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Logistics Brief

Strengthening the National Drug Stores of Liberia—First Step to Better Health Services

Credit: John Snow, Inc. 2014

A USAID | DELIVER PROJECT warehouse advisor (left) verifies bin cards with the NDS warehouse supervisor.

Since reorganizing the storage space, expiry of drugs at the NDS has been reduced to less than 2 percent from 7 percent.

In Liberia, the population relies on the public sector's National Drug Stores (NDS) for access to medicines and other health supplies. The Ministry of Health and Social Welfare (MOHSW) created the present NDS in 1992 to procure and deliver essential medicines, medical supplies, and diagnostics for the entire population.

Liberia's protracted civil conflict took its toll on NDS, and like many of the country's institutions, NDS is attempting to recover and keep pace with the vast demand for health services in the country. As the main source of health supplies, NDS plays a vital role in the national health system, and the MOHSW has prioritized to strengthen the NDS with support from development partners, such as the USAID | DELIVER PROJECT (the project).

Over the last four years, the volume of drugs and medical supplies flowing into the country has increased by approximately 50 percent. New products for reproductive health, HIV and AIDS, and prevention of malaria, as well as an increased volume of existing products, quickly overwhelmed NDS' capacity. The constraints ranged from weak and ageing infrastructure for storage and distribution to lack of skilled human resources for managing key operations, inadequate distribution planning, poor inventory management, and a weak management information system (MIS).

In August 2013, to help address these challenges, the project seconded a warehouse advisor to NDS. Over the next several months, the advisor, working with the NDS, raised the standards within some of the fundamental operations of the supply chain—inventory control, information management, and commodity distribution—to ensure accountable, transparent, and effective management of all drugs and essential health supplies.

To improve storage conditions, the warehouse advisor and the NDS conducted a de-junking and reorganization exercise to remove unusable items and expired drugs and organize the commodities according to best practices.

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Adhering to quality standards for storage makes the management of commodities more efficient, and it helps protect drugs and supplies from damage and expiry. By co-locating related commodities and organizing them by batch number, NDS staff is able to better apply first-to-expire, first-out principles, which reduces loss of product from expiry. Since reorganizing the space, expiry of drugs has been reduced to less than 2 percent from 7 percent; the system can also generate a 6-month items-at-risk report, enabling managers to take action if products are near expiry.

As part of the warehouse reorganization, the NDS conducted a physical inventory to ascertain stock status. The warehouse advisor reviewed and updated the inventory management process and worked with staff to ensure its implementation. For commodities shipped out of the warehouse, the NDS verified that information was correctly entered into the SAGE/ACCPAC, a warehouse management system, to generate invoices and waybills, and they verified that documentation reflected the correct quantities. Both warehouse and MIS reconciliation has greatly improved data alignment. As part of the updated SOPs, the advisor also made sure that proof of delivery was obtained from the delivery team.

Before: Commodities at the NDS warehouse could be difficult to locate and drugs would frequently expire.

After: With improved organization, staff can more effectively manage the increasing volume of commodities.

With many new procedures being introduced, it was essential to revise warehouse roles and responsibilities and to train staff on the new SOPs. Sustaining the process improvements would hinge on the NDS staff learning and executing their new tasks. The advisor provided group training sessions on relevant topics, as well as individual supportive supervision for reinforcement of new procedures and rapid feedback on progress.

The advisor also introduced weekly planning meetings to identify operational obstacles, address changing warehouse requirements, and to review individual performance. Using short-term key performance indicators to measure quality and response time for various activities, including order processing and delivery, the advisor was able to evaluate their effectiveness.

The improvements in day-to-day operations at NDS—stronger inventory control, better management of logistics information, and more effective distribution—have resulted in more reliable deliveries of products to service delivery points, providing Liberia with a more secure flow of health supplies for its population.

In collaboration with the commodity security committees and the Supply Chain Task Force, the NDS is now focusing on the next set of improvements to further strengthen the supply chain; this

includes building a new warehouse, with financial support from the Global Fund and USAID. As a first step to support this initiative, the USAID | DELIVER PROJECT facilitated a study tour for key MOHSW decision makers to the Regional state-of-the-art warehouse in Ghana.

The USAID | DELIVER PROJECT, Task Orders 4 and 7, is funded by USAID and implemented by John Snow, Inc. Task Order 4 improves essential health commodity supply chains by strengthening logistics management information systems, streamlining distribution systems, identifying financial resources for procurement and supply chain operations, and enhancing forecasting and procurement planning. The project also encourages policymakers and donors to support logistics as a critical factor in the overall success of their health care mandates. Task Order 7 supports USAID's implementation of malaria prevention and treatment programs by procuring, managing, and delivering high-quality, safe, and effective malaria commodities; providing on-the-ground logistics capacity, technical assistance, and pharmaceutical management expertise; and offering technical leadership to strengthen the global supply, demand, and financing of malaria commodities.

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

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