

Our Next Generation Market Shaping Approach

Health Equity Through
Partnership on Innovation,
Supply Security
and Sustainability



Safi Ouango gives seasonal malaria chemoprevention (SMC), a preventive malaria treatment, to her 2-year-old daughter Oudima Aoulaïou in Ouagadougou, Burkina Faso. SMC is a highly effective intervention to prevent malaria in those most vulnerable to the disease.

The Global Fund/Olympia de Maismont

The Global Fund is a worldwide partnership to defeat HIV, tuberculosis (TB) and malaria and ensure a healthier, safer, more equitable future for all. We work with governments, communities, civil society, health workers and the private sector to meet the targets set out in Sustainable Development Goal 3 (SDG 3) for health and well-being for all, including ending AIDS, TB and malaria by 2030 and reaching universal health coverage.

Market-shaping progress toward equity

To deliver SDG 3, all people must have unimpeded and equitable access to prevention, testing and treatment. Together with partners, we actively fight to overcome barriers – such as stigma and discrimination, harmful gender norms, poverty, geographical remoteness, disasters, conflict and migration – that keep people from accessing the health services and products they need. In addition, the Global Fund responds to challenges related to affordability, quality, supply and delivery that prevent access to innovative and lifesaving tools to ensure that all people in need have equitable access to quality-assured health products.

Over the past two decades, the Global Fund partnership has played a critical role in shaping markets to support this objective. Each year, over US\$2 billion from country grants are used to procure health products, including antiretroviral medicines (ARVs), artemisinin-based combination therapies, long-lasting insecticidal nets, TB medicines and diagnostic products. Through our Pooled Procurement Mechanism (PPM) serving more than 83 countries, we have used our scale to encourage manufacturers to meet global quality requirements, to secure increased supply capacity

for low- and middle-income countries, and to lower health product prices, contributing to efficient and effective implementation of country programs. These efforts have contributed to saving 59 million lives since 2002.

Despite this progress, we are still far from reaching SDG 3 and ending AIDS, TB and malaria by 2030. In 2022 alone, more than 2.3 million people worldwide died of AIDS, TB and malaria combined. Too many people still cannot access lifesaving health products. COVID-19 exacerbated existing barriers by disrupting programs, exposing fragilities in global supply chains and compounding inequities in access to healthcare. Global challenges, including climate change, inequality, geopolitical instability and economic recession also threaten to reverse recent progress.

These failings of equity during the COVID-19 pandemic demonstrate that the global health architecture needs to evolve. The world has still not solved the challenge of ensuring equitable access to quality-assured health products, and to do so will require more funding for product innovation and accelerated expansion of manufacturing capacities, solid and responsive global health partnerships and coordination, and stronger systems for health.

Case Study

Affordable Antiretrovirals to End HIV

Built on extensive PPM experience and integrating important lessons from the COVID-19 pandemic, together with partners, the Global Fund's market-shaping efforts focus on innovation, supply security and capacity building, contributing to more equitable access to healthcare for all. In 2002, when the Global Fund started to finance ARVs for HIV, the annual treatment price per person was over US\$10,000. This high cost was prohibitive for most people living with HIV in low- and middle-income countries. Millions died of AIDS due to lack of access to ARVs, devastating communities and families. Yet by the end of 2022, nearly 30 million people around the world were on ARVs, including 24.5 million in countries supported by the Global Fund. By 2023, the Global Fund had negotiated breakthrough ARV pricing at under US\$45 per person per year. This achievement is the result of over two decades of work by the Global Fund and our partners to build a sustainable market for first-line HIV treatments.

Next Generation (NextGen) Market Shaping framework

In response, the Global Fund adopted the NextGen Market Shaping framework in 2022. This framework outlines specific interventions to drive equitable access to affordable and quality-assured health products and services in support of the Global Fund's 2023-2028 Strategy. The principle of equitable access means that every person has the opportunity to obtain the health products they need to maintain or improve their health, regardless of where they live or their ability to pay and without facing social discrimination. It also means that we prioritize individuals and communities with the greatest health needs in the distribution of these products.

The core objectives of the approach are to reduce barriers to health product availability and affordability, improve the responsiveness and timeliness of health product service and delivery, and promote resilient and sustainable supply chains.

Achieving these objectives will be critical to support efforts to end AIDS, TB and malaria and improve preparedness for future pandemics. Strengthening the whole value chain across health product markets for known diseases, from research and development to the last mile delivery, will enhance the global and national readiness to deliver critically needed products.

To achieve its objectives, the NextGen Market Shaping approach outlines a set of strategic, enabling and foundational interventions, centered around the people and communities that the Global Fund serves. Three interventions are at the core of the approach, which aim to:

- 1 Shape innovation and accelerate new product introductions at scale.**
- 2 Promote capacity building for regional manufacturing.**
- 3 Drive environmentally sustainable procurement and supply chains.**

A doctor at Muhoza Health Center in Musanze, Rwanda, prepares an HIV test using a blood sample from 14-year-old Cedric, who came to the health center with a persistent cough.

The Global fund/Vincent Becker



1. We shape innovation and accelerate the introduction of health products at scale.

Innovating and deploying new products is critical to ending AIDS, TB, and malaria. These tools must be delivered at scale as they become available, to reach the communities who need them most.

To achieve this and address barriers across the value chain, through the NextGen approach the Global Fund is deepening collaboration with partners such as Unitaid, the World Health Organization (WHO) and the Bill & Melinda Gates Foundation and engagement with industry and the wider private sector. Our partnerships are designed

to identify promising products in development and accelerate approvals, engage with suppliers to secure availability and affordability of products as they go to market, and support countries to introduce new products and mobilize demand. The Global Fund has also established new tools to accelerate product introductions, including a Revolving Facility and an Access Fund. Using the Revolving Facility, the Global Fund can enter advance market commitment with suppliers to secure improved supply terms. We will use the Access Fund to provide time-limited co-payments for the purchasing of new products using country grants.

Case Study Scaling Up Innovative Nets Through Partnership

For several years, the global malaria partnership has been working on market-shaping efforts to ensure initial market entry, smooth introduction and rapid subsequent scale-up of dual active ingredient insecticide-treated nets (dual AI ITNs), which are designed to have a greater impact against insecticide-resistant mosquitoes. In 2018, the Global Fund and Unitaid funded an initiative bringing together a coalition of partners, including the Innovative Vector Control Consortium, manufacturers, national malaria programs and academic institutions, working closely with the U.S. President's Malaria Initiative (PMI), the Bill & Melinda Gates Foundation and MedAccess, to build the evidence and prime the market for dual AI ITNs. The resulting evidence led WHO to give a strong recommendation for countries to use these dual AI ITNs. Since then, the Global Fund has continued a collaborative approach to leverage the Revolving Facility to secure sustainable prices and shorter lead times and drive a transition from initial market entry to routine use at scale. This allows us to keep building evidence and program experience alongside market-shaping work.



Store Officer Sabitu Idris Gabasaw inspects mosquito net bales at the Gabasawa distribution hub in Kano State, Nigeria.

The Global Fund/Andrew Esiebo/
Panos

2. We promote capacity building for regional manufacturing and procurement.

When health products are produced far from where they are consumed, inefficiencies and global supply chain disruptions compromise their equitable and timely supply. During the COVID-19 pandemic, regions that relied heavily on imported products experienced long delays and extremely limited supplies.

While procuring health products from manufacturers closer to people who need them has long been part of our sourcing approach, the Global Fund is strengthening collaboration with partners including African institutions, the U.S. President's Emergency Plan for AIDS Relief (PEPFAR), USAID, WHO, and Unitaid to promote capacity building for regional manufacturing across Global Fund-supported regions. The approach will focus on enabling a regional network that matches supply to demand more sustainably and avoids duplication and under-usage of capacities at the local level.

We are leveraging our global tenders to value quality-assured suppliers situated close to high-volume demand. We are partnering with regional pooled procurement platforms, including the Pan American Health Organization (PAHO), and supporting regional initiatives, including regional regulatory harmonization efforts and mobilization of demand for regionally manufactured products.

The initial focus of the NextGen approach will be to support capacity building for regional manufacturing in Africa, as this is where the biggest gap exists between high-volume demand and supply. To complement these efforts we are also engaged with regional economic communities such as the East African Community (EAC), the Southern African Development Community (SADC) and the Economic Community of West African States/West African Health Organization (ECOWAS/WAHO) to share lessons learned from the Global Fund's PPM and support capacity building of regional pooled procurement mechanisms.

In August 2023, the Global Fund, in partnership with PEPFAR and Unitaid, launched a pilot review process for African manufacturers of HIV rapid diagnostic tests (RDTs) to accelerate the production of RDTs on the continent. This was a pivotal milestone in the organizations' joint efforts to accelerate the supply diversification agenda.

3. We drive sustainable procurement and supply chains.

The Global Fund promotes responsible procurement and supply chains. This means that we build environmental sustainability, social responsibility and economic viability into our procurement and supply chains.

We mitigate the environmental impact of procurement and delivery by encouraging our suppliers to reduce emissions and pollution during production and packaging. We have also reduced air shipments: By the end of 2022, 81% of our shipments went by sea. We promote safe and healthy working conditions for all workers along the supply chains, and we promote fair business practices by our suppliers.

We also work hand-in-hand with our country partners to strengthen their supply chains, including innovative distribution models and strengthening of governance.

Key collaboration and investment areas are detailed below.

Better planning through digitization:

By investing in the digitization of a country's supply chain, the Global Fund supports integrated planning and enhanced national supply networks. The implementation of electronic logistics management information systems (eLMIS) and rollout in multiple countries has led to better data-driven decision-making, enabling the timely provision of health



“At the Global Fund, we are committed to catalyzing the rapid development of regional manufacturing, so that African countries can benefit from a better, more secure supply of high-quality and affordable tests, medicines and other medical tools. This is key to reducing global health inequities.”

Peter Sands,
Executive Director
of the Global Fund

products and mitigating stock-out risk. The Global Fund is also investing in the digitization of health campaigns such as the distribution of ITNs, to ensure all households receive the appropriate amount of ITNs. This also enables better monitoring of distribution and usage at national level.

Strengthening national regulatory capacity:

The Global Fund works with technical partners, such as WHO, the New Partnership for Africa's Development, the Africa Centres for Disease Control and Prevention and Unitaids to enhance national capacity building of regulatory systems through our updated quality assurance policies. We also promote harmonized quality assurance standards that are critical to advances in regional manufacturing capacity.

Equitable access to health systems:

Through the NextGen Market Shaping approach, the Global Fund continues to support resilient national health systems. By reinvesting funds from our COVID-19 Response Mechanism, the Global Fund is financing the procurement and operationalization of long-term oxygen generation equipment (pressure swing adsorption plants), as well as a new generation of surveillance and lab equipment such as the multiplex and multipathogen platforms used for integrated, person-centered, quality services and disease surveillance. These form part of our commitment to resilient and sustainable systems for health, the bulwark of effective pandemic preparedness and equitable access to healthcare.

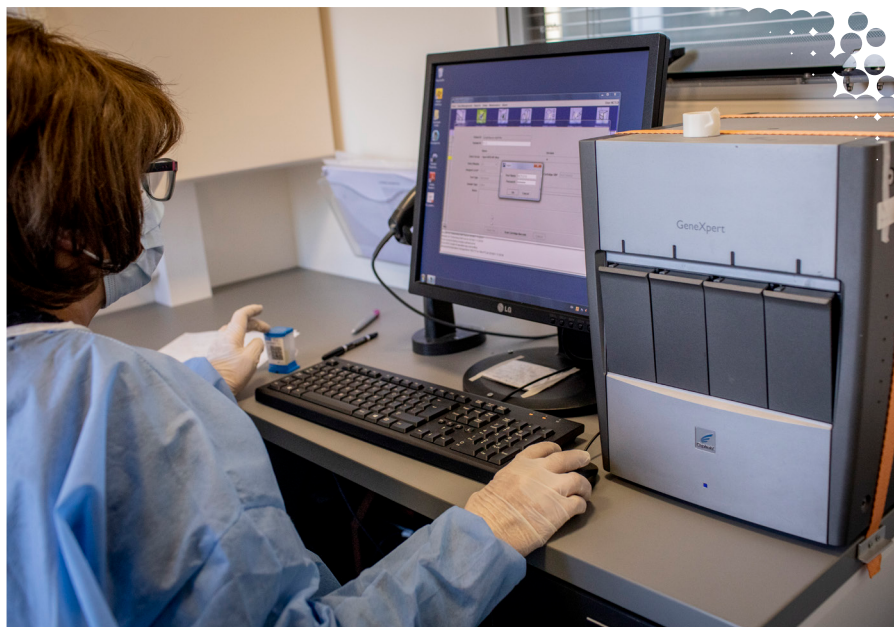
Case Study

Electronic Logistics Management in The Gambia

The recently completed eLMIS rollout in The Gambia, in collaboration with the World Bank and other partners, led to enhanced data accuracy and real-time stock visibility. This enables timely replenishment of health products, reduces stock-outs, and leads to improved data-driven decision-making. Following the completion of the project, 97% of public health facilities are reporting and requesting health commodities through the eLMIS.

Lab Assistant Nana Dokvadze uses the GeneXpert diagnostic platform for TB testing at a mobile lab in Tserovani, Georgia. This mobile clinic provides active screening for six diseases: TB, COVID-19, diabetes, hepatitis C, HIV, and hypertension.

The Global Fund/Anush Babajanyan



To end AIDS, TB and malaria, our NextGen Market Shaping efforts must be bold and ambitious. To close the gap to reach the 2030 goals, we must work in partnership, accelerate efforts to break down barriers and mobilize resources to make sure that communities most in need have equitable access to lifesaving, high-quality and affordable products and innovations.



Rahul, an outreach worker from Ekta Foundation, collects drugs from the HIV treatment center inside the government hospital in Kalwa, a city just north of Mumbai, India. Patients receive their drugs through door-to-door delivery.

The Global Fund/Atul Loke/Panos

About the Global Fund

The Global Fund is a worldwide partnership to defeat HIV, TB and malaria and ensure a healthier, safer, more equitable future for all. We raise and invest more than US\$5 billion a year to fight the deadliest infectious diseases, challenge the injustice that fuels them, and strengthen health systems and pandemic preparedness in more than 100 of the hardest hit countries. We unite world leaders, communities, civil society, health workers and the private sector to find solutions that have the most impact, and we take them to scale worldwide. Since 2002, the Global Fund partnership has saved 59 million lives.