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GLOBAL FUND WILL SOON PROVIDE PROCUREMENT-RELATED TECHNICAL ASSISTANCE

Service providers for the Global Fund's Capacity Building Service and Supply Chain Management Assistance (CBS/SCMA) initiative have been selected, and discussions are underway with about 10 countries that have expressed interest in strengthening their national supply chain management system.

The CBS/SCMA is a technical assistance initiative designed to help countries address challenges and constraints in their procurement and supply management systems. The Global Fund expects to provide technical assistance on quantification, procurement planning, inventory control, distribution and logistics management.

As of September 2009, the Procurement Support Service team in the Global Fund Secretariat was negotiating contracts with three service providers selected from a competitive tender – John Snow Inc. (JSI), University Research Group (URG) and i⁺Solution.

The CBS/SCMA is one of two initiatives in the Global Fund's Procurement Support Service. The second initiative is the Voluntary Pooled Procurement (VPP) service.

The Global Fund anticipates that together the CBS/SCMA and the VPP will help overcome the bottlenecks in the procurement and supply management systems in countries, and strengthen national systems to ensure effective, efficient and sustainable supply chain management. The Global Fund views the CBS/SCMA as a long-term strategy to bring countries' systems up to speed, and the VPP as a short-term (stop-gap) measure while the capacity building is being implemented.

VPP is a mechanism that allows participating PRs to procure a large number of health products through a

global pooled procurement service operated by third party procurement agents selected by the Global Fund.

The VPP service is already operational. Two Procurement Service Agents – Partnership for Supply Chain Management Systems and Population Service International – are processing orders. Apart from the core VPP products – 1st and 2nd line ARVs, artemisinin-based combination treatment (ACTs) and long-lasting insecticidal treated nets (LLINs) – additional products being procured through the VPP service includes rapid diagnostic tests (RDTs), laboratory equipment and related supplies, medicines for opportunistic infections and sexually transmitted infections, and condoms.

As of August 2009, PRs from 19 countries were registered in the VPP (for specific grants), and PRs from an additional 20 countries were in various stages of the consultative process to join the VPP. The 19 countries with PRs registered are: Armenia, Bangladesh, Brazil,

Cameroon, Dominican Republic, Gambia, Guinea Bissau, Guyana, Haiti, Indonesia, Laos, Macedonia, Madagascar, Nicaragua, Niger, Nigeria, Papua New Guinea, Philippines and Togo.

For both the VPP and the CBS/SCMA services, the Global Fund Secretariat will establish a monitoring system and will conduct an evaluation of the first year of operation.

The information in this article was taken from “Procurement and Quality Assurance Matters,” a report prepared in September 2009 by the Global Fund Secretariat for the Portfolio and Implementation Committee of the Board.

Additional information on the VPP and the CBS/SCMA is available on the Procurement Support Services page on the Global Fund’s website, at www.theglobalfund.org/en/procurement/vpp. The information includes an information note, FAQs and a list of VPP products.

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