



Providing quality medicines for people
living with and affected by HIV and AIDS



Quarterly Performance Report

April – June 2011

August 15, 2011

SCMS Project Team

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1. Project Highlights

This summary covers project achievements, challenges and issues to monitor, grouped into the three main project activities as per the Task Order: Global Supply Chain, Health Systems Strengthening and Global Collaboration. The remainder of the report gives more detail on programmatic milestones (Section 2, page 9), procurement and distribution statistics (Section 3, page 12), progress in countries (Section 4, page 16), innovations (Section 5, page 40) and objectives for the coming quarter (Section 6, page 42). The programmatic milestones in Section 2 and objectives in Section 6 are taken from the project workplans provided to USAID.

Key statistics for the life of the project, from October 2005 through June 30, 2011, are as follows:

- US\$824 million in products delivered to clients, accounting for 9,447 deliveries.
- 49 countries received shipments of HIV/AIDS commodities.
- 98 percent of ARVs (by volume) delivered by SCMS from April to June 2011 were generics.
- 33 countries received technical assistance in such areas as quantification, warehousing and distribution, laboratory logistics, quality assurance and management information systems (MIS), plus assignments for WHO in Switzerland.
- 630 technical assistance assignments completed.
- Three state-of-the-art regional distribution centers (RDCs) are operational in Ghana, Kenya and South Africa.
- No counterfeit products detected in the SCMS global supply chain.

Highlights from the quarter:

The highest profile event/most critical issue for the project in this quarter was the political crisis in Côte d'Ivoire. The situation eased significantly beginning in April when most of our staff, who are all safe, were able to return to work. However, the SCMS office was ransacked during the unrest and was unusable until June 6. In the interim, our staff worked at PSP-CI and in CDC offices. Over the quarter, we were able to bring all commodity deliveries held at the SCMS Ghana RDC into the country, easing the growing concerns over stock levels. However, there is a significant concern about demand for the remainder of the year and work is continuing to quantify the need and assess current stocks. We were also able to restart the majority of our technical assistance program, with further progress expected in the coming quarter.

In June, we held the Partnership for Supply Chain Management Vendor Summit in Kuala Lumpur, Malaysia. We met with representatives of key pharmaceutical and API manufacturers, wholesalers and donors (USAID, Global Fund and UNITAID). The summit was held to align the strategies, interests and objectives of pharmaceutical buyers and manufacturers that are transforming the public health commodity marketplace in developing countries, and to identify challenges and actions.

1a. Global Supply Chain

The global supply chain performed well during the period, delivering US\$57.4 million worth of commodities via 613 shipments to clients, with a strong order over the remainder of calendar 2011.

On-time delivery improved over the period, with an average of 76% of deliveries made within 14 days of the SCMS promised date, up from 65% in the previous quarter. In June, 81% of deliveries were made within 14 days of the promised date.

Successes

- During the prolonged political situation in Côte d'Ivoire, the Ghana RDC was used to temporarily hold diverted goods. This allowed SCMS to honor its obligations to vendors and have the stock well placed for swift delivery once the situation improved. Once Côte d'Ivoire was able to resume ordering, goods were delivered 72 hours after the request.
- The Nigeria field office procurement team joined Tanzania, Mozambique, Vietnam, Haiti, Zimbabwe and Kenya as field offices that are now authorized to order non-pharmaceutical commodities directly, from both local and international vendors, and access lab commodity IQCs.
- During the first year of the South Africa ARV Bridging Grant — April 2010 to March 2011 — SCMS distributed approximately 3,250 pallets of ARVs across 12 product lines to all 10 provincial depots. This represents product value of almost \$40 million of an expected \$98 million total over the life of the project.
- Uganda is one of a number of countries where adult male circumcision programs are growing rapidly. We received a third order from Uganda for 45,000 male circumcision kits.
- Negotiated new terms and conditions with Hindustan Syringes and Medical Devices LTD, including no advance payment on new orders, including syringes, needles and sharps containers, unless specially approved for the manufacture of certain goods. In the past, Hindustan required a 15 percent advance payment on all orders, which slowed the procurement process and tied up capital.
- Processed a USAID emergency request to supply zidovudine to the Belize MOH to cover a gap resulting from a delayed PAHO Strategic Fund shipment. The shipment arrived in time to avoid a stockout and provide medicines to infants in need of treatment.

Challenges

- The pediatric ARV Nevirapine 10 mg/ml remained on the critical supply list throughout the quarter due to rapidly increasing demand from clients following implementation of new WHO guidelines for PMTCT. By June, we were receiving increased stock and fulfilling orders based on an allocation plan intended to keep all recipients supplied. Based on the delivery schedule we have in place with Aurobindo, we expect to be caught up on orders and have a stock surplus at the end of July.
- A number of the India manufacturers are operating at 90 to 95 percent capacity, which is constraining their ability to accept new orders and respond to delivery times. When production capacity is above 80 percent, manufactures start experiencing difficulties in meeting their delivery schedules.
- Manufacturers are no longer willing to produce Didanosine because of low demand and narrow profit margins. This is limiting product availability. Placing orders requires negotiations with manufacturers to have them accept the product into their production planning.
- Stavudine -containing products are no longer recommended by WHO. Current stock of the stavudine active pharmaceutical ingredient (API) is expected to be sufficient for the next three to

nine months, but production after current on-hand stock is depleted is a concern as manufacturers may begin to transition away from producing this API.

- Southern Sudan has remained a challenge for the importation of test kits and laboratory items (there have been no requests for ARVs to date). While we have now established a credible agent in the area, shipping has been slow due to a three-week waiver process, and as a result the program was running out of stock.
- In Zambia, an emergency order for 10,000 bottles (1.3 months' worth) of Nevirapine solution placed in February 2011 for delivery by the end of May 2011 was delayed until early June. This commodity is stocked out centrally due to CHAI's delivery delay. SCMS worked to bring forward a separate order of 40,000 bottles (five months' worth) of Nevirapine solution for delivery in June 2011 instead of the originally scheduled August 2011 date.

Things to Watch

- CDC is assessing a proposal to create a technical group that will provide assistance to African MOHs to improve laboratory services. If accepted, this plan would re-energize the Maputo Declaration with rational distribution and laboratory equipment planning.
- PFSCM issued a request for information to identify international distributors/wholesalers of essential medicines, with the intention of expanding our network of prequalified distributors/wholesalers to supply essential medicines.
- Aurobindo confirmed it will continue to manufacture didanosine tablets and capsules. This had been under review by Aurobindo management. The didanosine production process is complicated and time consuming, resulting in limited supply. SCMS and CHAI have initiated discussions on production planning, forecasting and distribution.

1b. Health Systems Strengthening

During the quarter, levels of workforce training and capacity building efforts continued to grow, with important training efforts in Botswana, Ethiopia, Haiti, Mozambique, Nigeria, Tanzania, Zambia and Zimbabwe. There is also a noticeable increase in efforts to coordinate forecasting across national supply chains, particularly in Botswana, Mozambique, Rwanda, Vietnam and Zimbabwe. In the majority of countries, forecasting efforts are now extending beyond ARVs to other essential drugs, laboratory commodities and male circumcision commodities.

In Haiti, we submitted proposals to UNDP and CDC during the quarter to provide enhanced services in support of a single supply chain in the country (UNDP) and continuing efforts to combat the cholera outbreak and other potential disease outbreaks as the country continues to recover from the 2010 earthquake.

Successes

- In Cote D'Ivoire, resumed activities on the electronic dispensing tool (EDT), which is being rolled out nationwide to collect consumption data on ARVs and OI drugs.
- In Ethiopia, 16 modules of "flatpack" offices procured by SCMS for PFSA are now fully occupied at the PFSA main site. The old office and warehouse complex will be demolished and a modern warehouse of approximately 3,000 square meters will be built on the cleared site.

- In Kenya, MOH initiated harmonization of laboratory logistics data reporting within the Logistics Management Unit (LMU) and SCMS to support informed decision making. LMU will merge data from all facilities that receive commodities through different procurement mechanisms to create one master list that will contain logistics data on all ART facilities and commodities.
- In Tanzania, conducted quality assurance assessments for three vendors that would like to distribute essential medicines to USG-funded implementing partners. This inspection will provide feedback to enable the vendors to meet USG's quality standards and qualify to supply essential medicines. This activity is part of the essential medicines project, aimed at improving lead times and ensuring timely availability of high-quality essential medicines through local procurement of drugs.
- In Vietnam, provided TA to VAAC to develop the first-ever national five-year forecast of lab commodities. Also, reviewed the national ARV coordination plan, which was approved by Global Fund, VAAC, CHAI and PEPFAR, and provided comments. This plan lays the groundwork for developing a national distribution system that will allow drugs to be shared across all programs
- In Zambia, submitted the final pre-service training supply chain curriculum for incorporation into the syllabi of biomedical training institutions. The University of Zambia (UNZA), in coordination with SCMS, has already trained the current class of UNZA students. Of the first group of students to complete their courses including the supply chain modules, 80 percent are now employed in public sector agencies.

Challenges

- The Government of Botswana's dismissal of 53 CMS staff for engaging in an industrial action is affecting efficiency. These staff had worked throughout CMS in different departments. CMS management is working with MOH to replace dismissed staff. In addition, delays continue in appointing CMS counterparts to SCMS senior management. The process started in May. In particular, the appointment of a counterpart to the CMS manager has yet to be finalized. The CMS management team is working with MOH to expedite the process.
- In Guyana, uncertainty about the future funding of RTKs, CD4 reagents and supplies, and NBTS test kits is delaying CDC approval of current PQs for these commodities. SCMS submitted information on the balance of funds and revised a CD4 reagent order for supplies to cover up to September 2011 only.
- In Kenya, completed nationwide RTK distribution to more than 5,000 health facilities, enabling them to test more than 1.8 million clients over the next three months.
- In Tanzania, the recently concluded national quantification and three-year forecast revealed a potentially large funding gap for purchasing lab commodities. SCMS will continue to monitor funding for lab commodities to ensure that stockouts do not occur.
- In Zambia, the launch of mobile hospitals resulted in supply chain challenges for commodities in the established logistics systems, as existing facilities are required to redistribute or share their stocks with these units. These commodities are not adequately accounted for, and the existing LMIS forms and inventory management procedures are not being followed. In addition, some of the lab instruments (hematology and chemistry) found in these units are not MOH approved.

Things to Watch

- In Ethiopia, in collaboration with Save the Children US, scaled up distribution of food-by-prescription (FBP) products to 11 more health facilities (there are now 216 FBP sites nationwide). In this partnership, SCMS is tasked with quantification, procurement, storage, distribution and tracking of consumption data on FBP products.
- In Guyana, participated in USAID's partners workshop and PEPFAR's portfolio meeting. The partners workshop centered on the Guyana Mission's closeout status, project legacy and sustainability, and any project staff concerns on the Mission's closeout decision.
- In Namibia, participated in discussions to transfer donor-funded staff to MOHSS. SCMS joined the human resources for health technical working group (HRH TWG MOHSS) to explore and negotiate with the Kavango regional management team the possibility of transitioning donor-supported HRH positions to the MOHSS establishment and payroll.
- In South Africa, visited all 10 provincial depots to ensure that although significant quantities of ARVs will be distributed in the final quarter of 2011, forward planning will enable the depots to manage volumes envisaged. Provincial depots expressed their gratitude for the USG-donated ARVs, which have enabled consistent product supply in the treatment programs. In particular, the availability of Tenofovir 300 mg through the program has enabled treatment initiation for new patients as per the new treatment guidelines.
- In Tanzania, conducted a visioning training for 29 Medical Stores Department (MSD) personnel on the functionality of EPICOR, the newly selected enterprise resource planning (ERP) tool that will be installed at MSD. This exercise was part of a continuous effort to build MSD's technical capacity to implement the ERP system and improve the efficiency and effectiveness of their operations. The ERP project is now in the implementation phase and is expected to go live toward the end of 2011.
- In Zambia, supported UNDP in finalizing procurement plans (for lab reagents, HIV rapid tests and ARVs), which are a prerequisite for Global Fund Round 10 to be released. Signature of the Round 8 and 10 grants is still outstanding. Once released, these two rounds of funding will contribute greatly to commodity availability and to the government and partners' efforts to ensure ARV commodity security until 2015.

1c. Global Collaborations

SCMS continues to expand and deepen the project's relationships with other international stakeholders, both at the central level and increasingly in the field, where in most countries we work closely with other donors on supply planning and effective use of donors' collective resources.

Successes

- SCMS held the quarterly CPP Initiative steering committee meeting, reviewing at-risk countries. We also continue to work with CHAI on the in-country UNITAID funding transition plans for second-line and pediatric ARVs. We have now identified the size of the exposure in PEPFAR countries with funding gaps in 2011/2012 and advised USAID/OGAC. In April and May, we reviewed the CPP Investigative Pilot findings from Angola, Burkina Faso, Cameroon, Mali, Mozambique and Zimbabwe. UNITAID is reviewing a funding application from CPP that will spread the funding responsibility from USG, which has been the sole CPP funder to date.

- More than 150 delegates — including SCMS-sponsored delegations from Ethiopia, Mozambique, Namibia, Nigeria, Tanzania, Vietnam and Zimbabwe — attended the People that Deliver conference in Geneva (www.peopletthatdeliver.org). This global positioning and harmonization conference is a decisive benchmark to improve health outcomes through workforce excellence in supply chain management. SCMS PMO attendees will work with SCMS country delegations on strategies for improving human resource capacity in supply chain management, with the aim of presenting draft country strategies in July.
- In Mozambique, PEPFAR-supported labs received their first deliveries of reagents supported with funding outside PEPFAR. CD4 reagents were procured with GFATM Round 6, Phase 2 funding, while PEPFAR procured hematology and biochemistry reagents, demonstrating the Lab Section's ability to manage multiple funding sources.
- The health supply chain indexation project moved to the next stage, with external interviews of WHO, UNICEF, WB and universities.

Challenges

- The PaATH Pilot Study for accelerated registration process for new pediatric ARVs is at a critical stage, with two applications under review in Guyana. Provided TA to the Government of Guyana in a successful review of the first PaATH dossiers in the country, **which resulted in positive recommendations to further improve and streamline the process.**
- Proposals from the Market Dynamics Committee to the Global Fund board to coordinate with other major purchasers of pediatric ARVs were accepted at the Global Fund May meeting. The Global Fund secretariat called initial discussions with major cooperating partners, including SCMS.

Things to Watch

- WHO AMDS approached us to extend the global price reporting mechanism to laboratory and other diagnostic products. We are in discussions with WHO on the practical difficulties of achieving a common basis for price comparison due to the wide range of products and units of measure.
- Contributed to a workshop in Johannesburg on “Preparing for Implementation of Tenofovir Gel” following recent successful microbicide trials. USAID is planning to support the rollout of microbicides if further trials continue to be successful, and it will be essential to plan the supply chain elements for a successful launch.

2. Programmatic Milestones and Measures

SCMS		Project-wide Workplan TO3 FY2011 September 30, 2010 - October 1, 2011	
Activity	Deliverable	Target Deadline	Progress
1. Global Supply Chain			
Procurement:			
Procurement strategies			
Organize annual procurement council (April or to coincide with annual field office conference)	Meeting	5/2/2011	Pending.
ARVs			
Develop market intelligence plan (players, baseline production costs, capacity, new products, mergers – for API and finished dosage, etc.)(visits involved)	Study paper	4/18/2011	On hold.
MC kits			
Issue RFP for MC kits to 10 suppliers	IQCs with 3 suppliers	6/30/2011	Complete.
Create RDC stocking plan	Stocking plan	3/31/2011	Complete.
System and management structures: Offices (as appropriate) are staffed to manage procurements and SCMS systems are in place			
Development of grade/stage structure to track achievement level in each	10 countries operating at or above grade two level, 7 countries operating at or above grade three level, 3 countries graduated	Ongoing	In progress.
Establish process for client countries without FO			
Map new countries and demand (assess capacity needed)	Report	12/23/2010	Complete.
Cost to serve analysis – BRC review	Regular reviews	6/1/2011	Complete.

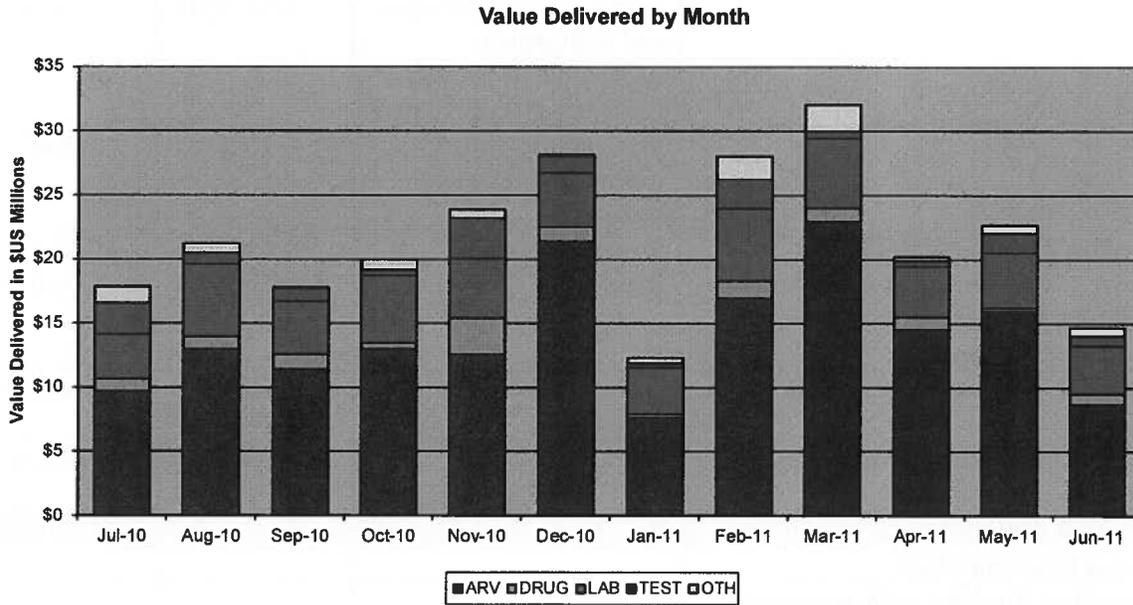
Quality Control:			
Draft policy papers and issues for USAID and country programs	Policy paper	3/14/2011	Complete.
Management Information Systems:			
Upgrade Knowledge Tree	Latest maintenance release implemented	3/31/2011 9/30/2011	Pending.
MIS system documentation	Agreed list of documents	1/14/2011	Complete.
Orion documents		3/1/2011 9/30/2011	Pending.
Xroadz documents		3/1/2011 9/30/2011	Pending.
Middleware documents		3/11/2011 9/30/2011	Pending.
System integration and interdependencies		3/18/2011 9/30/2011	Pending.
Field office connectivity upgrade: Deployment of WAN acceleration solution	Trip report, technical review report	3/25/2011 8/31/2011	Complete.
2. Health Systems Strengthening			
In-Country Assistance with Strategic Planning and Coordination:			
Facilitate standardization and maintenance of lab equipment and testing techniques	National lab standardization initiatives underway in at least six countries	6/30/2011	In progress.
In-Country Supply Planning/Forecasting Technical Assistance:			
Ensure that 12-month supply plans and associated PRs/PQs for ARVs, RTKs and lab supplies are submitted on a timely basis	Quarterly supply plan updates (12 ARV, 10 RTKs, 10 lab)	12/15/2010, 3/15/2011, 6/15/2011, 9/15/2011	December complete. March complete.
In-Country Data Management and Technical Assistance:			
Develop a global technical assistance framework for strengthening MIS capacity of in-country supply chain organizations at all levels, including technical assistance policies and procedures	MIS Strategy	4/30/2011	In progress.

In-Country Warehousing and Distribution Technical Assistance:			
Develop a global technical assistance framework for strengthening warehousing and distribution capacity of in-country supply chain organizations at all levels, including technical assistance policies and procedures	Warehousing and distribution strategy document	3/31/2011 5/30/2011 9/30/2011	In progress.
Field Program Support from PMO to Enable Countries to Achieve HSS Objectives:			
With USG, partner projects (such as DELIVER, SPS) and field define the elements and sub-elements of sustainable in-country supply chains to be measured			
	Capacity outcomes and indicators developed	4/30/2011	In progress.
	Elements, sub-elements and indicators of sustainable in-country supply chains developed	3/15/2011	Complete.
	Tool for measuring relative sustainability completed	4/15/2011	Pending.
Develop a global HRC plan	Plan developed	12/1/2010	Complete.
Revise, disseminate and implement STTA SOPs to country offices and PMO staff	Revised STTA SOPs	2/28/2011	Complete.
Organize and facilitate annual Field Office Conference	2010 Field Office Conference	12/9/2010 11/4/2010	Complete.
Compile and submit workplans to USAID	Workplan	3/3/2011 9/31/2011	In progress.
3. Global Collaboration			
Global Collaboration:			
Managing funding early warning system			
Collect and analyze financial data	Quarterly updates to Steering Committee	12/31/2010 3/31/2011 6/30/2011	December complete. March complete.
Report to OGAC on ARV	Report to OGAC	2/28/2011	Complete.

3. Procurement and Distribution Statistics

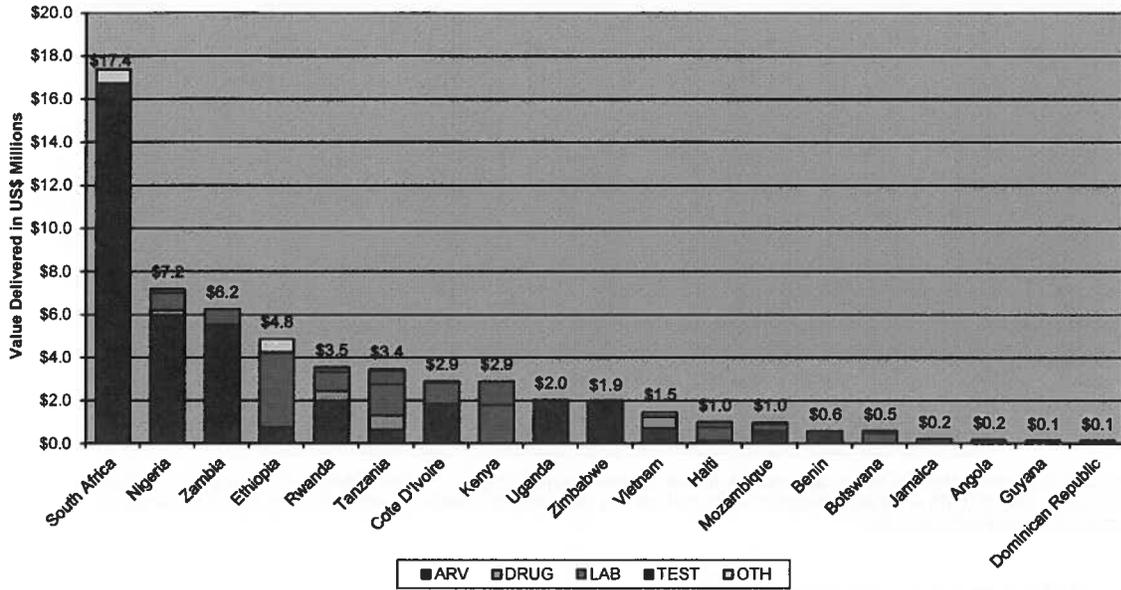
Value Delivered			
	Apr-11 to Jun-11	Y6 to Date	Life of Project
ARVs	\$ 39,034,808	\$ 133,183,849	\$ 498,034,698
Test Kits	\$ 2,709,593	\$ 10,758,912	\$ 84,967,578
Labs	\$ 12,002,254	\$ 40,820,750	\$ 176,808,293
Essential Drugs (OIs)	\$ 2,107,995	\$ 9,376,050	\$ 40,847,182
Anti-malarial	\$ 0	\$ 48,555	\$ 265,263
Food by Prescription	\$ 376,860	\$ 2,156,599	\$ 3,563,634
Male Circumcision	\$ 685,252	\$ 3,577,948	\$ 3,932,203
Other	\$ 2,941,814	\$ 5,493,445	\$ 8,788,893
TOTAL	\$ 57,418,797	\$ 201,633,964	\$ 823,777,863

Value of commodities delivered (by month)



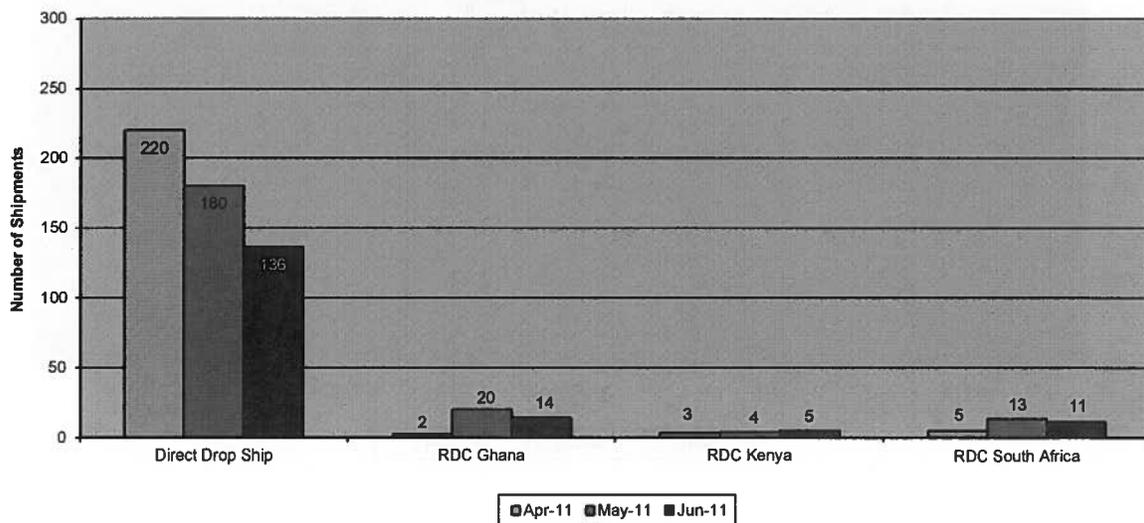
Value of delivered commodities by country = \$57,418,797

Value Delivered by Country

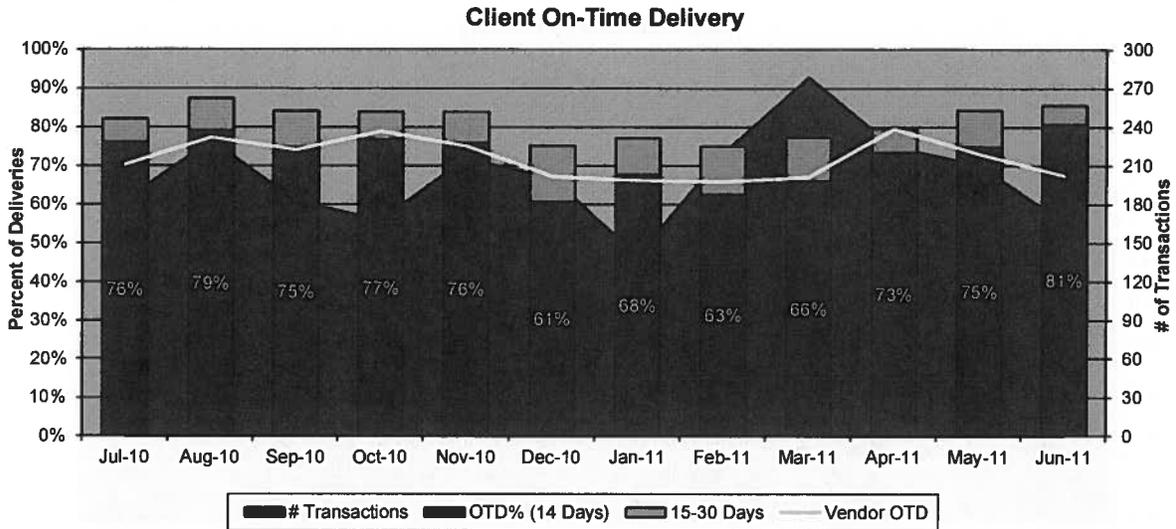


Number of shipments delivered (July/August/September)

Number of Shipments Delivered

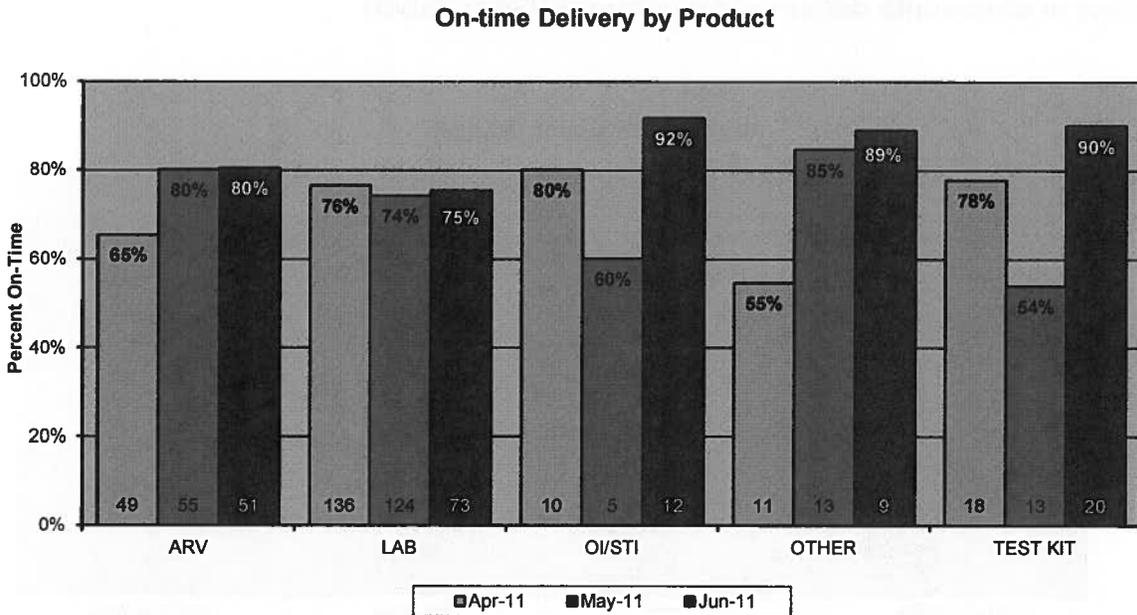


On-time delivery by month (12 month trend)



Note: Client OTD is the percentage of orders delivered on, before, or within fourteen days of the recipient agreed delivery date, as indicated on the Price Quotation; Vendor OTD is the percentage of orders delivered by the vendor on, before or within fourteen days of the vendor promise date, as indicated on the Purchase Order

On-time delivery by product to client



Additional procurement and supply statistics for the quarter

New orders: US \$77.84 M, of which US \$31.57 M was for RDC stock and US \$46.27 M was for direct drop shipments.

Ordered categories: ARV US \$48.12 M, OI Drugs US \$6.25 M, Rapid Test Kits US \$7.91 M, Laboratory US \$12.36 M, other items US \$3.20 K.

Current amount of stock in RDC as of June 30, 2011: US \$17,245 M.

The breakdown is as follows:

- Ghana RDC – US \$5.877 M
- Kenya RDC – US \$2.570 M
- Southern Africa RDC – US \$8.798 M

4. Country Reports

Botswana

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: BOTUSA/CDC and USAID (primary), Drug Regulatory Unit (DRU), Central Medical Stores (CMS), National Drug Quality Control Laboratory (NDQCL), National Health Laboratory (NHL), Prevention of Mother to Child Transmission Unit (PMTCT), the national ART program (MASA)

STTA: None

Key activities:

1. **Finalized the performance management plan (PMP), which SCMS developed with MOH for the purpose of measuring achievements of SCMS support to MOH,** and produced a PMP quarterly report to share with stakeholders, which measures improvement in supply chain management performance against targets using a set of indicators. With data from the quarterly report, SCMS demonstrates to MOH how this tool can be used for quantifying results as well as monitoring and evaluating supply chain improvement initiatives. SCMS is building capacity and will hand the tool over to MOH by 2013.
2. **SCMS and MOH held a stakeholder meeting to present the new medicines logistics system design** to get input and the buy-in required to support its rollout. Participants included MOH programs, SDPs, development partners, ITECH, ACHAP, RTI, UNFPA, WHO, BHP and the PEPFAR team. The outputs from this meeting are expected to impact country ownership, sustainability and partner collaboration to avail resources required to roll out this design and improve commodity availability.
3. **CMS transformation project activities:**
 - CMS received funds to procure medicines and medical consumables for the new financial year (April 2011 to March 2012). CMS had been stocked out of commodities because there were no government funds for procurement. These funds will allow CMS to respond to commodity orders and requests.
 - CMS requested from MOH \$30 million for the purchase of essential medicines and medical consumables during the current financial year but received only \$8 million. Even so, this funding will contribute to improved commodity availability at SDPs.
 - Through an IQC with Missionpharma, CMS continued to receive deliveries for essential medicines and medical consumables, which contributed to improved commodity levels at CMS for onward distribution to SDPs.

Challenges:

1. A strike by public sector workers disrupted the activities of all government departments and led to the dismissal of 53 workers at the Central Medical Stores.
2. Although MOH has, after a delay of almost a year, approved the senior staffing plan for CMS, delays continue in appointing CMS counterparts to SCMS senior management. In particular, the appointment of a counterpart to the CMS manager has yet to be finalized. The CMS

management team is working with MOH to expedite the process. This is severely impacting the SCMS management team's work to build management capacity in CMS to hand back the management as envisaged in the project proposal.

3. A combination of late funding releases from the National AIDS Coordinating Agency and late deliveries from African Comprehensive HIV/AIDS Partnerships, a key donor, contributed to low stock levels for six ARVs. Met with CMS and the MOH costing and forecasting TWG to come up with a contingency plan for managing the impending ARV stockout.

Results:

1. The Director of the Department of Clinical Services and other senior MOH staff approved SCMS's design for a new medicines logistics system, which will be used to strengthen medicines logistics management, specifically inventory control and LMIS reporting capacity. SCMS and the Drug Management Unit (DMU) had presented the new system design to MOH for approval.
2. Developed a forecast for items needed to meet safe male circumcision screening requirements. MOH can use this forecast to procure these items and increase the number of clients screened, helping achieve the goal for number of clients circumcised.
3. The CMS transformation project achieved improved commodity availability from April to May for CMS-categorized vital drugs (from 67 percent in April to 70 percent in May), essential drugs (from 59 percent to 63 percent) and non-essential drugs (from 40 percent to 48 percent). This will improve CMS's order fill rates for SDPs.

Côte d'Ivoire

Emergency Orders/Stockouts: No stockouts reported

Key Clients: Ministry of Health of Côte d'Ivoire (including PSP-CI), HIV/AIDS Ministry of Côte d'Ivoire, USAID, CDC, EGPAF, ACONDA-VS, HIV AIDS Alliance Côte d'Ivoire, JSI/MEASURE Evaluation, CARE-Côte d'Ivoire, ICAP, the PEPFAR/Strategic Information Team, Family Health International (FHI), JSI/MMIS, Centre National de Transfusion Sanguine, CARE/PEPFAR

STTA: Strategic planning, warehouse management information system, internet technology assessment, LMIS

Key activities:

1. **In collaboration with the national quantification committee and donor agencies, throughout the quarter we worked to revise the national ARV supply plan** to account for changes in donor commitments and delivery times. In June, we met with USG (CDC/PEPFAR and USAID/PEPFAR) to share views on the methodology that will be used to collect data for the ARV and laboratory commodity quantification. It was agreed that each ART and/or PMTCT site will be visited to collect morbidity (service statistics data) and logistics data for 18 months (from January 2010 to June 2011). Additionally, quality of data sources will be assessed by the MEASURE Evaluation project using a rapid data quality assessment (RDQA) for this period. The national quantification committee (NQC) met to discuss this methodology and the provisional budget.

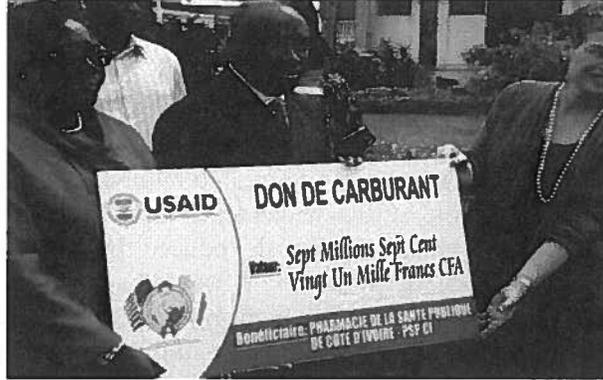
2. **Resumed electronic dispensing tool (EDT) activities.** This tool is being rolled out nationwide to collect consumption data on ARVs and OI drugs. In preparation for an upcoming EDT validation workshop and the national rollout, collaborated with PEPFAR IPs to inventory computers at ART sites where EDT will be installed; more than 80 percent of sites had their own computers.
3. **In collaboration with the USG team, assessed the HIV/AIDS situation among Ivorian refugees in Ghana.** The Côte d'Ivoire USAID/PEPFAR Operational Platform in Accra conducted an assessment at the Ampain Ivorian refugee camp to map HIV/AIDS prevention, care and treatment services provided in the camp and in host communities. The team identified challenges and opportunities for improvement at the refugee camp, which was at capacity (3,000 inhabitants) but planned for expansion. As of April 15, 13 refugees (10 adults and 3 children) were self-reported PLWHA and receiving ART. Camp management is promoting voluntary counseling and testing to better assess the HIV/AIDS situation. Ghana Health Services plans to provide care and treatment to the HIV/AIDS patients there.

Challenges:

1. Even though the political situation in Côte d'Ivoire has generally improved, security remains a concern.
2. Collaborated with PSP-CI and care and treatment partners to implement an alternative distribution plan to meet distribution needs that PSP-CI was unable to cover during the crisis. Although PSP-CI was not able to deliver HIV/AIDS products to many facilities during that time, we developed a plan to provide ARVs, OI drugs and laboratory commodities to PEPFAR care and treatment partners (HAI, ACONDA-VS, EGPAF and ICAP), who were then responsible for distributing them in their respective regions.
3. The stock level at PSP-CI and service delivery points and demand for ARVs in the remainder of 2011 is unclear. Plans for revised forecasts are currently in abeyance, leading to potential gaps in supply and the risk of stockout later in the year.

Results:

1. Resumed operations the week of April 25 following our temporary program suspension that began on March 25 at the height of the crisis. During the shutdown, key field office staff maintained daily communication with the PMO in Washington, providing status updates on staff safety and the security situation. On April 26, after a week of increasingly positive security reports, seven staff resumed their work, providing direct support to the PSP ARV Unit, the warehouse management system (MACS) and shipping departments. The SCMS office was looted and left in disarray, but after undergoing urgent repairs and with the help of furniture and vehicles donated by other USAID projects, the office re-opened on June 6.
2. In May, in response to an urgent need, donated fuel to PSP-CI to support distribution activities following the political crisis. PSP-CI sent a request to the USAID PEPFAR program for SCMS to fund fuel costs for up to three months of distribution. USAID approved the request and on May 25, the U.S. Ambassador in Abidjan officially made the donation of 7,721,300 fuel vouchers (\$16,940) to PSP-CI in the presence of Dr. Allah Kouadio Rémy, Delegated Minister of Health of Côte d'Ivoire (see photo below).



Ethiopia

Emergency Orders/Stockouts: In May, placed a \$3.13 million emergency order for Tenofovir 300 mg/Lamivudine 300 mg and Efavirenz 600 mg. This request was later rescinded following actions by the Government of Ethiopia. No other stockouts were reported.

Key Clients: USAID, CDC, Ethiopia Federal Ministry of Health (FMOH), HIV/AIDS Prevention & Control Office (HAPCO), Pharmaceutical Supply and Logistics Department (PSLD), Ethiopia Health and Nutrition Research Institute (EHNRI), Pharmaceutical Fund and Supply Agency (PFSA), CHAI, Abt Associates, Save the Children, RPM Plus/SPS, MSH HIV/AIDS Care & Support Project (HCSP)

STTA: Three STTAs in April to evaluate ERP readiness, plan system integration and assess server hosting capabilities

Key activities:

1. **Collaborated with USAID | DELIVER PROJECT to provide the first training in Health Commodity Management Information System Hub Edition (HCMIS HE)** to warehouse personnel at Hawassa hub. HCMIS HE, an electronic warehouse management system in the pilot phase, is designed to track product expiry dates, calculate accurate stock-on-hand information, speed up order processing time, reduce customer waiting time and decrease pricing mistakes. Training participants from PFSA and SCMS identified the system's strengths and weaknesses and recommended new features and report requirements.
2. **Trained 105 pharmacy staff in food-by-prescription (FBP) logistics** to orientate them on FBP program management and how FBP product consumption and stock status is reported through the IPLS. Representatives from 59 health facilities served by Mekelle, Jimma, Adama, Hawassa and Bahir Dar PFSA hubs attended.
3. **Trained 103 pharmacists, clinical nurses and district health office heads on IPLS implementation and supportive supervision** to develop the competency of hospital and health center pharmacy department personnel in managing health commodities and inventory using IPLS. Representatives attended from 39 health facilities served by Mekelle and Jimma PFSA hubs and 10 districts from Oromiya region.

Challenges:

1. Lack of consensus between Global Fund and the Government of Ethiopia on information and reporting delayed the release of ARV procurement funds. In May, this led to placement of a \$3.13 million emergency order to avoid potential stockouts for first-line drugs Efavirenz 600 mg and Tenofovir 300 mg/Lamivudine 300 mg dual combination. However, in June, MOH canceled the majority of the order when USG requested reimbursement, except for 100,000 bottles of TDF/3TC FDC. The cost of this medicine, estimated at over \$700,000, was transferred to the SCMS budget, which significantly reduced the scope for further emergency support to Ethiopia for ARV procurement.
2. Customs clearance issues, first reported in May, remain unresolved and have been referred to the ministerial level of the Ethiopian Government. The Customs Department has demanded over \$400,000 in back taxes for donated commodities considered to be not tax free.

Results:

1. Assembled and installed two mobile cold rooms with a storage capacity of 24m³ at PFSA warehouses in Nekempt and Bahir Dar. The cold rooms significantly increase the quantity and quality of cold chain products that the hubs can store and supply to health facilities.
2. Sixteen modules of “flatpack” offices procured by SCMS for PFSA were fully erected on PFSA’s main site and are now occupied by PFSA staff. Demolition of the old offices is underway and a modern warehouse of approximately 3,000 square metres is planned for the cleared site.
3. As part of a joint program implemented by SCMS and Save the Children US (SCUS), SCMS scaled up distribution of FBP products to 49 additional health facilities (increasing to 205 the total number of FBP sites nationwide), which are served by eight PFSA hubs and supported by SCMS and SCUS.

Guyana

Emergency Orders/Stockouts: In June, placed an emergency order for Efavirenz 600 mg. Also in June, risk of stockout for RTKs, CD4 reagents/supplies and NBTS test kits was reported.

Key Clients: USAID, Ministry of Health, Centers for Disease Control (CDC), Association François-Xavier Bagnoud (FXB), National Blood Transfusion Service (NBTS), Catholic Relief Services (CRS)

STTA: None

Key activities:

1. **Reviewed Pre-approval Access for HIV/AIDS Therapies (PaATH) project applications in April** and participated in Food and Drug Department (FDD) staff training. At OGAC's request, SCMS funded the pediatrics PaATH project's visiting consultant, who provided TA and training to four FDD staff as they assessed the first PaATH applications filed to any regulatory authority. Two applications, from Emcure and Matrix, were submitted to FDD as part of the PaATH pilot. In the training, FDD assessed whether applicants met PaATH requirements and whether PaATH requirements were adequate for their intended purpose.

2. **Participated in USAID's partners workshop and PEPFAR's portfolio meeting.** The partners workshop centered on the Guyana Mission's closeout status, project legacy and sustainability, and any project staff concerns on the Mission's closeout decision.
3. **Revised the CD4 reagents supply plan to inform CDC of stock on hand, consumption rates and planned shipments,** which will help with plans to transition the responsibility of lab procurement to MMU/MOH in September 2011.

Challenges:

1. Delayed clearance impeded commodities arriving in country in April and May due to the Guyana Revenue Authority's removal of the "Prior to Process" procedure. These delays affected all government ministries, institutions and related organizations. The position was resolved in June when the "Prior to Process" was reinstated.
2. Delays impede the timely completion of the new MMU central warehouse in Georgetown. Unavoidable variations from 2009's original bill of quantities, related to site relocation and assembly, require collaboration with the MOH Health Sector Development Unit (HSDU) and development partners to agree new project timelines and budgets, including additional procurement and funding requirements if needed. These revisions also require HSDU to provide transparent accounting of funding to date, variation cost and timelines, and agreement between HSDU and SCMS over funding sources.

Results:

1. Trained 41 health facility staff (physicians and health service providers) on standard treatment guidelines (STGs) for primary health. The STGs are a major source of reference for health care providers throughout the system, potentially advancing our pursuit of optimal medicine use in Guyana. Creating and printing these STGs and educating staff on their use is contributing significantly to improving the quality of services offered by health care providers, thus strengthening the health care system.
2. Provided LMIS training to 49 health facility staff from Regions 3, 4 and 5 as part of the national LMIS implementation and expansion of Phase One of the "Quick Wins" plan.
3. Averted a stockout of Efavirenz (EFV) 600 mg. MOH and GF made an urgent request to SCMS for an emergency order of EFV 600 mg due to a delayed GF 2010 ARV order, which included a fixed dose combination (FDC) of Efavirenz/Emtricitabine/Tenofovir tablets (generic Atripla). The delayed procurement caused high consumption of EFV 600 mg and conflicted with a supply plan that anticipated 70 percent of new patients being initiated with Atripla. Atripla use was set commence in June 2011. SCMS provided information to GF for the emergency order as well as interim emergency measures for the EFV loan by PAHO Guyana through PAHO Jamaica. Using Government of Guyana (GOG) funds, the EFV emergency order will cover supply until the 2010 ARV order comes through in November 2011.
4. The National Health Policy Committee approved the drug registration policy developed by MOH's Food and Drug Department with SCMS support. This policy will standardize the drug registration process and the quality of pharmaceuticals imported for both private and public organizations in Guyana.

Haiti

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: USAID, CDC, COAG, MSH/SDSH, AIDS Relief, GHESKIO, FOSREF, POZ

STTA: Laboratory, warehouse operations and MACS

Key activities:

1. **In April, submitted a proposal to UNDP to provide warehousing and distribution services** for ARVs, OI drugs and lab commodities to sites funded by Global Fund for the next 12 months. In June, finalized the contract and MOU with UNDP, GF and USAID.
2. **Trained stock managers at USG-supported ARV, palliative care and PMTCT sites on ARV and OI drug logistics management** to help improve site-level service quality. The training was designed to reinforce stock manager skills and capacity to apply the norms and procedures for stock management of ARV and OI drugs. Nineteen participants from 17 sites supported by four networks (MSH/SDSH, GHESKIO, Plan National/MOH and AIDS Relief) attended the workshop.
3. **Submitted a three-year, \$30 million sole source proposal to CDC to support cholera and other emergency responses.** Developed the job descriptions for the proposed positions. Reported cholera cases continue to increase at an alarming rate since the spike in May, particularly in the Port-au-Prince area. As of June 20, 2011, MOH reported 363,117 cases of cholera and 5,506 deaths since the first outbreak in October 2010.
4. **Met with all implementing partners to reach consensus on the new CD4 test kit** proposed by the National Public Health Laboratory (NPHL). CHAI, NPHL and CDC attended the meeting. Based on the consensus reached, NPHL issued a letter formally recommending the new kit and SCMS placed the order.
5. **Submitted the official second-year order of a two-year grant** of UNITAID/PMTCT procurement through UNICEF, after completing quantification and obtaining MOH approval.

Challenges:

1. In April, election results prompted unrest, making it very difficult for vehicles to circulate and posing a danger to staff and products. Supporters of losing candidates, who are violently contesting the results, have set up fire barricades on the interdepartmental roads. The Haitian police force acted to stop the violent activities and restore order.
2. The USG team is increasing the demand on implementers to accelerate their activities and adjust their objectives for the remainder of the fiscal year to correct the underperformance of the first semester, during which many efforts were directed to the cholera outbreak. Delays by service-providing institutions in implementing regular programs have also compounded the situation. Implementing daily activities has become more difficult as targets change, requiring more products for shorter periods, and as sites try to go over their previously established quotas. We are increasing our distribution activities to ensure sites are getting the products needed to meet their objectives.

Results:

1. During a meeting with the Direction de Santé Familiale (Direction for Family Planning, or DSF), SCMS obtained the Ministry's agreement to form a commodity security subcommittee for the PMTCT/family planning program and was selected as the subcommittee's secretariat. This new structure will allow for better planning and coordination among partners in that area, thus contributing to national capacity building efforts.

Kenya

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: USAID, CDC

STTA: None

Key activities:

1. **Advised the KEMRI production department (KPD) on preparing controls for CD4 testing, hematology, chemistry and wash buffers** in collaboration with CDC. Shipments of wash buffers are often bulky and generally expensive, resulting in costs being passed on to clients. In addition, partners have reported that most controls received have a very short shelf life, and in some cases have expired before delivery to the facilities. KPD, which already makes wash buffers for internal use and on occasion has provided them to NBTS, is considering expansion of its controls production. KPD's meeting Kenya's demand for wash buffers and other controls could bring substantial savings and efficiency to all stakeholders and extend KPD's business. If implemented, production of the controls will be part of the Public Private Partnership (PPP) through PEPFAR.
2. **Met with MOH to harmonize the list of reporting facilities and data to improve laboratory commodity procurement and distribution.** MOH, through NASCOP, initiated harmonization of laboratory logistics data reporting with the Logistic Management Unit (LMU) and SCMS to spur better decision making.
3. **Accelerated issuance of maintenance contracts to five vendors:** Faram for maintenance of 120 Celtac Equipment; Technomed for maintenance of 40 Coulter Equipment; Biocare for maintenance of 52 Eurolyser Equipment; Crown Health Care for maintenance of 94 BTS Equipment; and Chem Labs for maintenance of 67 Human Equipment.
4. **USAID approved the operational budget of \$1.1 million for the period April 1, 2011, to March 31, 2012,** which will enable the field office to undertake activities that had been stalled and were earmarked in the workplan. SCMS will now be able to conduct monitoring visits to facilities to ensure compliance in storage, record keeping for commodities, review of forecasting vs. actual consumption data with supply chain implementers, and hiring of additional staff.

Challenges:

1. A heavy procurement portfolio is being managed by only one procurement specialist, but SCMS has received USG approval to recruit a procurement associate to alleviate the workload.

Results:

1. Completed nationwide RTK distribution to more than 5,000 health facilities in April, enabling them to test more than 1.8 million clients over the following three months. Also delivered CD4, hematology and clinical chemistry reagents to more than 100 health facilities. These distributions will help maintain uninterrupted patient testing and monitoring.
2. SCMS's procurement and installation of racking worth \$388,700 for KEMSA has significantly improved the state of its warehouse, allowing commodities to be stored properly and product quality to be maintained. Senior staff from the Government of Kenya and USAID, including the USAID Mission Director, attended a ceremony to hand over the racks from the U.S. Government to the Government of Kenya.

Mozambique

Emergency Orders/Stockouts: No stockouts reported, but AZT/3TC/NVP stocks are critically low because VPP shipments scheduled to arrive in April have not yet arrived, resulting in rationing at the service-delivery level.

Key Clients: USAID, CDC, CMAM, Laboratory Section DAM/MISAU (MOH)

STTA: Quantification training, warehouse management for Beira and Zimpeto, autonomy study for CMAM

Key activities:

1. **Using the SCMS/Maputo lab tool, worked with CMAM to plan for the distribution of hematology and biochemistry reagents** with a shelf life of six months or less. The lab tool monitors stocks and consumption rates at all lab sites and makes it possible to manage lab reagents with short shelf lives to reduce the possibility of expiration.
2. **Continued to support and monitor Global Fund Round 6, Phase 2 deliveries** of reagents and consumables procured with GF funding via the VPP, given the unprecedented volume and value of goods arriving at CMAM.
3. **CMAM made a strategic decision to treat its off-site storage location at Adil as a separate central warehouse** and to install adjustable pallet racking there, doubling CMAM's racked capacity in Maputo. SCMS initiated procurement of racking and material handling equipment for Adil.
4. **Completed an initial visit on possible levels of autonomy for CMAM.** The STTA lead met with officials within and outside MOH (MISAU) as a follow-up to the discussion paper examining the pros and cons of providing greater levels of autonomy to central medical stores agencies in Sub-Saharan Africa. Meetings included USAID and the Permanent Secretary for the Ministry of Health. MISAU has begun to consider how to approach greater autonomy for CMAM.
5. **Trained five senior and mid-level CMAM managers in the use and analysis of SIMAM (LMIS) data for decision making.** Provincial warehouses have been reporting stock-on-hand and issues data through SIMAM and have uploaded their databases monthly to the cloud-based Dropbox® system. This training will help CMAM managers use data to make more informed decisions on procurement and issuing of supplies.

6. Made improvements to MACS:

- Added the ability to tag stock with donor information at the time of recording goods received to improve tracking of supplies by donor.
- Eliminated all duplicate and “orphan” product codes in the product master, which had become overburdened with multiple codes for similar products, to allow for more efficient stock management.
- Developed an SOW for the requisition module that will recognize the reorganization of central stores to include a management office in MOH, and will also recognize the Zimpeto, Adil and Beira warehouses as central stores. CMAM believes that establishing these central stores will improve understanding of stock levels and supply distribution from the stores.

Challenges:

1. The new CMAM Director exposed large volumes of expired medicines being stored in rented warehouse space funded by USG. This coincided with a visit from the GF Portfolio Manager. The medicines technical group (GTM) is working with CMAM management to help resolve misunderstandings about the expired products, perceptions of duplicate shipments and management issues, but GF has suspended further funding until the issue is resolved.
2. Due to delays in RTK shipments funded by Global Fund in 2010, MISAU halted RTK distribution through community health volunteers (ATS-C). When RTKs finally arrived in the last quarter of 2010, however, ATS-C distribution was not restarted, resulting in a significant number of RTKs remaining in store as of April and at risk of expiry in the next four to six months (e.g., 400,000 Determine tests could expire in July 2011 if they are not immediately distributed). Worked with CMAM to determine the extent of the possible expiration and proposed a rapid distribution plan to the National Directorate of Medical Assistance (DNAM). The Minister of Health reopened ATS-C distribution, and SCMS worked with CDC and NGOs involved in community-level testing to prepare a distribution plan that will soon be implemented.
3. The World Bank Health Commodity Security Project (HCSP) has not been implemented as quickly as expected, potentially delaying delivery of some WB-financed shipments in calendar 2011. Working with USAID to adjust the USG supply plan to bridge the anticipated gap.
4. In May, as CMAM prepared for the upcoming national HIV testing campaign, it discovered that some Determine HIV tests were unaccounted for since the physical inventory at the end of March. CMAM reported 1,069 kits unaccounted for, but given the low quality of CMAM’s record keeping by paper or through MACS, it is not possible to verify the exact number.
5. A review of stock levels for HIV testing determined that there are insufficient stocks at the central, provincial and district levels to undertake the planned HIV national testing campaign, which has been postponed indefinitely.
6. Due to the slow process for importing products that are not exempt from duties (primarily non-pharmaceuticals), eight SCMS shipments are blocked at origin awaiting a “green light” from the field, with the oldest dating back to February 2011. Also, two shipments are blocked at the airport awaiting payment of airport taxes. In both cases, responsibility lies with the Government of Mozambique and SCMS can only encourage GOM to ensure that it is resolved.
7. CMAM’s cold chain room for lab reagents broke down, despite a recent repair. CMAM requested SCMS assistance in completing the necessary repairs, and SCMS is costing out the needs. In the short term, the reagents were transferred to the vaccines cold chain stores.

8. SCMS had ordered warehouse pallets for CMAM from a South African supplier, but because pallets are non-medicine supplies, importation takes a very long time and is unpredictable. As a result, we canceled the order and restarted the procurement process with local suppliers.

Results:

1. CMAM completed a national physical inventory for the central and provincial levels. SCMS assisted in reconciling the inventory and producing a matrix of goods at risk of expiry. Worked with the TB program, CMAM and WHO to update the TB medicines supply plan for first- and second-line medicines to include results of the CMAM and provincial physical inventory. Also updated GF, GDF/WHO and GDF/UNITAID shipment schedules.
2. PEPFAR-supported labs received their first deliveries of reagents supported with funding outside PEPFAR. CD4 reagents were procured with GFATM Round 6, Phase 2 funding, while PEPFAR procured hematology and biochemistry reagents, demonstrating the Lab Section's ability to manage multiple funding sources.

Namibia

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: Ministry of Health and Social Services (MOHSS)/Tertiary Healthcare and Clinical Support Services Division/Pharmaceutical Services Sub-Division/Central Medical Stores, MOHSS/Regional Medical Stores, MOHSS/Primary Health Care Division/Community-Based Health Care Unit and Food and Nutrition Unit, Namibia Institute of Pathology (NIP), VCT partners (IntraHealth, DOD/I-TECH, Namibian Blood Transfusion Services), PACT

STTA: Stock management

Key activities:

1. **Assessed the human resource capacity of Namibia's public health supply chain** as part of a global initiative involving more than 40 major health organizations seeking to improve access to health commodities through professionalization of the public health supply chain workforce. Namibia was selected as one of six focus countries for this initiative and sent senior MOH officials to the People that Deliver conference in Geneva in June.
2. **Finalized two regional medical store (RMS) SOPs.** After the Syspro ERP upgrade, warehouse personnel will be trained on SOPs to ensure procedures are followed consistently without the need for external support.
3. **Finalized review of indicators for monitoring the supply chain at the central level** for inclusion in the expanded pharmacy management information system (PMIS). Next steps include working with CMS to develop data collection tools where needed, beginning pilot data collection and reporting on seven indicators that cover procurement planning, inventory management, wastage rate and distribution service level.
4. **Participated in discussions to transfer donor-funded staff to MOHSS.** SCMS joined the human resources for health technical working group (HRH TWG MOHSS) on a visit to Rundu to explore and negotiate with the Kavango regional management team the possibility of

transitioning all relevant and needed donor-supported HRH positions to the MOHSS establishment and payroll.

5. **Awarded the tender for the provision of an incinerator for the Katutura Intermediate Hospital to a vendor in India** after an extensive evaluation process involving MOHSS and SCMS. Its delivery and installation are expected in eight to 12 weeks from contract award. The new incinerator will cut back the pollution caused by the 30-year-old incinerator, currently in poor condition.

Challenges:

1. The new Central Medical Stores site development plan is on hold until MOHSS and other government counterparts identify a plot of land.
2. The forecasting forum planned for late June to early July 2011 was postponed because of competing activities within MOHSS, such as national immunization days.
3. Meditech's preference for working with NIP and reluctance to contract directly with SCMS continues to cause workplan delays. SCMS has proposed a tripartite contract between SCMS, NIP and Meditech to facilitate the TA work at NIP, but the response has not been positive to date. Negotiations are continuing.

Results:

1. Procured and installed adjustable pallet racking and cold room shelving at NIP central stores for laboratory reagents and consumables. Created 84 new pallet storage locations and more than doubled racked storage capacity. SCMS support to NIP over the last two years complemented NIP management's infrastructure improvement efforts, gradually transforming a previously unused building space into a warehouse.
2. Restored use of the Syspro ERP software system for Rundu regional medical stores. Syspro's use had been interrupted by the server's failure in March, which negatively affected RMS's inventory control practices. SCMS locally procured and installed a server to address the problem, and the ERP software is fully functioning again.
3. Completed pilot implementation of a barcoding/scanner system at NIP. SCMS and NIP began this implementation by scanning and capturing barcodes from about 30 products and inputting them into the Meditech ERP system. The next step will be to modify Meditech to allow NIP to import scans from a handheld device.

Nigeria

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: USAID, DOD, CDC, ICAP, UMD IHVN, HARVARD APIN +, CRS/AR, CHAN/NiCAB, Jhpeigo, Federal Ministry of Health (FMOH), National AIDS and STI Control Program (NASCP) and Food and Drug Services (FDS), National Agency for the Control of AIDS (NACA), National Blood Transfusion Service (NBTS), Pathfinder, PFD, URC, Vanderbilt, Population Council

STTA: Procurement, laboratory logistics and M&E

Key activities:

1. **Provided input on the FMOH RTK evaluation protocol** to help identify additional RTKs for inclusion in the national HIV testing algorithm. The protocol is a phase one requirement for evaluating an additional 22 HIV rapid test kits. Enlarging the pool of approved RTKs will provide IPs with greater program flexibility.
2. **Continued collaboration with AIDStar-One to supervise disposal of expired HIV/AIDS commodities** as part of the USG waste management drive. Our participation helps ensure USG procedures are followed for incinerating waste products. Removal of expired drugs from various IPs' stores increased available space to store other required products.
3. **Updated the PEPFAR quarterly ARV and co-trimoxazole supply plan for Quarter 3** using logistics data from 11 PEPFAR IPs. Sent the supply plan's final output to the PMO for review to facilitate commodity procurement planning and ensure constant commodity availability for care and treatment programs. The value of commodity orders for October 2011, placed by partners during this update period, stands at about \$13 million (commodity costs only).
4. **In June, coordinated the first expanded procurement and supply management meeting with all major stakeholders in HIV/AIDS commodity management**, including the USG/PEPFAR logistics team, NACA/GF, FMOH-NASCP & FDS, Planned Parenthood Federation of Nigeria (PPFN), Society for Family Health (SFH) and CHAI. Shared information with stakeholders on the status of HIV/AIDS commodity supply chains and discussed potential improvements.
5. **Attended the global meeting on professionalizing supply chains and sponsored GON participation** (the Director of FDS and the Director of the National Malaria Control Program). Participants exchanged ideas, explored new innovations and shared plans, experiences and tools with respect to key strategic and technical solutions for professionalizing the human resource cadres managing supply chains.

Challenges:

1. Lack of timely, high-quality logistics data continues to challenge forecasting and supply planning efforts. For example, compilation of the revised five-year ARV forecast was delayed because some donors were late providing SOH data. We are working with GON and the Mission to determine manageable technical solutions.
2. Dissolution of the cabinet following the recent national elections delayed project activities, such as disseminating the five-year ARV review and forecast and holding the supply chain master plan workshop.
3. Late deliveries by local vendors continue to be a challenge. The procurement team continues to follow up with vendors to facilitate timely delivery.
4. Some IPs placed their orders very late, delaying finalization of order quantities for ARVs and co-trimoxazole procured under the pooled procurement mechanism. Discussions with these IPs' logistics officers should lead to improvement. Additionally, incomplete PMTCT utilization data from some IPs on commodities provided by UNICEF-UNITAID prevented use of the pull system for commodity resupply to the IPs.

Results:

1. By April, field office managed procurement increased to 66.7 percent of all monthly orders from 60.9 percent last quarter. On-time delivery rate also improved to 81.8 percent from 67.9 percent.

2. Discussions among IPs on stock status during the quarterly USG LTGW meetings continued to encourage logistics information sharing. Such discussions help further build IP capacity to use logistics information to make decisions and enables them to leverage commodities, allowing resources to be channeled where they are most needed.
3. Finalized the national ARV and co-trimoxazole five-year forecast conducted in March. Shared the output with members of the forecast committee for further review before disseminating the final report to various stakeholders. The forecast will help inform subsequent GON budget and procurement processes for ARVs. A first step toward improving commodity security, it will also contribute to better coordinated commodity procurement among all donors.
4. Upon USG request, commenced procurement and supply chain management of UNITAID-donated commodities. Reviewed current quantification guidelines for procurement and developed a tool to guide IPs' requisition and re-supply of UNITAID-donated commodities. This request demonstrates that GON and partner organizations are increasingly recognizing our logistics and supply management expertise and are looking to SCMS for leadership.

Rwanda

Emergency Orders/Stockouts: Unigold HIV test kits are stocked out at the central level due to a delivery delay by CAMERWA's supplier. At CAMERWA's request, SCMS placed an emergency order to cover two months of consumption.

Also facing a stockout of Bleomycine 15,000 UI vial. Consumption for this commodity has increased but the cause is not clear. SCMS placed an emergency order for 300 vials.

Key Clients: CAMERWA, MOH, TRAC Plus (Treatment and Research AIDS Centre), National Reference Laboratory (NRL), Coordinated Procurement and Distribution System (CPDS), Pharmacy Task Force (PTF), CNLS (National AIDS Commission), PEPFAR implementing partners (FHI, ICAP, EGPAF, Intrahealth, CRS, Drew University), CDC, USAID, E-Health Group

STTA: Warehouse in a box

Key activities:

1. **Quantification and forecasting:**

- Conducted ongoing field office staff training on Quantimed to ensure technical advisors are equipped with necessary skills in forecasting and supply planning. At a later stage, they will be trained on Pipeline.
- Met with JHPIEGO personnel to finalize a list of male circumcision equipment needed for COP 10. The Ministry of Defense approved the list and it is now with the Rwanda Mission for final approval prior to procurement. Assisted the CPDS quantification committee with its monthly analysis of ARV and OI drug consumption data and stock levels at CAMERWA. The committee found:
 - Stockouts of Unigold and Bleomycine injectables; requested an emergency order.
 - Low stocks of Efavirenz 600 mg (two months' worth); recommended bringing forward SCMS's next shipment.

2. In collaboration with USAID | DELIVER PROJECT, collected missing reports for March 2011. The March reporting rate for the ART program was 92 percent (for patients and commodities data). Aggregated the reports into Supply Chain Manager and shared them with CAMERWA and PTF for dissemination. In addition to data on ARVs and OI drugs, data for all programs are being collected to strengthen the reporting and logistics management information system.
3. Conducted joint supervision activities in collaboration with JSI, CAMERWA, Global Fund, PTF and district pharmacist teams at all 30 district pharmacies and 120 health facilities (43 district hospitals and 77 identified health facilities). The main objectives were to:
 - Follow up on implementation of the new harmonized LMIS.
 - Identify commodity management issues.
 - Provide formative supervision to health facilities on LMIS.The teams will report detailed findings and recommendations to strengthen the reporting system and address other key issues affecting commodity management at health facilities and district pharmacies.

Challenges:

1. CPDS discovered an overstock of Lamivudine/Stavudine/Nevirapine 60/50/50 mg, Stavudine sp 200 ml and Zidovudine 300 mg (excess quantities were 5,111 boxes, 1,952 boxes and 7,706 bottles, respectively). CPDS recommended SCMS and UNICEF identify countries that could take these overstocks to prevent expiries.
2. Completed the laboratory network assessment, identifying several gaps, such as the lack of biomedical engineers, lack of spare parts to maintain equipment at district hospitals, and poor record keeping. Detailed these gaps in the draft report, which is in the process of being finalized and will be disseminated to all partners.
3. Poor procurement planning and lack of adherence to ARV, OI drug and lab supply plans have led to unplanned commodity requests from CAMERWA for ARVs, OI drugs, and laboratory and TB commodities, which then shifts the focus from program implementation to managing emergency requests. To remedy this, CPDS has instructed its partners that all forecasts must be completed by October 2011 and approved no later than December 2011.

Results:

1. Worked with MOH to complete a list of specifications and codes for 224 laboratory equipment items. The list included equipment, reagents, consumables and teaching material for a new histopathology laboratory located in CHUK (Centre Hospitalier et Universitaire de Kigali) and for CHUB (Centre Hospitalier et Universitaire de Butare), as well as other laboratory supplies for district hospitals. Once available, the equipment will improve the diagnostics of extrapulmonary TB and overall country accessibility to histopathology services for HIV and non-HIV patients.

South Africa

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: South African National Defence Force (SANDF), USAID, CDC, National Department of Health (NDOH)

STTA: Financial tracking support

Key activities:

1. **Helped the local distribution center close out deliveries to depots for purchase orders under Rounds 1 to 3** in preparation for the Round 5 ARV shipments expected in July. During the April to May time period, 636 pallets were delivered to depots under Rounds 1 to 3.
2. **Created a forecast and distribution plan for Round 5 ARV shipments** to be delivered to depots between July 2011 and December 2012. Scheduled meetings for June with each depot planning team to review the plan and align pallet space availability with facility draw-down requirements to enable consistent deliveries.
3. **Provided TA to support the rollout of the logistics system strengthening program (LSSP)** at the Free State Depot, and trained 31 personnel on a warehouse's core functions and safety requirements.
4. **Distributed the second release of 30,000 medical male circumcision kits** to USAID and CDC sites, and acquired 10,000 more kits for future distributions including new implementers in KwaZulu Natal.
5. **Visited all 10 provincial depots to prepare for Round 5 ARV distributions between July and December 2011.** Key activities of each visit included:
 - Provided each depot with the ARV donation quantities to be delivered monthly between July and December 2011.
 - Compared the monthly expected pallet quantities to the available depot space.
 - Reviewed the average monthly ARV usage related to planned Round 5 quantities and program scale-up requirements.SCMS was reassured by the visits that although significant quantities of ARVs will be distributed through the supply chain during this short period, forward planning will enable the depots to manage the monthly USG donation deliveries.
6. **Met with the KZN depot team to prepare a plan for implementing a pilot direct delivery program for donated ARVs** to selected KZN health facilities. Currently, donated ARVs are delivered to the depot, which then delivers to facilities. Due to the large volume of ARVs required by this province's treatment program and space constraints at the depot, this direct distribution approach will enable the depot to manage ARV orders but not have to process them.
7. **Negotiating delivery plans with the Round 5 vendors to drive on-time delivery.** SCMS is now staggering product delivery against vendor capacity to ensure that a consistent full-range supply of USG ARVs is available for distribution.
8. **Provided on-site support to initiate the logistics system strengthening program (LSSP) at the Limpopo depot.** The technical assistance included:
 - Trained the warehouse staff on good warehousing practices and other key supply chain processes.
 - Completed an audit of the physical status of the facility in terms of housekeeping, pest control, fire and safety, and so forth.
 - Documented a plan with the depot team for non-conformance issues identified in the audit, to be carried out by the depot.

Challenges:

1. Three sites reported difficulty in using the needle holders in the MC kits, and two sites reported a small number of clamps in the kits breaking. SCMS is reviewing the incident reports and further investigating with the sites and vendor to resolve this quickly.
2. Cipla is unable to provide the full quantity of Nevirapine 200 mg tablets by December 2011 due to production capacity and the manufacturing queue. The order can be completed in February 2012, which is after the expected project closure date and will delay project closeout. SCMS is working with the vendor to determine what is needed to deliver the entire order by December 2011.

Results:

1. During the first year of the SCMS ARV distribution program — April 2010 to March 2011 — distributed approximately 3,250 pallets of ARVs across 12 product lines to all 10 provincial depots. This represents product value of almost \$40 million of an expected \$98 million total over the life of the project.

Tanzania

Emergency Orders/Stockouts: : Helped avert a potential ARV stockout in April by delivering 85,000 tins of Efavirenz 600 mg tabs worth \$358,700 (more than one month's stock) from the Ghana RDC in less than a month. In addition, SCMS worked with MSD to redistribute available stock among sites and to expedite the product's delivery and customs clearing until MSD brings national stocks to the required levels. No other stockouts were reported.

Key Clients: The Ministry of Health and Social Welfare (MOHSW), National AIDS Control Program (NACP), Medical Stores Department (MSD), Pharmaceutical Supplies Unit (PSU), Centers for Disease Control and Prevention (CDC), United States Agency for International Development (USAID)

STTA: Essential medicines, eLMIS, warehousing and distribution, MIS

Key activities:

1. **Held a forum in April to agree on assumptions to be used in conducting a nationwide ARV quantification review for 2011–2013.** The National AIDS Control Program (NACP) led the forum, with representatives from CHAI, CDC, MSD, USAID and regional care and treatment sites attending.
2. **Conducted laboratory quantification to determine requirements for the next three years,** which will be used for supply planning and funds mobilization. The quantification meeting laid the groundwork for collaboration and enhanced collective ownership, as well as acceptance of the quantification results. In a later meeting, SCMS disseminated quantification results for review and proposed mechanisms to address identified funding gaps.
3. **Met with health workers and IPs from the Morogoro region on implementing the ARV logistics system** for improved HIV/AIDS commodity management. We identified staff and partners involved in ARV supply chain, discussed challenges and strategized improvements.

4. **Conducted a needs assessment of the Zanzibar Central Medical Stores** in Pemba Island to determine additional storage space needs as well as racking, equipment, systems and training requirements to improve health commodities warehousing at this location.
5. **Initiated preliminary work on the electronic logistics management information system (eLMIS) for health commodities** in collaboration with MOHSW. Initial mapping of current systems began with key stakeholder interviews with NACP, National Malaria Control Program, National TB and Leprosy Program and MSD on current systems being implemented. The eLMIS initiative is aimed at improving the collection, management and use of logistics data.
6. **Conducted quality assurance assessments of three vendors that submitted quotes to establish a pharmaceutical prime vendor** for procurement, storage and distribution of essential medicines in Tanzania. This inspection is expected to provide feedback to local vendors to enable them to meet USG's quality standards and qualify to supply essential medicines to USG-funded IPs. This was part of the essential medicines project, which aims to improve lead times and ensure timely availability of high-quality essential medicines through local procurement of a defined range of drugs.
7. **Throughout the quarter, led a large number of training initiatives on supply chain management systems, including in June:**
 - Worked with Government of Tanzania (GOT) trainers to train 230 managers from the hospital, district and regional level in five regions located in Mwanza MSD zone on the mentoring program.
 - Trained 77 laboratory personnel from eight regions as part of the pilot phase for the designed logistics system for managing laboratory supplies.
 - Trained 22 GOT trainers in collaboration with MOHSW on the newly revised guidelines for the PMTCT program. The trained staff will be used as a resource in training more than 1,650 commodity managers from PMTCT sites countrywide.

Challenge:

1. Limited HR capacity of regional/district medical officers' staff and MSD stores is challenging timely product availability, leading to potential stockouts and patient treatment interruption. To prevent stockouts at SDPs, facilitated redistribution of 22 commodities from facilities with excess stock to those at risk of being stocked out. This was part of SCMS's goal of ensuring product availability in 98 percent of all facilities.
2. The lab quantification revealed a large funding gap for purchasing lab commodities, despite finalization of a national quantification and development of a three-year forecast. As a result, the facilities are constantly stocked out, hindering both effective patient treatment and a successful pilot of the lab logistics system designed by SCMS. We have brought this to the attention of the PEPFAR Tanzania team (both USAID and CDC).

Results:

1. Finalized plans for the procurement and installation of three state-of-the-art warehouse-in-a-box (WIB) units in the Keko (Dar es Salaam), Mbeya and Dodoma MSD zones, and gave the plans to the executive review committee, which includes MSD and USAID representatives. Also finalized design drawings for the warehousing units, which are expected to be delivered and installed within the next 18 months and will expand MSD's storage and distribution capacity.
2. Distributed more than 8,000 home-based care kits and 28,000 MC kits to 20 regions. Ensuring

commodity availability supports PEPFAR IPs' efforts to treat patients living with HIV/AIDS and reduce its spread. Also facilitated procurement of the kits and other ongoing procurements for PEPFAR IPs.

Uganda

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: Uganda Ministry of Health, National Drug Authority, Inter-Religious Council of Uganda, Joint Clinical Research Council, Joint Medical Stores, Northern Uganda Malaria, Tuberculosis and AIDS Program, Uganda Peoples Defence Force/Department of Defense, Makerere University/Walter Reed Project

STTA: None

Key activities:

1. **The Uganda mission requested its first order of MC kits using SCMS funds.** The shipment of 45,000 kits is expected to arrive 18 weeks after the order is placed, based on the standard lead time for MC kits. Also, the Makerere University/Walter Reed Project (MUWRP) placed its second and third orders for MC kits, ordering 2,000 and 6,000 kits, respectively, with non-SCMS funds.
2. **Processed \$1 million worth of pediatric and adult second-line ARVs donated by UNITAID/CHAI to PEPFAR.** Obtained import waivers and NDA verification certificates. Working with CHAI and USAID IPs on quantification and pipeline monitoring for these ARVs to facilitate a seamless transition from CHAI to PEPFAR funding for first- and second-line pediatric ARVs and second-line adult ARVs, expected in April 2012.

Results:

1. Delivered ARV commodities worth \$1.6 million as part of the USAID consolidated order for USAID IPs. Of this, ARVs worth \$1.45 million were delivered by road to enable significant freight cost savings. The ARVs will ensure uninterrupted treatment for more than 65,000 patients.

Vietnam

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: Vietnam Administration for AIDS Control (VAAC, within MOH), USAID, Clinton Foundation, Central Pharmaceutical Company #1 (outsourced warehousing/distribution function)

STTA: Lab commodity forecasting

Key activities:

1. **Placed a \$1.5 million emergency order to cover the Global Fund and national program (NP) ARV shortfall.** This order was placed after we worked with GF and NP to help them quantify their needs until they are able to use their own funding to procure and deliver drugs later this year and early next year. Submitted this PEPFAR-approved emergency order to cover the gap and ensure no patient will suffer treatment interruption.
2. **Drafted the supply chain portion of VAAC's five-year master plan for HIV/AIDS laboratory commodities.** To produce a comprehensive plan covering all aspects of HIV/AIDS laboratory services, VAAC requested TA from organizations such as CDC, FHI, CHAI and SCMS to contribute portions of the plan by the end of May. VAAC specifically requested that SCMS draft the supply chain strengthening and management portion.
3. **Provided training to 40 HIV lab, TB lab and Provincial AIDS Center (PAC) staff** on forecasting, procurement and inventory management of laboratory commodities. VAAC, CDC, Life Gap and SCMS conducted this advanced training.
4. **As part of the transition to VPP, worked with Global Fund to map out all process steps** for both in-country and international procurement through VPP. Global Fund will now track its first VPP order and document the time taken to complete each step of the process. This information will be used to document lead times for future procurement planning and identify how greater efficiencies can be obtained.
5. **As a start to our 2012 workplan development, brought together key members of VAAC, NTP, USAID and CDC to jointly develop a strategic vision for 2011-2013** and decide on priority activities for the upcoming workplan. This collaborative approach will result in an SCMS workplan that is supported by all stakeholders and enables us to move toward the strategic vision for 2013.
6. **The national TB program (NTP) issued a formal decision establishing the procurement and supply management (PSM) coordinating committee** with a mandate to ensure procurement and distribution activities are effectively implemented and procurement and implementation plans are updated, as well as to evaluate activities around procurement and distribution of NTP commodities. Besides NTP officials, SCMS, GF, WHO and CDC representatives were named as committee members.

Challenges:

1. As part of negotiations with VAAC concerning PEPFAR support for the stockout situation, PEPFAR recommended VAAC set up a unit with direct responsibility for managing the supply chain for all HIV/AIDS commodities, including methadone and lab commodities. While VAAC's structure is determined by MOH and is difficult to change, VAAC said it would request MOH approval to establish a technical consulting committee on HIV/AIDS treatment and care and ARV management. However, when the terms of reference for the new MOH-approved committee was shared with SCMS, the document only mentioned the committee's role in "donor coordination," not direct supply chain management; also, it only mentioned ARVs and not all commodities. Continuing discussions with VAAC on this matter.

Results:

1. Worked with VAAC to complete the five-year forecast for CD4, viral load and early infant diagnosis commodities. Met with key stakeholders from VAAC, GF and CHAI for the first time

to forecast lab needs. The complete forecast will give policymakers and stakeholders the information needed to make decisions concerning budgeting and scale-up of laboratory tests needed to support HIV/AIDS care and treatment.

2. Conducted the first SCMS distribution of Cyflow reagents, thus expanding PEPFAR support in the area of lab commodities. We are now procuring and distributing Cyflow commodities to seven labs, bringing the total number of SCMS-supported labs to 20. These labs support PEPFAR, GF and NP patients.
3. After three years of negotiation, we came to an agreement with VAAC and the Drug Administration of Vietnam on a procedure for destroying two bottles of methadone that were damaged during delivery in 2008. It is anticipated that this agreed-upon procedure will help shorten the time and make easier the process for destroying damaged bottles in the future.
4. After a final procurement review, it was determined the field office had reached a level of operation where day-to-day support from the PMO was no longer required. The Vietnam procurement unit will now take responsibility for the entire supply chain, conducting order inquiry, managing price quotes, issuing purchase orders and ensuring timely receipt and delivery of goods to the client. The unit will utilize local suppliers and procure from international suppliers using SCMS indefinite quantity contracts when available. This is particularly helpful for Vietnam due to the time zone difference between the office and the PMO and in being able to use Vietnamese to communicate with local vendors.

Zambia

Emergency Orders/Stockouts: Placed an emergency order for Nevirapine suspension in April, which was stocked out at the central level because of a deferred shipment by CHAI and increased consumption due to national implementation of the new PMTCT guidelines. In May, Triomune Junior was stocked out at the central level because a shipment (five months' worth) was delayed due to the manufacturer's inability to meet the agreed delivery schedule.

Key Clients: USAID, CDC, Ministry of Health (MOH), CIDRZ, NGO, Mission Hospitals

STTA: Forecasting and quantification

Key activities:

1. **Met with the USG team (CDC, DOD and USAID) in April to discuss disbursement of the \$6 million PMTCT plus-up funds allocated to SCMS**, of which \$5 million will go to PMTCT ARV procurement and \$1 million to laboratory needs. The initial idea was to procure a point-of-care instrument for CD4, called PIMA, and its reagents. However, due to MOH's decision not to adopt this machine until December 2011, the team approved SCMS's using the funds to purchase reagents for the current (and additional) CD4 machines — FACS Counts — that SCMS manages.
2. **Participated in the national TWG meeting on male circumcision (MC)** to discuss strategies for scaling up MC activities to cover the expected 25 percent of the reproductive male population by the end of 2012, an increase from the current rate of 17 percent. Procuring limited MC consumables kits for ZPCT and also assisting in coordinating all procurement partners to monitor supply status.

3. **Conducted an STTA on national-level forecasting and laboratory commodity quantification for the SCMS office in Tanzania.** This STTA effort supports SCMS's strategy of sharing lessons learned and south-to-south collaboration among field offices. The quantification covered a three-year period from July 2011 to June 2014.
4. **Met with MOH senior management in May on the urgent need to approve and launch the HIV/AIDS commodity security strategy (HACS).** The goal of the Commodity Security Strategic Plan 2011–2015 is to implement activities that enable the availability of health products for the prevention, diagnosis and treatment of HIV and AIDS and related conditions. MOH's Director of Clinical Care, who is spearheading this effort at MOH, is planning for the strategy's adoption and launch before the end of U.S. fiscal year 2011.
5. **MOH, in partnership with CDC and supported by SCMS, launched the Good Blood Draw Applications Zambia Initiative (GAZI) phlebotomy training.** GAZI is an initiative to train health personnel on safer methods of blood collection using Vacutainer and other blood collection tubes.

Challenges:

1. As of May, SCMS was unable to implement the clinic-in-a-box (CIB) storage solution until MOH approves the initiative. SCMS and the vendor to implement the CIB solution reached final agreement over two months ago, but we are waiting for MOH to approve the letter of agreement (LOA) between MOH and SCMS.
2. SCMS placed an emergency order for 10,000 bottles (1.3 months' worth) of Nevirapine solution in February 2011, which was expected to be delivered at the end of May 2011 but is delayed until early June. This commodity was stocked out centrally due to CHAI's delivery delay. SCMS is working to bring forward a separate order of 40,000 bottles (five months' worth) of Nevirapine solution from the originally scheduled August 2011 date.
3. Monitoring stock imbalances due to mobile hospitals. MOH procured and distributed mobile hospitals to each of the nine provincial health offices in the country, which has resulted in supply chain challenges for commodities in the established logistics systems because existing facilities are required to redistribute or share their stocks with these units. These commodities are not adequately accounted for, and the existing LMIS forms and inventory management procedures are not being followed. In addition, some of the lab instruments (hematology and chemistry) found in these units are not MOH approved. SCMS is monitoring this development to assess the degree of stock imbalances and the impact on USG-funded procurements.

Results:

1. Submitted the final pre-service training supply chain curriculum for incorporation into the syllabi of biomedical training institutions. The University of Zambia (UNZA) has already accepted this curriculum and will incorporate it in the next academic year for graduating students (supply chain is taught in the final year). We also co-facilitated, with UNZA lecturers, the training of the current class of final-year students to prepare them for their supply chain responsibilities.
2. Helped UNDP prepare procurement plans for lab reagents, HIV rapid tests and ARVs for Global Fund Round 10 PSM and shared them with all partners. Completing the procurement plan was critical because it is a prerequisite for the release of funds from the Round 8 and Round 10 grants expected to be signed by July 15. These two rounds of funding will contribute greatly to commodity availability and efforts to ensure ARV commodity security until 2015.

Zimbabwe

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: Ministry of Health and Child Welfare (MOHCW), Logistics Sub-Unit (LSU), NatPharm, USAID, Global Fund, Clinton Foundation HIV/AIDS Initiative (CHAI), European Commission, ECHO, DFID, EGPAF, Tuberculosis Capacity Project (TB CAP), WHO

STTA: Warehousing and distribution, quantification, monitoring and evaluation, and quality assurance

Key activities:

1. **Seconded a roadmap coordinator to assist in implementing the NatPharm Roadmap**, after getting NatPharm Board of Directors approval. Supported by SCMS and USAID | DELIVER PROJECT, the roadmap coordinator will strengthen NatPharm warehousing, information, distribution and management systems and infrastructure over the next 24 months.
2. **Finalized detailed functional requirements and advertised the RFP for upgrading the Zimbabwe Information System for HIV/AIDS Commodities (ZISHAC)**. This ARV LMIS will be integrated with the NatPharm WMS and decentralized to supply Zimbabwe's southern region.
3. **Worked with MOHCW DPS to train 18 MOHCW, NatPharm and IP staff on Quantimed**, the pharmaceutical forecasting and costing tool. Training will enable staff to use Quantimed's morbidity and consumption methods to forecast essential medicines and medical supplies. Also helped MOHCW DPS and NatPharm generate a 24-month national forecast and 12-month supply plans for 38 essential medicines and medical supplies.
4. **Submitted the SCM pre-service training curriculum for pharmacists, pharmacy technicians and nurses** to training schools for approval. Once approved, we will conduct a TOT in August, and then in September, we will support curriculum implementation in the three pharmacy and pharmacy technician training schools.
5. **Participated in the People that Deliver conference** in Geneva, with MOHCW's Permanent Secretary and Director of Pharmacy. The conference addressed challenges faced in supply chain management of health commodities.
6. **Worked with the HIV/AIDS treatment and care (ART) team at MOHCW's AIDS and TB Unit** to implement the following activities:
 - Drafted an integrated comprehensive curriculum for HIV that will replace the differing training curricula for HIV prevention, treatment, care and support and equip health workers at first-level facilities with the knowledge, skills and attitude to provide these HIV services.
 - Contributed to developing the operational plan for the Zimbabwe National HIV and AIDS Strategic Plan 2011-2015. The operational plan will be used to measure progress made in the multisectoral response to the HIV epidemic, as well as to mobilize resources.
 - Contributed to an assessment to determine ART data quality as reported by the two parallel MOHCW reporting systems — the LMIS system and HIV M&E system — and helped formulate recommendations to reduce discrepancies between the two systems.

- Met to review the pilot phase of the clinical mentorship program.

Challenges:

1. In response to the sterile surgical gloves in MC kits sticking together, SCMS and the supplier promptly identified the cause of the problem (the brand of glove included in the kits) and implemented a satisfactory solution (replacement with a different brand of glove at no cost to SCMS or the client). SCMS and the supplier also strengthened QC monitoring measures. Stock of extra surgical gloves previously ordered by SCMS allowed the MC program to continue without interruption.
2. The MOHCW AIDS and TB ART program lost \$660,000 worth of ARVs when a hired truck trailer caught fire in transit from Harare to Bulawayo regional stores. Investigations are pending. Although considerable, the quantities damaged represent less than two weeks of consumption. Thanks to existing buffer stocks, this should not negatively impact ARV availability at SDPs.

Results:

1. The Minister of Health approved and launched the NatPharm Roadmap recommendations during a meeting with development partners. The NatPharm Roadmap's improvement report is supported by SCMS and USAID | DELIVER PROJECT. Roadmap improvements will strengthen NatPharm's warehousing, information, distribution and management systems and infrastructure over the next 24 months.
2. LSU completed training, begun in March, of all 518 MOHCW staff from 296 ART sites on the redesigned Zimbabwe ART distribution system (ZADS). During this reporting period, LSU and provincial pharmacy managers concluded the program with five logistics trainings for 148 participants from 10 provinces. The competence-based training equipped ART site staff with tools and skills to efficiently manage ARVs for a growing number of patients.
3. Worked with MOHCW's DPS and NatPharm to generate a 24-month national forecast and supply plan for 69 MC products (kits and related commodities) that will allow MOHCW to perform up to 56,000 MC procedures in 2011 and up to 70,000 in 2012. MOHCW will use the MC quantification output to supplement the GF Round 11 application.

5. Innovations

Innovative approaches that have shown good progress include:

- SCMS established a process for testing rapid test kits and non-proprietary laboratory reagents. This initiative is now becoming part of SCMS routine practice, with further samples collected and samples drawn in the previous quarter being successfully tested by the University of Maryland.
- The inclusion of supply chain education modules in higher education qualifications for pharmacists and other health professional continues to spread to other SCMS countries, with initiatives in Guyana, Namibia, Zambia and Zimbabwe, and others under discussion.
- In Tanzania, locally manufactured essential drugs were successfully tested at the Muhumbli University in Dar es Salaam to provide quality assurance (QA) support for local procurement. This initiative in Tanzania is a pilot application of new approaches to local procurement of pharmaceuticals, which, if successful, will be rolled out to other countries with an appropriate-size local pharmaceutical industry to support the sustainable supply of quality-assured, affordable essential medicines.
- The linked initiatives Warehouse-in-a-box and Clinic-in-a-box, to provide a turnkey solution for the supply, delivery, installation, training and handover of new facilities as one package, are gathering momentum. There are now active orders in Mozambique, Nigeria (new in this quarter), Tanzania and Zambia, and firm inquiries under development in Côte d'Ivoire and Rwanda. Also of note, RTT is about to formally open its new Regional Distribution Centre facility in Ghana, which will be used by SCMS and RTT commercial clients. This is an entirely new facility using the warehouse-in-a-box concept, and it will provide a state-of-the-art reference site for SCMS clients considering this solution to storage constraints.
- The disposable adult male circumcision kit developed with partners from CDC, Johns Hopkins University, USAID, WHO and others continues to be ordered in increasing numbers as part of major MC program scale-up activities. Increased order volumes, approaching half a million kits, and the identification of multiple suppliers have helped lower the kit's cost from \$21 to between \$12 and \$16.

Work commenced this quarter on the agreed innovation to improve the search capability of the existing SCMS e-catalog. The new functionality will improve the search experience for clients and SCMS field offices, reducing the time necessary to agree to the specification of products for procurement. Well-defined supply requests reduce the risk of error and the time needed to identify the specific product required and qualified suppliers. This initiative aims to improve the customer experience as well as efficiency and cost within the SCMS procurement system.

USAID agreed to a new initiative to develop a dedicated planning processor linked to Orion and CRM to automate the current manual process of aggregating global demand from individual program and country forecasts. This will enable the demand management team to generate supply plans and restocking orders for SCMS inventory without the need for multiple data entry, thus reducing the risk of error and improving the process's efficiency. Growing demand and the increased number of orders and clients has made it increasingly difficult to effectively manage this process manually.

Namibia reports an interesting innovation from the field with the pilot implementation of a barcoding/scanner system at NIP. SCMS and NIP began this implementation by scanning and capturing barcodes from about 30 products and inputting them into the Meditech ERP system. The next step will be to modify Meditech to allow NIP to import scans from a handheld device. If successful, this approach will improve the accuracy and timeliness of data capture at point of issue, with improved efficiency making data capture part of the issue process rather than a separate reporting process. The aim is to improve data quality and use for supply planning and decision making.

6. Objectives for July – September 2011

SCMS		Project-wide Workplan TO3 FY2011 September 30, 2010 - October 1, 2011	
Activity	Deliverable	Target Deadline	Progress
1. Global Supply Chain			
Quality Control:			
QA Advisory Panel meeting			
Organize annual procurement council (April or to coincide with annual field office conference)	Meeting held, recommendations	9/16/2011	In progress.
Establish in-country SCMS due diligence capacity for procurement from local pharma manufacturers		3/31/2011 10/31/2011	In progress.
Organize QA summit to facilitate alignment of USG and Global Fund quality standards	Meeting held, recommendations	9/15/2011	On target.
Freight and Logistics:			
Explore and encourage collaborative opportunities with additional stakeholders to utilize RDCs	2 new non-SCMS clients per RDC	9/30/2011	In progress.
Conduct a competitiveness review (VMI)	Report on the influence that VMI has had on pricing availability	7/29/2011	In progress.
Review of security procedures (best value)	Report on the skills and costs structures of alternative service providers	7/29/2011	On target.

Management Information Systems:			
Upgrade Knowledge Tree	Latest maintenance release implemented	3/31/2011 9/30/2011	Pending.
Orion documents		3/31/2011 9/30/2011	Pending.
Xroadz documents		3/31/2011 9/30/2011	Pending.
Middleware documents		4/15/2011 9/30/2011	Pending.
System integration and interdependencies		4/15/2011 9/30/2011	Pending.
Field office connectivity upgrade: Deployment of WAN acceleration solution	Trip report, technical review report	3/25/2011 8/31/2011	Complete.
2. Health Systems Strengthening			
In-Country Assistance with Strategic Planning and Coordination:			
Create country specific transition plans addressing key relative logistics areas with local counterparts	Transition plans developed in at least 6 countries	7/31/2011	In progress.
In-Country Supply Planning/Forecasting Technical Assistance:			
Ensure that 12-month supply plans and associated PRs/PQs for ARVs, RTKs and lab supplies are submitted on a timely basis	Quarterly supply plan updates (12 ARV, 10 RTKs, 10 lab)	12/15/2011 3/15/2011 6/15/2011 9/15/2011	June 2011 on target.
Hand over quantification and supply planning activities to local counterparts	6 countries planning and conducting quantification and supply planning on their own	9/30/2011	In progress.
In-Country Data Management and Technical Assistance:			
Manage MIS applications projects implemented by field offices following SDLC guidelines. Applications may include integrated LMIS solutions, inventory control, warehouse management or other central data management systems.	7 WMS/ERP implemented and 1 CDR implemented	9/30/2011	In progress.

In-Country Warehousing and Distribution Technical Assistance:			
Develop a global technical assistance framework for strengthening warehousing and distribution capacity of in-country supply chain organizations at all levels, including technical assistance policies and procedures	Warehousing and distribution strategy document	3/31/2011 5/30/2011 9/30/2011	On target.
In-Country Quality Assurance Technical Assistance:			
Provide TA to host-country governments in developing reverse supply chains and protocols in the event of manufacturer recall or adverse event reporting	SOPs to assist in developing a response developed	9/30/2011	In progress.
Initiate discussion with USAID Mission over environmentally friendly pharmaceutical waste management system	Waste management strategies and plans for disposal of SCMS-supplied commodities implemented in 4 countries	9/30/2011	In progress.
Field Program Support from PMO to Enable Countries to Achieve HSS Objectives			
Compile a global HRC gap/needs matrix	Global HRC needs/gaps matrix published and developed	9/30/2011	On target.
Conduct first global annual evaluation of the HRC initiative	Evaluation reports written and published	9/30/2011	In progress.
Organize and facilitate annual Field Office Conference	2011 Field Office Conference	9/30/2011	In progress.
Develop country-specific workplans and budgets	16 workplans submitted to PMO	8/31/2011	In progress.
Compile and submit workplans to USAID	Workplan	3/3/2011 9/31/2011	In progress.

3. Global Collaboration			
Global Collaboration:			
Manage funding early warning system			
Collect and analyze financial data	Quarterly updates to steering committee	12/31/2010 3/31/2011 6/30/2011 9/30/2011	June 2011 on target.
Management and monitoring of ACF and procurement surcharge rates	Quarterly reports and annual reconciliation	9/30/2011	On target.
Management and monitoring of blended RDC and product blended prices		9/30/2011	In progress.

