

GAIN PREMIX FACILITY

Simplifying premix procurement from every angle.

The **GAIN Premix Facility (GPF)** is an innovative initiative launched by GAIN in 2009 to tackle the challenges faced by organizations producing or sourcing fortified foods. It is estimated that the GPF reaches approximately 120 million people every year with high-quality, certified and affordable vitamins and minerals.

THE CHALLENGE OF MALNUTRITION

Vitamin and mineral deficiencies prevent about 30% of the world's population from achieving their full mental and physical potential.¹ This phenomenon is often referred to as 'hidden hunger'. Adding essential vitamins and minerals to foods, or food fortification, is one of the most feasible, cost-effective and sustainable strategies available to improve micronutrient status on a large scale.

Micronutrient "premix" is a commercially prepared blend of vitamins and minerals used to fortify foods. Premix can be a complex commodity to source effectively. Price and quality can vary tremendously, and quality verification requires sophisticated equipment and expertise. Government and industry partners face many challenges in procuring premix for fortification of foods, including access to reliable suppliers, variable prices,

¹ Source: Micronutrient Initiative, 2009.

lack of a system to assure product quality and scarcity of funds to finance upfront purchases.

AT A GLANCE

The GAIN Premix Facility simplifies premix procurement. We provide a simple, cost effective way for organizations involved in fortification to access high quality and affordable premix.

The GPF tackles many of the challenges of premix sourcing through a structured procurement and certification process based on leading industry practice.

The GPF competitively sources micronutrients from a global base of suppliers who have been prequalified through GAIN's stringent selection process.

MAKING A DIFFERENCE

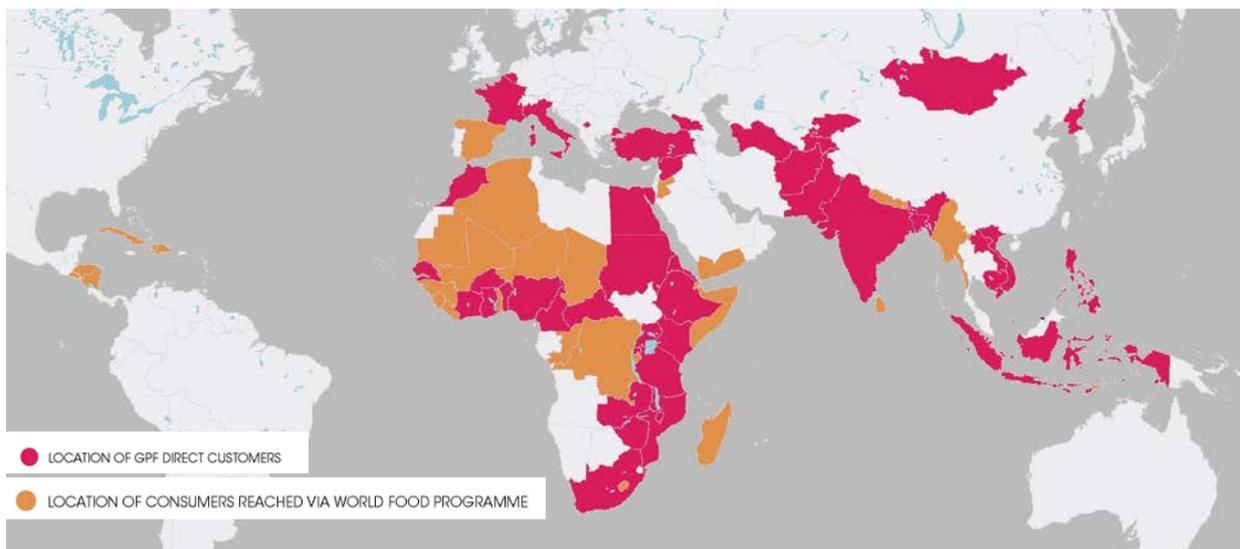
Our work is structured around four distinct functions: **certification, procurement, credit** and **technical assistance**.

> The **Certification Facility**, which is managed by Intertek, our Certification Agent who prequalifies suppliers based on stringent criteria and monitors ongoing quality of production by analyzing the quality of all premix orders.

> The **Procurement Facility**, managed by the GAIN premix facility team who facilitates a competitive tendering process for each premix requirement in order to achieve the best possible price from pre-qualified suppliers. Suppliers engage in a bidding process which stimulates competition and drives fortification costs down.

> The **Credit Facility** offers assisted financing and extended credit to customers who need help meeting the upfront costs of making premix purchases. The credit

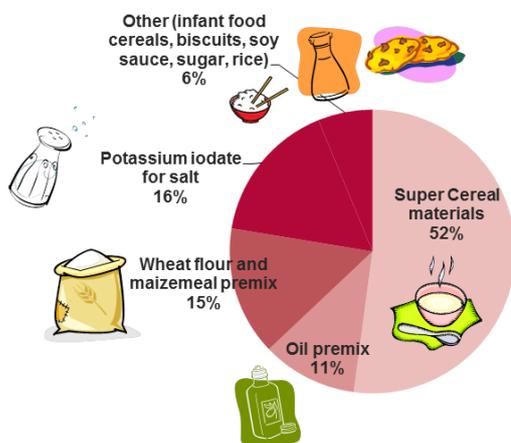
Countries reached by the GAIN premix facility – update: December 2016



facility enables us to offer extended credit terms, as well as tailored credit arrangement to customers.

> We offer **Technical Assistance** from initial product development and premix formulation through to delivery.

OVERVIEW OF KEY ACHIEVEMENTS



Types of fortificants sourced through the GAIN premix facility

CASE STUDY: GHANA POTASSIUM IODATE SUPPLY MODEL

"In Ghana, salt producers have struggled to access a reliable source of potassium iodate and this has been a significant barrier to salt iodization efforts. The Ministry of Trade & Industry is collaborating with the GPF on a new supply model which reliably delivers small pack sizes of affordable, good quality Potassium iodate to any producer's doorstep within 24 hours. It is a relevant and effective solution to some longstanding problems." - Andrews Quashie, Project Coordinator Potassium Iodate Distribution System, National Salt Iodization Committee, Ghana

- **US\$61 million:** approximate total value of premix orders across **over 40 countries** in Africa and Asia.
- **120 million:** the estimated number of people reached yearly, who benefit from fortified foods produced with affordable, quality certified vitamins and minerals.
- **Delivering and funding** premix to fortify food in emergency situations, including the **Horn of Africa** in 2011, **Haiti** and **Pakistan** in 2010 working in partnership with the World Food Programme.

Measuring quality - partnership with BioAnalyt, product innovator of nutrient test kits

GAIN and BioAnalyt's aim is to provide validated, portable and easy-to-use test kits to stakeholders active in analyzing vitamins and minerals in foods:

- Food producers can test in real-time the quality of their raw material (premix) as well as of their final end-product.
- Non-governmental organizations use the test kits to monitor the progress of various food fortification programs.
- Monitoring authorities and customs offices use the test kits for 'first line testing' at ports, borders and rural areas for testing where there are no lab facilities.
- Research institutes and labs use the test kits as high-throughput analysis tool to assess data on nutrients within a short period of time.

In 5 years, the GPF sourced more than 370 iCheck devices and 100,000 vials which were delivered in 31 countries.

HIGH PERFORMANCE RANKING FROM LATEST DONOR REVIEW

The assessment from the Government of the Netherlands highlighted the important role and impact that the GPF has played in its three areas of focus: procurement, quality and financial access for premix. It also noted the GAIN and GPF's recent growth into broader Quality Assurance and Quality Control technical assistance. The GPF received full marks on the three measures used in the assessment – **innovation, sustainability and development.**

CASE STUDY: SOUTH AFRICAN FOOD AID PRODUCER

"JLR is working with the GAIN Premix Facility to source premix for production of fortified foods which we supply to the World Food Programme. The competitive procurement process has allowed us to reduce our production costs, and in turn, reduce the cost of the fortified food distributed by WFP. The Credit Facility helps our cash flow, freeing up working capital to invest in development of our product and plants. It also enables JLR to hold reserve premix stock in anticipation of WFP's needs making us more responsive when emergency situations arise." – Lourens Retief, Managing Director, JLR International Services, South Africa

ABOUT GAIN. The Global Alliance for Improved Nutrition is an international organization launched at the UN in 2002 to tackle the human suffering caused by malnutrition. Today nearly 3.5 billion people worldwide are malnourished in some way. Close to 2 billion people survive on diets that lack vitamins and nutrients, while about 1.4 billion people struggle with overweight and obesity. We know that sustainable, nutritious diets are crucial to ending the cycle of malnutrition and poverty. By building alliances that deliver impact at scale, we believe malnutrition can be eliminated within our lifetimes. Today our programs are on track to reach over a billion people with improved nutrition by 2016.

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