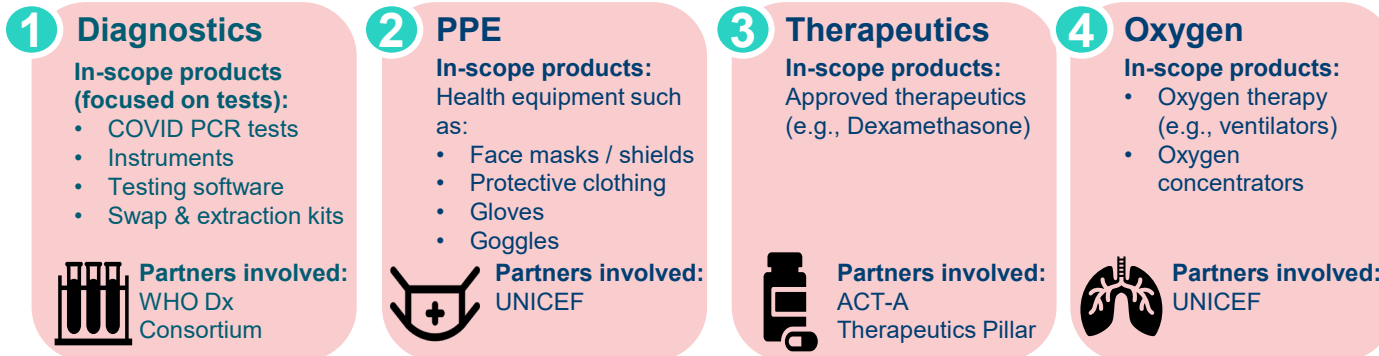
**Thank you**



# THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA COVID-19 RESPONSE

DECEMBER 2020

# GLOBAL FUND AND PARTNERS ALIGNED TO ENSURE SUPPLY OF CRITICAL COVID-19 PRODUCTS



## Partner collaboration

Continuing to leverage our Partnerships (e.g., WHO Consortium and ACT-A across Dx, Tx and the Health Systems Connector) – a few specific examples:

- ACT-Accelerator coalition secured a volume guarantee for 120m antigen RDTs for LMICs
- Collaborating with UNICEF to procure PPE & oxygen supply

## COVID procurement by the numbers:

To date, 4.9 million requisitions for diagnostics tests (PCR and Ag RDT) have been placed across a total of 78 countries, including:

- 2.4 million requisitions have been placed for automated PCR
- 2.5 million requisitions have been placed for Ag RDT tests across 14 countries
- ~\$201M made available for PPE through C19RM, which countries are procuring locally and via PPM (UNICEF)

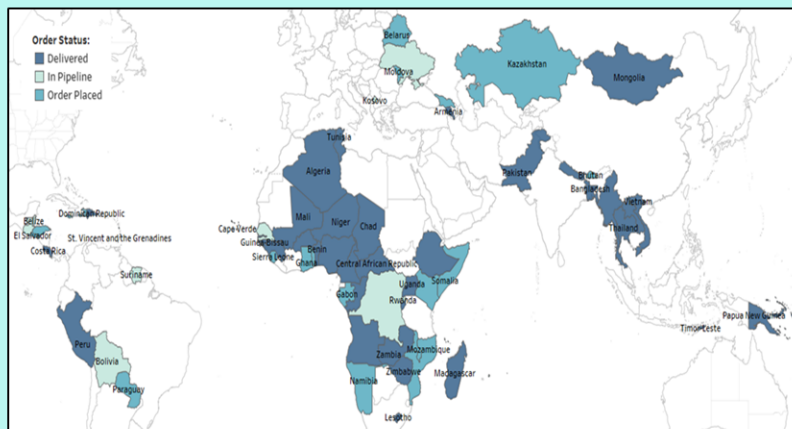
1 EUL: Emergency Use Listing; EUA: Emergency Use Authorization by US FDA

# GLOBAL FUND'S PPM HEAVILY ENGAGED IN THE COVID-19 RESPONSE TO SAFEGUARD IMPLEMENTATION OF AIDS, TB AND MALARIA PROGRAMS

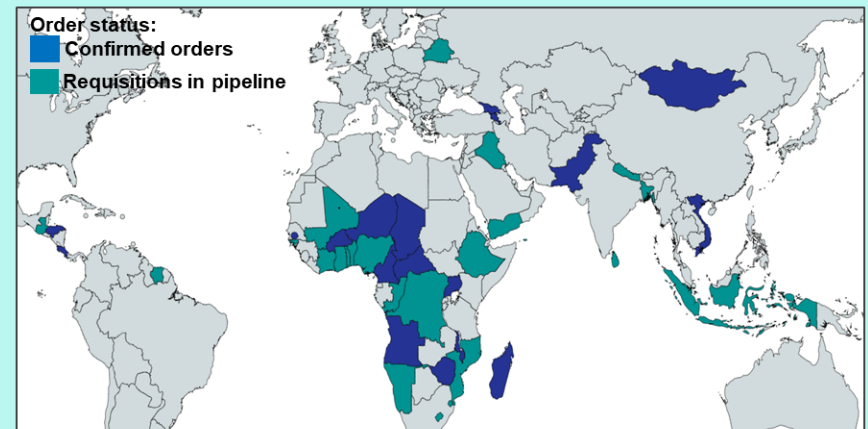


From May 2020, Global Fund has supplied COVID-19 diagnostics to 78 countries & PPE to 46 countries\*

## COVID-19 diagnostics incl PCR & Antigen Rapid Diagnostic Tests (RDTs)\*\*:



## Personal Protective Equipment (PPE):



\* As of 27 November 2020

\*\*RDTs are expected to be a game-changer in LMICs as they are not dependent on centralized diagnostic platforms, should be more affordable & will enable significant testing scale up.

## Supply Operations has taken action to assess and address COVID-19-related procurement and supply chain risks.

- 1 Conduct supply chain risk analysis**
  1. Run risk analysis of **product upstream** and **downstream** supply chain
  2. Identify possible threat involved in the end-to-end supply chain
- 2 Estimate the risk and impact**
  1. Summarize high risk product or product categories, define current inventory buffer and locations
  2. **Conduct scenario planning** to understand implications in prolonged supply chain interruption
  3. Collect 6 to 12 month<sup>1</sup> **accurate demand** to determine required supply
- 3 Avoid the supply chain risk**
  1. Look to ramp up **alternative products & suppliers**, explore **additional options**.
  2. **Rerouting/changing transportation mode** and **leveraging other exiting logistic capacity** to reduce replenishment lead-times.
  3. Enhance **demand verification process** to correct inflated demand to mitigate the bullwhip effect.
- 4 Strengthen collaborative relationships**
  1. Work in **close collaboration with partners** to identify and address critical supply challenges
  2. **Leverage partnership to optimize supply, logistics solutions** and **accelerate regulatory approval pathway**.
  3. **Jointly manage demand** with common recipient countries.
- 5 Communicate timely**
  1. Ensure timely and transparent communication **to avoid unnecessary panic and develop contingency plan**.
- 6 Control the risk**
  1. Establish cross-function **supply chain operational risk management committee** when risk becomes high.
  2. **Optimize processes and tools** to support better planning and reduce demand fluctuations
  3. **Determine possible product and supplier shortlists** in case alternate supply is required

Note: 1. This is in consideration that the lead time range for core GF health products is between 5 and 6 months.

# INFORMATION RESOURCES:

- All health products: <https://www.theglobalfund.org/en/sourcing-management/health-products/>
- COVID-19 related: <https://www.theglobalfund.org/en/covid-19/health-product-supply/>

The screenshot shows the 'Sourcing & Procurement of Health Products' page on The Global Fund website. The page features a navigation menu on the left with categories like 'Overview', 'Updates', 'Information for Suppliers', and 'Sourcing & Procurement of Health Products'. The main content area includes a title, a paragraph about the Global Fund's role, a section on procurement planning guides, and a 'Pooled Procurement Mechanism' section with a callout box stating '84% IN-COUNTRY ON-TIME-IN-FULL DELIVERIES IN 2017'.

The screenshot shows the 'Health Product Supply' page on The Global Fund website. The page features a navigation menu on the left with categories like 'Overview', 'Situation Reports & News', 'Response Mechanism', and 'Health Product Supply'. The main content area includes a title, a paragraph about the COVID-19 pandemic's impact, a section on procurement of COVID-19 health products, and an 'Assessment' section with a callout box stating 'As of 10 August 2020, the Global Fund's product and delivery outlook shows the overall impact of COVID-19 on health product supply chains for Global Fund grants remains at moderate.'

# TAKE AWAY MESSAGE

**We welcome and encourage new suppliers to join our fight to end HIV, Malaria and TB**

Three critical things will help you on that path

- 1. Follow the WHO guidance on respective health products;**
- 2. Understand and comply with GF quality requirements**
- 3. Register your product in countries where patients need them**

**Join our tenders and take up the fight**



**THANK YOU**

 TheGlobalFund

**UNITE<sup>™</sup> FIGHT**

Back Up

# IN 2019 TGF DISBURSED ALMOST US\$4 BILLION\* TO FIGHT HIV, TB, MALARIA AND STRENGTHEN HEALTH SYSTEMS IN 2019

## HIV in 2019:



- **20.1 million people on antiretroviral therapy for HIV.** Coverage increased from 48% in 2015 to 67% in 2019. Global target: 81% by 2020.
- **133 million HIV tests taken;** HIV-positive people with knowledge of their status increased from 71% in 2015 to 82% in 2019. Global target: 90% by 2020
- People living with **HIV with suppressed viral load increased 41% in 2015 to 59% in 2019.** Global target: 73% by 2020.
- **718,000 HIV-positive mothers received medicine** to keep them alive and prevent transmitting HIV to their babies in 2019; coverage increased from 44% in 2010 to 85% in 2019. Global target: 100% by 2020.
- **TB in 2019:**



- **5.7 million people received lifesaving treatment** for tuberculosis in 2019.
- **TB treatment coverage increased** from 48% in 2010 to 65% in 2018
- Treatment success rate reached 85% in 2017. Global targets for coverage and treatment success rates: 90% by 2025.

## Malaria in 2019:



- **124 million cases of malaria treated**
- **160 million mosquito nets distributed** to protect nearly 320 million people from malaria.
- **11 million pregnant women** received preventative therapy, 243 million suspected cases tested for malaria.

\* including regional grant

# A 21ST-CENTURY PUBLIC PRIVATE PARTNERSHIP TO ACCELERATE THE END OF HIV, TB AND MALARIA AS EPIDEMICS

- Founded in 2002, the Global Fund is the **leading contributor of resources in the fight against AIDS, tuberculosis and malaria.**
- **It mobilizes and invests nearly US\$4 billion a year** to support countries and communities most in need.
- It has an active portfolio of **400 active grants in over 100 countries**, implemented by local experts.

