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FACT SHEET

Leadership Through Compassionate Action: A New "Partnership for Supply Chain Management"

The Rationale
Comprehensive HIV/AIDS programs that are sustained for the long-term require a continuous inflow of essential medicines and supplies. In most developing countries, limited health systems capacity is a major challenge to providing the appropriate health care many urgently need. In concert with in-country partners, the Bush Administration is leading the world in building the necessary infrastructure to fight the global pandemic of HIV/AIDS. The President's Emergency Plan for AIDS Relief, through its new Partnership for Supply Chain Management (the Partnership), will strengthen systems to deliver an uninterrupted supply of high-quality, lost-cost products that will flow through a transparent, accountable system.

The Purpose
The winning consortium – unprecedented in its magnitude and scope – will help deliver essential lifesaving medicines to the front lines of U.S. government HIV/AIDS programs. The Partnership will ensure a healthy, robust lifeline of continuous drugs and supplies that are safe, secure, reliable and sustainable. These will include supporting the purchase of lifesaving antiretroviral drugs (including low-cost generic ARVs tentatively approved by the U.S. Food and Drug Administration); drugs for opportunistic infections such as tuberculosis; quality laboratory materials such as rapid test kits; and supplies like gowns, gloves, injection equipment, cleaning and sterilization items. Based on the winning proposal, the contract funds up to $77 million in system operating expenses and technical assistance over the first three years. The drugs and supplies handled by the system could total $500 million or more over that same period. The contract will be responsive to requests from countries and programs in the field and will be adjusted accordingly.

The Approach
At the heart of the President's Emergency Plan is its work with partners in host nations in support of their respective national strategies on HIV/AIDS. The Partnership will devise and implement technical solutions that will transform the way in which HIV/AIDS drugs and supplies reach the people who need them most. The Partnership will strengthen current national supply chain mechanisms, and will implement a fully functional pharmaceutical supply chain for the President's Emergency Plan, working at three levels:

- National: the public and private organizations, programs, services and structures in countries served by the President's Emergency Plan;
- Regional: the services and structures for warehousing and supply distribution at the regional level, using existing service providers;

USAID
FROM THE AMERICAN PEOPLE

FACT SHEET

- Global: activities and services organized predominantly at the global level, including procurement, global logistics, quality assurance, external communications, headquarters-level coordination and program management.

The Components
The President's Emergency Plan Partnership will not build parallel systems; it will be additive and complementary to existing supply chain efforts in the field. It is intended to "fill in the gaps" where supply chain services are needed the most. The supply chain will:

- Develop and maintain a competitive and transparent procurement system, including forecasting future need and leveraging volume purchasing to achieve significant reductions in the current costs of commodities.
- Establish a quality assurance plan to manage documentation and ensure quality of commodities.
- Provide freight forwarding and warehousing services to facilitate consolidation and shipping from manufacturers worldwide.
- Establish in-country support teams to provide the highly complex technical assistance needed to improve existing programs.
- Develop Management Information Systems (MIS) to track the commodities provided through this agreement by estimating needs by recipient programs, financial accounts by country and funding source, production and warehouse stock levels, and the status of all shipments in-transit.

Participation
Participation in the Partnership is voluntary and services can be selectively utilized depending on the needs of the country and program. In those countries where existing supply chains are working well, the Partnership will be available as an option to "fill in the gaps" and monitor key steps in the supply chain process.

Non-ARV Drugs
The Partnership will support the purchase of non-ARV drugs that are needed for HIV/AIDS patients, including drugs for opportunistic infections, sexually transmitted infections, tuberculosis and some anti-malarial drugs. In addition, drugs needed for home and palliative care of HIV/AIDS patients will be purchased.

About the Partnership
The Partnership for Supply Chain Management is a non-profit organization established in 2005 by two international leaders in supply chain management for drugs and other public health commodities in developing countries—JSI Research and Training (JSI), and Management Sciences for Health (MSH). The Partnership includes 13 other organizations, each one offering unique capabilities that will ensure that high-quality antiretroviral drugs, HIV tests, and other supplies for treating HIV/AIDS are available to the people—patients, clinicians, laboratory technicians, and others—who need them.

USAID
FROM THE AMERICAN PEOPLE

FACT SHEET

- **Affordable Medicines for Africa (AMFA)** is a South African-based not-for-gain organization that has developed a rapid response supply chain management system to provide African health care providers with African manufactured medicines under African quality control through African distribution channels. AMFA provides a comprehensive and consistent supply of 230 high-quality, affordable, essential medicines and medical supplies to 13 African countries.

- **AMFA Foundation** is a U.S.-based nonprofit international Christian service organization whose goal is to provide affordable medicines for all in Africa, Asia, and the Americas. The Foundation helps create sustainable programs and innovative approaches to ensure Christian health care professionals in charitable hospitals and clinics can access high-quality, affordable medicines and supplies in a way that promotes the local economy in developing countries.

- **Booz Allen Hamilton** is a global strategy and technology consulting firm that works with clients across all major industries and for government agencies around the world to provide best-in-class strategic sourcing, manufacturing strategy, and techniques for managing complexity, while building self-sustaining capabilities that ensure these results endure. Booz Allen has implemented programs to strengthen institutional capacity in India, South America, and Africa.

- **Crown Agents Consultancy, Inc.,** specializes in procurement services and supporting and strengthening supply chains, working with public and private sectors in more than 100 countries, as well as with international agencies. Crown Agents conducts ARV procurement for JSI's DELIVER project, serving President's Plan programs in Tanzania and Zambia, and is one of the largest worldwide purchasers of HIV/AIDS test kits.

- **Fuel Logistics Group (Pty) Ltd.,** one of South Africa's top Black Economic Empowerment companies, has provided specialist pharmaceutical distribution services for almost 25 years. As a leading supply chain management corporation, Fuel's seven service-focused business units provide secure warehousing, inventory management, distribution, and IT services to more than 350 multinational customers and over 1,500 local commercial enterprises throughout southern Africa.

- **International Dispensary Association (IDA)** is the leader in the provision of essential medicines and related supplies to developing counties. With broad experience in procurement of pharmaceuticals and medical supplies, IDA offers qualified staff for vendor's audit and the selection of manufacturers, state-of-the-art quality assurance and quality control processes for pharmaceuticals, and deep knowledge and experience in international drug regulatory affairs. In addition, IDA is expert in pharmaceutical wholesaling, warehousing, and distribution to a broad variety of destinations

- **JSI Research and Training Institute, Inc. (JSI)** is dedicated to improving the health of individuals and communities in the United States and around the world. Founded in 1978 and having implemented projects in 84 countries since that time, JSI assists developing country governments, donor agencies, nongovernmental organizations, and private companies in strengthening health systems. Through the

USAID
FROM THE AMERICAN PEOPLE

FACT SHEET

USAID-funded DELIVER project and related supply chain contracts, JSI helps to ensure the availability of health supplies by strengthening systems, training people to manage those systems, helping governments develop policies that support commodity security, and mobilizing financing for essential health commodities.

- **Management Sciences for Health, Inc. (MSH),** a nonprofit organization with more than 1,000 staff worldwide, promotes a comprehensive response to public health issues, such as HIV/AIDS, through integrated technical assistance aimed at improving the management of people, medicines, money, and systems. MSH drug management professionals work with host country partners to implement innovative systems for high quality medicines. MSH currently manages two major pharmaceutical management programs that work in Emergency Plan focus countries: the Rational Pharmaceutical Management Plus cooperative agreement (RPM+) and Strategies for Enhancing Access to Medicines (SEAM).

- **The Manoff Group, Inc.** is a woman-owned small business that provides assistance in communications and behavior-centered planning, management and evaluations for health, nutrition, and population projects. The firm has been at the forefront of social marketing development since it first applied commercial marketing techniques to social programs in India in 1967. Since then, The Manoff Group has brought innovations in qualitative research methods, communication strategies, media planning and the creation of training materials to health, family planning, environment and nutrition programs around the globe.

- **MAP International,** founded 50 years ago, is a world leader in receipt and distribution of donated medicines and medical supplies for the developing world. With a staff of 130 working on three continents, this nonprofit relief and development agency provides essential medicines through a network of hospitals, clinics and community/relief center dispensaries in more than 120 countries. MAP has successfully distributed over $1.8 billion worth of medicines and medical supplies since its founding.

- **The North-West University,** part of South Africa's premier university system, comprises the drug analytical and development experience of the NWU Research Institute of Industrial Pharmacy and the Center for Quality Assurance of Medicines (CENQAM), among others. A designated WHO Collaborating Center for quality assurance (QA), CENQAM has been a regional leader in QA and training since 1994.

- **Northrop Grumman Information Technology** is the largest systems integrator serving the needs of the USG, including USAID and each of the funding agencies that supports the President's Plan. Northrop Grumman currently manages a $600 million contract providing IT support to the Centers for Disease Control.

- **Program for Appropriate Technology in Health (PATH),** founded in 1977, is an international nonprofit organization that creates sustainable, culturally relevant solutions, enabling communities worldwide to break longstanding cycles of poor health. By collaborating with diverse public- and private-sector partners, PATH helps provide appropriate health technologies and vital strategies that change the way people think and act. PATH's experience in global health spans the fields of

reproductive health, vaccines and immunization, HIV/AIDS, tuberculosis, and maternal and child health and nutrition.

- **UPS Supply Chain SolutionsSM** has over 100 years of experience in providing specialized transportation and logistics services, with proven capabilities and global reach in 200 countries and territories worldwide. UPS is able to provide a variety of value-added supply chain services focusing on the movement of heavyweight freight for commercial, industrial, and government customers worldwide.

- **Voxiva, Inc.** is a U.S.-based small business that provides practical and innovative information and communications solutions to improve public health programs in the developing world. Voxiva has provided governments and agencies with affordable tools to conduct real-time disease surveillance, respond to and control disease outbreaks, manage and evaluate health programs, and track critical supplies.

President's Emergency Plan for AIDS Relief Summary

The President's Emergency Plan for AIDS Relief is a five-year, $15 billion, multifaceted approach to combating HIV/AIDS, including bilateral programs in more than 100 countries around the world. As of March 2005, the Emergency Plan has supported anti-retroviral treatment for more than 235,000 men, women and children through bilateral programs in 15 of the most afflicted countries in Africa, Asia and the Caribbean. More than 230,000 of those being supported live in sub-Saharan Africa. The U.S. continues to support treatment for more people than any other donor in the world.

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