Uncertainty about NextGen - $17 billion bundle of health contracts. Devex, 5 Jan 2025

In virtually no time at all, five years' worth of labor prep, legal review, and procurement box-checking went down the drain last year with the dismantling of USAID. Now everyone is asking: **What's next after NextGen** — the $17 billion bundle of contracts that represents a major rethink of how the U.S. government procures and distributes lifesaving health commodities such as HIV/AIDS medicines around the world.

"I think the administration only has a couple of choices before it," says a former senior USAID official.

One of the more obvious choices, my colleague Michael Igoe writes, would be to ask another major global health supply chain player — The Global Fund for AIDS, Tuberculosis and Malaria — to step in and expand its own coverage through some kind of partnership with the U.S.

For other commodities, the former senior USAID official predicts the administration might look to the private sector — possibly by collaborating with the U.S. International Development Finance Corporation to expand market access for American companies.

In November, the State Department announced a grant of up to $150 million to the U.S.-based drone company Zipline to boost operations in five African countries — part of the administration's broader "America First" global health strategy that emphasizes private sector partnerships and cost-sharing agreements.

But the Zipline deal is a drop in the bucket compared to the billions of dollars associated with NextGen.

"Zipline is supposed to take care of the last mile, **but what about all the other miles before that?**" says a source with direct knowledge of NextGen.

That mammoth task now falls to a slimmed-down, overworked State Department. Hopes aren't high that it will unveil a well-formulated alternative any time soon.

"I worry that we don't know the answer because they don't know the answer," a source tells Michael.