

Impact Story 11:

GAIN Premix Facility (GPF)

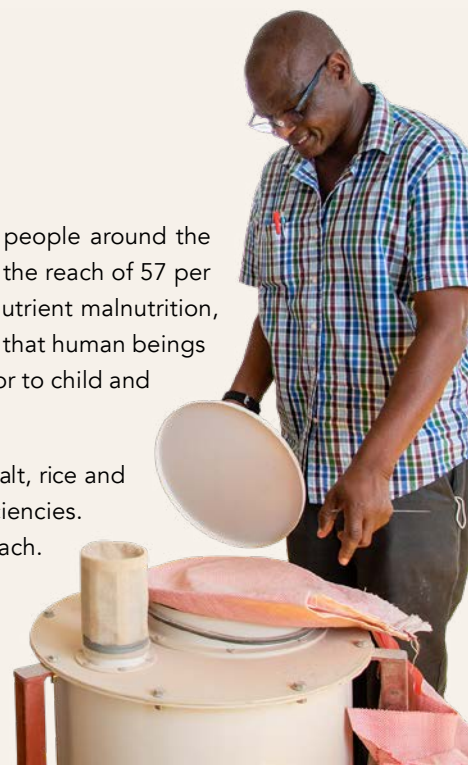
THE OPPORTUNITY

Nutritious foods and healthy diets are unavailable or unaffordable for over 3 billion people around the world. In Sub-Saharan African and Southern Asia, the cost of a healthy diet is beyond the reach of 57 per cent of the population.¹ Over a quarter of the world's population suffers from micronutrient malnutrition, meaning that their diets do not provide enough of the essential vitamins and minerals that human beings need to live healthy productive lives. Micronutrient malnutrition is a leading contributor to child and maternal death in low-and-middle-income countries.

Food fortification – adding micronutrients to staple foods like wheat and maize flour, salt, rice and vegetable oil – has been proven to help prevent, reduce and control micronutrient deficiencies. As the evidence has mounted, more and more countries have taken up this approach. Today, more than [125 countries](#) have mandatory food fortification programmes.

Food fortification requires a “premix” – a mixture of vitamins and minerals – that can then be added to various staple products. For example, one common kind of premix is iron, folic acid and other nutrients, which is then added to flour. Another is straight fortificants such as vitamin A, which is added to vegetable oil and to prevent iodine deficiencies, potassium iodate is added to salt.

But premix is a complex commodity. First, the prices of the vitamins and minerals required to make it can vary tremendously. Second, making sure they meet quality control standards requires sophisticated equipment and expertise that do not come cheap. Third, and further to these challenges, food producers in low-and-middle-income countries who want to procure premix may struggle to find reliable suppliers and lack the upfront capital needed to place a large order.



THE SOLUTION

To overcome such barriers, GAIN launched the [GAIN Premix Facility \(GPF\)](#) in 2009.

Thanks to the GPF, fortified foods producers can procure high-quality premix at competitive prices. The GPF addresses many of the challenges of premix procurement by:

- placing large and combined orders for premix
- setting up robust supplier assurance systems and procedures
- offering technical assistance to food processors on product development
- putting in place an experienced procurement and quality certification team
- setting up or strengthening local supply systems.



¹ <https://www.who.int/news/item/13-07-2020-as-more-go-hungry-and-malnutrition-persists-achieving-zero-hunger-by-2030-in-doubt-un-report-warns>

The GPF model has three pillars:

1. **Quality:** A strong quality assurance and quality control system is in place. The GPF-approved premix suppliers are audited on a regular basis. Every supply order is subjected to batch sampling and a schedule of analyses, and if there are discrepancies, a quality complaint is raised.
2. **Procurement:** Competitive tenders are run among the GPF-approved suppliers to achieve the best possible price and lead time.
3. **Credit facility:** GAIN's revolving fund enables the premix suppliers to be paid on time while offering credit terms to customers.

In the wake of the COVID-19 pandemic, supply chains have been disrupted and stretched to breaking point. The GPF is addressing the challenges by strengthening or setting up new, sustainable distribution models – for instance, by bringing premix stocks closer to customers in low- and middle-income countries. The goal is to have premix readily available in smaller pack sizes, where it can be paid for in local currencies, reducing delivery lead times.

THE IMPACT

- The food fortified with premix sourced through the GPF reaches between 120 and 160 million people every year.
- The GPF has more than 40 premix blenders and vitamin and mineral [suppliers](#) across over 50 production sites.
- The GPF-approved supplier list is widely used by the fortification sector, including by [the World Food Programme](#), which stipulates that fortified food producers must only source premix from GPF-approved suppliers, and the [US Department of Agriculture](#), which defines specifications for USAID commodities and now requires that fortified vegetable oils must use a GPF-approved premix source.
- As of June 2022, the GPF has sourced over 31m kilograms of vitamin and minerals valued at \$80m, which have been delivered to 54 countries.
- Through our credit facility, up to June 2022, the GPF has provided over \$75m in access to finance to fortified food producers, helping to ease pressures on their working capital.
- The GPF has supplied over 620 analytical devices to governments and fortified food producers to test foods and confirm that they are fortified in line with national standards.
- Every year premix sourced through the GPF reaches approximately 300 food producers, directly or through national distribution partners. Many more food processors source directly from premix suppliers by making use of the GPF-approved supplier list.
- With our colleagues on the ground, the GPF has set up or strengthened supply systems for quick access and availability of premix to food processors locally – e.g., in Ethiopia, Mozambique, Senegal, Tanzania, Kyrgyzstan – and technical assistance on managing revolving funds for premix in countries such as Laos and Myanmar.
- We are strengthening micronutrient analysis by supporting testing schemes across 27 laboratories in 12 countries.
- We are supporting four food testing laboratories in Nigeria to achieve an ISO accreditation for food quality and food safety testing.
- We contributed to the [open-source publication](#) of a new method to test vitamin A in vegetable oils, which has been shown to be simpler, cheaper and to produce consistently more reliable results than the traditional method.



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