



SCMS Quarterly Performance Report

FY13 Q2 January-March 2013

May 31, 2013



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



About SCMS

The Supply Chain Management System (SCMS) was established to enable the unprecedented scale-up of HIV/AIDS prevention, care and treatment programs in the developing world. SCMS procures and distributes essential medicines and health supplies, works to strengthen existing supply chains in the field, and facilitates collaboration and the exchange of information among key donors and other service providers. SCMS is an international team of 16 organizations funded by the US President's Emergency Plan for AIDS Relief (PEPFAR). The project is managed by the US Agency for International Development.

This document was made possible through support provided by the US Agency for International Development, under the terms of contract number GPO-I-00-05-00032-00. The opinions expressed herein are those of the author(s) and do not necessarily reflect the views of the US Agency for International Development or the US government.

Supply Chain Management System

1616 Ft. Myer Drive, 12th Floor
Arlington, VA 22209 USA
Telephone: +1-571-227-8600
Fax: +1-571-227-8601
E-mail: scmsinfo@pfscm.org
Website: www.scms.pfscm.org

Table of Contents

Executive Summary.....	7-10
Quarterly Performance.....	11-26
Goal One: Access	11-16
Goal Two: Strengthen Systems.....	16-20
Goal Three: Leadership & Partnership.....	20-23
Goal Four Operational Excellence.....	23-26
Appendix 1: Key Quarterly Statistics	27-31
Appendix 2: Measure Specific Performance.....	32-59
Appendix 3: Progress Against Workplan	60
Appendix 4: Quarterly Financial Reports.....	61
Appendix 5: Country Risk Matrix.....	62

Acronyms

ACF	Allocated Cost Factor
ACILT	African Centre for Integrated Laboratory Training
ACT	Artemisinin Combination Therapies
AIDS	Acquired Immunodeficiency Syndrome
ARVs	Antiretrovirals
ASLM	African Society for Laboratory Medicine
CDC	Centers for Disease Control
CENAME	Centrale Nationale d'Approvisionnement en Medicaments Essentiels
COR	Contracting Officer Representative
CMS	Central Medical Store
DFID	Department for International Development
DRC	Democratic Republic of Congo
ETJ	Emergency Travel Justification
FDA	Food and Drug Administration
HRCD	Human Resource Capacity Development
GDUFA	Generic Drug User Fee Act
GFATM	Global Fund to Fight AIDS, TB and Malaria
GMP	Good Manufacturing Processes
HIV	Human Immunodeficiency Virus
HSS	Health Systems Strengthening
IAPHL	International Association of Public Health Logisticians
IHK	International Hospital Katutura
IPC	Interagency Procurement Committee
JSI	John Snow, Inc.
LMIS	Logistics Management Information System
LOP	Life of Project
MIS	Management Information System
MSH	Management Sciences for Health
MMU	Materials Management Unit
MSD	Medical Stores Department
MSL	Medical Stores Limited
MOH	Ministry of Health

NFO	Non-Field Office
OTD	On-Time Delivery
OI	Opportunistic Infection
PAHO	Pan American Health Organization
PFSCM	Partnership for Supply Chain Management
PFSA	Pharmaceutical Fund and Supply Agency
PEPFAR	President's Emergency Plan for AIDS Relief
PO	Purchase Order
PSP	Pharmacie de Sante Publique
QA	Quality Assurance
RDC	Regional Distribution Center
RFP	Request for Proposal
RTK	Rapid Test Kit
RUTF	Ready-to-Use Therapeutic Food
SD	Standard Diagnostics
SOPs	Standard Operating Procedures
STGs	Standard Treatment Guidelines
SSU	Systems Strengthening Unit
TA	Technical Assistance
THL	Technologia Hospitalar e Laboratorial
TWG	Technical Working Group
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNAIDS	Joint United Nations Program on HIV/AIDS
USAID	United States Agency for International Development
VMMC	Voluntary Medical Male Circumcision
VPP	Voluntary Pooled Procurement
WiB	Warehouse in a Box
WHO	World Health Organization

Executive Summary

The SCMS team is pleased to submit this Quarterly Performance Report. The measures are organized by four goal areas:

- Access
- Strengthen systems
- Leadership and partnership
- Operational excellence

SCMS performed well against all measures with established targets, with significant upward trends in many.

Access

On-time delivery experienced improved performance and exceeded its targets for both core (80 percent) and non-core (84 percent) products. PQ turnaround time for ARVs (83 percent) and RTKs (95 percent) showed significant improvement over the previous quarter, in part due to fewer challenges in agreeing specifications with clients. However, performance for VMMC kits declined to 70 percent. (See page 13.)

Overall management of VMMC orders is nevertheless satisfactory in spite of many challenges. Funding gaps for VMMC procurements in some countries further complicate forecasting. When orders are finally confirmed by clients, they have to be handled as emergencies due to short lead time. SCMS has placed VMMC kit orders for RDC stock through at least October and is taking steps to move these products into the Kenya RDC. (See page 14.) To plan for ever-increasing demand, we continue to make progress on a new RFP to identify new suppliers of VMMC kits. After technical review of eight responses, six companies were deemed technically compliant and have submitted samples for sterility testing as a final step in determining technical compliance. (See page 13.)

One risk to both on-time delivery and PQ turnaround time is vendor delays and increased lead times for key Tenofovir FDC products, including the triple FDCs Efavirenz/Emtricitabine/Tenofovir disoproxil fumarate 600/200/300 mg and Efavirenz/Lamivudine/Tenofovir disoproxil fumarate 600/300/300 mg. In Côte d'Ivoire, PSP (the central medical store) is at risk of stockout of TDF 300 and AB/3TC 600/300 due to significant consumption increases caused by prescribers' lack of adherence to the national standard treatment guidelines (STGs). We continue to work with client countries like Côte d'Ivoire to plan procurements with sufficient lead times to match the realities of the market. (See page 14.)

The percent of planned orders dropped in Q2 from 85.7 percent to 77.9 percent. HIV RTKs saw an increase in emergency orders throughout the quarter, with three of 16 orders processed as emergencies. (See page 12.) We expect emergency orders to increase overall in the next quarter. We continue to experience stock shortage of the GeneXpert TB cartridges. Some stock has been released but not nearly the number on order. (See page 14.)

SCMS continues to experience problems in delivering cargo to the central medical stores of Côte d'Ivoire, Ethiopia and Zambia due to lack of capacity. However, our country teams are working with partners to alleviate these issues. In Côte d'Ivoire, PSP (the central medical store) re-launched reform activities following a five-month delay (see page 16); in Ethiopia, the Pharmaceutical Fund and Supply Agency (PFSA) is reorganizing its national operations (see page 17); and in Zambia, SCMS helped government partners identify 2,500 square meters of additional storage space (see page 17).

Key statistics related to access during the quarter and cumulative for the life of the project, from October 2005 to March 2013, are in the following table:

Key statistics	FY13 Q2	Life of project
Value of commodities delivered	\$66 million delivered	\$1.42 billion delivered
Number of deliveries	580 deliveries	17,163 deliveries
Countries receiving shipments	24 countries*	57 countries
Percent generic ARVs by volume	98%	95%
Counterfeit products detected	0 counterfeits	0 counterfeits

* No new countries received shipments this quarter.

Strengthen Systems

Our efforts to gather performance data for systems strengthening continue to improve. Training and competency performance improved from 41 percent to 82 percent. Changes in measurement criteria provide detailed understanding of training in SCMS countries, including not only number of people trained and deemed competent but also number of people trained overall. (See page 15.)

Overall, countries performed well in the five areas assessed in the in-country supply chain performance indicator. Stockout rates and expiry were generally low, and reporting rates, order fill rate and on-time delivery were generally high. Côte d'Ivoire's performance was an outlier, with performance generally poorer than other countries in three of five measures: reporting rates, on-time delivery and stockout rates. Other countries of potential concern include Ethiopia (order fill rate), Mozambique (reporting rates) and Nigeria (on-time delivery). Consistent with comments elsewhere in this report, challenges with the supply of Tenofovir regimens was raised as a concern across many countries. (See page 15.)

Notable achievements in capacity building include (see pages 18 and 19):

- In Botswana, the central medical store (CMS) received ISO 9001:2008 Accreditation from the Botswana Bureau of Standards.
- Procurement staff in Burundi and Uganda will now manage procurement of lab commodities, reagents and other rapid test kits as field office managed procurement.
- Our new office in the Democratic Republic of Congo (DRC) initiated use of the capability and maturity model (CMM) tool to assess the FEDECAME and CAMESKIN warehouses in Kinshasa.
- In Guyana, the Materials Management Unit (MMU) officially inaugurated its new warehouse, the Supply Chain Management Complex.

-
- In Nigeria, we continued activities toward unification of Global Fund, PEPFAR and now Government of Nigeria public health supply chains.
 - In Vietnam, the fifth annual destruction of unusable PEPFAR-procured commodities saw the lowest value of ARV destruction — at approximately \$10,000 — in the five years of this exercise.

At the Kenya Mission’s request, the SCMS Kenya program will end in September 2013.

SCMS undertook 25 short-term systems strengthening assignments in commodity security (1), lab logistics (3), MIS (6), quality systems (1), quantification (1), strategic planning (2), supply chain assessment (2), warehousing and distribution (5), HRCD (3) and other (1).

Leadership and Partnership

Although all performance measures for leadership and partnership are annual, we report significant activity this quarter. (See page 22.) For example, our project team has already exceeded its target of 15 external presentations, having completed 17.

The most notable partnership activity — with capacity building implications as well — was a Joint Strategic Leadership Summit with the USAID | DELIVER PROJECT. The two projects identified eight key strategic initiatives to be taken forward jointly and used to guide the workplans of both projects. In another major achievement, the Coordinated Procurement Planning (CPP) Initiative, for which SCMS serves as technical secretariat, launch its web-based information platform, funded by UNITAID. Following user testing by CPP technical team members, we demonstrated the new website at CPP’s Steering Committee meeting in March. Other leadership and partnership activities included:

- Hosting of the USG laboratory TWG (LTWG) meeting in February, entitled “Diagnostic Technologies: challenges and opportunities for collaboration.”
- Participation in the GFATM Model Quality Assurance System (MQAS) working group, along with participants from UNICEF, MSF, QUAMED, MSH, WHO, ICRC and PFSCM. In February, the group held its third meeting to discuss the pilot of a harmonized inspection tool.

Operational Excellence

Efforts to gather data on operational excellence, some of which are new measures, continued to show results. Performance in a new measure — the three-week requirement for submission of TA trip requests to the COR team — has improved significantly from 8 percent to 30.3 percent. The recently completed client satisfaction survey for FY13 Q1-Q2 revealed overall client satisfaction declined slightly from the results for FY 2012, but remains above target at 87 percent for products ordered/received and 90 percent for technical satisfaction. (See page 25)

Percentage of international freight shipped by ocean dropped from 78 percent to 65 percent, although this is still well above the target of 50 percent. (See page 24.) We expect the percentage of ocean freight reported in the next quarter to increase, however, as we are currently experiencing a large volume of ocean shipments. Also related to best value, cost savings were achieved in South Africa, where the Gauteng medical supplies depot (MSD) re-engineering project reports savings in excess of \$4 million. (See page 26.)

SCMS negotiated an improved warranty agreement with Alere, the manufacturer of PIMA machines. (See page 25.) These negotiations will help several countries — including Haiti, Mozambique and Zimbabwe — who have asked for help in navigating service contracts with Alere. (See page 25.)

Quarterly Performance

SCMS performed well against its established performance targets for the global supply chain, including on- or above-target performance for all measures. Data collection and reporting from the field offices on key health systems strengthening measures continues to improve. Targets for these measures will be established during the third quarter of FY13. Additional information about the performance of each measure can be found in Appendix 2.

Performance for each area will be indicated by a symbol and color analysis

- Green circle: Performance on target
- Yellow triangle: Performance within tolerance band, but not on target
- Red stop sign: Performance off target and corrective actions are required

I. Goal 1: Access

Provide quality HIV/AIDS commodities efficiently and effectively.

Key Areas of Performance				
Performance	Workplan	Budget	Overall	Risk
	√			

Update on FY13 Q1 (October-December 2012) Key Issues and Corrective Actions		
Key Issues	Corrective Actions	Progress
NFO country import waiver/customs clearance taking longer than forecasted (primarily in Pakistan and the DRC).	Work with client in country to either speed up the processes or provide more realistic times to procurement so it can be built into the lead time.	Lead times for Pakistan and DRC have been identified. Procurement will ensure that these lead times are communicated to clients to manage expectations
Limited number of eligible essential drug products.	Targeted search for additional vendors, including pan-African wholesalers and international and local manufacturers.	Ongoing search for quality suppliers of essential meds in Africa. SCMS is identifying these potential suppliers, performing quality audits and encouraging those that meet quality standards to register in the countries we supply.
Cephied (GeneXpert) continues to ration orders.	Working with supplier and country teams to align expectations with delivery.	Guidance provided to field offices to help manage client expectations through continued delay on Cephied orders.

Performance:



SCMS performed well toward its goal of providing access to quality HIV/AIDS commodities, reflected in its high performance against targets for most of the measures attributed to the access goal and related objectives.

Performance by Objective

Security:

Product loss continues to remain well below target, with 0.01 percent this quarter and 0.65 percent over the life of the project.

Reliability:

On-time delivery: On-time delivery (OTD) exceeded or met its targets for both core and non-core products. Performance for both categories improved, most markedly non-core products, which increased from 76 percent to 84 percent. Lab OTD remained slightly under target at 79 percent. OTD for ARVs improved, starting at 75 percent in January and ending at 92 percent in March. While essential drugs saw a dip in performance in February, performance was above target in January and March at 83 percent and 87 percent, respectively. OTD for RTKs saw a decline throughout the quarter, falling to 46 percent in March due to delays from a core Determine test kit supplier, Alere.

On-time PQ turnaround: After missing its targets for both ARV and HIV RTKs in Q1, SCMS performance significantly improved in Q2, with ARV on-time PQ turnaround time reaching 83 percent and HIV RTKs reaching 95 percent on-time performance. VMMC performance declined to 70 percent, with three of its 10 orders failing to meet the PQ turnaround time target. Two of these orders were for consumable packs not currently stocked at the RDC. SCMS is taking steps to move these products into the Kenya RDC to prevent further issues.

Quality Products:

Pharmaceutical sampling continues to exceed its target for meeting the sampling SOP, pulling 91 percent of flagged pharma orders during the quarter. One sample of Vitamin A was not collected in Q2. Our quality assurance team will ensure that the next order of this product is flagged and pulled for sampling.

Strengthen Reach:

The percent of planned orders dropped from 85.7 percent to 77.9 percent. HIV RTKs saw an increase in emergency orders, with three of 16 orders processed as emergencies. Two of the emergency orders processed were for Rwanda to help fill another donor's funding gap. The last emergency order for Tanzania replaced RTKs when a stockout occurred after a warehouse fire.

There is some confusion over the definition of what is truly an emergency. SCMS is working to revise our definition of emergency order to more closely match the intent of USAID and OGAC in tracking these issues and to align our definition with that of the in-country clients requesting these orders. This may impact measures in future reports.

Goal	Objective	Measure	Target	FY13 Q2	FY13 Q1
Access	1.1 Security	1.1.1 Product Loss: Shipping & Storage	≤ 2.25%	0.01%	0%
	1.2 Reliability	1.2.1 SCMS Related Stockout Rates	<12	0	0
		1.2.2 On-time Delivery: Core & Non-Core Products	Core: 80%	80%	79%
			Non-core: 70%	84%	76%
		1.2.3 On-Time PQ Turnaround PMO RTK, (RDC) ARV Orders and VMMC kits	ARV: 70%	83%	50%
			Test Kits: 85%	95%	84%
			VMMC Kits: TBD	70%	100%
	1.2.4 Forecast Accuracy	TBD	Annual Indicator		
	1.3 Quality Products	1.3.1 Pharmaceutical Product Sampling Actual Pulled vs. Flagged	88%	91%	100%
	1.4 Strengthen Reach	1.4.1 Planned, Unplanned & Emergency Orders	Planned: NA	77.9%	85.7%
Unplanned: NA			11.6%	10.3%	
Emergency: NA			10.4%	3.9%	

Key Results

SCMS achieved several key results in the efficient and effective provision of HIV/AIDS commodities:

- *Reliability*: SCMS currently has several open RFPs for direct pharmaceutical procurement. Of 88 product dossiers scheduled for review, all were given an initial assessment and 42 were fully approved. The plan is to clear the list by April.
- *Strengthen Reach*: SCMS continues to fill the gap for clients and non-field office (NFO) countries experiencing funding delays, country level procurement and supply management issues or other events by processing emergency orders. For example, this quarter the South African RDC received seven emergency orders for Zimbabwe and was able to prevent several potential stockouts. F&L worked with the forecasting and demand planning team, and the RDC applied for and obtained pre-clearance in time to ship and deliver these orders within one week.
- *Reliability*: In Zambia, the delivery backlog caused by lack of capacity at Medical Stores Limited (MSL) was cleared at the end of the quarter after several months of reported inbound service disruptions and mounting demurrage charges.
- *Reliability*: We continue to work on the new RFP for VMMC kits. In March, the tender closed and we received samples and conducted technical evaluations. After technical review of eight responses, six companies were deemed technically compliant. Samples have been sent for sterility testing as a final step in determining technical compliance. We expect the decision process to be completed by May 2013, after which QA site visits will begin.

Key Challenges

SCMS also faced several key challenges in the efficient and effective provision of HIV/AIDS commodities, including:

- *Reliability:* Funding gaps for VMMC procurement in some countries further complicate forecasting. When orders are finally confirmed by clients, they have to be handled as emergencies due to the short lead time. Most countries still lack a comprehensive supply plan for core VMMC commodities (kits and injectable anesthesia), and out of three countries with supply plans, only Zimbabwe actively updates its plan. SCMS continues to work with countries with active VMMC programs to develop VMMC quantifications and use them to improve the budgeting process. SCMS has placed VMMC kit orders for RDC stock through at least October but cannot fix orders further in advance until we know the exact quantity needed by CDC and USAID.
- *Reliability:* We continue to experience stock shortage of the GeneXpert TB cartridges. Some stock has been released but not nearly the number on order. The manufacturer Cepheid has noted it is making headway on the problems and expects to have the backlog shipped in the second quarter of 2013.
- *Reliability:* SCMS continues to experience vendor delays and increased lead times for the main Tenofovir FDC products, now six to seven months from a previous three to four months for goods delivered via ocean freight. Particular products experiencing delays include the triple FDCs Efavirenz/Emtricitabine/Tenofovir disoproxil fumarate 600/200/300 mg and Efavirenz/Lamivudine/Tenofovir disoproxil fumarate 600/300/300 mg. In the meantime, we continue to work with client countries to plan procurements with sufficient lead times to match those we are seeing in the market.
- *Reliability:* In Côte d'Ivoire, PSP (the central medical store) is at risk of stockout of TDF 300 and AB/3TC 600/300 due to significant consumption increases caused by prescribers' lack of adherence to the national standard treatment guidelines (STGs). We are working with IP partners who are at site level to guide STG adherence. This challenge will be resolved as ARVs under the old regimens are consumed and new regimens are adopted, expected by July.
- *Reliability:* Our Haiti, Mozambique and Zimbabwe offices have sought PMO assistance in navigating service contracts with Alere, the manufacturer of PIMA machines. These countries are challenged by their significant number of PIMA instruments without existing service contracts, and significant quantities of planned instrument procurements. Alere's standard service agreements had been established at \$1,200 per machine with no (or limited) flexibility in negotiating terms. SCMS partnered with CHAI to gather instrument failure data to assist in negotiating new service terms. SCMS then negotiated new global options for PIMA service and maintenance with Alere. All newly procured PIMAs will now include a two-year extended warranty instead of the previous one-year warranty offered by Alere (see page 25 for more detail). Alere has endorsed these plans for offer globally.
- *Reliability:* We continue to experience problems in delivering cargo to the central medical stores of Côte d'Ivoire, Ethiopia and Zambia due to lack of capacity.

Workplan:



The FY13 workplan has been completed and submitted to USAID. Full updates on progress against the workplan will be included in the Q3 report.

Budget:



A quarterly financial report has been completed and submitted under separate cover.

Risk:



Several risks exist to the secure, reliable supply of quality HIV/AIDS commodities to our clients:

- Manufacturing capacity issues continue to pose potential risk to SCMS's ability to ensure client demand is met in a timely manner, as evidenced by both TDF and VMMC kits in the current quarter.
- In-country capacity issues at airports and warehouses lead to delay and backlog of incoming shipments, often putting product at risk of damage due to weather.
- Shortage of or lack of adherence to forecasts and supply plans continues to have downstream effects on the supply chain, including stockout rates and on-time PQ turnaround time.
- Vendor on-time delivery has declined steadily over the quarter, which is a concern as this is a leading indicator for client OTD. SCMS is working with key vendors to correct this performance.

FY13 Q2 (January-March 2013) Key Issues and Corrective Actions	
Key Issues Related to Performance Measures	Corrective Actions
Delays in triple TDF supply.	Close cooperation with clients and vendors to determine priorities and ensure uninterrupted supply to all.
Alere has been consistently late delivering test kits over the past quarter.	Procurement specialists will work with vendor to find the root cause of the delays and correct it for future orders.
Cepheid continues to delay cartridge shipments.	Work with supplier to generate realistic schedule and inform the country teams of status.
Limited number of eligible sources for essential drugs.	<ul style="list-style-type: none"> Targeted search for additional vendors, develop relations with pan-African wholesalers, regional manufacturers. Increase capacity and number of targeted QA dossier reviews and audits.
Unexpected delays with processing HRDT orders for non-field office countries.	Procurement Specialist to work with non-field office team to identify reasons why orders are consistently late and put measures in place to correct this.
Field office not getting PQs to clients within the 14-day target.	Procurement Specialist to work with FOMP Manager to identify reasons for the delay in FO staff submitting PQs to clients within the target and to plan to adjust the current process to eliminate this delay in future orders.

II. Goal 2: Strengthen Systems

Strengthen supply chains to increase access to quality HIV/AIDS commodities.

Key Areas of Performance				
Performance	Workplan	Budget	Overall	Risk
	√			

Update on FY13 Q1 (October-December 2012) Key Issues and Corrective Actions		
Key Issues	Corrective Actions	Progress
Namibia: Delegate skill level at supply chain trainings.	Work with MOH to identify level of knowledge in selecting participants to meet pre-requisites for trainings.	Field office unable to identify pre-requisites but develop alternative methodologies to ensure that targeted staff receive additional training.
Côte d'Ivoire: Delays in reporting and transportation.	Fundamental review of the supervision process and outsource transportation (in progress).	Supervision now incorporated into the new project to strengthen supply chain at decentralized level. Transportation contracts tendered and awarded.
Botswana: Staff motivation and transportation at CMS.	Raise issue with CMS management and outsource warehousing and distribution.	In progress

Performance:



SCMS implemented a series of health systems strengthening (HSS) measures across 17 of its field offices for the second time this quarter. Several of these are annual indicators for which data will be collected in the fourth quarter of FY13. The first two quarters will serve as the baseline from which USAID and SCMS will set performance targets for these new indicators in the third quarter.

Performance by Objective

Capacity and Capability:

Training and competency performance improved from 41 percent in Q1 to 82 percent in Q2. Changes in measurement criteria for Q2 provide detailed understanding of training in SCMS countries, including not only number of people trained and deemed competent but also number of people trained overall. Competency continues to present issues in Ethiopia and Haiti, where trainees struggled to pass the competency tests, often due to attendees lacking pre-requisite skills required for the training.

Performance:

Overall, countries performed well in the five areas assessed in the in-country supply chain performance indicator. Stockout rates and expiry were generally low, and reporting rates, order fill rate and on-time delivery were generally high.

- **Stockout rates:** Stockout rates remain below 20 percent in all countries except Côte d'Ivoire, which experienced stockouts of key tracer commodities at 75 percent of SCMS-supported sites.
- **Facility reporting rates:** Several countries struggled with facility reporting rates this quarter, including three performing at below 50 percent. In Mozambique, reporting rates were low, with only one of the 10 supported facilities reporting on time and completely.
- **Expiry:** There was strong performance among all countries reporting on this indicator, with the value of expiry at central medical stores across all country programs falling below 1 percent.
- **Order fill rate:** Order fill rate performance continued to improve, increasing from 91.2 percent in Q1 to 96 percent in Q2.
- **On-time delivery:** Four of the eight countries reporting on this measure reported on-time delivery rates above 80 percent. Both Nigeria and Côte d'Ivoire experienced some challenges, with OTD performing at 55 percent and 11 percent, respectively.

Goal	Objective	Measure	Target	FY13 Q2	FY13 Q1	
Strengthen Systems	2.1 Capacity & Capability	2.1.1 Country Ownership	TBD	Annual Indicator		
		2.1.2 Competency	TBD	82%	41%	
		2.1.3 Supply Chain Assessment: CMM Score	TBD	Annual Indicator		
	2.2 Performance	2.2.1 Supply Chain Performance: In-country	TBD			
		1. Facility Reporting Rates		79%	74%	
		2. Expiry		0.10%	0.22%	
		3. On-time Delivery		84.3%	64.3%	
		4. Stockout Rate		7%	13%	
		5. Order Fill Rate	96%	91.2%		
2.2.2 Supply Chain Assessment: KPI Score	TBD	Annual Indicator				

Key Results

Notable results from the field programs during the second quarter of FY13 include:

- *Capacity and Capability:* Upon successful completion of training, procurement staff in Uganda and Burundi will now manage procurement of lab commodities, reagents and other rapid test kits as field office managed procurement.
- *Capacity and Capability:* In Côte d'Ivoire, PSP re-launched reform activities following a five-month delay. The steering committee chaired by the Minister of Health met to advance PSP's reform process. SCMS will provide technical assistance to update the business plan, upgrade the SAGE 1000 financial module, provide financial support to design a new chart of accounts, and develop an SOP manual.
- *Capacity and Capability:* Our new office in the Democratic Republic of Congo (DRC) initiated use of the capability and maturity model (CMM) tool to assess the FEDECAME and CAMESKIN warehouses on their procurement, forecasting and supply planning, warehousing, and waste management functionalities. Assessment results will be used to develop individualized roadmaps for each entity.
- *Capacity and Capability:* In Guyana, the Materials Management Unit (MMU) officially inaugurated its new warehouse, the Supply Chain Management Complex, at a ceremony featuring presentations by the US Ambassador, Mr. D. Brent Hardt, Sherif Mowafy on behalf of Ambassador Goosby, SCMS's Country Director and the Minister of Health. The Prime Minister (in his capacity as acting President) gave the keynote address. The warehouse is a multi-donor-funded facility and the first of its kind in the region. The facility supports USG and PEPFAR's efforts to improve supply chain infrastructure for better management of HIV/AIDS commodities.
- *Capacity and Capability:* In Ethiopia, the Pharmaceutical Fund and Supply Agency (PFSA) is reorganizing its national operations. Currently, PFSA has stock at more than 30 national

facilities, and 17 new facilities are under construction. The goal is to consolidate operations in the new facilities starting at the end of 2013. SCMS has deployed a full-time project leader to assist PFSA with this transition.

- *Capacity and Capability:* Also in Ethiopia, conducted a rapid assessment of current practices for pharmaceuticals waste disposal and opportunities to develop sustainable disposal solutions with government partners or as part of a public-private partnership. The assessment also identified minimum requirements that need to be put in place to operationalize the country's 2012 waste directive.
- *Capacity and Capability:* In Nigeria, we continued activities toward unification of PEPFAR HIV/AIDS supply chains. In January, SCMS carried out the fourth re-supply of commodities to 147 facilities in the phase 1 sites, and commenced last-mile distribution of commodities to more than 400 facilities in nine states and the Federal Capital Territory (FCT). The USAID Mission has requested SCMS conduct an evaluation of two to three sites for the possible construction of warehouse-in-a-box (WiB) facilities in Abuja, Lagos and possibly Kanu.
- *Capacity and Capability:* In Zambia, SCMS worked successfully with MSL and MOH to identify 2,500 square meters of storage space at a warehouse outside MSL grounds to address serious storage constraints reported in recent months.
- *Performance:* In Botswana, CMS received ISO 9001:2008 Accreditation from the Botswana Bureau of Standards. The certificate handover ceremony was officiated by the MOH Deputy Permanent Secretary and attended by the USAID Director, a WHO representative and other development partners. This certification highlighted CMS improvements in business management, process management and customer satisfaction.
- *Performance:* In Vietnam, the fifth annual destruction of unusable PEPFAR-procured commodities saw the lowest value of ARV destruction in the five years of this exercise. This year, approximately \$10,000 worth of unusable ARVs and \$3,500 worth of unusable lab commodities were destroyed in collaboration with VAAC. By comparison, in the first annual destruction in 2008, we destroyed approximately \$730,000 worth of ARVs; in 2009, \$690,000; in 2010, \$52,000; and in 2011, \$12,000.

Key Challenges

SCMS experienced several challenges in its country programs, including:

- Stockout rates were exacerbated by the transition to Tenofovir-based regimens in several countries, most markedly in Côte d'Ivoire. Negative impacts were also felt in Tanzania, Haiti and Zimbabwe.
- In Côte d'Ivoire, distribution issues remain a concern as evidenced by the site-level stockouts found during monitoring visits, including 75 percent of SCMS-supported sites experiencing a stockout of ARVs. The first- and second-line regimen stockouts were caused by an unpredicted consumption increase combined with relatively low security stocks at site level. Since October 2012, Côte d'Ivoire has been transitioning to new STGs that call for patients using d4T to shift to TDF or AZT according to their hemoglobin rates leading to unpredictable usage patterns.
- At the Mission's request, the SCMS program in Kenya will end in September 2013. A transition plan was presented to USAID that provides a roadmap for the smooth transition from SCMS to KEMSA, including strategies to handle remaining procurements and engagement of KEMSA on coordination of distribution for remaining commodities at the local distribution center (LDC).

Workplan:



The FY13 workplan has been completed and submitted to USAID. Full updates on progress against the workplan will be included in the Q3 report.

Budget:



A quarterly financial report has been completed and submitted under separate cover.

Risk:



Although data quality improved in the second quarter, it continues to pose a risk to the implementation of the health systems strengthening measures aligned to the strengthen system goal. Because the source data used to measure performance of these measures originates from in-country systems, there is a greater potential of data quality issues. SCMS will continue to work with its field offices and their in-country counterparts to mitigate this risk in upcoming quarters.

Continued transition to TDF based regimens in several SCMS countries presents risk of potential stock outs. Haiti, Tanzania, Zimbabwe and Cote d'Ivoire raised potential issues regarding these transitions in the quarter.

FY13 Q2 (January-March 2013) Key Issues and Corrective Actions	
Key Issues Related to Performance Measures	Corrective Actions
Competency tests not passed by trainees.	HRCAD advisor to work with Country Directors to undertake in-depth root cause analysis of issues passing competency test in Ethiopia and Haiti.
Côte d'Ivoire: Delays in reporting.	Fundamental review of supervision process and outsourced transportation planned for June.
Côte d'Ivoire: Transportation delays.	Award of contract to a outsourced transporter expected in June.
Mozambique: Reporting rates.	Root cause analysis to review greater use of tools in the field to improve reporting rates.

III. Goal 3: Leadership and Partnership

Collaborate with key constituencies to strengthen health supply chains and encourage the adoption of best practices.

Key Areas of Performance				
Performance	Workplan	Budget	Overall	Risk
	√			

Update on FY13 Q1 (October-December 2012) Key Issues and Corrective Actions		
Key Issues	Corrective Actions	Progress
No issues in FY13 Q1		

Performance:



During the first quarter of FY13, SCMS implemented a series of new measures of activities that address collaboration with key constituencies and partners. Several of these are annual indicators for which data will be collected in Q4 of FY13. This quarter, a report of progress to date is provided for most of these measures.

Performance by Objective

Collaboration:

CPP activity progress is on track to exceed its target, with several countries submitting updates in both January and March. CPP also launched its web-based information platform.

Knowledge Exchange:

There are currently 16 journal articles in different stages of production, two or three of which may be published in the next quarter.

SCMS gave three presentations to key constituencies, including the USG Laboratory TWG (LTWG) and the Pittcon conference. As of Q2, SCMS has exceeded its performance target, completing 17 presentations.

Goal	Objective	Measure	Target	FY13 to Date
Leadership & Partnership	3.1 Collaboration	3.1.1 Coordinated Procurement Mechanism (in-country)	TBD	Annual Indicator
		3.1.2 Number of CPP Country-at-Risk Schedule Submissions Per Year	4	16
	3.2 Knowledge Exchange	3.2.1 Publishing	4	0
		3.2.2 Presentations	15	17

Key Results

- Collaboration:* SCMS held a Joint Strategic Leadership Summit with the USAID | DELIVER PROJECT. With the overarching theme of patient-centric supply chains, the meeting — which was also well attended by USAID managers, staff from both the COR teams and others from USG — explored synergies between the two projects. A concluding presentation from the project directors of the two projects identified eight key strategic initiatives to be taken forward jointly. These strategies will be used to guide the workplans of both projects, with the goals of accelerating the progress to treatment and coverage targets, cost savings through economies of scale and joint learning across our two projects.
- Collaboration:* Our market dynamics committee (MDC) meeting presented to the USAID COR team an evaluation and impact of the Government of South Africa ARV tender and the current status of GeneXpert cartridge supply.
- Collaboration:* SCMS hosted the USG Laboratory TWG (LTWG) meeting in February. Entitled “Diagnostic Technologies: challenges and opportunities for collaboration,” the meeting included WHO, UNTAID, MSF, GF, UNICEF, CHAI, LTWG partners (CDC, USAID, OGAC) and PFSCM. Meeting objectives included assessing the current and future marketplace for laboratory point-of-care instruments; introducing the complete ForLAB tool developed by CHAI for quantification and forecasting, with technical input provided by SCMS; and introducing the VMMC waste management training toolkit to be developed with MSH.
- Collaboration:* SCMS participated in the GFATM MQAS working group, which includes participants from UNICEF, MSF, QUAMED, MSH, WHO, ICRC and PFSCM. In February, the group held its third meeting to discuss the pilot of the harmonized inspection tool. Discussion revealed that the inspection tool worked well for self-inspection but was cumbersome for inspection of external procurement agencies. The working group decided to use the harmonized tool for self-inspection and develop a new “aide memoire” — a tool to remind inspectors about the key things they need to investigate when performing an inspection of a pharmaceutical wholesaler — and standard reporting format to standardize external inspections across agencies.
- Collaboration and Knowledge Exchange:* SCMS is working with the UN Inter-agency Technical Team on Elimination of MTCT. The child survival working group has reached agreement with PLoS Med for a special supplement on pediatric ART. SCMS is contributing to chapters on:

 - Cost-efficiency/budgeting;
 - Treatment 2.0 as it relates to pediatric care; and
 - Initiation and retention.
- Knowledge Exchange:* Launched the Coordinated Procurement Planning (CPP) Initiative’s web-based information platform, funded by UNTAID. Following user testing by CPP technical

team members, we demonstrated the new website at CPP's Steering Committee meeting in March, together with the redesigned data capture form set. Launch of the website means CPP members have constant access, via a password-protected site, to the Countries at Risk schedule and CPP-collected data. Also this month, UNDP joined the CPP technical team and made a strong contribution in its first meeting, sharing data on programs where it is the Global Fund Principal Recipient.

- *Knowledge Exchange:* The Institute of Medicine issued a major study report on fake and substandard medicines. As a member of the study panel, our Senior Quality Assurance Advisor, Tom Layloff, worked for over a year contributing to this potentially very significant report.

Key Challenges

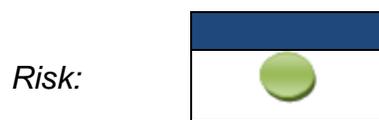
No key challenges were reported during the first quarter of FY13.



The FY13 workplan has been completed and submitted to USAID. Full updates on progress against the workplan will be included in the Q3 report.



A quarterly financial report has been completed and submitted under separate cover. Overall this budget area is on target, but one area, global partnerships is significantly outside the tolerance bands. Corrective action is in hand.



As the initiative to public journal articles is new, and the writing and publishing process is long, we have some concern that we may not meet our target of four as we do not have direct experience of the time required for review and acceptance of papers by the publishers.

FY13 Q2 (January-March 2013) Key Issues and Corrective Actions	
Key Issues Related to Performance Measures	Corrective Actions
Presentation to ASLM meeting in December 2012 found to contain inaccurate information.	Incident submitted to identify corrective action.

IV. Goal 4: Operational Excellence

Operate an organization that provides best value supply chain and system strengthening services.

Key Areas of Performance				
Performance	Workplan	Budget	Overall	Risk
	√			

Update on FY13 Q1 (October-December 2012) Key Issues and Corrective Actions		
Key Issues	Corrective Actions	Progress
Identify challenges in meeting TA concurrence processes deadline to determine best practice timeline.	Trending of emergency travel justification (ETJ) causes for STTA delays to review challenges and identify corrective actions.	Trending was not possible due to a lack of standard tracking mechanism in the ETJ. A coding system has been integrated into the ETJ and trending will occur in Q3.

Performance:



During the second quarter of FY13, the project performed well against its goal of operational excellence. Some measures aligned to this goal are annual or semi-annual and will be reported accordingly.

Performance by Objective

Cost Effective:

The project continues to meet its targets for cost effectiveness in both operations and implementation of the global supply chain:

- Expiry of products at the RDC remained at 0 percent for the second quarter in a row. In addition, both the ACF and surcharge rates are operating within their target range.
- Percentage of international freight shipped by ocean dropped from 74 percent in Q1 to 65 percent in Q2, although this is still well above the target of 50 percent. One reason for this drop could be attributed to several large ocean shipments not marked as delivered because of storage capacity issues in Zambia and Ethiopia.

Best Value:

The client satisfaction survey for FY13 Q1-Q2 was conducted in the second quarter. Overall client satisfaction declined slightly from 91 percent (products ordered/received) and 100 percent (TA) but remains above target at 87 percent for products ordered/received and 90 percent for TA.

Continuous Improvement:

Processing TA trips for concurrence within the three-week requirement improved significantly, moving from 8 percent (Q1) to 30.3 percent (Q2). However, we continue to consider this unacceptably low and are working to raise performance.

SCMS continues to consistently exceed its target of 98 percent for the uptime of its core IT systems, Orion and Knowledge Tree.

Goal	Objective	Measure	Target	FY13 Q2	FY13 Q1
Operational Excellence	Cost Effective	4.1.1 Cost Effective			
		1. Expiry RDC Stock	≤3%	0%	0%
		2. BRC Reporting Rate	4	Annual Indicator	
		3. Surcharge	≤5%	LOP: 4.1%	
		4. ACF	≤12%	LOP: 10.06%	
		4.1.2 ARV Price Comparison: SCMS vs GPRM	70%	Annual Indicator	
	4.1.3 Ocean Freight: Percent of All Freight	≥50%	65%	74%	
	Best Value	4.2.1 Client Satisfaction	85%	Q1-Q2: 87%	FY12: 91%
			TBD	Q1-Q2: 90%	Y7: 100%
	Continuous Improvement	4.3.1 Operational Performance Management	1. Operational Performance Improvement	TBD	Annual Indicator
2. Percent of TA Trips Processed On Time			TBD	30.3%	8%
4.3.2 Core Systems Uptime		≥95%	KT: 98.9% ORION: 99.9%	KT: 99.45% ORION: 98.86%	

Key Results

SCMS achieved several key results toward its goal of operational excellence, including:

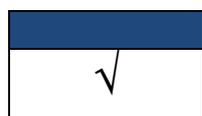
- Cost Effective:** Negotiated an improved warranty agreement with Alere for PIMA machines. Our previous warranty agreement covered one year of maintenance for \$1,200 per unit, which was considered too high compared to the \$6,500 cost of the machine. Additionally, data on repair costs showed them to be significantly below the maintenance rate, making it less expensive to not carry a maintenance contract. Under the new model, the warranty is extended to two years for the same \$1,200 cost, years three and four will cost \$1,200 each for maintenance, and after year four, the country will get a new unit with a new two-year warranty at no cost. This provides six years of coverage for a total cost of \$8,900 (\$6,500 for machine plus \$2,400 for maintenance), compared to \$12,500 under the old model (\$6,500 for machine plus five years of maintenance at \$1,200 per year). Total cost savings is \$3,600 per machine over six years, or \$600 per year.

- *Cost Effective:* In South Africa, the Gauteng medical supplies depot (MSD) re-engineering project continues. In Q2, SCMS implemented processes that aim to achieve further reductions in the off-contract buyout process. Reductions to date have yielded savings in excess of \$4 million.

Key Challenges

- *Continuous Improvement:* SCMS continues to have an issue meeting the three-week requirement for submission of TA trip requests to the COR team. After implementation of the emergency travel justification (ETJ) and training program in Q1, performance improved to 43.4 percent, a marked improvement over the Q1 performance of 8 percent. Despite these improvements, Q2 performance remains well below what we would deem reasonable.
- *Best Value:* During the second quarter, SCMS conducted a client satisfaction survey. The overall satisfaction of our clients remains high, with rates of 87 percent and 90 percent for products ordered/received and technical assistance, respectively. Overall response rate was up compared to the previous survey, but several countries with larger programs did not have a single respondent to the survey. SCMS plans to evaluate the cause of the low response rate in these countries to initiative corrective actions for the next iteration of the survey.

Workplan:



The FY13 workplan has been completed and submitted to USAID. Full updates on progress against the workplan will be included in the Q3 report.

Budget:



A quarterly financial report has been completed and submitted as an appendix to this report

Risk:



SCMS continues to experience lower-than-normal order volume, which may require PFSCM to work actively to ensure ACF and surcharge rates remain within the contract requirement. The finance unit is working with unit managers to monitor budgets closely from now until the end of the project.

FY13 Q2 (January-March 2013) Key Issues and Corrective Actions	
Key Issues Related to Performance Measures	Corrective Actions
Two countries, Rwanda and Tanzania, provided low scores in response to the client satisfaction survey.	Review STIA with country support team to identify issues and corrective actions.

Appendix 1: Key Quarterly Statistics

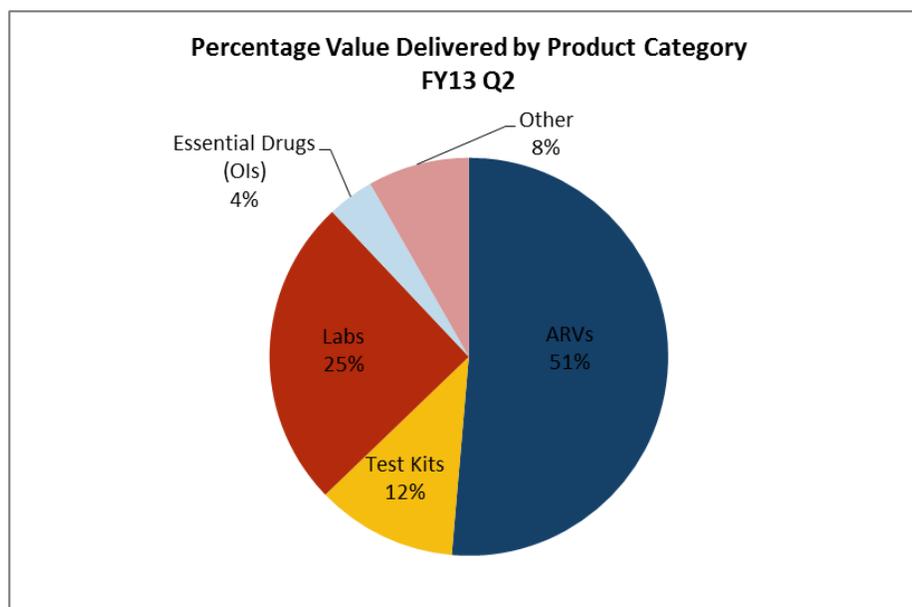
I. Value Delivered

Over the quarter, SCMS delivered \$66 million in commodities to our clients, including \$33.9 million in ARVs and \$16.6 million in lab products. The value of deliveries declined in FY13 Q2, falling short of the \$84 million delivered in Y8Q1.

Value Delivered			
	January-March 2013	FY13 to date	Life of Project
ARVs	\$ 33,902,064	\$ 89,732,862	\$ 858,341,577
Test Kits	\$ 7,546,814	\$ 18,064,545	\$ 144,900,542
Labs	\$ 16,616,440	\$ 34,458,737	\$ 295,880,761
Essential Drugs (OIs)	\$ 2,497,948	\$ 5,662,614	\$ 63,156,630
Anti-malarial	\$ -	\$ 372,031	\$ 1,079,958
Food by Prescription	\$ 1,183,864	\$ 3,450,799	\$ 15,701,081
Male Circumcision	\$ 2,342,725	\$ 2,609,605	\$ 16,006,927
Other	\$ 1,910,314	\$ 2,766,835	\$ 32,498,636
Grand Total	\$ 66,000,169	\$ 157,118,028	\$ 1,427,566,112

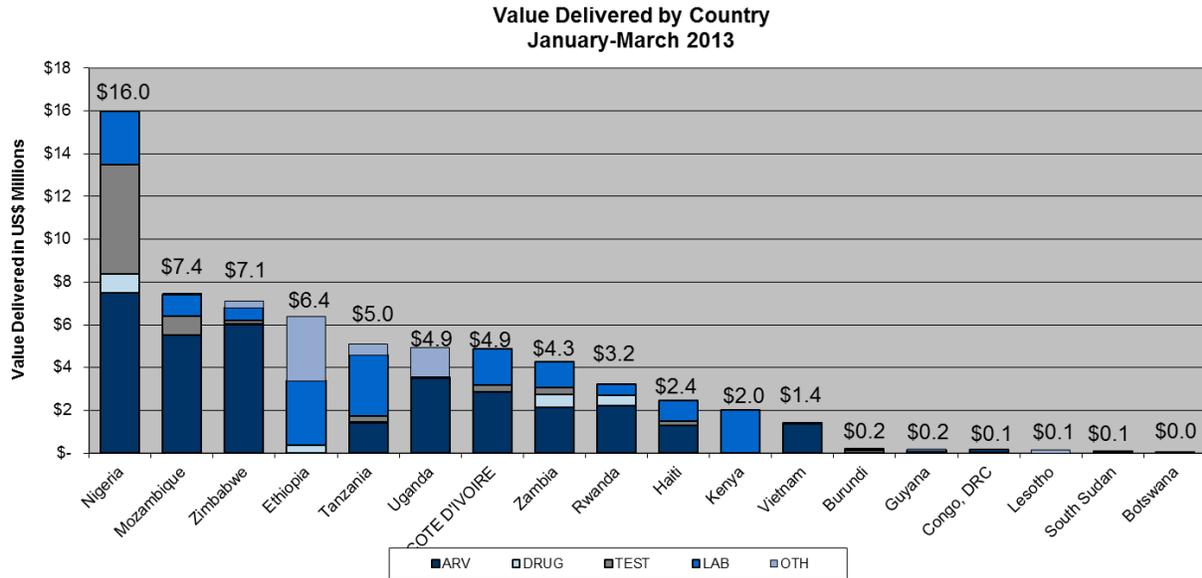
**This graph illustrates the value delivered by product category for the current quarter, year to date and the life of the project.*

For the quarter, ARVs make up 51 percent of the value delivered, followed by labs and test kits, which accounted for 25 percent and 12 percent of the value delivered, respectively.



**This graph illustrates the percentage of value delivered by product category for the current quarter.*

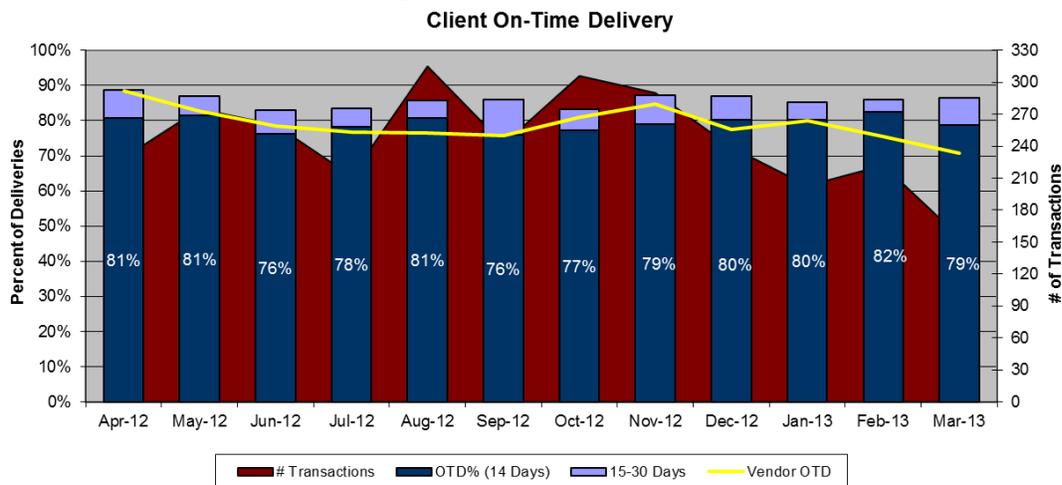
Nigeria accounts for a large portion of the value delivered for the quarter, reflecting \$16 million of the \$66 million for FY13 Q2.



*This graph illustrates the value delivered by country for the current quarter. Each color illustrates a product category, which is detailed in the legend. Countries receiving less than \$100,000 worth of deliveries during the quarter are not included in the graph.

II. On-time Delivery (OTD)

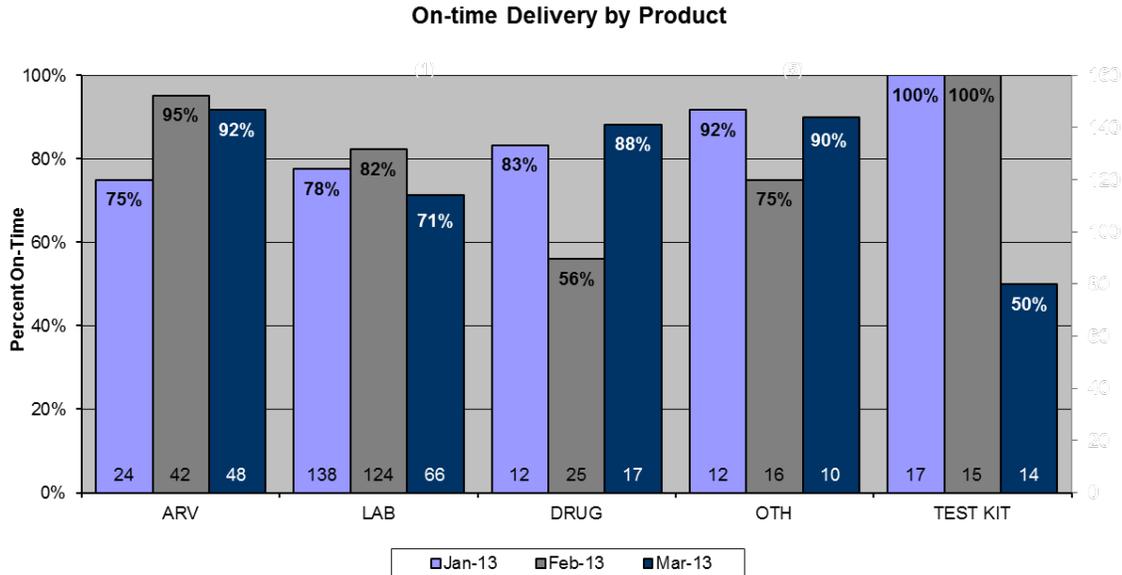
On-time delivery improved slightly to 81 percent for Y8Q2, from 80 percent in Y8Q1. SCMS has held OTD within 3 percent of the proposed target for the last six quarters, ensuring clients receive their deliveries within 14 days of the promised date. Vendor on-time delivery has declined steadily over the quarter, which is a concern as this is a leading indicator for client OTD. SCMS is working with key vendors to correct this performance.



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

*This graph illustrates client on-time delivery for all product categories by month over for the past 12 months. Per the legend, the dark blue illustrates the percentage of deliveries that meet the OTD target. The light blue highlights the additional percentage of those that are delivered within 15-30 days of target. The red background illustrates the number of deliveries per month labeled on the right axis. The yellow trend line illustrates the vendor on-time delivery rate for each month.

On-time delivery broken out by product category illustrates that ARV, laboratory and other commodity product categories are performing on target; essential drug OTD is erratic; and test kits dropped markedly over the quarter.



*This graph illustrates the on-time delivery by product category for each month of the current quarter. The number on the bottom of each bar represents the number of shipments.

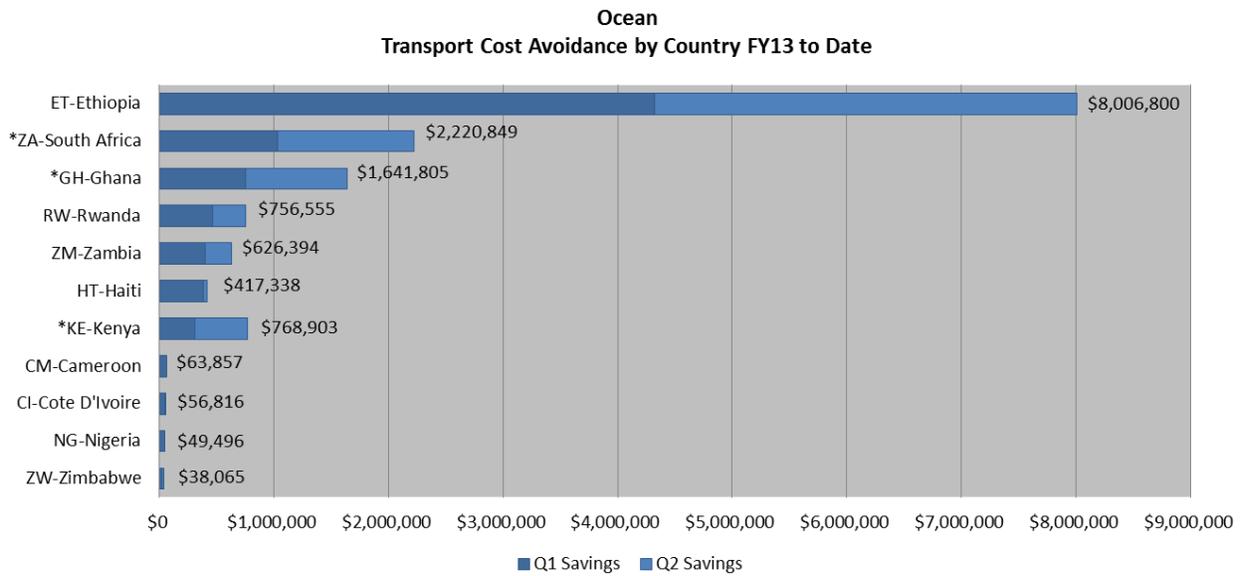
III. Freight

Ocean freight continues to make up the majority of SCMS shipment tonnage. For FY13 Q2, ocean freight accounted for 65 percent of shipments.

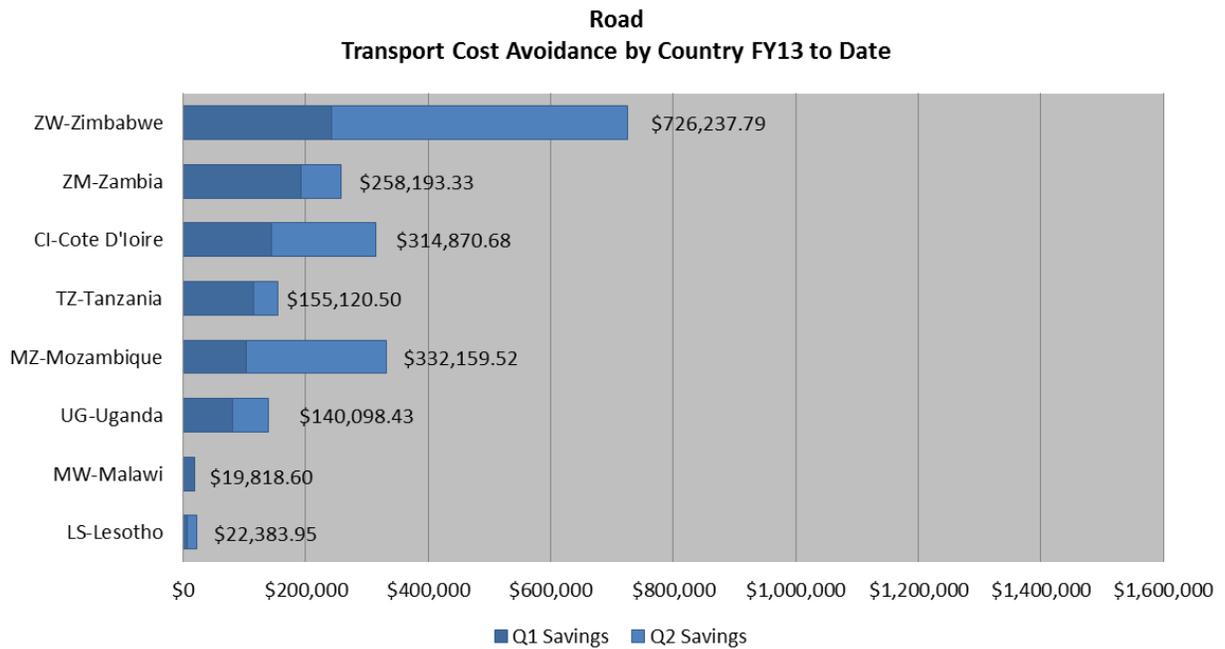


*This graph illustrates the volume (tonnage) of shipments that are shipped by each transportation method (ocean, road and air) by quarter. Each color represents a different mode of transportation.

Over the life of the project, SCMS recorded \$107.8 million in savings by using ocean freight versus air freight, and \$11.4 million in savings by using road transport. So far in FY13, estimated freight savings are \$16.6 million.



**This graph displays the cost savings achieved by using ocean shipments in lieu of air freight by country for FY13 to date.*



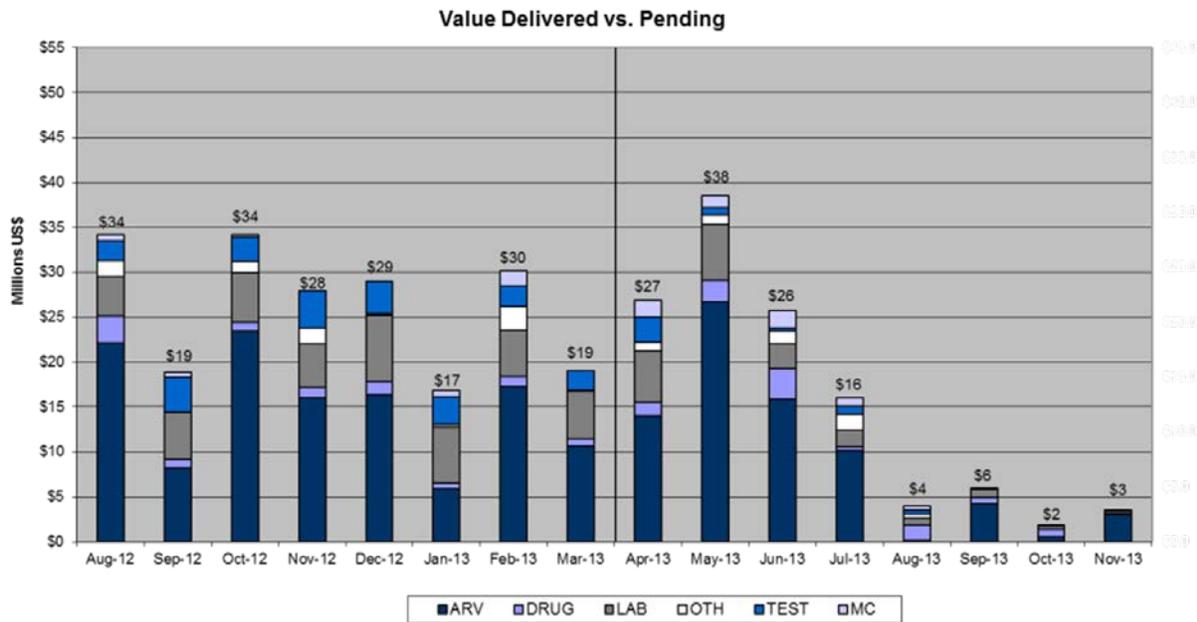
**This graph displays the cost savings achieved by using road shipments in lieu of air freight by country for FY13 to date.*

IV. Forward Orders

Several new orders were placed during the quarter, illustrating a sustained volume of procurements.

New Orders Placed from January-March 2012	
Grand Total	\$117.2M(USD)
Direct Drop Total	\$67.4M (USD)
RDC Stock Total	\$49.8M (USD)
Order Categories	
ARV	\$52.2M (USD)
DRUG	\$7.1M (USD)
TEST KITS	\$20.2M (USD)
LAB	\$18.8M (USD)
OTHER	\$10.3M (USD)

**This table breaks down the value of new orders placed during the quarter by direct drop and RDC, as well as all product categories.*



**This graph looks at delivered and pending orders (separated by the line). Pending orders are separated by product category to indicate upcoming orders for delivery.*

Appendix 2: Performance by Measure

Measure 1.1.1: Product Loss: Shipping & Storage

Measure Definition	Measure Owner	Target	FY13 Q2	LoP	Trend																				
The sum value of losses (damage, theft, diversion) from shipments controlled by SCMS as a percentage of total value delivered	Chris Larson	≤3%	.01%	0.17%	↓																				
<p>Context</p> <ul style="list-style-type: none"> ➤ The losses in the current quarter were caused by wet damage that occurred during the unloading of air craft at the air port during rain storms. When planes arrive during a rain storm, product can be exposed to the rain during unloading until the goods can be placed in covered storage. ➤ These occurrences took place in Kenya, where we have been working with the ground handlers at the airport n Nairobi to expedite the movement of goods into storage after unloading. We are also working with vendors to wrap air shipped boxes or pallets to better protect them from rain. ➤ Loss was contained due to the ability to repackage MC kits that only sustained damage to the packaging but not the kits themselves 		<p>Performance</p> <table border="1"> <thead> <tr> <th></th> <th>Product Loss</th> <th>Value Delivered</th> <th>Product Loss</th> </tr> </thead> <tbody> <tr> <td>FY12 Q3</td> <td>\$ 27.46</td> <td>\$ 88,135,135.61</td> <td>0.00%</td> </tr> <tr> <td>FY12 Q4</td> <td>\$ 203,901.31</td> <td>\$ 88,511,130.77</td> <td>0.23%</td> </tr> <tr> <td>FY13 Q1</td> <td>\$ -</td> <td>\$ 84,064,570.89</td> <td>0.00%</td> </tr> <tr> <td>FY13 Q2</td> <td>\$ 7,330.89</td> <td>\$ 66,000,169.55</td> <td>0.01%</td> </tr> </tbody> </table>					Product Loss	Value Delivered	Product Loss	FY12 Q3	\$ 27.46	\$ 88,135,135.61	0.00%	FY12 Q4	\$ 203,901.31	\$ 88,511,130.77	0.23%	FY13 Q1	\$ -	\$ 84,064,570.89	0.00%	FY13 Q2	\$ 7,330.89	\$ 66,000,169.55	0.01%
	Product Loss	Value Delivered	Product Loss																						
FY12 Q3	\$ 27.46	\$ 88,135,135.61	0.00%																						
FY12 Q4	\$ 203,901.31	\$ 88,511,130.77	0.23%																						
FY13 Q1	\$ -	\$ 84,064,570.89	0.00%																						
FY13 Q2	\$ 7,330.89	\$ 66,000,169.55	0.01%																						
<p>Risk & Mitigation</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td>Large shipments may not fit in planned AP storage</td> <td>Low</td> <td>High</td> <td>Mitigate</td> <td>Continue to work with airport ground handlers</td> <td>F&L</td> </tr> </tbody> </table>		Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Large shipments may not fit in planned AP storage	Low	High	Mitigate	Continue to work with airport ground handlers	F&L	<p>Issues & Corrective Actions</p> <table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Issues	Corrective Actions	Owner	Deadline				
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																				
Large shipments may not fit in planned AP storage	Low	High	Mitigate	Continue to work with airport ground handlers	F&L																				
Issues	Corrective Actions	Owner	Deadline																						

Measure 1.2.1: SCMS Related Stockout Rate

Measure Definition	Measure Owner	Target	FY13 Q2	FY13 Q1	Trend																				
The total number of SCMS related stock-outs of ARVs or Test Kits on the core product list reported by SCMS clients.	Chris Larson	<12 per year	0	0	=																				
<p style="text-align: center;">Context</p> <ul style="list-style-type: none"> ➤ We did not have any reported stock outs from our client countries during the period, consistent with our goal. We seek to avoid stock outs by working with countries to generate supply plans and forecasts for commodities thereby planning the procurements better. ➤ We also work closely with countries to monitor the ongoing supply situations in countries relative to the larger supply plans and requirements beyond what SCMS is buying for a country. This gives us a better chance of identify pending critical supply shortages earlier in the process and thereby having time to avert stock outs in many cases. 			<p style="text-align: center;">Performance</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Quarter</th> <th>Number of Stockouts</th> </tr> </thead> <tbody> <tr> <td>Q1</td> <td>0</td> </tr> <tr> <td>Q2</td> <td>0</td> </tr> <tr> <td>Q3</td> <td>N/A</td> </tr> <tr> <td>Q4</td> <td>N/A</td> </tr> </tbody> </table>			Quarter	Number of Stockouts	Q1	0	Q2	0	Q3	N/A	Q4	N/A										
Quarter	Number of Stockouts																								
Q1	0																								
Q2	0																								
Q3	N/A																								
Q4	N/A																								
<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th>Reason</th> <th>Country</th> <th>Client</th> <th>Product</th> </tr> </thead> <tbody> <tr> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>			Reason	Country	Client	Product	N/A	N/A	N/A	N/A	<p>NB: SCMS related stock-outs are defined as a stock-out due to a breakdown in the SCMS delivery process, resulting in a deviation from the planned delivery schedule.</p>														
Reason	Country	Client	Product																						
N/A	N/A	N/A	N/A																						
<p style="text-align: center;">Risk & Mitigation</p> <table border="1" style="width: 100%;"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td>Countries not adhering to supply plans</td> <td>High</td> <td>High</td> <td>Fulfill emergency orders when possible</td> <td>Continue proactive approach with co.'s, regular updating of SPs</td> <td>DPIM team – C. Larson</td> </tr> </tbody> </table>			Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Countries not adhering to supply plans	High	High	Fulfill emergency orders when possible	Continue proactive approach with co.'s, regular updating of SPs	DPIM team – C. Larson	<p style="text-align: center;">Issues & Corrective Actions</p> <table border="1" style="width: 100%;"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>			Issues	Corrective Actions	Owner	Deadline				
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																				
Countries not adhering to supply plans	High	High	Fulfill emergency orders when possible	Continue proactive approach with co.'s, regular updating of SPs	DPIM team – C. Larson																				
Issues	Corrective Actions	Owner	Deadline																						

Measure 1.2.2a: On-Time Delivery: Core Products

Measure Definition	Measure Owner	Target	FY13 Q2	FY13 Q1	Trend
Percentage of orders delivered no more than 14 days after the PQ projected delivery date.	Gordon Comstock	Core: 80% ARV, LAB, DRUG, HIV Test Kit, VMMC Kits	80%	79%	↑
		Non-Core: 70% ORDT, MRDT, ANTM, ACT, FP, OTH	84%	76%	↑

Context	Performance
<p>ARVs:</p> <ul style="list-style-type: none"> The OTD for ARVs improved throughout the quarter at 75%, (Jan) 95% (Feb) and 92% (Mar), with the quarterly average recovering from below target performance in Q1 The market for TDF triple combinations remains tight with demand exceeding current production capacity due to recent changes in treatment regimens in a number of larger countries. <p>HIV Test Kits:</p> <ul style="list-style-type: none"> Q2 performance for HIV RTKs remains high at 83% <p>Lab:</p> <ul style="list-style-type: none"> Overall on-time performance for Q2 is 79% for labs. FOMP OTD continues to support this level at 80% OTD, while PMO OTD is at 65% NG, KE, RW are the largest contributors to the low OTD performance <p>VMMC:</p> <ul style="list-style-type: none"> Orders for VMMC kits have been delivered on-time for the past quarters due to sufficient stock levels at the RDCs and appropriate management of expectations with clients. <p>Essential Drugs:</p> <ul style="list-style-type: none"> OTD for essential drugs continues to be impacted by VOTD, with performance dipping to 54% in February. Performance remained above target in January and March 2013 at 83% and 87% respectively 	<p>Performance</p> <p>Client On-Time Delivery: Core</p> <p>Note: (i) Core includes ARV, HIV Test, VMMC, Drug, Lab. Non-Core includes FP, Test, ACT, and ANTM.</p>

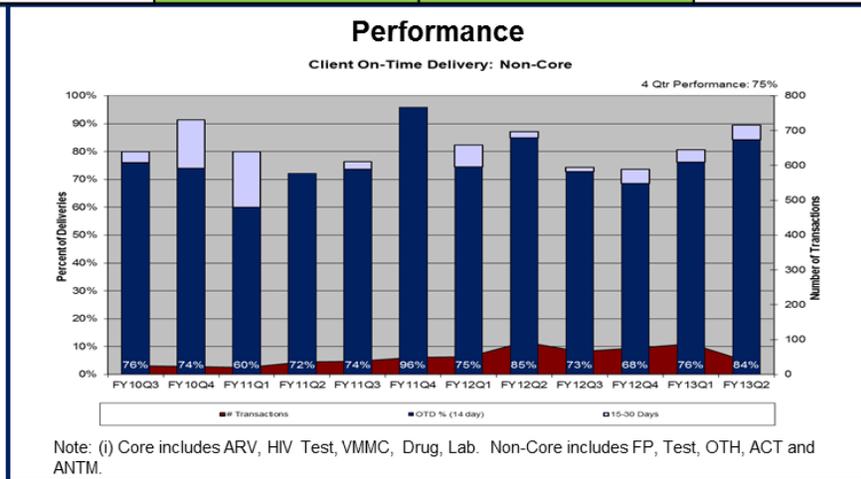
Risk & Mitigation						Issues & Corrective Actions			
Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Issues	Corrective Actions	Owner	Deadline
Manufacturing capacity insufficient to meet TDF Demand	High	High	Mitigate	Expand planning horizon to place orders further in advance	Procurement	Vendor On-Time Delivery	<ul style="list-style-type: none"> Quarterly VOTD reporting and vendor management Shifting ocean to air in case of delay Expanding carrot and stick approach by including VOTD in evaluation criteria 	Ard van Dongen	On-going
Internal Process Time	High	Medium	Mitigate	Ensure sufficient capacity	Ard van Dongen	Delays in triple TDF supply	Close cooperation with clients and vendors to determine priorities and ensure uninterrupted supply to all	Ard van Dongen	On-going
VOTD	High	High	Mitigate	Multiple Vendor Strategy	Ard van Dongen	Alere has been consistently late over the past quarter	Procurement specialists will work with vendor to find the root cause of the delays and correct it for future orders	Laura Thomas/John Bennet	October 2013
Staff turnover and limited staff cause performance issues in countries (UG, KE, HT)	High	High	Mitigate	Hire and train new procurement	Phoebe Kenney	Cepheid continues to delay cartridge shipments	Work with supplier to generate realistic schedule and inform the country teams of status	Peter Smith	June 2013
Obtaining import waiver may lead to delivery delays in some countries	Medium	High	Mitigate	Work with FOs on country specific solutions	Henk den Besten	Limited number of eligible sources for products	<ul style="list-style-type: none"> Targeted search for additional vendors, develop relations with pan-African wholesalers, regional manufacturers Increase capacity and number of targeted QA dossier reviews and audits 	Henk den Besten	On-going

Measure 1.2.2b: On-Time Delivery: Non-Core Products

Measure Definition	Measure Owner	Target	FY13Q2	FY13Q1	Trend
Percentage of orders delivered no more than 14 days after the PQ projected delivery date.	Peter Smith	Core: 80% ARV, LAB, DRUG, HIV Test Kit, VMMC Kits	80%	79%	↑
		Non-Core: 70% ORDT, MRDT, ANTM, ACT, FP, OTH	84%	76%	↑

Context

➤ Overall performance for non-core products continues to exceed targets with an improved performance of 84% in Q2.



Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline

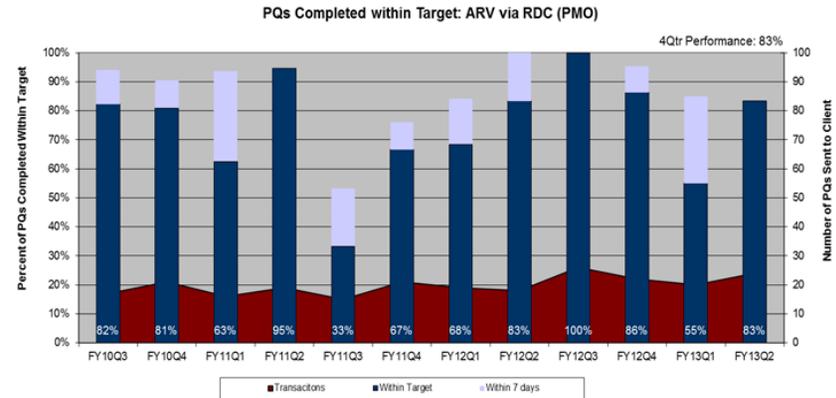
Measure 1.2.3a: On-Time PQ Turnaround: ARVs

Measure Definition	Measure Owner	Target	FY13 Q2	FY13 Q1	Trend
Average number of days between client initially contacting SCMS for a price request (PR) and SCMS sending a price quote (PQ) to the client, broken out by 5 milestones/"steps" in the process.	Chris Larson	ARV: 70%	83%	55%	↑
		HIV Test Kits: 85%	95%	84%	↑
		VMMC: TBD	70%	100%	↓

Context

- ARV PQ turnaround time performance increased in Q2, increasing from 55% to 83% due to a reduction of back and forth with clients to arrive at final and agreed to products, delivery plans and quantities.
- PQ's during this quarter required less additional review as they tended to follow the expected supply plans more than the prior period.

Performance



Note: The target PQ turnaround time for each product group is as follows: ARVs fulfilled via RDC is 14 days, HIV test kits is 21 days, and VMMC is 42 days.

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline

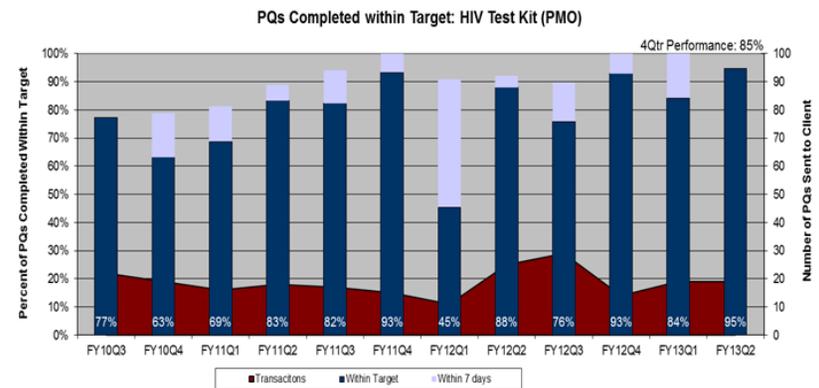
Measure 1.2.3b: On-Time PQ Turnaround: HIV Test Kits

Measure Definition	Measure Owner	Target	FY13Q2	FY13Q1	Trend
Average number of days between client initially contacting SCMS for a price request (PR) and SCMS sending a price quote (PQ) to the client, broken out by 5 milestones/"steps" in the process.	Laura Thomas	ARV: 70%	83%	55%	↑
		HIV Test Kits: 85%	95%	84%	↑
		VMMC: TBD	70%	100%	↓

Context

- In FY13Q2 PQ Turnaround time for HIV Rapid Test Kits rose to 95%.
- Total volume remained fairly steady from the previous quarter. Of the 8 PQ's that were late, 7 were within 7 days of the target.
- Non-Field Office (NFO) orders continue to have a significant share of the late orders with 5 of the 8 late PQ's being NFO orders.
- A significant delay was also found in a Haiti order where the PQ was not given to the client until 27 days after the target.

Performance



Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Unexpected delays with processing HRDT orders for non-field office countries.	Procurement Specialist to work with Non-Field office team to identify reasons why orders are consistently late and put measures in place to correct this.	Laura Thomas / Irma Karsten	October 2013
Field Office not getting PQ's to clients within the 14 day target.	Procurement Specialist to work with FOMP Manager to identify reasons for the delay in F.O. Staff submitting PQ's to clients within the target and plan to adjust the current process to eliminate this delay in future orders.	Laura Thomas / Phoebe Kenney	October 2013

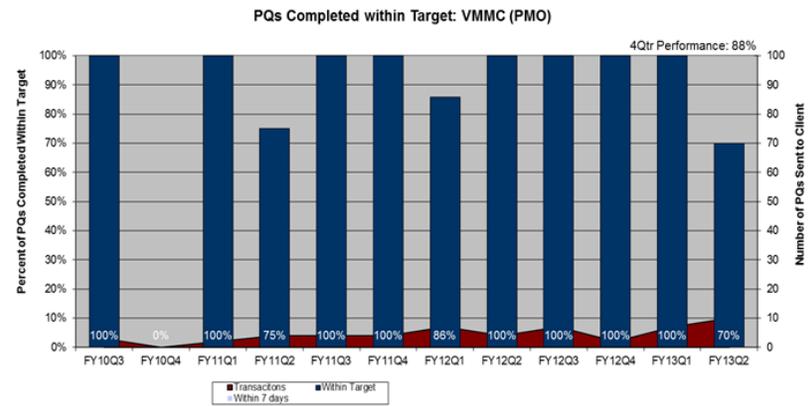
Measure 1.2.3b: On-Time PQ Turnaround: VMMC Kits

Measure Definition	Measure Owner	Target	FY13 Q2	FY13 Q1	Trend
Average number of days between client initially contacting SCMS for a price request (PR) and SCMS sending a price quote (PQ) to the client, broken out by 5 milestones/"steps" in the process.	Juan Jaramillo	ARV: 70%	83%	55%	↑
		HIV Test Kits: 85%	95%	84%	↑
		VMMC: TBD	70%	100%	↓

Context

- There were a total of 3 out of 10 PQs that were answered back after the designated 42 days.
- Two of those were for reusable MC kits and consumables packs that were not stored in the RDC and the manufacturer took a long time to respond.
- The last one was late given that it was a new client in Rwanda with funding with DoD and additional steps were necessary to set the right information in the system including the funding via direct wire transfer.

Performance



Note: The target PQ turnaround time for each product group is as follows: ARVs fulfilled via RDC is 14 days, HIV test kits is 21 days, and VMMC is 42 days.

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Long PQ time for reusable kits	Medium	Medium	Mitigate	Reusable kits will be stored in the RDC Kenya soon	Juan Jaramillo
Insufficient suppliers to meet demand for reusable MC kits	High	High	Mitigate	Revise requested date with countries and provide realistic delivery times. Continue the approval of new vendors	Juan aramillo

Issues & Corrective Actions

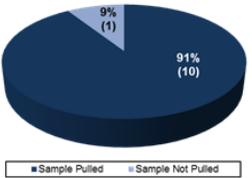
Issues	Corrective Actions	Owner	Deadline
Long time to add clients to system that have funding outside SCMS (DoD – CDC)	Communicate to field offices the standard procedures to request the creation of new client codes and expedite the process of data input at PMO	Juan Jaramillo	July 2013

Measure 1.2.4: Forecast Accuracy (in-country)

Measure Definition	Measure Owner	Target	FY13	FY12	Performance Trends
The percentage difference between forecasts made for a year and the actual consumption that year	Alan Pringle	ARVs	TBD	NA	
		Test Kits	TBD	NA	

<p style="text-align: center;">Context</p> <p><i>This measure is an annual measure that will be reported on at the end of the SCMS fiscal year.</i></p>	<p style="text-align: center;">Performance</p> <table border="1" style="display: none;"> <caption>Forecast Accuracy Data (Estimated)</caption> <thead> <tr> <th>Country</th> <th>ARV (%)</th> <th>RTK (%)</th> </tr> </thead> <tbody> <tr><td>BW</td><td>20</td><td>65</td></tr> <tr><td>CI</td><td>70</td><td>35</td></tr> <tr><td>ET</td><td>40</td><td>95</td></tr> <tr><td>GT</td><td>55</td><td>35</td></tr> <tr><td>GY</td><td>60</td><td>60</td></tr> <tr><td>HT</td><td>45</td><td>85</td></tr> <tr><td>HN</td><td>30</td><td>65</td></tr> <tr><td>MZ</td><td>15</td><td>40</td></tr> <tr><td>NA</td><td>15</td><td>80</td></tr> <tr><td>NG</td><td>65</td><td>45</td></tr> <tr><td>PA</td><td>35</td><td>45</td></tr> <tr><td>RW</td><td>50</td><td>75</td></tr> <tr><td>SA</td><td>55</td><td>45</td></tr> <tr><td>TZ</td><td>80</td><td>90</td></tr> <tr><td>VN</td><td>55</td><td>95</td></tr> <tr><td>ZM</td><td>80</td><td>90</td></tr> <tr><td>ZW</td><td>50</td><td>80</td></tr> </tbody> </table>	Country	ARV (%)	RTK (%)	BW	20	65	CI	70	35	ET	40	95	GT	55	35	GY	60	60	HT	45	85	HN	30	65	MZ	15	40	NA	15	80	NG	65	45	PA	35	45	RW	50	75	SA	55	45	TZ	80	90	VN	55	95	ZM	80	90	ZW	50	80
Country	ARV (%)	RTK (%)																																																					
BW	20	65																																																					
CI	70	35																																																					
ET	40	95																																																					
GT	55	35																																																					
GY	60	60																																																					
HT	45	85																																																					
HN	30	65																																																					
MZ	15	40																																																					
NA	15	80																																																					
NG	65	45																																																					
PA	35	45																																																					
RW	50	75																																																					
SA	55	45																																																					
TZ	80	90																																																					
VN	55	95																																																					
ZM	80	90																																																					
ZW	50	80																																																					
<p style="text-align: center;">Risk & Mitigation</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Risk	Probability	Impact	Response Option	Mitigation Action	Owner													<p style="text-align: center;">Issues & Corrective Actions</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Issues	Corrective Actions	Owner	Deadline																																
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																																																		
Issues	Corrective Actions	Owner	Deadline																																																				

Measure 1.3.1: Pharmaceutical Product Sampling: Actual Pulled vs. Flagged

Measure Definition	Measure Owner	Target	FY 13 Performance		Trend																		
			FY13Q2	FY13Q1																			
The number of pharma POs with samples pulled for testing as a percentage of the total number required to pull according to the Pharmaceutical Product Sampling and Testing Policy.	Chryste Best	88%	91%	100%	↓																		
<p>Context</p> <ul style="list-style-type: none"> ➤ ARVs to be collected from Vietnam and S. Africa – no issues anticipated with collection. ➤ Drugs to be collected from Vietnam, Mozambique, Uganda, and Ethiopia - no issues except with one PO for Ethiopia. ➤ Unable to collect sample of Vitamin A (Retinol) due to small order quantity. This is not a product that we procure frequently, but we will flag the next order of this product. 			<p>Performance</p> <p>Product Sampling - Actual Pulled vs. Flagged</p>  <table border="1"> <thead> <tr> <th>Product Type</th> <th>Flagged</th> <th>Collected</th> <th>In Transit</th> <th>Unable to Collect</th> </tr> </thead> <tbody> <tr> <td>ARV</td> <td>3</td> <td>3</td> <td>-</td> <td>-</td> </tr> <tr> <td>DRUG</td> <td>8</td> <td>7</td> <td>-</td> <td>1</td> </tr> </tbody> </table>			Product Type	Flagged	Collected	In Transit	Unable to Collect	ARV	3	3	-	-	DRUG	8	7	-	1			
Product Type	Flagged	Collected	In Transit	Unable to Collect																			
ARV	3	3	-	-																			
DRUG	8	7	-	1																			
<p>Risk & Mitigation</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Impact</th> <th>Probability</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Risk	Impact	Probability	Mitigation Action	Owner						<p>Issues & Corrective Actions</p> <table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td>Failed to test Vitamin A order</td> <td>Flag next order of product</td> <td>Chryste Best</td> <td>Next order (Vitamin A is not a commonly procured product)</td> </tr> </tbody> </table>			Issues	Corrective Actions	Owner	Deadline	Failed to test Vitamin A order	Flag next order of product	Chryste Best	Next order (Vitamin A is not a commonly procured product)
Risk	Impact	Probability	Mitigation Action	Owner																			
Issues	Corrective Actions	Owner	Deadline																				
Failed to test Vitamin A order	Flag next order of product	Chryste Best	Next order (Vitamin A is not a commonly procured product)																				

Measure 1.4.1: Planned, Unplanned and Emergency Orders

Measure Definition	Measure Owner	Target		FY13 Q1-Q2	FY12 Q3-Q4																												
Percentage of SCMS orders that are planned, unplanned & emergency Orders	Chris Larson	N/A	Planned	77.9%	85.7%																												
			Unplanned	11.6%	10.3%																												
			Emergency	10.4%	3.9%																												
<p>Context</p> <ul style="list-style-type: none"> ➤ The level of planned order declined to 77.9% in Q2 largely influenced by a decline in HIV Test Kit planned orders to 58.8%. This decline is accounted for by 3 of 10 orders processed as emergencies to fill the gap for key clients, not due to SCMS caused emergency issues. These included two orders in Rwanda to accommodate for delays in other donors shipments and one in Tanzania to re-supply a warehouse after a fire. ➤ We will continue to work to increase this percentage by focusing on keeping supply plans updated and by reminding countries of the importance of placing advanced orders. 			<p>Performance</p> <table border="1"> <caption>Percentage of Planned, Unplanned & Emergency Orders</caption> <thead> <tr> <th>Category</th> <th>Planned (%)</th> <th>Unplanned (%)</th> <th>Emergency (%)</th> </tr> </thead> <tbody> <tr> <td>ARV</td> <td>71.8%</td> <td>18.2%</td> <td>10.0%</td> </tr> <tr> <td>HRDT</td> <td>58.8%</td> <td>18.2%</td> <td>23.0%</td> </tr> <tr> <td>Lab</td> <td>85.3%</td> <td>10.4%</td> <td>4.3%</td> </tr> <tr> <td>MC</td> <td>72.7%</td> <td>18.2%</td> <td>9.1%</td> </tr> <tr> <td>Drug</td> <td>72.7%</td> <td>18.2%</td> <td>9.1%</td> </tr> <tr> <td>Other</td> <td>58.8%</td> <td>18.2%</td> <td>23.0%</td> </tr> </tbody> </table>			Category	Planned (%)	Unplanned (%)	Emergency (%)	ARV	71.8%	18.2%	10.0%	HRDT	58.8%	18.2%	23.0%	Lab	85.3%	10.4%	4.3%	MC	72.7%	18.2%	9.1%	Drug	72.7%	18.2%	9.1%	Other	58.8%	18.2%	23.0%
Category	Planned (%)	Unplanned (%)	Emergency (%)																														
ARV	71.8%	18.2%	10.0%																														
HRDT	58.8%	18.2%	23.0%																														
Lab	85.3%	10.4%	4.3%																														
MC	72.7%	18.2%	9.1%																														
Drug	72.7%	18.2%	9.1%																														
Other	58.8%	18.2%	23.0%																														
<p>Risk & Mitigation</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td>Emergency / Unplanned Orders</td> <td>Low</td> <td>Medium</td> <td>Mitigate</td> <td>Working with co.'s to get orders placed</td> <td>Chris Larson</td> </tr> </tbody> </table>			Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Emergency / Unplanned Orders	Low	Medium	Mitigate	Working with co.'s to get orders placed	Chris Larson	<p>Issues & Corrective Actions</p> <table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Issues	Corrective Actions	Owner	Deadline												
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																												
Emergency / Unplanned Orders	Low	Medium	Mitigate	Working with co.'s to get orders placed	Chris Larson																												
Issues	Corrective Actions	Owner	Deadline																														

Measure 2.1.1: Country Ownership

Measure Definition	Measure Owner	Target	FY13	FY12	Trend																				
2.1.1a-Number of SCMS-supported countries with approved national supply chain strategic plans 2.1.1b-Level of country counterpart ownership FASP 2.1.1c-% of supply chain functions documented in SOPs	Alan Pringle	TBD	TBD	NA																					
<p align="center">Context</p> <p><i>This measure is an annual measure that will be reported on at the end of the SCMS fiscal year.</i></p>		<p align="center">Performance</p> <p>2.1.1a 0% 100%</p> <p>2.1.1b 0% 100%</p> <p>2.1.1c 0% 100%</p>																							
<p align="center">Risk & Mitigation</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>			Risk	Probability	Impact	Response Option	Mitigation Action	Owner							<p align="center">Issues & Corrective Actions</p> <table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>			Issues	Corrective Actions	Owner	Deadline				
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																				
Issues	Corrective Actions	Owner	Deadline																						

Measure 2.1.2: Competency

Measure Definition	Measure Owner	Target	FY13 Q2	FY13 Q1	Trend
2.1.2 Competency-Percent of non-SCMS staff trained and deemed competent in supply chain functions	Diane Reynolds	TBD	82%	41%	↑

Context	Performance
<p>Context</p> <ul style="list-style-type: none"> ➤ Changes in measurement criteria for Q2 provides detailed understanding of training within SCMS countries, including not only trained and deemed competent but the number of people trained. ➤ In ET and HT trainees struggled to pass the competency tests at the end of trainings. In HT, attendees literacy and education levels failed to meet the expected pre-qualifications for trainings provided. ➤ SA is unable to conduct competency based trainings due to union demands 	<p>Performance</p> <p>Training</p> <p>Number of people</p> <p>Legend: ■ Trained ■ Trained in competency based training — Deemed Competent</p> <p>*SA unable to conduct competency based training</p>

Risk & Mitigation						Issues & Corrective Actions			
Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Issues	Corrective Actions	Owner	Deadline
Lack of standardization of what defines competency (i.e. pass rates, competency definition)	High	Medium	Mitigate	Review of competency levels across countries	Greg Miles	Competency tests not passed by trainees	HRCD advisor to work with CDs to undertake in-depth root cause analysis of issues passing competency test in HT and ET	Diane Reynolds	Q3

Measure 2.1.3: Supply Chain Assessment: CMM Score

Measure Definition	Measure Owner	Target	FY13	FY12	Trend																				
2.1.3 Results of the Supply Chain Assessment CMM tool, illustrating capability maturity of in-country supply chains	Diane Reynolds	TBD	TBD	NA																					
<p align="center">Context</p> <p><i>This measure is an annual measure that will be reported on at the end of the SCMS fiscal year.</i></p>			<p align="center">Performance</p> <p><i>Format for displaying CMM performance will be determined after the tool is implemented</i></p>																						
<p align="center">Risk & Mitigation</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Risk	Probability	Impact	Response Option	Mitigation Action	Owner							<p align="center">Issues & Corrective Actions</p> <table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Issues	Corrective Actions	Owner	Deadline				
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																				
Issues	Corrective Actions	Owner	Deadline																						

Measure 2.2.1: Supply Chain Performance (in-country)

Measure Definition	Measure Owner	Target	FY13 Q2	FY13 Q1	Trend
2.2.1a Facility Reporting Rates	Diane Reynolds	TBD	79%	74%	↑
2.2.1b Expiry			0.10%	0.22%	↓
2.2.1c On-time Delivery			84.3%	64.35%	↑
2.2.1d Stockout Rates			7%	13%	↓
2.2.1e Order Fill Rate			96%	91.2%	↑

Context	Performance																												
<p>Context</p> <ul style="list-style-type: none"> Stock out rates exacerbated by the transition to Tenofovir based regimens in several countries, most markedly in Cote d'Ivoire. Negative impacts are also felt in Tanzania, Haiti and Zimbabwe. Cote d'Ivoire continues to experience challenges related to delays in reporting, report quality and transportation. Botswana system issues prevented reporting on order fill rate and on-time delivery in Q2. ARV reporting rates continue to slowly improve, improving from 32%-65% in the last year. <p>Facility Reporting Rates:</p> <ul style="list-style-type: none"> Namibia: Separate reports for requisition and HMIS data. Currently measuring against the HMIS reporting rates so low scores do not indicate an impact on the supply chain. Mozambique: Facilities reporting but not in a timely AND complete manner <p>Order Fill Rate:</p> <ul style="list-style-type: none"> Ethiopia experienced a significant drop in order fill rate from Q1 (94%) to Q2 (49%). PFSA experienced shortage of key tracer commodities and access to data remains an issue. <p><i>*Not all countries report on each measure due to scope and feasibility issues</i></p>	<p>Performance</p> <p>The chart displays performance data for various countries across five metrics. The Y-axis ranges from 0% to 100%. The X-axis categories are Reporting Rates, Order Fill Rate, On-time delivery, Stock Out Rates, and Expiries. A blue line connects the data points for each country across the metrics. CI (Cote d'Ivoire) shows a significant dip in Order Fill Rate (around 49%) and a peak in Stock Out Rates (around 13%). Other countries like NA (Namibia) and MZ (Mozambique) show lower performance in Reporting Rates. The chart also includes data points for many other countries like PA, ZW, GY, HT, SA, VN, ET, NG, BW, RW, GY, SA, HN, GY, PA, NG, HT, SV, IN, CH, D, VN, SA, RW, CI, NA, HT.</p>																												
Risk & Mitigation	Issues & Corrective Actions																												
<table border="1"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td>CI-Global Fund transport contract delay</td> <td>High</td> <td>High</td> <td>Mitigate</td> <td>Close collaboration between GFATM, PEPFAR and PR</td> <td>Alan Pringle</td> </tr> </tbody> </table>	Risk	Probability	Impact	Response Option	Mitigation Action	Owner	CI-Global Fund transport contract delay	High	High	Mitigate	Close collaboration between GFATM, PEPFAR and PR	Alan Pringle	<table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td>CI-Delays in reporting</td> <td>Fundamental review of supervision process and outsource transportation planned for June</td> <td>Alan Pringle</td> <td>June 2013</td> </tr> <tr> <td>CI-Transportation delays</td> <td>Award of contract to a outsourced transporter expected in June</td> <td>Alan Pringle</td> <td>June 2013</td> </tr> <tr> <td>MZ-Reporting rates</td> <td>Root cause analysis to review greater use of tools in the field and improve reporting rates</td> <td>Alan Pringle</td> <td>June 2013</td> </tr> </tbody> </table>	Issues	Corrective Actions	Owner	Deadline	CI-Delays in reporting	Fundamental review of supervision process and outsource transportation planned for June	Alan Pringle	June 2013	CI-Transportation delays	Award of contract to a outsourced transporter expected in June	Alan Pringle	June 2013	MZ-Reporting rates	Root cause analysis to review greater use of tools in the field and improve reporting rates	Alan Pringle	June 2013
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																								
CI-Global Fund transport contract delay	High	High	Mitigate	Close collaboration between GFATM, PEPFAR and PR	Alan Pringle																								
Issues	Corrective Actions	Owner	Deadline																										
CI-Delays in reporting	Fundamental review of supervision process and outsource transportation planned for June	Alan Pringle	June 2013																										
CI-Transportation delays	Award of contract to a outsourced transporter expected in June	Alan Pringle	June 2013																										
MZ-Reporting rates	Root cause analysis to review greater use of tools in the field and improve reporting rates	Alan Pringle	June 2013																										

Measure 2.2.2: Supply Chain Assessment: KPI Score

Measure Definition	Measure Owner	Target	FY13	FY12	Trend																				
2.1.3 Results of the Supply Chain Assessment KPI tool, illustrating performance of in-country supply chains	Diane Reynolds	TBD	TBD	NA																					
<p align="center">Context</p> <p><i>This measure is an annual measure that will be reported on at the end of the SCMS fiscal year.</i></p>			<p align="center">Performance</p> <p><i>Format for displaying KPI performance will be determined after the tool is implemented</i></p>																						
<p align="center">Risk & Mitigation</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Risk	Probability	Impact	Response Option	Mitigation Action	Owner							<p align="center">Issues & Corrective Actions</p> <table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Issues	Corrective Actions	Owner	Deadline				
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																				
Issues	Corrective Actions	Owner	Deadline																						

Measure 3.1.1: Coordinated Procurement Plans (in-country)

Measure Definition	Measure Owner	Target	FY13	FY12	Trend
Percentage of SCMS-supported countries with coordinated procurement plans	Alan Pringle	TBD	TBD	NA	

Context	Performance																																																
<p>This measure is an annual measure that will be reported on at the end of the SCMS fiscal year.</p>	<table border="1"> <thead> <tr> <th>Country</th> <th>ARVs</th> <th>Test Kit</th> </tr> </thead> <tbody> <tr><td>Botswana</td><td>Yes</td><td>No</td></tr> <tr><td>Cote d'Ivoire</td><td>No</td><td>No</td></tr> <tr><td>Ethiopia</td><td>Yes</td><td>No</td></tr> <tr><td>Guatemala</td><td>No</td><td>Yes</td></tr> <tr><td>Haiti</td><td>Yes</td><td>Yes</td></tr> <tr><td>Honduras</td><td>Yes</td><td>No</td></tr> <tr><td>Mozambique</td><td>Yes</td><td>No</td></tr> <tr><td>Namibia</td><td>No</td><td>No</td></tr> <tr><td>Nigeria</td><td>Yes</td><td>No</td></tr> <tr><td>Rwanda</td><td>No</td><td>Yes</td></tr> <tr><td>South Africa</td><td>Yes</td><td>Yes</td></tr> <tr><td>Tanzania</td><td>Yes</td><td>No</td></tr> <tr><td>Vietnam</td><td>Yes</td><td>No</td></tr> <tr><td>Zambia</td><td>No</td><td>No</td></tr> <tr><td>Zimbabwe</td><td>Yes</td><td>No</td></tr> </tbody> </table>	Country	ARVs	Test Kit	Botswana	Yes	No	Cote d'Ivoire	No	No	Ethiopia	Yes	No	Guatemala	No	Yes	Haiti	Yes	Yes	Honduras	Yes	No	Mozambique	Yes	No	Namibia	No	No	Nigeria	Yes	No	Rwanda	No	Yes	South Africa	Yes	Yes	Tanzania	Yes	No	Vietnam	Yes	No	Zambia	No	No	Zimbabwe	Yes	No
Country	ARVs	Test Kit																																															
Botswana	Yes	No																																															
Cote d'Ivoire	No	No																																															
Ethiopia	Yes	No																																															
Guatemala	No	Yes																																															
Haiti	Yes	Yes																																															
Honduras	Yes	No																																															
Mozambique	Yes	No																																															
Namibia	No	No																																															
Nigeria	Yes	No																																															
Rwanda	No	Yes																																															
South Africa	Yes	Yes																																															
Tanzania	Yes	No																																															
Vietnam	Yes	No																																															
Zambia	No	No																																															
Zimbabwe	Yes	No																																															

Risk & Mitigation						Issues & Corrective Actions			
Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Issues	Corrective Actions	Owner	Deadline

Measure 3.1.2: Number of CPP Country-at-Risk Schedule Submissions

Measure Definition	Measure Owner	Target	FY13	FY12	Trend																										
Number of CPP country-at-risk schedule submissions per year	Dominique Zwinkels	4	TBD	NA																											
<ul style="list-style-type: none"> Bi-monthly CPP Steering Committee/Technical Working Group meetings were held and a revised countries at risk schedule was submitted to CPP members on: <ul style="list-style-type: none"> January 30, 2013 - updates from Cote d'Ivoire, Ethiopia, Mali, Nigeria, and Zambia. March 28, 2013 – updates from Burundi, Cameroon, Central African Republic, Cote d'Ivoire, Ethiopia, Malawi, Mozambique, Nigeria, Swaziland, Uganda, Zambia, and Zimbabwe. 			<p style="text-align: center;">Performance</p> <table border="1"> <thead> <tr> <th>Country</th> <th>Number of Submissions According to Schedule</th> </tr> </thead> <tbody> <tr><td>Burundi</td><td>1</td></tr> <tr><td>Cameroon</td><td>1</td></tr> <tr><td>Central African Republic</td><td>1</td></tr> <tr><td>Cote d'Ivoire</td><td>2</td></tr> <tr><td>Ethiopia</td><td>2</td></tr> <tr><td>Malawi</td><td>1</td></tr> <tr><td>Mali</td><td>1</td></tr> <tr><td>Nigeria</td><td>2</td></tr> <tr><td>Swaziland</td><td>1</td></tr> <tr><td>Uganda</td><td>1</td></tr> <tr><td>Zambia</td><td>2</td></tr> <tr><td>Zimbabwe</td><td>1</td></tr> </tbody> </table>			Country	Number of Submissions According to Schedule	Burundi	1	Cameroon	1	Central African Republic	1	Cote d'Ivoire	2	Ethiopia	2	Malawi	1	Mali	1	Nigeria	2	Swaziland	1	Uganda	1	Zambia	2	Zimbabwe	1
Country	Number of Submissions According to Schedule																														
Burundi	1																														
Cameroon	1																														
Central African Republic	1																														
Cote d'Ivoire	2																														
Ethiopia	2																														
Malawi	1																														
Mali	1																														
Nigeria	2																														
Swaziland	1																														
Uganda	1																														
Zambia	2																														
Zimbabwe	1																														
<p style="text-align: center;">Risk & Mitigation</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td>External (Steering Committee decisions)</td> <td>Low</td> <td>Medium</td> <td>Accept</td> <td>Frequent consultation with SC members</td> <td>Dominique Zwinkels</td> </tr> <tr> <td>External (Countries/CPP members providing data and information)</td> <td>Medium</td> <td>Medium</td> <td>Mitigate</td> <td>Ongoing consultative process of CPP value</td> <td>Dominique Zwinkels</td> </tr> </tbody> </table>			Risk	Probability	Impact	Response Option	Mitigation Action	Owner	External (Steering Committee decisions)	Low	Medium	Accept	Frequent consultation with SC members	Dominique Zwinkels	External (Countries/CPP members providing data and information)	Medium	Medium	Mitigate	Ongoing consultative process of CPP value	Dominique Zwinkels	<p style="text-align: center;">Issues & Corrective Actions</p> <table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Issues	Corrective Actions	Owner	Deadline				
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																										
External (Steering Committee decisions)	Low	Medium	Accept	Frequent consultation with SC members	Dominique Zwinkels																										
External (Countries/CPP members providing data and information)	Medium	Medium	Mitigate	Ongoing consultative process of CPP value	Dominique Zwinkels																										
Issues	Corrective Actions	Owner	Deadline																												

Measure 3.2.1: Publishing

Measure Definition	Measure Owner	Target	FY13	FY12	Trend																				
Number of journal articles published	Jay Heavner	4	0	NA																					
<p style="text-align: center;">Context</p> <ul style="list-style-type: none"> ➤ There are at least 12 papers in various stages of publication, including 2 or 3 that may be published this quarter or next. ➤ Two have now been submitted for review, and one is close to publication. There is a real possibility that we won't meet our target of four considering the time needed to publish once submitted to a journal. Some delays (such as COR review) are outside our control. ➤ To address the lack of clear direction regarding COR team needs, key staff met with Joel Kuritsky to review the list of articles in development and identify COR team leads for each. This list is now distributed biweekly to appropriate staff and COR team members to help us keep on track. 			<p style="text-align: center;">Performance</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Article Title</th> <th style="width: 30%;">Publication Journal</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>			Article Title	Publication Journal																		
Article Title	Publication Journal																								
<p style="text-align: center;">Risk & Mitigation</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td>Risk that articles in progress will not be published by target deadline.</td> <td>Medium</td> <td>High</td> <td>Accept</td> <td>Continue to push authors to submit and speed editing of those submitted</td> <td>Jay</td> </tr> </tbody> </table>			Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Risk that articles in progress will not be published by target deadline.	Medium	High	Accept	Continue to push authors to submit and speed editing of those submitted	Jay	<p style="text-align: center;">Issues & Corrective Actions</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>			Issues	Corrective Actions	Owner	Deadline				
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																				
Risk that articles in progress will not be published by target deadline.	Medium	High	Accept	Continue to push authors to submit and speed editing of those submitted	Jay																				
Issues	Corrective Actions	Owner	Deadline																						

Measure 3.2.1: Presentations

Measure Definition	Measure Owner	Target	FY13 to date	FY12	Trend																																												
Number of presentations to key constituencies	Jay Heavner	15	17	NA																																													
Context			Performance																																														
<p>➤ With two presentations this quarter, we surpassed our annual target. We will continue to monitor progress against this measure</p>			<table border="1"> <thead> <tr> <th>#</th> <th>Q1 Audience or Event</th> <th>#</th> <th>Q2 Audience or Event</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>UK All Party Parliamentary Group</td> <td>1</td> <td>Laboratory Technical Working Group</td> </tr> <tr> <td>1</td> <td>Council of Supply Chain Management Professionals</td> <td>1</td> <td>Pittcon conference</td> </tr> <tr> <td></td> <td></td> <td>1</td> <td>Market Dynamic Committee Meeting</td> </tr> <tr> <td>2</td> <td>USAID staff in DC</td> <td></td> <td></td> </tr> <tr> <td>1</td> <td>CHAI ARV Supplier/Buyer Summit</td> <td></td> <td></td> </tr> <tr> <td>6</td> <td>African Society for Laboratory Medicine (ASLM)</td> <td></td> <td></td> </tr> <tr> <td>1</td> <td>IAPHL – Global Health Summit</td> <td></td> <td></td> </tr> <tr> <td>1</td> <td>UN Inter-Agency Procurement Coordination</td> <td></td> <td></td> </tr> <tr> <td>1</td> <td>WHO/UNAIDS annual consultation with pharma companies and stakeholders</td> <td></td> <td></td> </tr> <tr> <td>1</td> <td>PEPFAR Public-Private Partnership for ped. ART</td> <td></td> <td></td> </tr> </tbody> </table>			#	Q1 Audience or Event	#	Q2 Audience or Event	1	UK All Party Parliamentary Group	1	Laboratory Technical Working Group	1	Council of Supply Chain Management Professionals	1	Pittcon conference			1	Market Dynamic Committee Meeting	2	USAID staff in DC			1	CHAI ARV Supplier/Buyer Summit			6	African Society for Laboratory Medicine (ASLM)			1	IAPHL – Global Health Summit			1	UN Inter-Agency Procurement Coordination			1	WHO/UNAIDS annual consultation with pharma companies and stakeholders			1	PEPFAR Public-Private Partnership for ped. ART		
			#	Q1 Audience or Event	#	Q2 Audience or Event																																											
			1	UK All Party Parliamentary Group	1	Laboratory Technical Working Group																																											
			1	Council of Supply Chain Management Professionals	1	Pittcon conference																																											
					1	Market Dynamic Committee Meeting																																											
			2	USAID staff in DC																																													
			1	CHAI ARV Supplier/Buyer Summit																																													
			6	African Society for Laboratory Medicine (ASLM)																																													
			1	IAPHL – Global Health Summit																																													
			1	UN Inter-Agency Procurement Coordination																																													
1	WHO/UNAIDS annual consultation with pharma companies and stakeholders																																																
1	PEPFAR Public-Private Partnership for ped. ART																																																
Risk & Mitigation			Issues & Corrective Actions																																														
<table border="1"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td>Not all presentations are submitted for review</td> <td>High</td> <td>Medium</td> <td>Mitigate</td> <td>Continue to remind staff of need for review.</td> <td>Jay Heavner</td> </tr> </tbody> </table>			Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Not all presentations are submitted for review	High	Medium	Mitigate	Continue to remind staff of need for review.	Jay Heavner	<table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owner</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td>No good central tracking</td> <td>When presentations are submitted for review, Comm with track and, as appropriate, post final version to web and/or intranet.</td> <td>Jay Heavner and Anne Marie DiNardo</td> <td>March 31 deadline met.</td> </tr> <tr> <td>Presentation found to contain inaccurate information</td> <td>Incident submitting to identify corrective action.</td> <td>David Jamieson</td> <td>Corrective actions due by June 30</td> </tr> </tbody> </table>			Issues	Corrective Actions	Owner	Deadline	No good central tracking	When presentations are submitted for review, Comm with track and, as appropriate, post final version to web and/or intranet.	Jay Heavner and Anne Marie DiNardo	March 31 deadline met.	Presentation found to contain inaccurate information	Incident submitting to identify corrective action.	David Jamieson	Corrective actions due by June 30																				
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																																												
Not all presentations are submitted for review	High	Medium	Mitigate	Continue to remind staff of need for review.	Jay Heavner																																												
Issues	Corrective Actions	Owner	Deadline																																														
No good central tracking	When presentations are submitted for review, Comm with track and, as appropriate, post final version to web and/or intranet.	Jay Heavner and Anne Marie DiNardo	March 31 deadline met.																																														
Presentation found to contain inaccurate information	Incident submitting to identify corrective action.	David Jamieson	Corrective actions due by June 30																																														

Measure 4.1.1a: Cost Effective: RDC Expiry & BRC Reporting

Measure Definition	Measure Owner	Target	FY13 Q2	FY13 Q1	Trend
4.1.1a Expiry RDC Stock 4.1.1b BRC Reporting Rate	Chris Larson	4.1.1a ≤ 3%	0%	0%	=
	Katrina Kruhm	4.1.1b 4	NA	NA	

Context:	Performance															
<p>Expiry:</p> <ul style="list-style-type: none"> ➤ The loss due to expiry was below the target range for the period. SCMS continues to monitor the remaining shelf life of the stocks that we manage on behalf of USAID and to actively manage them in a couple of ways. ➤ The first method is the first expiry first out rotation that we use for managing the fulfillment of orders. This ensure we ship the earliest expiry product to the most immediate orders. At times, we will look to ship from different RDCs than planned for some quantities in order to manage stock rotations. ➤ We expect additional expiry in coming periods, but are expected to stay within the target range. <p>BRC Reporting:</p> <ul style="list-style-type: none"> ➤ BRC Reporting is an annual measure and will not be reported on until Q4 	<table border="1"> <thead> <tr> <th></th> <th>Expiry Value</th> <th>Expiry Percentage</th> </tr> </thead> <tbody> <tr> <td>FY13 Q1</td> <td>\$ -</td> <td>0%</td> </tr> <tr> <td>FY13 Q2</td> <td>\$ -</td> <td>0%</td> </tr> <tr> <td>FY13 Q3</td> <td></td> <td></td> </tr> <tr> <td>FY13 Q4</td> <td></td> <td></td> </tr> </tbody> </table>		Expiry Value	Expiry Percentage	FY13 Q1	\$ -	0%	FY13 Q2	\$ -	0%	FY13 Q3			FY13 Q4		
	Expiry Value	Expiry Percentage														
FY13 Q1	\$ -	0%														
FY13 Q2	\$ -	0%														
FY13 Q3																
FY13 Q4																

Risk & Mitigation						Issues & Corrective Actions			
Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Issues	Corrective Actions	Owner	Deadline

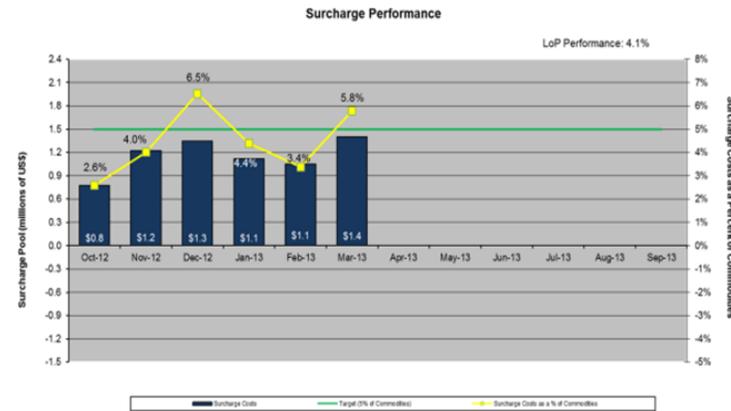
Measure 4.1.1b: Cost Effective: Surcharge

Measure Definition	Measure Owner	Target	LOP Performance
4.1.1b Surcharge	Katrina Kruhm	4.1.1c ≤ 5%	4.1%

Context:

4.1.1b LOP Surcharge continues to run below LOP target utilizing the new formula calculation. The pool (operating) costs remain consistent over the past quarter at an average of \$1.2M per month. The average base (total commodity procurements) for the quarter is \$27M. March shows a higher than average rate as commodity costs were lower than average and pool costs slightly higher than average. Projections show that LOP surcharge as of the end of FY will be at 4.19% if the base and pool remain at the current average.

Performance



Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Surcharge does not remain within target	Low	High	Mitigate	Unit Leads will receive monthly budget tracking reports to assist with budget management	Katrina Kruhm

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline

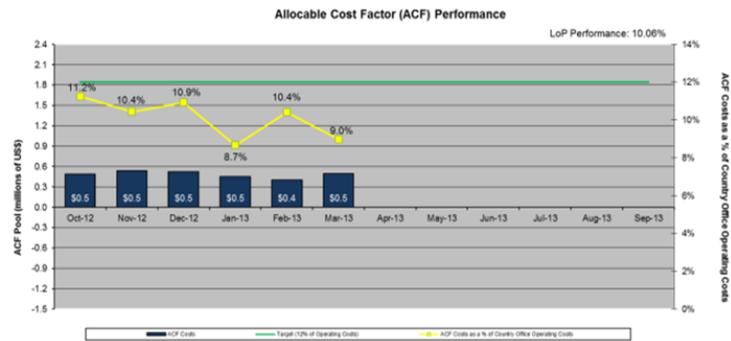
Measure 4.1.1c: Cost Effective: ACF

Measure Definition	Measure Owner	Target	LOP Performance
4.1.1c ACF	Katrina Kruhm	4.1.1d ≤ 12%	10.06%

Context:

4.1.1c LOP ACF is running below the LOP target utilizing the new formula calculation. The pool (operating) costs remain consistent over the past quarter at an average of \$484K per month. The average base (total field operating costs) for the quarter is \$2.9M. Projections show that LOP ACF as of the end of FY13 will be at 10.12% if the base and pool remain at the current average.

Performance



Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
ACF does not remain within target due to lower than expected country budgets or higher operating costs	Medium	High	Mitigate	Maintain country activities per extension budget or decrease operating costs	Katrina Kruhm

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline

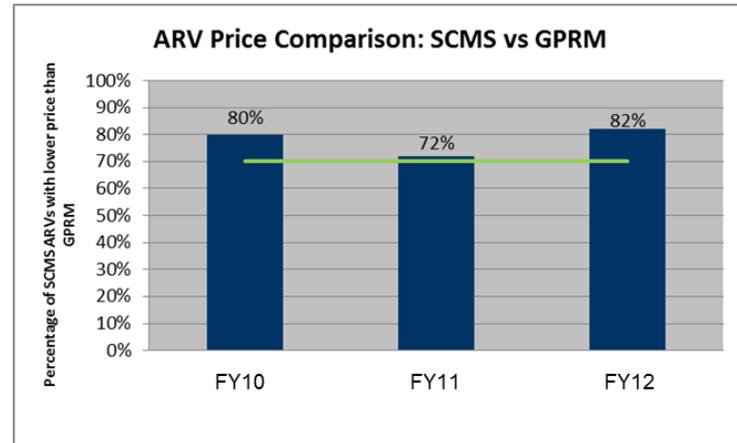
Measure 4.1.2: ARV Price Comparison: SCMS vs. GPRM

Measure Definition	Measure Owner	Target	FY13	FY12	Trend
This measure compares SCMS ARV price to those in the GPRM	Ron Marroco	70%	TBD	82%	NA

Context

This measure is an annual measure that will be reported on at the end of the SCMS fiscal year.

Performance



Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline

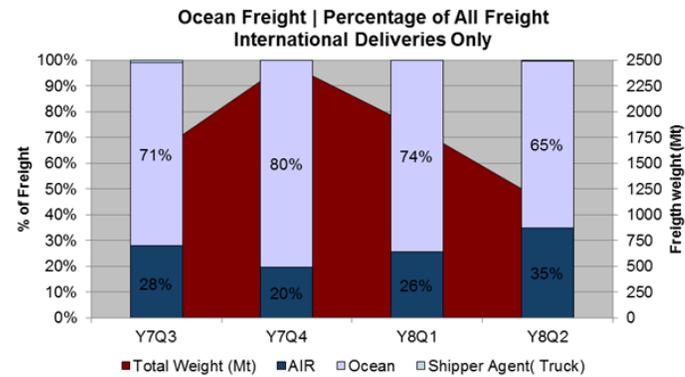
Measure 4.1.3: Ocean Freight: Percentage of All Freight

Measure Definition	Measure Owner	Target	FY13 Q2	FY13 Q1	Performance Trends
Tonnage of <u>international</u> deliveries shipped by ocean as a percentage of all international freight	Gary Carle	≥50%	65%	74%	↓

Context

- Y8Q2 overall ocean volumes delivered declined to 65% of all tonnage being delivered via Ocean. Although this is still well above the goal of 50%, this trend will be closely monitored, we are closely monitoring compliance to supply plans and emergency orders which negatively impacted this metric.
- Also Ocean volumes delivered were understated for this quarter due to shipments where delivery was delayed due to lack of warehouse space in Ethiopia and Zambia.
- We expect this trend to improve in YA Q3 as the volume of ocean MT (Metric Tons) shipped in YA Q2, and due for delivery in YA Q3, doubled to 1633 metric tons over the previous quarter.

Performance



**Note: Performance from Q1 has been adjusted from 78% to 74% to accommodate the actual percentage of ocean freight to accurately reflect data in the system that was entered after Q1.*

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Lack of supply planning and emergency orders can prevent the use of ocean. Freight.	Medium	High	Avoid	Monitor supply plans against actual orders to see if lack of compliance resulted in use of premium air transportation..	F&L and Demand Planning Units.

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Increased use of air freight	Monitor supply plans and emergency orders against actual large orders that move via Airfreight instead of Ocean transportation.	Gary Carle, Chris Larson, Ishmael Muchemenyi	Ongoing

Measure 4.2.1: Client Satisfaction

Measure Definition	Measure Owner	Target	FY13 Q1-Q2	FY2012	Trend
Rating is based on client response to "Overall Satisfaction" on Products Ordered/Products Received and Technical Assistance client survey.	GSC: Gordon Comstock	85%	87%	91%	↓
	TA: Diane Reynolds	85%	90%	100%	↓

Context

- 44 clients responded up from 19 in FY2012
- 10 FO countries responded: BW, CI, ET, GT, GY, MZ, NG, RW, TZ, ZW
- 12 FO countries did not respond: BI, DRC, HT, HN, KE, NA, PA, SA, SV, UG, VN, ZM
- 6 NFO countries responded: Carib, DR, PK, SS, SZ, MW

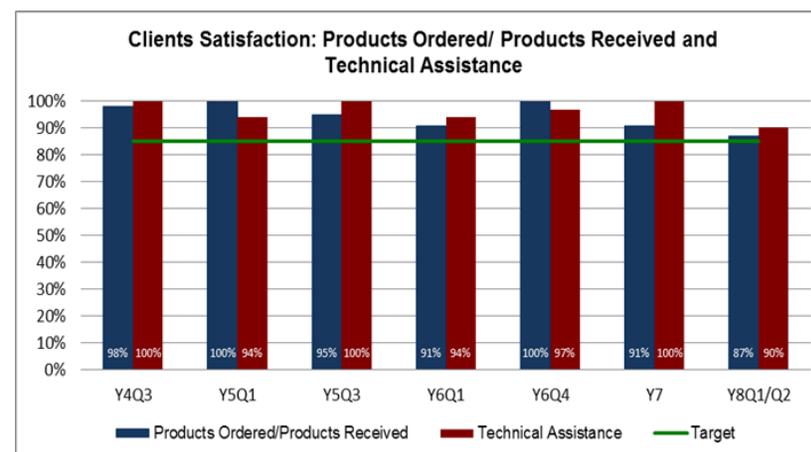
Products Ordered & Received:

- 87% overall satisfaction
- 87% of respondents would recommend SCMS for procurement needs
- 5 of 9 TZ respondents rate products ordered/received timeliness as worse
- 13 countries responded: BW, Carib, DR, ET, GY, MW, MZ, NG, RW, SA, TZ, ZW

Technical Assistance:

- 90% overall satisfaction
- 94% of the respondents would recommend SCMS for the TA they received
- 21 Countries received TA in Q1/Q2 FY2013 (Q1 31/ Q2 25 STTA's)
- Top recipients: TZ, ET, NG, ZM, PA
- 11 Countries responded: BW, CI, GT, GY, MZ, NG, PK, RW, SZ, TZ, ZW

Performance



Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Low country participation	High	High	Mitigate	Confirm active engagement by all CDs and country teams	GPMs
Low response rate from recipients	Medium	Medium	Mitigate	Review Tool applicability and approach to data collection	Diane Reynolds/Pat Corrigan

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Several major program countries not represented	Communicate importance of measuring customer satisfaction. Collect customer/client lists for every country. Monitor and report FO compliance	FPS DD, GPMs, Pos, CDs	July 2013
Review of recipients data for low scores (TZ, RW)	Review STTA with Country Support Team to identify issues and determine corrective action if any	Diane Reynolds	June 2013
5 of 9 respondents in TZ rated SCMS unfavorably (products ordered/received)	Follow up with dissatisfied clients. Develop, present, update, and implement plan to fix identified issues	GPM TZ	June 2013

Measure 4.3.1a: Operational Performance Management: Annual Partner Operational Review

Measure Definition	Measure Owner	Target	FY13	FY12	Trend																																
4.3.1a Annual Partner Operational Review	Afua Ofosu-Barko	TBD	TBD	NA																																	
<p>Context</p> <p>➤ The Operations Unit staff will conduct periodic visits during the life of the IQC to selected Subcontractors to review internal controls, contractual compliance, audit findings, indirect rates, recent reorganizations, cost accounting capability, and cost allowability.</p>			<p>Performance</p> <table border="1"> <thead> <tr> <th colspan="4">Annual Partner Operational Review</th> </tr> <tr> <th>Partner</th> <th>Review Complete</th> <th>CAPA Complete</th> <th>Follow Up Complete</th> </tr> </thead> <tbody> <tr> <td>Imperial</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Manoff</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Voxiva</td> <td></td> <td></td> <td></td> </tr> <tr> <td>I+ Solutions</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Crown Agents</td> <td></td> <td></td> <td></td> </tr> <tr> <td>3i</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Annual Partner Operational Review				Partner	Review Complete	CAPA Complete	Follow Up Complete	Imperial				Manoff				Voxiva				I+ Solutions				Crown Agents				3i			
Annual Partner Operational Review																																					
Partner	Review Complete	CAPA Complete	Follow Up Complete																																		
Imperial																																					
Manoff																																					
Voxiva																																					
I+ Solutions																																					
Crown Agents																																					
3i																																					
<p>Risk & Mitigation</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Probability</th> <th>Impact</th> <th>Response Option</th> <th>Mitigation Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td>Not completing reviews by 9/30.</td> <td>Low</td> <td>High</td> <td>Mitigate</td> <td>Visits to be scheduled for completion by Aug</td> <td>Afua Ofosu-Barko</td> </tr> </tbody> </table>			Risk	Probability	Impact	Response Option	Mitigation Action	Owner	Not completing reviews by 9/30.	Low	High	Mitigate	Visits to be scheduled for completion by Aug	Afua Ofosu-Barko	<p>Issues & Corrective Actions</p> <table border="1"> <thead> <tr> <th>Issues</th> <th>Corrective Actions</th> <th>Owners</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td>Not following up on CAPA</td> <td>Establishing a Task Master to follow up on all CAPAs</td> <td>Afua Ofosu-Barko</td> <td>6-9 months post visit</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Issues	Corrective Actions	Owners	Deadline	Not following up on CAPA	Establishing a Task Master to follow up on all CAPAs	Afua Ofosu-Barko	6-9 months post visit												
Risk	Probability	Impact	Response Option	Mitigation Action	Owner																																
Not completing reviews by 9/30.	Low	High	Mitigate	Visits to be scheduled for completion by Aug	Afua Ofosu-Barko																																
Issues	Corrective Actions	Owners	Deadline																																		
Not following up on CAPA	Establishing a Task Master to follow up on all CAPAs	Afua Ofosu-Barko	6-9 months post visit																																		

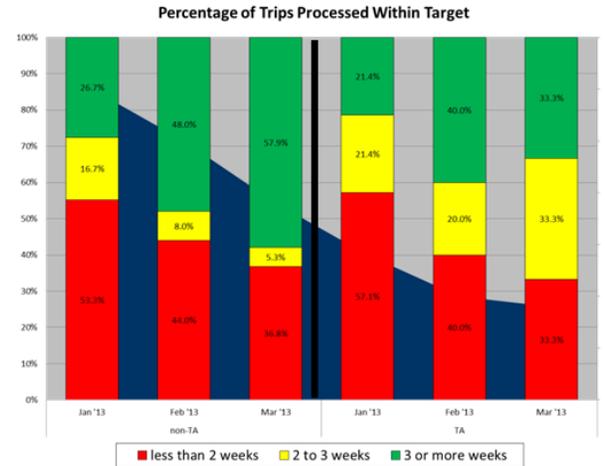
Measure 4.3.1b: Operational Performance Management: TA Trips Processed On-time

Measure Definition	Measure Owner	Target	FY2013 Q2	FY2013 Q1	Trend
4.3.1b % of TA trips processed on-time	Diane Reynolds	TBD	30.3%	8%	↑

Context

- The TA performance trend has improved since Q1
- Performance remains low but over the months Jan to Mar continuous improvement noted in both TA and Non TA lead times
- TA ETJ request submitted with <2 weeks lead time:
 - Countries: 9
 - STTA Requests: 14

Performance



Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
ETJ becomes part of the Travel Request Process	High	Low	Avoid	Review trends and provide guidance to support FO/PO as necessary	Diane Reynolds

Issues & Corrective Actions

Issues	Corrective Actions	Owners	Deadline
Clarity of justification of ETJ	Identify 3-4 "reason codes to enable trending and follow up activity	Diane Reynolds	June 2013

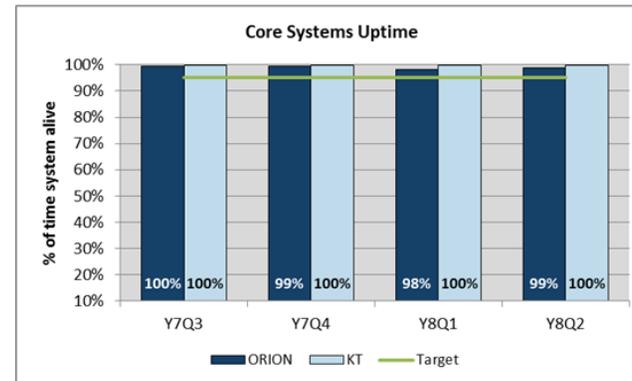
Measure 4.3.2: Core Systems Uptime

Measure Definition	Measure Owner	Target	FY13 Q2	FY13 Q1	Performance Trends
% of time that KT & Orion are alive during stated support hours	William Lee	Orion: ≥95%	98.9%	98.08%	↑
		KT: ≥95%	99.9%	99.86%	

Context

- SCMS MIS systems continues to operate above the required SLA.

Performance



Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Migration of foundation Oracle applications	Medium	Low	Mitigate	Extensive testing of migration path and new applications in simulated environments before deployment	William Lee

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline

Appendix 3: Progress Against the Workplan

This FY13 workplan was submitted to USAID on May 22, 2013. Progress updates will be provided in the Q3 report.

Appendix 4: Quarterly Financial Reports

For the first time this quarter, SCMS is submitting a quarterly financial summary as part of its quarterly reporting package. In view of the confidential nature of the financial details this report will be provided under cover of a separate email delivery sent coincident with this report.

Appendix 5: In-Country Risk

Risk #	Quarter Identified	Associated Measure	Risk	Probability	Impact	Response Option	Mitigating Actions	Owner	Deadline
1	Q2	2.1.2 Competency & Training	Lack of standardization of what defines competency across countries	High	Medium	Mitigate	Review of competency levels across countries	Greg Miles	Q3
2	Q2	2.2.1 In Country Performance	Côte d'Ivoire-Global Fund transportation contract delay	High	High	Mitigate	Close collaboration with GFATM, PEPFAR and PR	Alan Pringle	Q3
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									