

MSH-M&L Aceh Drug Management Initiative End-of-Activity Report

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Executive Summary

The Background Situation in February, 2005

- Confusion in regard to who was doing what in response to the drug needs in the post-disaster period in Aceh
- Extreme lack of information about the availability of drugs, and drug management infrastructure despite numerous assessment efforts by various agencies and NGOs
- Variable, but generally limited degrees of cooperation among different service levels and among the agencies and NGOs supporting drug provision and management
- Total lack of medium and long-term planning for improved drug management because of the focus on relief and reconstruction
- Lack of effective monitoring, oversight and direction by the central level
- Some interest by the Provincial government health services in planning for development, while responding with post-disaster relief

MSH/MJM activities carried out in support of the drug management system in Aceh

- Conducted several rounds of information gathering at district and provincial level regarding existing drug supplies, drug management infrastructure, staff availability and functionality of the system including local procurement and circulation of supplies
- Facilitated several rounds of issue identification, led by Yanfar¹ and participated in by districts, the provincial office, vertical programs and agencies and NGOs active in Aceh
- Facilitated several levels of idea generation for responding to the issues identified, including ways in which to resolve differences in opinion and pursue common understanding and consensus on a longer term drug management model
- Conducted discussions for further development of the drug management model for Aceh, including clarifying the roles of the different levels
- Contributed to new descriptions of the model and formulation of draft policy needed to allow the model to be implemented

Summary of MSH-M&L Aceh Drug Management Results and Products

- Growing understanding and trust of the MSH-MJM² role in Aceh from the various parties including Yanfar and central level programs, the Provincial Health Office (PHO), Districts Health Offices (DHO), and WHO
- Awareness of the need for improved preparation for post-disaster activities including the need to implement a new model for supply management, which among other things provides emergency stock and allows provinces to share their stocks
- Clarification of the new law No. 32 of 2004 with regard to strengthening the role of the PHO for enhancing certain functions and responsibilities at the Provincial level, including the oversight and management of drugs for disease control programs
- Enabled the central level to become more aware of the role and functions to be performed at the district, province and central levels in order to implement the “one door” drug management policy and model
- Success in obtaining the attention and involvement of Yanfar, the Aceh PHO and DHOs to give full attention to the medium and long-term development considerations of the drug management system during the busy post-disaster period.
- Written results of the drug management survey and consultations carried out in April 2005

¹ The National Pharmaceutical Management Directorate (*Yanfar*, now called *Binfar*)

² MJM is a local consulting firm specializing in drugs management. MSH has been working with MJM since 2002 under a sub-contract arrangement.

- Written materials and results of the Aceh Province – District level consultations from the Medan Workshop, July, 2005
- Materials and results of the Aceh drugs management model finalization workshop Puncak Pass, July 2005
- A description of the current concept and model of the medium-term drug management system for Aceh which is in the possession of Yanfar, to become the basis for drafting a Ministerial Decree to allow the model to be implemented with the enhanced involvement of the Provincial Health Office

Current Situation

- Less confusion with regard to the efforts of the health services and NGOs to address drug needs in the post-disaster period
- Somewhat more information about the current drug availability and procurement-distribution capacity
- Increased confidence that there is a viable drug management policy, strategy and approach toward its implementation by government offices at all levels
- But, cooperation among donor agencies and NGOs active in providing and managing drugs is still problematic

Recommendations

- The post-disaster phase drug supply model should now be submitted by Yanfar for the necessary levels of approval to enable a clear regulatory base for its proposed operation; specifically a Ministerial Decree to allow the Province to carry out certain functions beyond its currently defined mandate. Continued MJM support is recommended.
- Whilst a general agreement has been achieved on the model, implementation of the model on the ground in Aceh will require continued support. It is strongly recommended that USAID continue to support Yanfar and the PHO to assist with implementation of the agreed model.
- Yanfar should continue to develop the model both for Aceh and with a view to establishing a general emergency drugs management model for the future throughout the country. All active international partners (donors, agencies and NGOs) are encouraged to provide assistance and funding to Yanfar to continue in this endeavor.
- The MSH-M&L involvement with Yanfar, the vertical programs, in Aceh and in the districts has demonstrated how important low profile support and continuing partnership can be for making progressive change and improvement in the drug management policies, models and procedures. USAID is encouraged to consider providing continuing financial and technical support to Yanfar of this nature for the medium-term future.
- USAID should consider conducting a detailed investigation of the reports of inappropriate and short shelf life/date expired medicines of US origin, especially those arising from US-supported operations.
- In addition, NGO cooperation and adherence to WHO guidelines for emergency drug provision is strongly recommended.
- Certain unaddressed issues should be placed on the Yanfar drug system development agenda including: local monitoring of drug quality and costs, consideration of pooled procurement at the provincial level, along with the continued pursuit of financial and technical assistance to keep progressing with the development of the system.

1. Background

1.1. *Components of the MSH-M&L Program active in Indonesia in 2005*

At the beginning of 2005 the MSH-M&L Program was in the process of closing down and was engaged in essentially two activities:

A. One was in support of the BKKBN Family Planning Early Warning System (EWS) development, testing and implementation. This was being carried out in support of the STARH project with the provision of several consultancies by Ersin Topcuoglu of MSH-M&L. The main remaining tasks were to operationalize the monitoring procedures and develop central and district level capability to respond to any decline in the provision of FP services. Two consultancies were foreseen during the remaining months of the M&L project - March and August 2005. The final TDY by Dr. Topcuoglu scheduled for August has just been canceled as BKKBN staff are not available to work with Dr. Topcuoglu. A separate technical report on the EWS work will be prepared and submitted to BKKBN, STARH, and USAID/Jakarta in September.

B. The second continuing component of M&L support addressed several aspects of the development of the drug management system with particular attention to drug management at the district level. At the outset of 2005 there were three major activities, as follows:

- a. The *Pintu Mas* (“one door”) intervention in all MSH-M&L focus districts (the new district level integrated approach to drug management)
- b. Improvement of TB pharmaceuticals management focused on the implementation of storage, distribution and the logistics management information system at the district level in 3 districts
- c. Development of manuals for malaria pharmaceuticals and other goods management for use at the district level.

Note: All TB/malaria drug management deliverables/products were handed over to the MOH at the December 2004 end-of-project conference, and the *Pintu Mas* deliverables were handed over at a ceremony in June 2005.

1.2. *Genesis of the M&L support for Aceh*

Soon after the tsunami disaster in Aceh (26 December 2004), USAID requested grant proposals from Cooperating Agencies (CAs) for possible response to the emergency situation. On the 6th of January, the MSH Office in Jakarta submitted a grant proposal to USAID entitled “Emergency Response to Asia Earthquake/Tsunami Disaster – Establishment of public sector essential medicine supply system”. The proposal addressed the goal of commencing the re-establishment of a functional essential medicines supply system in the affected area. An activity plan covering three months of support was defined, along with an expatriate program manager and seven national staff. A budget of \$248,864 was proposed. This grant proposal was not approved.

Then on 9 January, MSH Boston submitted to USAID, Jakarta a concept paper outlining a range of potential MSH contributions to the U.S. response to the disaster. The conceptual approach addressed two periods of activity: immediate (first four months of 2005) and medium-term (5 months to one year) and activities including rapid assessment, emergency surveillance, planning priority public health responses, emergency drug procurement and management during the immediate period, enhancement of services delivery and provincial and district health systems and management development over the longer term period.

This communication was not responded to directly, but MSH was invited to explore options for reprogramming activities and existing funds within the M&L program in favor of Aceh. Two MSH-M&L consultants (Sapirie and Dias) traveled to Jakarta in January, 2005 to help design options for

action in Aceh with remaining funds and time available within the M&L program. The initial result of this visit was an outline of two options for MSH-M&L work in Aceh in 2005. The first was the continuation of on-going drug management capacity-building, with various degrees of support for re-establishing the drug management system in Aceh. A second option focused on enhancing the Provincial and District Public Health management capacity in Aceh, including service monitoring, disease surveillance, human resource management, budgeting and financial management, management of facility and equipment rehabilitation and flexible technical assistance to District Health Offices.

The USAID Mission responded to indicate it would like a proposal written for pursuing the first option, which of extending support to the drug management system in Aceh. A proposal was written and submitted in draft to the Mission on 28 January. It included goals and objectives, a set of deliverables desired after four months of work, an activity plan and budget. The funds required (\$167,148) were estimated to be available from the existing funding approved for use by the M&L program.

1.3. *Agreement by USAID*

Verbal approval was given before the departure of Dr. Sapirie on 3 February, and was communicated by Monica Kerrigan to MSH-M&L Cambridge and M&L's CTO at USAID/W on February 21, 2005.

2. Main Elements of the M&L Aceh Drug Management System Activity Plan

2.1. *Purpose and criteria of near-term M&L support in Aceh*

The MSH-M&L activity was planned to assist Aceh Province with certain specific drug management system development activities, keeping in mind the following:

- Assistance would be confined to types of activities in which MSH excels, and is currently carrying out in Indonesia. In particular, the establishment of the *Pintu Mas*, or *Golden Door*, strategy of integrated drug management at the district level is viewed as being relevant in Aceh at this time.
- MSH would keep aware of the drug system rehabilitation efforts of other organizations and agencies in order to avoid overlap or duplication of work.
- The proposed activities for MSH would be deliverable with funds currently available in the M&L work plan and budget.
- Any work in support of Aceh would be undertaken and completed before the end of June, 2005 to coincide with the closeout of the M&L Program in-country operations. (The period of performance was subsequently extended to the end of July with USAID/Jakarta approval.)
- MSH-M&L would not participate in or support relief operations in Aceh, except possibly to assist in the assessment of supply system damage and needs for rehabilitation.

2.2 *Task* – Assist, during the Transition Period, in establishing the foundation for the future drug management system in Aceh.

2.3 *Goal* – To assist the Ministry of Health, and the Aceh Provincial and District Health Offices to take practical steps to prepare for and initiate the implementation of the *Pintu Mas* integrated approach to drug management in the Province, and in so doing help Yanfar prepare for nation-wide implementation of the strategy.

2.4 *Deliverables* - At the end of the 4- month period (end June, 2005 – later extended to end July, 2005), it was intended that the following achievements and deliverables would be available:

- a. A document describing the agreed drug management policy, organization and outline of procedures, including: a brief description of current procedures employed for each key drug management function, new systems and procedures developed for undertaking these functions as agreed through discussion and consensus; and related infrastructure, staffing and communications requirements.
- b. Standard operating procedures containing narratives, visual aids, and examples that effectively describe how key drug management functions are to be performed. This may include the outline design parameters of district and provincial drug warehouses necessary to insure proper drug storage and efficient warehouse operations, which can be shared with donors and agencies interested in supporting such infrastructure development.
- c. Confirmation of consensus and agreement to these policies, procedures and infrastructure, such as signed memoranda by key participants.
- d. A brief project report describing: the extent to which the goal and deliverables have been achieved, the principal methods employed and activities carried out for achieving results, and the preparations and plans for next steps in implementing the new system, along with a list of persons and organizations who participated in the system development process and their future roles and responsibilities.

2.5 *MJM and MSH-M&L Planned Activities* – MSH-M&L developed an initial activity plan and schedule which was attached to the proposal document submitted to USAID in January and to the MJM contract with MSH. The list of planned activities is attached as Annex A.

2.6 *Estimated Staff Inputs*

MJM consultants	281 days (12.8 person months) of 4 staff over a four-month period
MSH staff	6 2-week visits of 3 senior staff (Barraclough, Solter, Sapirie)

2.7 *Challenges to be faced*

The early assessment and planning for this activity identified a number of conditions that were to become challenges during implementation of this time-limited effort in Aceh:

2.7.1 *Focusing on development during a relief operation* – the international response to the Tsunami disaster was expected to dominate the activities being carried out in the Province during the first six months of 2005. Coordination between the central and provincial level health services and among the multitudes of international relief agencies was predicted to be problematic, and it was. In the midst of this massive relief operation, MSH-M&L was dedicated to addressing the longer term development of the public health drug management system, responding to the local conditions while attempting to obtain consensus for improved drug management principles and procedures in line with the emerging Pintu Mas model of integrated drug management. MSH-M&L had been supporting the development of this model for some time, including the formulation of national policy and legislation. In the immediate aftermath of the disaster the prime focus of all parties was naturally on responding to the situation and discussion on the longer term view of the drug system would likely be difficult. As time progressed, it has remained exceptionally difficult to engage any party other than the Provincial Health Office in discussing and undertaking post-disaster

relief considerations. Even in July 2005, only Pharmacists San Frontier (PSF) and AusAid amongst the consulted donors and NGOs, had actively considered longer term operations for drugs management although they were not interested in discussing the Yanfar model. Whilst both WHO and Yanfar clearly recognized the need, it still proved very difficult to engage either party in serious discussions about the future drug management system in Aceh.

2.7.2 Commitment to working with the government (MOH, Yanfar, and the Provincial Health Office) and supporting their policies and processes for the purpose of insuring national ownership and sustainability - The MSH-M&L program applied this principle to all the activities in which it engaged. Throughout the definition of KW/SPMs (essential public health functions/minimum service standards), and the subsequent design of the performance assessment and performance improvement process (PROSPEK), government partnership and involvement at every level was sought and received. The support to the drug management system was undertaken in the same manner, such that the National Pharmaceutical Management Directorate (*Yanfar*, now entitled *Binfar*) was the recipient and overseer of all processes, products and resulting policy pertaining to the new Pintu Mas model. This approach was taken realizing that it is necessarily slow and difficult to obtain consensus from all involved programs and departments. But not doing so would jeopardize the institutionalization and thus the sustainability of the processes. Moving quickly to apply the new model while responding to provincial and district needs and preferences was predicted to be difficult, and it was.

2.7.3 M&L would be in a close-out mode when this activity was approved and initiated – with no in-country technical professionals, limited administrative staff, funding and time available to devote to this new activity. MJM, the drug management sub-contractor working with MSH-M&L, would be simultaneously engaged in other drug management program implementation and close-out activities. The funds available for supporting the Aceh activities were severely limited and of somewhat uncertain amount because of expenses yet to be incurred and paid.

Despite these factors MSH-M&L and USAID decided it was important to carry the M&L momentum and products to the service of Aceh in the months that remained of the project life.

3. Implementation

The initial work plan envisioned activities in the Aceh effort commencing in March and extending through June. Ultimately, activities were extended through the month of July.

3.1. Activities carried out

The MSH – MJM strategy for supporting the medium-term development of the drug management system for Aceh required an extensive amount of collaboration with and support to Yanfar in order to insure that the resulting drug management model would be endorsed by both Yanfar and the Provincial Health Office in Aceh, and subsequently implemented with the collaboration of the districts and of the various agencies supporting the rehabilitation of the drug management system in Aceh. It was also necessary for MJM to proactively advocate for the Pintu Mas model with the various vertical programs providing drugs for their services, most of which had not agreed to the “one door” policy at this point (the TB program was an exception.) Therefore, in the early weeks of the Aceh drug management activity it was necessary for MJM (Pak Yos) to devote considerable time to establishing a close working relationship with senior Yanfar officials in Jakarta and with the Provincial Health Office in Banda Aceh. In addition, with the support of Andy Barraclough, who was visiting Indonesia for a variety of other activities, a number of contacts with the vertical

programs were made. During this period the MJM staff endeavored to carry out certain information collection activities to determine the state of the system.

The Aceh activity implementation is depicted in Annex B, indicating the schedule of activities carried out, the types of support provided by MSH-M&L and the results and products of each activity. It should be noted that MJM and Mr. Barraclough were simultaneously completing the implementation of other activities pertaining to the Pintu Mas implementation in selected districts, and the finalization of work with the TB and malaria programs.

As a result, the initial activity plan was revised somewhat to enable the creation and maintenance of a close partnership with Yanfar while progressing with the advocacy and information collection activities. Pak Yos provides in Annex B his description of how the activities were carried out.

3.2. *Summary of staff support provided*

- MSH senior staff visits and person-days (Solter, Barraclough, Sapirie):
 - Six TDYs averaging two weeks each
 - An estimated total of 78 person/days devoted to the Aceh activity
- MJM staff person-days: from March through July: 180

4. **Results of the MSH-M&L support to Aceh**

4.1. *Achievements within Aceh*

Over the course of the activities there has been a marked change in the approach and vision of Yanfar, and to a lesser extent the Provincial Health Office in Aceh. At the outset it was almost impossible to engage any element of Yanfar and the Aceh PHO in considering anything beyond immediate emergency response activities. Perhaps the largest single achievement of the MSH-M&L activities is the recognition by Yanfar and the Aceh PHO that longer term planning is essential to prepare for the post-emergency period in Aceh.

Coupled with this has been the further recognition of the importance of longer term disaster preparedness throughout this disaster-prone country, including maintaining emergency stocks of drugs in strategic locations, holding of orphan drugs, and the need to develop greatly improved emergency situation management procedures.

4.2. *Effects on the national drug management system development*

4.2.1 *Potential Conflicts*

The impact of Law 32 is still not widely understood, and whilst there are no initial indications of conflict, it should be recognized that it was possible that some of the system and procedures developed for Aceh could conflict with this new law as detailed interpretations are developed for each section of the Law.

The original outline model of the drug supply system proposed at the outset in January and February would have had a major impact on the national drug management supply system, probably requiring major changes to the current decentralization regulations in order to allow it to function adequately. The evolution of the model over time has been such that alternative approaches to avoid potential conflicts have been formulated, so that the resulting model requires no major changes in

the law and regulation, and it can be implemented as soon as a Ministerial Decree clarifying the authority of the Provincial Health Office is issued.

4.2.2 *Roles of the different players in drug management*

The clarification of the role of the different players, and especially of the Province, in drug management, which was undertaken as part of the Aceh drug supply model development will serve as the basis for a national level definition of roles at each level and assist in bringing a degree of clarity to the longstanding confusion about the changing roles at each level.

In developing the Aceh drug supply model Yanfar has worked to clarify the different roles and especially to define a role for the Province. Yanfar will present the overall Aceh model for Ministerial authorization during the month of August, and will ask the province to submit the proposal through Yanfar to the Minister. Whilst such approval will not constitute an absolute ruling, it will serve as a good precedent and example for a future national level clarification on the roles of the different players in drugs management in emergency situations, as well as contribute to the continuing development and implementation of the one-door policy with collaboration between the provincial and district level, especially for the distribution of vertical program drugs.

4.2.3 *Strategic/Emergency Drug Stocks*

A major improvement in the national availability of emergency drug stock has occurred by supporting Yanfar to present a case for funding which could no longer be ignored, and being able to leverage the experience of Aceh as a very strong rationale.

Prior to decentralization, *de-facto* emergency drug stocks were held by the State Owned Enterprise (SOE) pharmaceutical manufacturers as a 'by-product' of the INPRES central level pharmaceutical procurement mechanism. Under the INPRES system the SOEs were guaranteed to receive an order for a minimum of 50% of the quantity of the previous year's order. With this long term surety procurement agreement, the SOE manufacturers held imported raw materials, and to some extent held finished stock, ready in preparation for the annual ordering, and thus this stock represented a potential source for responding to emergency situations.

At the time of decentralization, centralized procurement ceased and since the SOE was no longer guaranteed any orders at all, they no longer held stock ready and thus, the emergency stock facility ceased to exist. Since its first rapid assessment survey in 2002, MSH-M&L had identified the problem of a lack of emergency stocks and proposed a policy and methodology for creating them. Despite extensive advocacy efforts, Yanfar were never willing to adopt the emergency drugs methodology because they could never identify a source of funding.

After the regrettable disaster of Aceh, not only was the need to have emergency drugs stocks obvious to all parties, but also the value of the specific MSH-M&L methodology of emergency stocks held at the Provincial level and rotated to Districts to ensure maintenance of shelf life was proven. Those few vertical programs, such as TB, which have adopted the MSH-M&L designed system, were able to respond to the Aceh disaster and supply replacement drugs to the Province within 5 days of the disaster occurring.

After assisting Yanfar to present their case for funding, Yanfar has received Rupiah 80 billion (US \$ 8 million) to establish a national emergency drug stock system, which will follow the MSH-M&L

design and be largely based at the provincial level. This money will be used to provide emergency stocks in all Provinces. (Aceh will also receive additional funding for drug supply.)

4.3 *Working with MoH and Yanfar*

As it turned out, the overall task was not for MSH-M&L to develop a model, but rather to encourage and assist Yanfar to engage in consultation with others to develop the model. This has been achieved, and Yanfar has full ownership of the resulting model. But it has been necessary to move in a manner and pace with which Yanfar could cope, and this has severely limited the speed of progress in model development. This was a time in which Yanfar was undergoing major internal changes. In many ways the Provincial Health Office in Aceh recognized the need for longer term system development early, and despite their extreme staff shortages, was actually trying to develop a model much faster than Yanfar. But without the central level leadership of Yanfar, no model could hope to be successful in achieving the necessary regulatory approvals and funding that are required. Yanfar has undoubtedly learned much in the process of the model development, but a casualty of the process has been the speed of model development. Furthermore, Yanfar was reluctant to proceed until the MOH had formulated an overall *service* development model for Aceh. That being said, MSH-M&L and MJM have attempted to describe the Aceh model as discussed and agreed during these discussions and attach it as Annex C.

5. **The Current Situation and Some Conclusions**

The challenging conditions prevailing in Aceh with respect to drug management - The situation on the ground for drugs management in Aceh has been characterized by a high degree of confusion, little overall coordination, and even less reliable information. Cooperation between the many parties has not always been high; even in July 2005 MSH-M&L was refused permission to attend an NGO (PSF) briefing meeting on the results of a donated drugs survey. Various donor agencies appear intent on pursuing their own approaches and visions, and vigorously defend their perceived areas of responsibility. At the same time individual Districts appear unwilling to accept the stark reality of some aspects of the current situation. Such a situation is perhaps not so unusual in the immediate aftermath of a major disaster, when great urgency perhaps precludes widespread consultation and collaboration. That this situation of non-cooperation among involved parties should persist after six months is unfortunate.

Throughout this period of implementation the drug management situation in Aceh has been marked by confusion, and whilst a better picture is now available, it is far from clear, with firm data, as to what drugs are available, who is managing them and how best to place them under the central management of the Provincial Health Office. Even though there is still no evidence-based overall picture of the medicines situation, both WHO and Yanfar, with assistance from MSH-M&L, now feel they have a good overall understanding of the situation.

A key point which will affect all planned drug system development is that since late June 2005 when the Medan meeting was held with districts and the PHO to identify current difficulties, Yanfar has changed its assessment of the extent of the damage which has been suffered to the drug supply infrastructure. As far as drug supply infrastructure is concerned, it would appear that previous reports of 13 District drug storage facilities being devastated are not well founded, and Yanfar now considers that only the Province level, and 3 to 4 Districts have suffered the loss of all their drug supply and storage facilities. Other districts have damaged infrastructure, but can still function, albeit at reduced levels.

Yanfar feels that it has a good grasp of the situation in general, but freely admits it has little hard evidence, and is becoming increasingly less patient with the uncoordinated activities of NGOs, which they feel prevent it from obtaining a clear assessment of the overall situation. Yanfar considers that there is currently a drug supply in the Province adequate to last until September 2005 by which time replacement supplies will have arrived. The role of WHO as a central coordinator on drugs issue in Aceh has increased with the appointment of a resident officer, but despite numerous surveys and reports, there remains little evidence-based assessment of the overall drugs management situation. Individual NGO assessments of the donated drugs are not being shared, and only snapshot information on specific areas is available.

PSF is emerging as the dominant player in drugs management amongst the NGOs, but until very recently have appeared to focus only on managing the donated drugs and have only recently started to consider the requirements for a re-established public drug supply system. Yanfar has requested assistance from PSF in developing the operation of the provincial warehouse and re-establishment of District functions. AusAid remains active, and is considered the major drug system donor by Yanfar, but appears at this time to be focusing mainly on the rebuilding of physical infrastructure, training, and some recording system development, especially for hospitals.

With the current climate amongst the NGOs, until very recently it has not been possible to utilize MSH's specialized knowledge of the pharmaceutical management situation and requirements within Indonesia. Attempts to engage with AusAid consultants have not been hugely successful, and have been delayed because of their internal activities in tendering the project, so that no clear coordinator was present, and perhaps because of the different focus between disaster relief and longer term redevelopment.

Although hard evidence remains difficult to obtain, it is increasingly apparent that previously expressed concerns on significant quantities of inappropriate, already date-expired, and discarded/dumped medicines, which are circulating in the province are largely true. In addition to the negative perceptions this has created in Aceh itself, the pages of e-drug messages, (essential medicines forum <http://list.healthnet.org/mailman/listinfo/e-drug>) have contained a continuing debate on the matter, which is healthy, because it may lead to improved international coordination and cooperation in such post-disaster situations in the future.

PSF is strongly advocating that all drug donations should be stopped to prevent further inappropriate materials being supplied. In July, Paracetamol is reported as not being available whilst oral rehydration salts are in gross excess, and there is a significant shortage of all children's preparations. Within the health sector in Aceh there appears to be a growing consensus that the emergency stage is now past, but the government operation still appears weak, and no one appears to have a clearly agreed plan on how to end the current arrangements with myriad NGOs, or how to cope when the NGOs do depart.

It may be noted that at the end July 2005 those NGOs/relief organizations that have chosen to continue medicine supply and to procure products in-country have been unable to buy any medicines in either Aceh or Medan, and must use Jakarta-based sources of supply. The demise of the pharmaceutical private sector in Aceh places an increased burden on the public sector drug supply. It is estimated that before the disaster the public sector counted for less than 30% by value

of the total medicine supply in Aceh, but post-tsunami, in many parts of the province the public sector is now the only source of supply. Not only is there a need for medicines supply, but the need is for a greatly increased public sector medicines supply, something which would be difficult even if the full Aceh District level operations were functioning at their pre-tsunami levels.

In contrast, Yanfar, and the Provincial Health Office pharmacy section are enthusiastic not only in wishing to develop an operational drug management model for the re-construction stage in Aceh, but in wishing to use the model which is developed as a pilot for a more general post-disaster operational structure for all future disaster situations in Indonesia. The Provincial Health Office Pharmacy unit appears to be engaged in and enthusiastic about developments for post-emergency phase supply mechanisms and strongly supports the proposed plan for a Province-based interim operating system.

While facilitating and empowering Yanfar to respond to the immediate situation and develop an operational model for the reconstruction phase, during the early period of responding to the Aceh disaster was an important outcome of the MSH-MJM work in Aceh, perhaps the more important contribution was the support to Yanfar to lever the current environment to force the re-establishment of emergency drug stocks, nationally, and to develop models, systems and procedures for use in all future emergency situations.

6. Recommendations

6.1 Yanfar has already requested the establishment of an Aceh task force within its department to undertake and manage the on-going requirements for Aceh. The post-disaster phase drug supply model should now be submitted by Yanfar for the necessary levels of approval to enable a clear regulatory base for its proposed operation; specifically a Ministerial Decree to allow the Province to carry out certain functions beyond its current mandate. Unfortunately, neither MSH-M&L nor MJM are in a position to support the task force or the formulation of the necessary decrees, unless MJM is contracted by JSI to continue its work in this capacity, which is therefore, recommended

6.2 Whilst a general agreement has been achieved on the model, implementation of the model on the ground in Aceh will require continuing on-going support, and whilst funding has reportedly been committed for medicines procurement and physical infrastructure reconstruction, financing and technical assistance for systems development and implementation for both Yanfar and the PHO remains uncertain. It is strongly recommended that USAID continue to support Yanfar and the PHO to assist with implementation of the agreed model in Aceh.

6.3 Yanfar should continue to develop the model both for Aceh and with a view to establishing a general emergency drugs management model for the future throughout the country. All active international partners are encouraged to provide assistance and funding to Yanfar to continue in this endeavor, especially WHO and USAID.

6.4 In fact, the overall drug management system in Indonesia, as important as it is, and being at such a critical juncture in its development and transition within this era of decentralization, receives very little external financial or technical support. The MSH-M&L involvement with Yanfar, the vertical programs, in Aceh and in the districts has demonstrated how important low profile support and continuing partnership can be for making progressive, sustainable change and improvement in the drug management policies, models and procedures. USAID is encouraged to consider providing

continuing financial and technical support to Yanfar of this nature for the medium-term future. To not do so will forfeit the existing sound, positive working relationships that are so important for making progress.

6.5 USAID should consider a more detailed investigation of the reports of inappropriate and short shelf life/date expired medicines of US origin, especially those arising from US-supported operations. Whilst it is considered that the practical effects of these reportedly unsuitable materials are probably not high, it would perhaps be prudent both to counter the current negative perceptions and to ensure that US-supported donations in any future emergency situations are more appropriate to the environment.

6.6 Further, the level of confusion, which to some extent continues to this day in Aceh on drugs management, speaks strongly for much better preparedness and coordination across the NGO and donor community. The reports of expired and inappropriate medicine donations strongly suggest the need for a much stronger agreement and observance of the WHO guidelines on donation of medicines. It is suggested that donors should cooperate in enforcing a much stronger compliance to the WHO donated drug guidelines amongst the NGOs and organizations which they support.

6.7 Finally, it is recommended that Yanfar add to its Aceh and national drug system development agenda a number of items that need increased attention:

- Local quality and cost control issues will need to be addressed by Yanfar through some kind of a monitoring function in the districts, and ultimately new strategies for pooled procurement at the provincial level will need to be developed because of the high unit costs districts have to pay to local drug wholesalers due to their small orders.
- Continue to pursue financial and technical assistance to keep progressing with the development of the system.

Annexes

- A. Initial Aceh Activity Plan
- B. Actual Aceh Activity Implementation
- C. Summary Description of the Aceh Drug Management Model

Annex A - Initial MSH/MJM Aceh Activity Plan and Schedule

No.	Activity	Time Period
A	MJM Activities	
1	Key group discussions with Yanfar, CDC, DU on new drug system development	March
2	Visit Aceh province and up to 3 districts to assess damage to drug infrastructure	March - April
3	Small group discussions with key Yanfar, CDC, PHO, Provincial, district and donor organizations on system development	March - April
4	Report on experience from the first visit to Yanfar and MoH	April
5	Conduct 2-day focused discussions on drug mgt procedures with provincial/district managers	April
6	Record details of proposed/agreed procedural changes	April
7	Conduct focused discussions in Jakarta on procedural changes and linkages between levels	May
8	Prepare a document containing revised systems and procedures for Aceh	May
9	Conduct a 1-day presentation and discussion in Jakarta on next steps for implementing new drug management procedures	June
10	Make final changes to SOP based on discussions	June
11	Prepare project report and brief USAID	June
B	MSH-M&L Activities	
1	Monitor progress through communications	Continuous
2	Visit Indonesia to work with MJM (Barraclough, Solter, Sapirie)	Monthly (Mar thru June)

Annex B - MSH/MJM Activities in support of Drug Management in Aceh

The following table lists the activities reported by MJM as having been carried out in support of Aceh during the period January through July, 2005, with an indication of the types of support provided by MJM and MSH-M&L and the products that emerged from each.

No	Mo	Date	Activity	Types of Support	Products
1	Jan - Feb	17 to 4	Initial discussions with Depkes, USAID Yanfar, WHO and others; preparation of proposal, activity plan and budget	STTA: Yos, Dias, Sapirie	Options paper, proposal, activity plan and budget
2	March		Consultations with Yanfar	STTA :Yos, Barraclough	Solidarity with Yanfar
3	April	5-12	MJM recruits, selects and orientates new staff for activities in Aceh	Yos	Staff capacity enhanced
4		20 to 26	Preparations for field survey in Aceh	MJM,	Survey report presented to Yanfar
5		27 to 1	Field survey in Aceh	MJM, Solter, funding	Agreement of vertical programs to Province based system
6	May	10	Survey of Vertical programs	MJM	Vertical program drug situation
7		16	Field survey in Medan	MJM, funding,	Yanfar prepared workshop report
8		17 - 18	Yanfar Medan workshop on Aceh	MJM, funding	Clarity of district position
9	June	14 to 20	Field survey preparation in Aceh	MJM, Solter	
10		21 to 26	Field survey Aceh	MJM, Solter, funding	Survey report presented to Yanfar
11	July	10 to 13	Medan workshop - Aceh Districts level consultation on requirements and proposal of operational model	MJM, funding, Barraclough	Workshop results report, presented to Yanfar
12		18	Meetings with Provincial health office Aceh	MJM, Barraclough	PHO position re. drug management
13			Meetings with Pharmaceutical wholesalers Aceh	Ditto	Confirmation of status
14		19	Meeting with Yanfar in Aceh to discuss proposed model	Ditto	Further model development
15		19	Meeting with BKKBN Aceh to discuss provincial level Satu Pintu system	Ditto	Agreement on participating in Satu Pintu
16		19	Meeting with WHO in Aceh to discuss proposals	Ditto	Introduction of WHO Aceh Advisor
17		20	Meetings with NGOs, PHO and WHO to discuss proposed model	Ditto	General agreement on Aceh model
18		21 to 22	Meetings with Yanfar at Puncak to finalize model and discuss resource and cost requirements for implementation	Yos and Barraclough, funding	Agreement on finalization of model
19		24 to 26	Create a working group in Yanfar to finalize the model and handover to Yanfar,	Yos	Detailed model of proposed post - disaster system
20		19 to 26	Review of activities, products and status, description of the Aceh Drug Model, and preparation of the activity report	Yos, Barraclough and Sapirie	Model Description and Activity Report

The following paragraphs provide a narrative description written by Pak Yos of the activities listed above and helps depict the sensitive facilitation process that took place in Yanfar and at the provincial and district levels in Aceh.

Understanding the situation in Aceh after the tsunami

The first activity was intended to quickly learn the nature of the immediate needs of Nanggroe Aceh Darrusalam Province (Aceh Province) in regard to what is happening in Aceh after the tsunami, and who was actively supporting relief and reconstruction (especially NGOs). We did have a list of NGOs and their activities, even sometimes their location and addresses and photos in Aceh after the disaster. This mission was carried out by Steve Solter and Pak Tommy of MJM. We had to ensure that what we planned to do would not duplicate the work of others.

The activities which we had undertaken in Jakarta, were facilitated by contacting the Aceh working group, which is a cross-department group in the Department of Health of the Pharmaceutical services (Pak Bachron Arifin and Pak Zaenal Koma). The first meeting included Steve Sapirie in Jakarta, and was followed with another survey in Aceh by Pak Tommy and Pak Fauzi, meanwhile we recruited Tahoma Siregar and Azwar Darris to strengthen our team.

Gaining the support of DepKes and Yanfar for a revised drug management model in Aceh

The second survey was meant to gain more information on what Yanfar was doing with the Districts and Province in Nanggroe Aceh Darrusalam (NAD) Province. We list activities which they have carried out in Aceh and a small workshop in Medan (Yos and Azwar attended the meeting in Medan). At this stage we knew that the Province and Districts are concentrating on human resources, physical resources (warehousing) and attempting to bring the system back to normal, with the support of AusAID.

The more recent activities were probing for the future after resources become normal again, since we knew that district officers and the Provincial and Central Governments were focusing only on rehabilitation and reconstruction. We developed and proposed a new model for NAD which we hoped would be of strategic value, and might redirect the course of rehabilitation. This was agreed to by the Director General of Pharmaceutical Services and Medical Supplies, Mr. Krhisna Tirtawijaya, the Director of Public Pharmaceutical Services, Dr. Bachron Arifin, the Expert Staff of the Minister for Pharmaceutical Technology and Health, Dr. Richard Panjaitan, and the Expert Staff of the Minister in Institution Strengthening and Decentralization, Dr. Dwidjo Susono.

Gaining the Support of the Province and Districts for the revised model

With this broad support from DepKes we went to NAD to probe the possibilities of implementing the new model in the Province. We received a positive response from the Provincial Health Office in Banda Aceh, represented by Dr. T. Marwan Musri, head of the PHO in NAD and the vice head of PHO, Dr. Anjar Asmara. We were also trying to get the Pharmaceutical head in the Province, Dr. Wardah, the staff Drs Zulkarnaen, Mkes and Gaizi Nisma and all their staff to join an internal meeting. We went again to the affected and un-affected districts to attempt to gain their support.

The Districts which we were to visit were revised by the Province Health Office and we were re-directed to District Lhoksumawe, the City of Lhoksumawe, and the affected areas of the District of West Aceh (Meulaboh), the District of East Aceh and the City of Banda Aceh.

We all felt the need to organize a Provincial meeting with all Districts and the Province, Yanfar and all stakeholders such as CDC, Family Health, Pharmacy, the Family Planning, the Bappeda and the Parliament in NAD. This meeting was held in Medan in July 2005, and included the recently appointed WHO officer in Pharmaceuticals for Aceh. Yanfar organized the meeting in Medan and MSH/MJM provided the facilitation, which allowed Yanfar to assume and feel ownership of the activity.

We also tried to meet the more active NGO's in NAD to invite them to share their findings, and their ideas on the future of NAD. These discussions were held in Banda Aceh.

All these findings were then presented again in Puncak on Thursday and Friday, 21-22 July, to Yanfar including further discussion of the draft Model which we envisioned could be used because of the broad-based support that had been generated through all these discussions. The Model is not only showing a (1) supply model of drugs, but also it includes (2) the pharmaceutical services which should be provided by the pharmaceutical units at various levels and various health service delivery programs, (3) functions and role of each Government level.

The key is the supply model of drugs and pharmaceutical services. The organization model will have to be discussed internally in the Pharmaceutical Directorate by a working group and then a draft decree submitted to the Minister for her issuance.

Annex C -- Summary Description of the Aceh Drug Management Model

Background

The post-tsunami essential medicines supply needs in Aceh were largely met by an uncontrolled importation of large quantities of medicines by a multitude of NGOs, and relief organizations. As the supplies from NGO/relief organizations diminish and the government of Indonesia once again assumes responsibility and control for essential medicine supply there is a need to consider the practicalities of the structures and delivery mechanisms involved.

Under the decentralized health system in operation in Indonesia, Districts have the prime responsibility for the delivery of public sector health care, including provision of essential medicines. Following the destruction of the Tsunami in Aceh around 14 Districts health operations were extensively damaged and unable to function, whilst the remainder of the Districts was weakened and unable to operate to full capacity. All of the wholesale pharmaceutical distributors in Aceh have been devastated and as of July 2005 are still unable to operate, so that even if Districts were fully functional and had funding, they would not be able to procure the medicines they require in the normal way, nor be able to receive delivery to their Districts.

Nature of the problems

In essence the problems to be addressed with an improved drug management model in Aceh revolve around 3 key issues

1. Regulatory/legal matters
2. Practical difficulties of operation
3. Funding during reconstruction

1. The fundamental legal/regulatory problem

Districts have the legal and regulatory duty to provide the medicines required by their health service facilities and staff, but because of the destruction are currently unable to perform this function. The province level, with suitable support, can provide an interim solution by undertaking essential medicine supply management, storage and distribution until Districts can be fully functional again. But currently the provincial level has no legal or regulatory authority to undertake such duties. The depth of this impediment should not be underestimated. Despite the nature of the emergency, without an enabling regulatory framework, it will be increasingly difficult to engage government health workers at the provincial level in activities that are in breach of regulations.

The basic solution to the legal/regulatory problem

It is necessary to develop a functional drug supply model with all the active parties, and especially Aceh provincial health office and Yanfar. This emergency response model must be presented to the Minister of Health for approval and a Ministerial decree issued which would provide an interim legal and regulatory basis for Aceh Province to undertake the required functions of essential medicine supply until such time as Districts are fully recovered.

2. Practical difficulties of operation

During the two District-level consultative workshops organized by Yanfar and MSH/MJM and held in Medan, Aceh Districts have listed their prime concerns as:

- Achieving access to essential medicines

- the need for medicine supply to move beyond Puskesmas to sub-Puskesmas. Previous systems of ad-hoc collection by staff of sub-Puskesmas of their drugs from Puskesmas will no longer work due to the disrupted transport system
- The need to break down the primary health care/secondary health care drugs and assist in supplying medicines to hospitals
- Drug availability
 - Ensuring continuous availability of drug supply until Aceh wholesalers can re-establish effective operations, but also support Aceh wholesalers as soon as they do become operative to help them return to full operational levels
- Ensuring drug quality during a period of short supply
 - With the private sector in disarray there is a possibility for increased fraudulent medicines to circulate
 - There are serious concerns about the circulation of the many inappropriate and date expired donated medicines
- Rational drugs use
 - The need to remove from circulation the large quantity of inappropriate drugs which have been donated
 - The need to obtain the correct drug regimen and formulations for their current circumstances, re-specifying standard supplies formulation/preparation to those that that require no compounding and limiting dispensing requirements (unit dose packaging, episode dose packing, etc.)
 - There is a very great need for children's dose preparations
- Human resources - developing systems and structures that can function with the current level and skills of staff until adequate levels of trained staff can again be available
- Other resources - especially transport
- Budgets – as discussed in detail below, districts will not relinquish the right to receive budgets for essential medicines and to procure medicines themselves, even though this may not be practical for some districts at the present time

Solutions to these difficulties

Whilst it was not possible to address all these problems completely in the time available, the proposed model does incorporate systems and structures which permit each area to be addressed.

The following are some examples:

- Improved access is to be achieved by using a delivery to sub-Puskesmas level so that the medicines are both geographically closer to the patient and available at a much large number of outlets.
- Availability is to be assured by using central level procurement until Aceh wholesalers/distributors are re-established.
- Drug quality is to be assured by using a secure source supply mechanism.
- Rational drug use is to be addressed through removing from circulation and destroying the inappropriate medicines which are currently in the province.
- Shortage of human resources is to be addressed by procuring medicine formulations that do not require major pharmacy staff inputs, such as compounding or sophisticated dispensing, so that episode-packaging for acute illness are used, and unit dosages and patient-ready packaging for chronic diseases are supplied.
- Other resource requirements are to be addressed by using the data gathered within the proposed model to provide evidence for resource and budget applications.

3. *Funding during re-construction*

In association with assistance from WHO, MSH-M&L, and other parties, Yanfar has made estimations of medicine requirements for Aceh and has generally been successful in obtaining funding for these amounts of medicines. However, funding for drug management operations and distribution remains problematic. Although the funding situation remains confused as of July 2005, the following requests have been made by Yanfar, and the following funds are believed to be available:

- National emergency buffer stocks for all provinces - Rupiah 80 billion
- Fund for central level supply of medicines to Aceh - Rupiah 50 billion
- Fund for medicines to protect the poor in Aceh - Rupiah 180 billion

A major shortfall remains that whilst there is funding for medicines and good prospects for physical infrastructure re-construction and development in Aceh, no funding source has yet been identified to assist Yanfar in its operations.

THE MODEL

General

It should be recognized from the outset that the “model” is not a static structure, but rather should be viewed as a transitional strategy and plan, providing a structure for immediate operation which will over time revert to a District level operational structure.

Basic structure

Initially, a classical Pyramid structure will prevail, in which the bulk of drugs are supplied from the central level. This will slowly evolve into a multi-level system, passing through the stage in which the bulk of drugs are supplied by the Province and on to the stage in which the bulk of drugs are procured by Districts. This transition will proceed as the physical health infrastructure in Aceh is rebuilt, District Health Offices return to full operational status, and private sector wholesale medicine suppliers become re-established.

Key features of the Model

- *Satu Pintu - one door - operation at Province level.* All drugs come to the Province. No independent vertical program distribution schemes will exist. All vertical programs, including BKKBN, have agreed to use a Province-level distribution scheme in Aceh.
- *All donated drugs come to Province level.* Some NGOs and Districts have independently called and lobbied for an end to donated drugs because of fears of receiving inappropriate drugs, non-Indonesian language labeled drugs, and incorrect presentations, but this has not been accepted by the MOH.
- *All drugs are sent to Districts through the Province.* With time, Districts will start to procure drugs in their own right, but all central level supplied drugs from all central sources including vertical programs will be supplied only through the province.
- *Drugs to be delivered to point of use.* A formal delivery system to sub-Puskesmas level will be implemented. It is important to incorporate this feature into the model for the Ministerial Decree so that Puskesmas and Districts then have a regulatory basis to seek funding for transportation and distribution costs beyond the Puskesmas level.

Operating procedures

It has not proven possible to develop detailed operating procedures for the proposed model due to MSH-M&L close-out at the end of July, although there is a general consensus on the procedures which can be utilized for the central level operations and that the procedures already developed for District level use can be applied at Provincial level. (It remains unclear on the exact extent of the support and technical assistance which will be available to the Province after July 2005, but there has been an indication that both PSF and AusAid will be providing some technical assistance to the provincial level for drugs management development in addition to the infrastructure and training support.)

- *For procurement:*

At Central Level the standard Ministry of Finance guidelines are to apply. This is not ideal, since, under existing regulations, the procurement will be restricted to the four, state owned enterprise companies, and be bounded by the Ministerial Decree maximum public sector drug price list, which may not ensure that the best pricing is achieved. On the positive side it should enable secure product sourcing and thus contribute to the procurement of assured quality drugs.

At the Provincial level the standard provincial procurement rules will apply. Initially, it is envisaged that the majority of the procurement by value will be undertaken by the central level.

- *For warehouse operation:*

For Provincial level, the Yanfar guidelines produced with MSH-M&L assistance in 2004 for Districts are to apply. *Satu Pintu*, the one door system contained in the Yanfar operational manual for Districts of 2004 is to be used. Standard stock cards and the LPLPO25 system (forms designed during previous World Bank support) are to be used initially. PSF and AusAid have indicated that they would wish to develop a drug management information system (DMIS) for provincial level inventory management.

For Districts, existing procedures will apply, but *Satu-Pintu*, one door policy is to be implemented following the operating manual of Yanfar.

- *For distribution:*

Province to District, Province to Puskesmas - The standard request and delivery forms which were designed for District level use are to be utilized at the provincial level.

District to Puskesmas - The standard operational system is to be used.

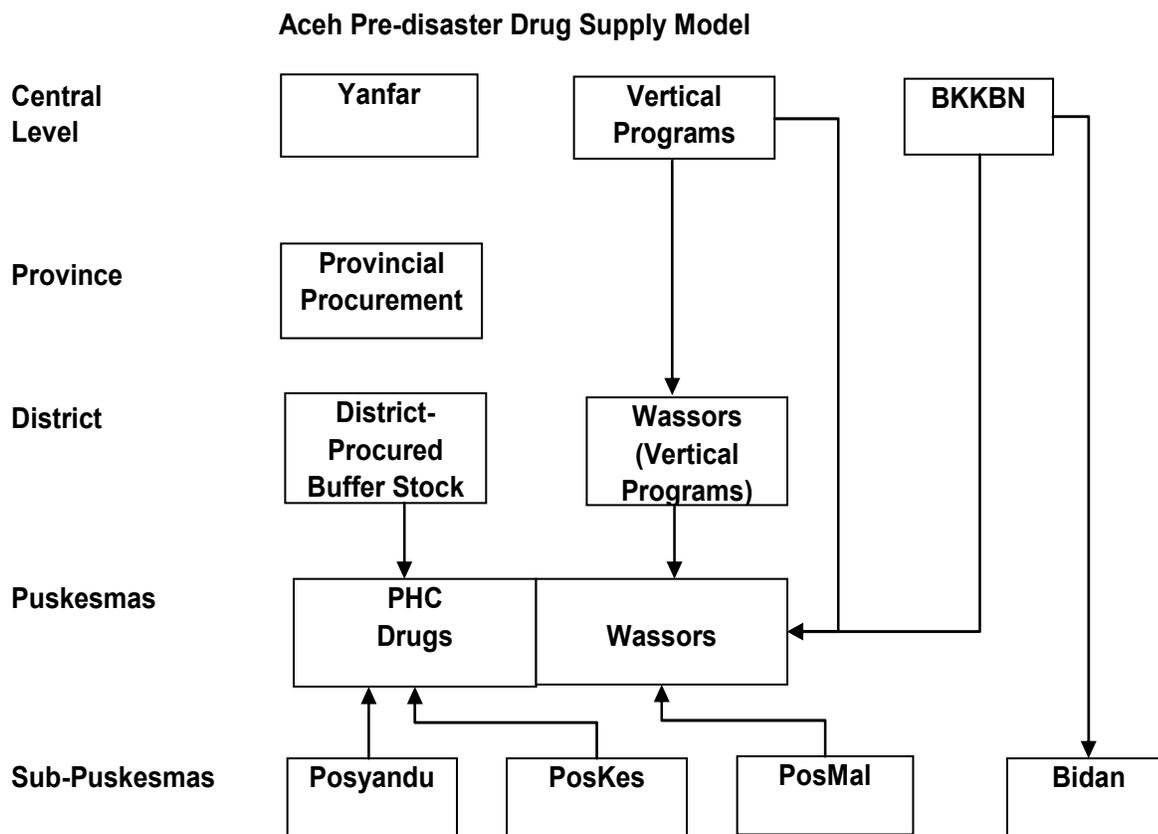
Puskesmas to Sub-Puskesmas - The existing procedures will remain, but physical delivery is to be made to the sub-Puskesmas.

Success and limitations of the model

It has been clear to MSH-M&L since January 2005 that previous essential medicines structures and systems in use in Aceh could not function in a post-disaster situation, but whilst there has been a general recognition of this reality, it must also be recognized that it has been exceptionally difficult to convince some parties, and especially Districts, to acknowledge the situation and consider alternatives.

The success of the model is that it has been possible to achieve some degree of consensus given the diverse opinions and strident defense of rights and privileges that various players have claimed. That the model is not always as clear cut as may be desired and that it has not been possible to develop detailed operating procedures is a direct consequence of the need to achieve a consensus agreement amongst the many different parties.

The fundamental limitation of the model is that it is a model. Even after receiving Ministerial Decree status, it still requires *implementation* and funding must be found to support Yanfar and distribution costs.



Aceh Post-disaster Drug Supply Model

