

GAIN – FFI



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GAIN Premix Facility

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INVESTING IN PARTNERSHIPS TO STOP MALNUTRITION

The GAIN Vision, Mission, Goal

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- Driven by the **vision** of a world without malnutrition
- GAIN's **mission** is to reduce global malnutrition through food fortification and other sustainable strategies aimed at improving the health and nutrition of populations at risk, particularly women and children
- Reach **1 billion** people with improved nutrition, including 500 million women and children

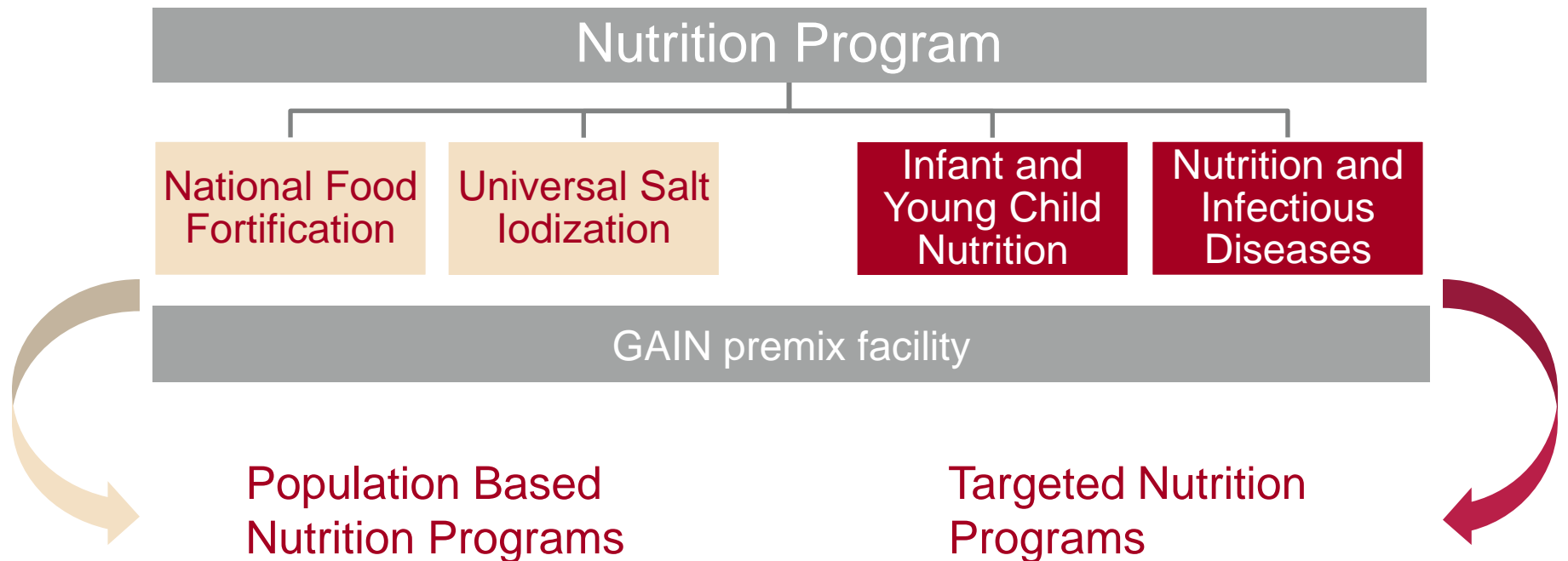
GAIN at a Glance

- Established under UN in 2002 during the **Special Session of the UN General Assembly on Children**
- Established as a **Swiss Foundation** in March 2003
- Headquarters in **Geneva, Switzerland**
- Regional offices in **Beijing, Cairo, New Delhi, Johannesburg**
- **Donors** from North America, Europe, Middle East

Nutrition Program

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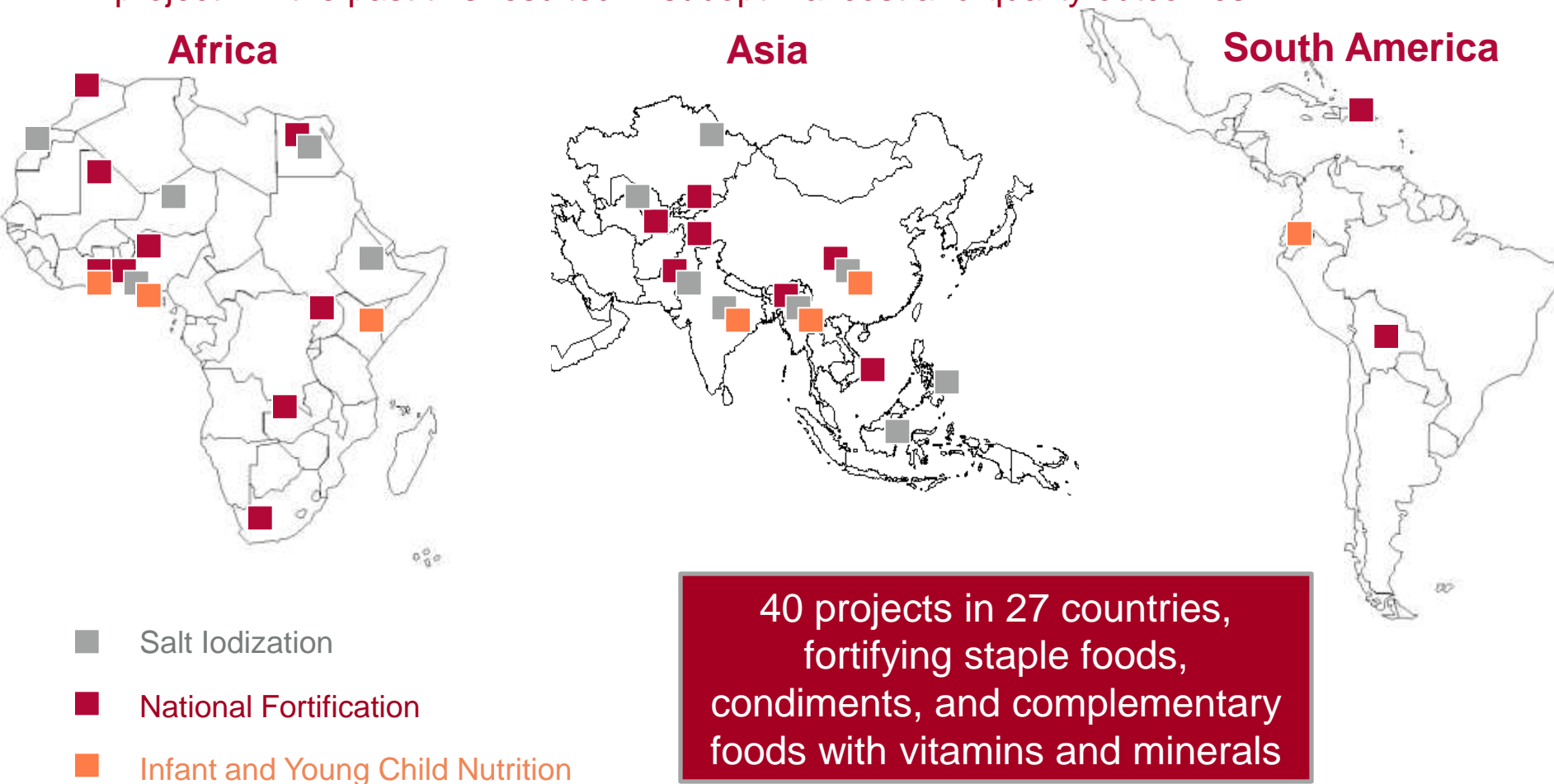
GAIN delivers high quality population based and targeted programs, all of which contribute to our target of reaching 1 billion people.



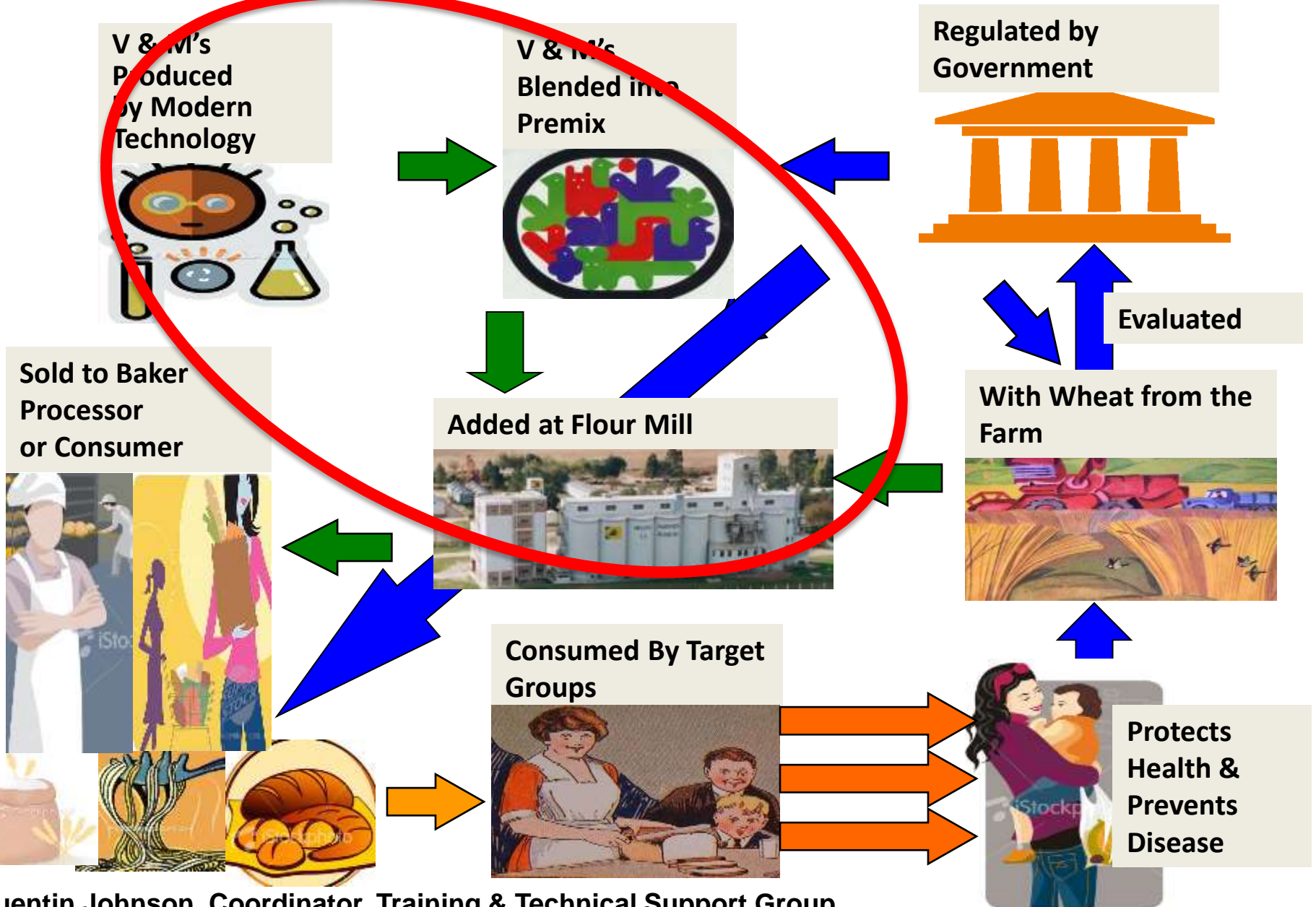
GAIN Country Presence

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Across GAIN's projects, premix used to be procured in a fragmented way, project by project. In the past this resulted in suboptimal cost and quality outcomes.



The Flour Fortification Process and System



GAIN premix facility (GPF)

The GAIN premix facility was implemented to respond to the challenges associated with premix procurement and leverage GAIN's global scale.

Challenges in Premix Procurement

Premix quality varies from project to project

Absence of global procurement strategy results in price variation between projects

Micronutrient costs represent 70-90% of ongoing project costs

Some projects struggle to finance purchases upfront

GAIN premix facility

Certification Facility

(Certification Agent: Intertek)

Procurement Facility

(Procurement Agent: Crown Agents)

Credit Facility

Grant Facility

Scope of the GPF

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The GPF can cater for all types of premix but additional attention has been given to premixes containing the vitamins & minerals most commonly found in mass food fortification projects.

- The following vitamin and mineral elements have been defined as strategic since they make up the majority of spend:

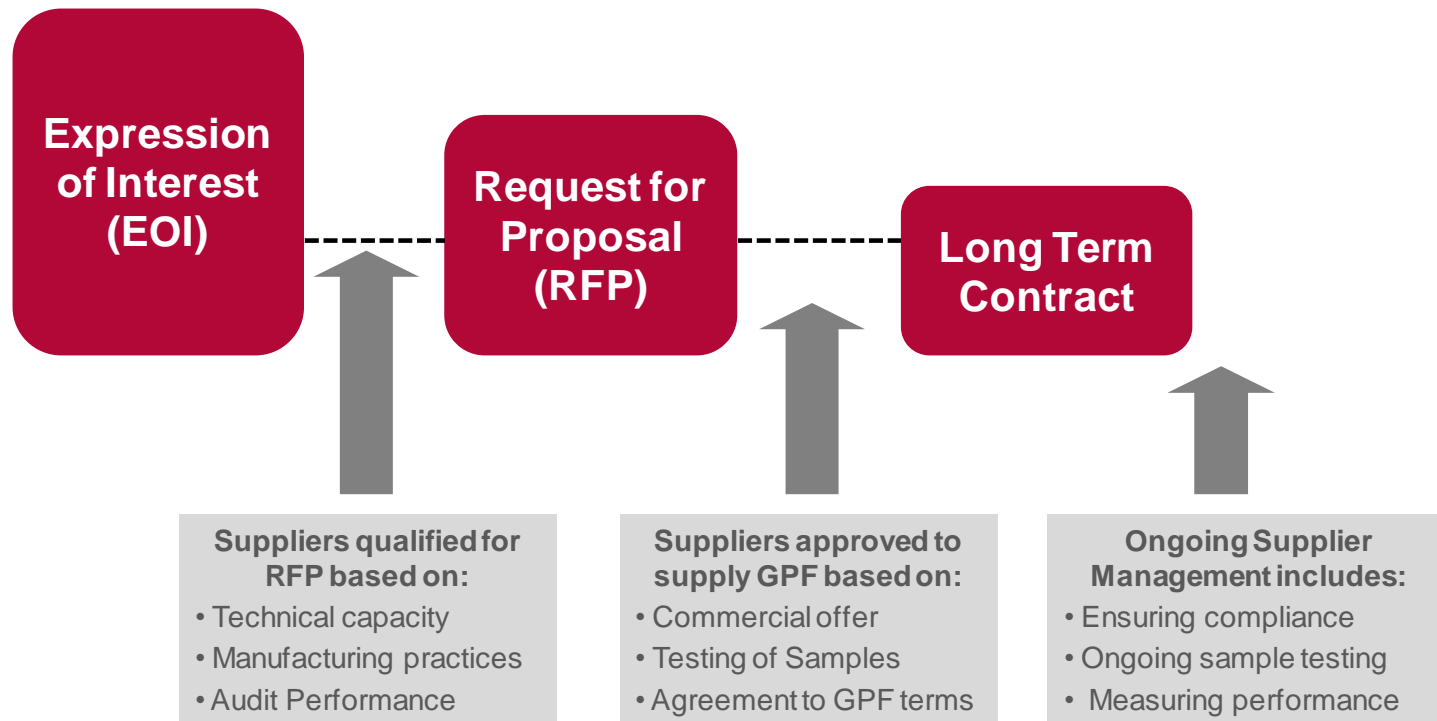
Iron	Electrolytic Iron		Vitamin A	Retinyl Palmitate 1.7 mio
	Ferrous Fumarate			Retinyl Palmitate 1.0 mio
	Ferrous Sulfate			Retinyl Palmitate/Acetate 250000
	Encapsulated Ferrous Fumarate			Retinyl Palmitate/Acetate 325000
	Encapsulated Ferrous Sulfate			
	Micronised Ferric Pyrophosphate			
	NaFeEDTA			
Potassium Iodate	Potassium Iodate (KIO3)		Vitamin B	Folic Acid

- In addition, we are able to support procurement of premixes containing more complex mixes of vitamin and mineral elements, eg. Other B Vitamins, Calcium, Zinc, Vitamin C, Magnesium etc.

Supplier Selection Process

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Suppliers have been selected through a stringent multi-stage selection process which has included on-site audits, product sampling and review of technical capability.



Approved GPF Suppliers

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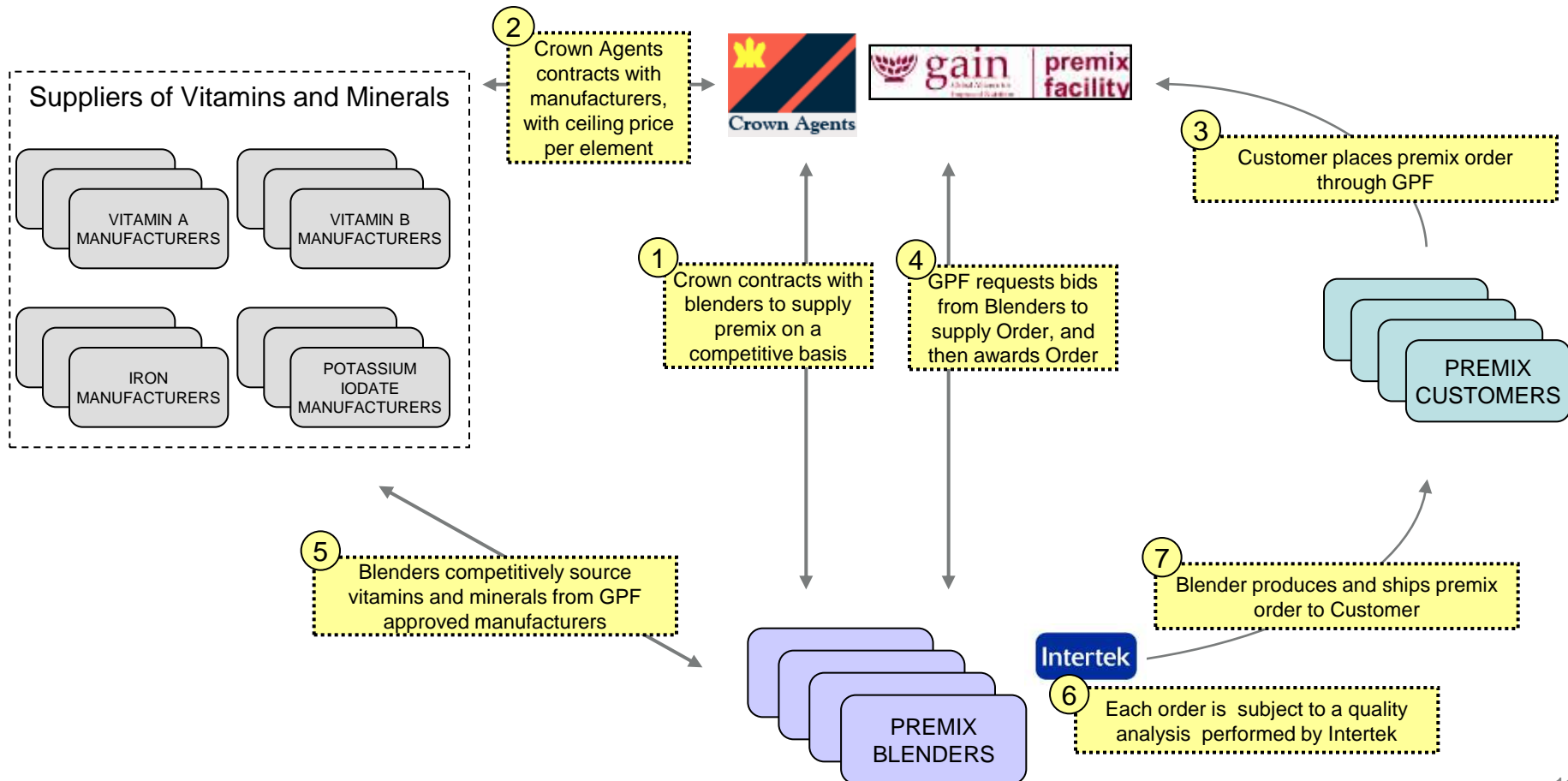
Framework agreements have been set up between Crown Agents and each supplier who passed our criteria – unsuccessful applicants were provided with development feedback.

Approved Blenders	Approved Manufacturers
Caravan Ingredients	Ajay Europe, SARL
Dr. Paul Lohmann	Akzo Nobel Functional Chemicals Pty Ltd
DSM Nutritional Products Ltd	BASF SE
Eurogerm	Calibre Chemicals
Fortitech Europe ApS	Dr. Paul Lohmann
Glanbia Nutritionals Deutschland GmbH	DSM Nutritional Products Ltd
Global Calcium Pvt Ltd	Global Calcium Pvt Ltd
Hexagon Nutrition	Industrial Metal Powders Pvt Ltd
Mühlenchemie GmbH & Co KG	Israel Chemicals Ltd
P.D. Navkar	Jubilant Organosys Ltd
Piramal Healthcare	Piramal Healthcare
Research Products Company	Sri Krishna Pharmaceuticals
The Wright Group	The Wright Group

Process Overview

Order to Quotation to Delivery

The process is simple and efficient – Customers simply place their premix orders via the GPF website, which triggers a competitive bidding process to supply the order.



Three Key Benefits

The GPF creates value for its customers by improving accessibility and affordability of quality premix from certified suppliers.

Consistent Quality

- Stringent supplier selection process
- Sampling and analysis of product
- Security in the supply chain

Competitive Costs

- Pooling of volume across projects
- Competitive bidding process

Assisted Financing

- Phase 1: Credit terms for approved customers
- Phase 2: Innovative financing through a 3rd party banking partner.



**A simple process,
good for public health,
good for customers**

GPF Roles and Responsibilities

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GAIN has selected a Procurement Agent and Certification Agent who have operational responsibility for the GPF within GAIN's oversight.

Organisation

Overview & Role



GAIN's role will be to manage the performance of the GPF to ensure it meets its objectives. GAIN will also provide ongoing technical and financing support as well as leveraging its programme portfolio to build customer interest into the GPF.



Crown Agents is an international development company with significant experience in the provision of Health procurement, financial and supply chain services to the government and development sectors.

As the **GPF Procurement Agent**, Crown Agents will manage the operational coordination of premix procurement activities on an ongoing basis.



Intertek is a leading provider of quality and safety solutions, ranging from auditing and inspection, to testing, quality assurance and certification.

As the **GPF Certification Agent**, Intertek will conduct ongoing sampling and analysis of premix production samples to ensure quality. Intertek will also periodically audit GPF suppliers to ensure ongoing adherence to good manufacturing practices.

Results to Date

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Since July 1, the GAIN premix facility has started delivering better cost and quality outcomes for our programmes.



Approximately US\$1.2m of orders have been sourced since July 1, reaching more than 30 million consumers with certified quality premix at competitive costs.

Thank you!



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