



USAID | **KENYA**
FROM THE AMERICAN PEOPLE

USAID KENYA (KENYA PHARMA)

ANNUAL PROGRESS REPORT

YEAR 5

AS OF JULY 5, 2014

This publication was produced for review by the United States Agency for International Development. It was prepared by Chemonics International Inc.

DISCLAIMER

The authors' views expressed in this report do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

Kenya Pharma

FY 2014 ANNUAL PROGRESS REPORT

(October 1, 2013 – July 5, 2014)

Contract No: 623-C-00-09-00014-00

Prepared for James Batuka

United States Agency for International Development/Kenya

C/O American Embassy

United Nations Avenue, Gigiri

P.O. Box 629, Village Market 00621

Nairobi, Kenya

Prepared by

Chemonics International Inc.

1717 H St., NW

Washington, D.C. 20006

CONTENTS

ACRONYMS AND ABBREVIATIONS.....iv

I. Kenya Pharma EXECUTIVE SUMMARYvi

II. KEY ACHIEVEMENTS (Qualitative Impact)..... 8

III. ACTIVITY PROGRESS (Quantitative Impact) 23

IV. CHALLENGES 25

V. PERFORMANCE MONITORING 26

VI. PROGRESS ON GENDER STRATEGY..... 26

VII. PROGRESS ON ENVIRONMENTAL MITIGATION AND MONITORING..... 27

VIII. PROGRESS ON LINKS TO OTHER USAID PROGRAMS..... 27

IX. PROGRESS ON LINKS WITH GOK AGENCIES 28

X. PROGRESS ON USAID FORWARD 29

XI. SUSTAINABILITY AND EXIT STRATEGY 29

XII. GLOBAL DEVELOPMENT ALLIANCE 31

XIII. SUBSEQUENT QUARTER’S WORK PLAN 31

XIV. FINANCIAL INFORMATION..... 32

XV. ACTIVITY ADMINISTRATION..... 35

XVI. INFORMATION FOR ANNUAL REPORTS ONLY 36

XVII. GPS INFORMATION 40

ANNEXES & ATTACHMENTS..... 47

 Annex I: List of Deliverable Products 47

 Annex II: Number of Patients Served 48

 Annex III: Indicator Data 48

Annex IV: Market Research Report.....	55
Annex V: Distribution of Commodities Per County	56
Annex VI: Procurement Report.....	58
Annex VII: Expiry/ Damaged Goods	66
Annex VIII: Stock Status Report	69
Annex IX: Branding and Marking Report.....	72
Annex X: Self-Assessment.....	74

ACRONYMS AND ABBREVIATIONS

ADT	Antiretroviral Dispensing Tool
ADR	Adverse Drug Reaction
AMPATH	Academic Model for Prevention and Treatment of HIV
ART	Antiretroviral Therapy
ATV/r	Atazanavir/ritonavir
BCP	Basic Care Package
CASCO	County AIDS and STI Coordinator
CHAI	Clinton Health Access Initiative
CCC	Comprehensive Care Clinic
CHMT	County Health Management Team
CSC	County Support Coordinators
CP	County Pharmacist
ESTEC	Educational Scientific and Technical Equipment Company Limited
DAR	Daily Activity Register
DH	District Hospital
DHIS	District Health Information Systems
DS	Double Strength
DQA	Data Quality Assessment
EAHF	East African Health Federation
e-SCM	Electronic Supply Chain Management
F&Q	Forecasting and Quantification
FY	Financial Year
F-CDRR	Facility Commodity Daily Request Report
GMP	Good Manufacturing Practices
GDF	Global Drug Facility
GOK	Government of Kenya
HC	Health Centre
HPLC	High Performance Liquid Chromatography
KAIS	Kenya AIDS Indicator Survey
KPMG	Kenya Peat Marwick Group
KEMSA	Kenya Medical Supplies Agency
KES	Kenya Shillings
KP	Kenya Pharma
KRA	Kenya Revenue Authority
LMIS	Logistics Management Information System
LIMS	Laboratory Information Management System
LLINs	Long Lasting Insecticidal Nets
MAPs	Monthly ART Patient Summary
MAT	Medication Assisted Therapy
MEDS	Mission for Essential Drugs and Supplies
MSH	Medicine Science for Health
M&E	Monitoring and Evaluation
NASCOP	National AIDS and STI Control Programme
NAL	Northern Arid Lands

NQCL	National Quality Control Laboratory
PEP	Post Exposure Prophylaxis
PMTCT	Prevention of Mother-to-Child Transmission
PPB	Pharmacy and Poisons Board
PPMP	Partner Performance Management Plan
PWID	People Who Inject Drugs
PY	Project Year
QA	Quality Assurance
RADQ	Routine Assessment of Data Quality
RFQS	Request for Quotations
SCH	Supply Chain for Health
SDP	Service Delivery Point
SDH	Sub District Hospital
TB	Tuberculosis
UHPLC	Ultra High Performance Liquid Chromatography
USFDA	United States Food and Drug Administration
USD	United States (of America) Dollars
UCL	Universal Corporation Limited
VAT	Value Added Tax
VCT	Voluntary Counselling and Testing
VMMC	Voluntary Medical Male Circumcision

I. KENYA PHARMA EXECUTIVE SUMMARY

This year has been challenging and one of significant change for the Kenya Pharma project as it planned for close out, applied for an extension and began plans for a transition to local entities. This reporting period, from October 2013 to July 5, 2014, was the final reporting period under Kenya Pharma's original contract. Work planning for these months focused on close out. However, USAID indicated an intention of extending the project early in the close out process. Therefore, most close-out activities stopped and the project concentrated on continuing support to the supply chain and activities to enable a longer transition of project functions to Government of Kenya institutions.

The contract extension was negotiated in May and June and USAID issued a contract modification in early July. This change in contract terms calls for Kenya Pharma staff to redouble their efforts to coordinate with transition partners during the next 15 months leading to closeout.

Qualitative Impact

As detailed in this report, the Kenya Pharma project continued this past year to provide support to enhance the capacity of local laboratories through the National Quality Control Laboratory (NQCL) and the Mission for Essential Drugs and Supplies (MEDS). We also continued to support local suppliers Universal, Cosmos, and Regal. Our support to the local labs has included equipment, a management system, demand for services, and detailed management feedback on a regular basis. Our support to the suppliers has centered on procurement of commodities and regular management interaction between our own management team and their management teams.

Quantitative Impact

Over the course of the last year the number of ordering sites served by Kenya Pharma has increased only slightly from 168 to 174 (about 3.6%). In contrast, the number of total ART sites has increased by more than 14% from 687 to 785 and the number of ART patients being served has increased by about 9% from 355,000 to 386,502 (as of the end of June). The number of PMTCT-only sites has declined slightly from 629 to 605, mostly because these sites are being re-classified as full ART sites as the country rolls out Option B+

Challenges

The project has faced significant logistical challenges due to the imposition of Railway Development Levy (RDL) in July 2013. Delays in RDL payments by the Ministry of Health have led to delays in commodity receipt requiring careful stock management and high fees for storage and demurrage of stocks held in customs. At times in early 2014, these delays lengthened to as many as three months and charges associated with these delays have been greater than the RDL payments themselves. The delays and storage conditions for containers at the Port of Mombasa have also necessitated retesting of some products to check for deterioration in drug quality.

Subsequent Quarter's Work Plan

The coming Quarter will be the first in the extension period of Kenya Pharma. As we make the transition from the original contract to the extension, we expect to reduce staff levels consistent with the transition of functions to our local partners. The overall KP staff level will reduce by 7 staff (more than 15 percent) and additional reductions are planned to coincide with the transition of activities. In addition to these planned reductions, we anticipate movement by some staff to other career opportunities now that it is clear that Kenya Pharma will soon close. To the extent possible

we will back-fill these vacancies with internal candidates in order to minimize any learning curve associated with joining KP.

Through the regular procurement planning process we participate in with NASCOP, we have identified significant commodity procurements that need to be finalized in the coming two quarters for delivery in early 2015. We anticipate that there will be a coordinated process between ourselves and KEMSA (as determined by USAID) in which decisions will be made regarding which organization will be undertaking these additional procurements.

II. KEY ACHIEVEMENTS (QUALITATIVE IMPACT)

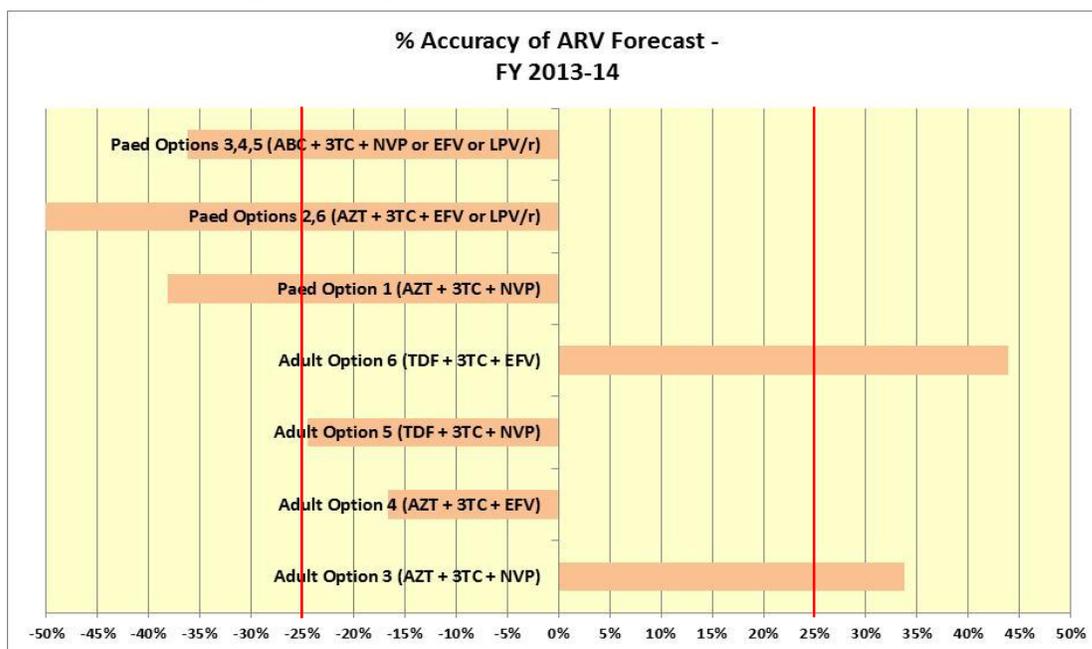
Forecasting and quantification

Accuracy in National Forecasting

Kenya Pharma, together with other stakeholders, supported NASCOP in developing a tool for measuring the accuracy of ART commodity forecasting. The tool uses the morbidity method to compare forecasted quantities to actual consumption during the year. Consumption data was collected monthly from all ART sites and aggregated by regimen. Ideally, forecasted quantities should equal actual consumption. Negative percentages indicate that consumption was lower than the forecast while positive percentages indicate that consumption was greater than forecasted. The target forecasting accuracy range is between -25% and +25%. This tool was used to compare data from the FY 2013/2014 forecasting exercise with the actual consumption for the same period.

Following the development of the tool, data from the national forecasting exercise for the Financial Year (FY) 2013/2014 was subjected to the tool and compared with the actual consumption for the same period. The findings of this comparison are shown in Exhibit 1 below:

Exhibit 1: Percentage accuracy of ARV forecast compared to actual consumption in FY 2013-14



As shown above, only two regimens fell within the range of $\pm 25\%$ during the reporting period, i.e. TDF+3TC+NVP and AZT+3TC+EFV. All three pediatric regimens and two adult regimens were out of range. For the adult regimens that fell out of range, this could be attributed to the shift in national policy which resulted in increased uptake of the triple combination pills. For pediatric regimens, the divergence may be due to incorrect disaggregation of those on pediatric and adult regimens.

The data obtained from this comparison was used to:

- Make revisions of quantities in the PSM Plan 3 – specifically, the quantity of the adult regimen AZT+3TC+NVP was revised from 0 to 379,175 packs and additional procurements were initiated for TDF+3TC+EFV.
- Develop the assumptions that would be used in the FY 2014/2015 national forecasting and quantification exercise.
- Provide important insights to the team preparing to undertake the national F&Q exercise scheduled to take place in August 2014.

Linking the F&Q data with procurement planning

During the reporting year, the national F&Q team began to use F&Q results to inform procurements for the first time. They used the 2012/13 and 2004/15 data to develop national supply plans. These plans accounted for estimated quantities required and the appropriate lead times required to ensure there is no over- or under-stocking occurred. Supply plans will be reviewed regularly to ensure there is ongoing consonance between projected and actual procured quantities.

Coordination of the Atazanavir/ritonavir product roll-out

During the reporting period, Kenya Pharma continued to monitor the roll out of Atazanavir 300mg/ritonavir100mg (ATV/r) tablets and tracked the number of patients being initiated on the regimen. As this is still a new component of the national guidelines, the data available so far does not provide adequate information on commodity uptake. Kenya Pharma continues to monitor the demand for ATV/r to develop accurate trends. During the year, Kenya Pharma transferred 1,000 packs of ATV/r to the Kenya Medical Supplies Agency (KEMSA) for distribution to KEMSA sites; additional quantities will be supplied upon request.

Support to the Medication Assisted Therapy (MAT) program

During the year, the Ministry of Health, through NASCOP, initiated Medication Assisted Therapy (MAT) for People Who Inject Drugs (PWID) as part of a comprehensive package of services targeting injectable drug users in Kenya. The Ministry of Health requested that Kenya Pharma support the MAT program by quantifying and procuring Methadone, a highly controlled medicine that is used in drug addiction detoxification and maintenance programs. Kenya Pharma facilitated the quantification of Methadone for 2000 patients targeted for the program’s launch and successfully procured the initial consignment which was delivered to KEMSA. Kenya Pharma also supported the MAT program by participating in a technical working group to develop a logistics management information system (LMIS) for the program. This included development of bin cards, a daily activity register (DAR), a facility commodity request and reporting tool (F-CDRR), and a summary reporting tool.

Procurement

During the reporting year Kenya Pharma floated 15 RFPs and awarded 14 RFPs amounting to approximately USD 35 million. In this same period the project received procured commodities amounting to USD 32,807,168 as shown in Exhibit 2 below:

Exhibit 2: No of RFPs floated & awarded and Procurements delivered to KP Oct-13 to June-14

	# of RFPs floated (Approximate value in USD)	# of RFPs awarded (Approximate value in USD)	Value of procurements delivered to KP (USD)
Q17 (Oct-Dec 2013)	7 (18.9 million)	4 (8.3 million)	15,063,769
Q18 (Jan-Mar 2014)	4	5	11,583,478

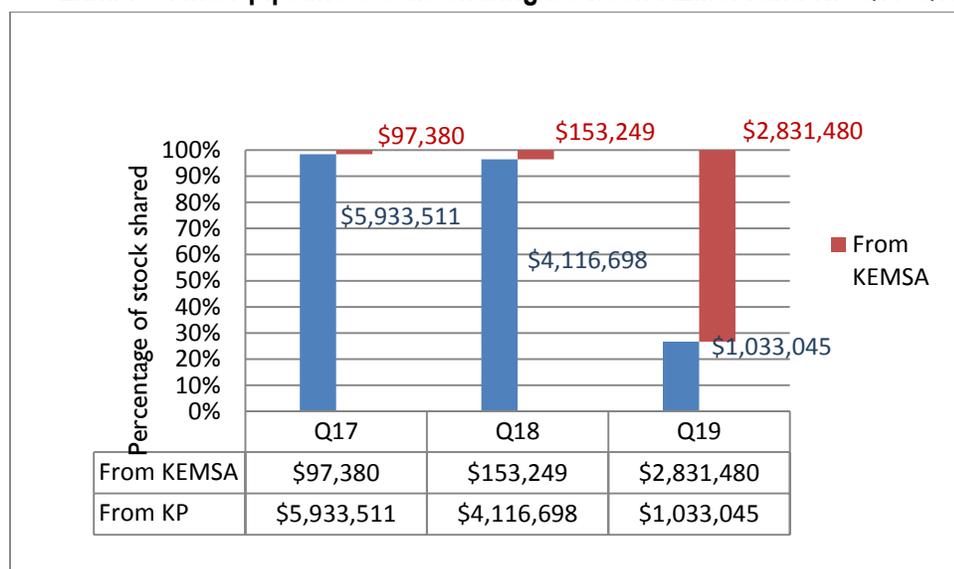
	(11.7 million)	(22 million)	
Q19 (April-June 2014)	4 (90 million)	5 (5 million)	6,159,921
TOTAL			32,807,168

In line with preparing the national systems for a seamless transition, Kenya Pharma began working with NASCOP and KEMSA on procurement planning coordination, first by inviting transition partners to participate in the monthly procurement planning meetings, and then by turning over responsibility to NASCOP to host and chair these meetings. The procurement planning meetings provide a forum for roundtable discussions between Kenya Pharma, NASCOP and KEMSA. Information from the Kenya Pharma and KEMSA pipelines is captured on a stock tracking tool, which enables the meeting participants to identify products that are at risk of running short and to make appropriate decisions on whether to share stocks or initiate procurements. This ongoing monitoring of the national pipeline and the ability to respond promptly are key success factors for ensuring uninterrupted commodity supply.

Inter-pipeline stock sharing

Kenya Pharma continues to work closely with KEMSA to ensure that stocks are transferred between the two pipelines to assure commodity security. During the reporting period, Kenya Pharma transferred commodities valued at USD 11,083,254 to KEMSA and received commodities worth USD 3,082,109 from KEMSA through the inter-pipeline sharing mechanism.

Exhibit 3: Inter-pipeline stocks sharing between KEMSA and KP Q17-Q19



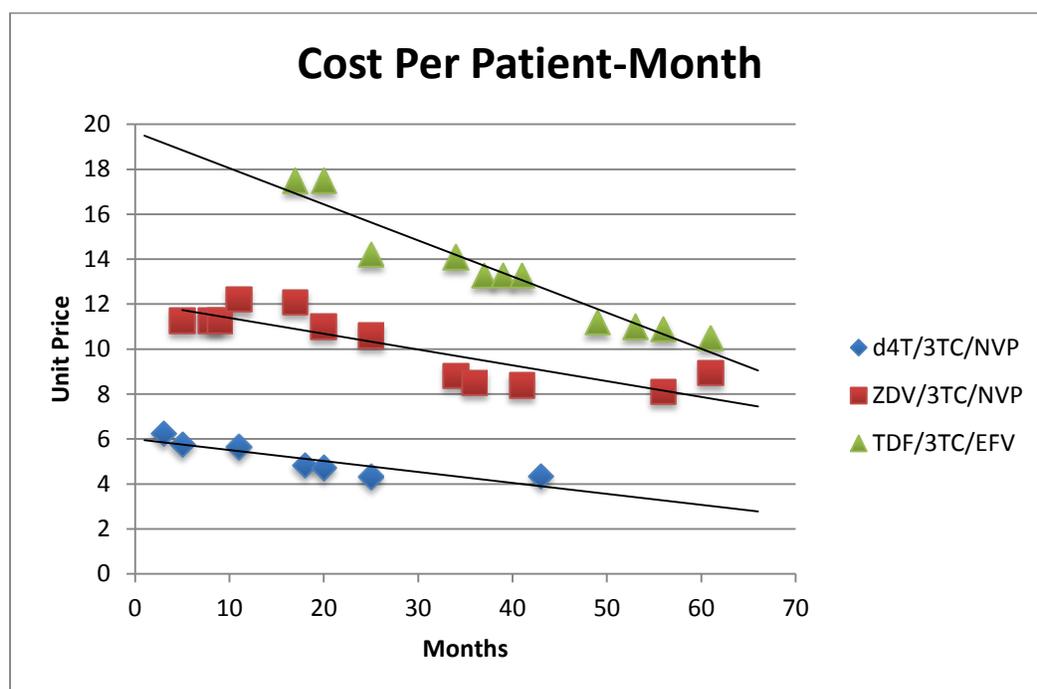
Note: In Quarter 19 KEMSA transferred an unusually large amount of stock to Kenya Pharma. This situation arose out of a number of Kenya Pharma’s adult ARV regimen consignments being detained at the ports awaiting payment of RDL KEMSA, which had cleared stocks of these regimen was able share these commodities with Kenya Pharma. Note that 88% of the transfers received from KEMSA in quarter 19 were adult formulations mainly LZN

Prices

Through sharing regular procurement forecasts and supporting new suppliers for registration with the Pharmacy and Poison's Board, Kenya Pharma was able to increase the number of eligible suppliers and reduce overall prices. For example, Kenya Pharma was able to reduce the prices of adult fixed dose combinations of Lamivudine/Zidovudine/Nevirapine (LZN) and Tenofovir/Lamivudine/ Efavirenz (TLE) by 33 percent and 42 percent respectively from the year 2010 partly due to the expansion of suppliers. In 2010, Kenya Pharma had identified only one eligible supplier for each of these drugs and their prices were USD 12.75 and USD 17.50 respectively. By the end of year five, Kenya Pharma had identified four eligible suppliers and prices had reduced to USD 8.56 and 10.18 respectively.

Kenya Pharma uses a six-source price comparison to actively negotiate with suppliers for competitive prices. In the past year, these negotiations yielded a cost saving of almost USD 780,000 of which 83% (USD 648,500) was achieved from the negotiations for procurement of TLE.

Exhibit 4: Reduction of price for 3 regimens from August 2009 (month 1) to July 2014 (month 60)



Mitigating the effects of the VAT Act on the prices of local commodities

In September 2013 the VAT Act 2013 came into effect increasing the cost of locally manufactured pharmaceutical products. Kenya Pharma noted an increase of 10 to 15 percent in the price of Cotrimoxazole formulations offered by local suppliers. Consequently Kenya Pharma had to award a contract for 1,200,000 packs of Cotrimoxazole to an international supplier, International Dispensary Association (IDA), who offered comparatively lower prices. Following this, Kenya Pharma met with local suppliers to discuss the impact of increased costs. In collaboration with Kenya Peat Marwick Group (KPMG), Kenya Pharma organized an awareness session and encouraged the suppliers to lobby the Government for a waiver on input taxes and assisted them in presenting a realistic

justification to the Government. These efforts eventually resulted in the revision of the VAT Act 2013 and the local suppliers' prices have begun to revert to their pre- VAT Act levels.

Availability of APIs for single agents

In the past year global shortages of active pharmaceutical ingredients (APIs) for the single agent drugs, Efavirenz and Nevirapine posed challenges to timely deliveries. Kenya Pharma was able to prevent stock outs through increasing procurements for both drugs and carefully monitoring supplies. Kenya Pharma adjusted its ordering schedule to account for a 7 month lead time on orders of Efavirenz and diversified supplies of Nevirapine by awarding contracts to multiple suppliers. When delivery delays in one consignment of Nevirapine threatened stock security in the 19th quarter, Kenya Pharma was able to shift delivery from sea shipment to air delivery to ensure that stocks remained sufficient.

In June 2014, the national guidelines for Rifabutin dosing increased from three times a week to a daily dose., doubling demand for this commodity Kenya Pharma was already experiencing supply challenges for Rifabutin with only one eligible supplier. Due to the urgent need for increased quantities of Rifabutin, Kenya Pharma, in consultation with USAID, arranged for an immediate special order of Rifabutin from the Global Drug Facility (GDF). Kenya Pharma also arranged for future supply of Rifabutin from GDF. The pooled procurement system that GDF uses has the advantage of obtaining better prices from a larger number of suppliers. However, from past experience, Kenya Pharma is aware that the process of procuring through GDF is lengthy compared to dealing with a single supplier, and is therefore working to review the process so as to reduce the lead time involved in using the GDF system.

Supply Chain Logistics

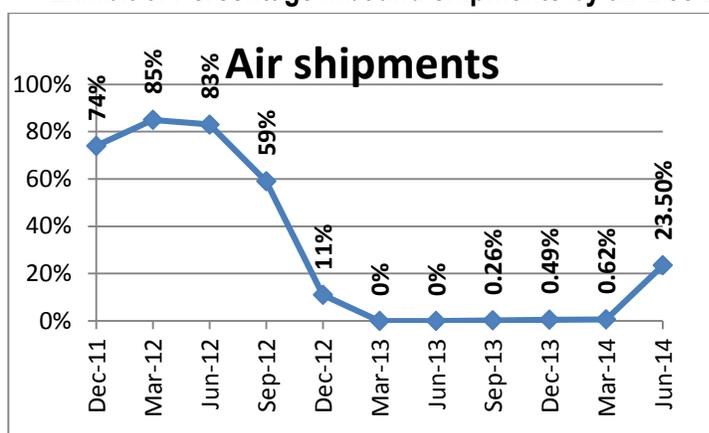
Inbound Shipments

Kenya Pharma continues to import the majority of its shipments through sea freight due to its lower cost compared to air freight. In the reporting period the project received 548,788 kg of commodities as inbound shipments. In Quarter 19, due to low stock of commodities in our warehouse, Kenya Pharma had to airlift some of the consignments, e.g. Tenofovir/Lamivudine 300/300mg tablets and Nevirapine tablets, in order to prevent stock outs. Consequently, the percentage of air shipments during this quarter was much higher than in the previous quarter. Of the 276,112 kg of commodities shipped in this quarter, 23.5% (64,873.49kgs) were airlifted, compared to 0.62% air shipments in the previous quarter.

Exhibit 5: Inbound commodities received in Oct-13 to June-14

	Volume of inbound shipments (kg)	% of shipments airlifted
Oct-Dec 2013 (Q 17)	165,000	0.49
Jan-March 2014 (Q 18)	107,676	0.62
April-June 2014 (Q 19)	276,112	23.5

Exhibit 6: Percentage inbound shipments by air Dec 2011-June 2014



Outbound operations

Between October 2013 and June 2014, Kenya Pharma delivered a total of 1,213,929 kg of commodities worth USD 51,227,479 to 174 ordering sites across 46 counties.

Exhibit 7: Volume and value of commodities delivered by Kenya Pharma in Qtr 17-19

Period	Volume of commodities delivered to SDPs (Kg)	Value (USD)
Oct-Dec 2013 (Q17)	449,705	22,193,380
Jan-March 2014 (Q18)	356,681	14,652,461
April-June 2014 (Q19)	407,543	14,381,638
Total	1,213,929	51,227,479

One route consolidation

Through one route consolidation, Kenya Pharma was able to reduce the delivery fleet by 25 trucks from 94 in June 2013 when route consolidation started down to 69 in March 2014. However, delays caused by the Railway Development Levy (RDL) have caused this trend to reverse. The detention of a number of Kenya Pharma's consignments at the two ports of entry resulted in the need for numerous back orders once the products were released to the central warehouse. To distribute the back orders promptly, the project increased the number of trucks used. The increased number of trucks, however, has so far not impacted on the cost per kilo. See Exhibit 8 below.

Exhibit 8: Number of trucks used since introduction of one route consolidation

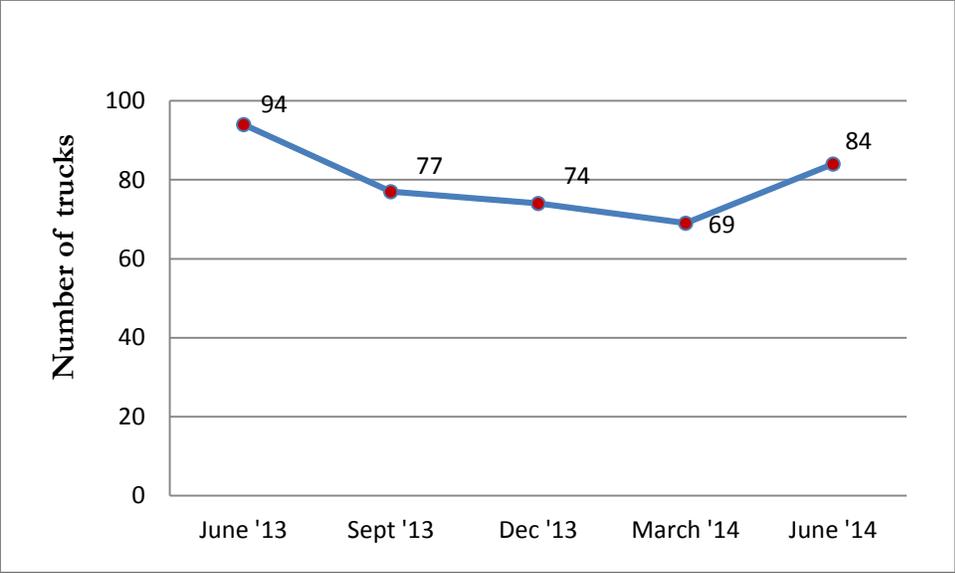
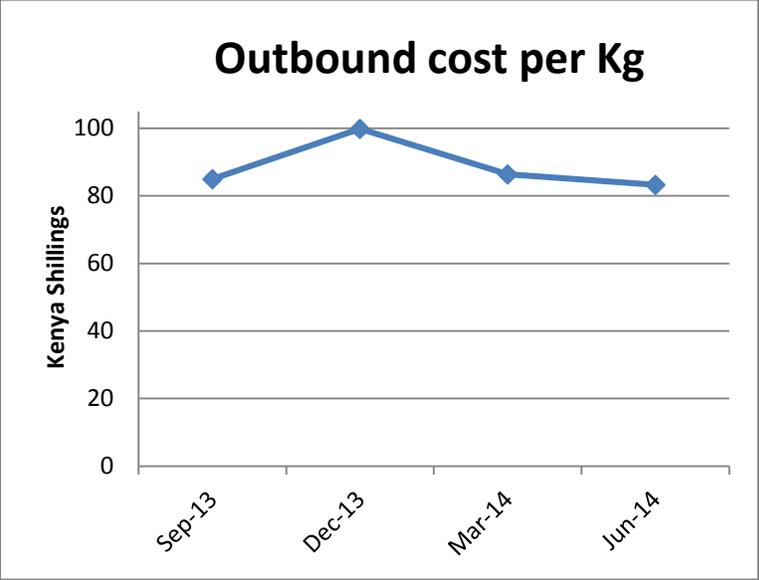


Exhibit 9: Outbound Cost per Kilo



In addition, the detention of Kenya Pharma’s commodities at the ports caused the project to incur demurrage and storage costs. Between October 2013 and June 2014 the total demurrage and storage costs equaled USD 735,300. RDL payments made by the MOH for KP commodities in the same period amounted to USD 674,138. These demurrage costs are equal to an entire year of treatment for 5,835 patients on TLE at the current price of \$10.5 per pack. Kenya Pharma is therefore seeking solutions to this challenge, through an RDL waiver or the use of a Custom’s bond to clear consignments.

Assembly and distribution of Basic Care Package (BCP) kits

During the year, Kenya Pharma continued the task of assembling and distributing basic care package (BCP) kit assembly at the request of USAID. A BCP kit contains items that help an HIV/AIDS-affected family stay healthy. It contains condoms to help minimize re-infections among positive and discordant couples as well as spread the infection from HIV-positive individuals to

HIV-negative individuals. It also has items such as clean water supplies and mosquito nets to help reduce the family's exposure to waterborne and mosquito-borne diseases. In November 2012, Kenya Pharma was asked to procure the long-lasting insecticide-treated bed nets (LLINs) that are included as a key component of the kits and in January 2013, USAID asked Kenya Pharma to undertake assembly and delivery of 100,000 kits. During the reporting period, Kenya Pharma completed phase I of BCP kits distribution and began assembly and distribution of phase II. A total of 116,990 kits were distributed during the period. An RFP was sent out in Quarter 19 to prospective bidders to distribute the remaining 66,700 phase II kits to SDPs in Nyanza, Coast, Eastern, Northern Rift and Southern Rift regions. This will mark the end of phase II and the end of Kenya Pharma's role in distributing the BCP kits.

“With this equipment [UHPLC] that use the latest technology, we will be able to analyze over 120 drug samples every month.”

Pascal Manyuru - Managing Director, MEDS

Kenya Pharma has used small to medium local courier firms to distribute BCP kits. So far, three courier companies (E-Logistics Solutions Ltd, Sai Cargo Masters Ltd, BM Logistics Ltd) have won tenders to distribute the kits. This approach has contributed to building the capacity of local transportation firms while ensuring lower costs for the project.

Warehousing

At the end of June 2014, Kenya Pharma conducted a stock take of the commodities in the central warehouse; the total value of stock was USD 9,826,136 See Annex X

Quality Assurance

Building capacity of local laboratories

Kenya Pharma continues to support the strengthening of its subcontracted local quality testing laboratories, National Quality Control Laboratory (NQCL) and Mission for Essential Supplies (MEDS). Kenya Pharma purchased two types of quality testing equipment for the MEDS laboratory during the reporting period. These were two Ultra High Performance Liquid Chromatography (UHPLC) machines and one dissolution tester. Their combined value equaled USD 372,380. The UHPLC machines are expected to greatly improve the laboratory's capacity and contribute towards improving MEDS's turnaround times.



Some of MEDS management team witness the delivery of the UHPLC machines on 20th June 2014

Kenya Pharma purchased a microbiology isolator for the National Quality Control Laboratory (NQCL). It will be the first sterility testing isolator to be installed in the East African region. This equipment is envisaged to increase NQCL's capacity to undertake sterility testing, to improve accuracy of results by eliminating any possibility of contamination and reducing the need for pre-testing. This equipment is also expected to facilitate NQCL's quest for WHO recertification, which is due to be undertaken in October 2014. The equipment was delivered to NQCL in June 2014.

Additionally, Kenya Pharma undertook development of a customized Laboratory Information Management System (LIMS) for both NQCL and MEDS. This work continued throughout the year and is scheduled to be fully complete by the end of December 2014.

Performance of quality testing laboratories

Kenya Pharma has been working with its contracted quality testing laboratories to improve turnaround times. Of the three contracted laboratories, Vimta Labs had the longest turnaround times during the reporting period. This was mainly due to inadequate coordination with their suppliers of testing materials and poor communication with the project. Structured quarterly performance evaluations of NQCL and MEDS continued in the year.

Exhibit 10: Performance of quality testing laboratories during the period Oct-13 to June-14

Lab	Quarter 17			Quarter 18			Quarter 19		
	# of samples submitted to Lab	# (%) test results availed to KP within the quarter	Average turn-around time (days)	# samples	# (%) test results availed to KP	Average turn-around time (days)	# samples	# (%) test results availed to KP	Average turn-around time (days)
Vimta	11	6 (11)	21	14	3(21)	28	18	5(28)	47
MEDS	54	11(20)	18	18	6(33)	13	40	35(88)	26
NQCL	26	15(58)	22	15	9(60)	23	27	4(15)	41

As a consequence of the RDL, several of Kenya Pharma's inbound commodities were detained at the ports of entry for prolonged periods while in their original containers. Kenya Pharma is concerned that the protracted stays in unknown conditions could have an effect on the quality of the commodities. The project's QA team plans to undertake a physical inspection of the commodities when they are released to the warehouse and also take samples for retesting in order to ensure that their quality has not been compromised.

Quality concerns

The project encountered the following quality concerns during the year:

Cotrimoxazole DS tablets: Two batches from Universal Corporation Ltd (UCL) failed laboratory assay tests for Trimethoprim. Kenya Pharma recalled one batch (320552) and rejected and returned the other batch (320553) to the supplier.

Cotrimoxazole Suspension: During pre-delivery inspection, 3 batches of Cotrimoxazole suspension from UCL failed to meet the physical parameters of color, homogeneity and viscosity. After the initial rejection of the batches, Kenya Pharma submitted samples of the batches to NQCL for testing and undertook an inspection of the manufacturing process. The batches passed the main parameters and the project accepted the products on the basis that these are physical product attributes that do not directly impact on the product's efficacy.

Efavirenz 600mg tablets: One batch (7219489) from Strides was found to have non-compliant tablet color. When consulted, all three of Kenya Pharma's subcontracted laboratories returned a different color description. Kenya Pharma accepted the product, but requested Strides to provide a consistent color and an improved description to avoid confusion in the future.

Good Manufacturing Practices (GMP) Inspections

During the year, Kenya Pharma conducted the following inspections:

Universal Corporation Ltd (UCL): Two inspections were conducted at UCL. The first was conducted to investigate product failures for two Cotrimoxazole DS tablets batches and the second was conducted to investigate the deviations in physical characteristics of three batches of Cotrimoxazole suspension.

Regal Pharmaceuticals: An inspection was conducted in May 2014 and Kenya Pharma found the manufacturer compliant with the project's GMP requirements. During the inspection, Kenya Pharma encouraged Regal to bid for future RFQs. The company has since successfully bid for and been awarded a contract to supply Cotrimoxazole suspension, thus increasing Kenya Pharma's supplier options for this commodity.

Post market surveillance

In this reporting period the project's Quality Assurance team conducted post market surveillance (PMS) at 50 SDPs across the country. During the surveys the team checked and advised on storage, handling and reporting on adverse drug reactions (ADRs). They also selected 47 samples for further testing. At the time of writing 23 samples had passed all assessments while 24 samples were still under testing.

Customer service

Kenya Pharma conducted a survey to establish the challenges of similar packaging, following complaints from a number of SDPs that the similarity in the names and packaging of ARVs cause confusion during the dispensing process or when patients take their medicines. The survey was conducted in five selected sites: Homa Bay District Hospital in Nyanza region, Kericho District Hospital in Rift Valley region, Mariakani District Hospital in Coast region, Kayole II Sub-District Hospital in Nairobi region and Nazareth Mission Hospital in Central region. The sites were selected based on the number of patients, geographical location, and to cover both rural and urban settings.

Kenya Pharma Staff initiated the survey in October 2013. Pharmacy staff at the Comprehensive Care Clinic (CCC) in the five sites completed a pre-pilot questionnaire to provide information on their experiences related to ARVs with similar packaging and to identify which products were most affected. The project printed and supplied labels to the 5 survey sites to pilot the feasibility of using color coded dispensing labels as a possible intervention. Color coded labels were printed for the following adult and pediatric ARV formulations:

- AZT/3TC/NVP 300/150/200mg
- TDF/3TC 300/300mg
- EFV 600mg

- ABC 300mg
- 3TC 150MG

Kenya Pharma followed up on the use of the color-coded labels and administered a post-pilot survey to the participating sites After one month. Results of this exercise indicated:

Staff at the pilot sites reported that the color-coded labels were effective as an aid to distinguish similar packaging and names when dispensing

Application of the labels if used at the health facility level would add to the workload at the pharmacy staff. One of the pilot sites did not use the labels issued to them because they found it too time-consuming, using up time that they would otherwise be serving patients.

Staff at the pilot site indicated that there are other options apart from color-coded labels that could be used, for example different medicine branding, manufacturer changes to pill color, etc.

Kenya Pharma did not roll-out the use of the color-coded labels because it was unsustainable due to:

- Adding to the workload at the dispensing sites most of which already had inadequate staffing
- Possibility of changes in recommended regimens in the event of changes in national treatment guidelines
- The high cost of printing and distributing labels which could be better used to procure more pharmaceuticals



Pharmacist at Kericho District Hospital examines one of the color coded labels

Collaboration with stakeholders

In Year 5, Kenya Pharma collaboration with stakeholders, particularly the transition partners, was increasingly important as the project’s closeout drew nearer. On the national level the project continued to focus on collaboration efforts with NASCOP and KEMSA. Pharma also worked with s other implementing partners including Afya Info and Strathmore University to rollout innovations in eSCM and LIMS for the local labs. Pharma also engaged the Pharmacy and Poison’s Board (PPB) and the ART suppliers in fast-tracking in-country registration of USFDA approved products to increase the pool of available suppliers for these products As in previous years, Kenya Pharma staff participated in technical working groups, committees and meetings in the HIV/AIDS community.. At the service delivery level, Kenya Pharma’s field team focused on working with central government and county government officials, staff at service delivery sites as well as other implementing partners. The table below shows some the key collaborative activities undertaken by Kenya Pharma’s field team.

Exhibit 11: Activities at service delivery level that KP conducted in collaboration with partners

Partners	Region/location	Activities	Outcome
----------	-----------------	------------	---------

CHS	Central region	Technical support on reporting and data accuracy	Information on cumulative patients on ART retrieved from each SDPs files and staff advised to use the data as the baseline for reporting
CHAI	Nairobi County	Pilot roll out of new ADT to KP and KEMSA sites	ADT installed at pilot sites and staff trained on how to use the tool.
Nyeri CHMT, MEASURE Evaluation, APHIA Plus Kamili, I-TECH	Nyeri County	Establishing an M&E technical working group for Nyeri County	TWG established and members agreed on a schedule for quarterly meetings
DMOH & DPRHN Machakos county ICAP	Machakos county	Training on data quality, accuracy and timely reporting	Enhanced the capacity of staff from 6 SDPs in Matungulu Constituency in Machakos county to ensure accurate and timely reporting.
CHD of Taita Taveta county	Taita Taveta county	Addressing poor reporting by Wesu District Hospital	CHD follow up the pharmacy staff to ensure compliance with reporting guidelines and deadlines.
CHAI	Nairobi	Development of API and integration of e-SCM and ADT using the API	API developed and tested at LVCT in Nairobi
CHAI , NAS COP	Countrywide (63 SDPs)	Collecting information on challenges faced in using ADT	Developed a list of 63 SDPs and shared this information with NASCOP for their follow-up

Decentralization

During the course of the year Kenya Pharma's field team played a significant role in facilitating the decentralization process that upgrades satellite sites to ordering points. All the upgraded facilities were attached to KP apart from Kithituni, which was assigned to KEMSA. The field team participated in identifying, assessing and facilitating the ongoing upgrade of 8 sites as shown in the table below:

Exhibit 12: Sites whose decentralization assessment Kenya Pharma participated in during PY 5

	Quarter 18	Quarter 19
Sites assessed for upgrading	<p>Makueni county</p> <p>Sultan Hamud Health Centre</p> <p>Kithituni Health Centre</p> <p>Matiliku Health Centre</p>	<p>Elgeyo Marakwet county:</p> <p>Chepkorio</p> <p>Uasin Gishu county:</p> <p>Soy Sub-District Hospital</p> <p>Uasin Gishu District Hospital</p> <p>Ziwa Sub-District Hospital</p> <p>Moi's Bridge Sub-District Hospital</p> <p>Samburu county</p> <p>Wamba Mission Hospital</p> <p>Murang'a county</p> <p>Kangema Sub-District Hospital</p> <p>Muriranja's Sub-District Hospital</p>

Program Reporting

Facilitating interoperability of electronic tools

Kenya Pharma's e-SCM is a robust open-source application that has been used in over 567 health facilities primarily for ordering and reporting of HIV commodities. Of these, 174 are ordering points and 393 are satellite sites (satellite sites may not be accessing the e-SCM website, but may simply be uploading reports that are available in a spreadsheet format). In its 4 years of existence e-SCM has served as a useful source of data that can be analyzed and used for making information-driven decisions.

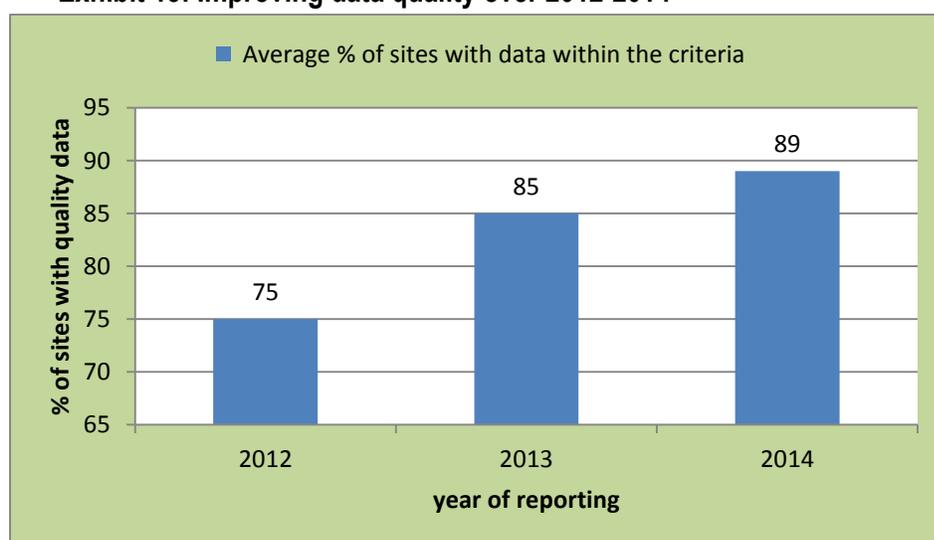
There are several other electronic tools that have been developed that deal with various aspects of health informatics and are being used by various stakeholders in the national HIV/AIDS program, such as the ARV Dispensing Tool (ADT) for tracking patient data, dispensing and drug inventory, the District Health Information System (DHIS), which is used as the national platform for gathering health data, and KEMSA's logistics management information system (LMIS), among others. Recognizing that effective health information management requires collaboration and transparency of data, Kenya Pharma has developed an Application Programming Interface (API) that supports the interoperability of the e-SCM with any of the other existing electronic health applications. The API will facilitate a seamless transition for the users of the e-SCM as Kenya Pharma's transition partners take over the project's activities, including managing orders and reports of SDPs, which were served by Kenya Pharma.

By May 2014 the API was successfully developed and was first applied to the web-ADT; an initiative by CHAI to serve as the primary dispensing and reporting application in health facilities for ART Patients. In this integration of tools facility users would log onto the ADT, carry out their usual dispensing, reporting and inventory duties for the month. However, when it came to ordering and reporting they would not need to log off the system and log onto the e-SCM. Rather, they would go into an ordering module within the ADT and at the click of a button generate the CDRR and MAPS and have them automatically sent to the e-SCM. The API would act as the invisible connector to both applications and ensure that the orders are reflected in the e-SCM without compromising the integrity of the content.

In keeping with Kenya Pharma's commitment to share and avail data to relevant stakeholders, Kenya Pharma is discussing with CHAI, MSH, KEMSA and NASCOP to see how the other electronic tools can be integrated with the e-SCM following the successful application of the API to link the e-SCM with the DHIS as well as a Decision Support System for NASCOP that is being developed by CHAI.

Over the last 3 years, the field team, through active engagement with the SDPs and county CHMTs, supported improvement of data quality as shown in the chart below.

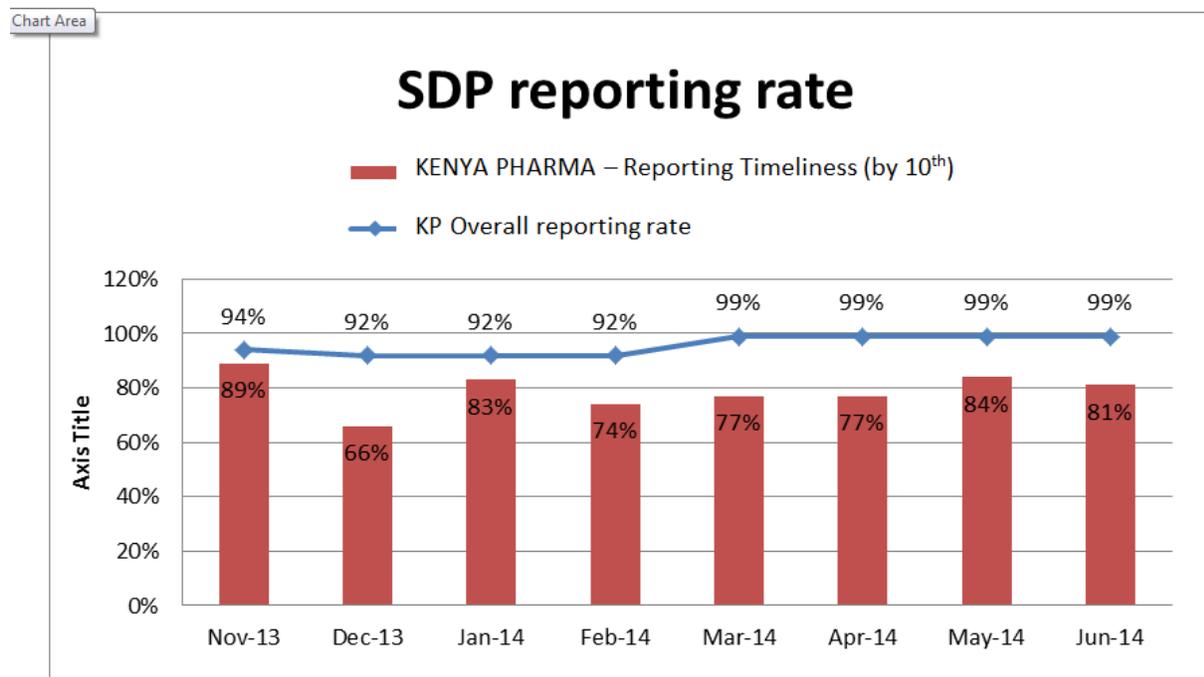
Exhibit 13: Improving data quality over 2012-2014



During the reporting period, Kenya Pharma has consistently maintained SDP reporting rates over 98 percent. A SDP has officially reported once it has submitted both its order and monthly report, which are due on the 10th day of each month. Over 95% of the SDPs first send their orders but submit their reports later. For

example, sites supported by the Academic Model for Prevention and Treatment of HIV (AMPATH) usually need their data team to review their reports before submission. Therefore, their reports are often submitted to Kenya Pharma after the deadline. This trend explains the difference between overall reporting rates and reporting timeliness in Exhibit 14 below.

Exhibit 14: SDP reporting rates and timeliness of reporting for the period November 2013-June 2014



Kenya Pharma works with SDPs to ensure that the collected data is accurate. Patient data with more than a 10 percent increase or- 2 percent decrease is considered inaccurate and requires a Pharma staff response. The SDPs with inconsistent data are contacted by the Kenya Pharma field staff and errors corrected with an aim of encouraging data ownership. In cases where an SDP could not identify the source of its data errors, Kenya Pharma organized joint visits with the County Health Management Teams (CHMTs) to conduct data quality audits. SDPs in the Northern Arid Lands (NAL) region and SDPs operating under the AMPATH program have the greatest percentages of reports with data discrepancies. With AMPATH, the SDPs prepare reports which are reviewed by their data management team. Data discrepancies in these projects are primarily due to their different approach to data quality analysis. Plans are under way to share knowledge between AMPATH and Kenya Pharma. This will ultimately reduce the sites with data discrepancies. The other SDPs with discrepancies fall in the NAL region where the field team must engage them remotely due to travel advisories which restrict staff travel to those areas. Where the sites are reachable the field team has made considerable gains in improving data quality.

Despite the effort to achieve accurate data, there are 4 key factors that continue to pose a challenge:

- Inadequate staffing, at the CCC
- Staff turnover and rotation-(any time a new staff prepares a report data quality is affected),
- Lack of prior training before staff join the CCC,
- Work overload
- Other infrastructural challenges. (unreliable power, lack of access to computer or internet, etc.)

III. ACTIVITY PROGRESS (QUANTITATIVE IMPACT)

Exhibit 15: Supply Chain Performance Indicators

USAID PEPFAR						
Objective: Care and Treatment of person with HIV/AIDS in Kenya supported						
Treatment of person with HIV/AIDS in Kenya supported						
Award fee indicators	Targets	Quarter 17	Quarter 18	Quarter 19	Year 5	Comments
Accuracy in forecasting	>85%	-	-	-	-	Forecasting of commodities is done over duration of 12 months hence the data for this indicator available in the next quarter.
Accuracy in quantification	>85%	62%	27%	27%	38%	Most of our commodities were below and above the recommended quantification range of 6-9 months. The quantities of other commodities in the warehouse were below the range as result of consignment being held at port awaiting RDL payment.
Procurements done in line with procurement SOPs	>98%	100%	100%	100%	100%	All Kenya Pharma procurements done during the year were done according to Kenyan and US government regulations(SOPs)
Commodities received in central warehouse within scheduled timeframe	>95%	0%	0%	0%	0%	Delay in payment of RDL fees continued to cause delay in receiving goods at the warehouse.
Wastage/loss/expiries during storage and handling.	<2%	0.0004%	0.005%	0.0003%	0.0019	This is an average of the three quarters.
SDPs are adequately stocked according to recommended practices	>95%	100%	100%	100%	100%	All the SDPs were adequately stocked according to the recommended practices
SDPs receiving shipments within 4 working days after anticipated delivery schedule.	>95%	94%	98%	100%	97%	All facilities received their shipments within the recommended time of 4 working days.
Average time for delivery of stock to SDPs	4 days	2.6 days	2.4 days	2 days	2.3 days	Kenya Pharma serviced facilities continue to receive their stocks within 2.3days on average.

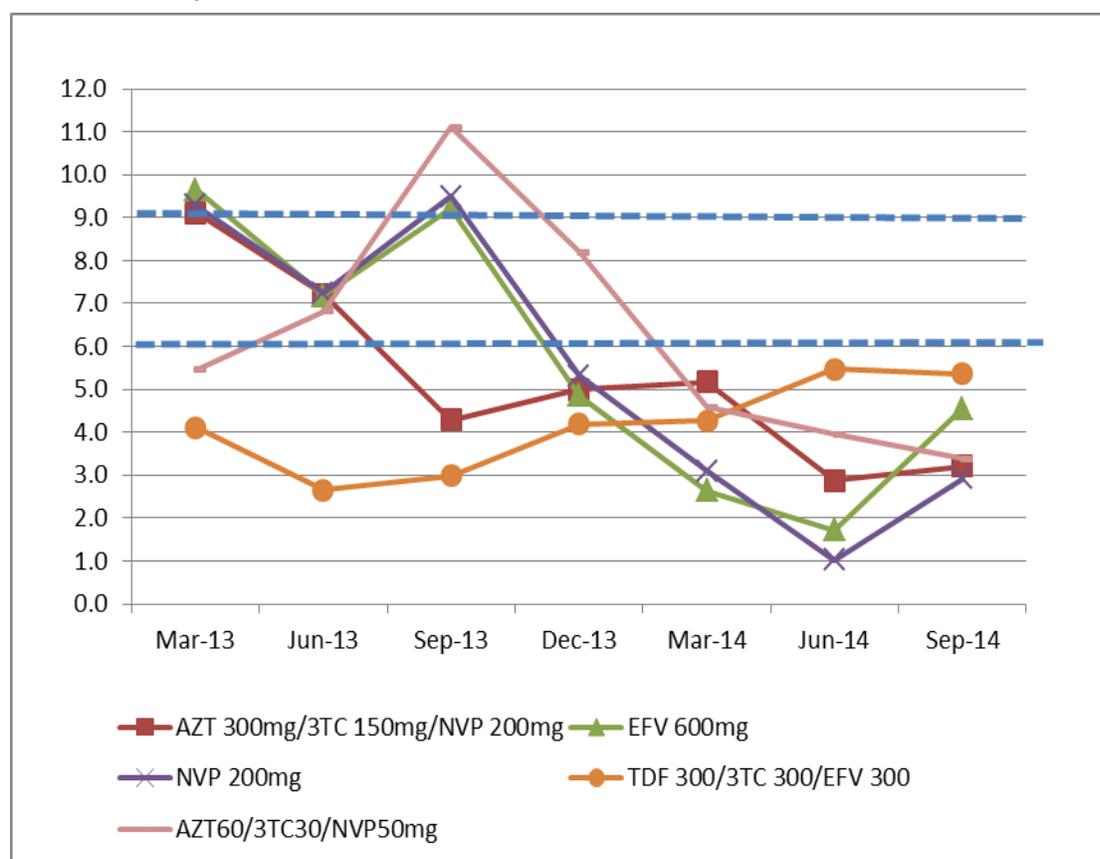
QA procedures adhering to SOPs	>98%	100%	100%	100%	100%	QA procedures continued to follow the set standards thus ensuring quality and safe products to the end user
Percent of randomly tested procured commodities that pass quality assurance testing	>95%	100%	100%	100%	100%	All randomly tested procured commodities obtained from the service delivery sites passed quality assurance tests indicating good storage and handling practices.
Reasonable time taken to initiate and resolve any recalls	To notify- 5 days, To resolve- 90 days	2days 13 days	3 days 32days	No recall	22 days	There were two recalls for sulfran in the year. The recalls were resolved in time.
Ratio between median price paid by contractor for each commodity in the last 12 months to the median international price	</ =/	-	-	-	-	This indicator measure over a twelve month period hence to be reported in the next quarter.
Incidences of cost overruns by dollar and percentage	<\$10,000, <5%	0%	0%	68%	0%	Cost overrun in quarter 18 were due to
Costs per patient treatment reduced in the last 12 months	5%	-	-	-	3%	Three Tracer regimens were tracked for the indicator and an overall reduction in cost was noted of 3%
Unexpected/unforeseen requests responded to in a timely manner	>95%	100%	No requests received	No requests received	100%	During the year Kenya Pharma had two urgent requests for Rifabutin and Methadone Syrup.
Percentage of facilities where monitoring visits were conducted by KP	75%	55%	58%	56%	51%	The 51% is the average for the three quarters.

IV. CHALLENGES

Railway Development Levy (RDL) payment has been a significant challenge in maintaining central warehouse stock levels at recommended levels. On average it took 40-60 days for the Ministry of Health to pay RDL on Kenya Pharma consignments. This resulted in long delays while commodities were held at customs. For example, a consignment that came in April 2014 was released in July 2014 after 90 days.

The stock level at the warehouse declined to below the recommended minimum buffer of 6 months (as illustrated in Exhibit 16 below), Kenya Pharma adopted a strategy of managing the stock at the central level, where the supply to sites was controlled but ensured each site had sufficient drugs to cater for their clients. The chart below shows the effects of delay in payment of RDL on stock levels at the central warehouse.

Exhibit 16: Level of stocks in patient months at central warehouse for AZT, NVP, EFV, TDF between March 2013-September 2014



Another challenge experienced during the reporting period was the inaccuracy of data reported by facilities. Despite the spirited effort to achieve accurate data, there are still a number of prevailing factors at some SDPs that pose a challenge to meeting this objective. These include:

- Inadequate staffing
- Staff turnover and rotation (any time a new staff prepares a report data quality is affected)
- Lack of prior training before staff join the CCC
- Work overload, and

- Infrastructural challenges (unreliable power, access to computer or internet, etc.)

V. PERFORMANCE MONITORING

During the reporting period, the project continued to use the PMP, and all indicator data are gathered using PMP data templates. The M&E team gathered data from technical staff and analyzed it as per the indicator specifications for reporting. In initiatives aimed at strengthening data quality and ownership, the project participated in a monitoring and evaluation technical working group meeting in Nyeri in June, 2014 where the following was discussed:

- Stakeholders participation in joint M&E activities in the county
- How partners will participate in development and review of M&E tools and documents
- How M&E activities will be monitored within the county
- Identification of funding of M&E activities
- M&E framework

The team also identified possible funding sources for M&E activities in the region. Measure Evaluation proposed to provide two Monitoring and Evaluation officers who will work with the county Medical Records Managers to strengthen data quality and reporting.

During the transition period, the project created a new staff function called Data Quality Analysis (DQA) from the existing pool of staff. The DQAs are responsible for reviewing reports and orders from SDPs in order to identify any errors and contribute towards ensuring accuracy of data submitted to Kenya Pharma. During the last two months of the year, all the orders received through the e-SCM system were reviewed on real time basis and those identified with errors were referred back to the SDPs for correction. This process ensured that the commodities delivered to SDPs were adequate (not too and not too little). Amongst the errors identified include, low or high quantities requested for resupply, facilities reporting in different units rather than the recommended units, incomplete data sets and typographical errors.

VI. PROGRESS ON GENDER STRATEGY

Although Kenya Pharma primarily responds to the directions of USAID within the limitations of Kenyan Government guidelines, we do try to include gender concerns in our policy and procurement decisions when appropriate. One example situation from the reporting period involved the specification of pediatric ABC/3TC as either a crushable or dispersible dose. As Kenya Pharma staff conducted the evaluation for these tenders, the prescribing staff expressed a clear preference for the dispersible presentation because the crushable tablets are more difficult for caregivers (who are typically female and frequently grandparents because the mother of the pediatric patient had died) to dispense uniformly and consistently. Since that time, Kenya Pharma has incorporated this preference into our decision-making process.

VII. PROGRESS ON ENVIRONMENTAL MITIGATION AND MONITORING

Kenya Pharma distributes ARVs and OIs to 174 SDPs across the country, primary using trucks for transportation. Monthly commodity delivery trips to each SDP contribute to direct emission of Carbon monoxide (CO), Particulate Matter (PM), Hydrocarbons (HC), Nitrogen oxides (NO₂), Sulfur dioxide (SO₂), hazardous air pollutants (toxics) and greenhouse gases in our atmosphere.

Kenya Pharma has taken the following measures to endeavor to minimize the pollution:

In the reporting period, Kenya Pharma continued to use one route consolidation whereby the orders to facilities are consolidated and delivered in one large truck. This minimizes the number of trips and trucks used in deliveries to facilities, overall engine run time and total exhaust gases produced.

The project's subcontracted transporter, DHL, ensures that the trucks used to transport Kenya Pharma commodities are regularly serviced and are inspected at the time of loading to ensure they are good mechanical condition. The vehicles are fitted with tracking systems that enable monitoring and control of engine idling time during trips.

During the year, Kenya Pharma disposed of 42,481 kg of obsolete, expired and damaged drugs by incineration. The bulk of the commodities incinerated were Stavudine-based regimens that expired in the central warehouse due to the change in the national treatment guidelines. The incineration was undertaken by Green City Incinerators Company, which was competitively identified from a pool of NEMA-certified firms. The destruction was supervised by a Pharmacy and Poisons Board (PPB) representative and one of Kenya Pharma's quality assurance officers to ensure that the destruction was in compliance with waste disposal requirements. A certificate of destruction was issued by PPB on April 1, 2014



Disposal of expired/damaged commodities during the year was contracted to Green City Incinerators, a company certified by the National Environment Management Authority

VIII. PROGRESS ON LINKS TO OTHER USAID PROGRAMS

Kenya Pharma's approach to project implementation is through collaboration with partners. During the period under review, Kenya Pharma collaborated with CHAI, Afya Info, and MSH. Kenya Pharma collaborated with CHAI to integrate their web ADT with the project's e-SCM for integrated patient and pharmaceutical management. Kenya Pharma also in the midterm review of the Afya Info project. The Kenya Pharma team made contributions on the project's forward focus, recommending that Afya Info support interoperability of existing systems, provide ICT infrastructure to SDPs and help train users on reporting issues. Kenya Pharma continues to work with MSH in supporting Kenya's national and county governments to ensure commodity security through the establishment of commodity security committees.

IX. PROGRESS ON LINKS WITH GOK AGENCIES

With the main focus on transition of the project to Kenya government agencies, Kenya Pharma continued to work closely with NASCOP and KEMSA in the following areas.

Procurement planning meetings

As reported in the previous report and elsewhere in this report, NASCOP took up the leadership role of convening the monthly national procurement planning meetings with Kenya Pharma providing logistical support. This is one of the key roles that Kenya Pharma is transitioning to NASCOP and we are happy to report that NASCOP has demonstrated willingness to take up the role.

Transition planning meetings

Kenya Pharma continued to hold transition discussions with both KEMSA and NASCOP during the year. A significant change during the year was that NASCOP took the leadership role of convening the transition meetings. However, we ran into a challenge in that NASCOP had not been officially notified by USAID through the Principle Secretary (PS) MOH on KP's transition. Despite NASCOP's best intentions, they could not commit to any decisions because they had no legal authority to execute transition decisions. The same applied to KEMSA who could also not take up any transition roles until formally notified by the PS MOH and a contract is put in place between themselves and USAID.

During this reporting period KEMSA visited the Kenya Pharma warehouse on 30th April 2014. The visit was arranged following a request by the KEMSA team. KEMSA's delegation included the Director of Operations and the Warehouse Manager. The visit was one of the activities undertaken by KEMSA and Kenya Pharma in preparation for transition where KEMSA needed to appreciate the warehousing capacity of KP.

During the visit the KEMSA team met with the Kenya Pharma warehouse management team to learn about and discuss the following issues:

- The Kenya Pharma warehouse space and commodities in stock;
- Consignments expected by Kenya Pharma between April and June 2014;
- Schedule of commodities transfer from Kenya Pharma to KEMSA



The KEMSA team appreciated Kenya Pharma's openness and willingness to share data on stock holding. This data sharing will enable them to track the available stock and plan better for warehousing space.

X. PROGRESS ON USAID FORWARD

Kenya Pharma is working with NASCOP, KEMSA and county administrations to smoothly transition the functions of the Kenya Pharma supply chain to these entities, as appropriate. In addition, the project is working with local testing laboratories (NQCL and MEDS) to enhance their capacity to respond to national testing needs of medicines, with PPB in support of pharmacovigilance, and with a few local pharmaceutical manufacturers/suppliers in efforts to increase the sustainability and ownership of their activities in support of the HIV/AIDS supply chain.

XI. SUSTAINABILITY AND EXIT STRATEGY

In the first half of Year 5, Kenya Pharma was working on the premise that the project would end on July 5th 2014 and transition activities assumed this close date. However, in May 2014, we received communication from USAID that the contract would be extended by a further 15 months to allow for a smooth transition to KEMSA and NASCOP. This changed the pace and depth of the transition discussions as we had to start focusing more on ensuring a sustainable transition by adopting a step wise transition approach. It is worth noting that there are no changes in regard to the identified transition partners or the roles that they are expected to assume post Kenya Pharma. Below are key transition milestones that Kenya Pharma and partners are working towards.

Procurement

Kenya Pharma will undertake all the procurements whose deliveries are expected in-country between now and December 2014. Any procurements for commodities to be delivered between January and March 2015 will be split between Kenya Pharma and KEMSA. After March 2015, KEMSA will assume full responsibility of procurements for national ART commodity requirements. The determination of the splitting criteria will be agreed on during the work planning process between KEMSA, NASCOP, USAID and Kenya Pharma tentatively scheduled for 5th & 6th of September 2014.

Distribution

As of 1st October 2014, Kenya Pharma's plan is to transition 50% of the sites in the Northern Arid Lands (NAL) to KEMSA since at present they are not making any deliveries to those areas. From January 2015, KEMSA will take on 50% of current KP-supported sites. As of 1st April 2015, KEMSA will be responsible for 100% distribution of ART commodities to all SDPs. Kenya Pharma will, however, be available to respond to any emergency request for distribution to any of the sites that NASCOP may want us to distribute to.

Warehousing

All commodities procured by Kenya Pharma will be delivered to the KP warehouse at PHSL up to June 2015. Should there still be residual deliveries to be made after this date, they will be consigned to KEMSA. At the end of June 2015, Kenya Pharma will conduct a final stock take and transfer all residual stocks to KEMSA. This means that Kenya Pharma will not be available to do any emergency distribution after 1st July 2015.

Quality Assurance

Effective July 2014, all procurements by Kenya Pharma will be on a Cost, Insurance and Freight (CIF) Incoterms basis. This means that sampling for analysis will no longer be done by VIMTA but rather will be done in-country by the Kenya Pharma quality assurance team and submitted to MEDS or NQCL for analysis. In readiness for the expected increase in workload for the two labs, USAID through Pharma has supported the installation of a microbiology isolator at NQCL, and two UHPLC machines and a dissolution tester at MEDS. Further, Pharma is supporting the implementation of LIMS at the two labs to aide in accuracy and timeliness of documentation. It is expected that these measures will sufficiently enable the local labs to respond to the emerging needs. Any further support required by the two labs will be discussed during the work planning process.

Order Management

NASCOP is expected to assume this role after Kenya Pharma closes. To support them in this role, we plan to transition the e-SCM system to NASCOP. Further, we plan to collocate our e-SCM staff to NASCOP for effective handholding during the handover period. This plan will be implemented as soon as we have an approved work plan.

Transition steering/coordination role

To ensure that the appropriate tempo of transition discussions is maintained, two committees have been proposed as follows:

- a) The steering committee - This committee will be responsible for providing transition guidelines and evaluating the implementation of the transition milestones. The committee will have representation from the Principal Secretary (PS) MOH, Director, Preventative and Promotive Health Services, Head NASCOP, CEO, KEMSA, representative of USAID/OPH and Chief of Party, Kenya Pharma.
- b) The transition execution committee - This committee will be responsible for defining the transition milestones, following through on implementation and monitoring progress. This committee will have representation from the Care and Treatment Program Manager- NASCOP, HIV commodities and Logistics Management Program Manager, NASCOP, Operations Director, KEMSA, Procurement, Warehousing, Quality Assurance and Customer Services Managers, KEMSA and Director of Technical Coordination, KP.

The frequency of the meetings and the reports to be generated will be agreed on during the work planning process.

XII. GLOBAL DEVELOPMENT ALLIANCE

This is not a GDA Activity.

XIII. SUBSEQUENT QUARTER'S WORK PLAN

Kenya Pharma's focus this next quarter is the development of a work plan for the next 15 months in collaboration with NASCOP, KEMSA and USAID. The work planning meeting is tentatively scheduled for 4th and 5th September 2014

XIV. FINANCIAL INFORMATION

No.	Cost Line Items	Quarter 19 (Apr-Jun2014)				Life of Project (as of 30 June 2014)			
		Budget	Actual Cost	Variance	%	Budget	Actual Cost	Variance	%
1	Salaries	\$371,330	\$336,744	\$34,586	91%	\$5,918,951	\$5,720,611	\$198,340	97%
2	Fringe Benefits	\$103,312	\$91,306	\$12,006	88%	\$2,827,568	\$2,495,550	\$332,018	88%
3	Overhead	\$244,497	\$220,609	\$23,888	90%	\$4,813,811	\$3,840,233	\$973,578	80%
4	Travel & Transportation	\$42,409	\$38,665	\$3,744	91%	\$2,233,922	\$1,079,681	\$1,154,241	48%
5	Allowances	\$100,775	\$65,522	\$35,253	65%	\$1,064,224	\$1,599,624	(\$535,400)	150%
6	Other Direct Costs	\$110,869	\$96,424	\$14,445	87%	\$1,017,983	\$2,178,262	(\$1,160,279)	214%
7	Equipment, Vehicles & Freight	\$0	\$333	(\$333)	0%	\$305,577	\$376,386	(\$70,809)	123%
8	Training	\$57,482	\$787	\$56,695	1%	\$0	\$271,968	(\$271,968)	0%
9	Subcontracts (incl. PHSL & DHL)	\$658,066	\$996,325	(\$338,259)	151%	\$28,963,222	\$11,328,947	\$17,634,275	39%
10	General & Administrative	\$52,918	\$44,006	\$8,912	83%	\$1,145,660	\$874,307	\$271,353	76%
11	Fixed Fee	\$35,094	\$29,183	\$5,911	83%	\$931,719	\$597,628	\$334,091	64%
12	Award Fee	\$228,636	\$0	\$228,636	0%	\$1,122,025	\$905,039	\$216,986	81%
Total Management Items		\$2,005,388	\$1,919,903	\$85,485	96%	\$50,344,662	\$31,268,236	\$19,076,426	62%
13	Procurement (Drugs+QA+Inbound Del)	\$6,392,676	\$12,148,317	(\$5,755,641)	190%	\$495,049,504	\$265,006,846	\$230,042,658	54%

14	Procurement Services Fee	\$0	\$0	\$0	0%	\$4,950,496	\$4,455,445	\$495,051	90%
Total Procurement Items		\$6,392,676	\$12,148,317	(\$5,755,641)	190%	\$500,000,000	\$269,462,291	\$230,537,709	54%
Grand Total		\$8,398,064	\$14,068,220	(\$5,670,156)	168%	\$550,344,662	\$300,730,527	\$249,614,135	55%

Financials - Summary of Year Ending Q19 (June 30, 2014)

This reporting period's budget was approved in October 2013 with the assumption that the project would end in July 2014 and no new procurements would be undertaken after December 2013. As such, the total amount invoiced during the final quarter is 68% higher than originally anticipated. This large variance is due to the payment of 75% of procurement invoices contracted in early 2014.

Salaries, overhead, and travel costs are each within 10% variance of the budget figures. As a result, they all meet our expectations. The costs of the following line items are slightly below our expectations:

Fringe Benefits: We have underspent by 12% because of non-payment of the prorated 13th month bonus. This benefit will now be paid in December 2014 or earlier depending on the termination date of the staff.

Allowances: We have invoiced only 65% of the budget because the amounts originally projected for post differential (at 35%) and COLA (at 30% of the base salary) actually came down to respectively 30% and about 15%. The payment of Danger Pay, which became effective at the same time, was not invoiced properly in June, but will be caught up in August's invoice and should put the project closer to its projection.

Other Direct Costs: Only 87% of the budget was spent. The field management unit had anticipated purchasing/printing 500,000 labels per month under the reproduction cost category and so far this print activity has been put on hold. Also, only 6% of the budget allocated to office maintenance has been used.

Equipment & Furniture: The amount represents the cost of a megaphone speaker to use in the case that it is necessary to evacuate staff from the building in case of fire or other emergency assistance and the cost of a new cell phone purchased to replace a damaged one.

Training: We have spent only 1% of the budget. The workshop planned for April was postponed to July after USAID indicated its intent to extend the contract. Additionally, the stakeholders' exit conference scheduled for May was also postponed.

Subcontracts: DHL and PHSL caught up with their billings and each invoiced more than \$100K of the budgeted amount. Note that their billings level in the previous quarter was significantly low.

G&A and Fixed Fee: They represent 83% of the budget and are calculated based on fixed rates applied to the above cost line items.

Award Fee: No award fee was billed this quarter. The estimated \$228K budgeted in June will likely be invoiced in October or November after the next award fee meeting with USAID (assumed to occur in September).

Cost disallowance: In the second quarter of this reporting period (Q18) there was a cost disallowance of \$5,005 as the result of Ernst & Young's 2012 audit. The CO made the final determination in February and the matter was closed. This was the first cost disallowance (\$3,162 for VAT and \$1,843 for quarters allowance) within the Kenya Pharma project.

XV. ACTIVITY ADMINISTRATION

Personnel

Exhibit 17: Staffing overview of Kenya Pharma phase-out and transition period

Function	Current staff	Q1 7/14-9/14	Q2 10/14-12/14	Q3 1/15-3/15		Q4 4/15-6/15	Q5 7/15-9/15
F&Q/Procurement (+2 PHSL)	1	1	1	0		0	0
W/H & Distribution (PHSL & DHL)	1	1	1	1		1	1
QA (VIMTA, NQCL, MEDS)	3	3	3	3		3	1
Customer Service	17	13	13	10		1	1
Reporting, M&E, Communications	6	5	5	3		3	1
Finance	4 (1)*	4 (1)	3	3		2	1
Operations/Management	13 (1)	11 (1)	10	7		5	2
Total Staff	45 (2)	38 (2)	36	28		15	7

* Numbers in parenthesis are expatriate staff

Key:

	Normal/transition
	Transition/Emergency Response Team
	Emergency Response Team/Close

Contract, Award or Cooperative Agreement Modifications and Amendments

One of the major contract modifications that occurred during the reporting period was the 15 months extension of the Kenya Pharma project to 30th September 2015. This extension came with a revised set of award fee criteria which focus on the following areas:

- Effectiveness of transition
- Coordination
- Responsiveness to emergencies
- Reporting and on time deliveries
- Cost control.

XVI. INFORMATION FOR ANNUAL REPORTS ONLY

A. Budget Disaggregated by County

County	Obligation
Baringo	\$ 205,477.00
Bomet	\$ 697,099.00
Bungoma	\$ 1,585,965.00
Busia	\$ 3,074,458.00
Elgeyo Marakwet	\$ 191,002.00
Embu	\$ 373,004.00
Garissa	\$ 95,400.00
Homa Bay	\$ 5,743,263.00
Kajiado	\$ 305,764.00
Kakamega	\$ 1,678,696.00
Kericho	\$ 122,493.00
Kiambu	\$ 1,808,780.00
Kilifi	\$ 644,665.00
Kirinyaga	\$ 630,746.00
Kisii	\$ 703,138.00
Kisumu	\$ 5,496,186.00
Kitui	\$ 733,599.00
Kwale	\$ 212,531.00
Laikipia	\$ 405,337.00
Lamu	\$ 105,344.00
Machakos	\$ 928,598.00
Makueni	\$ 1,002,108.00
Mandera	\$ 15,166.00
Marsabit	\$ 108,429.00

Meru	\$ 789,401.00
Migori	\$ 4,459,938.00
Mombasa	\$ 3,697,308.00
Murang'a	\$ 677,313.00
Nairobi	\$ 3,598,706.00
Nairobi	\$ 11,771,499.00
Nakuru	\$ 1,295,508.00
Nyamira	\$ 281,625.00
Nandi	\$ 978,556.00
Narok	\$ 280,551.00
Nyandarua	\$ 395,887.00
Nyeri	\$ 1,799,348.00
Samburu	\$ 83,390.00
Siaya	\$ 2,959,944.00
Taita Taveta	\$ 281,035.00
Tana River	\$ 51,653.00
Tharaka Nithi	\$ 526,975.00
Trans Nzoia	\$ 880,202.00
Turkana	\$ 490,532.00
Uasin Gishu	\$ 2,599,739.00
Uasin Gishu	\$ 36.00
Vihiga	\$ 442,496.00
Wajir	\$ 35,526.00
West Pokot	\$ 206,979.00
Elgeyo Marakwet	\$ 4,125.00
Isiolo	\$ 46,945.00

B. Budget Disaggregated by Earmarks

(Earmarks for 2012 funds shown below; new should be added if/when appropriate.)

OBLIGATION	Q1	Q2	Q3
Rule of Law and Human Rights			
Good Governance			
Political Competition and Consensus-Building			
Civil Society			
HIV/AIDS (USAID)	\$17,026,564	\$16,495,356	\$14,068,220
Tuberculosis			
Malaria			
MCH Water			
MCH Polio			
Other MCH			
Family Planning and Reproductive Health			
Water Supply and Sanitation			
Nutrition			
Basic Education			
Agriculture			
Inclusive Financial Markets			
Policy Environment for Micro and Small Enterprises			
Strengthen Microenterprise Productivity			
GCC- Adaptation			
GCC- Clean Energy			
GCC- Sustainable Landscapes			
Biodiversity			

Note: Each year the COR/AOR should be consulted regarding which earmarks are applicable to the activity, and the amounts.

C. Sub-Awards

The Kenya Pharma project does not implement through sub awards. Any costs incurred through subcontracts have already been included in the reports above.

D. List of Deliverables

The Quarterly progress reports for Quarter 17 and Quarter 18 were submitted during the reporting period.

E. Summary of Non-USG Funding

No non-USG Funding is used or leveraged by the Kenya Pharma project.

F. Type of Accounting System Used During Reporting Period

Chemonics uses Solomon accounting system in Headquarter to prepare monthly invoices to the client. Chemonics has also developed an accounting system called Abacus to manage accounting in field offices. In addition to these two accounting packages, the Kenya Pharma field office has setup a database in Access to meet some contractual financial reporting requirements.

XVII. GPS INFORMATION

Exhibit 18: GPS Information

S/No	Facility name	County	Latitude	Longitude
1	AHF Mathare Clinic	Nairobi	-1.266163	36.853489
2	AIC Litein Mission Hospital	Kericho	-0.58621	35.1865
3	AIC Lokichogio Health Centre	Turkana	4.206029	34.349978
4	AMPATH (Moi Teaching Referral Hospital)	Uasin Gishu	0.511551	35.280419
5	AMREF Kibera Health Centre	Nairobi	-1.31131	36.79573
6	Amukura Health Centre	Busia	0.56216	34.27321
7	AMURT Health Centre	Nairobi	-1.2658	36.73778
8	Asumbi Mission Hospital	Homa Bay	-0.620675	34.614642
9	Baraka Dispensary (Nairobi)	Nairobi	-1.25756	36.858
10	Beacon of Hope Clinic (Kajiado)	Kajiado	-1.39449	36.763046
11	Bomu Medical Hospital (Changamwe)	Mombasa	-4.027316	39.617531
12	Bumala A Health Centre	Busia	0.30231	34.1914
13	Bumala B Health Centre	Busia	0.38995	34.3501
14	Burnt Forest RHDC (Eldoret East)	Uasin Gishu	0.21511	35.43611
15	Busia District Hospital Central Site(Ampath)	Busia	0.460071	34.104853
16	Chepkorio Health Centre	Elgeyo Marakwet	0.383333	35.533333
17	Chogoria (PCEA) Mission Hospital	Tharaka Nithi	-0.23033	37.62818
18	Chulaimbo Sub-District Hospital	Kisumu	-0.03785	34.63821
19	Coast Provincial General Hospital	Mombasa	-4.049093	39.672409
20	Consolata Hospital Kyeni	Embu	-0.41331	37.58781
21	Consolata Mission Hospital (Mathari)	Nyeri	-0.24331	36.55184
22	Cottolengo Children's Centre	Nairobi	-1.33712	36.72622
23	Defence Forces Memorial Hospital, Nairobi	Nairobi	-1.30948	36.80334

S/No	Facility name	County	Latitude	Longitude
24	Diocese of Lodwar HIV/AIDS Programme	Turkana	3.123863	35.605563
25	Dream Center Dispensary	Nairobi	-1.34111	36.75437
26	Eastern Deanery Aids Relief Program	Nairobi	-1.29107	36.8983
27	Engineer District Hospital	Nyandarua	-0.61053	36.5919
28	Faces Nyanza (Lumumba)	Kisumu	-0.091702	34.767957
29	Friends Lugulu Mission Hospital	Bungoma	0.66131	34.75278
30	Ganjoni Women's Health Project	Mombasa	-4.064602	39.665869
31	Garissa Provincial General Hospital	Garissa	-0.453229	39.646099
32	Gertrudes Hospital	Nairobi	-1.25546	36.831973
33	GSU HQ Dispensary (Ruaraka)	Nairobi	-1.24461	36.86636
34	Hola District Hospital	Tana River	-1.395587	39.95107
35	Holy Family Nangina Mission Hospital	Busia	0.277288	34.105136
36	Homa Hills Health Centre	Homa Bay	-0.355841	34.467684
37	Homa-Bay District Hospital	Homa Bay	-0.533763	34.46174
38	Ijara District Hospital - Masalani	Garissa	-1.598823	40.513561
39	IRC Kakuma Hospital	Turkana	3.725834	34.843011
40	Iten District Hospital	Elgeyo Marakwet	0.654573	35.495024
41	Jamaa Hospital	Nairobi	-1.28186	36.87333
42	Kabarnet District Hospital	Baringo	0.485012	35.74177
43	Kabartonjo District Hospital	Baringo	0.61824	35.787
44	Kakuma Mission Hospital	Turkana	3.70756	34.86506
45	Kangema Sub District Hospital	Murang'a	-0.690169	36.971531
46	Kangemi Health Centre	Nairobi	-1.26718	36.749199
47	Kangundo District Hospital	Machakos	-1.302136	37.344738
48	Kapenguria District Hospital	West Pokot	1.237561	35.121617
49	Kapkatet District Hospital	Kericho	-0.629716	35.197243

S/No	Facility name	County	Latitude	Longitude
50	Kapsabet District Hospital	Nandi	0.202238	35.102359
51	Karatina District Hospital	Nyeri	-0.476033	37.130517
52	Kayole II Sub-District Hospital	Nairobi	-1.275322	36.911037
53	Kayole Soweto PHC	Nairobi	-1.26843	36.9211
54	KEMRI Clinic	Kisumu	-0.07659	34.676274
55	KEMRI/CRDR FACES Program	Nairobi	-0.09968	34.76599
56	KEMRI/Walter Reed Project Kericho	Kericho	-0.366062	35.281799
57	Kendu Adventist Hospital	Homa Bay	-0.400884	34.665604
58	Kenyatta National Hospital	Nairobi	-1.30101	36.807194
59	Kericho District Hospital	Kericho	-0.37156	35.280219
60	Khunyangu RHDC	Busia	0.33769	34.25793
61	Khwisero District Hospital	Kakamega	0.11	34.48
62	Kibera South (MSF Belgium) Dispensary	Nairobi	-1.31339	36.78958
63	Kijabe (AIC) Hospital	Kiambu	-0.947565	36.594628
64	Kikoko Mission Hospital	Makueni	-1.806244	37.39656
65	Kikuyu (PCEA) Hospital	Kiambu	-1.265664	36.668273
66	Kima Mission Hosp, Kisumu	Vihiga	0.026511	34.623247
67	Kimbimbi Sub-District Hospital	Kirinyaga	-0.620436	37.365361
68	Kimilili District Hospital	Bungoma	0.789038	34.712967
69	Kinango District Hospital	Kwale	-4.134965	39.317949
70	Kiria-ini Mission Hospital	Murang'a	-0.602097	36.951603
71	Kitale District Hospital	Trans Nzoia	1.016247	35.008868
72	Kombewa District Hospital	Kisumu	-0.10352	34.518405
73	Kyuso District Hospital	Kitui	-0.548825	38.219794
74	Lamu District Hospital	Lamu	-2.285411	40.910394
75	Likuyani Sub-District Hospital	Kakamega	0.7108	35.10693

S/No	Facility name	County	Latitude	Longitude
76	Liverpool VCT	Nairobi	-1.294534	36.782161
77	Lodwar District Hospital	Turkana	3.122627	35.601002
78	Londiani District Hospital	Kericho	-0.175185	35.590999
79	Longisa District Hospital	Bomet	-0.860731	35.390546
80	Lugari District Hospital	Kakamega	0.651158	34.876211
81	Mabusi Health Centre	Kakamega	0.83445	35.08051
82	Macalder District Hospital	Migori	-0.96628	34.28826
83	Madiany District Hospital	Siaya	-0.284077	34.322839
84	Makindu District Hospital	Makueni	-2.283365	37.825027
85	Mandera District Hospital	Mandera	3.940595	41.861891
86	Mapendo International	Nairobi	-1.268264	36.811121
87	Maralal District Hospital	Samburu	1.098024	36.69623
88	Mariakani District Hospital	Kilifi	-3.863163	39.47215
89	Marigat Sub District Hospital	Baringo	0.470368	35.98177
90	Marsabit District Hospital	Marsabit	2.323733	37.991007
91	Maseno Mission Hospital	Kisumu	-0.000687	34.611547
92	Mater Hospital	Nairobi	-1.30672	36.83427
93	Matete Health Centre	Kakamega	0.558833	34.820232
94	Mathare Hospital	Nairobi	-1.260294	36.847229
95	Matoso Health Clinic (Lalmba)	Migori	-0.97685	34.13299
96	Maua Methodist Hospital	Meru	0.232555	37.941375
97	Mbeere District Hospital	Embu	-0.576805	37.642787
98	Moi's Bridge Health Centre	Uasin Gishu	0.87599	35.1221
99	Mombasa CBHC	Mombasa	-4.065054	39.680925
100	Mosoriot RHDC	Nandi	0.322519	35.172592
101	Moyale District Hospital	Marsabit	3.522856	39.057359

S/No	Facility name	County	Latitude	Longitude
102	Mpeketoni Sub-District Hospital	Lamu	-2.391235	40.697302
103	Mt Elgon District Hospital	Bungoma	1.02627	35.002956
104	Mtongwe Health Centre	Mombasa	-4.091761	39.644074
105	Mukhobola Health Centre	Busia	0.08157	34.02985
106	Mukuru Kwa Reuben FBO Clinic	Nairobi	-1.325311	36.887596
107	Mukurweini District Hospital	Nyeri	-0.33749	37.02685
108	Muranga District Hospital	Murang'a	-0.718734	37.161139
109	Muriranjas Sub-District Hospital	Murang'a	-0.74315	36.97306
110	Mutomo Mission Hospital	Kitui	-1.846494	38.208951
111	Mwala District Hospital	Machakos	-1.351365	37.45073
112	Nairobi Women's Hospital	Nairobi	-1.295139	36.79811
113	Naitiri Health Centre	Bungoma	0.7563	34.8908
114	Nambale Health Centre	Busia	0.455483	34.238806
115	Nandi Hills District Hospital	Nandi	0.106344	35.179939
116	Nanyuki District Hospital	Laikipia	0.021632	37.072566
117	Nazareth Hospital	Kiambu	-1.135248	36.726048
118	Ndhiwa District Hospital	Homa Bay	-0.728401	34.366055
119	Ngaira Rhodes Dispensary	Nairobi	-1.292231	36.823371
120	North Kinangop Catholic Hospital	Nyandarua	-0.554565	36.553616
121	Nyabondo Mission Hospital	Kisumu	-0.380754	34.977876
122	Nyambene District Hospital	Meru	0.235261	37.875538
123	Nyeri Provincial General Hospital (PGH)	Nyeri	-0.426017	36.963174
124	Nyumbani Children's Home	Nairobi	-1.313845	36.698349
125	Ong'ielo Health Centre	Siaya	-0.171381	34.378548
126	Othaya Sub-District. Hospital	Nyeri	-0.542823	36.941932
127	Our Lady of Lourdes Mwea Hospital	Kirinyaga	-0.663596	37.349825

S/No	Facility name	County	Latitude	Longitude
128	Port Reitz Hospital	Mombasa	-4.038561	39.603151
129	Port Victoria Hospital	Busia	0.460769	34.111462
130	Pumwani Majengo Dispensary (UNITID)	Nairobi	-1.281664	36.845884
131	Pumwani Maternity Hospital	Nairobi	-1.281427	36.845547
132	Rachuonyo District Hospital	Homa Bay	-0.505853	34.733593
133	Rift Valley Provincial General Hospital	Nakuru	-0.275874	36.070993
134	Rongo District Hospital	Migori	-0.757748	34.600051
135	Rumuruti District Hospital	Laikipia	0.271526	36.533263
136	Sena Health Centre	Homa Bay	-0.46828	34.06427
137	Silanga (MSF Belgium) Dispensary	Nairobi	-1.31738	36.79603
138	Sio Port District Hospital	Busia	0.22515	34.02132
139	Sony Medical Centre	Migori	-0.895869	34.537781
140	Soy Health Centre	Uasin Gishu	0.67699	35.17256
141	St Elizabeth Chiga Health Centre	Kisumu	-0.098898	34.84491
142	St Elizabeth Hospital, Mukumu	Kakamega	0.212579	34.76821
143	St Elizabeth Lwak Mission Hospital	Siaya	-0.140612	34.357236
144	St Joseph Mission Hospital Migori	Migori	-1.070654	34.47476
145	St Joseph's Shelter Of Hope	Taita Taveta	-3.451039	38.312462
146	St Ladislaus Dispensary	Uasin Gishu	0.47491	35.25598
147	St Luke's Mission Hospital ACK (Kaloleni)	Kilifi	-3.81639	39.627879
148	St Mary's Hospital (Mumias)	Kakamega	0.325914	34.498556
149	St Mary's Hospital (Naivasha)	Nakuru	-0.414173	36.250054
150	St Monica's Mission Hospital, Kisumu	Kisumu	-0.0422	34.76971
151	St. Camillus Mission Hospital (karungu)	Migori	-0.822031	34.134605
152	St. Francis Community Hospital	Nairobi	-1.22429	36.9046
153	St. Joseph Mukasa Dispensary	Nairobi	-1.18085	36.907604

S/No	Facility name	County	Latitude	Longitude
154	St. Orsola Mission Hospital	Tharaka Nithi	0.31621	37.90028
155	STC Casino, Nairobi	Nairobi	-1.27457	36.83137
156	Tabaka Mission Hospital	Kisii	-0.67294	34.770752
157	Tabitha Medical Centre	Nairobi	-1.31611	36.7802
158	Tenwek Mission Hospital	Bomet	-0.743895	35.359765
159	Teso District Hospital	Busia	0.62253	34.34481
160	Tharaka District Hospital	Tharaka Nithi	-0.158787	37.975359
161	Transmara District Hospital	Narok	-1.005012	34.879331
162	Tumaini Childrens' Home (Nanyuki)	Laikipia	0.006126	37.089844
163	Tumaini Medical Centre	Marsabit	2.329632	37.98876
164	Tumutumu (PCEA) Hospital	Nyeri	-0.489047	37.080306
165	Turbo Health Centre	Uasin Gishu	0.632868	35.049313
166	Uasin Gishu District Hospital	Uasin Gishu	0.518042	35.27673
167	University Health Services (UNITID)	Nairobi	-1.279181	36.80948
168	UON/UOM Pumwani VCT Centre	Nairobi	-1.28028	36.84552
169	Uzima Health Centre	Nairobi	-1.2553	36.85572
170	Wajir District Hospital	Wajir	1.748155	40.06299
171	Wamba Mission Hospital	Samburu	0.97786	37.32013
172	Webuye District Hospital	Bungoma	0.612946	34.764342
173	Wesu District Hospital	Taita Taveta	-3.409755	38.354988
174	Ziwa Sub-District Hospital	Uasin Gishu	0.84895	35.25657

ANNEXES & ATTACHMENTS

Annex I: List of Deliverable Products

The Kenya Pharma project produced three deliverables during the year 5 (in addition of the annual report).The deliverables below are included as attachments to this report.

Quarter 17 Report

Quarter 18 Report

Quarter 19 Report

Annex II: Number of Patients Served

Patients	Targets	Qter 17	Qter 18	Qter19	Total Yr5
Patients Numbers	600,000				
ARVs	360,000	369,240	393,443	386,502	386,502
OIs	750,000	799,596	874,370	816,232	816,232
PMTCT/Pregnant	71,550	25,978	8,464	9,469	816,232
PMTCT/Infants	71,500	27,157	7,883	8,060	8,060

Annex III: Indicator Data

USAID PEPFAR Objective: Care and Treatment of person with HIV/AIDS in Kenya supported

Project Objective: PEPFAR supply chain to provide commodities for care and treatment of persons with HIV/AIDS strengthened

IR 1: Pharmaceutical Procurement planning and management enhanced

Sub IR 1.1 Forecasting, quantification and warehousing improved

Indicator No.	Award fee indicators	Targets	Qtr 17	Qtr 18	Qtr 19	Year Five (October 2013-June 2014)	Comments
1.1.1a	Accuracy in forecasting	>85%	-	-	-	-	Forecasting of commodities is done over duration of 12 months hence the data for this indicator available in the next quarter.
1.1.1b	Accuracy in Quantification	>85%	62%	27%	27%	9 %	Most of our commodities were below and above the recommended quantification range of 6-9 months. The quantities of other commodities in the warehouse were below the range as result of consignment being held at port awaiting RDL payment
1.1.2	Percentage CO-approved subcontracts modified or cancelled during the year.	<10%	-	-	-	-	Fourteen subcontracts floated in the year where none was cancelled modified after USAID approval.
1.1.3	Subcontract approval requests are complete, accurate and submitted on time.	Timelines >95%	100%	60%	75%	77%	Out of the total fourteen subcontracts submitted, 13 RFPs were floated of which ten were submitted to USAID for approval within thirty days. In one of the procurement there was no RFP floated as it was urgent. All subcontract approvals for the year were complete and accurate.
		Accuracy >95%	100%	100%	100%	100%	
		Completeness >95%	100%	100%	100%	100%	
1.1.4	Waiver requests	>95%	100%	90%	100%	95%	44 waivers were lodged in the year of which forty two were received within twenty one
1.1.5	Procurements done in line with	>98%	100%	100%	100%	100%	All Kenya Pharma procurements during the year were done according to Kenya and US government regulations(SOPs)
1.1.6	Commodities received in central	>95%	0%	0%	0%	0%	Delay in payment of RDL fees continued to cause delay in receiving goods at the warehouse.
1.1.7	Wastage/loss/expiries during storage and	<2%	0.0004 %	0.005 %	0.0003%	0.0019	The annual figure of 0.00 2 was obtained as an average of the four quarters.
1.1.8	SDPs are adequately stocked according to recommended practices	>95%	100%	100%	100%	100%	All the SDPs were adequately stocked according to the recommended practices

1.1.9	Semi-annual inventory audit conducted and reconciled with e-SCM records	Yes	-	-	Yes	Yes	The inventory audit carried out quarterly with the latest conducted on 25th June 2014. Any variances noted were corrected and records filed in the ISO in the stock reconciliation record
1.1.10	Semi-annual inventory reports easily accessible and accurate.	Yes	-	-	Yes	Yes	The stock reconciliation record is accessible in the ISO under the warehousing records
1.1.11	Average time taken to clear stock through customs	3 days JKIA	13 days	-	21 days	17days	The delay was as result of RDL payment clearance
		10 days MSA	27 days	37 days	56 days	40days	The delay was as result of RDL payment clearance
Sub. 1.2. Market research utilized in implementation							
	Award fee						
1.2.1	Market surveys conducted	4/year	8	4	6	20	Twenty market surveys for ARVs, OIs, equipment and other commodities were conducted in the year.
1.2.2	Approved commodity sources identified	>10/year				35	During the year Kenya Pharma identified thirty five eligible commodity sources for ARVs, OIs and laboratory equipment.
Sub. IR 1.3: stock outs eliminated and customer satisfaction improved							
	Award fee						
1.3.1	No Kenya Pharma serviced health facilities experiencing OI drugs stock outs in the	5%	0%	0%	0%	0%	No stock outs in the SDPs attributable to forecasting and Quantification.
1.3.2	Quality rating on customer service satisfaction survey	Good	Not Done	Not done	Not done	Not done	This activity was not done during the year.
1.3.3	Notification to USAID on potential problems identified and solved throughout the supply chain.	Yes	Yes	Yes	Yes	Yes	Problems identified in the quality assurance, procurement, shipment and inter-pipeline transfer were notified to USAID and resolutions sought.

1.3.4	Percentage of health facilities that experience ARV stock outs in the last 3months	<5%	0%	0%	0%	0%	No stock outs experienced during the year that was attributable to forecasting and quantification.
Sub. IR. 1.4: Shipments received within reasonable time at order sites							
	Award fee indicators						
1.4.1	SDPs receiving shipments within 4 working days after anticipated delivery	>95%	94%	98%	100%	97%	97% of facilities received their shipments within the recommended time of 4 working days.
	Supplemental indicators						
1.4.2	Percentage of SDP orders received in central warehouse by scheduled timeframe	80%	81%	78%	80%	80%	80% of SDPs sent their order to the central warehouse by the tenth of every month allowing for timely order rationalization.
1.4.3	Average time for delivery of stock to SDPs	4 days	2.6 days	2.4 days	2 days	2.3 days	Drugs in the year were delivered on average within two days after dispatch from the warehouse.
IR 2: QA of Procured Commodities Improved							
	Award fee indicators						
2.1.1	QA procedures adhering to SOPs	>98%	100%	100%	100%	100%	QA procedures continued to follow the set standards thus ensuring quality and safe products to the end user
2.1.2	QA reports accurate and timely	>95% Accurate	100%	100%	100%	100%	The quality assurance reports were accurately
		>85% Timely	MEDS-86%	MEDS-100%	MEDS-11%	MEDS-65%	
2.1.3	Percent of randomly procured commodities that pass quality assurance testing/analysis	>95%	100%	100%	100%	100%	All randomly tested procured commodities obtained from the service delivery sites passed quality assurance tests indicating good storage and handling practices
2.2.1	QA problems identified by	All	Yes	Yes	Yes	Yes	QA problems identified in the year were resolved as appropriate.

2.2.2	QA problems resolved	Yes	Yes	Yes	Yes	Yes	QA problems identified in the quarter including two recalls for sulfran were
2.2.3	Reasonable time taken to initiate and resolve any recalls	To notify- 5 days, To resolve- 90 days	2 days 13 days	4 days 32 days	No recall	22	There were two recalls for sulfran in the year. Recalls were resolved within ninety days after notification.
IR 3: Pharmaceutical prices decreased and other efficiencies achieved							
Sub. IR 3.1: Cost effectiveness and streamlining of operations achieved							
	Award fee indicators						
3.1.1	Ratio between median price paid by contractor for each commodity in the last 12 months to the median international price	</ =1	-	-	-	-	This indicator measured over a twelve month period hence to be reported in the next quarter..
3.1.2	Innovations to maximize efficiency of supply chain	Yes	-	-	-	-	During the year the project began piloting of the integration of the ARV Dispensing tool and the e-SCM. This will allow for easier reporting for facilities using the ADT tool. Roll out of LIMS to local laboratories to
3.1.3	Budget estimates and projections reasonable and justifiable	Exceptional	Exceptional	Exceptional	Poor	poor	The actuals remained lower than the budgeted during the life of the project as at 30th June 2014
3.1.4	Incidences of cost overruns by dollar and percentage	<\$10,000 , <5%	0%	0%	68%	0%	There were no cost overruns in the year. The actual cost were below the budgeted by 45%
3.1.5	Effective cost control mechanisms introduced, including percent cost savings	Superlative	Superlative	Good	Poor	Superlative	The actual project costs were lower than the budgeted.
3.1.6	Percent disallowable costs and by dollar value	<2%,	0%	3%	0%	-	The disallowed cost in quarter 18 was as a result of the earnest and young audit conducted in the project

	Supplemental Indicators						
3.1.7	Inbound and Outbound shipping costs kept stable in the last 12 months	<2%	-	-	-	-	This indicator measured over a twelve month period hence to be reported in the next quarter.
IR 4: Collaboration with stakeholders improved							
Sub IR 4.1: Coordination with donors, foundations, GoK, etc. strengthened							
	Award fee indicators						
4.1.1	Feedback from key stakeholders on project collaboration	Excellent	-	-	-	-	The planned external customer satisfaction survey was not approved as a result of intended project closeout.
4.1.2	Unexpected/unforeseen requests responded to in a timely	>95%	100%	No requests received.	No requests received	100%	In quarter 17, Kenya Pharma was requested to urgently procure Atazanavir/ritonavir which it responded to in a timely manner.
IR 5: Program Reporting Improved							
Sub IR 5.1: Data quality, accuracy and readability improved							
	Award fee						
5.1.1	Functionality of the electronic supply chain management system(e-SCM)	Good	-	-	Not done	Not done	The planned customer satisfaction survey was not approved as a result of intended project closeout.
5.1.2	Branding and implementation plan applied consistently	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Branding and marking of all products produced by Kenya Pharma followed the stipulated regulations.
5.1.3	Environmental compliance inspections conducted and reports available	Satisfactory	-	-	-	-	Kenya Pharma continued to reduce its environmental impacts through such initiatives like one rote consolidation and safe disposal of expired drugs. The EMMR Reports for year One to Four submitted in the past quarter.
5.1.4	Financial, quarterly and annual reports completed and submitted on time	Satisfactory	Not satisfactory	Satisfactory-	Satisfactory	-	The annual and financial reports were both submitted on time. An extension for Quarter 17(Oct-Dec 2013) report was sought to allow for a more comprehensive report.

	Supplemental						
5.1.5	Percentage of facilities where monitoring visits	75%	54%	58%	51%		The 51% is the average for the three quarters.
5.1.6	Percentage of data quality assessments passed	75%	40%	55%	Not done	48%	This is an average of the two quarters. The routine assessment of data quality was not done in quarter 19 because the project was preparing to close out by July 5, 2014.

Annex IV: Market Research Report

Quarter	Reference Number	Date Market Survey completed	Nature of Survey	Key Results on Market Price Monitoring and Target New Drug and Registrations, Regulations, and Standards, e.g., Guidelines Change
QTR 17	KPP/09/13	10th October 2013	ARV	Eligible suppliers for TDF 300mg did not submit a bid and the committee agreed to refloat the bid to local distributors since the quantities are small and not attractive to big manufacturers. Bid re-floated under KPP/14/13; Macleod's were not able to provide the full award quantity of 450,000 a Tenofovir/Lamivudine 300/300mg Tablets, 30's within the desired timelines and thus contract executed for 100,000 packs and the balance quantity of 350,000 re-tendered under KPP/09/13-B
	KPP/10/13	10th October 2013	OI	Quantities for Fluconazole were increased from 5,000 to 7,000 and Pyridoxine from 8,000 to 20,000 to align to the suppliers batch size and the supplier offered a 2,01% and 1,41% discount on price
	KPP/11/13	10th October 2013	Dispensing Envelopes	
	KPP/12/13	9th October 2013	OI (TB-GDF)	
	KPP/13/13	15th November 2013	HPLC Machines & Dissolution Testers	Laboratory equipment being procured to support the Mission for Essential Drugs and Supplies (MEDS) Labs
	KPP/14/13	25th November 2013	ARV	
	KPP/15/13	19th December 2013	ARV	

	KPP/16/13	19th December 2013	OI	
QTR 18	KPP/01/14	7th March 2014	ARV	
	KPP/02/14	7th March 2014	OI	
	KPP/03/14	26th March 2014	ARV - Ritonavir Capsules	
	KPP/04/14	28th March 2014	Rifabutin	
QTR 19	KPP/05/14	29th April 2014	ARV - Lamivudine Syrup	
	KPP/06/14	4th June 2014	ARV - Ritonavir Liquid 80mg/ml, 90ml	
	KPP/07/14	13th June 2014	ARV	
	KPP/08/14	13th June 2014	OI	
	KPP/09/14	13th June 2014	ARV	
	KPP/10/14	13th June 2014	OI	

Annex V: Distribution of Commodities Per County

COUNTY	VOLUME IN KILOGRAMS
Baringo	2,957.86
Bomet	8,111.49
Bungoma	15,630.16
Busia	38,101.09

Elgeyo Marakwet	2,882.01
Embu	5,415.30
Garissa	1,268.64
Homa Bay	82,742.87
Kajiado	1,091.51
Kakamega	7,073.69
Kericho	11,106.84
Kiambu	17,752.77
Kilifi	624.09
Kirinyaga	894.87
Kisii	2,467.46
Kisumu	40,228.84
Kitui	22,883.08
Kwale	2,051.54
Laikipia	3,612.19
Lamu	2,061.56
Machakos	9,586.76
Makueni	8,646.70
Mandera	268.06
Marsabit	1,020.15
Meru	7,226.27
Migori	63,317.64
Mombasa	47,388.66
Murang'a	6,193.38
Nairobi	178,798.47
Nakuru	14,654.77
Nandi	8,608.78

Narok	2,929.91
Nyandarua	5,084.03
Nyeri	20,235.24
Samburu	1,133.84
Siaya	36,458.71
Taita Taveta	2,179.28
Tana River	609.77
Tharaka Nithi	4,338.30
Trans Nzoia	10,788.75
Turkana	7,205.48
Uasin Gishu	35,587.84
vihiya	2,188.18
Wajir	431.02
West Pokot	2,420.94
KEMSA	228,148.58
TOTALS	974,407.33

Annex VI: Procurement Report

GA R N	GAR DATE	ORDER NO.	PRODUCT(S)	QUAN TITY	UNIT PRICE (\$)	TOT AL PRIC	Manufacturer
13 47	4/2/20 14	KPP/10/13- UNI (K)	Cotrimoxazole 960mg Tabs 500's	9,406	10.82	1017 31	Universal Corporation
13 48	4/2/20 14	KPP/10/13- UNI (L)	Cotrimoxazole 960mg Tabs 500's	16,033	10.82	1734 05	Universal Corporation
			Cotrimoxazole Oral Suspension	19,868	0.34	6745	Universal Corporation
13 49	4/3/20 14	KPP/10/13- UNI (M)	Cotrimoxazole 960mg Tabs 500's	8,504	10.82	9197 5	Universal Corporation
13 50	4/4/20 14	KPP/10/13- UNI (N)	Cotrimoxazole Oral Suspension	79,717	0.34	2706 4	Universal Corporation
13 51	4/4/20 14	KPP/10/10- UCL (B+)	Amphotericin B for Injection 50mg, l's	750	5.61	4208	Universal Corporation

13 54	4/7/20 14	KPP/10/13- UNI (P)	Cotrimoxazole 960mg Tabs 500's	5,663	10.82	6124 8	Universal Corporation
13 56	4/8/20 14	KPP/07/13- DRA (H)	Collapsible Water Container, 20 Litres	7,830	4.90	3836 7	Drafod Limited
13 59	4/9/20 14	KPP/10/13- UNI (Q)	Cotrimoxazole 960mg Tabs 500's	5,650	10.82	6110 8	Universal Corporation
13 62	4/11/2 014	KPP/10/13- UNI (R)	Cotrimoxazole 960mg Tabs 100's	9,314	2.16	2014 7	Universal Corporation
			Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	19,891	0.34	6753	Universal Corporation
13 67	4/16/2 014	KPP/10/13- UNI (S)	Cotrimoxazole 960mg Tabs 100's	23,554	2.16	5095 0	Universal Corporation
			Cotrimoxazole 960mg Tabs 500's	9,397	10.82	1016 33	Universal Corporation
13 70	4/24/2 014	KPP/10/13- UNI (T)	Cotrimoxazole 960mg Tabs 500's	4,712	10.82	5096 3	Universal Corporation
			Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	2,173	0.34	738	Universal Corporation
13 71	4/25/2 014	KPP/09/13- HET (C)	Tenofovir/Lamivudine 300/300mg Tabs 30's	100,00	4.62	4620 00	Hetero Labs Ltd
13 72	4/28/2 014	KPP/09/13- ABL RTV (C)	Ritonavir Oral Solution 90ml	80	8.22	658	International Healthcare
13 73	4/28/2 014	KPP/32/12- IDA	Rifabutin 150mg Caps 30's	150	30.00	4500	IDA Foundation
13 77	4/30/2 014	KPP/07/13- DRA (I)	Collapsible Water Container, 20 Litres	19,320	4.90	9466 8	Drafod Limited
13 78	4/30/2 014	KPP/10/13- UNI (U)	Cotrimoxazole 960mg Tabs 500's	6,614	10.82	7153 4	Universal Corporation
13 79	4/30/2 014	KPP/10/13- UNI (V)	Cotrimoxazole 960mg Tabs 100's	47,083	2.16	1018 45	Universal Corporation
			Cotrimoxazole 960mg Tabs 500's	2,820	10.82	3050 0	Universal Corporation
13 80	4/30/2 014	KPP/10/10- UCL (C+)	Amphotericin B for Injection 50mg, 1's	2,000	5.61	1122 0	Universal Corporation
13 81	5/2/20 15	KPP/10/13- UNI (W)	Cotrimoxazole 960mg Tabs 500's	1,896	10.82	2050 6	Universal Corporation
			Cotrimoxazole 960mg Tabs 100's	42,004	2.16	9085 9	Universal Corporation
13 82	5/2/20 14	KPP/01/13(B) -MYL	Lamivudine/Zidovudin e 30/60mg Tabs 60's	37,972	2.01	7632 4	Mylan Lab Limited
13 84	5/6/20 15	KPP/09/13- HET (A)	Lamivudine 150mg Tabs 60's	10,000	1.90	1900 0	Hetero Labs Ltd
			Zidovudine 300mg Tabs 60's	45,000	5.75	2587 50	

13 86	5/7/20 15	KPP/10/13- UNI (X)	Cotrimoxazole 960mg Tabs 100's	4,721	2.16	1021 2	Universal Corporation
			Cotrimoxazole 960mg Tabs 500's	8,469	10.82	9159 6	Universal Corporation
13 87	5/7/20 14	KPP/16/13- UNI (A)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	39,598	0.38	1498 0	Universal Corporation
13 88	5/8/20 14	KPP/09/13- ABL RTV (D)	Ritonavir Oral Solution 90ml	40	8.22	329	International Healthcare
13 89	5/8/20 14	KPP/04/13-A TO Z (D)	Long Lasting Insecticide Treated	100,00 0	3.75	3750 00	A TO Z Textile mills Ltd
13 90	5/12/2 014	KPP/15/13- AUR (B)	Nevirapine 200mg Tablets 60's	150,00 0	2.25	3375 00	Aurobindo Pharma Ltd
13 91	5/13/2 014	KPP/15/13- AUR (A)	Nevirapine 200mg Tablets 60's	50,000	2.25	1125 00	Aurobindo Pharma Ltd
13 92	5/13/2 014	KPP/09/13- MAC	Tenofovir/Lamivudine 300/300mg Tabs 30's	100,00 0	4.47	4466 00	Macleods Pharmaceuticals
13 93	5/12/2 014	KPP/10/13- UNI (Y)	Cotrimoxazole 960mg Tabs 500's	16,006	10.82	1731 13	Universal Corporation
			Cotrimoxazole 960mg Tabs 100's	9,443	2.16	2042 6	Universal Corporation
13 94	5/13/2 014	KPP/10/13- UNI (Z)	Cotrimoxazole 960mg Tabs 100's	23,673	2.16	5120 7	Universal Corporation
			Cotrimoxazole 960mg Tabs 500's	5,635	10.82	6094 5	Universal Corporation
13 95	5/13/2 014	KPP/10/13- UNI (AA)	Cotrimoxazole 960mg Tabs 100's	23,554	2.16	5095 0	Universal Corporation
13 96	5/13/2 014	KPP/16/13- UNI (B)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	59,786	0.38	2261 7	Universal Corporation
13 97	5/13/2 014	KPP/16/13- UNI (C)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	19,880	0.38	7521	Universal Corporation
13 98	5/16/2 014	KPP/05/13- GET (A)	Isolator for Sterility Test	1	440,00 0.00	4400 00	Getinge International AB
		KPP/05/13- GET (B)	H2O2 Bottles 250ml, 12's	2	0.00	0	
13 99	5/20/2 014	KPP/10/13- UNI (AB)	Cotrimoxazole 960mg Tabs 500's	2,826	10.82	3056 5	Universal Corporation
14 00	5/20/2 014	KPP/16/13- UNI (D)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	138,42 7	0.38	5236 7	
14 01	5/20/2 014	KPP/27/12- HET (J)	Lamivudine/Zidovudin e 150/300mg Tabs	150,00 0	6.75	1012 500	Hetero Labs Ltd
14 02	5/21/2 014	KPP/05/14- LBL	Lamivudine Oral Solution 240ml	50	12.84	642	Glaxo Smithkline
14 04	5/23/2 014	KPP/32/12- PFI (A)	Rifabutin 150mg Capsules 30's	497	29.62	1472 1	Pfizer Laboratories

14 05	5/23/2 014	KPP/10/10- UCL (D+)	Amphotericin B for Injection 50mg, l's	3,500	5.61	1963 5	Universal Corporation
14 06	5/26/2 014	KPP/10/13- UNI (AC)	Cotrimoxazole 960mg Tabs 100's	53,911	2.16	1166 15	Universal Corporation
14 07	5/26/2 014	KPP/16/13- UNI (E)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	59,271	0.38	2242 2	Universal Corporation
14 09	5/26/2 014	KPP/10/13- UNI (AD)	Cotrimoxazole 960mg Tabs 100's	32,984	2.16	7134 8	Universal Corporation
14 11	5/30/2 014	KPP/16/13- COS (A)	Fluconazole 200mg Tabs, 100's	7,000	7.64	5348 0	Cosmos Limited
14 12	5/30/2 014	KPP/02/14- COS (A)	Fluconazole 200mg Tabs, 100's	882	7.39	6520	Cosmos Limited
14 13	5/30/2 014	KPP/16/13- COS (B)	Cotrimoxazole 960mg Tabs 100's	41,599	2.22	9235 0	Cosmos Limited
14 14	6/3/20 14	KPP/09/13- ABL RTV (E)	Ritonavir Oral Solution 90ml	80	8.22	658	International Healthcare
14 17	6/6/20 14	KPP/10/13- UNI (AE)	Cotrimoxazole 960mg Tabs 500's	26,392	10.82	2854 43	Universal Corporation
14 18	6/6/20 14	KPP/10/13- UNI (AF)	Cotrimoxazole 960mg Tabs 500's	11,235	10.82	1215 12	Universal Corporation
14 19	6/6/20 14	KPP/10/10- UNI (E+)	Amphotericin B for Injection 50mg, l's	1,576	5.61	8841	Universal Corporation
14 21	6/9/20 14	KPP/27/12- AUR (M)	Efavirenz 600mg Tabs 30's	61,442	3.35	2058 31	Aurobindo Pharma Ltd
14 22	6/6/20 14	KPP/11/13- BAK	Dispensing Envelopes (165 x 125mm), 1000	5,000	14.17	7084 0	Bakpharm Limited
14 24	6/6/20 14	KPP/16/13- UNI (F)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	23,494	0.38	8888	Universal Corporation
14 25	6/12/2 014	KPP/13/13- CHEM	UHPLC Machine complete with Accessories	2	134,94 0.17	2698 80	Chemetrix (Pty) Ltd
14 26	6/13/2 014	KPP/16/13- COS (C)	Cotrimoxazole 960mg Tabs 100's	63,870	2.22	1417 91	Cosmos Limited
			Cotrimoxazole 960mg Tabs 100's	16,799	2.16	3633 8	Universal Corporation
12 89	1/20/2 014	KPP/28/12- COS (G)	Fluconazole 200mg Tabs, 100's	2,242	6.84	1533 5	Cosmos Limited
12 91	1/30/2 014	KPP/10/13- COS (A)	Pyridoxine 500mg Tabs 100's	20,000	1.12	2240 0	Cosmos Limited
12 92	1/31/2 014	KPP/07/13- DRA (F)	Collapsible Water Container, 20 Litres	38,220	4.90	1872 78	Drafod Limited
12 93	2/3/20 14	KPP/06/13- HET	Lamivudine 150mg Tabs 60's	20,000	1.85	3700 0	Hetero Labs Ltd
			Zidovudine 300mg Tabs 60's	15,000	5.85	8775 0	

1294	2/4/2014	KP EXCESS STOCK	Lopinavir/Ritonavir 200/50mg Tabs 120's	5	19.73	99	Abbvie Logistics
1299	2/10/2014	KPP/27/12-AUR (K)	Efavirenz 600mg Tabs 30's	50,000	3.35	167500	Aurobindo Pharma
			Tenofovir/Lamivudine 300/300mg Tabs 30's	4,001	4.72	18885	
1300	2/10/2014	KPP/06/13-MYL (B)	Tenofovir/Lamivudine/Efavirenz 300/300/600mg Tabs	254,697	11.19	2850059	Mylan Lab Limited
1301	2/12/2014	KPP/10/10-UCL (A+)	Amphotericin B for Injection 50mg, 1's	2,000	5.61	11220	Universal Corporation
1304	2/19/2014	KPP/06/13-MYL (C)	Tenofovir/Lamivudine/Efavirenz 300/300/600mg Tabs	555,343	11.19	6214288	Mylan Lab Limited
1305	2/20/2014	KPP/10/13-COS (B)	Acyclovir 400mg tablets 30's	10,000	1.56	15640	Cosmos Limited
			Fluconazole 200mg Tabs, 100's	7,000	7.49	52430	Cosmos Limited
1306	2/21/2014	KPP/04/13-A TO Z (C)	Long Lasting Insecticide Treated	100,000	3.75	375000	A TO Z Textile mills Ltd
1307	2/24/2014	KPP/07/13-DRA (G)	Collapsible Water Container, 20 Litres	38,220	4.90	187278	Drafod Limited
1308	2/24/2014	KPP/10/13-UNI (A)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	100,000	0.3395	33950	Universal Corporation
1309	2/24/2014	KPP/08/13-MYL (A)	Atazanavir/Ritonavir 300/100mg Tabs,30's	5,000	16.50	82500	Mylan Lab Limited
1311	28/02/2014	KPP/14/13-PPL	Tenofovir 300mg tabs 30's	90	21.50	1935	Aspen Pharmacare
1312	3/3/2014	KPP/10/13-UNI (B)	Cotrimoxazole 960mg Tabs 100's	51,916	2.16	112299	Universal Corporation
1314	3/5/2014	KPP/09/13-ABL (RTV)	Ritonavir Oral Solution 90ml	50	8.22	411	International Healthcare
1315	3/6/2014	KPP/10/13-UNI (C)	Cotrimoxazole 960mg Tabs 100's	127,704	2.16	276237	Universal Corporation
1318	3/11/2014	KPP/10/13-COS (C)	Acyclovir 400mg tablets 30's	10,000	1.56	15640	Cosmos Limited
1319	3/11/2014	KPP/10/13-UNI (D)	Cotrimoxazole 960mg Tabs 100's	113,596	2.16	245720	Universal Corporation
1323	3/13/2014	KPP/32/12-LBL (F)	Lamivudine Oral Solution 240ml	25	12.84	321	GlaxoSmithKine /Laborex
1325	3/14/2014	KPP/10/13-UNI (E)	Cotrimoxazole 960mg Tabs 100's	28,194	2.16	60986	Universal Corporation
			Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	99,106	0.3395	33646	Universal Corporation
			Cotrimoxazole 960mg Tabs 100's	28,405	2.16	61443	Universal Corporation

13 28	3/18/2 014	KPP/10/13- UNI (F)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	79,245	0.3395	2690 4	Universal Corporation
13 30	3/19/2 014	KPP/10/13- UNI (G)	Cotrimoxazole 960mg Tabs 100's	56,720	2.16	1226 91	Universal Corporation
13 32	3/20/2 014	KPP/10/13- UNI (H)	Cotrimoxazole 960mg Tabs 100's	28,504	2.16	6165 7	Universal Corporation
13 33	3/21/2 014	KPP/09/13- ABL (RTV)	Ritonavir Oral Solution 90ml	50	8.22	411	International Healthcare
13 38	3/26/2 014	KPP/10/13- UNI (I)	Cotrimoxazole 960mg Tabs 100's	66,300	2.16	1434 14	Universal Corporation
13 40	3/28/2 014	KPP/10/13- UNI (J)	Cotrimoxazole 960mg Tabs 100's	28,270	2.16	6115 1	Universal Corporation
12 23	10/4/2 013	KPP/02/13- UNI (D)	Cotrimoxazole 960mg Tabs 100's	62,807	1.96	1231 02	Mylan Lab Limited
12 24	10/4/2 013	KPP/02/13- UNI (E)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	59,845	0.31	1855 2	Mylan Lab Limited
12 25	10/8/2 013	KPP/02/13- UNI (F)	Cotrimoxazole 960mg Tabs 100's	28,463	1.96	5578 7	Blow Plast Ltd
			Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	40,168	0.31	1245 2	Universal Corporation
12 26	10/8/2 013	KPP/03/13- AMM (B)	Dispensing Envelopes, 100's	2,000	5.42	1084 0	Universal Corporation
12 29	10/11/ 2013	KPP/02/13- UNI (G)	Cotrimoxazole 960mg Tabs 100's	71,367	1.96	1398 79	Universal Corporation
			Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	39,788	0.31	1233 4	Universal Corporation
12 34	10/16/ 2013	KPP/02/13- UNI (H)	Cotrimoxazole 960mg Tabs 100's	61,535	1.96	1206 09	PSI Kenya
			Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	79,526	0.31	2465 3	Universal Corporation
12 35	10/18/ 2013	KPP/07/13- DRA (C)	Collapsible Water Container, 20 Litres	19,050	4.90	9334 5	Universal Corporation
12 38	10/18/ 2013	KPP/02/13- UNI (I)	Cotrimoxazole 960mg Tabs 100's	80,341	1.96	1574 68	Universal Corporation
12 39	10/22/ 2013	KPP/07/13- DRA (D)	Collapsible Water Container, 20 Litres	19,110	4.90	9363 9	Hetero Labs Ltd
12 43	10/24/ 2013	KPP/27/12- HET (F)	Lamivudine/Zidovudin e/Nevirapine 150/300/200mg Tabs	100,00 0	8.25	8250 00	Hetero Labs Ltd
12 44	10/24/ 2013	KPP/27/12- MYL (E)	Tenofovir/Lamivudine/ Efavirenz 300/300/600mg	168,50 0	12.74	2146 690	Hetero Labs Ltd
12 45	10/24/ 2013	KPP/01/13- MYL (B)	Abacavir/Lamivudine 60/30mg Tabs 60's	149,55 3	3.74	5593 28	Aurobindo Pharma Ltd

12 46	10/24/ 2013	KPP/30/12- IDA	Isoniazid 300mg tabs, 672's	90	13.52	1217	Aurobindo Pharma Ltd
			Pyrazinamide 500mg tabs, 672's	110	21.00	2310	Aurobindo Pharma Ltd
			Ethambutol HCL 400mg tabs, 672's	135	22.50	3038	Aurobindo Pharma Ltd
12 47	10/24/ 2013	KEMSA/06/13	Lopinavir/Ritonavir Oral Solution 80/20MG/ML 5x60MI	3,000	32.45	9735 0	Aurobindo Pharma Ltd
			Fluconazole 200mg Tabs, 28's	500	0.06	30	Hetero Labs Ltd
12 48	10/25/ 2013	KPP/01/13- STR	Efavirenz 200mg Tabs 90's	40,000	9.41	3764 00	Cosmos Limited
12 53	10/31/ 2013	KPP/02/13- COS (F)	Cotrimoxazole 960mg Tabs 100's	35,396	1.95	6902 2	Universal Corporation
			Acyclovir 400mg tablets 30's	3,001	1.40	4201	Aurobindo Pharma Ltd
12 55	11/4/2 013	KPP/02/13- UNI (J)	Cotrimoxazole 960mg Tabs 100's	29,573	1.96	5796 3	Universal Corporation
			Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	24,900	0.31	7719	Universal Corporation
12 58	11/8/2 013	KPP/02/13- COS (G)	Cotrimoxazole 960mg Tabs 100's	35,153	1.95	6854 8	Alpha Medical
12 59	11/11/ 2013	KPP/02/13- COS (H)	Cotrimoxazole 960mg Tabs 100's	63,717	1.95	1242 48	Abbott Laboratories
12 60	11/11/ 2013	KPP/28/12- COS (E)	Fluconazole 200mg Tabs, 100's	5,000	6.84	3420 0	Aurobindo Pharma Ltd
12 61	11/7/2 013	KPP/32/12- LBL (F)	Lamivudine Oral Solution 240ml	20	12.84	257	Aurobindo Pharma Ltd
12 62	11/13/ 2013	KPP/02/13- UNI (K)	Cotrimoxazole Oral Suspension 240mg/5ml, 100ml	271	0.31	84	Cosmos Limited
12 63	11/14/ 2013	KPP/27/12- ABL (F)	Ritonavir Oral Solution 90ml	80	8.22	658	Hetero Labs Ltd
12 64	11/20/ 2013	KPP/02/13- COS (I)	Cotrimoxazole 960mg Tabs 100's	42,595	1.95	8306 0	Hetero Labs Ltd
12 68	11/25/ 2013	KPP/02/13- COS (J)	Cotrimoxazole 960mg Tabs 100's	49,601	1.95	9672 2	Universal Corporation
12 70	12/3/2 013	KPP/02/13- COS (K)	Cotrimoxazole 960mg Tabs 100's	49,695	1.95	9690 5	Glaxo Smithkline
12 72	12/4/2 013	KPP/07/13- DRA (E)	Collapsible Water Container, 20 Litres	38,220	4.90	1872 78	Cosmos Limited
12 73	12/9/2 013	KPP/27/12- HET (H)	Stavudine/Lamivudine 30/150mg Tab 60's	10,000	2.85	2850 0	Cosmos Limited

1275	12/10/2013	KPP/27/12-HET (I)	Lamivudine/Zidovudine/Nevirapine 150/300/200mg Tabs 60's	150,000	8.25	1237500	Drafod Limited	
1276	12/11/2013	KPP/27/12-HET (G)	Stavudine/Lamivudine/Nevirapine 30/150/200mg Tablets	80,000	4.35	348000	Cosmos Limited	
			Lamivudine/Zidovudine/Nevirapine 150/300/200mg Tabs 60's	150,000	8.25	1237500	Cosmos Limited	
1277	12/11/2013	KPP/01/13-ABL	Lopinavir/Ritonavir 200/50mg Tabs 120's	60,000	19.73	1183800	Cosmos Limited	
1278	12/11/2013	KPP/27/12-MYL (F)	Tenofovir/Lamivudine/Efavirenz 300/300/600mg Tabs	275,962	12.74	3515756	Cosmos Limited	
1279	12/11/2013	KPP/06/13-MYL (A)	Tenofovir/Lamivudine/Efavirenz 300/300/600mg Tabs	39,960	11.19	447152	Cosmos Limited	
1280	12/16/2013	KPP/27/12-ABL (G)	Ritonavir Oral Solution 90ml	80	8.22	658	Cosmos Limited	
1282	12/16/2013	KPP/27/12-AUR (J)	Tenofovir/Lamivudine 300/300mg Tabs 30's	44,039	4.72	207864	Cosmos Limited	
1283	12/18/2013	KPP/04/13-ATO Z (A)	Long Lasting Insecticide Treated	100,000	3.75	375000	Cosmos Limited	
1284	12/19/2013	KPP/02/13-COS (L)	Cotrimoxazole 960mg Tabs 100's	33,123	1.95	64590	Cosmos Limited	
1285	12/19/2013	KPP/28/12-COS (F)	Fluconazole 200mg Tabs, 100's	10,000	6.84	68400	Cosmos Limited	
1286	12/19/2013	KPP/06/13-STR	Nevirapine 200mg Tabs 60's	292,800	2.20	644160	Cosmos Limited	
			TOTAL				33,545,324.72	

Annex VII: Expiry/ Damaged Goods

PRODUCT	BATCH NUMBER	QUANTITY	EXPIRY DATE	UNIT PRICE	TOTAL VALUE USD
Expired Goods					
Acyclovir Tablets 400mg	320240	1	1/2/2016	0.50	0.50
Abacavir 300mg Tablets	AB3013019-A	10	1/6/2016	12.50	125
Cotrimoxazole Tablets 960mg Tablets	320689	4	1/6/2016	1.9	7.6
Acyclovir Tablets 400mg	320456	2	1/4/2016	0.5	1
Ritonavir Solution 90 ML	<i>6038124</i>	01/02/2014	8	8.22	65.76
Abacavir/Lamivudine 30/60 Mg Tablets	<i>1104653</i>	01/03/2014	4	3.74	14.96
Rifabutin 150 Mg Capsules	<i>T410e</i>	01/03/2014	6	29.62	177.72
Rifabutin 150 Mg Capsules	<i>T410k</i>	01/03/2014	51	29.62	1510.62
Lopinavir/Ritonavir 200/50 Mg Tablets	<i>1105483</i>	01/04/2014	1	30.5	30.5
Tenofovir/Lamivudine 300/300mg Tablets	<i>L TSA12029-A</i>	01/05/2014	2	5.25	10.5
Damaged Goods					
Tenofovir/Lamivudine/Efavirenz 300/300/600mg Tabs	3015351	1/6/2015	7	12.74	89.18
Lopinavir/Ritonavir Oral Solution 60x5ml	6034395	3/1/2015	2	36.16	72.32
Tenofovir/Lamivudine 300/300mg Tablets	Ltsa13045-A	01/03/15	11	5.25	57.75
Tenofovir/Lamivudine/Efavirenz 300/300/600mg Tablets	3017536	01/08/15	1	12.74	12.74
Tenofovir/Lamivudine/Efavirenz 300/300/600mg Tabs	3016269	7/1/2015	1	12.74	12.74
Acyclovir 400 Mg Tablets	30736	5/1/2016	2	1.60	3.20

Tenofovir/Lamivudine/Efavirenz 300/300/600mg Tabs	3020500	11/1/2015	10	12.74	127.40
Tenofovir/Lamivudine 300/300mg Tablets	BLD1415-A	1/1/2016	1	0.06	0.06
Lopinavir/Ritonavir Oral Solution 5x60ml	6034619	1/4/2015	1	0.48	0.48
Cotrimoxazole 240ml/5mg Suspension 100ml	410059	1/2/2017	1	0.14	0.14
		TOTAL			2320.17

Annex VII: Problems Identified and Action Taken

Supply Chain Problem Area	Problem Identified and Action taken
Quality Assurance	Kenya Pharma informed USAID of MEDS' need for 2 HPLCs, a dissolution tester, an Infra-Red (IR), Gas Chromatography Mass Spectrophotometer (GCMS) machines to help in improving the efficiency in quality control testing. <i>Approval was granted to procure 2 HPLC and a dissolution tester</i>
	Vimta Lab reported that the color of Efavirenz tabs 200mgs batch 7219489 from Strides was out of specifications (specifications were off white, observed color was light orange) Kenya Pharma obtained comparison samples from KEMSA and also sent samples to NQCL and MEDS. <i>Results obtained varied from the two labs but Kenya Pharma determined that the product is safe for use. PPB also informed of the results of the investigation.</i>
	Kenya Pharma requested quality control analysis waiver for the following TB drugs procured from IDA: Ethambutol 400 mg tablets, Isoniazid 300mg tablets and Pyrazinamide 500 mg tablets. The reason for requesting for this waiver was because the quantities procured are small hence not justifying the free samples we would require IDA to get from the manufacturers for laboratory analysis. <i>Waiver granted on 7th November 2013</i>
	Kenya Pharma informed USAID of the recall of one batch of Cotrimoxazole DS from universal which failed the uniformity of weight test. <i>PPB was notified of the recall, and the manufacturer agreed to provide a replacement batch. The recall was conducted within 13 days</i>

	<p>Cotrimoxazole suspension supplied by Universal Corporation Ltd (UCL) (batches 410086, 410084, 410082) failed visual inspection on color, viscosity and homogeneity during the quarter; Kenya Pharma was concerned with the frequency of quality control non-conformities at Universal Corporation Ltd (UCL), since for the last one year, we have recorded non conformities in at least 9 batches of both suspension and tablets.</p> <p><i>Kenya Pharma requested USAID to increase testing threshold from 5% to 50 % of all Cotrimoxazole batches received. The request was submitted to USAID on 16/5/2014 and we are awaiting response</i></p>
<p>Inter pipeline transfers and commodity tracking & tracing</p>	<p>Products from two batches of Cotrimoxazole (310145 and 320062) were impounded at the Busia border en route to Uganda.</p> <p><i>Follow up was done which indicated that they had been supplied to KEMSA. KP is working with the county team to investigate and conclude the issue.</i></p>
<p>Shipment</p>	<p>Kenya Pharma informed USAID of the expected price increase of locally procured pharmaceuticals by 16% due to the new VAT Act 2013. USAID was given a complete breakdown of the affected inputs affected by the VAT act which would help in further discussions on the same. Kenya Pharma to also engage a tax specialist to help unpack the VAT 2013 Act.</p> <p>Kenya Pharma requested USAID to help expedite the payment of RDL fee by MOH for ritonavir liquid which had been delayed at the JKIA airport. The remaining shelf life for the product was 3.5 months hence risk of expiry. RDL paid by MOH and item received in the warehouse on 14th November 2013.</p>

	<p>Drug supply delays and increasing port handling charges associated with the payment process for the Railway Development Levy (RDL)</p> <p>Kenya Pharma provided update on status of drug supply delays and port handling charges associated with the payment process for the Railway Development Levy (RDL) to USAID on 24-5-2014</p>
Procurement	<p>Pfizer Pharmaceuticals was unable to supply the Rifabutin 150mg Caps on time causing risk of a stock out.</p> <p><i>Consideration being made for patients to be switched to rifampicin and be super boosted with Ritonavir 100mg as a last resort measure.</i></p> <p><i>Consequently, a procurement of 1740 packs of Ritonavir 100mg was started. A new procurement of 6000 packs of Rifabutin 150mg also initiated with new supplier Lupin though this will require approval from WHO stop TB program given that the manufacturer is not yet pre-qualified.</i></p> <p><i>A few packs of short dated Rifabutin to be procured from IDA to mitigate the stock out challenges.</i></p>

Annex VIII: Stock Status Report

Product	Quantity In Packs	Value in USD	Months of Stock
ARVs			
Abacavir 300mg Tablets 60's	6,702	76,335.92	0.82
Abacavir/Lamivudine 60/30mg Tablets 60's	48,349	158,451.02	1.60
Atazanavir/Ritonavir 300/100mg Tablets 30's	1,568	25,872	1.96
Efavirenz 600mg Tablets 30's	92,312	316,144.98	3.63

Product	Quantity In Packs	Value in USD	Months of Stock
Efavirenz 200mg Tablets 90's	13,294	125,666.73	3.58
Lamivudine 150mg Tablets 60's	19,507	41,354.84	2.29
Lamivudine Oral Solution 240ml	25	324.96	2.27
Lamivudine/Zidovudine 150mg/300mg Tablets 60's	202,390	1,366,823.07	4.11
Lamivudine/Zidovudine 30mg/60mg Tablets 60's	41,819	84,160.03	9.79
Lamivudine/Zidovudine/Nevirapine 150/300/200mg Tablets 60's	136,697	1,127,750.25	1.46
Lamivudine/Zidovudine/Nevirapine Tablets 30/60/50mg 60's	30,806	119,451.38	2.66
Nevirapine 200mg Tablets 60's	50,827	114,360.75	0.80
Nevirapine Oral Suspension 100ml	27,575	35,847.50	-
Nevirapine Oral Suspension 240ml	18,515	37,030	1.88
Lopinavir/Ritonavir 200/50mg Tablets 120's	4,802	95,913.98	0.31
Lopinavir/Ritonavir Oral Solution 5x60ml	167	5,367.38	0.23
Ritonavir Oral Solution, 90ml	19	156.18	0.28
Stavudine/Lamivudine/Nevirapine 30mg/150mg/200mg Tabs 60's	2,960	12,896.00	0.44
Tenofovir/Lamivudine/Efavirenz 300/300/600mg Tablets 30's	355,094	3,975,684.26	2.76
Tenofovir 300mg Tablets 30's	36	774.00	-
Tenofovir/Lamivudine 300mg/300mg Tablets 30's	74,295	343,245.90	0.99
Zidovudine 300mg Tablets 60's	35,499	203,827.15	17.85
Zidovudine Oral Solution 240ml	12,378	21,661.50	317.38
Opportunistic Infections Medicines			
Acyclovir 400mg Tablets 30's	10,234	15,973.03	3.97
Amphotericin B 50mg Injection 1's	650	3,646.50	0.88

Product	Quantity In Packs	Value in USD	Months of Stock
Cotrimoxazole 960mg Tablets 100's	99,920	202,048.34	3.67
Cotrimoxazole 960mg Tablets 500's	100,159	1,083,141.09	
Cotrimoxazole 240mg/5ml Suspension 100ml	144,445	48,902.92	2.34
Dapsone 100mg Tablets 1000's	1,387	16,283.38	4.46
Fluconazole 200mg Tablets 100's	1,552	10,817.18	0.39
Fluconazole Iv Infusion 2mg/MI, 100ml	32	15.04	0.80
Diflucan 200mg Tablets, 28's	438	26.28	-
Pyridoxine 50mg Tablets 100's	14,386	15,720.56	2.64
Anti-TB Medicines			
Ethambutol 400mg Tablets 28's	890	831.13	0.95
Isoniazid 300mg Tablets 100's	117	327.60	0.64
Pyrazinamide 500mg Tablets 100's	164	533.15	0.76
Rifabutin 150mg Capsules 30's	137	4,057.94	1.12
Others			
Dispensing Envelopes 1000's	4,969	70,400.79	11.17
Total Value in USD		9,826,135.72	

Annex IX: Branding and Marking Report

Material	USAID/ Kenya Pharma sub- brand	Kenya Pharma name only	PEPFAR marking	No branding	Notes
Powerpoint presentations	x		x		Presentations slides made for the paper presented at the APHA conference held in Boston during the month of November 2013, were appropriately marked with the project's logo which has the USAID and PEPFAR co-brand. Two presentations were made at the UON collaborative planning meeting made on 27th January, and 8 breakaway session presentations made at the ICT4d conference on 25th March. One abstract was submitted to PSK and accepted for oral presentation at the PSK's Annual Scientific Conference which was held on 29th May-1st June.
Stationery	x		x		Chemonics letterhead was used when project was entering contractual relationships with third party (hiring staff, leases) as per ADS 320.3.1.5.
Progress report	x		x		Quarter 17,18 and 19 reports were branded & marked with the co-brand
Monthly packet of ARVs, OIs - KP logo stickers and QA release stickers		x			Commodities procured by the project are marked with the project name and "not for resale" on the individual packaging. The marking is only applied to non-emergency procurements.
Conference Posters	x		x		Used in the exhibition booth at the East African Healthcare

Material	USAID/ Kenya Pharma sub- brand	Kenya Pharma name only	PEPFAR marking	No branding	Notes
					Federation (EAHF) conference held in March 2014
Tender documents and advertisements	x		x		Were marked with USAID, PEPFAR and project co-brand.
Project website	x		x		Was branded with the USAID, PEPFAR and project co-brand
Waybill				x	As a security measure, the waybill contains only the name of the shipper, usually DHL.
Color coded dispensing labels		x			In quarter 17, Nine color coded dispensing labels issued to 5 pilot sites were marked with the project name only and “not for resale”. The USAID and PEPFAR identities were not used because the size of the labels is small therefore the size of the logos would have smaller than is what is permissible according to the USAID Graphics Standard Manual.
Maps	x		x		In quarter 18,5 maps showing KP’s national footprint were printed and marked with USAID and PEPFAR logos
Calendars	x		x		1500 calendars were printed in January 2014

Annex X: Self-Assessment

Below, we present brief discussions of our performance and our self-assessment in each of the project's five Award Fee areas.

Procurement. Despite active planning and management of the supply chain, we have continued to experience low central stocks in the final Quarter of the reporting period. The root cause of the stock problem is delays in payment of the RDL and consequent slow release of product to the central warehouse. We continue to believe that our active management of the supply chain and proactivity regarding RDL payment and shipment planning have allowed us to get through this period with no stock-outs, but we are beginning to hear from sites that the continued rationing of supplies is impacting on their confidence in the supply chain. We are concerned that this will also begin to impact on their prescribing decisions. Due to these challenges, the management of the supply chain continues to be more collaborative and interactive than usual, which we think contributes to a feeling of shared ownership at the central level.

Based on this we feel that the project's performance in the procurement planning area warrants a continuation of our high performance rating and have maintained our self-assessment score in the low end of the "Exceptional" range – 88.

Quality. In the final quarter of the reporting period, the number of samples submitted for testing across the three laboratories increased by 68% compared to the previous quarter resulting in longer turnaround times. However the number of test results received by the project improved for MEDS and marginally for Vimta. We continued to support enhancements to the local laboratories' capacity through provision of testing equipment. A microbiology isolator was delivered to NQCL and two UHPLC machines to MEDS. In addition, the project continued to support the gradual roll out of a Laboratory Information Management System (LIMS) to the two laboratories. At the end of June, eleven LIMS modules were completed, installed and in use at the labs. We expect all the LIMS modules to be completed within the coming quarter.

Kenya Pharma recorded one quality concern during the quarter in which three batches of Sulfran suspension from Universal Corporation Limited failed to meet some of the physical parameters during routine QA. We rejected the three batches, but all the same, submitted samples of the affected batches to NQCL for confirmation of the physical parameters and analysis. Due to scale down of activities in readiness for close-out, the project's QA staff conducted post market surveillance in Nairobi region only. Eight ARV samples were collected and submitted to NQCL and MEDS for testing. Results of seven of them have been returned with 100% compliance.

In view of these results in the quality arena, we feel that it is appropriate to maintain our self-assessment score in QA in the low end of the "Exceptional" range – 88.

Price. Over the last year our prices have continued to track below and follow the generally downward trend of median international ARV prices. We are continuing to more actively negotiate with suppliers based on our reference price from the six-source price comparison we introduced in 2013. Through these efforts, prices from local suppliers are beginning to return to the levels they were at prior to the changes in the VAT.

In view of the above and based on our overall performance in the Price area, we feel it is appropriate to increase our self-assessment score by one point – 93.

Collaboration. We continue to focus efforts on collaboration with our stakeholder community as we look ahead to the transition of Kenya Pharma's operations to the Government of Kenya. We

are now encouraging and supporting NASCOP to host and take on ownership of the monthly procurement planning meetings so that this important planning function can continue after Kenya Pharma ends.

Due to this continuing collaboration, we feel that our score within the Collaboration arena should be increased by one point within the upper part of the “Exceptional” range – 95.

Reporting. Kenya Pharma has continued to work to improve the quality of its reporting as well as the quality of the reporting of the sites it is serving. We have been working more integrally with the sites we support and with the national mechanisms to improve both data accuracy and clarity of presentation. We have also continued to work through our own mechanisms to improve our reporting and our reporting tools. Finally, we have continued our effort to correct the problems with patient data from sites and support their increased “ownership” of their data and reports.

In view of these efforts, we feel that our self-assessment score in this area should be increased by two points, still in the low end of the “Exceptional” range – 88.

As can be seen in the table below, in the aggregate and after applying the weighting factors, these ratings result in a composite Award Fee Self-Assessment Score of 90.7.

Self-assessment score for Year 5

	End Y4 Self	Q17 Self	Q18 Self	End Y5 Self
Procurement (25%)	88	88	88	88
Quality (20%)	87	87	88	88
Price (25%)	92	92	92	93
Collaboration (20%)	93	93	94	95
Reporting (10%)	88	85	86	88
Weighted Total	89.8	89.5	90	90.7