



## SCMS in Tanzania: What has it been all about since 2006?



*A mentor conducting on the job Training in Tanzania*

A comprehensive HIV/AIDS program requires a continuous and uninterrupted flow of essential medicines and related commodities. In response to the United States of America President's

As a result, more staff were hired to respond to the growing need for assistance. Currently more than 50 staff members are coordinating SCMS activities and working closely on a daily basis analyzing, evaluating, and implementing various activities with the goal of establishing a sustainable health commodity supply chain system; this in turn will help ensure that people living with HIV and AIDS have the life saving medicines and other products they need to live long, productive and fulfilling lives.

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Emergency Plan for AIDS Relief (PEPFAR) initiative, the Supply Chain Management System (SCMS) project was created to improve existing supply chains in specific countries, and to assist in the supply of high quality medicines and products to meet the needs of the rapid and unprecedented scale up of AIDS treatment. Tanzania is one of the countries to receive funds and services as part of the PEPFAR initiative.

Collaboration is crucial to developing sustainable systems. Both national and international partners are working hand in hand with SCMS to ensure a reliable, cost-effective and secure supply of high quality medicines and health products for HIV/AIDS prevention, care and treatment. When SCMS first set up its office in Tanzania in 2005, its initial role was to procure commodities. One representative from SCMS was responsible for executing the program in country. This role soon expanded to system strengthening for storage, transport and distribution in response to the US government goal for capacity building of the national supply chain and long term sustainability.

### Effective commodity management : **Strengthening enterprise resource planning for the medical stores department**

Medical Stores Department (MSD) currently operates the ORION enterprise resource planning (ERP) system to support the majority of its operational activities. Since its implementation in 2001, this system has undergone a series of changes and improvements regarding how orders are made and how commodities are distributed. Initially, MSD implemented a “push” approach to make commodities available to the facilities which proved ineffective since some facilities received more than they could use while other facilities received less than

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## From the Country Director

Dear colleagues:

Welcome to the first issue of SCMS Highlights, the new quarterly newsletter of the Supply Chain Management System in Tanzania. Our goal in producing this newsletter is to share achievements, best practices, and lessons learned in ensuring sustainable and secure supplies of medicines, laboratory products and other essential commodities for the national response to HIV and AIDS.

As we describe in our cover story, SCMS is a global effort working in 18 countries to support availability of HIV/AIDS commodities. Funded by the PEPFAR, SCMS brings together 13 private sector, nongovernmental and faith-based organizations that are among the most trusted names in supply chain management and international public health and development. With more than 450 dedicated staff members around the world, we are helping improve the lives of people living with HIV/AIDS in some of the countries most severely impacted by the pandemic. SCMS procures essential medicines and supplies at affordable prices; helps strengthen and build reliable, secure and sustainable supply chain systems; and fosters coordination of key stakeholders.

Here in Tanzania, we are working with the Ministry of Health and Social Welfare, especially the laboratory and diagnostic center, National AIDS Control Programme (NACP), the Tanzania Food and Drug Authority (TFDA), and the Medical Stores Department (MSD) as well as other local and international organizations to ensure that people living with and affected by HIV and AIDS have the essential products they need to stay healthy.

We are doing this by;

- Procuring antiretroviral (ARV) drugs, HIV tests, drugs for opportunistic infections, laboratory reagents and supplies, home-based care kits, food-by prescription, and many other products
- Strengthening the supply chain system for HIV/AIDS through systems development and capacity building at the central and local levels
- Improving the infrastructure and operations of MSD warehouse facilities
- Collaborating with partners in the field to improve supply management at the facility level.

We welcome your input and feedback on our efforts, and on the content of this newsletter. If you have questions or comments on what you learn from the newsletter, please don't hesitate to contact us.

***Ahsanteni Sana!***



***Abdourahmane Diallo***  
***Country Director***

## System Strengthening Unit: *Ensuring the flow of HIV and AIDS commodities*

The System Strengthening unit of SCMS is comprised of five SCMS staff members: Dorothy Matoyo, the director and team leader, Lulu Msangi and Matiko Machagge, public health logistics advisors, Bedan Maina, the training coordinator, Theopista Mbago, the senior laboratory logistics advisor and Fredrick Rutta, the M&E advisor.

The primary functions of the unit are to design and strengthen the logistics system for HIV/AIDS related commodities, including Antiretroviral drugs, HIV test kits and other laboratory supplies. Once the commodities have been procured and delivered to the Medical Stores Department (MSD), a semi-autonomous branch of the Ministry of Health in Tanzania, the team provides technical assistance to the respective institutions to ensure that commodities reach the intended targets in a timely and efficient manner.

The System Strengthening mandates can be categorized as follows:

### *Designing Logistics Systems for HIV/AIDS commodities*

In collaboration with other directorates within SCMS and the National Aids Control Programme (NACP) in Tanzania, the system strengthening unit has designed and successfully implemented a logistics system for ARVs and HIV test kits. SCMS is currently designing a logistics system for laboratory supplies, essential drugs for opportunistic infections (OIs), food-by-prescription (FBP), and home based care (HBC) kits with the goal of having them operating by the end of 2010.

### *Monitoring the implemented systems*

The system strengthening unit ensures smooth deployment of logistics system which include the following activities:

- Monitoring the performance of the system vis-a-vis identifying system weaknesses and areas that need support.
- Adjusting the logistics system parameters as required
- Monitoring the availability of Logistics Management Information System (LMIS) tools as well as identifying the need for their

improvements.

- Training new and current health care workers on the re-designed logistics system
- Organizing system supervision at the health facility levels in collaboration with NACP and SCMS supply chain monitoring advisors (SCMA).
- Conducting routine logistics system performance assessment and preparing monthly reports on key logistics system indicators.

### *Quarterly Trends*

#### *Review*

This past March, SCMS reviewed the ARV and HIV test kits logistics system designed a year ago to provide care and treatment, and testing services to 700 health facilities dispersed throughout Tanzania. The review revealed challenges encountered during the system implementation and proposed strategies to improve overall system operations.

#### *Capacity building*

In January 2010, SCMS organized a training on basic health logistics and ARV/HIV test kits for SCMS new hires, USAID and Elizabeth Glacier Paediatric AIDS Foundation (EGPAF) staff.

#### *World AIDS Day*

On World AIDS Day SCMS staff conducted a physical count of the ARVs and HIV test kits at MSD central warehouse.



### *Other Accomplishments*

- Supported Pharmaccess in organizing refresher training on ARV and HIV test kit logistics systems by providing training materials and identifying

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## Public Health Procurement: *Ensuring sustainable Access to quality, affordable medicines and supplies to fight HIV and AIDS*

In an environment where demand is increasing and resources are limited, the availability of drugs and other essential supplies determines the success of any health program. As a result, it is becoming increasingly important to effectively forecast, finance, and procure commodities and to efficiently allocate existing and future resources for the procurement process.

The Public Health Procurement (PHP) unit is one of SCMS's key units working to ensure availability of HIV/AIDS commodities. PHP handles all the procurement-related activities including conducting quantification, ordering, shipping and reviewing quantifications of commodities to be ordered.

The team consists of six team members: Ssanyu Nyinondi who is the director of public health procurement, Roselyn Mlay and Stanslaus Samwel who are both procurement advisors, Nuran Idris who is the program associate, and Narsis Makori and Annet Massawe who are public health logistics advisors.

### *PHP's key objectives are:*

- Quantification - forecast future requirements and planning required supplies
- Procurement of HIV related commodities selected ARVs, HIV test kits, FBP, OI drugs, lab supplies, space solutions (Clinic in the box), Warehouse in a Box (WiB), Home Based Care (HBC) kits as per agreement with the Government of Tanzania and USG.

PHP works with a number of national and international partners to ensure that the national pipeline is properly stocked, to validate orders according to quantities requested and to deliver commodities on time. These partners include the Ministry of Health and Social Welfare (MOHSW), NACP, Clinton HIV/AIDS Initiative (CHAI), Japan International Cooperation Agency (JICA) and MSD.

SCMS's PHP unit complements the Government of Tanzania's procurement efforts by:

- Acting as a point of contact on coordinated procurement among the implementing partners
- Collaborating with the MOHSW in determining annual national needs for HIV/AIDS commodities including Antiretroviral drugs, test kits, OI drugs, FBP products; blood safety and other related commodities.
- Procuring second-line ARVs and first line

alternatives, as well as a specified list of HIV/AIDS commodities as per the agreement between Government of Tanzania and USG under the current memorandum of understanding.

- Reviewing the national needs of these commodities on a quarterly basis.
- Procuring other commodities for PEPFAR partners as may be requested.
- Monitoring the national pipeline for HIV/AIDS commodities. PHP Unit collaborates with the System Strengthening team to monitor the stock status of these commodities at central MSD, zones and health facilities as part of a collaborative effort with the NACP, MSD, partners and the Supply Chain Monitoring team located in different MSD zones.

### Success Stories

#### *Landmark procurement in Tanzania - Prefabricated buildings*

It was a first for the national public health system of Tanzania and for SCMS's procurement efforts when a prefabricated building was delivered to Mwanza. The WiB, designed solely to expand storage, was procured by SCMS.

The operations management of the new warehouse is expected to be handed over to MSD in June. A Clinic in a Box (Picture below) was also delivered and is expected to start operations in a few months.



#### *SCMS's rapid response to a critical HIV test kit shortage*

Due to an unforeseen increase in usage of test kits to support a national campaign, an emergency order was placed by SCMS in November 2009 in response to an additional consignment request from the Government

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of Tanzania. SCMS helped resolve the shortage by delivering 56,011 kits (100 tests per kit) worth more than \$1.4M. SCMS was able to procure these commodities in under 10 weeks, two weeks less than the typical lead time, and helped to avert the potential stock out situation.

### Other Accomplishments

- SCMS conducted an annual quantification review in March to review the annual forecasts of HIV test kits from March 2010 to February 2011. Information was collected from partners and outcome shared with the GOT and stakeholders involved in testing activities i.e. PITC, PMTCT and VCT. Partners and representatives from the government of Tanzania participated, which resulted into sharing of the funding requirements for future years with stakeholders for planning purposes. Strategies to avoid unplanned mass usage of test kits were also discussed and recommendations to better ensure commodity availability were agreed upon.
- SCMS worked closely with the National AIDS Control Programme and all partners supporting HIV testing services to collect and assess both data and targets for future HIV testing initiatives. The goal of this review was to understand and prevent the national test kit shortage that occurred last year due to the implementation of unplanned HIV testing campaigns by various partners. The test kits will be used for routine lab, VCT, PITC and PMTCT HIV testing and are for routine distribution.

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logistics trainers. Twenty-four health care workers received training.

- Ensured that Food by Prescription (FBP) product beneficiaries continue to receive supplies of fortified blended flour; this includes the eight pilot sites where the program originated and has proven to be very useful in treating malnourished HIV patients.
- Installed a pick and pack line system at the Ubungu warehouses that will be used for packing Integrated Logistic System (ILS) orders for health facilities in Dar es Salaam, Morogoro and along the Coast region.
- Carried out an assessment of the Public Sector Male Condoms (PSMC) distribution system and proposed strategies to improve accessibility of PSMC for HIV/AIDS prevention conducted by public health facilities.
- Developed an HIV/AIDS commodities management toolkit for RHMT, CHMT, SCMA and implementing partners to provide mentoring and on the job training to health care workers managing HIV/AIDS commodities. This mentoring program has been piloted in three districts and 27 mentors have been trained on how to use the toolkit.

## SCMS staff: Going the extra mile to make it Happen

**H**aji Mbarouk, a native from the western parts of Tanzania, is a husband and a father to a beautiful little girl. His term at SCMS is reaching almost two and a half years as the transport manager. Haji oversees vehicle condition for cleanliness and maintenance. Although his duties focus on the head office, he also coordinates the activities of the vehicles up-country transporting the SCMS staff working in the

MSD zones.

Haji proudly says that he loves his job very much and has experienced professional development through interactions at the office. "Just through the visits that I have been making with the SCMS staff, I have been able to learn what is exactly happening in the lives of people and in a way, felt happy that I could be part of the change just by helping the SCMS staff reach there."



*Haji Mbarouk is the transport manager for SCMS in Tanzania*

## Supply Chain Monitoring Team (SCMT) : A source of data for reliable Anti-retrovirals quantification

The primary objective of SCMS's Supply Chain Monitoring Team (SCMT) is to systematically generate quality logistics data that can be used by all levels for decision making. In quantification of ARVs, consumption data (dispensed to user data) is the most important for developing forecasts and supply plans.

In addition to the 13 technical staff who are deployed in all the 9 MSD zones; the team is directed by Emmanuel Neeso who is supported by two Regional Logistics Coordinators (RLCs); Hurbert Assenga who is coordinating Dar es Salaam, Dodoma, Mwanza and Tabora zones and Pavel Mtango who coordinates activities in Mbeya, Dodoma, Moshi, Iringa and Mtwara.

The team supports system strengthening activities by:

- Working with MSD at the zonal offices to make sure there is a continuous flow of HIV/AIDS commodities from MSD to health facilities.
- Providing on the job training to facilities staff who manage HIV and AIDS commodities
- Working with health care workers to make sure they report and order in a timely manner
- Providing logistics management information system (LMIS) tools to HCF

Over the past three years variations in data has proven to be challenging in effective forecasting. These variations were due to a number of factors including patients shifting to second line drugs, changes in guidelines, and introduction of new patients who were not properly estimated for.

In many cases, forecasts proved to be inaccurate, impacting the amount to be distributed to the facilities for consumption. For instance, assumptions developed through extensive stakeholder consultation indicated that by June 2009 the use of the Nevirapine 100ml bottle would be replaced by the Nevirapine 240ml bottle. However, the opposite occurred and there was an increase in consumption of Nevirapine 100ml bottle according to data gathered from field.

Over the past year the SCMT, working in nine MSD zones, has conducted on the job training (OJT) to approximately 1250 health care workers at care and treatment centers to improve recording and reporting

of consumption data.

The reported consumption data is captured by SCMA at all nine MSD zones using a service delivery point database (SDP-SAT) and shared with the SCMS quantification team.

The quality of consumption data began to improve following the logistics training. As a result, the availability of reliable consumption data from SDP database has facilitated the updating of the supply plans and improving of the forecasts.

Charts displayed show the variations in consumptions and forecasted amounts of selected commodities.

In the selected products, forecasts were above actual consumption while others were below.

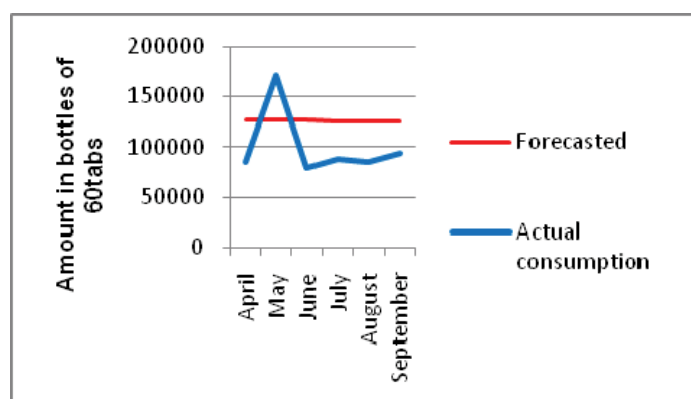


Chart A1 shows the forecasted and actual consumption of d4T30mg/3TC 150mg/NVP200mg

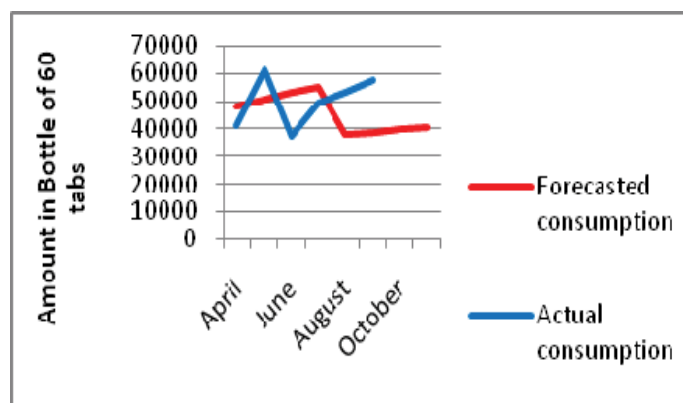


Chart A2 shows the forecasted consumption against the actual consumption of AZT 300mg/3TC150mg tabs

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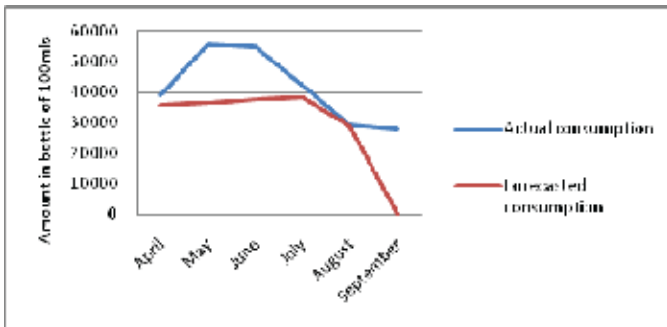


Chart A1 shows the forecasted and actual consumption of Zidovudine syrup 100ml bottle

As more SCMT staff were posted to the zones, the availability of monthly national aggregated consumption data for ARVs has improved and been

used in updating and adjusting the forecasted data in the pipeline. As a result, the order amount has been adjusted based on the actual quantities required as a result saving resources and preventing emergency orders, stock outs and expiries.

Quality data captured from the field has helped the supply chain program to make informed decisions to ensure continued availability of ARVs at all levels of the program. The SCMT have made a unique and critically important impact ensuring clients and health care workers have the ARV drugs, test kits and other essential commodities they need.

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### Effective commodity management : Strengthening enterprise resource planning for the medical stores department

they needed.

The system was adapted to a 'pull' approach- also known as indent system- in which the Health Care Workers (HCW) in the facilities sent requests for required commodity quantities. However, there was no feedback on past consumptions; data which was important in making forecasts for future consumptions. Most recently, a Reporting and Requesting system was put in place; consumption trends are captured simultaneously with requests for expected consumptions.

Due to market developments and increase in orders to be fulfilled by MSD, a post-implementation audit of ORION was conducted in 2008 which concluded that the system did not support the current or future needs of MSD. The system had to be replaced by either an upgrade of the current ORION product, or with the implementation of a new application.

SCMS then conducted an assessment of the MSD business processes and the ORION system in January and February 2008. MSD staff were fully engaged in the process and concurred with the 2008 audit recommendation to upgrade or replace the current ORION ERP system.

SCMS collaborated with the MSD, MOHSW and other partners in identifying the problems, setting objectives and predicting challenges that are anticipated in pursuit of the program. As a result, the team determined that the old system needed to be replaced.



SCMS and MSD staff during a visit to EPICOR; receiving information on how the system is functioning

The procedures involved in selecting a vendor were followed and the short listed companies would propose how the system will operate, as well as outline timeframes, licensing and maintenance costs (usually over a 5 year period), consulting costs, and implementation resources (vendor or system integrator). This was followed by site visits to vendors by SCMS and MSD staff in February, 2010 to observe how each potential system was managed. The goal has been set to launch the project before the end of 2010.

MSD took full ownership of the project and played a very active role by identifying gaps between existing ERP and business requirements, selecting the vendors, and providing technical recommendations on how the system might work best in Tanzania. The overall process has enhanced MSD's technical know-how to move beyond simply modifying ineffective legacy systems, to selecting and using a new state-of-the-art ERP system.

## The Seed Planters of SCMS in Tanzania

**W**hen the SCMS project first began operations in Tanzania, the project was only responsible for procuring commodities and delivering them into the country. In addition to the country director, only three staff worked at the office to coordinate these activities. As the nature of the project expanded and more activities were added, more staff was hired on the project. Among the first team members was Ssanyu Nyinondi, the current director of public health procurement, Dorothy Matoyo, now the director of the system strengthening team, as well as Alpha Nsaghurwe, who heads the information communication technologies team.



**Ssanyu Nyinondi**, the director of public health procurement, is one of the original staff members and has worked at SCMS since 2005. Ssanyu is responsible for the direction, management and performance of demand planning and demand fulfillment functions for SCMS in Tanzania.



**Alpha Nsaghurwe** is the Information Communication Technologies Manager; he has been providing IT /database solutions to the SCMS office in Tanzania since 2005. He also leads the project's effort in supporting MSD's ERP improvement and continues to enhance the SDP database.



**Dorothy Matoyo** is the director for system strengthening and is also one of the earliest staff members in the SCMS team who joined the team in 2006. Dorothy is responsible for the direction, management and performance of SCMS in Tanzania system strengthening activities for the country's HIV/AIDS logistics systems.

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