



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



Quarterly Performance Report

June - September 2009

October 30, 2009

SCMS Project Team

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The project is a research study on the impact of digital marketing on small businesses. The study aims to explore how digital marketing strategies affect sales, customer engagement, and brand awareness. The research is conducted through a series of surveys and interviews with business owners and marketing professionals. The data collected will be analyzed to identify trends and provide actionable insights for small businesses looking to improve their digital marketing efforts.

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2. Objectives

The primary objective of this study is to determine the effectiveness of various digital marketing channels (social media, email, search engines) in driving sales and customer engagement for small businesses. Secondary objectives include identifying the most cost-effective marketing strategies and understanding the challenges small businesses face in implementing digital marketing.

3. Methodology

The methodology for this study involves a combination of quantitative and qualitative research methods. Quantitative data is collected through surveys distributed to a diverse group of small business owners and marketing professionals. Qualitative data is gathered through in-depth interviews with experts in the field. The data is analyzed using statistical software to identify correlations and trends. The findings are then synthesized into a comprehensive report that provides practical recommendations for small businesses.

1. Project Highlights

This first quarterly report under SCMS Task Order 3 covers the period June 1 – September 30, 2009; therefore covering four months rather than the usual three-month period. The SCMS Work Plan for the period June 1, 2009 – September 30, 2010 was agreed with USAID to be within the agreed Task Order 3 timetable and has been used in preparing this report. This summary covers project achievements, challenges and issues to monitor, grouped into the three main project activities as per the Task Order – Global Supply Chain, Health Systems Strengthening and Global Collaboration. The remainder of the report gives more detail on programmatic milestones (Section 2 page 8), procurement and supply statistics (Section 3 page 10), progress in countries (Section 4 Page 14), innovations (Section 5 page 37) and objectives for the coming quarter (Section 6 page 38). The programmatic milestones in Section 2 and objectives in Section 6 are taken from the Work Plan agreed between the project and USAID. Progress measured by pre-established indicators is not included in this submission, as discussions are continuing on the Performance Work Statement (PWS). Once the PWS has been finalized, we look forward to discussing with USAID which indicators from the PWS, if any, should be included in the quarterly report.

A key cross-cutting activity for the project was the completion of the first two training programs in field office managed procurement. By the end of September, 19 staff from 13 offices had received training, empowering them to begin managing the full procurement process for appropriate products and placement of orders with local vendors.

1a. Global Supply Chain

The global supply chain performed at a high volume throughout the period, with a record high in August of US\$25.8 million for commodities delivered to clients via 237 shipments. On-time delivery improved over the period by about 10 percentage points compared to the previous three months, 70-80 percent of deliveries were made within 5 days of the SCMS promised date, with a further 8 percent delivered within 14 days of the promised delivery date.

Successes

1. Published the first SCMS Core Commodities Catalog in August within 90 days of signature of Task Order 3.
2. The Regional Consolidation Service from Mumbai, India became operational in July.
3. Close collaboration between Global Supply Chain, SCMS field offices and major clients has enabled the project to continue to ship around 65 percent of shipments by volume via sea freight. The use of sea shipments plus road freight for outbound shipments from SCMS regional distribution centers has saved clients, on average, more than US\$500,000 per month in freight charges when compared to air freight.
4. Of special note for freight savings is the Nigeria pooled procurement initiative for ARVs that has achieved savings of around 50 percent against previous routings by chartering a flight from Accra, Ghana direct to Abuja. Based on these results, implementing partners have agreed to a proposal by the USG to expand the pooled procurement under COP 10 from the two current ARVs to all first-line ARVs.

5. In Zimbabwe, relative stability—both political and economic—has enabled the introduction of road freight from the SCSM RDC in South Africa. Cost savings achieved by switching from air to road freight were applied to purchases of HIV test kits that were facing a potential stockout.
6. The program of continuous improvement with vendors resulted in steady improvements in vendors' on-time delivery to SCMS, supporting overall goals for improved on-time delivery to clients. Vendor performance continues to be volatile and requires constant vigilance to maintain improvements.
7. Deployed the first Clinic-in-a-Box installation as a demonstration project in the USAID Mission compound in Tanzania.
8. SCMS continues to respond to emergency orders, primarily as a result of funding shortfalls or delivery delays from other funding agencies. In September, the project responded to five such emergencies from Côte d'Ivoire, Haiti, Guyana(2) and Ethiopia.

Challenges

1. The supply of ARVs containing Zidovidine (AZT) remains limited due to shortages of the active pharmaceutical ingredient. This is leading to increased delays in delivery from vendors, requiring SCMS to be highly flexible in the project's delivery schedules to ensure no SCMS client suffers a stockout.
2. We are currently unable to implement quality assurance (QA) procedures for rapid test kits and non-proprietary laboratory supplies similar to those in place for pharmaceutical products. Negotiations continue with a potential contractor to provide QA assessment of these products.
3. The project is receiving increased orders for drugs to treat opportunistic infections. SCMS faces a significant challenge in identifying quality assured suppliers that are also registered to supply within recipient countries. The project is exploring additional international and local sources, but expects this to continue to be a challenge for a significant period of time.
4. Several countries, particularly Côte d'Ivoire and Ethiopia, have experienced problems with warehouse space, resulting from large deliveries of commodities to support scale-up targets. SCMS is working with clients to improve their processes and, where necessary, increase warehouse capacity or identify additional warehouse space to address this problem.

Things to Watch

1. At the end of the period the forward order book for both ARVs and laboratory items was lower than expected. This situation with ARVs is partly due to the timing of funding availability to enable orders to be placed against supply plans. The situation with laboratory items is less clear, but may be due to countries reaching the end of a period of rapid scale-up of stocks, with future orders calculated to maintain stocks between maximum and minimum levels. SCMS will carefully monitor the situation in the coming period.
2. In September, SCMS began a sourcing and procurement process for male circumcision kits. The supply base is very diverse, and we expect to conduct significant negotiation and QA to ensure adequate supplies at budgeted levels for programs that are planning major scale-ups in Kenya and Zimbabwe in particular.

1b. Health Systems Strengthening

During the period, several long-term systems strengthening activities in LMIS, warehousing and data management came to fruition, enabling our clients to enjoy significant performance improvement. Elsewhere challenges of funding and incidences of data quality in reporting are presenting challenges to maintaining a regular supply of commodities.

In Nigeria and Zimbabwe, both uniquely challenging environments, SCMS's improved performance has resulted in increased confidence and commitment from partners. Following progress in a number of areas, including the first six months of coordinated supply of two key ARVs, SCMS in Nigeria received a Green Light assessment in their latest portfolio review. Earlier reviews had resulted in red and yellow light letters. As noted in the Global Supply Chain report above, implementing partners in Nigeria plan to increase the volume of ARVs purchased via SCMS in COP10. In Zimbabwe, in recognition of both SCMS's progress and the growing need in the country, SCMS's COP10 budget will increase by 35%.

Successes

1. The introduction of MACS warehouse management software has enabled PSP in Côte D'Ivoire to increase monthly order throughput from around 470 orders to between 1350 and 1800. The time taken for the six-month stock-take decreased from four weeks to one week when conducted in September using MACS.
2. In Zimbabwe, new tracking and other equipment has enabled NatPharm to accommodate all ARVs in one location with a storage capacity of 1,476 pallets.
3. In Haiti, despite continuing difficult conditions, SCMS completed a pilot implementation of the Electronic Dispensing Tool to improve data collection at service delivery points.
4. Following an initial approach in June, SCMS has mobilized a new senior management team to manage the Central Medical Stores in Botswana for a period of up to two years. During that time new local management will be trained and developed to take over the tasks now in the hands of SCMS. This was an unexpected request, but will enable us to build on previous SCMS work with the aim of transforming CMS into a semi-autonomous unit performing at world-class standards.
5. To support commodity security, the HCTS system in Ethiopia is being expanded to include additional products and regions. In Zambia, SCMS prepared an HIV/AIDS Community Security Plan that was adopted by the Ministry of Health. In Mozambique, the Minister of Health has given verbal approval to the Pharmaceutical Logistics Master Plan developed with SCMS support.

Challenges

1. During the period several countries, notably Mozambique and Zambia, experienced serious funding challenges after the Global Fund withheld grant transfers due to concerns about mismanagement of previous monies and over arrangements for future procurement and supply management. If these shortages are not resolved, both countries face risk of stockouts, and SCMS can anticipate emergency orders. The project has already responded to emergency orders for laboratory supplies in Zambia.

2. Data quality issues are emerging in Botswana, Côte d'Ivoire and Ethiopia. SCMS is working with partners to improve training and monitoring.
3. Changes to standard treatment guidelines are causing a range of problems. In Haiti, Vietnam and Zambia, ordering of necessary supplies is being delayed, while in Nigeria, a sudden and unexpected change in testing protocol has led to a potential overstock and wastage of over US\$400,000 of now unneeded Statpak. In Côte d'Ivoire, localized stockouts of single dose ARVs occurred when prescribers suddenly switched to single dose ARVs rather than the fixed-dose combination (FDCs) in the national treatment guidelines.
4. In Guyana, a land title dispute has led to a delay in starting work on the new Materials Management Unit central store. The Government of Guyana is seeking an alternative site. The extent of the delay to this important project is unknown at present.

Things to Watch

1. Several countries are reporting that accelerating rates of staff turnover in partner organizations within host governments are exacerbating problems of sustainability and leading to increased need for retraining of counterparts.
2. Improved performance at central warehouses is exposing problems further down in-country supply chains, leading to an increased need for technical assistance and support in distribution and local storage and supply operations.
3. In Zambia, SCMS has started the rollout of the national ART Laboratory Commodity Logistics System to 215 locations, including the training of 648 laboratory staff.
4. The development of Partnership Frameworks is impacting SCMS offices to differing degrees. Some, such as Botswana and Rwanda, have been involved in discussions and therefore are able to see how the framework may impact their longer terms strategies. Others are far less involved and cannot yet assess the impact. In all cases, SCMS must watch developments closely to ensure our strategies and work plans remain aligned with the Partnership Frameworks as they develop and are finalized by the two governments.

1c. Global Collaborations

SCMS continues to be seen as a valuable partner by other major organizations in the fight against HIV/AIDS. During the period, the project has interacted with CDC, Clinton Foundation HIV/AIDS Initiative (CHAI), Global Fund, UNAIDS, UNITAID, WHO and more.

Successes

1. In June, SCMS was represented at the PEPFAR Implementers' Meeting by 12 staff members, including 10 from field offices. SCMS presented two posters, made two oral presentations, and prepared an oral presentation for Ms. Airah Schikwambi from Namibia's Ministry of Health. Her presentation described collaboration on the quantification of home-based-care kits. SCMS's presentations covered lab logistics in Ethiopia, food-by-prescription supply chains, logistics coordination in Nigeria and SCMS's health systems strengthening activities.
2. Throughout the period, SCMS has been working in particular with the Global Fund on a proposed new scope of work (SOW) for the Coordinated Procurement Planning Initiative. The new SOW for the CPP would add to existing activities the identification and reporting of

potential stockouts of all ARVs and other risks to HIV/AIDS supply chains. If confirmed, this enhanced SOW will expand the focus of the work of the CPP to a global level, building on work in the six pilot countries and previous work with UNITAID.

3. The project's work with CHAI has expanded to include discussions on QA and in-country supply chain strategies, particularly examining the potential role of new technologies. As a result of the discussions on QA, CHAI has adopted some of SCMS's standard practices to assure the quality of medicines supplied through CHAI.
4. SCMS participated in discussions on supply chain challenges at the Track 1 Annual Partners Meeting in Tanzania. As these centrally funded programs transition in-country partners funded via country COPs, we anticipate that many of the local entities will have limited supply chain capacity and will look to SCMS for advice and support.

Challenges

1. Standardization and harmonization of laboratory commodities continues to be a challenge. The project has met with CDC to specifically address this issue and to work with CDC Atlanta in understanding the new SCMS Core Commodity Catalog, and to promote to CDC field advisors the supply chain and budgetary benefits of improved standardization and harmonization.
2. Delays continue in efforts to revise the SOW for the CPP initiative due to the demands of other commitments of the steering group members.
3. Due to the project's growing impact and influence we are invited to more international meetings than we can possibly attend. SCMS therefore focuses on those that have the most direct impact on HIV/AIDS supply chains and can most benefit from our input.

Things to Watch

1. There is growing attention via e-mail discussion, the Web and other venues about the need to introduce new, less toxic AIDS medicines that are also more expensive than many current regimens. This contrasts with the equally urgent topic of containing costs in a period of global economic crisis and flat-lining budgets. SCMS is seen, rightly, as an important source of information and experience in both these areas, and we should expect a growing number of requests to collaborate on and discuss these challenges.
2. Michael Sidibe, the new head of UNAIDS, has stated publicly that one of his aims is to streamline the registration process for new drugs. This is directed particularly at new ARVs and malaria treatments, but if successful could also assist efforts to improve and expand the registration of internationally sourced essential drugs. This was specifically mentioned by Mr. Sidibe when he visited Washington, D.C., where we spoke with members of his team to confirm our interest in this subject. We have already spoken with WHO on this subject and will aim to include UNAIDS in our collaboration efforts for this activity, which has dedicated funding in TO3 to arrange a harmonization conference in Africa.

2. Programmatic Milestones and Measure



Project-wide Workplan TO3 - June 1, 2009 - September 30, 2010

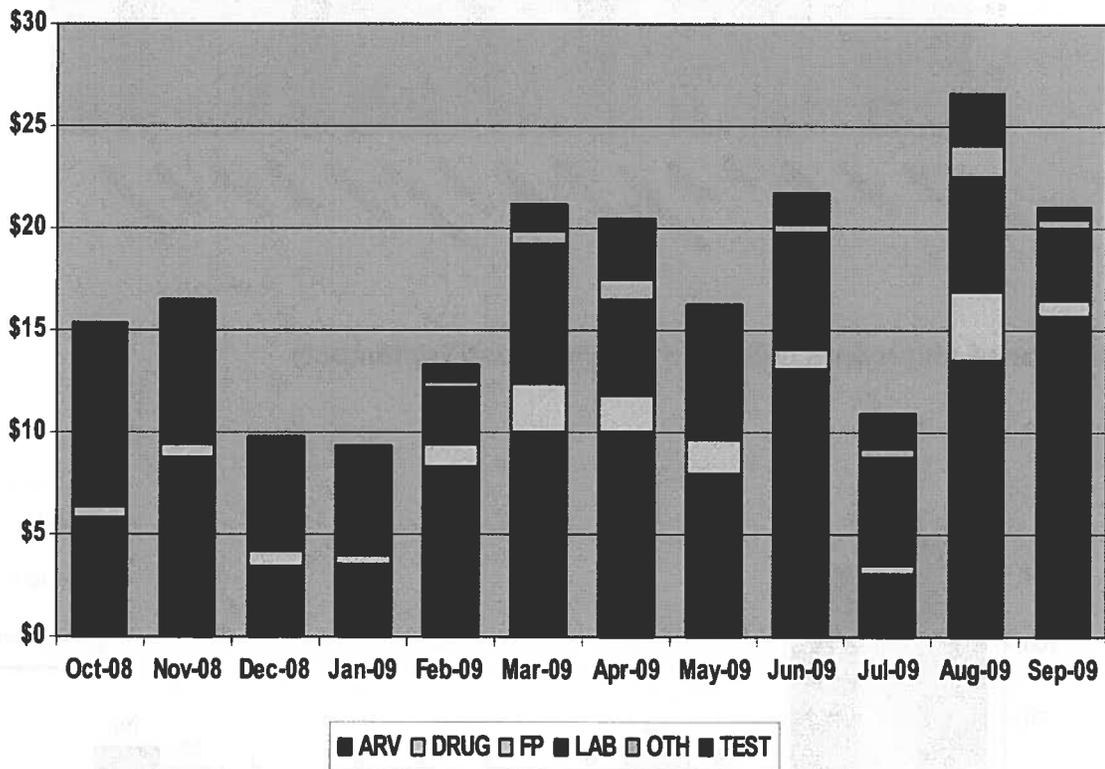
Activity	Deliverable	Target Deadline	Progress
1. Global Supply Chain			
Procurement:			
Field Office Managed Procurement (FOMP)			
Develop country strategies for field office managed procurement	16 detailed country project plans for implementation	8/31/2009	In Progress
Phase 1 FOMP training at PMO	11 staff trained	7/31/2009	Completed
Phase 2 FOMP training at PMO	8 staff trained	9/30/2009	Completed
FOMP to broaden supplier base in pilot countries	Suppliers approved by USAID in 2-3 countries	Ongoing	In Progress
Develop core formulary lists	Catalog of core formulary lists by program and product categories to manage client expectations and improve supply chain performance on core products.	8/19/2009	Completed
Prepare program list - Blood safety	Published list of recommended products	9/1/2009	Completed
Prepare program list - PMTCT	Published list of recommended products	9/1/2009	Completed
Prepare program list - Food products	Published list of recommended products	9/1/2009	Completed
Prepare program list - Early infant diagnosis	Published list of recommended products	9/1/2009	Completed
Develop demand fulfillment strategies	Establish potential for vendor managed inventory and improved delivery patterns from vendors	8/28/2009	In Progress
Develop country strategies for field office managed procurement	16 detailed country project plans for implementation	8/31/2009	In Progress
Improve access to essential drugs			
Agree revised strategy for int'l supply	Detailed strategy paper to broaden supplier base	9/11/2009	Completed
Develop and maintain supply chain tools that improve the client experience	New/revised editions of product lead time matrix, freight times by lane, inquiry response times, PQ request forms	9/30/2009	In Progress
Implement revised lab commodity process	New IQCs, RDC stock of lab commodities to support increased reliability of supply	Ongoing	In Progress
Improve linkage between supply planning and order processing			
Implement continuous improvement program to process orders from supply plans	Reduced order process time, potential to eliminate PQ and go direct to order	Ongoing	In Progress
Quality Control:			
Perform on-going quality inspections of local and international manufacturers and wholesalers as needed	Report on manufacturers' performance with recommended corrective actions to meet required standards (if needed)	Ongoing	In Progress
Freight and Logistics:			
Identify target list of countries where performance is below SCMS median level	Initial targets include: Mozambique, Tanzania, Uganda, Nigeria, Côte d'Ivoire and Kenya	9/14/2009	Completed
Refine consolidation strategies	Savings in freight cost vs. use of air freight and unconsolidated deliveries	Ongoing	In Progress

Management Information Systems:			
Manage Change Control Board	Process and system improvement agreed in quarterly CCB Meetings	August, November, March June and Sept	In Progress
Service level Agreement	Agree SLA	9/25/2009	Completed
Performance Measures	Agreed suite of MIS performance measures	9/25/2009	Completed
Improve field office connectivity	Improved connectivity speeds to run SCMS systems	Ongoing	In Progress
2. Health Systems Strengthening			
In-Country Data Management and Technical Assistance:			
Provide capacity building to host-country staff in use and maintenance of LMIS, including hands-on training and mentoring	LMIS support in 15 countries	Ongoing	In Progress
Collaborate and coordinate with national organizations and other donor or USG funded projects to better integrate with other information systems	Integrated LMIS strategies and plans	Ongoing	In Progress
Field Program Support from PMO to enable countries to achieve HSS objectives:			
Support country directors to develop annual work plans and budgets (in consultations with in-country stakeholders) that are consistent with strategic plans and performance management plans	16 plans and budgets	9/14/2009	In Progress
Provide guidelines on participation in the development and implementation of Partnership Frameworks and other strategic initiatives	Clear guidance to country directors on approach to be taken and expectations for work plans	9/30/2009	In Progress
3. Global Collaboration			
Act as technical secretariat to Coordinated Procurement Planning Initiative	Arrange meetings, promote activities and objectives of CPP; complete assigned tasks during year	Ongoing	In Progress
Maintain and develop SCMS web services	Growing web site with increased traffic and use of forums	Ongoing	In Progress
Attend ad hoc meetings as requested by USAID, OGAC, CDC and/or organized by other global partners		Ongoing	In Progress
Produce meeting reports and arrange actions as required	TBD	Ongoing	In Progress
Maintain regular contact with key partner organizations, e.g. Clinton Foundation, CDC, UNITAID, MeTA, MIT-Zaragoza Logistics Center	Improved understanding of objectives, reduction in overlaps, exchange of information, improved supply chain reliability; develop new relationships as relevant e.g. Gates Foundation	Ongoing	In Progress
Development of job aids and training in client relations, communications and procurement	Training materials for distance learning and in person training; number of participants trained	Various during period	In Progress
Publish communication products	In-briefs (SCMS success stories) 5 minimum, Links 32 issues, Supply Lines 4 issues, calendar/poster, update existing materials	Various during period	In Progress

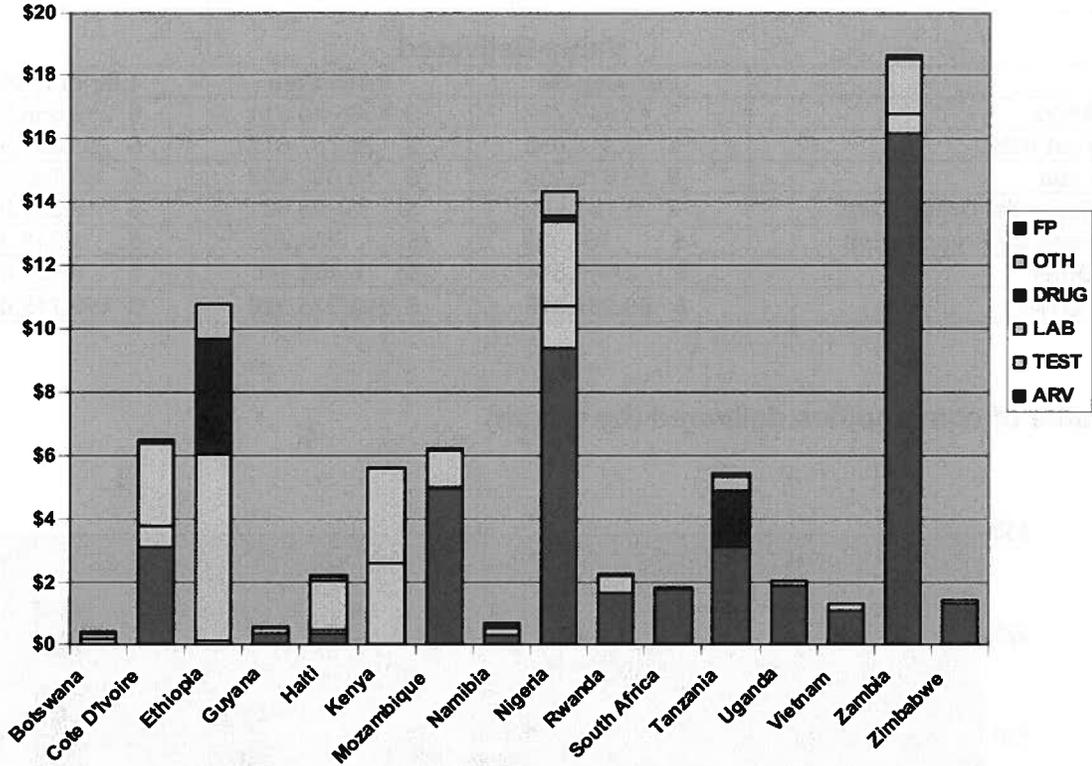
3. Procurement and Distribution Statistics

Value Delivered			
	Jun-Sep-09	Y4 to Date	Life of Project
ARVs	\$ 45,347,782	\$ 103,314,314	\$ 239,658,959
Test Kits	\$ 6,317,930	\$ 22,737,612	\$ 53,863,354
Labs	\$ 19,679,159	\$ 55,092,492	\$ 88,792,946
Essential Drugs (Ols)	\$ 5,783,602	\$ 15,399,801	\$ 18,392,573
Food by Prescription	\$ 161,032	\$ 238,262	\$ 1,218,290
Other	\$ 2,941,814	\$ 5,493,445	\$ 8,788,893
TOTAL	\$ 80,231,318	\$ 202,275,926	\$ 410,715,014

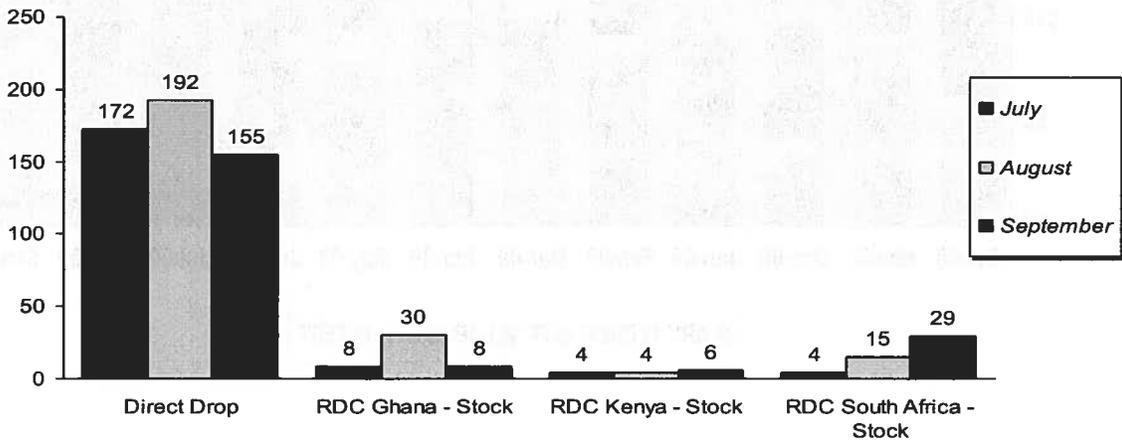
Value of commodities delivered (by month)



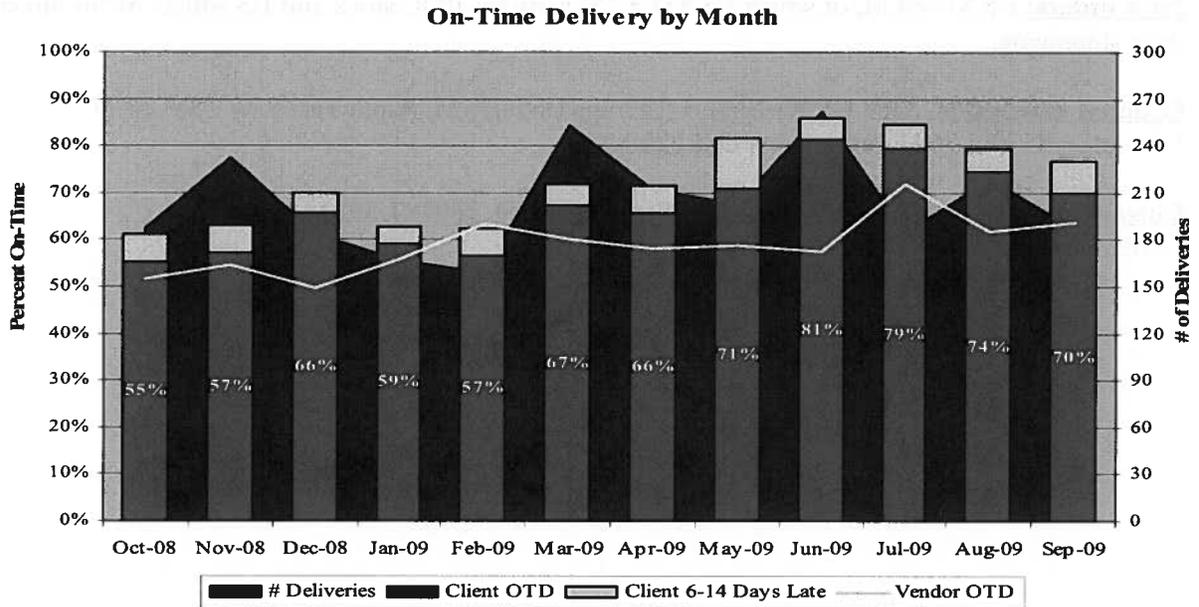
Value of delivered commodities (by country): Total = \$80,231,318



Number of shipments delivered (July/August/September)

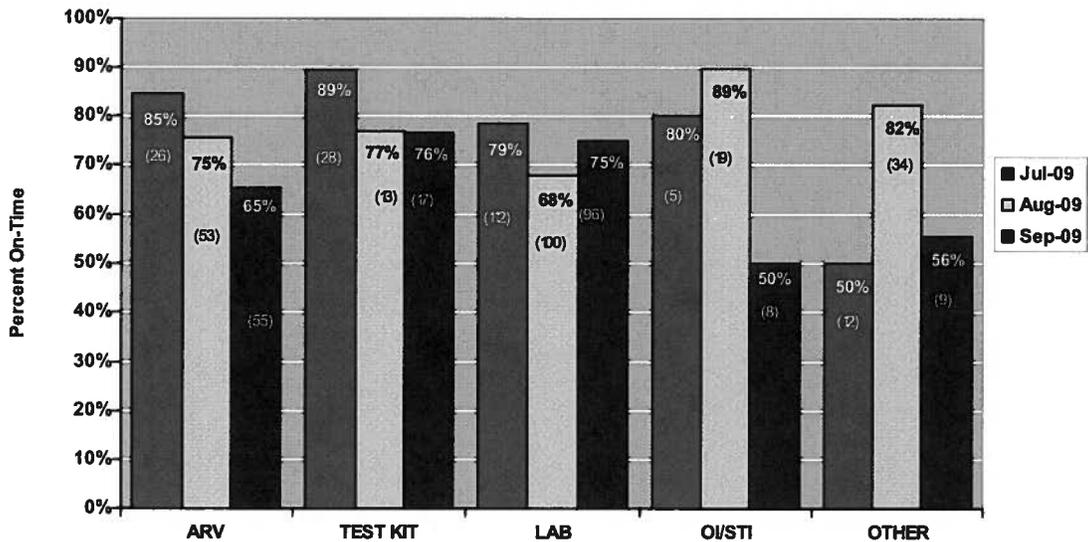


On-time delivery (by month) - 12 month trend



Note: Client OTD is the percentage of orders delivered on, before, or within five days of the recipient agreed delivery date, as indicated on the Price Quotation; Vendor OTD is the percentage of orders delivered by the vendor on or before the vendor promise date, as indicated on the Purchase Order

On-time delivery to client (by product)



Additional procurement and supply statistics for the period

New orders: US \$77.84 M, of which US \$31.57 M were for RDC stock and US \$46.27 M for direct drop shipments.

Ordered categories: ARV US\$48.12 M, OI Drugs US\$6.25 M, Rapid Test Kits US\$7.91 M, Laboratory US\$12.36 M, other items US\$3.20 K

Current amount of stock in RDCs as of September 30, 2009: US\$10,682 M.

Current amount in each RDC:

- Ghana RDC – US\$ 3.584 M
- Kenya RDC – US\$ 2.687 M
- Southern Africa RDC – US\$ 4.411 M

4. Country Reports

Botswana

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: BOTUSA/CDC and USAID (primary), Drug Regulatory Unit (DRU), Central Medical Stores (CMS), National Drug Quality Control Laboratory (NDQCL), National Health Laboratory (NHL), Prevention of Mother to Child Transmission Unit (PMTCT), the national ART program (MASA)

STTA: Quality assurance, laboratory commodity logistics training, commodity supply chain management, inventory analysis and supply planning for CMS.

Key activities:

1. **Participate in national discussions to developing five-year Partnership Framework** to provide a joint strategic plan for cooperation between the USG, the GOB, and other in-country development partners.
2. **Building capacity for laboratory commodities logistics management.** Developed a curriculum and conducted training in commodity management for the National Blood Transfusion Service (NBTS). The training aimed to build capacity of a pool of trainers from the NBTS as a key step toward promoting continuous availability of blood safety commodities.
3. **Strengthened laboratory commodity stock management and supply planning** by initiating and supporting a stock-taking exercise to improve supply planning. Stock-taking data is to be used as a benchmark for NHL, MOH and suppliers (Roche S. Africa and Orthosurge Botswana) to streamline delivery schedules using the consumption data provided through the SCMS-supported LIMIS system. The expired stock was recommended for quarantine.
4. **Strengthened procurement capacity** by supporting MOH/PMTCT team in the evaluation of 2009-2010 infant formula tender bids, in line with Botswana Public Procurement and Asset Disposal Board (PPADB).

Challenges:

1. Implementation of newly designed LMIS tools still poses considerable challenges in timeliness for data quality at health facilities. SCMS is working with the government to improve timeliness and quality of reporting.

Results:

1. A major new program recruited and deployed five senior managers at CMS as of September 2009, thus successfully responding to MOH's request to PEPFAR to support improvement of CMS management. This management team will be in place for 12-24 months, during which they will recruit, develop and mentor a new management team for CMS to meet the Government of Botswana's objective to improve CMS performance levels to world-class standards of quality, timeliness and efficiency.

2. Strengthened supply planning capacity for national ARV requirements. Developed a 12-month ARV budget 2010/2011 with CMS staff for the National AIDS Control Authority using Quantimed database developed through previous STTAs.

Côte d'Ivoire

Emergency Orders/Stockouts: A stockout of Truvada® and Atripla® ARVs was reported at the end of July. The stockout lasted over 30 days; replacement stocks were delivered to the central pharmacy (PSP-CI) on September 28, 2009. Nevirapine was also stocked-out in September due to prescription of single dose instead of combination formulas by treatment centers.

Key Clients: Ministry of Health of Côte d'Ivoire (including the PSP-CI), HIV/AIDS Ministry of Côte d'Ivoire, USAID, CDC, EGPAF, ACONDA-VS, HIV AIDS Alliance Côte d'Ivoire, JSI/MEASURE Evaluation, CARE-Côte d'Ivoire, ICAP, the PEPFAR/Strategic Information Team, Family Health International (FHI), JSI/MMIS, Centre National de Transfusion Sanguine and CARE/PEPFAR

STTA: Strategic Planning, Warehouse Management Information System, Internet Technology Assessment, LMIS.

Key activities:

1. **SCMS, along with PEPFAR IPs, assisted the Ministry of AIDS (MLS) to coordinate the National HIV Testing Day** on June 20, 2009. SCMS coordinated supply and distribution logistics with the PSP-CI in order to supply all testing commodities for the event.
2. **Conducted a laboratory quantification revision exercise in collaboration with PSP-CI** the first week of August 2009 and included all PEPFAR implementing partners and the MOH technical departments.
3. **Provided technical assistance to PSP-CI to conduct its mid-year (September) inventory using MACS.** The March 2009 inventory was managed by SCMS; PSP-CI staff led this mid-year inventory under the guidance of the MACS STTA team.
4. **COP10 narrative inputs drafted in preparation for a meeting with key partners in October,** with support from a USAID consultant.

Challenges:

1. National treatment guidelines and protocols are not respected by prescribers whose preference for single-molecule formulas led to their overconsumption and under-consumption of combination formulas.
2. Currently, PEPFAR-supported NGOs do not use the existing MLS monthly national report form for nonmedical indicators; therefore, MLS does not receive essential data even though the information exists. SCMS is working with PEPFAR partners to include MLS indicators in the NGO reporting form to enhance data collection and reporting to MLS.
3. Storage and distribution systems, down to district pharmacy warehouses must be improved significantly to have an efficient supply chain in Côte d'Ivoire capable of managing the increase in commodities envisaged. SCMS is recommending an assessment of the entire PSP distribution

system and select district pharmacy “hub” warehouses, and is currently working with PSP-CI to define TA needs for the coming year.

Results:

1. On July 14, 2009, the US Ambassador to Côte d’Ivoire, Ms. Wanda L. Nesbitt officially donated the MACS warehouse management software together with 37 computers, printers and tension regulators to the Minister of Health of Côte d’Ivoire in a ceremony organized by SCMS and PSP-CI.
2. Implementation of MACS warehouse management system has enabled PSP to significantly improve efficiency. Prior to implementation, PSP processed 467 orders in March while in the June – September period, PSP has processed between 1348 and 1879 order per month. Additionally the half-yearly stock-take was achieved in one week compared to four weeks previously.
3. Draft of the National Supply Chain Strategic Plan completed. Conducted a national supply chain strategic planning workshop in collaboration with PSP-CI and MOH in Abidjan. Approximately 60 key public and private partners were present at the highest levels. Following the workshop, SCMS worked with PSP-CI to develop a draft national multiyear supply chain strategic plan with PSP-CI, PNPEC, PNDAP, and DIPE participation. The national strategic plan, which is in harmony with the national health sector development plan in Côte d’Ivoire, will be used to guide PSP-CI/MOH, strengthen the national supply chain, and inform SCMS’s strategic plan.

Ethiopia

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: USAID, CDC, Ethiopia Federal Ministry of Health (FMOH), HIV/AIDS Prevention & Control Office (HAPCO), Pharmaceutical Supply and Logistics Department (PSLD), Ethiopia Health and Nutrition Research Institute (EHNRI), Pharmaceutical Fund and Supply Agency (PFSA), CHAI, Abt Associates, Save the Children, RPM Plus/SPS, MSH HIV/AIDS Care & Support Project (HCSP)

STTA: None

Key activities:

1. **Developed the SOP for non-full supply commodities and trained all regional logistics associates (RLAs) and regional distribution officers (RDOs)** to improve management of these commodities, including HBC, OI, IP, PMTCT nutrition commodities, and condoms. The number of commodities continues to grow, but only ARVs and key laboratory items are currently in full supply.
2. **Supporting HIV/TB program** by delivering X-ray machines to 10 hospitals for installation in October. The FMOH and regional health bureaus selected the hospitals, some of which had old X-ray machines and some of which needed additional machines to meet increasing patient load. Almost half of the recipient hospitals did not previously have X-ray machines.

3. **To respond to logistics data quality problems, conducted supportive supervision visits** to health facilities and ART monitoring hospitals in four regions. Identified potential causes that are contributing to the problem and provided recommendations and an action plan.
4. **Continuing implementation of Ethiopia Health Commodity Tracking System (HCTS)** and preparing to train users. Activities include: discussion of data communications strategies to technically determine how the three USG-funded systems (SCMS, SPS and DELIVER) will interface; work with EHNRI and CHAI to synchronize HCTS with the lab equipment maintenance system and other databases to ensure that the tool meets desired goals. The next step is strategy design for HCTS Phase Two to incorporate drugs for opportunistic infection, anti-TB drugs and other essential health commodities

Challenges:

1. Absence of Warehouse Management System (WMS) at PFSA has been problematic for the use and interface with Health Commodity Tracking System. To manage this gap, SCMS is attempting to include an interim interface for PFSA hubs in the HCTS system.

Results:

1. Provided support to the national response to the Acute Watery Diarrhea (AWD) emergency. Between August 17 and 23, some 2,330 new cases of AWD and 22 deaths were reported from 61 districts and 10 sub-cities in Addis Ababa, Afar, Amhara, Somali, Oromiya, and SNNPR. At the request of the Federal Ministry of Health, SCMS released 999,400 sachets of oral rehydration salt (ORS) and 5,725 bottles of WaterGuard (water treatment chemical) from SCMS-procured stock to respond to the AWD emergency.
2. Strengthening capacity of PFSA to support the distribution of HIV/AIDS-related pharmaceuticals and commodities. The aggressive scale-up of ART and testing sites is straining current capacity to transport and distribute ARVs, RTKs, laboratory commodities, OI drugs, and other commodities to the site level. SCMS procured 16 medium and light vehicles, which are now being used for distribution by PFSA central and regional hubs, 7 generators to provide reliable energy to regional PFSA warehouses, and new racking and forklifts to improve material handling at PFSA facilities. They are expected to reduce PFSA's current storage and transportation problems to ensure uninterrupted supply of products to the facilities.
3. Delivered 150 refrigerators/freezers to selected health facilities. Regional laboratory logistics associates had identified the refrigerators as a critical need in response to the ongoing supply of laboratory items requiring cold chain through service delivery points.
4. The percentage of ARV and lab LMIS forms submitted from the sites on a timely basis has increased to 100% (up from 95% in March-April 2009).
5. Published a success story on the "Impact of the Ethiopian National Laboratory Logistics System" on the WHO website as part of the efforts to promote the harmonization of laboratory supplies.
6. Published an article on "HIV/AIDS Commodities Information Tracking System (HACTS) in Ethiopia: An Innovative Approach for Better Informed and More Rapid Decision-Making" in the *Ethiopian Federal Ministry of Health Quarterly Health Bulletin*.

Guyana

Emergency Orders/Stockouts: No ARV or RTK stockouts reported. In July, SCMS placed a two month emergency order to ensure that there were no stockouts pending Global Fund's shipment.

Key Clients: USAID, Ministry of Health, Center for Disease Control (CDC), Association François-Xavier Bagnoud (FXB), National Blood Transfusion Service (NBTS), Catholic Relief Service (CRS)

STTA: Warehousing, MACS, contracting and negotiating for new Materials Handling and Management Unit (MMU) construction,

Key activities:

1. **Contract for construction of the new MMU warehouse awarded** following multiple meetings and discussions held with MOH senior management, Procurement Unit of the HSDU/MOH, professional team of engineers, and SMCS field office team. SCMS had identified several significant weaknesses in the bid submitted by the contractor and assisted the MOH in their negotiations to make corrections to the bid amount, ensure appropriate technical expertise was engaged to fabricate the steel frame and reduce the project timetable from eighteen months to ten months..
2. **Supporting the upcoming National Week of Testing**, which has a target of 12,000 people. Provided technical support to the National AIDS Program Secretariat (NAPS) Voluntary Counseling and Testing (VCT) Team (VCT Coordinator and VCT Officer) to prepare for the November event. Discussed and planned the logistics of RTK distribution, current RTK stock on hand, and the current status of the procurement of VCT consumables.
3. **Contributed to more efficient warehouse management.** Completed a rebuild of the MMU server that can host ECRIV software. ECRIV is an electronic version of the Combined Requisition and Issue Voucher (CRIV) that interfaces with MACS to both report on consumption and request new stock.
4. **Revised the NBTS forecast for blood safety test kits** for July 2009 thru June 2010. Established a tentative new target of 12,000 units of blood, an increase of 50 percent over the previous target. The new target will be ratified or revised at a meeting with blood bank stakeholders, including PAHO, NBTS and CDC.
5. **As an inter-country collaboration, the Pharmaceutical Advisor from Guyana provided support to the Nigeria program**, leading a training seminar titled "Quantifications and Procurement Planning".

Challenges:

1. A fire destroyed the MOH main building. Until construction of new MOH headquarters is complete, it will be a challenge for the MOH to maintain its current services for programs and facilities.
2. In spite of multiple stockout prevention actions taken (annual and five-year forecasts, budget estimates, and follow-up activities) the risk of a stockout remains due to



delayed procurement processes and lack of funding approval for Global Fund 09 first-line adult ARVs. To address this, SCMS placed an order that covers two months to bridge the gap while waiting for the GF order to be delivered.

3. The MMU Coartem order based on last year's forecast fell short by 50-60 percent. SCMS placed an emergency order for Coartem to prevent a stockout and to ensure that there are no interruptions in treatment. Analysis of the malaria data revealed that the shortfall was due to a lack of sufficient data from the MOH; resulting in a quantification error.
4. A disagreement between the owner of the land designated for the new MMU site and the National Investment Committee has indefinitely delayed start-up by the contractor.

Results:

1. Averted a potential stockout of Truvada caused by a Global Fund order delay by providing an emergency order for two months of stock.
2. Provided analysis that will lead to significant cost savings in the ART program. After a cost analysis by SCMS, the NAPS Care & Treatment Committee agreed on the use of available generics for Truvada and Aluvia and the new fixed-dose combination (FDC) generic of Atripla. SCMS's analysis focused on the cost of all current regimens using Truvada and Aluvia versus other options, and found a potential 50 percent savings using the generic FDC of Tenofovir/Emtricitabine (Truvada) and lopinavir/ritonavir (Aluvia), and a potential 35 percent savings using the new generic Tenofovir/Emtricitabine/Efavirenz as the first line.

Haiti

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: USAID, CDC, COAG, MSH/SDSH, Aids Relief, GHESKIO, FOSREF, POZ

STTA: Procurement, Quality Assurance, MIS.

Key activities:

1. **Met with Clinton Foundation and other partners** to conduct quantification of pediatric ARV and lab commodity needs for 2010 for the UNITAID proposal, which is being finalized and should be sent by the end of October.
2. **Received first shipment of Ready-to-Use Therapeutic Food (RUTF) from France.** The RUTF has been stored, and, in partnership with CRS, SCMS began distribution in August. **Initiated search for a new warehouse location** because the current warehouse lease expires in June 2010. In the meantime, have located an additional 5,000 square feet to be used as a transition space and for new activities.
3. **SCMS has been tasked with expanding dispensing assistance to the outlying clinics in Haiti.** SCMS importing data, training, and roll-out assistance to migrate existing ART Dispensing Tool (ADT) sites to Electronic Dispensing Tool (EDT) and harmonize the EDT with the national EMR system.
4. **Conducted a Ready-to-use Therapeutic Food (RUTF) Supplier Assessment.** A Joint USAID/CTO team was in-country with PMO staff to conduct an evaluation of MFK, the local manufacturer of "Medika Mamba".

Challenges:

1. The lack of official decisions on Reflotron, Capillary testing method and Capillus replacement is causing delays in purchasing decisions and additional costs. SCMS debriefed the new CDC country director and requested assistance to the MOH to fast track final resolution regarding Reflotron. So far no decisions have been made. Sent an official reminder to the USG team.
2. The warehouse is presently stocked to capacity and will remain so for the next few months. In addition to managing new product activities, we maintained a larger than usual stock of ARVs and some key OI drugs due to the hurricane season that disrupts deliveries within the country. Also, due to challenges to maintain an uninterrupted supply, faced by the implementers and the other major stakeholder, GFATM, SCMS increased the level of buffer stock to help service providers continue their treatment programs without interruption.

Results:

1. Nine vendors responded to the local procurement RFP published in local newspapers. Assisted the local procurement team in the assessment of submitted proposals for lab commodities procurement. The procurement team met with vendors and proceeded with best and final offer negotiations.
2. At the request of the client, SCMS provided emergency ARV loans of product estimated at nearly \$200,000 to MOH and the Country Coordinating Mechanism, the two major networks under Global Fund.
3. Finalized large orders of ARVs, OIs and some laboratory products in accordance with the supply plan. In addition, there is one unplanned order of OraQuick among the latest orders, due to the late MOH/CDC decision to use OraQuick while waiting the final decision on Capillus replacement.

Kenya

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: USAID, CDC

STTA: None

Key activities:

1. **Procured and shipped a large consignment of UniGold HIV tests kits for enhanced distribution in response to low supplies.** These test kits will provide buffer stocks for HIV testing activities throughout the country.
2. **To improve RTK distribution, led stakeholder (MOH, USG and Kenya Medical Research Institute) efforts to harmonize a list of all health facilities in the country.** In the past, deliveries of RTKs were attempted at incorrect sites due to outdated lists. In September, began second quarterly national RTK distribution (including lab reagents). Quarterly distribution directly to the testing sites helps reduce costs and improves efficiency by minimizing the time it takes for RTKs to be made available at testing sites. Have now identified over 5,000 testing sites.

3. **Collaborated with several partners to draft a master list of health facilities from 25 different existing lists that were either inaccurate or duplicative.** SCMS will use the list to verify that all site information is correct during the next RTK distribution effort. A complete and accurate list of all sites will result in a more streamlined and efficient distribution process.
4. **Met with the male circumcision taskforce to develop a standardized list of commodities and centralized procurement for implementing partners.** SCMS attended the meeting and offered a procurement and supply chain perspective. SCMS will provide a quantification advisor to Kenya to complete a forecast and supply plan.

Challenges:

1. Poor RTK consumption data from health facilities is adversely affecting logistics information for RTK supply planning.
2. To enable SCMS to make sound procurement and supply planning decisions, laboratory information needs to flow from sites to SCMS. The USG team, however, has not yet clearly defined which partner is responsible for managing laboratory logistics. Careful management is needed to resolve this issue.
3. Kenya has set an aggressive strategy for rolling out male circumcision (MC) as an HIV prevention tool. The MC taskforce has set a target of 1,105,000 circumcisions between 2009 and 2014. An increase this steep requires coordinated procurement to realize economies of scale.

Results:

1. In June, completed five-week distribution of RTKs from the RDC to all facilities nationwide. These HIV test kits can be used to screen over 1.3 million people at over 3,000 HIV testing sites. To improve commodity security, SCMS was asked to deliver the test kits directly to the facilities instead of KEMSA, the government warehouse, as in the past.

Mozambique

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: USAID, CDC, CMAM, Laboratory Section DAM/MISAU (MOH)

STTA: Warehousing, procurement, security, MIS

Key activities:

1. **Trained MOH users on the new warehouse management system (MACS) system and installed the complete version of MACS** at the new central warehouse location in Zimpeto and a “light” version in ADIL to manage the inter-warehouse product transfer to Zimpeto.
2. **At the request of the MOH, assessed the current security status of operations at the Zimpeto warehouse,** prepared a security gap analysis and developed a Zimpeto/MOH-specific security action plan. Implementation of the action plan will allow the MOH to minimize product and equipment losses. The first findings indicate that the physical security equipment is of good quality, but not installed or laid out properly. The findings also suggest that more emphasis should be placed on human resources, including operating procedures to embed continuous improvement in security throughout the organization.

3. **Worked with MOH, CDC and USAID to develop the national laboratory supply plan**, which contains more than 900 products. The coordinated effort (CDC, MOH and USAID) was presented by the Clinical Labs Section of the MOH to the Directorate of Medical Assistance (DNAM) and CMAM in August.
4. **Results from the successful Pharmaceutical Logistics Master Plan (PLMP) workshop** were documented in two presentations prepared for the USG and the donor's health partners. CMAM then used a workshop report prepared by SCMS to debrief the Minister of Health and his cabinet in September. The Pharmaceutical Logistics Master Plan is in progress and will require policy direction from the MOH to finalize.

Challenges:

1. Funding for health commodities is the biggest challenge at this time. Mozambique and the Global Fund have not yet succeeded in resolving the challenges they are facing around the use, reporting, and disbursement of new funds. Mozambique's health partners (donors) held numerous high-level meetings, including with the Minister of Health, to try to clarify and resolve the issues. A high-level delegation from the Global Fund is expected in mid-October. At play is approximately \$50 million in GFATM money that Mozambique planned to have available for procurement and other program expenses in 2009. This situation puts commodity security for HIV, TB, and Malaria programs in great jeopardy.

Results:

1. No stockouts of reagents or consumables have been reported by the PEPFAR-supported laboratories. Since SCMS took over the responsibility for procurement and supply chain management of lab supplies from the Association of Public Health Laboratories (APHL), the number of instruments increased considerably, the consumption doubled, and the national coverage expanded, most notably in rural areas.
2. Created a national database that includes all automated laboratory testing equipment in the country related to ART follow-up testing. This user-friendly and dynamic database was presented to the Directorate of Medical Assistance in July.
3. Conducted the Pharmaceutical Logistics Master Plan workshop. Participants from the MOH; UNICEF, UNFPA and USAID defined the mission and mandate of CMAM and discussed a five-year strategy and plan to greatly improve the medicines, labs and consumable medical commodities supply chain systems. Nine months of preparatory work went into this activity, which resulted in broad consensus among participants on the way forward. MOH and CMAM staff presented the findings and recommendations to the Minister of Health for final approval. In September the Minister verbally approved the recommendations and the next activity, a pilot of active distribution in three districts and a hospital in Gaza Province.
4. Finalized the coordinated (CMAM, SCMS) supply plan update for OI and STI drugs. The resulting quotation covering all OI/STI SCMS shipments for 2009, valued at \$1,551,896.56, has been approved.
5. A two-week STTA in procurement developed and documented 11 key standard operating procedures for CMAM's procurement department, ranging from invitation to bid through paying suppliers. The SOPs will enable staff in CMAM's procurement office to work more efficiently, and to orient new staff to their jobs when they come on board.

6. Received and installed racking for the new Zimpeto Central warehouse, procured by SCMS. Also received materials-handling equipment procured by SCMS. This is a key step toward making the new warehouse, started 10 years ago, operational. Health SWAP funded construction of the building. SCMS, funded by PEPFAR, provided technical assistance to redesign the interior of the warehouse and provided equipment that will enable the Ministry of Health to maximize use of the available space. This will create an optimal environment for the installation of the new warehouse management system in November and December, which will make the warehouse operational. Plans are for the warehouse to be inaugurated by the President of Mozambique in October.

Namibia

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: Ministry of Health and Social Services (MOHSS)/Tertiary Healthcare and Clinical Support Services Division/Pharmaceutical Services Sub-Division/Central Medical Stores, MOHSS/Regional Medical Stores, MOHSS/Primary Health Care Division/Community-Based Health Care Unit and Food & Nutrition Unit, Namibia Institute of Pathology (NIP), VCT partners (IntraHealth, DOD/I-TECH, Namibian Blood Transfusion Services), PACT

STTA: None

Key activities:

1. **Submitted a curriculum on laboratory logistics** for Bachelor of Science (BSc) students at the Polytechnic School in Windhoek. The courses will initially be run by SCMS staff, but will be taught by Polytechnic and NIP staff in the near future. NIP management is currently reviewing the curriculum. This is the first effort by SCMS to institutionalize a course in supply chain management as part of pre-service training by embedding the one-week curriculum into the one-year internship of the students.
2. **In collaboration with the World Food Program, developed a therapeutic food assessment protocol and tool** for distribution of therapeutic food to sites that will distribute or store therapeutic food. Although the Primary Health Care Directorate/Food & Nutrition Unit of the MOHSS had decided to distribute therapeutic food for moderately and severely malnourished adults and children—and developed a policy for implementation—that policy did not include supply chain management of the large volume of commodities needed to make the program a success. The unit manager recognized the need for commodity management and invited the Central Medical Stores, SCMS and the World Food Program (WFP) to help ensure the program will work. The objective of the assessment is better preparedness of ART sites to accept and manage these commodities.
3. **Completed a seven-year quantification of ARVs to support the MOHSS' Global Fund Round 2 proposal.** The quantification will also be used for the MOHSS' own ARV tender.
4. **Completed STTA to identify bottlenecks in the inventory control system of the Namibia Institute of Pathology (NIP).** Completed a needs assessment of the NIP materials management module of the laboratory information management system (LIMS). Recommended

greater use of the module and additional training and report usage to reduce the incidence of over-stocking and stockouts; NIP has limited storage space at the central level.

5. **Improved materials handling capacity by installing floor-level racking** in CMS warehouses. SCMS previously assisted CMS in the procurement of pallet stackers, but these were not effective for floor-level pallets. By installing floor-level racking, CMS can use the pallet stackers at the floor level.

Results:

1. Namibia served as the site of this year's PEPFAR Implementers Meeting, and SCMS hosted members of the COTR team and a dozen SCMS staff from project field offices. SCMS arranged a site visit at the Central Medical Stores, Namibia Institute of Pathology and Quality Surveillance Lab for the COTR team and members of other USG teams that manage SCMS field offices, including USAID Côte d'Ivoire and USAID Rwanda.
2. Pricing analysis found that SCMS prices for ARV purchase and delivery are 26 percent lower than that of the MOHSS. The MOHSS has long suggested that SCMS prices for ARVs were higher than that of MOHSS, so SCMS conducted an analysis of data available from a combination of SCMS and MOHSS sources. SCMS will share the analysis with MOHSS.
3. Completed renovations to Namibia Institute of Pathology (NIP) warehouse, increasing the available handling area by about 10 percent and giving NIP the ability to better assemble orders and load them on to trucks. All that remains of improvements is a new cold room.

Nigeria

Emergency Orders/Stockouts: No stockouts reported.

Key clients: USAID, DOD, CDC, ICAP, UMD IHVN, HARVARD APIN +, CRS/AR, CHAN/NiCAB, Jhpeigo, the Federal Ministry of Health (FMOH), National AIDS and STI Control Program (NASCP) and Food and Drug Services (FDS), National Agency for the Control of AIDS (NACA), National Blood Transfusion Service (NBTS), Pathfinder, PFD, URC, Vanderbilt, Population Council

STTA: Warehousing, LMIS, laboratory, quantification training

Key activities:

1. **Increased local capacity in efficient supply chain management to ensure constant availability of products** by providing training in supply chain management for 24 individuals from PEPFAR IPs, USG and GON (NACA, CMS) who are operating supply chains for programs such as HIV/AIDS, FP/RH, malaria and tuberculosis.
2. **Helped prevent stockouts at ART sites** by providing technical assistance in July and August to management and staff of CMS Lagos to ensure resupply of ARVs. The TA included collating and reviewing CMS resupply forms, calculating the resupply quantities for each facility and scheduling distribution. Thirty-four (out of the expected 44) ART treatment sites managed by the FMOH were resupplied with ARVs from CMS during the resupply period. Follow-up with the other 10 indicated there is not a known risk of stockout before the next resupply.

3. **Continuous successful delivery of pooled ARV procurement** routed via ocean freight into Accra and then by charter flight into Abuja has generated significant savings on overall freight and handling costs servicing Nigeria. RDC outbound shipments consolidated via charter aircraft have saved 50 percent of the estimated freight costs and are 50 percent lower than prior shipments.
4. **Preparing a proposal for a regional warehousing solution** to complement a planned PEPFAR regional warehousing proposal at the request of the Minister for Health and USG/Nigeria. The aim is to save costs on storage and distribution by reducing parallel systems among IPs, while also moving toward greater harmonization with the GON SCM system for ARV and OI drugs and strengthening the overall supply chain management system. The MOH is also eager to harmonize distribution and strengthen systems, and wants to ensure that any new system introduced by the USG is well coordinated and integrated with the national system. The SCMS proposal will include a broader cost-benefit analysis to inform decision making at the MOH.

Challenges:

1. The sudden change in the national HIV/AIDS testing algorithm, in which the Statpak test kit is now used as a tiebreaker, has resulted in an overstock of Statpak, valued at about \$472k. Other users will have to be found for these RTKs so they do not expire. Expiry dates range between July and September 2010. The PMO donation team in the procurement unit is working on identifying possible recipients.
2. Each one of the USG-supported programs uses different LMIS and reporting systems, making coordination difficult, with commodities likely to be transported to the same region for different clients at different times. Harmonized reporting will make distribution possible to all clients in the same region at the same time without any of the clients running the risk of over or under stock while achieving lower distribution cost. SCMS has begun deliberations on the strategy and is proposing a harmonized LMIS and reporting by all clients to address this challenge.

Results:

1. Conducted the first five-year national RTK quantification and forecasting with FMOH, Global Fund partners and PEPFAR IPs for the period 2009-2014. The exercise provided robust estimates of the total number of RTKs and the financing needed and will also inform future procurement plans.
2. After successful launch of pooled procurement for two high-volume ARVs, most IPs have realized the advantages of pooled procurement and are supportive of the USG proposal to include more ARVs in the pooled procurement initiative. There is general agreement for pooled procurement of all first-line ARVs for COP10. Nigeria is quickly becoming a key example of a successful integrated approach to supply chain management and intends to promote lessons learned and best practices at conferences and through other knowledge sharing venues.
3. Received a Green Light rating following a recent portfolio review. Notable progress was identified in the financial, knowledge, and program management categories. USAID Nigeria stated that they are especially appreciative of cost savings realized through the project's pooled procurement mechanism for ARVs and RTKs.

Rwanda

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: CAMERWA, MOH, TRAC Plus (Treatment and Research AIDS Centre), National Reference Laboratory (NRL), Coordinated Procurement and Distribution System (CPDS), Pharmacy Task Force (PTF), CNLS (National AIDS Commission), PEPFAR implementing partners (FHI, ICAP, EGPAF, Intrahealth, CRS, Drew University), CDC, USAID, E-Health Group

STTA: Procurement; capacity building, warehousing, MIS, performance management

Key activities:

1. **Provided ongoing support to CAMERWA procurement, warehouse management and financial tracking systems (MACS and SAGE)** including a two-year secondment of a Procurement Advisor. The Procurement Advisor will work to strengthen CAMERWA's procurement procedures to ensure best practice and transparency, and to provide capacity building support to prepare for USG Direct Grant Accreditation.
2. **Provided field-based support to mobilize the CAMERWA active distribution initiative.** The Pharmacy Task Force has compiled existing stakeholder reports following the initial active distribution assessment to highlight issues and concerns and start implementing the Road Map. SCMS will provide STTA to support mobilization and rollout of active distribution in October.
3. **Worked with the CPDS quantification committee** (including CAMERWA, TRAC, NRL and PTF) to monitor the supply and consumption of ARVs and OI drugs based on the forecast and supply plan utilizing the Pipeline, TRACNET etc..
4. **Installed two dock levelers at CAMERWA main warehouse** that will make the off-loading and delivery of goods easier and more efficient, as part of the ongoing program to improve CAMERWA's warehouse management systems.
5. **Contributed to the Partnership Framework** developed by USG and supported by Ministry of Health.
6. **Ongoing SCMS field support to National Reference Laboratory.** SCMS continued support with procurement of additional reagents and equipment on behalf of implementing partners. Completed data collection to be incorporated in the next CPDS quantification in October.
7. **Continued to work with the PTF on development of an operational plan for the rollout of the Harmonized Logistics Management Information System** to cover 400 health facilities and 30 district pharmacies.

Challenges:

1. CAMERWA will require support to further develop performance management and financial management capacity if it is to make full use of the warehouse and financial management tools. This is particularly important given the upcoming restructuring of health institutions under the Rwanda Bio Medical Centre.

Results:

1. Quantification exercise for laboratory commodities for eighth CPDS completed.

2. Training in Radio Frequency and handheld technology completed at the CAMERWA bulk warehouse.
3. CAMERWA completed the tendering process and issued contracts for the procurement of laboratory commodities under the 6th CPDS as well as for racking, equipment, lifting machinery, and walk-in cold rooms.
4. Completed phase one of the program to develop a performance management system at CAMERWA.
5. Supported development of a drug coding system for Rwanda. The final guidelines for drug coding, the National Master Drug List and Rwanda Coded Drug List, were submitted to the MOH eHealth Group and the Pharmacy Task Force.

South Africa

Emergency Orders: Delivery on the SANDF emergency order #14 is 92 percent complete; only one product remains outstanding. SANDF order #13 delivery is now at 85 percent complete, with two items outstanding. The Free State emergency ARV order now stands at 97 percent complete with only one product outstanding, which is scheduled for delivery on October 12, 2009.

Key Clients: CDC, National Department of Health (NDOH) South African National Defence Force (SANDF), USAID

STTA: Warehousing

Key activities:

1. **Submitted quotations for racking and equipment at the Mpumalanga Province warehouse.** Drafted a three-phase plan to ensure the timely completion of the remaining warehousing activities and to meet the client's October 2009 deadline for beginning provincial warehousing and distribution activities at this new site.
2. **Held a meeting with the Director of Pharmaceutical Services/Limpopo Province to discuss SCMS technical assistance** and the MOU to be signed before any technical assistance may begin. Discussions focused on SCMS conducting a needs analysis of the pharmaceutical supply chain management system, analysis of the risk and security of stock during storage and distribution, and design of a comprehensive supply chain model.
3. **Began implementation of the fourth Warehouse Operations Management (WOM) Training Course with 17 participants**, nine from Botswana, Guyana and Rwanda, and eight local South Africans. SCMS's WOM course provides four weeks of classroom instruction and hands-on training in South Africa, plus continuing support post-training via internet forums.
4. **Made a presentation to the NDOH and USAID on recommendations following the male condom rapid assessment** and forecast assignments implemented for the NDOH this past summer. It was determined that SCMS should extend the current contract for the LMIS training and liaison officer for another year, provide technical assistance to NDOH for the development of SOPs, training for staff on their use and installation of, and training on, PipeLine software.

Challenges:

1. The USAID Mission informed SCMS that currently, COP10 funding is not available for supply chain management technical assistance, other than for the condom work we are supporting, which will prevent us from undertaking any strategic interventions. Meetings were held at USAID with the senior technical advisor, FSM, and PHD to discuss ARV supply chain issues and condom logistics support. For the ARV TA, the decision to fund will depend on requests for assistance from the South African government.

Results:

1. The third Warehouse Operations Management course was attended by three international and four local participants: two from Limpopo Province, one from Western Cape and one from Kwa-Zulu Natal. The participants were able to identify areas of improvement for their warehouses and developed recommendations that they will present to their superiors for improving the operations of their warehouses.
2. SCMS was invited to attend the official opening of the new Mpumalanga Province pharmaceutical warehouse and met with the director and other senior politicians from the province, who expressed gratitude to SCMS for the technical assistance provided in the installation of shelving, conveyor belts, fork lifts and a sprinkler system, and in the development of warehouse SOPs and training of warehouse staff in their use.

Tanzania

Emergency Orders/ Stockouts: No stockouts reported this month. We conducted inter-zonal transfers of ARV drugs and test kits across six zonal stores to better respond to emergency orders and reduce the risk of stockouts.

Key Clients: The Ministry of Health & Social Welfare (MOH&SW), National AIDS Control Program (NACP), Medical Stores Department (MSD), Pharmaceutical Supplies Unit (PSU), Center for Disease Control and Prevention (CDC), and the United States Agency for International Development (USAID)

STTA: Warehousing, QA, procurement, enterprise resource planning.

Key activities:

1. **In collaboration with USAID, SCMS conducted a preliminary QA and procurement assessment** of local manufacturers and distributors of pharmaceuticals in Tanzania. The goal being to review Good Manufacturing Practices (GMPs), quality assurance procedures, storage and delivery capabilities. SCMS visited three manufacturers (Shellys Pharmaceuticals LTD, ZENUFA, and Tanzania Pharmaceuticals Industries) and one distributor (Pyramid). The team also visited MSD and the Tanzania Food and Drug Authority to discuss national regulations, procurement and importation requirements.
2. **At the request of the USAID mission, provided technical assistance in quality testing a locally manufactured Paracetamol Syrop** that a USG care and treatment partners was considering purchasing. The samples were sent to the National University School of Pharmacy

(Muhimbili University) for quality testing. The results were found to be in compliance with the specifications provided by the manufacturer.

3. **Support in the implementation of the redesigned logistics system for ARV drugs and HIV test kits.** Developed materials and conducted training of 31 health care workers including district pharmacists, hospital pharmacists, nurse midwives, MSD and laboratory technologists from 19 HIV/AIDS care and treatment facilities in the Mbeya zone.
4. **Assessed the public sector condoms distribution system at USAID Mission request.** Conducted key informant interviews at the central level, reviewed documents and made field visits. All nine MSD zonal stores were assessed in addition to 24 primary healthcare, districts and regional health facilities. SCMS is currently analyzing the findings and drafting an assessment report.
5. **Continued to support the implementation of the redesigned logistics system for ARV drugs and HIV test kits.** Trained 16 health care workers from the Dar es Salaam region HIV/AIDS care and treatment facilities.
6. **Started implementation of an Enterprise Resource Planning (ERP) installation project at the MSD** in response to an assessment conducted earlier in the year. Initial activities included drafting a request for information from ERP vendors, developing the project plan and identifying required resources and other related activities for project initiation.

Challenge:

1. Spent a substantial amount of time redistributing ARVs across MSD zonal stores and HIV/AIDS care and treatment centers to avoid stockouts at service delivery points. Stavudine 30 mg, Abacavir 300 mg and Aluvia were redistributed among the Dar es Salaam, Iringa, Mbeya and Tanga zonal stores. The redistribution was needed due to limited storage capacity for some warehouses, sudden and unexpected switch in treatment regimens in some zones and previous rationing of some zones.

Results:

1. Conducted warehousing technical assistance at the MSD in Dar es Salaam and Ubungo. Delivered and assembled hardware for adjustable pallet racking, gravity-fed flow racking systems and conveyors. The racking will improve warehouse picking and packing efficiency. SCMS provided a technical training and orientation of these improvements to USAID | TANZANIA and MSD. A ceremony at MSD officially introduced and celebrated these improvements.
2. At the request of the USAID mission, SCMS procured and installed Clinic-in-a-Box for display on U.S. Embassy grounds. The display was well received and positioned SCMS as a key participant in facilitating best practices in health systems strengthening. This Clinic-in-a-Box solution provides a ready-to-use clinic and pharmacy unit that can be rapidly erected in the field and is fully maintainable by the community in the long term. The goal of the display was to demonstrate how prefabricated clinics can strengthen health systems and help address the clinic infrastructure needed for HIV/AIDS program scale-up in Tanzania.
3. A team of experts traveled to Tanzania to support and advise the Medical Store Department (MSD) on the requirements, evaluation and selection process necessary to develop a viable Enterprise Resource Planning (ERP) system. This is the first time SCMS will be involved in managing an ERP implementation.

Uganda

Emergency Orders/Stockouts: Under the Ministry of Health, there is a stockout of Determine screening test kit and most essential laboratory supplies due to delays in procurement process at National Medical stores. Nevirapine 200mg tablets, SCMS delivered two emergency orders of Nevirapine and Combivir to address shortage.

Key Clients: Ministry of Health (ACP and Pharmacy Division), Inter Religious Council of Uganda (IRCU), Northern Uganda Malaria, AIDS, and TB program (NUMAT), Joint Clinical Research Center, (JCRC), National Medical Stores (NMS), Central Public Health Laboratory (CPHL), Strengthening TB and HIV&AIDS Responses in Eastern Uganda (STAR-E), Strengthening TB and HIV&AIDS Responses in East Central Uganda (STAR-EC) and Joint Medical Store (JMS)

STTA: MIS

Key activities:

1. **USAID Uganda is moving all supply Chain TA to a new bi-lateral program – SURE.** Therefore, much of the SCMS activity in the quarter was geared to winding down operations to close the office in September. A small procurement staff will remain in Kampala.
2. **As part of the phase down, SCMS provided mentorship and training in logistics data management** and other logistics management activities to staff from CPHL, JMS, MOH and NMS.
3. **Provided technical assistance in forecasting and quantification for ARVs to the Strengthening TB and HIV/AIDS Responses** in Eastern Uganda (STAR-E) Program, a five-year district-based initiative funded by USAID/PEPFAR.
4. **To ensure that forecasted trends reflect the actual consumption trends for IRCU and NUMAT** conducted ARV quarterly quantification reviews.
5. **In June conducted an MIS assessment of the NMS to ascertain technical and operational requirements** as a first step to implement a MACS solution to manage the NMS Central Warehouses. In August a team of SCMS MIS consultants traveled to Kampala as a part of the Sage and MACS warehouse management software installation project to define the deployment process for the SAGE L 500 financial management system.
6. **Supported MOH ACP, Pharmacy Division and Uganda AIDS Commission (UAC)** in reviewing and updating the procurement and supply management (PSM) plan for HIV/AIDS for Global Fund Round 7, Phase 1.

Challenge:

1. Failure by some programs to fulfill their projected obligations has led to stockouts in some facilities. For example, there was a delay in Global Fund and NMS procurement of HIV test kits and other laboratory equipment.

Result:

1. Installed gravity-flow warehouse racking at the NMS. This will improve commodity picking and packing procedures and order processing efficiency at the NMS.

2. Conducted HIV/AIDS commodity management training for data managers seconded to the MOH. The goal of this training was to transition health commodities from SCMS to the MOH data managers stationed at JMS and NMS as a part of the close-out of the SCMS technical assistance portfolio.

Vietnam

Emergency Orders/Stockouts: No stockouts reported at PEPFAR-supported sites. There was an emergency order for four ARVS in July.

Key Clients: Vietnam Administration for AIDS Control (VAAC, within MOH), USAID, Clinton Foundation, Central Pharmaceutical Company #1 (outsourced warehousing/distribution function)

STTA: None

Key activities:

1. **Met with CHAI and VAAC on quarterly quantification and procurement planning.** These planning meetings ensure that the appropriate levels of adult and pediatric ARVs are procured for Vietnam. SCMS worked with the VAAC prevention team to complete a 12-month forecast and establish the next methadone order based on that forecast
2. **Investigating sources for procurement and distribution of new lab commodities at the request of the CDC.** SCMS is identifying a local/regional supplier for reagents and other commodities to perform tests using CyFlow products donated by Kreditanstalt für Wiederaufbau. Ensuring that these machines remain functional will enable PEPFAR and national program sites to conduct an additional 18,000 to 20,000 CD4 tests per year. This represents a new product range for SCMS in Vietnam.
3. **Submitted annual procurement plan for ARVs and lab commodities to the VAAC.** This plan will approve SCMS procured drugs and lab commodities and their relative ceiling amount through December 2011. Once approved by the Prime Minister, this plan will allow SCMS to more efficiently procure and import products as individual orders will not need the Prime Minister's authorization.
4. **Outlined an initial plan to transition patients from d4T to AZT.** When the new national treatment guidelines were published SCMS participated in several meetings resulting in a transition plan to switch controlled numbers of first line patients from d4T to AZT. We provided stock and lead time information for both drugs transitioning in and out, providing estimates on the numbers of patients who could be switched monthly without risk of stockout.

Challenges:

1. Throughout the quarter SCMS has been investigating concerns regarding the legal importation of generic Lopinavir/Ritonavir, specifically to ascertain if Abbott has a patent for Alluvia (Lopinavir/Ritonavir) registered in Vietnam. If PEPFAR Vietnam is permitted to import the recently FDA tentatively-approved generic Lopinavir/Ritonavir, it would represent an annual cost savings of over \$300,000 at current patient levels.
2. SCMS continues to experience challenges in the service we receive from Abbott. Patent restrictions require Abbott to be the sole source of certain ARVs in Vietnam.

3. Approval of the new national ARV treatment guidelines which were originally scheduled to be published in April 2009 was delayed. This setback has resulted in an emergency order for four ARV products and has delayed the transfer of patients from d4T to ZDV.

Results:

1. Oversaw the destruction of 26 cubic meters of faulty, returned and expired ARV drugs originally procured by the PEPFAR program. This will complete the destruction of all faulty, returned and expired drugs, and safely remove all unusable stock from site and central storage facilities.
2. The MOU between Delta, MSH and VAAC was signed. This MOU outlines the agreed upon working relationship of Delta as the sole distributor of Becton Dickinson (BD) products in Vietnam, SCMS as the procurer of BD services and products and VAAC as the Vietnamese Government entity responsible for authorizing distribution of supplies to all HIV/AIDS treatment sites. This MOU defines the role and authority of each party to eliminate any ambiguity and ensure the smooth and uninterrupted supply of CD4 commodities to PEPFAR sites.
3. Signed a maintenance agreement with Becton Dickinson. This contract covers seven FACS count and one FACS caliber machines procured with PEPFAR funds will receive the maintenance and service needed to ensure that they are able to support patients that require CD4 testing as part of the USG's support to Vietnam.

Zambia

Emergency Orders/Stockouts: One emergency order for labs. Two percent stockout of lab reagents centrally.

Key Clients: USAID, CDC, Ministry of Health (MOH), CIDRZ, NGO, and Mission Hospitals

STTA: None

Key activities:

1. **In June, brought in the original system designers to conduct an evaluation of the lab system** and implement changes before rolling it out nationally in September. Over the next few months SCMS will work with partners to implement recommendations ahead of the national roll out.
2. **In July revised the lab logistics system curriculum**, incorporating the recommendations from the designers during last month's evaluation meeting. The curriculum will be used for the national roll out scheduled for September 09.
3. **Began the rollout of the ART Laboratory Commodity Logistics System nationally.** This will cover a total of 216 laboratories, 648 lab personnel, and 32 trainings. The first three trainings were completed in the pilot provinces of Copperbelt, North-Western, and Eastern, with 63 participants trained.
4. **Conducted and completed a prequantification meeting for male circumcision** in collaboration with FHI/ZPCT, JHPIEGO, MOH and PSI/SFH to generate stakeholder consensus on the quantification methodology and assumptions. The quantification is slated for October 2009.

Challenges:

1. Since June planned deliveries from the Global Fund grant to the Government have been disrupted because the Global Fund has not cleared the release of funds to the MOH due to concerns about the ongoing financial crisis at the Ministry. This has impacted the supply situation throughout the quarter, and SCMS has placed emergency deliveries of lab supplies to fill gaps. These orders were unplanned and unbudgeted, which may jeopardize SCMS's ability to fulfill planned orders later in the year.
2. Lack of clarity in the MOH managed Global Fund Round 4 P2 (GFR4P2) years 3 and 4 procurement continues to affect the stock status of essential laboratory commodities. The knock-on effect is that SCMS continues to fill in commodity gaps at short notice, which results in frequent emergency orders of lab supplies.
3. Undertook our first procurement of OI drugs for Zambia. These products are not registered with Pharmaceutical Regulatory Authority, so SCMS initiated the waiver process. The PRA agreed to fast-track the drugs instead of providing a waiver. The so-called fast-track process will take at least 6 months to complete. Due to withdrawal of donor funding for procurement of essential drugs in the MOH, most of these vital products are now stocked out at the central level. Following the directive from the PS-MOH, SCMS has had to halt all shipments until the issue is resolved. We are actively engaging the MOH on this issue.

Results:

1. The Permanent Secretary of MOH requested that SCMS provide all directors of the ministry with copies of the HIV/AIDS Commodity Security (HACS) document to be included in the ministry's work plan and budget review. This is a significant move to get the document included in the ministry's plan to launch and adopt the strategy.
2. Trained 21 trainers and 63 lab personnel, who earned competency certificates to implement the national ART laboratory logistics system in their facilities.

Zimbabwe

Emergency Orders/Stockouts: No stockouts reported.

Key Clients: Ministry of Health and Child Welfare (MOHCW), Logistics Sub-Unit (LSU), NatPharm, USAID, Global Fund, Clinton Foundation HIV/AIDS Initiative (CHAI), European Commission, ECHO, DFID, EGPAF, Tuberculosis Capacity Project (TB CAP), WHO

STTA: None

Key activities:

1. **With SCMS support, the LSU and NatPharm distributed ARVs and fluconazole to 65 ART sites in the southern region.**
2. **The NatPharm warehouse refurbishment project continued to progress steadily.** The general contractor completed the manufacturing and fitting of new gutters to prevent flooding in parts of the warehouse during the rainy season. Two cold rooms have been equipped with new

compressors and cooling equipment; a 25KVA generator, a forklift truck and roofing materials have arrived.

3. **The DTTU, LSU and SCMS collaborated with the USAID | DELIVER PROJECT to finalize** SOP manuals and training curriculum for the inclusion of TB drugs in the diagnosing site system. SCMS participated in the training of trainers provided by USAID | DELIVER PROJECT for staff from the LSU, National Tuberculosis Program and National Microbiology Reference Lab on each of the SOP manuals.
4. **Supported potential male circumcision programs.** OGAC has expressed interest in moving forward with male circumcision clinical activities and procurement of related commodities. SCMS produced an estimate of resources needed for in-country supply chain support and collaborated with PSI to generate a draft quantification of MC kits and commodities needed to perform one million MC procedures over three years at 68 sites.
5. **Programming to expand under COP10.** SCMS's COP10 budget was increased by 35 percent, illustrating USAID's confidence in the project's ability to continue working with MOHCW, NatPharm, ZNFPC, and other partners to achieve MOHCW and PEPFAR prevention and treatment objectives. This budget temporarily increases the number of people supported on treatment through SCMS procurement of ARVs from 40,000 to 59,000. It also allows SCMS to procure HIV test kits, CD4 point-of-care machines and PMTCT MER commodities, and to roll out distribution of PMTCT MER commodities nationwide.
6. **The MOHCW AIDS&TB Programme Logistics Sub-Unit (LSU) updated quantifications for HIV & AIDS products.** This quantification included the PMTCT Most Efficacious Regimen (MER) products for the first time since the LSU has been preparing quantifications. The quantifications revealed that there are inadequate supplies of adult first-line ARVs to meet national ART targets. They also revealed that test kits are well below the minimum stock level in the national warehouse. Supplies of adult second-line ARVs and all pediatric ARV supplies are adequate into 2010. TB drug supplies should be adequate if planned shipments arrive as anticipated. There is a full supply of co-trimoxazole for prophylaxis.
7. **SCMS collaborated with the LSU and Delivery Team Topping Up (DTTU) to finalize standard operating procedure manuals (SOPs)** and training curriculum for the inclusion of TB drugs and sputum cups to continuation sites and malaria ACTs and Rapid Diagnostic Tests to all sites in a DTTU-style system to be piloted in Midlands province.

Challenges:

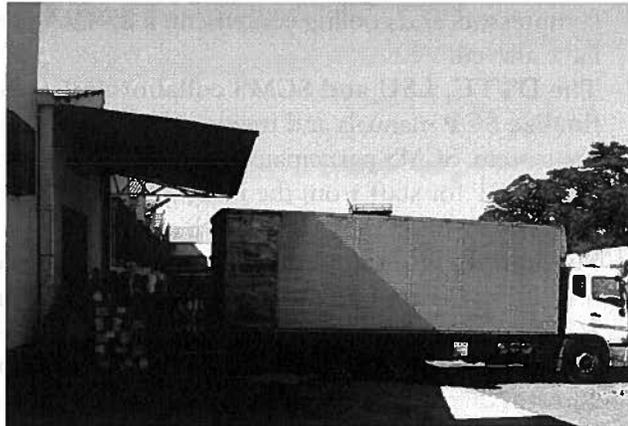
1. While the new Government of National Unity (GNU) appears to be moving ahead, the coalition government is still struggling to pay its workers, including those in the public healthcare sector that SCMS largely relies on to maintain the functioning of the supply chain at all levels.
2. There is a need to mobilize resources to fill the gap in adult first-line ARVs.

Results:

1. A truck carrying nine tons of first-line ARVs, representing two months of treatment for 40,000 patients, left the SCMS regional distribution center in South Africa on Friday 19 June and arrived two days later in Harare. Encouraged by the relative stabilization in Zimbabwe, SCMS opted to switch from air to road shipment, which represents a cost savings of 63 percent - or \$130,000 per year - on transportation costs between the RDC and Natpharm's central warehouse. MOHCW and NatPharm received the freight on the morning of Monday 22 June

and were delighted to find that the ARVs were still arranged by batch number – contrary to what usually happens when shipments are offloaded from a truck to a plane and then again to a truck. They also appreciated the opportunity to exchange ideas on transportation and customs clearance techniques with RDC freight forwarding staff.

2. NatPharm regrouped all ARVs that were previously stored in different locations in one ARV storeroom equipped with 164 racks accommodating 1,476 pallets that were installed in the first phase of the NatPharm warehouse refurbishment project assisted by SCMS. This will greatly improve the efficiency of ARV management and rationalize the use of space in the existing warehouse for the growing quantities of ARVs that are expected in the years to come. Increasing donor commitments have resulted in continuous program scale-up from 70,000 patients on treatment in 2007 to 120,000 in 2008 and 180,000 in 2009.
3. Results of the first monthly joint ARV stock audit, performed by a local chartered accountants company and supported by SCMS, were presented to donors, including CHAI, Expanded Support Program, Global Fund, Government of Zimbabwe, and Red Cross and USG. The audit reported only minor discrepancies, which are being addressed by NatPharm and LSU. MOHCW, NatPharm, and other donors greatly appreciate SCMS's contribution towards integration of audits performed for ARVs funded by all sources.
4. 100,000 Determine and 50,000 SD Bioline RTKs—ordered by SCMS to avert stockouts—arrived in country. These RTKs were purchased using savings from switching from air to road deliveries of the ARVs from the South Africa RDC.
5. Facilitated quantification, ordering and freight forwarding for a \$130,000 emergency order of Zidovudine and Lamivudine/Zidovudine placed by WHO with the Partnership for Supply Chain Management (PFSCM). The shipment arrived less than two months after order confirmation. This will enable MOHCW and its partners, including EGPAF, WHO and CIDA, to expedite the roll-out of PMTCT More Efficacious Regimen throughout the country. This is a good example of collaboration between WHO, MOHCW, SCMS and PFSCM and would not have been possible without local SCMS staff.



5. Innovations

Three items are currently identified in the Work Plan as requiring innovation funding:

- Establish a process for testing rapid test kits and non-proprietary laboratory reagents. This work continues, although as reported in the Global Supply Chain section of project highlights this is a very challenging project as there is no precedent for routine testing of these items.
- Design and development of freight estimation tools for buyers. This work has not yet begun in earnest. No funds are currently allocated to this activity. The first stage will be to develop a SOW and request the necessary budget.
- Develop and implement a drug registration harmonization and streamlining workshop. This work is currently on hold awaiting the outcome of a WHO/NEPAD Workshop in London on the same subject.

Innovative approaches to supply chain work that have been implemented and/or worked on during the period using standard project resources or country funds include:

- In Côte d'Ivoire, following assessment of pilot initiatives in the use of Personal Digital Assistant (PDA), the Ministry of the Fight Against AIDS (MLS), MEASURE Evaluation and UNAIDS validated the use of (PDA) for monthly reporting by NGOs. Use of PDAs will now be implemented as the common data transmission tool for monthly reporting of community-level data within the framework of MRS (monitoring and reporting system) at the central level.
- In a similar initiative in Ethiopia, cell phones are one of the technologies being used to collect and transmit logistics data to the Health Commodity Tracking System (HCTS) central data repository in Addis Ababa. HCTS is a web-based tool being introduced to improve the accessibility and accuracy of logistics data used to make procurement and supply decisions by the Government of Ethiopia and its funding partners.
- In Vietnam, to address the challenge of rapid turnover in pharmacy dispensers, SCMS developed four self-learning modules titled, *ARV management and reporting forms; Dispensing PEPFAR ARV's & OI's medications; Labeling of dispensed and returned Medications; Interactive medication counseling to enhance patient adherence*, to be used to train new dispensers. The results from dispensers who participated in the module pilot format were comparable to those who had participated in similar trainings in a workshop format. There was no significant difference between the two methods based on analysis of the two groups' reported level of understanding and confidence in using the information. These self-learning modules, which are more flexible and cost-efficient, will now be provided to all new dispensers and followed-up on during site visits to reinforce content. Previously new dispensers had to wait for a place in courses held every six-months and travel to attend those courses. The use of self-learning enables training to take place immediately once the dispenser is hired and avoids absence from work and the need for travel to attend training.

6. Objectives for October – December 2009



Project-wide Workplan TO3 - June 1, 2009 - September 30, 2010

Activity	Deliverable	Target Deadline	Progress
1. Global Supply Chain			
Procurement:			
Establish procurement council from staff in PSAs, PMO, FO and USAID	Comment on strategy, market trends, benchmarking	11/1/2009	In progress
Prepare program list - Male circumcision	Published list of recommended products	11/2/2009	In progress
Phase 3 of FOMP Program in South Africa	7 staff trained	11/30/2009	In progress
Quarterly review of core formularies	Updated core lists	Dec, Mar, June, Sept	In progress
Agree revised strategy for regional/local supply	Detailed strategy paper to broaden supplier base	12/4/2009	In progress
Improve linkage between supply planning and order processing			
Analyze historical data and design streamlined process for repeat orders	Options paper and redesigned process for client and SCMS	12/20/2009	In progress
Implement continuous improvement program to process orders from supply plans	Reduced order process time, potential to eliminate PQ and go direct to order	Ongoing	In progress
Implement FOMP procurement training program	Curriculum, training material and tools, program	12/31/2009	In progress
Phase 4 of FOMP Program in Vietnam	4 staff trained	12/31/2009	In progress
Stage 1 of FOMP local procurement	Procurement from local suppliers managed from the field office	12/31/2009	In progress
Resolve connectivity issues (if any)	Connectivity available at required speed to operate Orion and CRM successfully	12/31/2009	In progress
Implement revised lab commodity process	New IQCs, RDC stock of lab commodities to support increased reliability of supply	Ongoing	In progress
Broaden supplier base in pilot countries	Suppliers approved by USAID in 2-3 countries	Ongoing	In progress
Quality Control:			
Develop product destruction reporting structure	Quarterly report of products destroyed	10/26/2009	Completed
Obtain funding/approval from USAID and complete lab tour with USAID	Approval to proceed with funding agreed	11/25/2009	In progress
Support initiatives to increase access to acceptable quality OI and STI essential drugs	Revised procurement and QA strategy to increase access	12/4/2009	In progress
Perform on-going quality inspections of local and international manufacturers and wholesalers as needed	Report on manufacturers' performance with recommended corrective actions to meet required standards (if needed)	Ongoing	In progress

Freight and Logistics:			
Reduce lead time for dispatch of outbound RDC shipment	Implement improved process to reduce period by 2 - 8 days dependent on prevailing country requirements	10/9/2009	Not completed
a) By region of source - as business warrants	Policy guidance to procurement and F&L teams by region	11/13/2009	In progress
Design and develop freight estimation tools for buyers	Automatic tool available to buyers for: a) international airfreight, b) RDCs, c) sea freight	a) 11/16/09 - air b) 12/4/09 - Ocean c) 2/26/09 - RDC	In progress
Reduce time from receipt of goods in RDC to available to promise date	Implement improved process to reduce period to 5 days	11/27/2009	In progress
Refine consolidation strategies	Savings in freight cost vs. use of air freight and unconsolidated deliveries	Ongoing	In progress
b) Scale up of Regional Consolidation Service out of Mumbai, India	Maximize percentage by volume of Mumbai shipments by sea freight, subject to continued ability to meet client delivery requirements	12/15/2009	In progress
Management Information Systems:			
Manage Change Control Board	Process and system improvement agreed in quarterly CCB Meetings	August, November, March June and Sept	In progress
Change Control Plan	Published Change Control Plan	10/2/2009	Not completed
Risk Management Plan	Agreed Risk Management Plan	11/20/2009	In progress
Improve field office connectivity	Improved connectivity speeds to run SCMS systems	Ongoing	In progress
2. Health Systems Strengthening			
In-Country Assistance with Strategic Planning and Coordination:			
Review the tariff, regulatory barriers, and policies in each country to imports of the needed products and assist in devising solutions to any identified problems.	Reports and advise on process or policy changes as required	12/31/2009	In progress
In-Country Data Management and Technical Assistance:			
Provide capacity building to host-country staff in use and maintenance of LMIS, including hands-on training and mentoring	LMIS support in 15 countries	Ongoing	In progress
Collaborate and coordinate with national organizations and other donor or USG funded projects to better integrate with other information systems	Integrated LMIS strategies and plans	Ongoing	In progress
In-Country Procurement Technical Assistance:			
Identify and shift procurements that would benefit from pooled procurement efforts	Pooled procurement initiated or expanded in 3 countries,	12/31/2009	In progress
In-Country Quality Assurance Technical Assistance:			
Set standards for global best practices, develop goals, methodologies, materials and indicators.	Standards and indicators published for use by drug and laboratory authorities, waste management, quality control and manufacturers	12/31/2009	In progress

Field Program Support from PMO to enable countries to achieve HSS objectives:			
Develop and deploy guidelines, tools and templates to support the work of the field offices in planning for, implementing and managing the performance of the activities required to meet the 6 key HSS objectives	Suit of documents, policies, SOPs, WIs, tools and templates available via Knowledge Tree	10/31/2009	Not completed
Establish annual timetables for program and work planning within an agreed strategic framework	Agreed annual planning cycle and templates	11/30/2009	In progress
Organize and facilitate annual country directors meeting	Interim review of progress, experience sharing and agreement of targets for ensuing 6 months	12/11/2009	In progress
3. Global Collaboration			
Contribute to WHO AIDS Medicines and Diagnostic Service (AMDS) network	Attend annual AMDS meeting and WHO/UNAIDS forecasting meeting; contribute SCMS data, experience and tools	Ongoing, meetings Nov 2009 & March 2010	In progress
Public Private Partnership for Pediatric ART	Attend and contribute to meetings and solution development	Meetings Nov 09 and May 2010	In progress
Act as technical secretariat to Coordinated Procurement Planning Initiative	Arrange meetings, promote activities and objectives of CPP; complete assigned tasks during year	Ongoing	In progress
Maintain and develop SCMS web services	Growing web site with increased traffic and use of forums	Ongoing	In progress
Attend ad hoc meetings as requested by USAID, OGAC, CDC and/or organized by other global partners		Ongoing	In progress
Produce meeting reports and arrange actions as required	TBD	Ongoing	In progress
Maintain regular contact with key partner organizations, e.g. Clinton Foundation, CDC, UNITAID, MeTA, MIT-Zaragoza Logistics Center	Improved understanding of objectives, reduction in overlaps, exchange of information, improved supply chain reliability; develop new relationships as relevant e.g. Gates Foundation	Ongoing	In progress
Development of job aids and training in client relations, communications and procurement	Training materials for distance learning and in person training; number of participants trained	Various during period	In progress
Publish communication products	In-briefs (SCMS success stories) 5 minimum, Links 32 issues, Supply Lines 4 issues, calendar/poster, update existing materials	Various during period	In progress