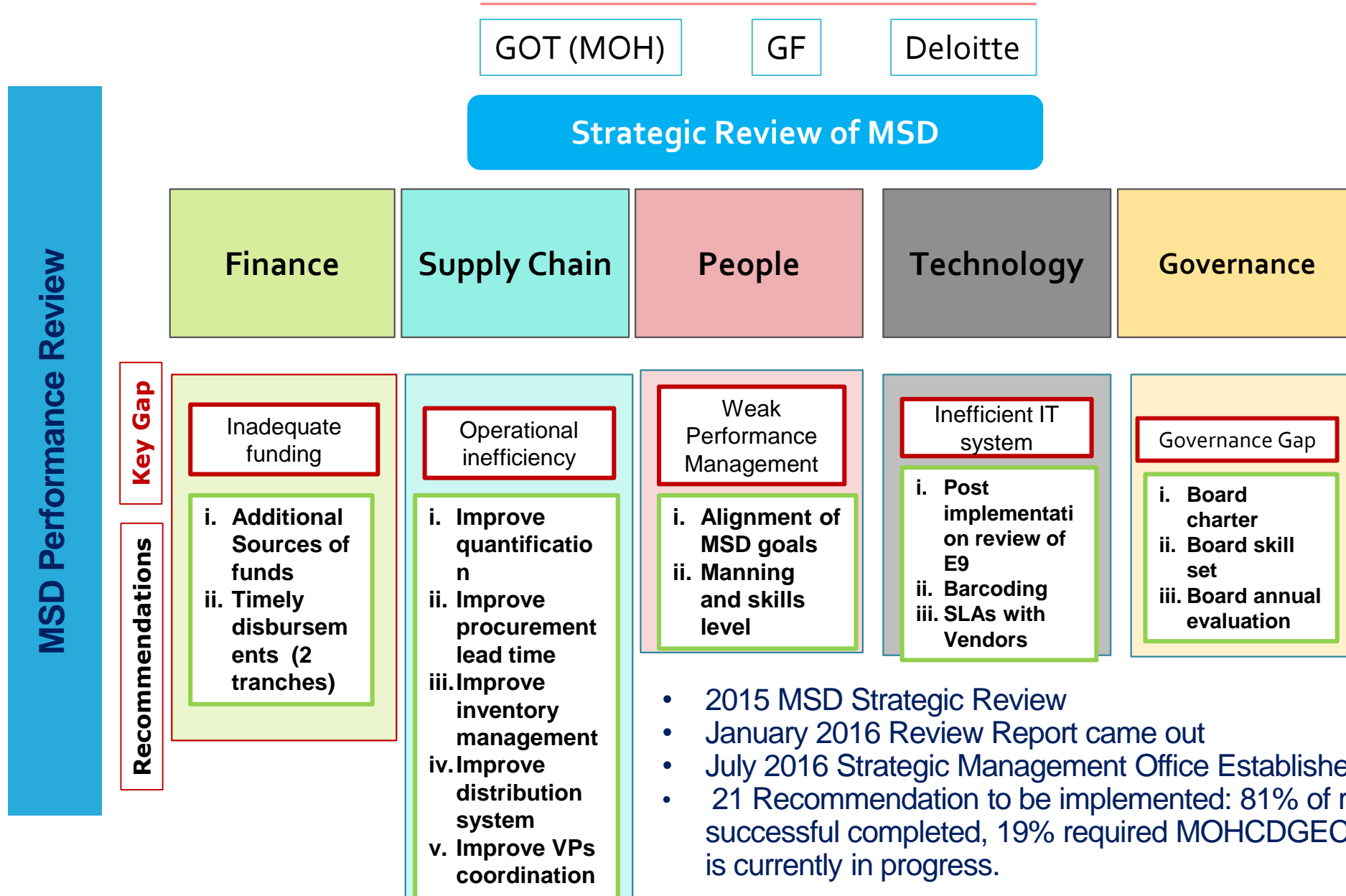


Improving Supply Chain Management and Commodity Security



Presented by Laurean Rugambwa Bwanakunu
DPG Meeting
13th March 2019



Reasons for partial implementation of 21 strategic recommendations

No	Recommendations	Status Implementation
1	Strategic review of MSD to make it a performing institution.	A strategic review of MSD was done. 81% of recommendations successfully completed, 19% required MOHCDGEC intervention which is currently in progress
2	Improve communication between LMU and MSD on management of VPs	MSD conducts Scheduled and unscheduled meetings with Program managers and Logistics Management Units (LMUs) every month.
3	Actively initiate preparations for Universal Health-Care	The Bill is underway to be presented to the Parliament
4	Improve budget formulation and tracking (in the Epicor 9 System)	Epicor 9 upgrade to accommodate budget formulation & tracking has started in January 2019 will end on October 2018.
5	Clearance of the current Government receivables	Controller and Auditor General (CAG) Auditors have completed verification of FY 2016/17 debt as at December 2018

Current situation

Procurement



- *Procurement direct from manufacturer reduced price by an average of 40%*
- *Use of My Orders pipeline visibility Tool for GF Expected deliveries*
- *Procurement of Lab reagents & Consumables under Global Fund.*

Inventory



- *Stock Availability above 80%*
- *Inventory Accuracy above 98%*
- *Expiries reduced to 0.0014%*

Distribution



- *MSD distribution network cover 8 zones, Sale Points and 7 community Outlets.*
- *MSD fleet Capacity is 215 Vehicles strengthening Direct delivery to health facilities.*

Vertical Program Inventory Status as of February 2019



 The Global Fund

S/n	Vertical Programs	Description	Average Months of Stock (MOS)
1	National Aids Control Program (NACP)	Adult ARV Regimens Adult ARV Regimens.xlsx	4.6
2	National Aids Control Program (NACP)	Paediatric ARV Regimens Paediatric .xlsx	5.1
3	National Aids Control Program (NACP)	Reagents Test Kits Reagent Test Kit (RTK).xlsx	2.3
4	National TB & Leprosy Program (NTLP)	TB and Leprosy items TB & Leprosy.xlsx	5.9
5	National Malaria Control Program (NMCP)	Anti-Malaria items Malaria.xlsx	3.75
6	Reproductive Child Health Services (RCHS)	Family Planning Items RCHS ITEMS.xlsx	5.5
7	Normal stock	312 Tracer items SMO - TEMPLATE - 1st March 2019 (3).xlsx	80 %



USAID
KUTOKA KWA WATU
WA MAREKANI



Commodity security updates



- 1 Transition period of ART regimen change from TLE to TLD.
- 2 Supply of TB and Leprosy Commodities is not stable, and stock levels are inadequate
- 3 Harmonized Production and delivery of Long Lasting Insecticide impregnated Mosquito nets LLINS (Mosquito net) by manufacturer to MSD.
- 4 Storage and distribution of LLINS to Health Facilities is totally managed by MSD
- 5 IVD is in final stage to move out from MSD by Mid this year, leaving behind huge debt resulted from Clearing, storage and distribution
- 6 Distribution of Male condoms to all facilities is expected to be complete by March 2019

Achievements

- INTERNATIONAL MANUFACTURERS
(111)



A HENRY SCHEIN COMPANY



novo nordisk



- LOCAL MANUFACTURERS
(17)



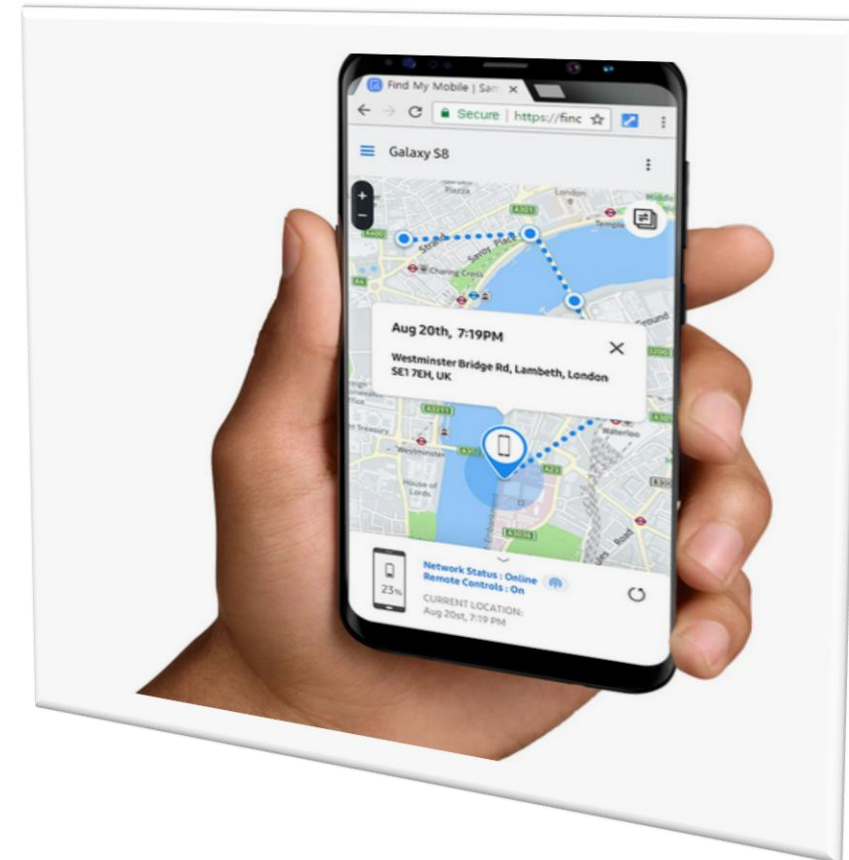
Jaffery Ind. Saini Ltd
Millenium Furnishers



New digital platforms developed

1. **Contract Management system**
2. **Order Processing dashboard**
3. **MSD Customer Portal**
4. **POD mobile application**
5. **e-procurement system**
6. **Print management system**
7. **Asset management**
8. **MSD Box filing system**

POD Mobile application



MSD Customer Portal

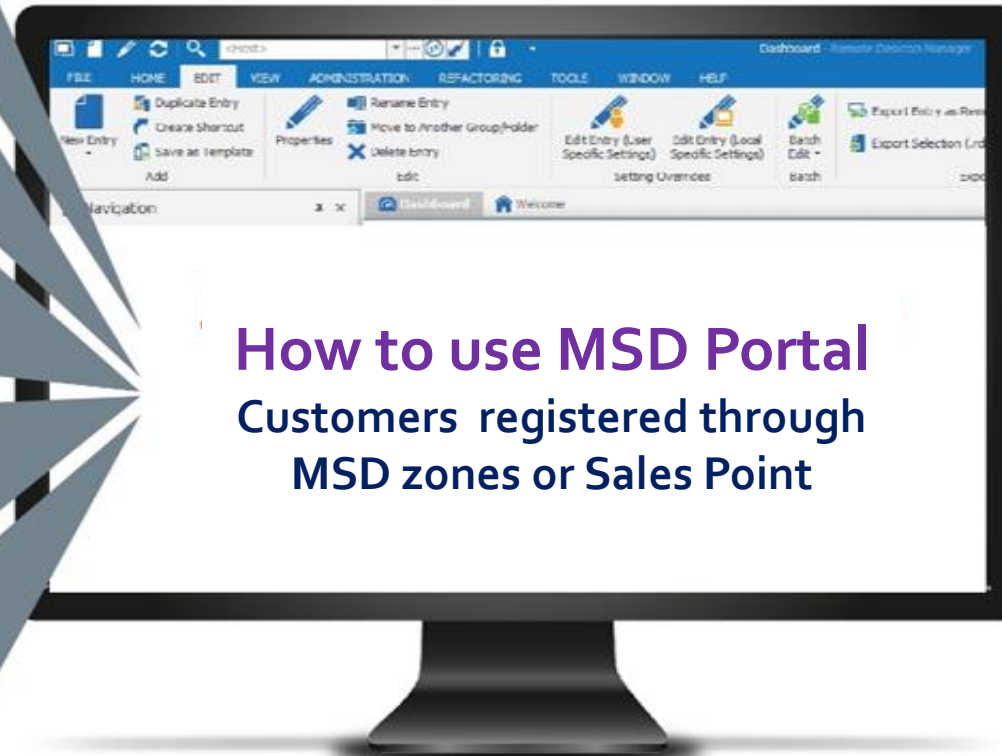
1. Taarifa ya upatikanaji
wa dawa - MSD
(Stock Status)

2. Taarifa ya Bei ya
dawa
(Items price)

3. Taarifa ya hatua za
maombi ya mteja
(Order Processing Status)

4. Taarifa ya miamala
ya wateja
(Customer Statement)

5. Kutoa mrejesho wa
huduma kutumia
Fomu za malalamiko
(Feedback Forms)



Achievements ...

MoU for pooled procurement for SADC



Achievements...

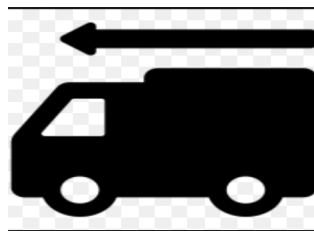
MoU with Aga Khan Hospital



Supply Chain Challenges



Overstayed items over two years e.g; **"Postnor"** and **"Mesoprostol"**



Mode of distribution of public condoms needs improvements for Public access.



Inconsistent stock levels where most items have stock of less than 6 months.



Quantification of viral Load reagents threatens stock availability & expiries



Capacity to maintain cold chain commodities in health facilities

Supply Chain Challenges



© Can Stock Photo - csp17125738

**Government debt as at
February, 2019
Tzs.218,978,855,297
(\$90.1m)**

Reasons:

- ❖ Donated items for the three programs through unpaid Procurement Supply Management costs; NACP- \$40.7m, IVD-\$14m, TFDA-\$13m, others \$24.3m.

Solutions:

- ❖ Debt verification exercise done in December 2018 and Government set aside TZS 50.0 billion for repayment in FY 2018/19
- ❖ Requested Donors to reduce quantities.

Commodity security measures



Routine end of the month stock status sharing with programs



Information Sharing including, stock status per programs, items threatened to expire, debt status and other updates in a month



2 quarterly Scheduled meetings with MoHCDGEC programs and Pharmaceutical Services Unit (PSU)



Non scheduled meetings initiated by MSD or Ministry



Future prospects of MSD

2019-2020



- ❖ Use of drones to deliver life saving products
- ❖ Engagement with private partnership for manufacturing of health commodities
- ❖ Construction of new warehouses in Dar es salaam, Simiyu, Bukoba and Songea (Ruvuma)
- ❖ Being more digital and go for e-Procurement

THANK YOU
FOR
LISTENING!