

## GLOBAL FUND BOARD APPROVES EXTENSION OF THE WAMBO.ORG PILOT TO INCLUDE COVID-19 PRODUCTS

On 7 July 2020, the Board of the Global Fund to Fight AIDS, Tuberculosis (TB), and Malaria, approved the Secretariat's request to use wambo.org for non-Global Fund financed procurement of products related to the coronavirus disease 2019 (COVID-19). The Global Fund is already using the wambo.org platform to facilitate procurement of these products by Principal Recipients (PRs) using grant funds. These funds include the \$500 million in grant flexibilities and an additional \$500 million made available through the COVID-19 Response Mechanism (C19RM).

<u>Wambo.org</u> is an online platform developed by the Global Fund Secretariat to help countries procure health commodities by enabling them to search, compare, and purchase quality-assured products. As an initial step to make wambo.org available to all organizations and programs that contribute to the fight against the three diseases, the Secretariat is including a number of transactions by current state PRs using their domestic funding in what is commonly referred to as the <u>wambo.org pilot</u>.

The background document provided to the Board noted that the COVID-19 pandemic remains a global public health emergency that threatens to derail the Global Fund's mission to fight the three diseases and strengthen health systems. Given the urgency of the COVID-19 epidemiological situation, the Board's leadership and the Board committees' Coordinating Group agreed to expedite this decision.

The decision allows the Secretariat to include a distinct module for COVID-19 products, which are currently available on the wambo.org platform, in the wambo.org pilot, with the option of adding other products. The Secretariat will determine which products, for the prevention, diagnosis, and treatment of COVID-19, will be included in the module. Eligible buyers will have access to the module until the end of 2020, after which the Board will consider an extension. The Secretariat is mainly targeting partner-funded

procurements and, to a lesser extent, those domestically funded by eligible governments.

Countries' use of wambo.org for non-Global Fund-financed procurement of COVID-19 products would remain optional. Buyers will choose their preferred procurement channel for COVID-19 products.

The Board also decided that transactions under the COVID-19 module would be exempted from the \$50 million limit previously agreed on for the wambo.org pilot. The Secretariat argued that the projected needs in low- and middle-income countries, which is in the billions, would rapidly exhaust the remaining funding of this cap, which is \$38.5 million and, as a result, threaten the supply of essential HIV, tuberculosis and malaria products.

The Secretariat will include COVID-19 module transactions in the biannual report on the pilot to the Strategy Committee. The same metrics for the pilot, determined by the Secretariat and the Strategy Committee in October 2020, will apply. In addition, the COVID-19 module transactions will be disaggregated from other transactions to enable integration with overall reporting on the COVID-19 response and to avoid distorted reporting on the original pilot. The wambo.org team will make data on COVID-19 transactions available to the rest of the Secretariat to complete the relevant reports on the Global Fund's COVID-19 response, such as the C19RM and grant flexibilities.

The Secretariat will include the COVID-19 module transactions in the final independent pilot evaluation, which will be delivered to the Board by the end of 2022. The learnings specific to the use of wambo.org, beyond procurement for the three core diseases, will contribute to discussions about wambo.org's place in broader global public health expenditure and its future strategy.

Risks associated with the extension

The background paper noted that the COVID-19 module would face risks related to the wambo.org pilot in general and would be subject to the same mitigation measures. Some of these risks are described below.

The Secretariat noted that some of the pilot countries had faced legal and regulatory challenges that were also likely to affect the proposed extension. For instance, legal barriers that prevent full upfront payment to suppliers or access to international pooled procurement. To mitigate this risk, the Secretariat indicated that it would continue to support countries to address the national barriers or by establishing pre-financing mechanisms.

The Secretariat also noted that extending the pilot to COVID-19 products would require onboarding new buyers and funding sources, which may increase the risk of non-compliant procurements. The Secretariat will apply tried-and-tested processes developed for the pilot to mitigate this risk. Due diligence will be followed, and supply and risk management considerations will be taken into account.

The Secretariat also noted that it might lack specific quality assurance requirements for certain product categories related to COVID-19, such as Personal Protective Equipment (PPE). Where quality assurance policies do not currently exist, the Secretariat would rely on quality requirements by partners such as the World Health Organization (WHO) and the United Nations International Children's Fund (UNICEF), while it develops its own.

The Global Fund also faces a reputational risk by extending the wambo.org pilot to COVID-19. The paper explains that facilitating the procurement for products with limited supply may lead to countries perceiving wambo.org as an unreliable option. However, the Secretariat plans to mitigate this risk through clear communication with the countries.

The Secretariat's response to stakeholders' concerns

Some Global Fund stakeholders raised concerns on the lack of clarity on the COVID-19 products that are to be included in the module; the absence of quality assurance policies; the lack of a clear indication of the value added in comparison with existing procurement processes; and the continued flexibilities by the Principal Recipients to use platforms other than wambo.org.

The Secretariat responded to these concerns before the electronic voting process on the decision point. In its written response, the Secretariat explained that only products that are available to PRs using Global Fund funding would be available through the pilot to non-grant buyers. Therefore, product inclusion in the COVID-19 module will be based on whether the products are needed for Global Fund-supported COVID-19 interventions and whether the product meets appropriate quality standards.

To demonstrate wambo.org's value add regarding COVID-19 products, the Secretariat noted that the use of wambo.org remains optional. However, it said that wambo.org will provide a variety of COVID-19 product categories, including through other procurement channels such as the newly created Africa Medical Supplies Platform (AMSF), UNICEF, and WHO. The Global Fund is currently working to reach an agreement with UNICEF and WHO. The Secretariat also added that wambo.org would increase transactional visibility, auditability, and compliance of COVID-19 product transactions.

With regard to legal barriers to accessing wambo.org, the Secretariat noted that the pilot or the decision point would not fully address all the legal barriers. However, the Secretariat indicated that it is developing an initiative to support a handful of countries to address the national legal barriers. It is also working on establishing a prepayment mechanism.

The Decision Point described in this article is GF/B43/ER07: Extending the wambo.org pilot to include COVID-19 products, 30 June 2020.

**Read More**