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FACT SHEET

December 2014

Supply Chain Management System (SCMS) - Ethiopia



Modern warehouse design and vertical racking. Photo: Jiro Ose/SCMS Ethiopia

“SCMS is our leading partner. Because of SCMS we are where we are today.” – *Wondwossen Ayele, deputy director general, Pharmaceuticals Fund and Supply Agency, Ethiopia*

SCMS supports local partners to build secure, reliable, cost-effective and sustainable supply chains to meet the care and treatment needs of people living with or affected by HIV and AIDS.

The U.S. President’s Emergency Plan for AIDS Relief (PEPFAR) was established to address the global pandemic of HIV/AIDS and is the single largest global response to a specific disease. At the time of its launch, in 2003, many countries did not have the infrastructure and systems required to ensure that the necessary products were available and accessible to those in need. As a result, supply chain systems needed to be developed, strengthened and optimized in order to meet the scale that the HIV/AIDS pandemic demanded. SCMS was launched in 2005 to address these challenges, and is administered by USAID. SCMS, implemented by Management Sciences for Health in Ethiopia, works to ensure an uninterrupted supply of quality and affordable essential medicines, as well as knowledge, skills and technology transfer to build physical and local human resource capacity.

Ethiopia faced daunting challenges when SCMS began operations in the country in 2006. An estimated one million people were living with HIV/AIDS, however less than 25,000 were on antiretroviral treatment (ART). The limited number of treatment sites that did exist were mostly urban. At the time, data collection, data quality and data management were lacking or non-existent. This resulted in inappropriate orders and waste of resources and health commodities. This also resulted in frequent costly emergency orders. The infrastructure, particularly with regard to warehousing, was limited and not appropriately distributed throughout the country. In 2007, a new government agency was established, the Pharmaceuticals Fund and Supply Agency (PFSA), which continues to be the key host government partner for SCMS.

With almost a decade of SCMS support, the public health care system has rapidly expanded to over 3,500 health facilities, a ~480 percent increase from less than 600 in 2006. PFSA procurement and distribution has expanded in similar proportions, with a 500 percent growth and an annual distribution of \$600 million USD in health commodities. There are now more than 1,050 ART sites, with another 1,350 sites providing prevention of mother-to-child transmission (PMTCT) services, and the country is approaching complete coverage of ART. More than 342,000 people are on ART and there has not been a single case of ART treatment interruption since the start of SCMS support to PFSA in Ethiopia. HIV prevalence has decreased from over five percent to nearly one percent.

SCMS QUICK FACTS

- **Program Duration: 2006 to 2015**
- **Life of Project Funding: \$289 million USD (2015 funds pending)**
- **Goal: Expand logistics services for PEPFAR-supported programs and to strengthen local partner efforts in the delivery of essential life-saving medicines and products for people living with and affected by HIV and AIDS.**
- **Geographic coverage: National**

PROGRAM OBJECTIVES

Improving lives through better supply chains – partnering with PFSA to:

- Expand and strengthen warehousing capacity as well as distribution and transportation operations
- Facilitate the accurate and timely submission of data
- Support host-country partners financially and technically to ensure complete availability of HIV/AIDS pharmaceuticals at the national level
- Manage the quantification and procurement processes of laboratory commodities, pharmaceuticals and food-by-prescription products for the national HIV/AIDS program



Improved commodity management Photo: Jiro Ose/SCMS Ethiopia

PROGRAM SUCCESSES

Key Achievements

- Built successful partnerships with the Ministry of Health, PFSA, Ethiopian Public Health Institute, Ethiopia HIV/AIDS Prevention and Control Office and other organizations
- Purchased over \$212 million worth of HIV/AIDS commodities
- Supported PFSA in providing ART to more than 342,000 people
- Supported 1,050 ARV treatment sites, 1,350 PMTCT-only sites and 337 ART lab monitoring sites
- Supported 568 food-by-prescription sites serving more than 62,000 individuals
- Not a single case of ART interruption since SCMS began operations in 2006

Warehousing & Distribution

- Provided technical assistance for the warehouse design, layout and distribution network optimization
- Equipped 10 new warehouses with vertical racking and modern warehouse handling equipment
- Increased PFSA storage capacity from 6,039 to over 33,000, an increase of ~450 percent
- Trained 50 PFSA and SCMS staff on industry best practices in warehouse operations management
- Provided 74 trucks, five field vehicles, five motorcycles, and 22 forklifts and trained more than 30 operators
- Provided six cold rooms to central PFSA and to four regional warehouses
- Conducted assessments and made recommendations and/or plans for maintenance, waste management, lab-referral network optimization, warehouse security and pest control
- Supported development and roll out of 29 standard operating procedures and several training materials for PFSA

Health Systems Strengthening Field Support

- Trained over 6,000 personnel on Integrated Pharmaceutical Logistics System and other supply chain courses
- Provided supportive supervision at more than 500 facilities in supply chain management
- Coordinated and supported all regions through regular technical working group meetings
- Collaborated with PFSA and higher-level public universities to institutionalize supply chain management training
- Supported development of regional pharmaceutical supply chain management monitoring & evaluation plans

Quantification & Procurement

- Supported PFSA with national quantification exercises since 2008 for all HIV/AIDS program related commodities
- Supported the introduction of new, cost-effective and user-friendly ARVs to improve adherence and sustainability
- Supported forecasting and procurement planning with PFSA in coordination with major procurement donors
- Supported development of local manufacturers and in-country product quality testing capability
- Supported introduction of new technologies, such as diagnostics, digital x-ray and GeneXpert machines

Logistics Management Information Systems

- Improved commodity management and tracking to reduce expiry, wastage and enhance the distribution network
- Designed, developed and implemented pharmaceutical logistics data aggregation and decision support web-based tool
- Developed and implemented a web-based short shelf life products management system
- Constructed a modern and secure data center at PFSA; supported broadband connectivity installation at all branches