

The Supply chain system for EMHS in Uganda

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What is a Supply Chain Management (SCM) system? (1)

- **A SCM system** is a network of interconnected activities involved in the ultimate provision of **product** and **service packages** required by **end customers** (Harland, 1996).



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What is a Supply Chain Management (SCM) system? (2)

What does SCM involve?

- design, planning, execution, control, and monitoring supply chain activities

What is the objective of SCM?

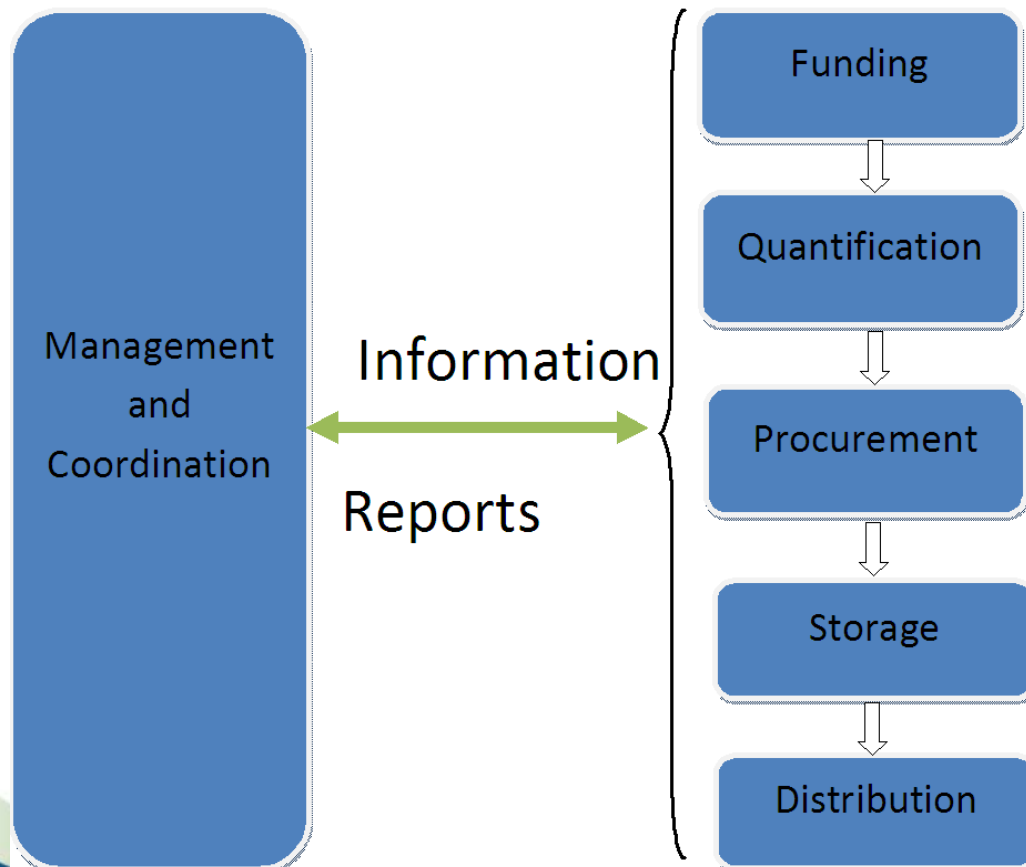
- creating net value
- building a competitive (efficient) infrastructure
- leveraging logistics,
- synchronizing supply with demand
- and measuring performance for efficiency gains



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Single Pipeline EMHS Supply System



Benefits of a single system:

Coordination and planning

Management support and information flow

Performance and pipeline monitoring

Prioritization and resource allocation

Gap identification (avoidance of duplication)



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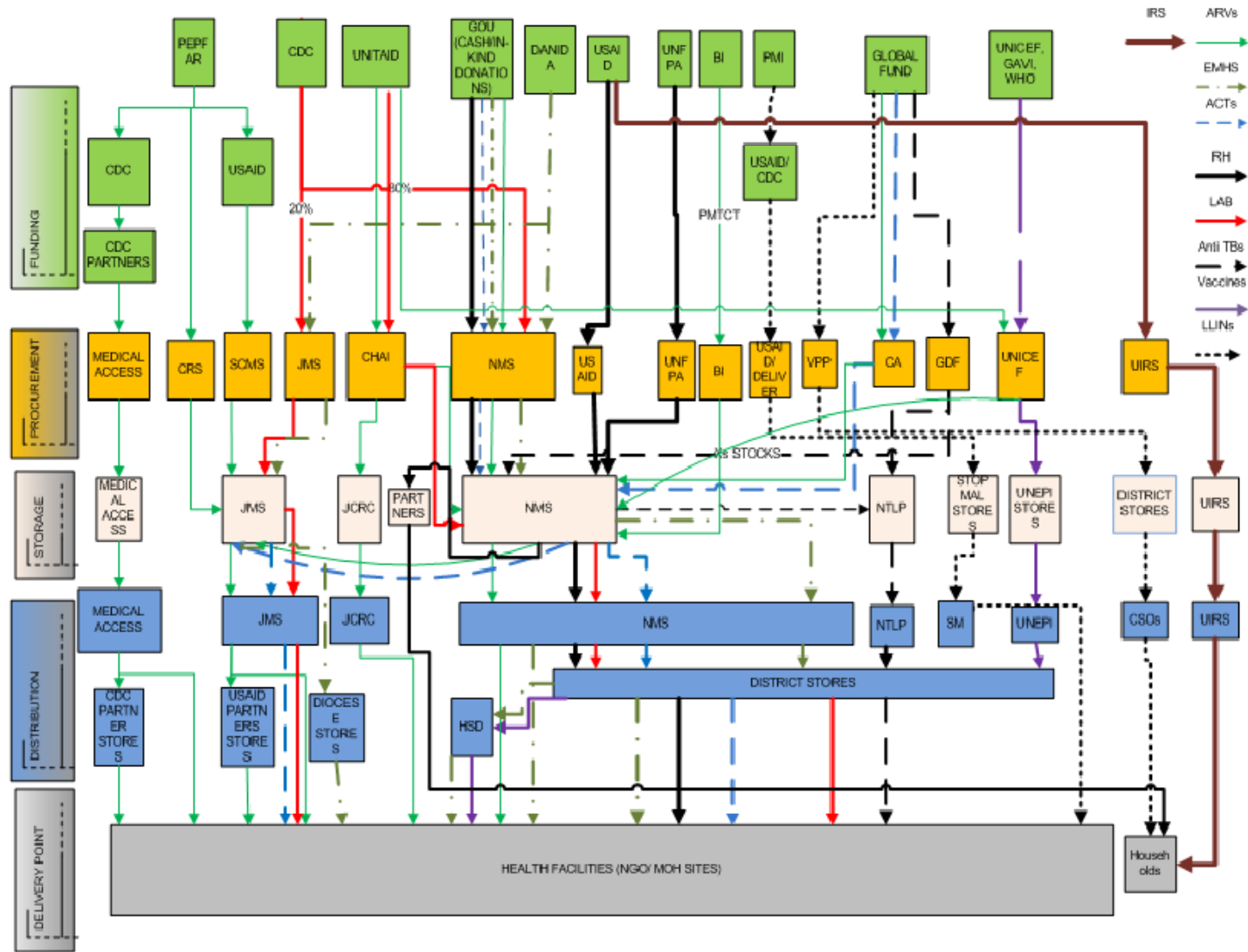
The Reality - Multiple Supply Systems



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The System and Flows for EMHS in Uganda



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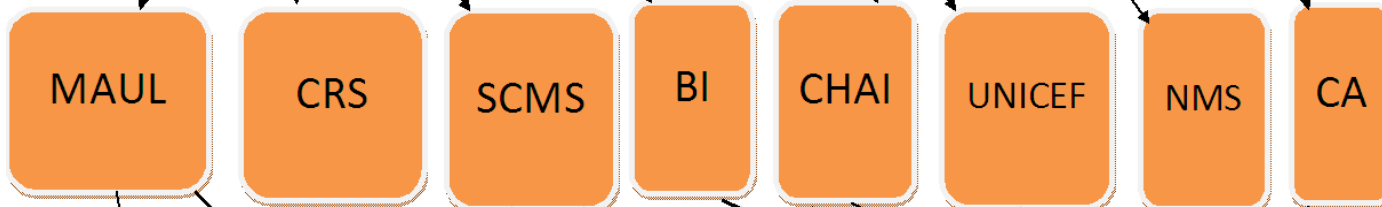


The Antiretroviral (ARV) Supply System

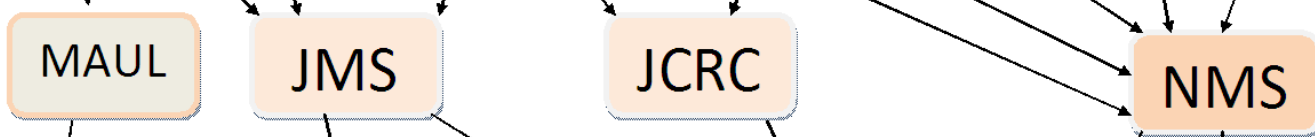
Funders



Procurement Agents



Storage



Distribution



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Number of Key Stakeholders by Commodity Type

Commodity	Funding	Procurement	Storage (excludes at district level)	Distribution (excludes at district level)
EMHS	3	2	2	1
ARVs	6	8	4	7
ACTs	2	2	2	1
RH	3	3	1	1
Lab	2	3	2	3
Anti TBs	1	1	1	1
Vaccines	3	1	1	1
LLINS	2	2	2	several
IRS	1	1	1	1
Total	23	23	16	16



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Why Multiple Parallel SCM? (1)

- **National Programs** are created to manage specific diseases or health conditions, such as HIV/AIDS, TB, family planning etc.
- Same product can be used by **different programs**, but different source.
- Same medicines are **financed by different donors**, NGOs or other agencies
- **Pressure for results:** For example, access to a new treatment



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Why Multiple Parallel SCM? (2)

- Some donors' policies limit amount of funds for procurement through government agencies
- A couple of donors and users do not trust the efficiency/capacity of government to handle their commodities



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Problems Associated with Multiple SCM (1)

Financial and human resources

- Increased cost for supporting the supply system
- Ineffective and inefficient use of resources
- Waste of human, financial and other resources
- Work **overload** and **over stretched** system support personnel



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Problems Associated with Multiple SCM (2)

Management support

- Loss of **coordination and control** by the district and central authorities
- Difficulty in managing and coordinating the supply system
- No effective capacity building of local counterparts
- Risk to continuity and transition of activities when parallel system disappears
- Replacement of responsibilities instead of strengthening existing systems



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Problems Associated with Multiple SCM (3)

Information management

- Multiple **fragmented (incomplete) inventory systems** and records at facilities
- Multiple and **duplication in reporting/** over reporting
- Inaccurate and untimely information

Use

- Multiple regimens because of different maturity level for programs and research studies
- Same medicine in different formulations can create confusion for prescribers and dispensers



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Problems Associated with Multiple SCM (4)

Quantification

- Unrealistic projections
- Complicated planning and supply chains
- Increased risk of stock outs and expiration
- Fragmented quantifications leading to inaccurate estimation of requirements

Procurement:

- No access to advantageous prices for high volumes of medicines requested
- Human resource time and cost to open several tenders for the same medicine



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Conclusion

- Single SCM difficult to achieve **BUT** a harmonized and coordinated system is required in order to:
 - Efficiently manage and coordinate the SCM
 - Optimize the SCM
 - Perform gap and financial analyses
 - 4 months just for this POA
 - Efficient and effect management and use of information
- How do we simplify the Ugandan SCM? Can we use the ARV SCM system as a starting point?



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