



KENYA PHARMA PROJECT

YEAR 2 ANNUAL REPORT

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Front Cover: Gladys Njeri, pharmacy technician at an African Medical and Research Foundation clinic, at the pharmacy store.

All photos courtesy of Kenya Pharma.

ACRONYMS

ARV	antiretroviral drug
CHAI	Clinton Health Access Initiative
e-SCM	electronic supply chain management
F&Q	forecasting and quantification
GOK	government of Kenya
HCSM	Health Commodities and Services Management Program
IDPIG	International Drug Price Indicator Guide
KEMSA	Kenya Medical Supplies Agency
MEDS	Mission for Essential Drugs & Supplies
NASCOP	National AIDS and Sexually Transmitted Diseases Control Program
NQCL	National Quality Control Laboratory
OI	opportunistic infection
PEPFAR	U.S. President's Emergency Plan for AIDS Relief
QA	quality assurance
SDP	service delivery point
SOP	standard operating procedures
TDF	tenofovir disoproxil fumarate
USFDA	U.S. Food and Drug Administration
WHO	World Health Organization

EXECUTIVE SUMMARY

In its second year of operation, Kenya Pharma maintained its position as a reliable supplier of high-quality, low-cost HIV/AIDS commodities. Moreover, the project improved processes to increase efficiency and cost savings and put in motion a plan to ensure the sustainability of its supply chain. The project continued to procure high-quality medications at competitive prices, while avoiding stock-outs and providing excellent customer service. In addition, Kenya Pharma improved collaboration with stakeholders and pursued opportunities and innovations to streamline processes and increase sustainability.

At the completion of Year 1, Kenya Pharma marked a year of success and potential. In terms of successes, the project implemented a rapid and smooth transition of procurement and distribution activities from the predecessor project. Through these efforts, the project was able to maintain a continual supply of critical HIV/AIDS drugs at U.S. President's Emergency Plan for AIDS Relief (PEPFAR)-supported service delivery points (SDPs). In its first year, the project also built the bulk of the performance infrastructure to be used for the remainder of the project. On the potential side, the project and USAID identified clear areas for improvement.

In Year 2, Kenya Pharma worked to address and make improvements in four critical areas: 1) improvements in technical operations to increase efficiency and cost savings, 2) increased collaboration with and integration into the national network, 3) continued focus on customer service, and 4) increased use of local drug manufacturers and test laboratories.

Improved Technical Operations

During Year 2, Kenya Pharma instituted numerous improvements in the technical operation of the supply chain that have resulted in fewer stock challenges, timely quality assurance (QA) analysis, and cost savings in transport. These improvements include:

- Sharing the project's procurement forecast with drug suppliers and QA firms to improve planning

Highlights in Year 2

Price. On average, Kenya Pharma paid 21 percent less for commodities compared to the international market price.

Availability. No reports of patients turned away due to lack of antiretroviral drugs (ARVs) at Kenya Pharma-supported sites.

Quality. Kenya Pharma issued only one post-distribution product recall and resolved four quality issues in Year 2, all of which were caught before product delivery.

Collaboration. Strong collaboration and transparency were noted as project strengths in a customer satisfaction survey and at the annual stakeholder's meeting.

Innovation. Kenya Pharma continued, improved, and pursued innovations, including a strong field presence, rolling out an improved electronic supply chain management (e-SCM) system, and beginning an ISO 9001 certification process.

See Annex A for award fee indicator data.

- Introduction of a new payment mechanism that allows suppliers to be paid most of their fee on receipt of commodities and the rest on receipt of successful QA test results
- Use of a letter-of-undertaking mechanism with suppliers that allows the project to ship products while QA analysis is in process
- Movement from 100 percent air freight shipment for commodities in Year 1 to 56 percent sea freight shipment in the last quarter
- An overhaul of the e-SCM system that improved ease of use and reporting and ordering functionality
- The start of an ISO-9001 certification process through which the project is documenting its key processes and best practices.

Together, these changes have allowed the project to be more collaborative with its suppliers, more efficient in its use of time for inbound shipments, and more responsive to SDPs.

Increased Collaboration

In Year 2, Kenya Pharma significantly improved collaboration with the government of Kenya (GOK) and other stakeholders in the HIV/AIDS community. Key examples are:

- Kenya Pharma regularly facilitates and participates in the two-pager working group and commodity security meetings.
- Project staff worked side-by-side with stakeholders in two National AIDS and Sexually Transmitted Diseases Control Program (NASCOP)-led initiatives:
 - the national data quality audit at the SDP level
 - the site harmonization process, which eliminated SDPs supplied dually by Kenya Pharma and the Kenya Medical Supplies Agency (KEMSA)
- Kenya Pharma also began coordinating with other implementing partners, including the Health Commodities and Services Management Program and the KEMSA Support Program.

The project's leadership and initiative in these collaborations have helped improve stock management in the PEPFAR and GOK pipelines and the care and treatment of all Kenyans living with HIV/AIDS.

Excellent Customer Service

Kenya Pharma continued this year to concentrate on providing good customer service, a focus that distinguishes the project from other supply chains. Kenya Pharma field service

representatives respond to the needs of SDPs and bring critical issues from the field to the central operation and from the central operation to the field. This year, the project commissioned its first independent customer satisfaction survey. Results showed high satisfaction with the project among implementing partners and SDP staff, particularly in the areas of communication, transparency and staff responsiveness. The survey also contained feedback for continuing improvements, which the project has incorporated into its Year 3 work plan.

Increased Local Capacity

Finally, Kenya Pharma increased its use of local suppliers and test laboratories. The project does a significant amount of business with two local suppliers — Universal Corporation and Cosmos — to obtain many high-quality opportunistic infection (OI) drugs in significant quantities at prices equal to or better than international prices. Through the increased business, quality inspections, and continual observation that the project provides, these manufacturers have increased their capacity, batch sizes, quality processes, and management capability. Ultimately, this collaboration put these firms in a competitive position to do more business within Kenya, the region, and internationally. At the same time, the project engaged two local laboratories — Mission for Essential Drugs & Supplies (MEDS) and the National Quality Control Laboratory (NQCL) — to test local products and other samples collected in Kenya. Again, Kenya Pharma’s business has allowed the laboratories to improve their equipment and staffing, as well as gain critical experience managing activities according to international standards of performance.

Together, these changes have resulted in a supply chain that is more robust, more responsive, and better integrated into the national system. They have also resulted in a service network that is more attentive to the needs of SDPs and to helping them improve their access to necessary information and tools. Finally, the changes are gradually bolstering systems and capacity in Kenya to increase the probability of success in an eventual transition to local entities when it is time for Kenya Pharma to close its doors.

Looking Forward

As Kenya Pharma begins Year 3, the project is looking forward to maintaining the core business of ensuring a reliable supply of high-quality, low-price commodities. At the same time, the team will continue to identify, pursue, and implement activities to improve project systems and processes and increase the sustainability of the project. Key priorities in Year 3 include improving forecasting and quantification (F&Q) with better data, improving stock-



A patient receives her medication at a clinic in Kibera.

sharing at the SDP level, reducing lead-time for local QA testing, and increasing the functionality of the project's e-SCM system. Ultimately, Kenya Pharma's goal is to hand over a supply chain that is sustainable. To achieve this, the project is creating systems and tools that will be easily transferrable and strengthening a group of local supply chain partners to be able to support an efficient supply chain. When the time comes, Kenya Pharma will welcome the opportunity to collaborate with USAID and other partners to transition operations.

SECTION I. PHARMACEUTICAL PROCUREMENT PLANNING AND MANAGEMENT

Forecasting and Quantification

In Year 1, Kenya Pharma's F&Q staff focused on quantifying existing stocks and consumption and meeting short- and long-term needs of the supply chain pipeline to ensure a rapid transition from the predecessor project. In Year 2, the team refined the F&Q processes and strengthened collaboration between the PEPFAR and GOK supply chains to improve forecasting accuracy and avoid stock-outs and rationing. The team has done so amid changes in regimens and mandate.

Three changes in Year 2 had a significant impact on F&Q. First, in June 2010, NASCOP introduced new treatment guidelines that called for the phase-out of stavudine-based regimens and phase-in of tenofovir disoproxil fumarate (TDF)-based regimens. Second, in June 2011, NASCOP implemented a site harmonization process, during which SDPs were assigned to the Kenya Pharma or KEMSA pipelines with the goal of eliminating sites serviced by both pipelines, thus improving the ordering and reporting process. Finally, in July 2011, the project's mandate was extended to include procurement of second-line ARVs, which were previously handled by the Clinton Health Access Initiative (CHAI).

A significant accomplishment in F&Q in Year 2 has been the phasing-in of TDF-based regimens and the uptake of fixed-dose medications by the Kenya Pharma pipeline. Anticipating NASCOP's announcement, Kenya Pharma had identified U.S. Food and Drug Administration (USFDA)-approved manufacturers registered in Kenya and issued its first tender within weeks of the announcement. Working with NASCOP, the order management team supported the roll out of TDF-based regimens by advising pharmacists. Similarly, the transition of second-line ARVs from CHAI to Kenya Pharma was smooth, thanks to early preparation by both partners.

Year 2 also saw closer collaboration between the GOK and PEPFAR pipelines in F&Q, resulting in improved stock management of antiretroviral therapy commodities throughout Kenya and greater support to all Kenyans living with HIV/AIDS. With the regular sharing of information via the two-pager technical working group and commodity security meetings (see Section IV for more details), all HIV/AIDS commodity stakeholders can see clearly what is in both pipelines and can proactively adjust orders and share stocks accordingly. Kenya Pharma also worked with partners to improve its stock-sharing mechanism. Previously, moving stock between partners took weeks to organize and execute; partners can now move stock within a week of a request. A memorandum of understanding is in the final stage of preparation between NASCOP and Kenya Pharma detailing a simplified stock-sharing process organized by class of drugs.

Despite adjusting to regimen and mandate changes, accuracy in F&Q in Year 2 was high. Between July 2010 and June 2011, out of 9,313,000 units forecast, 8,763,000 were

ordered, resulting in a 96.6 percent weighted average of accuracy by product. Of 13 procurement subcontracts issued, only two were modified or cancelled during the year:

- In subcontract KPP/09/10, Kenya Pharma increased the quantities of stavudine-based regimens to incorporate anticipated demand by the government.
- Subcontract KPP/01/11 was cancelled due to a manufacturer being unable to provide the product.

This high level of F&Q accuracy and collaboration between supply chains has meant fewer reports of stock-outs at PEPFAR-supported facilities, fewer instances of rationing, and fewer emergency procurements. In the past year, adequate buffer stocks and stock-sharing ensured there were no reports of patients being turned away due to lack of ARVs at PEPFAR-supported sites.

Heading into Year 3, the national F&Q exercise is underway and Kenya Pharma staff are developing critical assumptions on which to base the next year's procurement forecast. Information-sharing among pipelines and improved data collection have been critical to accurate forecasting. Project staff will monitor trends in regimen uptake and search for more detailed consumption data to improve F&Q.

Procurement

During its first year, Kenya Pharma focused on rapidly establishing efficient and compliant procurement processes to ensure a smooth transition in supplies during start-up. In Year 2, the project refined these systems and built up and maintained sufficient stocks to serve an increased patient base. In addition, project staff continued market research to identify new manufacturers and encourage product registrations in Kenya (The full market research report can be found in Annex B.).

In Year 2, Kenya Pharma procured HIV/AIDS commodities that reached 408 antiretroviral therapy sites and supported nearly 260,000 patients with first- and second-line ARVs, up from 180,000 in Year 1, and 90,000 pregnant women with prevention of mother-to-child transmission medications (see Annex C). Additionally, the project responded to ad hoc requests to procure additional drugs, including the tuberculosis medication rifampin and OI drugs to support patients in drought-affected areas in the Turkana Region. Quarterly audits indicate that all Year 2 procurements were conducted in line with established standard operating procedures (SOPs) and waivers were sought when required. Most importantly, Kenya Pharma has procured commodities at competitive prices. On average, the project's median price paid for commodities compared to international market prices in Year 2 was 79 cents to the dollar. (See Section III for more details on price efficiencies.)

To refine and streamline procurement processes, Kenya Pharma updated its procurement SOPs, including clarifying the emergency procurement process and adding a procedure for sole-source procurements. The project also modified its tender evaluation criteria to

put an increased emphasis on cost and decreased emphasis on delivery schedule (see Exhibit 1) and created past performance evaluation forms with which to better evaluate drug manufacturers' performance on product quality, delivery time, cost control, and business relations. These forms will be used starting in Year 3.

Exhibit 1. Comparison of Evaluation Criteria Presented in Requests for Proposals

	Cost	Delivery	Past Performance	Technical
Year 1	40%	40%	10%	10%
Year 2	55%	25%	20%	Y/N

In a critical step to reduce pilferage and promote USAID's support, as of June 2011, Kenya Pharma tenders included updated branding and marking requirements that ensured medication bottles, blister packs, and boxes were marked with "USAID | Kenya Pharma – Not for Resale". Kenya Pharma staff worked with USAID, Kenya's Pharmacy and Poisons Board, and suppliers when establishing the marking requirements to ensure the regulations would comply with Kenyan law and be feasible for manufacturers. Moreover, to ensure cost reasonableness, this marking requirement applies only to non-emergency procurements and only where the additional cost of marking will not increase the price by more than 0.5 percent.

To improve the project staff's understanding of supplier processes and make suppliers aware of Kenya Pharma's needs, the supply chain logistics specialist, procurement manager, and director of technical coordination traveled to India to meet with seven drug manufacturers. Based on feedback, the project implemented a payment mechanism whereby the project pays 75 percent of the fee when commodities are picked up from the manufacturer and the final 25 percent on confirmation of quality analysis. The system has aided manufacturers, who previously waited weeks for payment, and improved relationships between the suppliers and Kenya Pharma. Ultimately, this change should improve Kenya Pharma's position as a preferred customer, increase competition for its tenders, and improve prices.

Another improvement resulting from the visits to India was that Kenya Pharma began publishing its annual procurement forecast on the project website and sharing draft requests for proposals and subcontracts with suppliers. This allows manufacturers to plan for Pharma procurements, including stocking up on raw materials, thus decreasing the lead time once the project issues a tender. It has also encouraged manufacturers to register new products in Kenya, as they are able to predict demand for these products. This was particularly evident as Kenya Pharma began forecasting for TDF-based regimens based on the change in guidelines from NASCOP, after which more manufacturers registered TDF- and zidovudine-based products with the Pharmacy and Poisons Board (see Exhibit 2, below).

Exhibit 2. Registrations of TDF-Based Regimens

TDF-Based Regimens	USFDA-Certified Suppliers Registered with the Pharmacy and Poisons Board	
	End of Year 1	End of Year 2
Zidovudine/lamivudine/nevirapine	Aurobindo Pharma Ltd.	Aurobindo Pharma Ltd. Cipla Ltd. Matrix Laboratories Ltd. Strides Arcolab
Tenofovir/lamivudine	Matrix Laboratories Ltd.	Matrix Laboratories Ltd. Aurobindo Pharma Ltd. (in process) Hetero Drugs Ltd. (in process)
Tenofovir/lamivudine/efavirenz	None	Matrix Laboratories Ltd.
Co-pack tenofovir + lamivudine nevirapine	None	Matrix Laboratories Ltd.

In addition to encouraging foreign manufacturers to register more products in Kenya, the project has sought to engage local manufacturers. With the active participation of USAID/Kenya and USAID/Washington to ensure high-quality supplies, the project procures OI drugs at competitive prices from three local manufacturers: Universal Corporation Ltd., Cosmos Ltd., and Regal Pharmaceuticals Ltd. For Universal and Cosmo, Kenya Pharma represents a significant share of business. Both firms invested in new blister packaging equipment to accommodate the project’s order requirements, and Universal added other equipment and staff. As suppliers for Kenya Pharma, Universal and Cosmos have been subject to additional quality inspections, helping them to continually improve their facilities. Universal is in the process of becoming World Health Organization (WHO) pre-qualified, a certification that will open it to other business nationally, regionally, and possibly, internationally. Kenya Pharma has not only increased these firms’ capacities in terms of volume and batch size, but also their ability to adhere to international quality and supply standards and work within an efficient supply chain.

Stock Management

In Year 1, Kenya Pharma established a well-organized stock management system starting with the collection of commodities from the manufacturer, through their shipment and warehousing, and ending with their delivery to SDPs. In Year 2, the project made improvements in the system, resulting in streamlined processes and increased efficiency of the stock management process.

Inbound Shipments

To increase efficiency and cost savings to the U.S. government, in Year 2, the project improved its inbound shipping operations, including reducing idle times in shipping, eliminating customs clearance delays, and introducing the use of sea shipments.

Inbound Shipping Highlights

- 82 percent of commodities were received at the central warehouse within the period specified in the delivery subcontract.
- No losses were experienced during inbound shipping.
- 6.75 days was the average time to clear stock through customs for sea freight, less than the standard 8 days after which storage fees are charged.
- 2.17 days was the average time to clear stock through customs for air freight, down from 2.30 in Year 1.

A significant improvement in Year 2 was beginning to ship commodities while the QA analysis is in progress. In Year 1, QA approval was required before shipping. After receiving feedback from manufacturers eager to move product out of their facilities as soon as possible after production is completed and reviewing the SOPs of other supply chains, the project began accepting a letter of undertaking from manufacturers pending final QA results. This allows Pharma to ship products while the QA analysis is in progress, with the guarantee that the manufacturer will be responsible for costs to replace the product if it fails. Since establishing this process, the project has shaved about two weeks off valuable shipping time.

During a trip to India, our supply chain logistics manager connected local manufacturers with DHL staff, which improved communications and facilitated early planning for commodity shipments. As a result, in Year 2, 82 percent of commodities were received within the scheduled period, up from 78 percent in Year 1; there were no losses during inbound shipping; and the good relationship with the Kenya Revenue Authority and efficient coordination and communications by partners helped ensure that no commodities were delayed in customs. Improved planning allowed for increased use of sea shipments from none in Year 1 to 56 percent in the last quarter, which has meant significant cost savings (see Section III for details).

Warehousing

In Year 1, Kenya Pharma established a warehouse and received commodities from the predecessor project within a month of project start-up. In Year 2, warehouse operations were expanded and improved, including:

- Expansion of storage and quarantine warehouses, including an additional 10,000 ft² in warehouse space.
- Installation of a security system — an alarm system and night and day guard service — at the additional quarantine warehouses.
- Separation of storage and quarantine warehouses, including a clearer separation of quarantine stock between stock pending QA release and expired stock awaiting destruction.
- A cold storage system was installed to support procurement and storage of the OI drug amphotericin B.



Pallets and cartons of medicines that have already undergone quality assurance clearance arrive at the Phillips Healthcare Services warehouse.

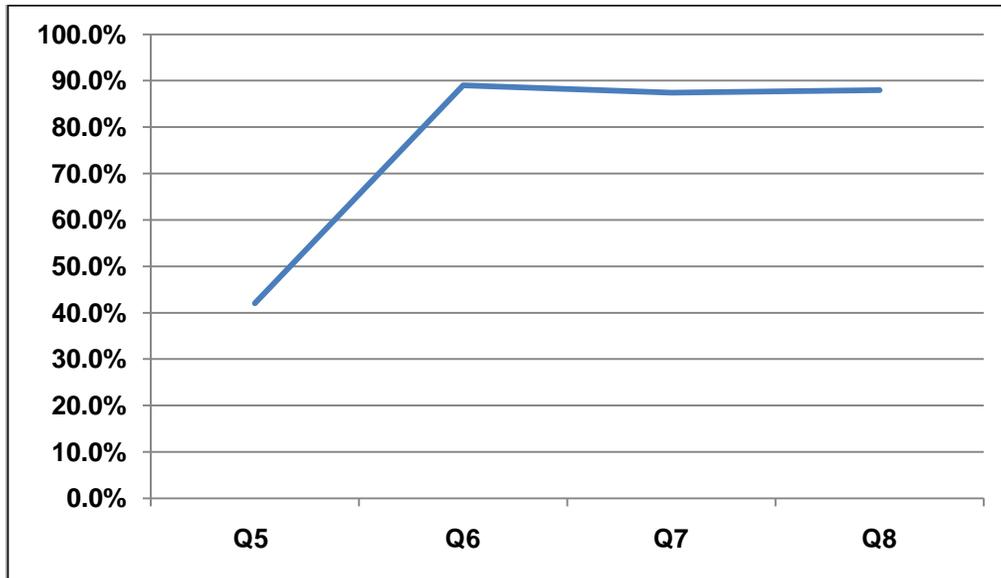
- A new generator was installed to ensure continuous electricity to the facility.
- Improvements were implemented in the QA labeling procedure to ensure that “RELEASED – Quality Assurance” stickers are stuck on every box and not just every shrink-wrapped pallet.

To ensure sound inventory management, warehouse inventory audits are conducted quarterly. During these audits a physical count is done of all items in the warehouse and reconciled with the information in the database. Based on audit data, no losses or overstocks of commodities during warehousing occurred during Year 2.

Order Management

In Year 2, the order management process improved, with the percentage of sites ordering on time rising from 42 percent in Quarter 5 to 88 percent in Quarter 8 (see Exhibit 3). The field team reminds SDPs to submit orders and, when needed, work with pharmacists to prepare and submit orders. This support has enhanced the skills of pharmacy staff and improved the quality and timeliness of reporting.

Exhibit 3. Percent of Service Delivery Points Placing Orders on Time



The leveling off in Quarters 7 and 8 is the result of the site harmonization process, after which Kenya Pharma was assigned new SDPs in harder-to-reach areas. As project field staff orient and begin supporting these SDPs, an increase in on-time reporting is expected.

When necessary, the project’s order management team consults with SDP pharmacists to clarify orders after they are submitted. During this rationalization process, the team uses data on consumption, patient numbers, and stock on hand to validate the quantities ordered by the sites. By rationalizing orders, the team gets higher-quality data, reduces

waste, and builds pharmacy staff capacity. Pharmacists appreciate hearing from project staff and receiving feedback (see text box). As SDP staff take more ownership of the ordering process, Kenya Pharma hopes to use the rationalization process less.

Kenya Pharma's order management system has been used an example for other supply chains. In Year 2, KEMSA and NASCOP representatives spent a day with the project's order management team, a session that was organized so KEMSA could learn successful order management methods as it establishes an order management team in its operations.

Communication is Key
"Before, there was very poor communication. No communication if a drug was not available. Now, we get communications every month. If they want to change the quantities, they call and tell me."
— *Simon Wahome, pharmacist, Comprehensive Care Clinic, Kenyatta Hospital*

Outbound Deliveries

In Year 2, Kenya Pharma delivered on average 72 metric tons of medications each month, more than twice the average delivered in Year 1 (For a full list of drugs distributed in Year 2 see Annex D). Since March 2010, the project has implemented load consolidation¹ in outbound deliveries, resulting in establishment of a consistent on-time delivery schedule that means improved planning for SDPs. Most orders are delivered in planned twice-monthly deliveries by the DHL fleet on consolidated routes. Courier delivery is used in less than 5 percent of deliveries, down from 27 percent in the first year. In addition to maintaining a consistent schedule, our deliveries are quick, averaging two days from dispatch from the warehouse to delivery to the SDP. Losses in outbound delivery were minor during the year, representing less than .05 percent of commodities delivered by weight. Kenya Pharma's consolidation and the increased volumes have resulted in a decrease in the average cost rate of deliveries (see Section III for details).



A DHL van on a dusty road on its way to deliver drugs to SDPs in the Central Region.

¹ The consolidation of commodities for delivery to SDPs based upon logical delivery routes.

SECTION II. PHARMACEUTICAL QUALITY ASSURANCE

Assurance of high product quality continues to be a foundation of Kenya Pharma’s operations. In its first year, the project rapidly established stringent QA processes to oversee procurement, shipment, storage, delivery, and field performance of its commodities. In Year 2, the project improved these processes to streamline operations, while continuing to ensure that it delivers consistently high-quality commodities. Kenya Pharma also increased its work with local QA laboratories and suppliers to enhance its operations. This has built their capacity to provide services and supplies to international standards in a sustainable manner.

As mentioned in the previous section, in Year 2, Kenya Pharma began accepting a letter of undertaking from suppliers, allowing the project to ship commodities while QA analysis is in progress. This has saved the project valuable time in procurement, and since this change was made, there have been no quality problems.

Post-market QA surveillance began in Year 2, and the QA team has visited 24 sites in two regions. During these visits, Kenya Pharma staff physically inspect commodities and collect samples for laboratory analysis. To date, there has been a 100 percent pass rate of these random QA certifications. These visits are also a chance to advise SDP staff about proper storage and handling procedures, assess the adequacy of local storage infrastructure, and address any quality concerns. In Year 2, Kenya Pharma staff also updated the QA SOPs to include recall level classification and amend the sampling percentages to allow lower batch sampling for USAID-approved, USFDA-approved and -inspected, and WHO-approved suppliers, aligning the project closer with other international supply chains (see Exhibit 4). Lowering the sampling requirement has resulted in medications reaching beneficiaries sooner and represents significant cost savings to the project.

Exhibit 4. Required QA Batch Sampling Percentages by Vendor Type

Vendor Type	Batch Sampling (%)	
	Year 1	Year 2
USFDA-approved/tentatively approved suppliers	100	5
WHO-approved suppliers	100	5
USAID-approved suppliers	100	10
USFDA-inspected manufacturing sites	100	10
Others (not USFDA/WHO/USAID-approved)	100	100

To better understand the operations and build relationship with the project’s QA subcontractor, the QA manager visited Vimta Labs. During the visit to India, project staff inspected the premises and operations, assessed QA testing processes and procedures, and discussed pending issues and solutions. As a result of this trip, Kenya Pharma began providing Vimta with an anticipated three-month schedule of upcoming inspections, and the partners established clearer communication channels for discussing issues and delays.

During its first year, the project experienced delays in receiving laboratory testing results from Vimta as the company underwent an extensive audit. To overcome interruptions in distribution, Kenya Pharma increased its use of two local QA laboratories — NQCL and MEDS — on an ad hoc basis. In Year 2, Kenya Pharma established strong relationships with both laboratories to analyze the bulk of the locally procured OI drugs. By the end of the second year, the local QA firms analyzed 827 batches of locally procured OI drugs. This partnership helped the project avoid the QA bottlenecks seen in Year 1. It also built the capacity of the local laboratories, making them viable parts of an efficient, sustainable supply chain in Kenya (see box).

Pharma Support to NQCL

Kenya Pharma is one of NQCL's biggest clients, representing about 20 percent of its business. The project's payments for testing have allowed NQCL buy additional supplies, maintain and repair equipment, and hire additional staff.

Kenya Pharma also is purchasing equipment for NQCL, which will increase its capacity to service the project's and other supply chains.

"This will change significantly the way we work in this institution," said Hezekiah Chepkwony, director.

NQCL has also leveraged its relationship with Kenya Pharma when pursuing other clients.

One constraint faced by Vimta and the local laboratories is the requirement of 100 percent batch testing of locally supplied OI drugs. As both local suppliers have had a consistent QA testing pass rate, the project is working to reduce the batch testing percentage for locally manufactured commodities in Year 3 (See Annex E for a summary of OI drug laboratory analyses.).

In November 2010, Kenya Pharma recalled one product — mebendazole suspension 100 mg/5 ml — due to caking. Following its SOP, Kenya Pharma issued a Class II, Type B recall instructing all treatment centers to return the affected medicines, as this product could cause temporary or medically reversible health problems. Unused product was collected from health facilities. (A full report of the recall is included in Annex F.)



A staff member conducts quality tests at NQCL.

In addition to this recall, Kenya Pharma identified four quality issues in Year 2, which were caught before product delivery and resolved.

Exhibit 5. Quality Issues in Year 2

Product	Manufacturer/ Supplier	Issue	Resolution
Cotrimoxazole 960 mg tablets	Universal Corp. Ltd.	One batch failed to comply with uniform of weight specifications.	The batch was collected from quarantine and replaced by the manufacturer.
Nevirapine 200 mg tablets	Strides Arcolab	The consignment failed to comply with contract packaging specifications (product packed in 3-ply cartons instead of 5-ply cartons).	The packaging issue was noted during pre-shipment inspection. The manufacturer repackaged the product.
Cotrimoxazole 480 mg tablets	IDA	The consignment failed to comply with contract packaging specifications (product packed in 3-ply cartons instead of 5-ply cartons).	Repacking was done at the manufacturer's cost at the KEMSA warehouse where the product had been delivered.
Cotrimoxazole 240mg/5mL suspension	Cosmos Ltd.	The product failed to comply with the individual bottle packaging requirement stipulated in the contract, and the commodities were short-packed on delivery.	The manufacturer collected the product from quarantine area and repacked. The repacked consignment was accepted and no short-packing was noted.

Kenya Pharma regularly monitors product expiration and, when necessary, quarantines and properly destroys expired product in close conjunction with USAID. In September 2010, the project disposed of nearly 4,000 kg of expired product that was handed over from the predecessor project. The project's close monitoring of expiration and accurate forecasting has meant that to date no commodities procured by Kenya Pharma have expired on the shelf. (See Annex G for full expiry report.)

SECTION III. PHARMACEUTICAL PRICE AND OTHER SUPPLY CHAIN EFFICIENCIES

Year 2 saw continuing gains in price and other supply chain efficiencies. Notably, Kenya Pharma continued to procure commodities at prices below median international prices, and these prices continued to decline, on average. The project also lowered inbound and outbound shipping cost rates, despite the fact that inflation has risen to 17 percent in Kenya in 2011. These cost savings mean the project can serve and improve the lives of more patients. The project also implemented mechanisms to streamline supply chain procedures, ensuring its high-quality commodities are distributed as quickly as possible. Finally, Kenya Pharma also worked to create efficiencies in its operations and financial management.

In Year 2, Kenya Pharma continued to purchase commodities at competitive prices. As illustrated in Exhibit 6 on the following page, although prices for many drugs have declined since the project started, Kenya Pharma has consistently purchased these drugs at prices below international market price and the price paid by other supply chains. On average, the project paid 21 percent less for all commodities compared to the international market price as reported in the International Drug Price Indicator Guide (IDPIG). The ratio of median prices² (Kenya Pharma: IDPIG) for OI drugs was 0.84:1, down from 0.91:1 in Year 1, and for ARVs was 0.72:1, comparable to the ratio in Year 1.

In the first year, all Kenya Pharma commodities were shipped by air. In Year 2, the project began sea shipment so that by the end of the year, 37 percent of all shipments were by sea. This lowered the average shipment cost per kilogram shipped by 19 percent, from KES 254/kg in the first year to KES 205/kg in the last quarter. This has meant a cost savings of more than 20 million KES, compared to what the project would have paid if it continued 100 percent air shipments. The project also saved funds by delivering commodities that Kenya Pharma procures for both pipelines directly to KEMSA, thus avoiding Phillips Healthcare Services Ltd.'s 1 percent warehousing fee.

On outbound delivery, load consolidation resulted in a consistent delivery schedule and reduction of courier delivery. Higher volumes lowered costs so that the average price per kilogram delivered fell from KES 126.5/kg in Year 1 to KES 103.4/kg in Year 2, an 18 percent reduction.

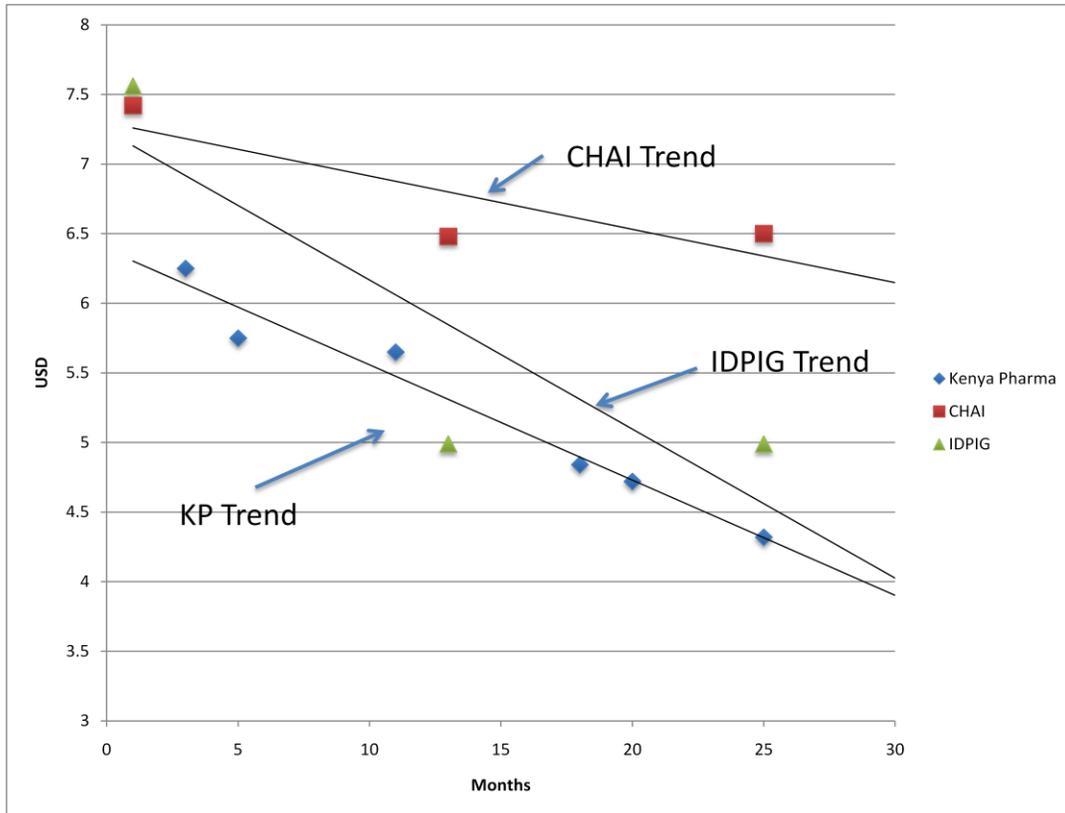
Although minimizing costs is important, Kenya Pharma is also committed to balancing these savings with maintaining a responsive supply chain that can react quickly to urgent

² Ratio was calculated as follows:

1. **Median international price determination:** Obtained from the IDPIG website.
2. **Median price paid for each commodity:** Actual prices paid for each commodity were obtained from project procurement records (see Annex H). The median price was calculated for each product.
3. **Ratio for each product:** For each product, the ratio was calculated by dividing the median price paid by the median international price.
4. **Ratio by commodity category and overall:** Ratios were calculated by product category (OIs and ARVs) and both categories/combined categories. The per-category and overall ratios are averages.

requests and emergencies. The project will continue to refine procurement processes to balance these sometimes-conflicting priorities.

Exhibit 6. Unit Price Paid for d4T/3TC/NVP Fixed-Dose Combination Compared to IDPIG and CHAI Prices



In Year 2, Kenya Pharma put in place measures to reduce the time from procurement to delivery. The project’s more accurate and longer horizon forecast has meant better planning and less emphasis on rapid delivery schedules in its procurements. Publishing project forecasts and marking and packaging requirements encourages manufacturers to register new products in Kenya, and they have more lead time to prepare for Pharma procurements, meaning increased cost competitiveness. Once an order is placed, Kenya Pharma staff set in motion concurrent processes of quality assurance, shipping, and custom clearance, ensuring the product arrives without unnecessary delay. The order rationalization process ensures SDPs are adequately stocked and decreases waste. When necessary staff redistribute drugs to facilities holding lower stock, thereby avoiding expiries. Although challenging to monetize, these efficiencies mean a cheaper, faster, and more reliable supply chain and less waste at the SDP level.

Kenya Pharma is continually looking for innovations to increase efficiency, save money and increase the sustainability of the supply chain. In Year 1, the project introduced a number of innovative mechanisms. As a *service innovation*, the field team makes the project customer-centric and provides critical field intelligence. The e-SCM system is a *core process innovation* that has streamlined operations and brought critical information

into one central location (see Section IV for details on e-SCM system improvements in Year 2).

In Year 2, Kenya Pharma focused on innovation for sustainability. The ISO 9001 certification process is a *sustainability innovation* aimed at improving project systems and processes for a more efficient and sustainable supply chain and making handover to other organizations at the end of the project easier. In January, two ISO 9001 consultants visited the project to jump-start the process, introducing ISO 9001 principles to the staff and working with them to develop work procedures and process maps. To date, the team has developed 37 process maps and work instructions and standardized 40 forms and templates.

In project Year 2, Kenya Pharma also continued working to create efficiencies in its operations and financial management. The project negotiated subcontracts that ensure the project pays a competitive — but not generous — price and that it rewards efficiencies. In the case of freight-forwarding services, Kenya Pharma established a volume-based rate for outbound delivery that allows increased cost savings as volume increases and encourages load consolidation. In its subcontract for storage, handling, and procurement administration services, the project opted to pay a small flat percentage fee against the value of all commodities handled. As the value of procurement increases, the project's charges increase proportionally and vice versa. This mechanism incentivizes efficiency and has allowed the project to be flexible, as regimen and mandate changes have affected procurement. For quality testing services, Kenya Pharma was able to negotiate reduced rates by guaranteeing a certain level of volume.

As shown in Annex I, total project expenditures in the management category for Year 2 were only 66 percent of their quarterly budget and 88 percent of their annual budget. Every line item except other direct costs and subcontracts was under its budgeted amount in Year 2. The other direct cost line item exceeded its budget due to payments for local laboratory services while subcontracts with NQCL and MEDS were established and due to support given to NASCOP in the form of printing for new reporting tools. In the case of subcontracts, the small (7 percent) overage in the line item was due primarily to the costs of inbound freight slightly exceeding work plan budget estimates. This was mostly due to the inbound quantities of cotrimoxazole (which is bulky) being far greater than anticipated when the work plan budget was being formulated. There were no cost overruns or disallowed costs in Year 2. Kenya Pharma hopes to be able to invest a small portion of these savings in the coming year in activities to promote innovation, efficiency enhancement, and increased sustainability.

The project has also benefited from the worldwide decline in HIV/AIDS drug prices. Due to this trend, Kenya Pharma has been able to serve a first-line antiretroviral therapy patient for less than \$100 per year (sometimes for less than \$50), whereas the original contract estimate was that a full year of ARV treatment would cost \$1,000 to \$1,500. As a result, the project's procurement expenditures have been lower than originally budgeted (while serving more people with a broader spectrum of drugs).

Although the project incorporated many efficiencies in Year 2, a major challenge was the lack of a chief of party. After transitioning the original chief of party, the project began recruiting for a replacement and fielded the new chief of party in September 2011, one year later. The project provided coverage with acting chiefs of party, while continuing to run an efficient and reliable supply chain and making significant improvements. Nevertheless, the temporary and rotating leadership limited the ability of staff to focus on innovation and cost efficiency. Moving forward in Year 3 under new leadership, Kenya Pharma is committed to pursuing more opportunities to innovate and improve.

SECTION IV. COLLABORATION WITH STAKEHOLDERS

One of Year 2's biggest improvements was increased collaboration with stakeholders. Kenya Pharma improved collaboration at the national, regional, provincial, and district levels by engaging stakeholders at each level. The project's team of field service representatives provides a direct interface with SDP-level staff, which allows efficient communication from the field to the center and from the center to the field. The direct customer service interface enabled Kenya Pharma to improve timely reporting rates and contributes greatly to the project's high marks in customer satisfaction. This year project staff also reached out to other USAID implementing partners to leverage projects for increased impact. Kenya Pharma also institutes activities specifically to gather feedback from stakeholders and beneficiaries, including its annual stakeholder meeting and a customer satisfaction survey.

At a national level, Kenya Pharma works with key stakeholders supporting those living with HIV/AIDS, including NASCOP, KEMSA, CHAI, and *Médecins Sans Frontières*. This year, Kenya Pharma, along with the other key HIV/AIDS supply chain stakeholders, helped institute a two-pager technical working group that meets every month ahead of the commodity security meeting. The working group shares stock and pipeline information, analyzes trends in consumption, and prepares the two-pager report presented at every commodity security meeting. Kenya Pharma staff regularly attend the commodity security meetings, which bring together stakeholders involved in other commodity supply chains, and the annual national F&Q exercise.

As a result of this collaboration at the national level, key partners know the status of the pipelines and are aware of any issues. This transparency is critical to the efficient transition of CHAI's pipelines to KEMSA and Kenya Pharma, and will be integral to the eventual transfer of Kenya Pharma's processes and commodities to another organization. The collaboration also facilitated the improved stock-sharing mechanism between the partners. "A process that used to take days, weeks, and even months, now has been collapsed to 1-2 days," said Davis Karambi, access program analyst, CHAI.

Increased Collaboration with Stakeholders

Kenya Pharma participated in and/or facilitated the following meetings and activities:

National level

- Data quality audit
- Monthly commodity security meetings
- Two-pager technical working group
- National forecasting and quantification exercise
- SDP site harmonization
- Kenya Pharma's annual stakeholders meeting

Regional, provincial, and district level

- Regional stakeholder meetings
- Provincial health management team meetings
- District health management team meetings
- Meetings with partners (e.g. MSH, the AIDS, Population and Health Integrated Assistance Plus Project, International Center for AIDS Care and Treatment Programs).

Working with CHAI

"Since 2009, we've been working together as a team. I can't remember a time from before when the two pipeline partners sat down before the Commodity Security Exchange. Now it is standard."

— Davis Karambi,
access program analyst, CHAI

Kenya Pharma supported two NASCOP-led initiatives this year: a national data quality audit and the SDP site harmonization process. For the data quality audit, the project's field service representatives partnered with provincial pharmacists and NASCOP representatives to verify submitted reports against data from reporting books held in the SDPs. During the site harmonization exercise, Kenya Pharma's field staff actively participated by disseminating NASCOP's circular to inform all ordering points of their assigned pipeline and to ensure open communication channels with SDPs. A sign of confidence in the project was the assignment of Kenya Pharma to hard-to-reach SDPs.

Harmonization with NASCOP

"Before [Kenya Pharma] came on board, we had some challenges with supply, particularly with sites that received dual supply. Kenya Pharma and NASCOP came together, realized this was an issue, and worked very closely to harmonize the sites. The sites are now being supplied well."

— Ibrahim Mohammed, head, NASCOP

Kenya Pharma staff also engage stakeholders at the regional, provincial, and district levels by attending regional stakeholder and partner-led meetings. In Year 2, field staff began attending and facilitating provincial health management team and district health management team meetings.

Kenya Pharma has strong relationships with its beneficiaries — the SDPs — thanks to the project's extensive field presence. Field service representatives visit each ordering SDP site monthly and are always accessible by phone. They support pharmacists in using the e-SCM system, remind SDPs to submit orders on time, answer questions, solve problems, and bring critical issues to the technical and senior management team. For many SDPs, the support supplied by the field service representatives is invaluable (see text box).

Praise for Field Service Representatives

"The field service representatives have added value. We feel like they are with us. If I need something, I call [my field agent] and she knows how to address the issue. I don't need to call Nairobi. It's absolutely necessary. We find it important."

— Beatrice Jakait,
chief pharmacist, AMPATH

In addition to working with HIV/AIDS stakeholders, Kenya Pharma is reaching out to other USAID implementing partners to leverage their mandates and better implement USAID's vision. An example involves the USAID-funded Health Commodities and Services Management Program (HCSM), which is helping to strengthen commodity management systems in Kenya's central health ministries and in peripheral facilities. One way HCSM and Kenya Pharma have effectively collaborated is through coordination of information system tools. Kenya Pharma's website provides a link to download HCSM's ARV dispensing tool, and field service representatives and e-SCM system manager are trained on the tool and able to provide support to SDPs when needed.



Michael Sariku Lenkak, facility clinical technician at South Horr dispensary, with Ezekiel Chepkwony, Kenya Pharma field agent, during a regular site visit. The dispensary is a satellite of Baragoi District Hospital.

As the project has begun to organize and facilitate regional and provincial level meetings, HCSM staff have used this forum to discuss their issues. HCSM has also leveraged Kenya Pharma’s field service representatives to get feedback on issues facilities are facing.

A Unique Relationship Helps Patients

“We appreciate the unique nature of the Kenya Pharma project. Our projects can work together because ultimately it’s the same patient,”

— Joseph Mukoko,
HCSM program deputy chief of party.

Recently, project staff met with KEMSA and the USAID-funded KEMSA Support Program staff to demonstrate Kenya Pharma’s e-SCM system. The e-SCM system manager also presented the system at KEMSA’s national logistics information management system workshop and is participating in KEMSA’s national logistics information management system Way Forward group, which will examine what other partners have done on information systems and how KEMSA can leverage these frameworks, tools, and lessons learned and contribute to project design.

Beyond collaborating with stakeholders and other implementing partners to improve systems and increase impact, Kenya Pharma has established mechanisms to gather feedback on how the project is doing and has consistently used this feedback in project planning. This is perhaps most demonstrated by the project’s annual stakeholder meeting. At this event, Kenya Pharma invites stakeholders to discuss the project’s operations and solicit feedback on its strengths and weaknesses to guide work planning for the upcoming year. At this year’s stakeholder meeting, the project was commended for being receptive to feedback, and it was noted that suggestions made at Year 1’s stakeholder’s forum were acted on.

Stakeholders Point to Project Strengths

A few of Kenya Pharma strengths noted at this year’s stakeholders meeting.

- *Adequate stocks.* Pharma’s F&Q, procurement, and distribution processes, including sufficient buffers, resulted in facilities being appropriately stocked.
- *Efficient deliveries.* Pharma’s efficient and timely deliveries created confidence in the supply chain. Facilities know that their drugs will be delivered and on time.
- *Field presence.* Pharma’s customer-centric field operations approach enhanced communications and ensured issues were resolved quickly.
- *Good collaboration with partners.* Pharma’s collaboration efforts were commended, including ensuring its systems are aligned with GOK systems.
- *e-SCM system.* The e-SCM system is a project innovation that allows stakeholders easy access to key information.
- *Strengthening Kenyan organizations.* Pharma supported development of local organizations and companies through its use of Kenyan pharmaceutical manufacturing firms and testing laboratories.

In its second year, Kenya Pharma contracted a Kenyan consulting company to conduct a customer satisfaction survey, targeting SDPs, implementing partners, and regional- and provincial-level officials. The project was commended on its high-quality products, timely delivery, and clear communication and feedback mechanisms (see text box for highlights from the customer satisfaction survey). Collaboration at the district and provincial levels with the provincial health management team and district health management team was identified as an area for improvement, which project staff have begun to address and have made progress.

Customer Satisfaction Survey Highlights

- 100 percent of implementing partners and 94 percent of SDPs have a good or excellent impression of the project.
- High customer satisfaction reported on quality, availability, accessibility, shelf life duration, and delivery against order of commodities Kenya Pharma distributes.
- Staff were commended for their courtesy, flexibility, and readiness to respond to normal and urgent requests. Field service representatives were singled out as being very responsive.
- Two areas of greatest strength were timely deliveries and communication. SDPs in particular appreciated feedback received after placing orders.

SECTION V. REPORTING

In its first year, Kenya Pharma established its core technical reporting processes, facilitated by the e-SCM system and field service representatives. In Year 2, the project built on these structures to improve data quality, accuracy, and readability of information the project collects and gives out. In addition, Kenya Pharma worked to improve its management and financial reporting to USAID.

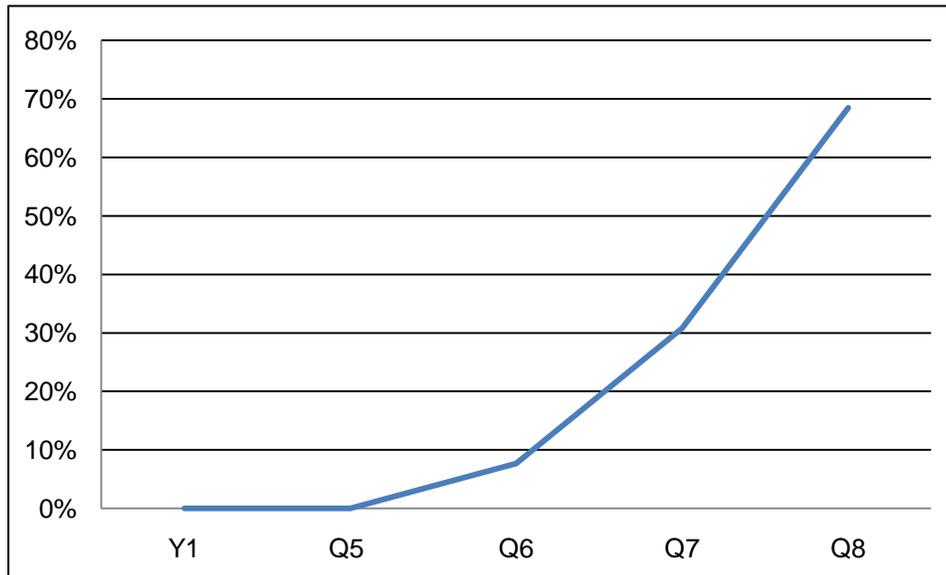
A major accomplishment in technical reporting in Year 2 was the improved e-SCM system. Based on feedback from users in Year 1, Kenya Pharma revamped its website and database to be faster and more user-friendly. Reporting functionality has greatly improved; stock status reports and data needed for the two-pager are now easily created. Staff also updated the e-SCM system's order and report forms to align with the new ARV reporting book rolled out by NASCOP this year. The site also now links numerous resources for SDPs, manufacturers, and other stakeholders, including:

- Kenya Pharma's annual procurement forecast
- Management Sciences for Health's ARV dispensing tool
- WHO/NASCOP treatment guidelines and annexes
- NASCOP circulars
- Two-pager reports

The new e-SCM system site was rolled out in March 2011, followed by an extensive outreach period. The project's field team and e-SCM system staff visited each SDP to train pharmacists and pharmacy technicians how to use the site to place orders, submit reports, and view stock levels. The e-SCM system team created a user guide to leave with SDPs and other users that provides step-by-step instructions on the system's major functions. Since rollout, 704 end-users have been registered and the percentage of SDPs submitting orders via the system continues to climb. As more SDPs use the e-SCM system to submit reports and place orders, the real value of the system has become clear. Project staff and other users are able to produce reports with real-time data, which is critical for order management and accurate F&Q.

Moving into Year 3, the project continues to develop the e-SCM system to take it from being an ordering and reporting tool to a fully functional supply chain management tool, able to assist with F&Q, procurement, and tracking commodity flow. The project is engaging local information technology firms to develop and incorporate new modules into the e-SCM system, while ensuring it continues to be easily integrated and interoperable with GOK information systems.

Exhibit 7. Percent of Sites Submitting Orders on the e-SCM System



The reports Kenya Pharma creates are only as good as the data contained within. This year's data quality audit provided an opportunity for staff to improve data quality by providing on-the-job training with SDP staff responsible for reporting. As the audit teams found inconsistencies in data during their visits, they immediately worked with staff to address the issue.

In addition to technical reporting, Kenya Pharma worked to improve its management and financial reporting to USAID. The project continues to be diligent about timely and accurate submission of reports and requests to USAID. Deadlines have been observed for all reports, including financial, quarterly, and annual reports and the team has improved its timeliness in submitting approval requests. The project consistently follows specifications in Kenya Pharma's branding and marking plan (see Annex J). In an effort to improve communications among its staff and partners, Kenya Pharma established a Twitter feed and Facebook page and has begun publishing internal and external newsletters.

SECTION VI. LOOKING AHEAD

Year 2 was a time of transition, growth, and improvement for Kenya Pharma. The project was able to maintain and strengthen its position as a reliable supplier of high-quality, low-cost HIV/AIDS commodities in Kenya by improving its technical operations and collaboration with stakeholders and continuing to focus on customer service. At the same time, Kenya Pharma has made a point of working with and enhancing the capacity of local supply chain partners, with the goal of passing on a sustainable supply chain at the end of the project. As Year 3 begins, the project continues to concentrate on improving its systems and working toward sustainability. With these objectives in mind, the project has identified the following priorities and innovations for Year 3:

Forecasting and Quantification

To improve accuracy in F&Q, this year, staff will focus on using more reliable data, including average monthly consumption rates, and developing a clearer and more comprehensive stock-tracking tool.

Procurement

To ensure Kenya Pharma continues to procure commodities at competitive prices, staff are seeking to further develop relationships with suppliers by exploring long-term contracts and improving order scheduling through increased collaboration with global supply chains, including the Supply Chain Management System and the USAID-supported DELIVER Project.

Quality Assurance

To ensure Kenyans continue to receive high quality drugs in a timely fashion, this year the project has prioritized reducing lead time for local QA laboratories and batch testing percentage for locally manufactured commodities. In addition, staff have planned more post market surveillance visits.

Stock Management

To improve management of stock from the manufacturer to the SDP, this year, the project plans to work with stakeholders to map all serviced sites. Kenya Pharma will continue to work with its freight-forwarding subcontractor, DHL, to find efficiencies in shipping and distribution. To guarantee drug availability at the SDPs, staff will focus on formalizing an efficient stock-sharing mechanism among SDPs.

Field Operations

To continue improving collaboration at the district and provincial levels, the project will focus on reaching out to stakeholders at these levels and is planning more field visits by technical staff.

Reporting

To scale-up e-SCM system use, Kenya Pharma is working with local firms to develop new modules, including:

- Mobile application for ordering, reporting, and tracking
- Direct upload function that will accept Excel uploads for orders and reports, allowing SDPs with intermittent or no internet connection to work on forms offline and submit them at their convenience
- Integration with F&Q and procurement software to make the system a complete supply management tool
- Integration with DHL to capture shipping and delivery information to the last mile

To improve data quality and analysis, staff will also work to link internal project data with the national logistics management information system and the district health information software 2 system.

While working to meet these goals and continually improve its operations, Kenya Pharma is preparing its transition strategy for eventual handover of the supply chain. Staff are developing systems and tools that will be easily transferrable. The project also has helped create a cadre of local partners able to support an efficient supply chain, including DHL Excel, Phillips Healthcare Services, NQCL, MEDS, Universal Corporation, and Cosmos.

Kenya Pharma pursued ISO 9001 certification with the goal of creating a sustainable supply chain that would be easily passed on. Through the certification process, project staff are documenting systems, procedures, and processes that represent the best practices in the industry refined by more than two years of lessons learned in the Kenya context. Once ISO-certified, Kenya Pharma will share its set of overarching procedures and detailed processes maps, along with a system for continual improvement.

The e-SCM system was designed to match local systems and be fully transferrable. Kenya Pharma is working with key stakeholders, including NASCOP, KEMSA, KEMSA Support Program, and HCMS, to ensure the system is interoperable with their systems. The system is fully supported by local talent, including the e-SCM system manager and local information technology firms the project is engaging to develop new modules. Moreover, the project's e-SCM system programming is non-proprietary, ensuring it can be used and adapted long after Kenya Pharma leaves.



Two happy patients who receive their medicines from Tabitha Medical Clinic in Kibera.

The core of Kenya Pharma's work (procurement, shipment, and delivery) is done by two local subcontractors: Phillips Healthcare Services and DHL. In the last two years, both firms have established systems and capacity that will allow them to continue running an effective supply chain after the project ends. Before partnering with Pharma, Phillips Pharmaceuticals (the parent company to Phillips Healthcare Services) was supplying high-end pharmaceuticals targeted at the top 20 percent wealth percentile of Kenyans. Phillips Pharmaceuticals created Phillips Healthcare Services after collaborating with Kenya Pharma, with the goal of breaking into new markets. It is now working with CHAI and the Kenya Nutrition and HIV Program and has been approached by the Global Alliance for Improved Nutrition.

Kenya Pharma's local procurement of pharmaceuticals for OIs and increased reliance on local testing has strengthened the capacity of local manufacturers and QA laboratories. These firms have improved their facilities, invested in new equipment, and taken on additional staff. They have proven their ability to work within an efficient supply chain and adhere to international quality and supply standards.

In its second year, Kenya Pharma built on the strong, flexible, and responsive supply chain it created in Year 1 by improving processes and pursuing innovations through its field operations, e-SCM system, and ISO 9001 certification. As the project moves into its third year, it is well placed to continue improving its systems while creating a supply chain that can be largely supported by local entities. Kenya Pharma looks forward to working with USAID and partners to ensure a seamless transition.

ANNEX A. INDICATOR REPORT

USAID PEPFAR Objective: Care and treatment of persons with HIV/AIDS in Kenya supported								
Project Objective: PEPFAR supply chain to provide commodities for care and treatment of persons with HIV/AIDS strengthened								
IR 1. Pharmaceutical procurement planning and management enhanced								
Sub IR 1.1. Forecasting, quantification, and warehousing improved								
Indicator No.	Indicator	Target	Q5	Q6	Q7	Q8	Annual	Comments
Award Fee Indicators								
1.1.1	Accuracy in forecasting and quantification.	>85%	-	-	-	-	96.6%	Between July 2010 and June 2011, out of 9,313,000 units forecast, 8,763,000 were ordered. Reported annually.
1.1.2	Percentage contracting officer-approved subcontracts modified or cancelled during the year.	<10%	-	-	-	-	15.4%	Two of 13 subcontracts were modified or cancelled during the year. In subcontract KPP/09/10, Pharma increased the number of stavudine-based regimens to incorporate anticipated demand for the government. For subcontract KPP/01/11, the manufacturer was unable to provide the product, hence the cancellation. Reported annually.
1.1.3	Subcontract approval requests are complete, accurate, and submitted on time.	>95%	100%	100%	100%	100%	100%	12 subcontract approval requests complete, accurate, and submitted on time for 76 products during the year. Reported annually.
1.1.4	Waiver requests prepared and accurate.	>95%	100%	100%	100%	100%	100%	86 waivers for commodities in the different procurement contracts prepared during the financial year. These waivers are broken down for different shipments.
1.1.5	Procurements done in line with procurement SOPs.	>98%	100%	100%	100%	100%	100%	All procurements done in line with procurement SOPs. Where waivers were required they were sought, e.g. waiver

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Indicator No.	Indicator	Target	Q5	Q6	Q7	Q8	Annual	Comments
								granted by USAID for supplies from MEDS to supply neonatal ampiclox and tetracycline eye ointment as MEDS are not Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme -certified.
1.1.6	Commodities received in central warehouse within scheduled time frame.	>95%	90.3	94	80	28.6	81.9%	Q8 had major delays as a result of port congestion because vessels took longer than usual to dock and discharge. Transfer of containers from port to container freight station was also delayed by introduction of a new procedure to weigh all containers leaving port, causing a backlog.
1.1.7	Wastage/loss/expiries during storage and handling.	<2%	0	0.07	0	0.02	0.04	Losses in Q6 and Q8 totaled 181.4 kg out of 420,315.7 kg during outbound delivery.
1.1.8	SDPs are adequately stocked according to recommended practices.	>95%	-	-	-	75.8	75.8%	Data for Q5, Q6, and Q7 were incomplete or not organized well enough for a comprehensive analysis. In Q8, analysis of data for four key regimens (TDF/3TC/EFV, D4T/3TC/NEV, AZT/3TC/NEV and D4T/3TC/NEV – child) for July and August where data are available for an average of 79% of SDPs (out of 130 SDPs serviced) revealed 75.8% have stocks of one month and more. Efforts are

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Project Objective: PEPFAR supply chain to provide commodities for care and treatment of persons with HIV/AIDS strengthened								
IR 1. Pharmaceutical procurement planning and management enhanced								
Sub IR 1.1. Forecasting, quantification, and warehousing improved								
Indicator No.	Indicator	Target	Q5	Q6	Q7	Q8	Annual	Comments
								being made to gather more complete data in the coming quarter.
1.1.9	Annual inventory audit conducted and reconciled with e-SCM records.	Yes	Yes	Yes	Yes	Yes	Yes	Stocktaking and reconciliation of the physical count with the e-SCM are conducted quarterly.
1.1.10	Regular inventory reports easily accessible and accurate.	Yes	Yes	Yes	Yes	Yes	Yes	Quarterly inventory counts are undertaken quarterly by Kenya Pharma and reports are available.
Supplemental Indicator								
1.1.11	Average time taken to clear stock through customs (days).	Air freight 3 days*	2.5	2.1	2.1	2	2.17	Annual average is calculated from the whole year's data, not quarterly averages.
		Sea freight 10 days*	9.6	5.5	9.4	15.8	6.75	Annual average is calculated from whole year's data, not quarterly averages. Q8 had major delays due to port congestion because vessels took longer than usual to dock and discharge. Transfer of containers from port to container freight station was also delayed by introduction of a new procedure to weigh all containers leaving port, causing a backlog.
Sub IR 1.2. Market research utilized in implementation								
Award Fee Indicators								
1.2.1	Market surveys conducted.	4/year	7	0	3	3	13	13 market surveys were conducted to identify new product sources, international median drug prices, and approval and registration status

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Sub IR 1.1. Forecasting, quantification, and warehousing improved								
Indicator No.	Indicator	Target	Q5	Q6	Q7	Q8	Annual	Comments
1.2.2	Approved commodity sources identified.	>10/year	16	16	16	18	18	There are 18 approved commodity sources: Strides, Cipla, Macleods, Hetero, Bristol Myers Squibb, Aurobindo, Merck Sharp & Dohme, Emcure, Glaxo Smith Kline, Boehringer Ingelheim, Universal, Cosmos, IDA, Mission Pharma, Regal, Matrix, Abbott, and Medical Export Group.
Sub IR 1.3. Stock outs eliminated and customer satisfaction improved								
Award Fee Indicators								
1.3.1	No Pharma-serviced health facilities experiencing OI drugs stock-outs in the preceding 12 months.	<5%	No data	No data	4%	0%	2%	This indicator started being measured in Q7, when field agents reported stock-outs at seven out of 180 SDPs (4%) (defined as a situation where a patient is turned away due to a lack of drugs). Q8 reported no stock-outs, making the average for the two quarters 2%. In Q5 and Q6, facilities were not reporting on patients on Cotri. Tools were distributed in April/May 2011. Currently, all SDPs have been supplied for universal access of Cotri.
1.3.2	Quality rating on customer service satisfaction survey.	Good		-	-	Good	Good (76.5%)	A nationwide customer satisfaction survey in September 2011 showed average customer satisfaction at 76.5%.
1.3.3	Notification to USAID on potential problems	Yes	Yes	Yes	Yes	Yes	Yes.	Notification includes regular stock status reports and early

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IR 1. Pharmaceutical procurement planning and management enhanced								
Sub IR 1.1. Forecasting, quantification, and warehousing improved								
Indicator No.	Indicator	Target	Q5	Q6	Q7	Q8	Annual	Comments
	identified and solved throughout the supply chain.							notice on anticipating QA delays. For details, see QA narrative.
Supplemental Indicator								
1.3.4	Percentage of health facilities that experience ARV stock-outs in the last three months.	<5%*	0	0	0	0	0	ARV stock-out not experienced during the year. A stock-out was defined as a situation where a patient is turned away due to a lack of drugs. Stock-sharing between SDPs as they await replenishment has ensured this does not happen.
Sub IR 1.4. Shipments received within reasonable time at order sites								
Award Fee Indicators								
1.4.1	SDPs receiving shipments within four working days after anticipated delivery schedule.	>95%	98.8	99.1	99.8	99.8	99.4	
1.4.2	SDP reports generated and potential problems identified and solved throughout supply chain.	Yes	-	Yes	Yes	Yes	Yes	Problems identified and resolved Include storage assessment and SDP buffering after order rationalization, excess drugs redistributed to avoid expiry, expired drugs collected to create space for usable drugs, and storage reorganized to ensure proper commodity storage and access.
Supplemental Indicators								
1.4.3	Percentage of SDP orders received in central warehouse by scheduled time frame.	80%*	42	89	87.4	88	76.6%	

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IR 1. Pharmaceutical procurement planning and management enhanced								
Sub IR 1.1. Forecasting, quantification, and warehousing improved								
Indicator No.	Indicator	Target	Q5	Q6	Q7	Q8	Annual	Comments
1.4.4	Number (percentage) of site orders coming that are revised and changed centrally.	<20%*	71.3%	91.1%	91%	89.5%	85.7%	Changing orders is part of the order rationalization process.
1.4.5	Average time for delivery of stock to SDPs (days).	4 days*	2.2	2.6	2.3	2.3	2.4	
IR 2. QA of procured commodities improved								
Sub IR 2.1. QA report is accurate and completed annually								
Award Fee Indicators								
2.1.1	QA procedures adhering to SOPs.	>98%	-	-	-	-	100%	All QA procedures adhered to SOPs. Indicator reported annually.
2.1.2	QA reports accurate and timely.	>95%	-	-	97%	95%	96%	QA reports are accurate (96%), i.e. required parameters were tested and reported on but not timely (especially because few local laboratories deliver within 21 days due to capacity issues).
2.1.3	Procured commodities passing random QA certifications.	>95%	100%	100%	100%	100%	100%	Q6 had 85.7% pass rate for OIs (failure of one out of seven samples in dissolution test) but 100% for ARVs.
Sub IR 2.2. Quality issues are handled properly								
Award Fee Indicators								
2.2.1	QA problems identified by contractor.	No standard	Yes	Yes	Yes	Yes	Yes	Problems include caking, failure of uniformity of weight specifications, and packaging.

USAID PEPFAR Objective: Care and treatment of persons with HIV/AIDS in Kenya supported								
Project Objective: PEPFAR supply chain to provide commodities for care and treatment of persons with HIV/AIDS strengthened								
IR 1. Pharmaceutical procurement planning and management enhanced								
Sub IR 1.1. Forecasting, quantification, and warehousing improved								
Indicator No.	Indicator	Target	Q5	Q6	Q7	Q8	Annual	Comments
2.2.2	QA problems resolved by contractor, including recalls.	Yes	Yes	Yes	Yes	Yes	Yes	Mebendazole oral suspension 100 mg/5 ml was recalled and replaced due to caking. One batch of cotrimoxazole 960 mg failed to comply with uniform weight specifications. The batch was collected from quarantine and replaced by the manufacturer. The manufacturers repackaged both commodities.
2.2.3	Reasonable time taken to resolve any recalls.	5 days	NA	4 months	NA	NA	4 months	In Q6, the four-month period referred to is from notification to the time when the supplier collects the commodities. The target of five days has a different definition, from notification to removal from shelves.
IR 3. Pharmaceutical prices decreased and other efficiencies achieved								
Sub IR 3.1. Cost-effectiveness and streamlining of operations achieved								
Award Fee Indicators								
3.1.1	Ratio between median price paid by contractor for each commodity in the last 12 months to the median international price.	<1	-	-	-	-	0.79	OIs had 15 commodities at a ratio of 0.84, while ARVs had 10 commodities at a ratio of 0.72. Reported annually.
3.1.2	Innovations to maximize efficiency of supply chain.	Yes	-	-	Yes	Yes	Yes	Director of technical coordination and technical manager travelled to India to identify mechanisms to reduce pricing. Pharma continued to work on ISO certification, supported GOK in urgent rollout of new TB regimens,

USAID PEPFAR Objective: Care and treatment of persons with HIV/AIDS in Kenya supported								
Project Objective: PEPFAR supply chain to provide commodities for care and treatment of persons with HIV/AIDS strengthened								
IR 1. Pharmaceutical procurement planning and management enhanced								
Sub IR 1.1. Forecasting, quantification, and warehousing improved								
Indicator No.	Indicator	Target	Q5	Q6	Q7	Q8	Annual	Comments
								and developed active collaboration with GOK in harmonization process, rollout, and training.
3.1.3	Budget estimates and projections reasonable and justifiable.	Exceptional	-	-	-	-	Good	87% of the management budget was used, a variance of 13%, which falls under 'good.'
3.1.4	Incidences of cost overruns by dollar and percentage.	<\$10,000, <5%	-	-	-	-	0%	There were no incidents of cost overruns.
3.1.5	Project activities followed with no fraud, waste, or abuse.	Superlative	-	-	-	-	Superlative	No cases were detected in the supply chain system.
3.1.6	Effective cost control mechanisms introduced, including percent cost savings reported.	Superlative	-	-	-	-	Superlative	75.7% savings reported from shift from air to water shipping. Other savings from load consolidation and reduction of use of courier services. Reported annually.
3.1.7	Percent disallowable costs and by dollar value.	<2%, <\$10,000	0	0	0	0	0 %	No disallowed costs in the year.
IR 4. Collaboration with stakeholders improved								
Sub IR 4.1. Coordination with donors, foundations, GOK, etc. strengthened								
Award Fee Indicators								
4.1.1	Feedback from key stakeholders on project collaboration.	Excellent	-	-	-	-	Good	Feedback from September 2011 customer satisfaction survey and July 2011 stakeholders' meeting. Reported annually.
4.1.2	Unexpected/unforeseen requests responded to in a timely manner.	>95%	-	-	-	-	93.5%	15 out of 16 unexpected requests from KEMSA between October 2010 and July 2011 were responded to within two weeks and 37.5%

USAID PEPFAR Objective: Care and treatment of persons with HIV/AIDS in Kenya supported								
Project Objective: PEPFAR supply chain to provide commodities for care and treatment of persons with HIV/AIDS strengthened								
IR 1. Pharmaceutical procurement planning and management enhanced								
Sub IR 1.1. Forecasting, quantification, and warehousing improved								
Indicator No.	Indicator	Target	Q5	Q6	Q7	Q8	Annual	Comments
								within two days. Reported annually.
IR 5. Program reporting improved								
Sub IR 5.1. Data quality, accuracy, and readability improved								
Award Fee Indicators								
5.1.1	Functionality of the e-SCM.	Good		-	Good	Good	Good	System in use in most SDPs.
5.1.2	Branding and implementation plan applied consistently.	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	44 branding activities satisfactorily carried out per specifications.
5.1.3	Environmental compliance inspections conducted and reports available.	Satisfactory			Satisfactory		Satisfactory	Environmental compliance report provided in Q7.
5.1.4	Financial, quarterly, and annual reports completed and submitted on time.	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Deadlines were met for all reports.
Supplemental Indicators								
5.1.5	Percentage of facilities where monitoring visits were conducted by Pharma staff each quarter.	85%*	100%	100%	88%	98%	95.8%	Most sites are visited every quarter.
5.1.6	Percentage of data quality assessments passed.	85%*	-	-	-	-	Not done	Planned for February 2012.

*Denotes suggested targets. These indicators had no preset targets from USAID, as targets were still TBD.

ANNEX B. MARKET RESEARCH REPORT

Name of Product (ARV)	RFP Closing Date	Unit Award Price (\$)	Manufacturer(s) Awarded	International Median Price (\$) (IDPIG 2010 Edition)	Manufacturers with USAID-Approved/ Tentatively-Approved Product and Registration in Kenya	Comments
Stavudine/kamivudine/ nevirapine 30/150/200 mg tablets, 60s	Aug 27, 2009	6.25	Strides	4.99	Strides, Cipla, Macleods, Hetero	
	Oct 30, 2009	5.75	Strides			
	Nov 24, 2010	4.84	Hetero			
	Jan 21, 2011	4.72	Hetero			
	Jun 10, 2011	4.32	Strides			
Stavudine capsules 30 mg, 60s	Oct 9, 2009	1.40	Strides	3.80	Bristol Myers Squibb, Aurobindo, Strides, Hetero, Cipla	
Stavudine/kamivudine 30/150 mg tablets, 60s	Oct 26, 2010	3.12	Hetero	3.13	Strides, Cipla, Matrix, Hetero, Macleods	
	Jan 21, 2011	3.15	Cipla Ltd.			
	Jun 10, 2011	2.64	Macleods			
Efavirenz tablets 600 mg, 30s	Oct 30, 2009	4.50	Matrix	15.91	Merck Sharp & Dohme, Cipla, Aurobindo, Matrix, Strides, Emcure, Hetero	Strides was unable to fulfill the contract due to a lack of active pharmaceutical ingredients to manufacture.
	Nov 4, 2009	5.03	Emcure			
	Feb 19, 2010	4.36	Strides			
	Apr 23, 2010	4.22	Hetero			
	Oct 26, 2010	4.17	Hetero			
	Jan 21, 2011	4.28	Hetero			
	Jun 10, 2011	4.10	Strides			
Lamivudine tablets 150 mg, 60s	Jun 10, 2011	2.34	Hetero	4.49	GlaxoSmithKline, Cipla, Aurobindo, Emcure, Matrix, Aspen, Hetero, Macleods, Strides	
Lamivudine+zidovudine tablets 150 mg/300 mg, 60s	Oct 30, 2009	8.05	Hetero	13.24	GlaxoSmithKline, Cipla, Aurobindo, Matrix, Strides, Hetero, Macleods	
	Nov 4, 2009	8.61	Aurobindo			
	Feb 19, 2010	8.96	Hetero			
	Apr 23, 2010	8.70	Hetero			
	Oct 26, 2010	8.14	Hetero			

Name of Product (ARV)	RFP Closing Date	Unit Award Price (\$)	Manufacturer(s) Awarded	International Median Price (\$) (IDPIG 2010 Edition)	Manufacturers with USAID-Approved/ Tentatively-Approved Product and Registration in Kenya	Comments
	Jan 21, 2011	8.25	Matrix			
	Jun 10, 2011	8.00	Hetero			
Lamivudine+zidovudine+ bevirapine tablets 150 mg/300 mg/200 mg, 60s	Oct 30, 2009	11.26	Aurobindo	11.71	Aurobindo, Matrix, Cipla, Strides, Hetero	Increased eligible suppliers from previous year.
	Jan 8, 2010	11.26	Aurobindo			
	Feb 19, 2010	11.25	Aurobindo			
	Apr 23, 2010	11.35	Aurobindo			
	Apr 23, 2010	12.75	Matrix			
	Oct 26, 2010	12.75	Matrix			
	Oct 26, 2010	11.40	Cipla Ltd.			
	Jan 21, 2011	10.99	Matrix			
	Jun 10, 2011	10.60	Strides			
Nevirapine tablets 200 mg, 60s	Jan 8, 2010	2.58	Hetero	4.13	Boehringer Ingelheim, Aurobindo, Matrix, Strides, Cipla, Macleods, Hetero	
	Feb 19, 2010	2.59	Aurobindo			
	Apr 23, 2010	2.52	Hetero			
	Jan 21, 2011	2.52	Strides			
	Jun 10, 2011	2.54	Strides			
Nevirapine oral solution, 240 ml	Nov 9, 2010	1.95	Aurobindo	18.10	Aurobindo, Boehringer Ingelheim	Only one manufacturer supplying, as Boehringer is expensive and has long lead times. Aurobindo is also experiencing challenges with delivery and non-responsiveness on current quotations. Considering transfer to another supply chain.
	Jul 11, 2011	1.96	Aurobindo			
Tenofovir DF/lamivudine tablets 300 mg/300 mg tablets, 30s	Feb 19, 2010	9.75	Matrix	11.45	Hetero, Matrix	
	Apr 23, 2010	9.75	Matrix			
	Jun 10, 2011	6.50	Matrix			

Name of Product (ARV)	RFP Closing Date	Unit Award Price (\$)	Manufacturer(s) Awarded	International Median Price (\$) (IDPIG 2010 Edition)	Manufacturers with USAID-Approved/ Tentatively-Approved Product and Registration in Kenya	Comments
Tenofovir DF/ lamivudine/efavirenz tablets 300 mg/300 mg/600 mg tablets, 30s	Oct 26, 2010	17.50	Matrix	N/A	Matrix	
	Jan 21, 2011	17.50	Matrix			
	Jun 10, 2011	14.20	Matrix			
Zidovudine tablets 300 mg, 60s	Apr 23, 2010	7.15	Hetero	9.23	GlaxoSmithKline, Aurobindo, Matrix, Hetero, Cipla	
	Jan 21, 2011	6.92	Hetero			
Amphotericin B injection, 50 mg vial	Jan 14, 2011	3.25	Universal Corporation Ltd.	5.27	Universal, Cosmos, IDA, Mission Pharma	
Cotrimoxazole tablets 960 mg, 500s	Jun 25, 2010	8.99	Mission Pharma	19.00	Universal, Cosmos, Regal, IDA, Mission Pharma, Medical Export Group	
	Jun 25, 2010	8.44	IDA			
	Sep 27, 2010	8.22	Mission Pharma			
	Sep 27, 2010	8.60	Universal Corporation Ltd.			
Cotrimoxazole tablets 960 mg, 100s	Jan 14, 2011	1.90	Cosmos Ltd.	3.80	Universal, Cosmos, Regal, IDA, Mission Pharma, Medical Export Group	
	Jan 14, 2011	1.91	Cosmos Ltd.			
Cotrimoxazole tablets 480 mg, 1,000s	Jun 25, 2010	8.47	Mission Pharma	10.40	Universal, Cosmos, Regal, IDA, Mission Pharma, Medical Export Group	
	Sep 27, 2010	8.38	Mission Pharma			
	Jun 13, 2011	9.40	Universal Corporation Ltd.			
Cotrimoxazole 240 mg/ 5 ml suspension, 100 ml	Jun 25, 2010	0.53	Mission Pharma	0.31	Universal, Cosmos, Regal, IDA, Mission Pharma, Medical Export Group	
	Sep 27, 2010	0.35	Cosmos Ltd.			
	Sep 27, 2010	0.38	Universal Corporation Ltd.			
	Jan 14, 2011	0.38	Universal Corporation Ltd.			
	Jun 13, 2011	0.33	Regal Pharmaceuticals Ltd.			
Amoxicillin powder for suspension 100 ml	Sep 1, 2011	0.47	Mission for Essential Drugs & Supplies	0.60	Universal, Cosmos, Regal	

Name of Product (ARV)	RFP Closing Date	Unit Award Price (\$)	Manufacturer(s) Awarded	International Median Price (\$) (IDPIG 2010 Edition)	Manufacturers with USAID-Approved/ Tentatively-Approved Product and Registration in Kenya	Comments
Amoxicillin 250 mg (1 x 1,000)	Aug 29, 2011	17.05	Regal Pharmaceuticals Ltd.	17.10		
Metronidazole 200 mg (1 x 1,000)		3.70	Regal Pharmaceuticals Ltd.	5.20		
Paracetamol 500 mg (1 x 1,000)		3.41	Regal Pharmaceuticals Ltd.	3.90		
Erythromycin 500 mg (10 x 10)		11.00	Cosmos Ltd.	6.32		
Paracetamol suspension 60 ml		0.20	Universal Corporation Ltd.	0.20		
Paracetamol suspension 60 ml		0.20	Cosmos Ltd.	0.20		
Tetracycline eye ointment 1%	Sep 1, 2011	0.16	Mission for Essential Drugs & Supplies	0.48		
Doxycycline 100 mg (100)	Aug 29, 2011	1.20	Cosmos Ltd.	1.17		
Mebendazole 100 mg tablets		2.61	Regal Pharmaceuticals Ltd.	0.0046		
Neonatal ampiclox 90 mg/0.6 ml 8 ml	Sep 1, 2011	0.39	Mission for Essential Drugs & Supplies	N/A		

ANNEX C. NUMBER OF PATIENTS SERVED

Patients	Target	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Year 2 Total
Number of patients [†]	350,000	-	-	-	-	-
ARVs	275,000	202,882	245,091	254,345	263,229*	263,229*
OI drugs [†]	750,000	-	-	-	-	-
PMTCT/pregnant women	96,000	13,856	9,861	29,298	36,895	89,940
PMTCT/infants [‡]	77,000	-	-	-	-	-

*Data through August 2011. Reports for September 2011 are still coming in and are not finalized.

[†]Data on number of patient on OI drugs were not collected on the order form used for most of Year 2. NASCOP rolled out a new order and reporting form from April to August.

[‡]At USAID's request, Kenya Pharma did not procure liquid AZT for infants on PMTCT. This has been supported by CHAI.

ANNEX D. DISTRIBUTION REPORT FOR YEAR 2

	Commodity Name	Units
1	Acyclovir 200 mg tablets 30s	62,816
2	Amoxicillin 125 mg/5 ml suspension 1s	3,000
3	Amoxicillin 250 mg capsules 1,000s	2,494
4	Amoxicillin 500 mg capsules 500s	16,376
5	Amoxicillin/clavulanate 625 mg tablets 14s	13,319
6	Amphotericin B 50 mg injection 1s	12,435
7	Azithromycin 200 mg/5 ml powder 15 ml	3,000
8	Cefuroxime 125 mg/5 ml powder 70 ml	4,200
9	Cefuroxime 250 mg tablets 10s	5,000
10	Chlopheniramine maleate 4 mg tablets 1,000s	4,781
11	Chlorpheniramine 2 mg/5 ml syrup 100 ml	17,761
12	Ciprofloxacin 500 mg tablets 100s	6,915
13	Cotrimoxazole 240 mg/5 ml suspension 100 ml	1,062,298
14	Cotrimoxazole 480 mg tablets 1,000s	401,053
15	Cotrimoxazole 960 mg tablets 500s	375,865
16	Chlorpheniramine 2 mg/5 ml syrup 100 ml	8,406
17	Clotrimazole cream 20 g m	4,800
18	Dapsone 100 mg tablets 1,000s	7,960
19	Dispensing envelopes (70 x 100 x 0.040 mm) 1,000s total	10,010
20	Doxycycline 100 mg capsules 100s	3,750
21	Efavirenz 600 mg tablets 30s	59,009
22	Efavirenz 600 mg tablets 30s	804,539
23	Erythromycin 500 mg tablets 100s	5,594
24	Ethambutol 400 mg tablets 100s	177
25	Fluconazole 200 mg tablets 100s	37,259
26	Folic acid 5 mg tablets 1,000s	150
27	Griseofulvin 125 mg tablets 100s	160
28	Griseofulvin 500 mg tablets 100s	1,000
29	Hydrocortisone 15 g m cream	2,450
30	Ibuprofen 400 mg tablets 500s	3,219
31	Indinavir capsules 400 mg 180s	179
32	Isoniazid 100 mg tablets 100s	18,000
33	Isoniazid 300 mg tablets 100s	440
34	Ketoconazole 200 mg tablets 30s	4,861
35	Lamivudine 150 mg tablets 60s	163,852
36	Lamivudine/zidovudine 150/300 mg tablets 60s	915,395
37	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	563,117
38	Loperamide 2 mg capsules 1,000s	1,220
39	Mebendazole 100 mg tablets 1,000s	1,000
40	Mebendazole 100 mg/ml suspension 30 ml	673

	Commodity Name	Units
41	Metronidazole 200 mg tablets 1,000s	1,000
42	Multivitamin tablets 1,000s	171,838
43	Multivitamin syrup 100 ml	374,988
44	Nelfinavir tablets 250 mg 270s	55
45	Neonatal ampiclox oral drops 8 ml	1,000
46	Nevirapine 200 mg tablets 60s	925,516
47	Nevirapine oral suspension 240 ml	52,235
48	Nystatin oral drops 30 ml	50,590
49	Ors 500 ml sachets (WHO formula) 100s	320
50	Paracetamol 120 mg/5 ml suspension 60 ml	5,000
51	Paracetamol 500 mg tablets 1,000s	5,437
52	Prednisolone 5 mg tablets 100s	3,300
53	Pyrazinamide 500 mg tablets 100s	313
54	pyridoxine 50 mg tablets 100s	42,361
55	Rifabutin 150 mg capsules 30s	369
56	Saquinavir capsules 200 mg 270s	141
57	Stavudine capsules 30 mg 60s	60,141
58	Stavudine/lamivudine tablets 30/150 mg 60s	228,789
59	Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	846,300
60	Tenofovir/lamivudine tablets 300 mg 30s	863,637
61	Tenofovir/lamivudine/efavirenz 300/300/600 mg tablets 30s	433,710
62	Tetracycline eye ointment 3.5 g tube 1s	1,000
63	Zidovudine tablets 300 mg 60s	103,452

ANNEX E. LABORATORY ANALYSIS OF LOCALLY PROCURED OI DRUGS

Note: 100% batch sampling and testing was undertaken for all products.

Product Name	Active Ingredient	Manufacturer	Tests Performed	No. of Batches Analyzed	No. of Batches That Complied with Test Parameters	Pass Rate	Remarks
Sulfran DS tablets	Cotrimoxazole 960 mg tablets 500s	Universal Corp. Ltd.	Full monograph (USP and BP)	620	619	99.8	One batch failed to comply with uniform weight specifications. It was quarantined, so was not distributed. The manufacturer collected and replaced it.
Cosatrim DS tablets	Cotrimoxazole 960 mg tablets 100s	Cosmos Ltd.	Full monograph (USP and BP)	129	129	100	
Sulfran suspension	Cotrimoxazole 240 mg/5 ml suspension	Universal Corp. Ltd.	Full monograph (USP)	52	52	100	
Cosatrim suspension	Cotrimoxazole 240 mg/5 ml suspension	Cosmos Ltd.	Full monograph (USP)	12	12	100	
Cyclovir 200	Acyclovir 200 mg tablets	Cosmos Ltd.	Full monograph (BP)	11	11	100	
Dapsone	Dapsone 100 mg tablets	Cosmos Ltd.	Full monograph (USP)	11	11	100	
Amphora	Amphotericin B for injection	Bharat Serums Vaccines Ltd. (supplied by Universal Corp. Ltd.)	Full monograph (BP and Labs in-house method)	2	2	100	
PZA	Pyrazinamide 500 mg tablets	Cosmos Ltd.	Full monograph (BP)	1	1	100	
Isonide	Isoniazid 100 mg tablets	Universal Corp. Ltd.	Full monograph (BP)	2	2	100	
Multibion	Multivitamin syrup	Universal Corp. Ltd.	As per the manufacturer's method of analysis	19	19	100	

Product Name	Active Ingredient	Manufacturer	Tests Performed	No. of Batches Analyzed	No. of Batches That Complied with Test Parameters	Pass Rate	Remarks
Isoniazid tablets	Isoniazid 300 mg tablets	Cosmos Ltd.	Full monograph (BP)	1	1	100	
Ethan 400 tablets	Ethambutol 400 mg tablets	Cosmos Ltd.	Full monograph (USP)	1	1	100	
Diconazol 200 tablets	Fluconazole 200 mg tablets	Cosmos Ltd.	As per the manufacturer's method of analysis	5	5	100	
Multivitamin tablets	Multivitamin tablets	Cosmos Ltd.	As per the manufacturer's method of analysis	75	75	100	
Erocos tablets	Erythromycin 500 mg tablets	Cosmos Ltd.	Full monograph (BP)	1	1	100	
Zolidon tablets	Cefuroxime 250 mg tablets	Cosmos Ltd.	Full monograph (USP)	2	2	100	
Nelstat oral drops	Nystatin 100,000 IU oral drops 30 ml	Universal Corp. Ltd.	Full monograph (USP)	6	6	100	
Griso 500 tablets	Griseofulvin 500 mg tablets	Cosmos Ltd.	Full monograph (USP and BP)	1	1	100	
Zithrox suspension	Azithromycin oral suspension	Cosmos Ltd.	Full monograph (USP)	2	2	100	
Fleming tablets	Amoxicillin Clavulanic acid 625 mg tablets	Medreich PLC (supplied by Sky Healthcare Ltd.)	Full monograph (BP)	1	1	100	
Zolidon powder for suspension	Cefuroxime 125 mg/5 ml powder for suspension	Cosmos Ltd.	Full monograph (USP)	1	1	100	
Doxyline capsules	Doxycycline 10 mg capsules	Cosmos Ltd.	Full monograph (USP)	1	1	100	
Prednisolone 5 mg tablets	Prednisolone 5 mg tablets	Cosmos Ltd.	Full monograph (USP)	1	1	100	
Folic acid tablets	Folic 5 mg tablets	Cosmos Ltd.	Full monograph (BP)	1	1	100	

Product Name	Active Ingredient	Manufacturer	Tests Performed	No. of Batches Analyzed	No. of Batches That Complied with Test Parameters	Pass Rate	Remarks
Griso tablets	Griseofulvin 125 mg tablets 100's	Cosmos Ltd	Full monograph (USP and BP)	1	1	100	
Promox 250 mg capsules	Amoxicillin 250 mg capsules	Sky Healthcare Ltd.	Full monograph (BP)	2	2	100	

Summary of Analysis Results by Company

Company	No. of Products Analyzed	No. of Products That Complied with Test Parameters	Pass Rate
Universal Corporation Ltd.	6	6	100
Cosmos Ltd.	18	18	100
Sky Healthcare Ltd	2	2	100
Total	26	26	100

ANNEX F. RECALL REPORT

Period	Number of Drug Recalls
Quarter 5	1
Quarter 6	0
Quarter 7	0
Quarter 8	0
Total	1

From July 2010 through September 2011, only one recall was reported for product procured by Kenya Pharma, as reported below. The product was distributed during June and July 2010.

On November 12, 2010, the Pharmacy and Poisons Board instructed Cosmos Limited to undertake a countrywide recall of mebendazole suspension 100 mg/5 ml due to caking complaints received by the board from health facilities. The communication was copied to Kenya Pharma, which had received part of the product from Cosmos Ltd.

- Brand name: Minyua
- Batch number: 100299
- Expiry date: January 2013

On November 23, 2010, Kenya Pharma instructed all treatment centers to return the affected batch for collection by the manufacturer.

As per the recommended classification by the Pharmacy and Poisons Board, the recall was a Class II recall, which is for medicines that probably could cause temporary or medically reversible adverse health problems or mistreatment. It was a Type B recall, which is designed to reach directors of hospital services, doctors, nurses, pharmacists, and authorized prescribers and dispensers.

List of Facilities that Received Recalled Mebendazole Suspension

	Facility Name	Quantity Received (bottles)
1	Kangundo District Hospital	100
2	Naivasha District Hospital	100
3	Kabondo Sub-district Hospital	50
4	Manyala Sub-district Hospital	100
5	Riruta Health Centre	10
6	Aic lokichogio Health Centre	100
7	Food for the Hungry-Tumaini	30
8	Kimillili District Hospital	50
9	Tabaka Mission Hospital	20
10	Consolata Hospital Mathai	1
11	Kendu Adventist Hospital	9
12	Matete Health Centre	10
13	Athi River District Hospital	10
14	Iguhu District Hospital	30
15	Yala Level IV Hospital	100
16	Sony Sugar Comprehensive Clinic	3
17	Malindi District Hospital	10
18	Nyahururu District Hospital	20
19	Shelter of Hope Centre	1
20	Mwingi District Hospital	200
21	Community of St. Egidio	50
22	Gatundu District Hospital	20
23	Amurt Health Care Centre	20
24	Gertrude's Children's Hospital	20
25	Liverpool VCT Hurlingham	30
26	AMPATH Centre-Moi Teaching and Referral Hospital	1,000
27	Gaichanjiru Catholic Hospital	10
28	Navakholo Sub-district Hospital	50
29	Kuria District Hospital	120
30	Kimbimbi District Hospital	50
31	Olkalou District Hospital	50
32	Shibwe Sub-district Hospital	100
33	Chemelil Sugar Health Centre	20
34	Lunga Lunga Health Centre	30
35	Rongo District Hospital	50
36	Mabusi Health Centre	5
37	Lalmba Association-Matosio	20
38	Muhoroni Sub-district Hospital	50

	Facility Name	Quantity Received (bottles)
39	St. Joseph Mission Hospital	10
40	Karatina District Hospital	20
41	St. Mary's Hospital Mumias	20
42	Chwele Health Centre	50
43	Tabitha Medical Clinic-Kibera	100
44	Moyale District Hospital	100
45	Alupe District Hospital	60
46	Awendo Sub-district Hospital	30
47	Nyumbani-Children of God	20
48	Bungasi Health Centre	20
49	Nyamira District Hospital	50
50	Uzima Dispensary and Maternity	60
51	Kemri-Centre for Respiration	10
52	Naivasha District Hospital	50
53	Kangundo District Hospital	26
54	Bungoma District Hospital	16
55	Nazareth Mission Hospital	10
56	Kayole 2 Health Centre	4
57	Ampath Centre-Moi Teaching and Referral Hospital	300
58	Kakamega Provincial General Hospital	5
59	ICAP Kenya, Imarisha Program Nyanza	100
60	St. Joseph Mission Hospital	20
61	Amurt Health Care Centre	10
62	Vihiga District Hospital Central Site	10
63	Iguhu District Hospital	20
64	Mwingi District Hospital	20
65	Rongo District Hospital	20
66	Malindi District Hospital	10
67	Lalmba Association-Matosio	10
68	Pcea Tumutumu Hospital	5
69	Homa Hills Community Development Organization	5
70	Mutomo Mission Hospital	5
71	St. Monica's Hospital Kisumiu	5
72	Kimilili District Hospital	12
Total		3,862

Returns Received From Facilities in December 2010 and January 2011

	Facility Name	Quantity Returned (bottles)
1	Malindi District Hospital	8
2	Manyala Sub-district Hospital	74
3	Navakholo Sub-district Hospital	38
4	Getrudes Children's Hospital	4
5	Yala District Hospital	44
6	Uzima Dispensary and Maternity	46
7	Chemelil Sugar Health Centre	14
8	Liverpool VCT Hurlingham	10
9	Food for the Hungry-Tumaini	27
10	Shelter of Hope Centre	1
11	Community of St. Egidio	50
12	Pcea Tumutumu Hospital	3
Total		319

NB: Most facilities had dispensed all the quantities supplied to them by the time of the recall

The product has not been replaced, because all subsequent batches produced by the manufacturer are also caking.

ANNEX G. EXPIRY REPORT

Central Warehouse Expiries Disposed of in September 2010

Product	Batch	Quantity	Expiry Date	Weight (kg)
Didanosine 200 mg	0057	9	1/2/2010	322.68
	0059	1,712	1/3/2010	
Didanosine 25 mg	0094	21	1/3/2010	11.40
	0089	40	1/2/2010	
Efavirenz oral solution	NH16110	1,758	1/4/2010	1,500.69
	NH18730	1,692	1/4/2010	
	NH06530	1,550	1/4/2010	
	NG50470	116	1/4/2010	
Stavudine 30 mg	7205400	4	1/1/2010	2,147.57
	7205499	146	1/2/2010	
	7205500	3,881	1/2/2010	
	7205617	11,166	1/2/2010	
	7205618	16,177	1/2/2010	
	7205619	2,282	1/2/2010	
Total Weight				3,982.34

Central Warehouse Expiries for 2011 Pending Disposal

Drug	Lot Number	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Expiry Date
Zidovudine 300 mg tablets, 60s	E9316	1	0.08	0.08	Mar 11
Nevirapine tablets 200 mg, 60s	E9016	1	0.08	0.08	Dec 10
Lamivudine 150 mg tablets, 60s	1011497	1	0.04	0.04	Dec 10
Indinavir capsules 180 mg, 180s	NH37640	31	0.18	5.58	Jan 11
Indinavir capsules 180 mg, 180s	NH45660	67	0.18	12.06	Feb 11
Nelfinavir tablets 250 mg, 270s	E0037802	11	0.26	2.86	Mar 11
Total Weight				20.7	

Commodities at Service Delivery Points Pending Disposal

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
Liverpool Voluntary Counseling and Treatment Centre	KP	Efavirenz 300 mg	15	0.08	1.2	PEPFAR	Mar 11
	KP	Efavirenz 600 mg	93	0.08	7.44	PEPFAR	May 11
	KP	Lamivudine 150 mg	168	0.04	6.72	PEPFAR	May 11
Ngaira	KP	Abacavir 20 mg/ml	3	0.26	0.78	CHAI	May 11
Tharaka District Hospital	KP	Zidovudine 100 mg	1,900	0.04	76	CHAI	Apr 11
	KP	Efavirenz 300 mg	1,800	0.08	144	PEPFAR	Jun 11
	KP	Efavirenz 50 mg	12,000	0.08	960	PEPFAR	Jun 11
	KP	Abacavir/lamivudine	720	0.18	129.6	CHAI	Jun 11
Mandera District Hospital	KP	Nevirapine 200 mg	278	0.08	22.24	PEPFAR	May 11
Wajir District Hospital	KP	Nevirapine 200 mg	91	0.08	7.28	PEPFAR	May 11
Ijara District Hospital	KP	Zidovudine 300 mg	6	0.08	0.48	PEPFAR	May 11
Mpeketoni Sub-district Hospital	KP	Zidovudine/lamivudine/ Nevirapine pediatric	273	0.08	21.84	PEPFAR	Jun 11
	KP	Stavudine/lamivudine/ nevirapine	97	0.08	7.76	PEPFAR	Jul 11
Bomu Medical Clinic	KP	Stavudine 30 mg	188	0.04	7.52	PEPFAR	Feb 11
Port Reitz District Hospital	KP	Zidovudine 100 mg	10	0.04	0.4	CHAI	Apr 11
Chulaimbo Sub-district Hospital	KP	Zidovudine 100 mg	26	0.04	1.04	CHAI	Apr 11
	KP	Efavirenz 50 mg	433	0.08	34.64	CHAI	Apr 11
	KP		1,263	0.08	101.04	PEPFAR	Jun 11
Kombewa District Hospital	KP	Zidovudine 100 mg	17	0.04	0.68	PEPFAR	Apr 10
	KP	Zidovudine 10 mg/ml	117	0.26	30.42	PEPFAR	May 11
Madiany District Hospital	KP	Lamivudine 150 mg	258	0.08	20.64	PEPFAR	Apr 11
	KP	Stavudine 30 mg	2,464	0.04	98.56	PEPFAR	May 11
	KP	Stavudine 20 mg	550	0.04	22	CHAI	May 11

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
Wamba District Hospital	KP	Stavudine/lamivudine/nevirapine	39	0.08	3.12	PEPFAR	Jun 11
AIDS village Mbirikani	KP	Zidovudine 100 mg	6	0.04	0.24	CHAI	May 11
	KP	Zidovudine/lamivudine pediatric	233	0.08	18.64	PEPFAR	May 11
Mater Hospital	KP	Stavudine 30 mg	5	0.04	0.2	PEPFAR	Apr 11
Kitale District Hospital	KP	Zidovudine syrup	150	0.26	39	CHAI	Apr 11
Ngaira	KP	Lamivudine syrup	4	0.26	1.04	CHAI	May 11
	KP	Zidovudine syrup	1	0.26	0.26	CHAI	Feb 11
Jamaa Hospital	KP	Abacavir 300	4	0.08	0.32	KEMSA	Feb 11
	KP	Zidovudine/lamivudine syrup	3	0.26	0.78	KEMSA	Feb 10
	KP	Lamivudine syrup	1	0.26	0.26	KEMSA	Dec 09
	KP	Efavirenz 50 mg	2	0.08	0.16	KEMSA	Sep 10
	KP	Efavirenz 600 mg	95	0.08	7.6	KEMSA	Mar 10
Baraka Dispensary	KP	Aluvia	27	0.26	7.02	CHAI	May 11
Rongo District Hospital	KP	Triomune Jr	1,120	0.08	89.6	CHAI	Mar 11
Sony Sugar Medical Clinic	KP	Stavudine 15 mg	4	0.04	0.16	CHAI	Jan 11
		Lamivudine 150 mg	3	0.08	0.24	PEPFAR	Dec 10
		Zidovudine syrup	2	0.26	0.52	CHAI	Oct 10
		Lamivudine syrup	2	0.26	0.52	CHAI	Nov 10
		Didanosine 200 mg	5	0.18	0.9	CHAI	Mar 11
		Zidovudine 100 mg	27	0.04	1.08	CHAI	Nov 10
		Zidovudine 300 mg	110	0.04	4.4	PEPFAR	Jan 10
Macalder District Hospital	KP	Zidovudine syrup	375	0.26	97.5	CHAI	May 11
		Zidovudine syrup	128	0.26	33.28	CHAI	Oct 10
		Zidovudine syrup	320	0.26	83.2	CHAI	Dec 10
North Kinangop		Zidovudine 100 mg	39	0.04	1.56	CHAI	Jan 11
Matoso Medical Clinic	KP	Stavudine 15 mg	15	0.04	0.6	CHAI	Jul 10
PCEA Tumutumu Mission Hospital	KP	Stavudine 30 mg	280	0.04	11.2	PEPFAR	Feb 10

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
		Kaletra syrup	2	0.26	0.52	CHAI	Mar 10
		Lamivudine 150 mg	4	0.08	0.32	PEPFAR	Jul 10
Consolata Mission Hospital	KP	Zidovudine syrup	21	0.26	5.46	CHAI	Jan11
		Nevirapine syrup	21	0.26	5.46	CHAI	Mar 11
		Zidovudine syrup	10	0.26	2.6	CHAI	Nov 10
		Lamivudine syrup	1	0.26	0.26	CHAI	Dec 06
		Stavudine 15 mg	22	0.04	0.88	CHAI	May 09
		Zidovudine/lamivudine 300/150 mg	38	0.08	3.04	PEPFAR	Feb 10
		Tenofovir disoproxil fumarate 300 mg tablets	1	0.04	0.04	PEPFAR	Nov 10
		Zidovudine 100	80	0.04	3.2	PEPFAR	Nov 10
		Stavudine 30 mg	174	0.04	6.96	PEPFAR	Feb 10
		Efavirenz capsules 200 mg	2	0.08	0.16	PEPFAR	Dec 07
		Stavudine/lamivudine/ Nevirapine (30/150/200 mg)	35	0.08	2.8	PEPFAR	Jan 11
		Stavudine 15 mg	3	0.04	0.12	CHAI	Apr 11
		Stavudine 30 mg	1	0.04	0.04	PEPFAR	Mar 11
Makindu District Hospital	KP	Stavudine/lamivudine/ nevirapine pediatric	14	0.08	1.12	CHAI	Mar 11
		Alluvia	14	0.26	3.64	CHAI	Mar 11
		Zidovudine 100 mg	34	0.04	1.36	PEPFAR	Mar 11
Karurumo Rural	KP	Zidovudine syrup	4	0.26	1.04	PEPFAR	Apr 10
		Lamivudine syrup	11	0.26	2.86	CHAI	Apr 10
		Efavirenz 600	6	0.08	0.48	PEPFAR	Apr 11
		Zidovudine 100	8	0.04	0.32	CHAI	Apr 11
Embu Provincial General Hospital	KP	Didanosine 50 mg	7	0.18	1.26	PEPFAR	Apr 11
		Zidovudine syrup	32	0.26	8.32	CHAI	Feb 11
Meru District Hospital	KP	Stavudine 15 mg	58	0.04	2.32	CHAI	Apr 11

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
		Aluvia 100 mg/25 mg	59	0.26	15.34	CHAI	May 11
		Zidovudine syrup	75	0.26	19.5	CHAI	Apr 11
FACES Nyanza	KP	Stavudine 30 mg	1,680	0.04	67.2	PEPFAR	Jun 11
Kilifi District Hospital	KP	Lamivudine solution 240 ml	48	0.26	12.48	CHAI	Mar 11
		Nevirapine solution 240 ml	26	0.26	6.76	CHAI	Jan 11
		Nevirapine solution 240 ml	4	0.26	1.04	CHAI	Apr 11
		Zidovudine solution 240 ml	15	0.26	3.9	CHAI	Apr 11
AMPATH	KP	Stavudine 15 mg 60s	809	0.04	32.36	CHAI	Jan 11
			300	0.04	12	CHAI	Jun 10
			192	0.04	7.68	CHAI	Jan 10
			10	0.04	0.4	CHAI	May 09
			322	0.04	12.88	CHAI	Dec 10
			13	0.04	0.52	CHAI	Jul 10
		Indinavir 400 mg 180s	27	0.18	4.86	PEPFAR	Jan 11
		Didanosine 250 mg 30s	107	0.18	19.26	CHAI	Jul 10
			20	0.18	3.6	CHAI	Aug 10
			30	0.18	5.4	CHAI	Sep 10
		Didanosine 25 mg 60s	64	0.18	11.52	CHAI	Feb 10
			722	0.18	129.96	CHAI	Mar 10
			275	0.18	49.5	CHAI	Aug 10
		Didanosine 200 mg 60s	6	0.18	1.08	PEPFAR	Jan10
			1,344	0.18	241.92	PEPFAR	Mar 10
			220	0.18	39.6	PEPFAR	Sep 10
		Zidovudine 100 mg 100s	315	0.04	12.6	PEPFAR	Nov 10
		Didanosine 100 mg 60s	85	0.18	15.3	CHAI	Feb 10
		Zidovudine 300 mg 60s	1,513	0.04	60.52	PEPFAR	Jan 10
			2,424	0.04	96.96	PEPFAR	Mar 10
			5	0.04	0.2	PEPFAR	Mar 10

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
		Nevirapine syrup	30	0.26	7.8	CHAI	Aug 09
			32	0.26	8.32	CHAI	Dec 09
			64	0.26	16.64	CHAI	Jan 10
		Stavudine 30 mg 60s	1,260	0.04	50.4	PEPFAR	Jan 09
			2,034	0.04	81.36	PEPFAR	Dec 09
			8,711	0.04	348.44	PEPFAR	Jan 10
			204	0.04	8.16	PEPFAR	Feb 10
			444	0.04	17.76	PEPFAR	Mar 10
			828	0.04	33.12	PEPFAR	Jul 10
		Stavudine 20 mg 60s	120	0.04	4.8	CHAI	Jan 09
			183	0.04	7.32	CHAI	Dec 09
			245	0.04	9.8	CHAI	Feb 10
			171	0.04	6.84	CHAI	Mar 10
		Lamivudine 150 mg 60s	308	0.04	12.32	PEPFAR	Jan 09
			12	0.04	0.48	PEPFAR	Feb 10
		Lamivudine syrup	6	0.26	1.56	CHAI	Nov 10
		Efavirenz 50 mg 30s	240	0.08	19.2	CHAI	Sep 10
			412	0.08	32.96	CHAI	Feb 10
		Efavirenz 200 mg 90s	538	0.08	43.04	PEPFAR	Mar 10
			60	0.08	4.8	PEPFAR	Sep 10
		Efavirenz 600 mg 30s	270	0.08	21.6	PEPFAR	Mar 10
			110	0.08	8.8	PEPFAR	Sep 10
		Aluvia 125 mg 60s	76	0.08	6.08	CHAI	Dec 10
		Nevirapine 200 mg 60s	54	0.08	4.32	PEPFAR	Feb 10
			84	0.08	6.72	PEPFAR	May 10
		Abacavir 300 mg 60s	8	0.08	0.64	PEPFAR	Feb 09
			90	0.08	7.2	PEPFAR	Mar 10
		Nystatin oral drops	86	0.22	18.92	PEPFAR	Jan11

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
		Vitamin B complex syrup	1,200	0.15	180	PEPFAR	Jan 11
		Omeprazole 20 mg 30s	27	0.04	1.08	PEPFAR	Jan 09
		Miconazole 10 mg 70s	13	0.18	2.34	PEPFAR	Sep 10
		Ferro-fol 30s	130	0.04	5.2	PEPFAR	Jul 10
		Nitrofurantoin 100 mg 100s	4	0.18	0.72	PEPFAR	Oct 10
		Warfarin 5 mg 28s	3	0.04	0.12	PEPFAR	Sep 10
		Folic acid 5 mg	100	0.15	15	PEPFAR	Jun 10
		Rifampicin/isoniazid tablets 28s	48	0.04	1.92	PEPFAR	Jan 10
		Rifampicin/isoniazid/ Ethambutol tablets 28s	24	0.04	0.96	PEPFAR	Jan 10
		Ethambutol tablets	360	0.04	14.4	PEPFAR	Apr 10
		Rifampicin/isoniazid/ Pyrazinamide/ethambutol tablets 28s	24	0.04	0.96	PEPFAR	Jan 10
		Rifampicin/isoniazid pediatric tablets	360	0.04	14.4	PEPFAR	Mar 10
		Canova drops	40	0.08	3.2	PEPFAR	Feb 09
		Ketoconazole 200 mg	210	0.04	8.4	PEPFAR	Feb 10
		Cycloserine 250 mg 100s	30	0.08	2.4	PEPFAR	Jan 11
		Multivitamin syrup	96	0.26	24.96	PEPFAR	Aug 10
		Streptomycin injection	43	0.04	1.72	PEPFAR	Jan 10
		Metronidazole 200 mg	500	0.18	90	PEPFAR	Mar 10
		Calcinol syrup	100	0.26	26	PEPFAR	Oct 09
		Loperamide 2 mg capsules	200	0.18	36	PEPFAR	Mar 10
		Zidovudine syrup	480	0.26	124.8	CHAI	Nov 08
Mukurwe-ini District Hospital	KP	Nevirapine syrup	30	0.26	7.8	CHAI	Jan 11
Karatina District Hospital	KP	Zidovudine syrup	2	0.26	0.52	CHAI	Apr 11
	KP	Zidovudine 100 mg	37	0.04	1.48	CHAI	Apr 11
Eastern Deanary AIDS	KP	Didanosine 50 mg	15	0.18	2.7	CHAI	May 11

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
Relief Project							
		Abacavir syrup	70	0.26	18.2	CHAI	Mar 10
International Centre for AIDS Care & Treatment Programs Kisumu (Imarisha store)	KP	Abacavir 300 mg tablets	230	0.08	18.4	CHAI	Oct 10
		Aciclovir tablets 200 mg	190	0.18	34.2	PEPFAR	Mar 11
		Aluvia 100/25 tablets	440	0.08	35.2	CHAI	Dec 10
		Azithromycin powder for suspension	70	0.26	18.2	PEPFAR	Jun 11
		B-complex tablets	16	0.15	2.4	PEPFAR	Sep 10
		B-complex tablets	139	0.15	20.85	PEPFAR	Jan 10
		Beclomin ointment 15 g	310	0.015	4.65	PEPFAR	Aug 10
		Cefuroxime suspension 70 ml 125/5ml	38	0.26	9.88	PEPFAR	Feb 10
		Didanosine 200 mg tablets	160	0.18	28.8	CHAI	Mar 10
		Didanosine 25 mg tablets	40	0.18	7.2	CHAI	Mar 10
		Didanosine 400 mg capsules	208	0.18	37.44	CHAI	Jun 10
		Efavirenz syrup 30 mg/ml	129	0.26	33.54	CHAI	Feb 10
		Efavirenz tablets 50 mg	549	0.08	43.92	PEPFAR	Sep 10
		Efavirenz tablets 600 mg	80	0.08	6.4	PEPFAR	Sep 10
		Lamivudine suspension 240 ml	20	0.26	5.2	CHAI	Nov 10
		Lopinavir/ritonavir oral solution	54	0.26	14.04	CHAI	Feb 10
		Miconazole 20 mg tablets	180	0.18	32.4	PEPFAR	Nov 10
		Nevirapine suspension	64	0.26	16.64	CHAI	Dec 09
		ORS sachets	168	0.04	6.72	PEPFAR	May 11
		Stavudine capsules 15 mg	60	0.04	2.4	CHAI	Mar 11
		Stavudine capsules 20 mg	40	0.04	1.6	CHAI	Apr 11
		Stavudine capsules 30 mg	376	0.04	15.04	PEPFAR	Mar 11
		Stavudine/lamivudine/	135	0.08	10.8	PEPFAR	May 11

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
		Nevirapine 30/150/200 tablets					
		Tenofovir tablets 300 mg	105	0.04	4.2	PEPFAR	Oct 10
		Vincristine 1 mg vials	107	0.15	16.05	PEPFAR	Dec 10
		Zidovudine capsules 200 mg	768	0.04	30.72	PEPFAR	Mar 10
Nyando District Hospital	KEMSA	Efavirenz 50 mg	30	0.08	2.4	KEMSA	May 11
		Efavirenz 600 mg tablets	116	0.08	9.28	KEMSA	May 11
		Stavudine 15 mg capsules	80	0.04	3.2	KEMSA	Mar 11
Nyanza Provincial General Hospital	KEMSA	Nevirapine syrup	19	0.26	4.94	KEMSA	Dec 09
		Zidovudine syrup	425	0.26	110.5	KEMSA	Apr 11
		Stavudine 15 mg	26	0.04	1.04	KEMSA	Apr 11
Muhoroni Sub-district Hospital	KEMSA	Lamivudine syrup	32	0.26	8.32	KEMSA	Nov 10
		Zidovudine syrup	25	0.26	6.5	KEMSA	Apr 11
Kisumu East District Hospital	KEMSA	Zidovudine syrup	415	0.26	107.9	KEMSA	Apr 11
		Triomune 30	1,499	0.08	119.92	KEMSA	May 11
		Triomune Jr	983	0.08	78.64	KEMSA	Jun 11
Nyeri Provincial General Hospital	KP	Efavirenz tablets 600 mg	107	0.08	8.56	PEPFAR	May 11
		Aciclovir tablets 200 mg	9	0.18	1.62	PEPFAR	May 11
		Zidovudine 300 mg tablets, 60s	1	0.04	0.04	PEPFAR	May 11
		Nevirapine 200 mg tablets, 60s	1	0.04	0.04	PEPFAR	Dec 10
		Lamivudine tablets 150 mg	1	0.04	0.04	PEPFAR	Dec 10
		Multivitamin 100 ml	12	0.26	3.12	PEPFAR	Feb 11
		Indinavir 400 mg capsules, 180s	31	0.18	5.58	PEPFAR	Jan 11
			67	0.18	12.06	PEPFAR	Feb 11
		Nelfinavir 250 mg tablets, 270s	15	0.18	2.7	PEPFAR	May 11
		Stavudine/lamivudine/ nevirapine 30/150/200 tablets	180	0.08	14.4	PEPFAR	May 11

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
		Didanosine 25 mg	60	0.18	10.8	CHAI	Mar 10
		Didanosine 200 mg	160	0.18	28.8	CHAI	Mar 10
		Didanosine 50 mg	1	0.18	0.18	CHAI	May 11
		Stavudine 20 mg capsules	5	0.04	0.2	CHAI	Mar 10
		Efavirenz 30 mg/ml (180 ml)	10	0.26	2.6	CHAI	Apr 10
		Lamivudine tablets 150 mg	16	0.08	1.28	PEPFAR	Jan 10
		Stavudine 20 mg capsules	1	0.04	0.04	PEPFAR	Mar 11
		Zidovudine solution 240 ml	18	0.26	4.68	CHAI	Apr 10
		Kaletra syrup	5	0.26	1.3	CHAI	Mar 10
		Lamivudine/zidovudine/ nevirapine tablets	20	0.08	1.6	PEPFAR	Mar 10
			2	0.08	0.16	PEPFAR	Mar 12
		Miconazole tablets 10 mg	3	0.18	0.54	PEPFAR	Feb 10
		Zidovudine capsules 100 mg	77	0.04	3.08	PEPFAR	Mar 10
		Insulin 10 ml	30	0.15	4.5	KEMSA	May 10
		Didanosine 25 mg	47	0.18	8.46	CHAI	Aug 10
			2	0.18	0.36	CHAI	Mar 10
			1	0.18	0.18	CHAI	Jan 10
			1	0.18	0.18	CHAI	Oct 11
		Efavirenz solution (stocrin)	17	0.26	4.42	CHAI	Feb 10
		Didanosine tablets 200 mg	1	0.18	0.18	CHAI	Mar 10
Walter Reed	KP	Zidovudine capsules 100 mg	873	0.04	34.92	PEPFAR	Nov 10
		Zidovudine capsules 100 mg	19	0.04	0.76	PEPFAR	Feb 11
		Lamivudine syrup	29	0.26	7.54	CHAI	Nov 10
		Zidovudine syrup	18	0.6	10.8	CHAI	Apr 11
		Lopinavir 100 mg/ritonavir 25 mg	2	0.26	0.52	CHAI	Dec 10
		Lopinavir 100 mg/ritonavir 25 mg	30	0.26	7.8	CHAI	Mar 11
		Nelfinavir 200 mg tablets	10	0.18	1.8	PEPFAR	May 11
		Stavudine 15 mg capsules	3	0.04	0.12	CHAI	Apr 11

Facility	ARV Supply	Drug	Quantity in Packs	Unit Weight Per Pack (kg)	Approximate Weight (kg)	Sponsor	Expiry Date
		Stavudine 15 mg capsules	18	0.04	0.72	CHAI	Mar 11
		Didanosine 50 mg capsules	4	0.18	0.72	PEPFAR	May 11
Total Weight					5,516.21		

ANNEX H. PROCUREMENT REPORT

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
Receipts for July - September 2010					
ARVs					
167	01/07/2010	KPP/02/10-HET	Nevirapine 200 mg tablets 60s	80,000	2.52
169	02/07/2010	KPP/01/10-MAT (D)	Tenofovir 300 mg + lamivudine 300 mg tablets 30s	100,373	9.75
173	21/07/2010	KPP/01/10-MAT (G)	Tenofovir 300 mg + lamivudine 300 mg tablets 30s	129,422	9.75
174	22/07/2010	KPP/01/10-MAT (G)	Tenofovir 300 mg + lamivudine 300 mg tablets 30s	129,300	9.75
176	23/07/2010	KPP/01/10-MAT (G)	Tenofovir 300 mg + lamivudine 300 mg tablets 30s	129,300	9.75
177	27/07/2010	KPP/02/10-HET (B)	Nevirapine 200 mg tablets 60s	200,000	2.52
			Zidovudine 300 mg tablets 60s	78,852	7.15
178	27/07/2010	KPP/02/10-HET (C)	Lamivudine 150 mg + zidovudine 300 mg tablets 60s	251,644	8.70
179	28/07/2010	KPP/02/10-MAT	Tenofovir 300 mg + lamivudine 300 mg tablets 30s	99,996	9.75
194	18/08/2010	KPP/06/09-AUR	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	120,000	11.26
198	26/08/2010	KPP/02/10(B)-HET	Efavirenz 600 mg tablets 30s	200,000	4.22
199	02/09/2010	KPP/02/10-HET (D)	Lamivudine 150 mg + zidovudine 300 mg tablets 60s	133,356	8.70
			Zidovudine 300 mg tablets 60s	71,148	7.15
202	08/09/2010	KPP/01/10-AUR (A)	Nevirapine 200 mg tablets 60s	93,014	2.59
210	24/09/2010	KPP/02/10(B)-MAT (B)	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	75,000	12.75
215	28/09/2010	KPP/01/10-AUR (B)	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	100,000	11.25
216	28/09/2010	Ex-KEMSA stocks	Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	65,160	5.70
218	30/09/2010	KPP/02/10-HET (E)	Nevirapine 200 mg tablets 60s	370,000	2.52
219	30/09/2010	KPP/05/10-MAT	Tenofovir/lamivudine/efavirenz 300/300/600 mg tablets 30s	95,670	17.50
OIs					
170	02/07/2010	KPP/05/09-UCL (N)	Multivitamin syrup 100 ml	35,935	0.25
			Cotrimoxazole 960 mg tablets 500s	7,198	8.30

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
171	05/07/2010	KPP/05/09-UCL (P)	Multivitamin syrup 100 ml	4,900	0.25
175	22/07/2010	KPP/05/10-SHL (D)	Amoxicillin 250 mg caps 1,000s	1,494	16.01
181	06/08/2010	KPP/05/09-UCL (Q)	Cotrimoxazole 960 mg tablets 500s	9,024	8.30
182	06/08/2010	KPP/05/09-UCL (R)	Cotrimoxazole 960 mg tablets 500s	5,597	8.30
183	06/08/2010	KPP/05/09-UCL (S)	Multivitamin syrup 100 ml	58,025	0.25
184	09/08/2010	KPP/05/09-UCL (T)	Multivitamin syrup 100 ml	19,187	0.25
			Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	19,380	0.27
185	10/08/2010	KPP/05/09-COS (E)	Cefuroxime 250 mg tablets 10s	340	1.96
			Griseofulvin 500 mg tablets 100s	1,000	6.93
			Multivitamin syrup 100 ml	42,567	0.25
186	11/08/2010	KPP/05/09-UCL (U)	Cotrimoxazole 960 mg tablets 500s	11,567	8.30
			Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	19,318	0.27
188	12/08/2010	KPP/05/09-UCL (V)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	93,555	0.27
189	11/08/2010	Replacement stocks	Fluconazole 200 mg tablets 100s	10	7.52
			Multivitamin tablets 1,000s	4	4.31
			Erthromycin 500 mg tablets 100s	6	6.20
196	25/08/2010	KPP/05/06-UCL (W)	Cotrimoxazole 960 mg tablets 500s	6,859	8.30
197	25/08/2010	KPP/05/06-UCL (X)	Cotrimoxazole 960 mg tablets 500s	6,851	8.30
204	09/09/2010	KPP/05/09-UCL (Y)	Cotrimoxazole 960 mg tablets 500s	21,604	8.30
205	10/09/2010	KPP/05/09-UCL (Z)	Nystatin oral drops 30 ml	33,280	0.34
206	10/09/2010	KPP/05/09-UCL (BA)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	59,260	0.27
209	24/09/2010	KPP/05/09-UCL (BB)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	96,508	0.27
211	27/09/2010	KPP/05/09-UCL (BC)	Multivitamin syrup 100 ml	60,756	0.25
213	28/09/2010	KPP/05/09-UCL (BD)	Cotrimoxazole 960 mg tablets 500s	866	8.30
214	28/09/2010	KPP/05/09-UCL (BE)	Multivitamin syrup 100 ml	20,417	0.25
217	29/09/2010	KPP/05/09-COS ()	Multivitamin tablets 1,000s	61,462	4.31
Dispensing Envelopes					
200	02/09/2010	KPP/04/10-AMM	Dispensing envelopes 1,000s	7,500	7.75
Receipts for October - December 2010					

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
ARVs					
220	01/10/2010	Ex-KEMSA stocks	Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	34,840	5.70
			Stavudine/lamivudine 30/150 tablets 60s	30,000	3.00
226	19/10/2010	KPP/05/10-STR	Lamivudine 150 mg tablets 60s	100,000	2.40
227	19/10/2010	KPP/02/10-MAT (A)	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	100,000	12.75
236	29/10/2010	KPP/01/10-AUR (C)	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	100,000	11.25
238	02/11/2010	KPP/01/10(B)-MAT (B)	Efavirenz 600 mg tablets 30s	75,000	4.50
241	04/11/2010	KPP/02/10(C)-MAT	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	130,000	12.75
244	10/11/2010	KPP/05/10-MAT	Tenofovir/lamivudine/efavirenz 300/300/600 mg tablets 30s	4,330	17.50
245	15/11/2010	KPP/02/10(B)-MAT (C)	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	25,000	12.75
253	29/11/2010	Ex-KEMSA stocks	Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	200,000	5.70
			Stavudine/lamivudine 30/150 mg tablets 60s	50,000	3.00
257	8/12/2010	KPP/01/10(B)-HET (A)	Efavirenz 600 mg tablets	72,936	4.22
262	09/12/2010	Ex-KEMSA stocks	Lamivudine 150 mg + zidovudine 300 mg tablets 60s - mfg by Hetero	16,102	8.70
			Lamivudine 150 mg + zidovudine 300 mg tablets 60s - mfg by Macleods	33,939	7.21
263	09/12/2010	KPP/02/10-HET (SCMS)	Zidovudine 300 mg tablets 60s	49,999	7.15
273	17/12/2010	KPP/01/10-AUR (D)	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	50,003	11.25
OIs					
221	05/10/2010	KPP/05/05-COS (G)	Multivitamin tablets 1,000s	33,514	4.31
233	27/10/2010	KPP/05/09-UCL (BF)	Multivitamin syrup 100 ml	81,949	0.25
234	28/10/2010	KPP/05/09-UCL (BG)	Multivitamin syrup 100 ml	20,335	0.25
235	29/10/2010	KPP/05/09(B)-COS (A)	Acyclovir 200 mg tablets 30s	1,000	0.85

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
237	02/11/2010	KPP/05/09-UCL (BH)	Cotrimoxazole 960 mg tablets 500s	3,422	8.30
239	04/11/2010	KPP/05/09-UCL (BJ)	Multivitamin syrup 100 ml	61,024	0.25
			Nystatin oral drops 30 ml	9,107	0.34
240	04/11/2010	KPP/05/09-UCL (BI)	Cotrimoxazole 960 mg tablets 500s	1,230	8.30
		KPP/05/09(B)-UCL (A)	Cotrimoxazole 960 mg tablets 500s	1,764	8.30
243	10/11/2010	KPP/05/09(B)-UCL (B)	Cotrimoxazole 960 mg tablets 500s	2,988	8.67
246	17/11/2010	KPP/05/09(B)-UCL (C)	Cotrimoxazole 960 mg tablets 500s	5,578	8.67
247	17/11/2010	KPP/05/09(B)-UCL (D)	Cotrimoxazole 960 mg tablets 500s	4,752	8.67
252	29/11/2010	Replacement stocks	Ciprofloxacin 500 mg tablets 100s	6,915	2.35
258	09/12/2010	KPP/05/09-UCL (BL)	Multivitamin syrup 100 ml	12,472	0.25
			Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	49,274	0.27
259	08/12/2010	KPP/05/09(B)-UCL (E)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	9,879	0.30
266	10/12/2010	KPP/05/09(B)-UCL (F)	Cotrimoxazole 960 mg tablets 500s	5,119	8.67
267	10/12/2010	KPP/03/10-MPL (A)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	76,080	0.53
268	10/12/2010	KPP/03/10-MPL (B)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	48,920	0.53
			Cotrimoxazole 480 mg tablets 1,000s	1,200	8.47
269	10/12/2010	KPP/03/10-MPL (C)	Cotrimoxazole 480 mg tablets 1,000s	11,800	8.47
270	15/12/2010	KPP/05/09(B)-UCL (G)	Cotrimoxazole 960 mg tablets 500s	3,429	8.67
271	16/12/2010	KPP/05/09(B)-UCL (H)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	78,355	0.30
272	16/12/2010	KPP/05/09(B)-COS (B)	Dapsone 100 mg tablets 1,000s	4,000	11.50
			Acyclovir 200 mg tablets 30s	13,343	0.85
274	29/12/2010	KPP/03/10-MPL (G)	Cotrimoxazole 480 mg tablets 1,000s	5,600	8.47
			Cotrimoxazole 960 mg tablets 500s	10,072	8.99
Receipts for January - March 2011					
ARVs					
285	12/01/2011	KPP/01/10(B)-HET (B)	Efavirenz 600 mg tablets	102,064	4.22
293	24/01/2011	KPP/01/10(B)-MAT (A)	Efavirenz 600 mg tablets	99,998	4.50
300	27/01/2011	KPP/01/10-AUR (F)	Nevirapine 200 mg tablets 60s	100,000	2.59

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
306	04/02/2011	KPP/06/10-MAT	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	100,000	12.75
			Tenofovir/lamivudine/efavirenz 300/300/600 mg tablets 30s	100,000	17.50
325	16/02/2011	Ex-KEMSA stocks	Lamivudine/zidovudine 150/300 mg tablets 60s	25,000	8.70
			Lamivudine/zidovudine 150/300 mg tablets 60s	3	7.21
334	24/02/2011	Ex-KEMSA stocks	Lopinavir/ritonavir 100 mg/25 mg tablets 60s	329	9.04
335	24/02/2011	KPP/01/10-AUR (E)	Nevirapine 200 mg tablets 60s	57,350	2.59
337	25/02/2011	KPP/06/10-HET (A)	Lamivudine 150 mg + zidovudine 300 mg tablets 60s	149,054	8.14
350	14/03/2011	KPP/06/10-LHC	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	100,000	11.40
357	18/03/2011	KPP/06/10-HET (B)	Efavirenz 600 mg tablets 30s	55,728	4.17
364	23/03/2011	KPP/01/10-AUR (G)	Nevirapine 200 mg tablets 60s	149,635	2.59
OIs					
276	05/01/2011	KPP/05/09(B)-UCL (I)	Cotrimoxazole 960 mg tablets 500s	18,606	8.67
278	04/01/2011	KPP/03/10-MPL (E)	Cotrimoxazole 480 mg tablets 1,000s	12,500	8.47
			Cotrimoxazole 960 mg tablets 500s	3,504	8.99
279	4/1/2011	KPP/03/10-MPL (D)	Cotrimoxazole 480 mg tablets 1,000s	17,495	8.47
280	06/01/2011	KPP/03/10-MPL (F)	Cotrimoxazole 480 mg tablets 1,000s	6,900	8.47
			Cotrimoxazole 960 mg tablets 500s	8,710	8.47
282	11/01/2011	KPP/05/09(B)-UCL (J)	Cotrimoxazole 960 mg tablets 500s	12,931	8.67
290	18/01/2011	KPP/05/09(B)-UCL (K)	Cotrimoxazole 960 mg tablets 500s	12,070	8.67
294	24/01/2011	KPP/03/10-IDA (A)	Cotrimoxazole 960 mg tablets 500s	9,841	8.44
295	24/01/2011	KPP/03/10-IDA (B)	Cotrimoxazole 960 mg tablets 500s	9,806	8.44
297	26/01/2011	KPP/03/10-IDA (D)	Cotrimoxazole 960 mg tablets 500s	10,543	8.44
299	27/01/2011	KPP/05/09(B)-UCL (L)	Cotrimoxazole 960 mg tablets 500s	16,826	8.67
301	28/01/2011	KPP/03/10-IDA (C)	Cotrimoxazole 960 mg tablets 500s	9,810	8.44
302	01/02/2011	KPP/03/10-MPL (D)	Cotrimoxazole 480 mg tablets 1,000s	12,000	8.47
309	07/02/2011	KPP/05/09(B)-UCL (M)	Cotrimoxazole 960 mg tablets 500s	7,774	8.67
315	08/02/2011	KPP/05/09(B)-COS(C)	Dapsone 100 mg tablets 1,000s	4,066	11.50

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
			Acyclovir 200 mg tablets 30s	10,000	0.85
316	08/02/2011	KPP/03/10-MPL (J)	Cotrimoxazole 960 mg tablets 500s	13,020	8.99
318	11/02/2011	KPP/05/09(B)-UCL (N)	Cotrimoxazole 960 mg tablets 500s	10,741	8.67
319	11/02/2011	KPP/03/10-IDA (E)	Cotrimoxazole 960 mg tablets 500s	11,057	8.44
320	11/02/2011	KPP/03/10-MPL (I)	Cotrimoxazole 960 mg tablets 500s	16,274	8.99
321	11/02/2011	KPP/03/10-MPL (K)	Cotrimoxazole 960 mg tablets 500s	10,925	8.99
323	15/02/2011	KPP/03/10-IDA (F)	Cotrimoxazole 960 mg tablets 500s	9,813	8.44
324	15/02/2011	KPP/03/10-IDA (G)	Cotrimoxazole 960 mg tablets 500s	9,820	8.44
328	18/02/2011	KPP/07/10-UCL (A)	Cotrimoxazole 960 mg tablets 500s	18,649	8.60
330	23/02/2011	KPP/07/10-UCL (C)	Cotrimoxazole 960 mg tablets 500s	9,460	8.60
331	23/02/2011	KPP/05/09(B)-UCL (P)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	11,760	0.30
332	23/02/2011	KPP/05/09(B)-COS(D)	Acyclovir 200 mg tablets 30s	68,325	0.85
333	23/02/2011	KPP/03/10-IDA (H)	Cotrimoxazole 960 mg tablets 500s	9,310	8.44
342	02/03/2011	KPP/05/09(B)-COS(E)	Dapsone 100 mg tablets 1,000s	8,774	11.50
			Acyclovir 200 mg tablets 30s	40,332	0.85
343	02/03/2011	KPP/07/10-UCL (D)	Cotrimoxazole 960 mg tablets 500s	5,151	8.60
344	02/03/2011	KPP/07/10-UCL (E)	Cotrimoxazole 960 mg tablets 500s	11,207	8.60
349	10/03/2011	KPP/07/10-UCL (F)	Cotrimoxazole 960 mg tablets 500s	12,044	8.60
351	14/03/2011	KPP/07/10-UCL (G)	Cotrimoxazole 960 mg tablets 500s	12,969	8.60
352	15/03/2011	KPP/05/09(B)-MPL	Amphotericin B 50 mg Injection 1s	10,000	5.16
353	16/03/2011	KPP/07/10-UCL(H)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	88,056	0.38
			Cotrimoxazole 960 mg tablets 500s	9,528	8.60
354	17/03/2011	KPP/07/10-COS	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	58,934	0.35
358	22/03/2011	KPP/07/10-COS (B)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	59,041	0.35
359	22/03/2011	KPP/07/10-UCL (I)	Cotrimoxazole 960 mg tablets 500s	7,781	0.38
361	23/03/2011	KPP/07/10-UCL (J)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	59,530	0.38
363	23/03/2011	KPP/07/10-COS (C)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	59,109	0.35
365	25/03/2011	KPP/07/10-COS (D)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	29,556	0.35
368	29/03/2011	KPP/07/10-UCL (K)	Cotrimoxazole 960 mg tablets 500s	7,537	8.60

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
369	29/03/2011	KPP/07/10-COS (E)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	29,468	0.35
370	30/03/2011	KPP/07/10-COS (F)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	29,665	0.35
Dispensing Envelopes					
277	07/01/2011	KPP/04/10-AMM	Dispensing envelopes 1,000s	2,500	6.50
TB Drugs					
329	22/02/2011	KPP/08/10(TB)-COS	Isoniazid 300 mg tablets 100s	840	2.55
			Ethambutol 400 mg tablets 100s	560	6.70
360	22/03/2011	KPP/08/10(TB)-UCL	Isoniazid 100 mg tablets 100s	18,000	1.48
Receipts for April - June 2011					
Dispensing Envelopes					
372	01/04/2011	KPP/11/10-BAK	Dispensing envelopes	6,000	6.00
ARVs					
373	04/04/2011	KPP/08/10-HET (A)	Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	226,238	4.84
385	14/04/2011	KPP/09/10-MTX-A	Lamivudine/zidovudine 150/300 mg tablets 60s	65,000	8.25
			Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	210,000	10.99
402	28/04/2011	KPP/09/10-MAT (B)	Lamivudine/zidovudine 150/300 mg tablets 60s	70,000	8.25
403	28/04/2011	KPP/06/10-HET (C)	Efavirenz 600 mg tablets 30s	194,272	4.17
			Lamivudine/zidovudine 150/3000 mg tablets 60s	946	8.14
			Stavudine/lamivudine 30/150 mg tablets 60s	70,000	3.12
424	24/05/2011	KPP/08/10-HET (B)	Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	173,762	4.84
428	02/06/2011	KPP/09/10-MAT (E)	Tenofovir/lamivudine/efavirenz 300/300/600 mg tablets 30s	136,000	17.50
439	13/06/2011	KPP/09/10-STR (A)	Nevirapine 200 mg tablets 60s	200,000	2.52
442	21/06/2011	KPP/09/10-MAT (C)	Tenofovir/lamivudine/efavirenz 300/300/600 mg tablets 30s	51,734	17.50
			Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	59,231	10.99
443	23/06/2011	KPP/09/10-HET (A)	Efavirenz 600 mg tablets 30s	188,331	4.28
444	23/06/2011	KPP/09/10-HET (B)	Efavirenz 600 mg tablets 30s	161,669	4.28
446	28/06/2011	KPP/08/10-AUR (A)	Nevirapine oral suspension 240 ml	30,000	1.95
OIs					

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
374	07/04/2011	KPP/07/10-UCL (L)	Cotrimoxazole 960 mg tablets 500s	10,112	8.60
380	08/04/2011	KPP/10/10-UCL (A)	Amphotericin B 50 mg Injection 1s	6,839	3.25
382	13/04/2011	KPP/07/10-UCL (M)	Cotrimoxazole 960 mg tablets 500s	14,069	8.60
384	14/04/2011	KPP/07/10-COS (G)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	84,227	0.35
391	20/04/2011	KPP/07/10-UCL (N)	Cotrimoxazole 960 mg tablets 500s	13,178	8.60
392	20/04/2011	KPP/07/10-UCL (P)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	2,414	0.38
393	20/04/2011	KPP/10/10-UCL (B)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	37,639	0.38
395	26/04/2011	KPP/07/10-MPL (A)	Cotrimoxazole 960 mg tablets 500s	80,000	8.22
398	27/04/2011	KPP/10/10-COS	Cotrimoxazole 960 mg tablets 100s	85,070	1.90
404	28/04/2011	KPP/07/10-UCL (Q)	Cotrimoxazole 960 mg tablets 500s	12,963	8.60
405	28/04/2011	KPP/07/10-UCL (R)	Cotrimoxazole 960 mg tablets 500s	13,061	8.60
406	28/04/2011	KPP/07/10-UCL (S)	Cotrimoxazole 960 mg tablets 500s	2,585	8.60
407	29/04/2011	KPP/10/10-UCL (C)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	60,148	0.38
409	04/05/2011	KPP/10/10-COS(B)	Cotrimoxazole 960 mg tablets 100s	92,589	1.90
413	10/05/2011	KPP/07/10-UCL (T)	Cotrimoxazole 960 mg tablets 500s	13,868	8.60
414	10/05/2011	KPP/07/10-UCL (U)	Cotrimoxazole 960 mg tablets 500s	7,799	8.60
415	12/05/2011	KPP/07/10-UCL (V)	Cotrimoxazole 960 mg tablets 500s	15,461	8.60
420	23/05/2011	KPP/07/10-MPL (B)	Cotrimoxazole 480 mg tablets 1,000s	32,999	8.22
421	24/05/2011	KPP/10/10-UCL (D)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	40,097	0.38
422	24/05/2011	KPP/10/10-COS (C)	Cotrimoxazole 960 mg tablets 100s	191,312	1.90
423	27/05/2011	KPP/03/10-IDA (I)	Cotrimoxazole 960 mg tablets 500s	40,000	8.44
431	03/06/2011	KPP/10/10-COS (D)	Cotrimoxazole 960 mg tablets 100s	164,157	1.90
432	03/06/2011	KPP/10/10-UCL (E)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	45,768	0.38
434	06/06/2011	KPP/07/10-MPL (D)	Cotrimoxazole 960 mg tablets 500s	80,000	8.22
435	06/06/2011	KPP/07/10-MPL (E)	Cotrimoxazole 960 mg tablets 500s	39,999	8.22
445	24/06/2011	KPP/10/10-COS (E)	Cotrimoxazole 960 mg tablets 100s	291,149	1.90
TB Drugs					
377	08/04/2011	KPP/08/10(TB)-PGT	Rifabutin 150 mg capsules 30s	1,200	30.00
390	18/04/2011	KPP/08/10(TB)-COS	Pyrazinamide 500 mg tablets 100s	840	3.83

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
Receipts for July - September 2011					
ARVs					
450	04/07/2011	KPP/09/10-MAT (E)	Lamivudine/zidovudine 150/300 mg tablets 60s	77,641	8.25
			Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	11,100	10.99
459	18/07/2011	KPP/09/10-STR (B)	Nevirapine 200 mg tablets 60s	200,000	2.52
464	03/08/2011	KPP/09/10-CIP (A)	Stavudine/lamivudine 30/150 mg tablets 60s	106,455	3.15
465	03/08/2011	KPP/09/10-MAT (F)	Tenofovir/lamivudine/efavirenz 300/300/600 mg tablets 30s	103,417	17.50
474	12/08/2011	KPP/08/10-HET (F)	Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	92,151	4.84
475	12/08/2011	KPP/08/10-HET (E)	Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	62,038	4.84
476	12/08/2011	KPP/08/10-HET (D)	Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	94,824	4.84
484	19/08/2011	KPP/08/10-AUR (B)	Nevirapine oral suspension 240 ml	24,000	1.95
487	30/08/2011	KPP/09/10-MAT (F)	Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	19,669	10.99
			Tenofovir/lamivudine/efavirenz 300/300/600 mg tablets 30s	103,849	17.50
			Lamivudine/zidovudine 150/300 mg tablets 60s	52,359	8.25
488	01/09/2011	KPP/09/10-HET (C)	Zidovudine 300 mg tablets 60s	150,000	6.92
490	01/09/2011	MSF - stocks	Lamivudine 150 mg tablets 60s	90	3.05
492	06/09/2011	KPP/09/10-CIP (B)	Stavudine/lamivudine 30/150 mg tablets 60s	123,545	3.15
497	09/09/2011	Nyambene DH - stocks	Lamivudine 150 mg tablets 60s	100	2.40
508	23/09/2011	KPP/08/10-AUR (B)	Nevirapine oral suspension 240 ml	18,594	1.95
510	27/09/2011	KPP/01/11-HET (A)	Lamivudine 150 mg tablets 60s	3,705	2.34
511	27/09/2011	St. Joseph Mission - Mukasa	Lamivudine 150 mg tablets 60s	13	2.40
OIs					
449	04/07/2011	KPP/10/10-UCL (F)	Cotrimoxazole 960 mg tablets 100s	21,275	1.91
			Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	59,893	0.38
454	12/07/2011	KPP/10/10-COS (F)	Cotrimoxazole 960 mg tablets 100s	106,495	1.90
456	14/07/2011	KPP/10/10-UCL (G)	Cotrimoxazole 960 mg tablets 100s	12,597	1.91
457	14/07/2011	KPP/10/10-UCL (H)	Cotrimoxazole 960 mg tablets 100s	20,836	1.91

Goods Arrival Receipt No.	Receipt Date	Order No.	Product Description	Quantity	Unit Price (\$)
460	04/07/2011	KPP/03/10-IDA (J)	Cotrimoxazole 960 mg tablets 500s	50,000	8.44
461	25/07/2011	KPP/10/10-UCL (I)	Cotrimoxazole 960 mg tablets 100s	103,373	1.91
463	03/08/2011	KPP/10/10-COS (G)	Cotrimoxazole 960 mg tablets 100s	120,733	1.90
466	03/08/2011	KPP/10/10-UCL (J)	Cotrimoxazole 960 mg tablets 100s	77,490	1.91
468	08/08/2011	KPP/10/10-UCL (K)	Cotrimoxazole 960 mg tablets 100s	51,785	1.91
469	08/08/2011	KPP/10/10-UCL (L)	Cotrimoxazole 960 mg tablets 100s	34,557	1.91
470	08/08/2011	KPP/10/10-UCL (M)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	77,551	0.38
471	08/08/2011	KPP/10/10-UCL (N)	Cotrimoxazole oral suspension 240 mg/5 ml, 100 ml	78,904	0.38
477	15/08/2011	KPP/10/10-UCL (P)	Cotrimoxazole 960 mg tablets 100s	83,883	1.91
482	18/08/2011	KPP/10/10-UCL (Q)	Cotrimoxazole 960 mg tablets 100s	45,271	1.91
486	24/08/2011	KPP/10/10-COS (H)	Cotrimoxazole 960 mg tablets 100s	148,495	1.90
489	01/09/2011	KPP/10/10-UCL (R)	Cotrimoxazole 960 mg tablets 100s	51,730	1.91
495	08/09/2011	KPP/10/10-UCL (S)	Cotrimoxazole 960 mg tablets 100s	47,171	1.91
Dispensing Envelopes					
473	10/08/2011	KPP/11/10-BAK (B)	Dispensing envelopes 100s	4,000	6.00
Other OIs (USAID Request For Procurement of OIs for Turkana Drought Response)					
503	21/09/2011	KPP/04/11-UCL	Paracetamol suspension 120 mg/5 ml 60 ml	2,500	0.20
504	21/09/2011	KPP/04/11-COS	Erythromycin 500 mg tablets 10 x 10s	2,000	11.00
			Paracetamol suspension 120 mg/5 ml, 60 ml	2,500	0.20
			Doxycycline 100 mg capsules 100s	2,000	1.20
505	22/09/2011	KPP/04/11-RPL	Amoxicillin 250 mg tablets 1,000s	1,000	17.05
			Mebendazole 100 mg tablets 1,000s	1,000	2.61
			Metronidazole 200 mg tablets 1,000s	1,000	3.70
			Paracetamol 500 mg tablets 1,000s	5,000	3.41
507	23/09/2011	KPP/04/11-MEDS	Neonatal ampiclox 90 mg/0.6 ml, 8 ml (ampicillin and cloxacillin oral suspension)	1,000	0.39
			Amoxicillin 125 mg/5 ml 1s	1,000	0.47
			Tetracycline eye ointment 1% w/w, 3.5 g tube	3,000	0.16

ANNEX I. FINANCIAL REPORT

No.	Cost Line Items	Quarter 8 (July to September 2011)				Project Year 2 (15 months from July 1, 2010 to September 30, 2011)			
		Budget	Actual Cost	Variance	Percent	Budget	Actual Cost	Variance	Percent
1	Salaries	\$409,709	\$277,249	\$132,460	68%	\$1,735,914	\$1,339,391	\$396,523	77%
2	Fringe Benefits	\$292,182	\$172,077	\$120,105	59%	\$659,685	\$577,657	\$82,028	88%
3	Overhead	\$336,135	\$210,313	\$125,822	63%	\$1,283,276	\$929,813	\$353,463	72%
4	Travel & Transportation	\$127,086	\$40,524	\$86,562	32%	\$476,082	\$281,473	\$194,609	59%
5	Allowances	\$175,788	\$73,911	\$101,877	42%	\$813,026	\$411,316	\$401,710	51%
6	Other Direct Costs	\$247,681	\$143,767	\$103,914	58%	\$714,533	\$769,394	(\$54,861)	108%
7	Equipment, Vehicles, & Freight	\$24,564	\$545	\$24,019	2%	\$80,385	\$33,598	\$46,787	42%
8	Training	\$8,808	\$4,471	\$4,337	51%	\$41,529	\$32,242	\$9,287	78%
9	Subcontracts (incl. PHSL, DHL)	\$1,184,826	\$1,107,918	\$76,908	94%	\$5,516,127	\$5,893,471	(\$377,344)	107%
10	General & Administrative	\$92,425	\$54,824	\$37,601	59%	\$339,010	\$254,491	\$84,519	75%
11	Fixed Fee	\$60,610	\$31,339	\$29,271	52%	\$251,440	\$150,536	\$100,904	60%
12	Award Fee	\$211,725	\$0	\$211,725	0%	\$341,233	\$129,508	\$211,725	38%
13	Procurement Services Fee	\$243,188	\$145,745	\$97,443	60%	\$1,031,373	\$692,306	\$339,067	67%
Total Management Items		\$3,414,727	\$2,262,682	\$1,152,045	66%	\$13,283,613	\$11,495,197	\$1,788,416	87%
14	Procurement (Drugs and Vimta)	\$23,641,590	\$13,468,230	\$10,173,360	57%	\$102,972,398	\$63,375,908	\$39,596,490	62%
Grand Total		\$27,056,317	\$15,730,912	\$11,325,405	58%	\$116,256,011	\$74,871,105	\$41,384,906	64%

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted US AGENCY FOR INTERNATIONAL DEVELOPMENT		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) PEPFAR			Page 1	of pages	
3. Recipient Organization (Name and complete address including Zip code) CHEMONICS INTERNATIONAL INC. 1717 H STREET NW, WASHINGTON, DC 20006							
4a. DUNS Number 86-771-4768	4b. EIN 52-2145827	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) 623-C-00-09-00014-00		6. Report Type <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual		
8. Project/Grant Period From: (Month, Day, Year) JULY 6, 2009			To: (Month, Day, Year) JULY 5, 2012		9. Reporting Period End Date (Month, Day, Year) SEPTEMBER 30, 2011		
10. Transactions					Cumulative		
(Use lines a-c for single or multiple grant reporting)							
Federal Cash (To report multiple grants, also use FFR Attachment):							
a. Cash Receipts							
b. Cash Disbursements							
c. Cash on Hand (line a minus b)							
(Use lines d-o for single grant reporting)							
Federal Expenditures and Unobligated Balance:							
d. Total Federal funds authorized						\$218,377,000.00	
e. Federal share of expenditures						\$94,284,741.00	
f. Federal share of unliquidated obligations						\$26,587,147.00	
g. Total Federal share (sum of lines e and f)						\$120,871,888.00	
h. Unobligated balance of Federal funds (line d minus g)						\$97,505,112.00	
Recipient Share:							
i. Total recipient share required							
j. Recipient share of expenditures							
k. Remaining recipient share to be provided (line i minus j)							
Program Income:							
l. Total Federal program income earned							
m. Program income expended in accordance with the deduction alternative							
n. Program income expended in accordance with the addition alternative							
o. Unexpended program income (line l minus line m or line n)							
11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
g. Totals:							
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:							
13. Certification: By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and intent set forth in the award documents. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)							
a. Typed or Printed Name and Title of Authorized Certifying Official STEVE HAWKINS CHIEF OF PARTY				c. Telephone (Area code, number and extension) (254) 20 271 3314			
b. Signature of Authorized Certifying Official 				d. Email address SHawkins@KenyaPharma.org			
				e. Date Report Submitted (Month, Day, Year) October 28, 2011			
14. Agency use only:							

Standard Form 425 - Revised 6/28/2010
 OMB Approval Number: 0348-0061
 Expiration Date: 10/31/2011

Paperwork Burden Statement

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0061), Washington, DC 20503.

ANNEX J. BRANDING AND MARKING REPORT

The following table outlines the types of materials produced for Kenya Pharma during the second year.

Material	USAID Kenya Pharma Sub-brand	Kenya Pharma Name Only	PEPFAR Marking	No Branding	Notes
Administrative Items					
Stationary (letterhead, envelopes, fax coversheet, etc.)	X		X		Chemonics' letterhead was used when the project was entering contractual relationships with third parties (hiring staff, leases) as per ADS 320.3.1.5.
Business cards		X			As per ADS 320.3.1.6, business cards did not have the USAID or PEPFAR identity. Only the project name was used.
Office signs	X		X		
Deliverables (reports, etc.)	X		X		
Tender documents and advertisements	X		X		
Complimentary slips	X		X		
E-mail signatures		X			Project e-mail signatures only use the project name and identify the writer as a USAID contractor.
Technical and Promotional Materials					
Project website	X		X		Re-launched e-SCM (version 2.0) and project website in 7 th quarter.
Training manuals and materials	X		X		Produced e-SCM 2.0 quick start guide in the 7 th quarter.
PowerPoint presentations	X		X		Presentations made at NACC conference and KP stakeholders' workshop, as well as other stakeholder meetings attended in the year.
Newsletter/ e-bulletin	X		X		Produced internal and external e-newsletters.
Success stories	X		X		Distributed print copies at NACC conference in the 7 th quarter.
News releases/ media fact sheets	X		X		
Banners	X		X		
Commodities and Materials Associated with Shipments					
Invoices, packing slips, and order forms	X		X		By law, the invoice must also contain the name and address of Philips Healthcare Services Ltd.
Waybill				X	As a security measure, the waybill

Material	USAID Kenya Pharma Sub-brand	Kenya Pharma Name Only	PEPFAR Marking	No Branding	Notes
					contains only the name of the shipper, usually DHL.
Boxes/cartons	X		X		Cartons of commodities are marked with PEPFAR co-branded stickers upon arrival in Kenya Pharma warehouse. Stickers are placed on one side of the box only.
Shipments	X		X		For small shipments, boxes are wrapped in brown paper and sealed with tape co-branded with the PEPFAR logo. Large shipments are shrink-wrapped, and stickers are applied to the outside of the shipment.
Monthly packet of ARVs, Ols, etc.		X			Procured commodities are marked with the USAID Kenya Pharma identity. The sub-brand logo/emblem are not placed on the packaging because of limited space and additional cost. The commodities are marked: "USAID Kenya Pharma – Not for Resale." This marking only applies to non-emergency procurements and procurements where the cost of the marking will not raise the price by more than 0.5%.
Materials for Field Agents					
ID badges		X			Similar to business cards, ID badges do not carry the USAID identity, to prevent project staff from being mistaken for USAID employees.
T-shirts, hats, bags, and other collateral items		X			The project produced bags and calendars in the 5 th quarter.

ANNEX K. STOCK STATUS REPORT AS OF SEPTEMBER 30, 2011

Commodity	Units
Acyclovir 200 mg tablets 30s	83,474
Amphotericin B 50 mg injection 1s	14,323
Chlopheniramine maleate 4 mg tablets 1,000s	2,404
Ciprofloxacin 500 mg tablets 100s	0
Cotrimoxazole 240 mg/5 ml suspension 100 ml	452,758
Cotrimoxazole 480 mg tablets 1,000s	12,695
Cotrimoxazole 960 mg tablets 500s	1,384,711
Cotrimoxazole 960 mg tablets 100s	861,441
Dapsone 100 mg tablets 1,000s total	12,397
Dispensing envelopes (70 x 100 x 0.040 mm) 1,000s	8,663
Efavirenz 600 mg tablets 30s	402,897
Ethambutol 400 mg tablets 100s	383
Fluconazole 200 mg tablets 100s	11,795
Indinavir capsules 400 mg 180s	0
Isoniazid 100 mg tablets 100s	405
Isoniazid 300 mg tablets 100s	0
Lamivudine 150 mg tablets 60s	18
Lamivudine/zidovudine 150/300 mg tablets 60s	25,723
Lamivudine/zidovudine/nevirapine 150/300/200 mg tablets 60s	166,877
Multivitamin tablets 1,000s	4,706
Multivitamin syrup 100 ml	35
Nelfinavir tablets 250 mg 270s	0
Nevirapine 200 mg tablets 60s	510,960
Nevirapine oral suspension 240 ml	20,357
Nystatin oral drops 30 ml	90,644
Pyrazinamide 500 mg tablets 100s	527
Pyridoxine 50 mg tablets 100s	10,291
Rifabutin 150 mg capsules 30s	831
Saquinavir capsules 200 mg 270s	8
Stavudine/lamivudine 30 mg/150 mg tablets 60s	155,850
Stavudine/lamivudine/nevirapine 30/150/200 mg tablets 60s	284,235
Tenofovir/lamivudine tablets 300 mg 30s	136,262
Tenofovir/lamivudine/efavirenz 300/300/600 mg tablets 30s	163,510
Zidovudine tablets 300 mg 60s	226,333
Total	5,036,850

ANNEX L. TRIP REPORT

Name/Title of Traveler	Trip Location	Travel Date(s)	Purpose of Travel
2010			
Jenifer Otwell Home-Office Manager	Kenya	Jun 25-Jul 16	Prepare annual report
Steve Hawkins Project Management Unit Director	Kenya	Aug 18-27	Award fee meeting
Joanne Moore* Home-Office Senior Vice President, Africa Region	Kenya	Aug 25-31	Award fee meeting
April Peetz Project Management Unit Manager	Kenya	Sep 12-24	Support Year 2 work planning, stakeholders conference
Steve Hawkins Project Management Unit Director	Kenya	Sep 13-23	Support Year 2 work planning, stakeholders conference
Anthony Savelli Home-Office Director	Kenya	Sep 13-Dec 2	Serve as acting chief of party
Kimberly Coy Information Technology Engineer	Kenya	Oct 19-Nov 23	E-SCM technical support
Rob Teitlebaum Home-Office Director	Kenya	Oct 24-29	Assist with contract modification
Jessie Davis Project Management Unit Associate	Kenya	Oct 29-Dec 3	Serve as acting office manager
Jean Ntumba Field Accounting and Compliance Manager	Kenya	Nov 7-19	Annual financial audit
2011			
Steve Hawkins Project Management Unit Director	Kenya	Dec 31, 2010-Jan 14, 2011	Serve as acting chief of party
Kimberly Coy Information Technology Engineer	Kenya	Jan 1-15	E-SCM technical support
Bill Drexler ISO 9001 Consultant	Kenya	Jan 10-21	ISO 9001 start-up
Tiffany Darabi Home-Office Director	Kenya	Jan 10-21	ISO 9001 start-up
Esther Turunga Quality Assurance Manager	India	Jan 14-22	Meet with local subcontractor
Agnes Nyaguthie Supply Chain Logistics Manager	India	Jan 22-Feb 5	Meet with local subcontractor and manufacturers
Raj Gonsalkorale Supply Chain Consultant	Kenya	Feb 1-18	Update procurement manual and procedures
Anthony Savelli Home-Office Director	Kenya	Feb 1-25	Serve as acting chief of party

Name/Title of Traveler	Trip Location	Travel Date(s)	Purpose of Travel
Anne O'Connor* Home-Office Manager	Kenya	Feb 6-11	Ethics training with Kenya Pharma staff
Amy Rademacher* Home-Office Director	Kenya	Feb 7-11	Ethics training with Kenya Pharma staff
Carrie Carnevale Project Management Unit Associate	Kenya	Feb 28-Mar 25	Serve as acting operations manager
April Peetz Project Management Unit Manager	Kenya	Feb 28-Mar 18	Training with operations manager
Anthony Savelli Home-Office Director	Kenya	Apr 11-May 12	Serve as acting chief of party
Anthony Savelli Home-Office Director	Kenya	May 23-Jul 28	Serve as acting chief of party
Jennifer Chavez Director of Technical Coordination	United States	May 27-Jun 7	R & R; meetings at the home office
Jennifer Chavez Director of Technical Coordination	India	Jun 17-29	Meet with manufacturers
Janet Handa Procurement Manager	India	Jun 17-29	Meet with manufacturers
Ousmane Ndiaye Finance Director	Mali/ United States	Jun 24-Jul 22	R & R; meetings at the home office
Steve Hawkins Project Management Unit Director	Kenya	Jul 23-Aug 8	Support Year 3 work planning, stakeholders conference
April Peetz* Project Management Unit Manager	Kenya	Jul 23-Aug 12	Support Year 3 work planning, stakeholders conference
Tanna Bruce* Home Office, Africa Managing Director	Kenya	Jul 24-26	Support Year 3 work planning, stakeholders conference
Esther Turunga Quality Assurance Manager	Switzerland	Sep 10-17	Attend a WHO Q&A seminar
Steve Hawkins Chief of Party	Kenya	Sep 5	Take up position of chief of party
Jamey Butcher* Home-Office Senior Vice President, Africa Region	Kenya	Sep 14-16	Meet with local contractors, stakeholders, partners, collaborators, and staff
Reden Sagana Home-Office Manager	Kenya	Sep 19-30	Facilitate transition and handover by Jennifer Chavez, outgoing director of technical coordination
Jessie Davis* Home-Office Manager	Kenya	Sep 24-Oct 11	Prepare annual report

*Trip not billed to the project

ANNEX M. SELF-ASSESSMENT REPORT

Project Year 2 was a year of transition, growth, and improvement for Kenya Pharma. The project continued to supply high-quality HIV/AIDS commodities at competitive prices. In addition, it made critical improvements to its systems to enhance efficiency and increase cost savings. The project improved considerably its collaboration with the government of Kenya and other stakeholders, integrating itself more thoroughly into the supply chain community. Improved systems and increased collaboration has helped the project lengthen its planning horizons and as a consequence, be less dependent on urgent deliveries, opening up project tenders to additional suppliers and helping to reduce prices. During Year 2, the project made significant progress in incorporating ISO 9001 principles into its work by creating detailed process maps of its supply chain operations and management procedures.

At the end of Year 2, Kenya Pharma is in a stronger leadership and management position, thanks to the staff's hard work and collaboration with USAID, the Kenyan government, and other stakeholders. The project has transitioned the former home-office director to be the new chief of party, ensuring continued leadership and knowledge. The team looks forward to maintaining the project's strong foundation of service, quality, and price, while pursuing opportunities to innovate and improve. These efforts will lead to the ultimate goal: creation of a supply chain that can be sustained by local entities when Kenya Pharma closes its doors.

Below, are brief discussions of performance and a self-assessment in each of the project's five award fee criteria areas.

Procurement. Procurement, storage, and distribution are at the core of Kenya Pharma's business, and the project continues to improve in these areas. The team thinks the current performance in procurement warrants a rating in the middle of the "excellent" range (82 compared to 75 given by USAID at the end of Year 1). During the second year, the project improved overall stock management and increased buffer stock levels, resulting in fewer emergency procurements and instances of rationing. Collaboration with NASCOP helped staff anticipate shifts in regimens and be more foresighted and less reactive, resulting in high accuracy in F&Q. In a major procurement initiative, the project increased its use of local suppliers for procurement of OI drugs. There are now two local manufacturers able to supply the project at international quality and supply standards. Through the increased business, quality inspections, and continual observation that the project provides, these manufacturers have increased their capacity, batch sizes, quality processes, and management capability, contributing to the sustainability of an efficient supply chain served by local partners.

There is still work to do in this area, particularly in terms of the project's ability to anticipate shifts in prescribing, consumption, and ordering patterns, which is a particular challenge as the project supports the shift to a "pull" system, the planned shift in recommended regimens, and the simultaneous transition to the new county structure.

Quality. The team thinks its performance in the area of quality justifies a score at the lower end of the "exceptional" range (87, compared to 84 at the end of Year 1). The

quality of the project's products remains extremely high, and its management of the overall quality arena is improving as the many moving parts of this system come under better control. In the past year, there was only one product recall. This was a case of locally manufactured product that was "caking" (failing to stay in solution) as it aged. Once this was reported, any product remaining at the SDPs was quickly recalled. The project continued to monitor and correct minor cases in which packaging or other non-critical items did not meet specifications and resolved these issues before acceptance or release of product.

One of the biggest changes in the quality arena in Year 2 is that the project now uses the services of two local test laboratories: the National Quality Control Laboratory and MEDS. These relationships built the capacity of local laboratories by providing demand for their services and encouraged them to improve their capability and responsiveness — again contributing to the sustainability of a locally serviced supply chain.

Price. The team rates its performance in area of price in the exceptional range, slightly above Year 1's level (89 compared to an 88 at the end of Year 1). The project continues to purchase commodities below median international prices (21 percent lower, on average) and often below prices paid by other supply chains such as CHAI. In recent procurements, the team changed tender evaluation criteria to put an increased emphasis on cost and a reduced emphasis on delivery schedule. This is an area in which the team can continue to improve in the coming year by building stronger relationships with current suppliers and encouraging new suppliers to enter the market.

Collaboration. The team thinks its performance in the area of collaboration warrants a movement from the middle of the "satisfactory" range to the upper end of the "excellent" range (84 compared to a Year 1 rating of 60). The past year has seen increased collaboration, cooperation, and participation within the larger supply chain and HIV/AIDS communities, particularly through the project's participation and leadership in the 2-pager working group and other NASCOP-led initiatives. The stakeholder community, in particular, has provided positive feedback about the project's collaboration and transparency within the HIV/AIDS sector and how this has resulted in improved management of the PEPFAR and GOK supply chains. The recently completed customer satisfaction survey showed 100 percent of implementing partners and 94 percent of SDPs has a good or excellent impression of the project. Kenya Pharma's field service representatives were commended for their responsiveness to the SDPs.

The project still has work to do to improve collaboration at the regional, provincial, and district levels, but feedback indicates that efforts are paying off in the form of better relationships and better management of the supply chain as a single coordinated entity.

Reporting. The team thinks its performance in the area of reporting is comparable to its Year 1 score (80 given by USAID). The improved e-SCM system is more user-friendly and allows users to create standard reports with real-time information. The project's reporting to USAID continues to be accurate, timely, and complete. With a

new communications specialist onboard, the project is developing stronger project communication materials to highlight the project’s services and accomplishments. This year, the project began publishing internal and external newsletters.

Looking forward, the project can continue to increase the functionality of the e-SCM system by building new modules. In addition, the team can improve in generating error-free materials for external distribution.

As shown in the exhibit below, after applying weighting factors, the ratings result in a composite award fee self-assessment score of 85.

Self-Assessment Scores

		Year 1	Year 2			
	Weight	Final	Q1	Q2	Q3	Final
Procurement	40	75	76	77	79	82
Quality	25	84	83	84	85	87
Price	25	88	81	86	89	89
Collaboration	5	60	65	75	84	84
Reporting	5	80	70	80	80	80
Total	100	80	78.15	81.05	83.3	85