

Report of the first Global Drug Facility (GDF)

TB Diagnostics Suppliers Meeting

Lisbon, Portugal, June 5-6, 2018



Background and objectives

The Global Drug Facility (GDF) held its first ever annual TB diagnostics suppliers meeting in Lisbon, Portugal on June 5-6, 2018. The event was attended by manufacturers of TB diagnostics and laboratory supplies, freight forwarding and logistics companies, Ministry of Health representatives from Kyrgyzstan, Mozambique and Pakistan, the WHO Global TB Programme and Global Fund, alongside GDF teams. The meeting brought all key partners together to share the latest updates and experiences on the procurement and supply of TB laboratory commodities and services. Also, the meeting served as a valuable platform to strengthen collaboration between GDF and its supply partners to identify solutions to more effectively meet the needs of countries and ensure sustainable access to affordable TB products

The diagnostics suppliers meeting's specific objectives were:

- To provide current and potential suppliers with an overview of GDF and its processes for procurement and supply of TB diagnostics.
- To identify areas for improvement by sharing country and supplier experiences on GDF processes for procurement and supply of TB diagnostics.
- To share experiences and understand opportunities and challenges in integration and collaboration within the ordering process for diagnostics.
- To provide suppliers with insights into what is ahead: changes in GDF's plans and scope of work in diagnostics, changes in the global funding situation, changes in technology.
- To discuss needs and share country experiences in ensuring uninterrupted access to quality-assured, affordable diagnostics and in rolling out new products

- To analyze supply performance of individual suppliers and freight forwarders during dedicated bilateral meetings.

New strategic directions for GDF

Having become the leading global supplier of quality-assured TB diagnostics and laboratory supplies with a turnover of US\$ 109 million in 2017, GDF highlighted its expanded scope of work in the diagnostics field. Mirroring the comprehensive package of services it already provides for medicines, GDF is building capacity to provide technical assistance to countries on procurement and supply chain management of laboratory commodities and is positioning itself as a launchpad for manufacturers to efficiently introduce new products into countries.

As the chair of the TB Procurement & Market-Shaping Action Team (TPMAT), GDF is also leading the coordination of partners to improve access to affordable, prices, obtain quality products and improve service and maintenance of diagnostics products. A major challenge in 2018-2020 is the shifting of all countries regardless of income level from donor funding to progressive domestic financing, following changes in global donors' policies. The shifting implies that the donor levers used to require procurement of quality-assured WHO-recommended products will be less influential. But the shift also offers new opportunities to change or update global and national policies towards sustainable health systems, which may not have happened otherwise. Furthermore, in light of trends in donor financing towards co-financing and with more countries having to use domestic resources and follow national procurement processes, GDF and its suppliers will need to find innovative ways to adapt.

The diagnostics portfolio of GDF will continue to transform, adding the latest quality-assured diagnostics in line with international recommendations. The WHO Global TB Programme gave meeting participants insights into its technology evaluation process and what in the diagnostics pipeline is on the horizon.

Featured product launches

Delegates welcomed the launch of the [GDF diagnostics catalog](#), which was presented and first time released at the meeting. The diagnostics catalog features over 500 quality-assured products to equip and supply all levels of a TB laboratory network. The full-range of catalog products, from diagnostic equipment and reagents to biosafety and waste management supplies, can now be easily found by product category. GDF can help to equip state-of-the-art TB laboratories by supplying the latest WHO-recommended products, consumables and ancillaries, including the Determine TB LAM Ag test, Xpert MTB/RIF Ultra, and MTBDRsl second-line line probe assay (LPA).

The catalog was supported by the enhanced GDF TB [Diagnostics Ordering List](#), which has been redesigned and enhanced to facilitate the ordering process and budgeting. New product-specific recommendations have been added to guide the user in the selection of items during the ordering process. Technical specifications have been aligned and updated, including product packaging and transport types, manufacturer product codes, quality assurance registrations, and other product information fields. As a final new feature, when the user enters the desired quantities into the ordering list, a linked summary sheet allows for automated calculation of costs overall and by supplier, as well as total volumes of goods for planning of transport.

Improving performance and strengthening partnerships

The diagnostics ordering processing was presented including the challenges that involves due to the different GDF diagnostics suppliers with different type of product transportation (general cargo, cool, dangerous, etc.) and the variety of country processes and regulations. Experience shows that many challenges can be resolved before they cause delays by maintaining open channels of communication between suppliers and all parties involved, including regular updates on progress of shipments in transit by the freight forwarder.

A breakout session was organized to enable closer interactions between suppliers and freight forwarders to focus on solutions to further improve GDF's lead times and tackle challenges that can cause delays in the ordering process. Each session was asked to discuss:

- How to improve the quality and reduce the lead time for the issuance of the GDF price quotes to countries?
- Which innovative process/approach/solution could GDF develop to reduce the lead time for the issuance of the GDF price quote to countries?

It was noted that asking price quotes from freight forwarders for each consignment takes too much time, so a new approach is needed to significantly decrease the lead time for providing quotes. The breakout sessions served as an opportunity to inform GDF about how it could improve all aspects of performance, particularly issues suppliers and freight forwarders faced in providing inputs needed to improve the diagnostics order process. Several suggestions were made from the perspectives of suppliers, freight forwarders and GDF, which GDF will explore to improve performance.

The discussion underlined the importance of close communication among GDF, clients, suppliers and freight forwarders, backed by relationships that go beyond procurement to committed partnerships. Collaboration is vital to handle challenges caused by the technical complexity of TB diagnostics products and the variety of quality assurance and country regulations that must be satisfied.

Looking to the future, suppliers and freight forwarders will work with GDF on novel approaches to reduce the lead time for quotations to clients, minimize costs of freight, more accurately forecast demand for products, and improve country access to equipment maintenance services and affordable pricing. GDF will add further value by providing robust customer service through dedicated country supply officers and regional technical advisors.

Participants were also given a unique opportunity to ask questions and respond to comments from a panel representing some high TB-burden countries that have used GDF services to procure diagnostics supplies, including Mozambique, Pakistan and Kyrgyzstan. The discussion revealed concern that the transition away from donor financing may adversely affect diagnostics products because tighter national budgets may give higher priority to medicines. Country representatives emphasized that priority attention is needed for in-country service and maintenance of diagnostics products because equipment and consumables may be located in remote or rural areas. Providing documents in local languages is very important because national authorities accept registration and other applications only in their languages. Suppliers agreed with these concerns and offered to provide as much support as possible in collaboration with GDF and the countries.

Outcomes

The meeting demonstrated that countries see GDF as a dependable source of quality-assured products, lowest sustainable prices and shortest lead times backed by strong customer service. Suppliers value GDF because its services result in low transactional and opportunity costs underpinned by on-time and reliable payment. Enhanced collaboration across all stakeholders was a common theme throughout the meeting, given that GDF's performance relies on partnership, and a failure to meet targets at any step of the supply chain can reduce positive impacts.

GDF is a one-stop shop and the supplier of choice for TB programs.

- It has an extensive catalog of products for all levels of laboratories.
- It supplies quality-assured products that are WHO approved, technically evaluated and validated for use at the lowest possible prices.
- It provides strong customer service via dedicated country supply officers and regional technical advisors.

GDF is more than a procurer: it is expanding its scope of work in diagnostics.

- It provides technical assistance to countries on quantification, and validation of orders.
- One of its main achievements is the development of GDF and global forecasts.
- It actively reinforces partner coordination and shaping the market to improve costs, services and product specifications.
- GDF has primary importance as a launchpad to roll-out new products.

GDF's useful forecasts, order planning and innovative logistics approaches result in timely and accurate delivery of goods to the client, benefiting everyone (suppliers, countries, GDF).

- GDF and its suppliers and freight forwarders should work together on innovative approaches to reduce the GDF lead time for quotation to clients
- GDF and its client countries and partners should improve efforts to accurately forecast demand for products; this will improve lead times of manufacturers to meet country expectations

The global funding situation for procurement of commodities is changing: GDF will work on different coordinated, collaborative approaches/solutions across all stakeholders to respond to domestic procurement challenges in countries.

GDF and suppliers must be closely involved and ready for changes in the diagnostic landscape, with new tools expected to disrupt procurement trends in the coming years.

For manufacturers of TB diagnostics and laboratory supplies that are interested in attending future meetings, please contact gdf@stoptb.org.