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Integration in Medicines Supply
Sudan experience

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Global health Supply Chains. Dar es Salaam Tanzania
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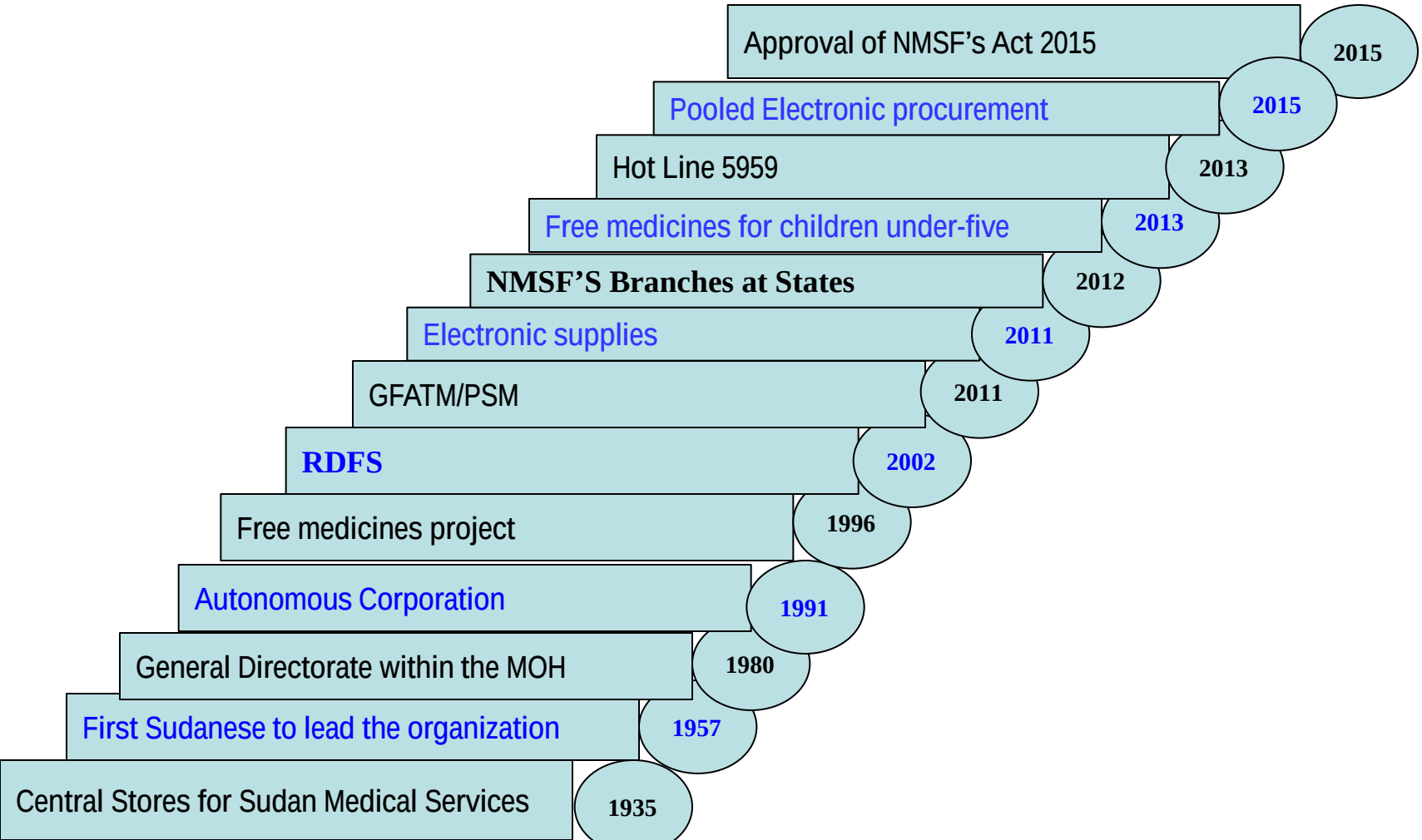
What is NMSF

- Autonomous Public Organization
- More than 400 employees
- Turnover > US$215 million
- What does NMSF do?
  - Procurement
  - Quality assurance
  - Storage and Distribution
  - NMSF's customers

NMSF's Milestones



Good Governance for Medicines

- National Medical Supplies Fund Act 2015
- Civil Service Act 2007
- Civil Service Workforce Disciplinary Act 2007
- Medicines and Poisons Act 2009
- Financial and Account Act 2007
- Procurement Act 2010
- Public Corporations Act 2003
- WHO programme: Good Governance for Medicines

Human Resources

- Manpower
- Pharmacists
- Biomedical engineers
- Administrators
- Labours
- Accountants
- Internal auditors
- Store keepers
- Legal advisor

Historical background

- National Medical Supplies Fund(NMSF) is the government main store responsible for securing medicines, consumables and medical equipments to the public sector since 1935.
- NMSF has started as central store then became public corporation and finally National Medical Supplies Fund.
- Since the adoption of user fee policy to finance the health services in 1991, NMSF started the cost recovery system till now.
- 2002 NMSF established states revolving drug funds aiming to expand the coverage by safe, effective and acceptable quality medicines.

Country profile

- Sudan is located in Northeastern Africa, bordering the Red Sea between Egypt and Eritrea with 500 miles coastal line
- It shares borders with 8 countries start from Egypt in the North, then anticlockwise, Libya, Chad, Central Africa, Congo, South Sudan, Ethiopia and Eritrea .
- The political instability and civil war in the south which continued to 20 years, have had their negative impact on the socioeconomic and development of the country, after the comprehensive peace agreement has been signed between the government and the main rebel movement the war was settled.

Country profile- continued

- Under a decentralization program completed in 1994, the Sudan is divided into 25 states -18 after South Sudan separation- each state is administered by an autonomous government composed of a ministry of health and others ministries chaired by (governor) of state, The state is divided into provinces which, in turn is divided into the localities.
- The federal government exercises its power over the whole of the Sudan, and the states governments exercise the power granted to them by federal low.

a. Foreign currency
b. Sanctions:
   i. Bank transactions
   ii. Drug companies
   iii. Shipping airlines
c. Registration

SUPPLY

1. Tied-up funds
2. Expiration
3. Warehousing costs
4. Pilferage or theft
5. Damage and deterioration

a. Prescribing pattern
b. Dispensing practice
c. Standard Treatment Guidelines
d. National List of Essential Medicines
e. Rational Use of Medicines
f. Forecasting & Quantification
g. Mechanism of health financing

NMSF

DEMAND

1. Users lose their confidence in the NMSF/NHIF
2. Disillusionment amongst the public
3. Health professionals' morale falls
4. Reliant on the private pharmacies

NGOs | Pharmacies | N. Security | Police | Military | NHIF | FMOH | SNMSF

Why calling for the integration

- Pooling the supply system reduces the procurement budget (Lower unit costs through volume-driven low prices)
- Increase the procurement budget by pooling all programs budgets together which can lead to increase the procured quantities.
- Save time and money regarding laboratory analysis.
- Better utilization and management of human and logistics resources(whole supply chain).

Before the integration

Based on the initial assessment conducted by FMOH the following results were obtained:

- fragmented systems(more than 15 vertical programs) all has it is own supply system.
- Some of them manage all supply cycles and some manage the supplies from receiving stage.
- Some programs store its supplies at NMSF stores and some has it is own stores.
- Mostly all medicines have to be send for the analysis by the national lab.

Before the integration- continued

- Medicines sources either the funding agency or procured from NMSF.
- There were no any coordination between these programs.
- The supplies has to be received from states coordinators at Khartoum and shipped by commercial transport without any consideration for good storage practices.
- All programs has no distribution budget except the global funds program for fighting HIV, TB and Malaria.

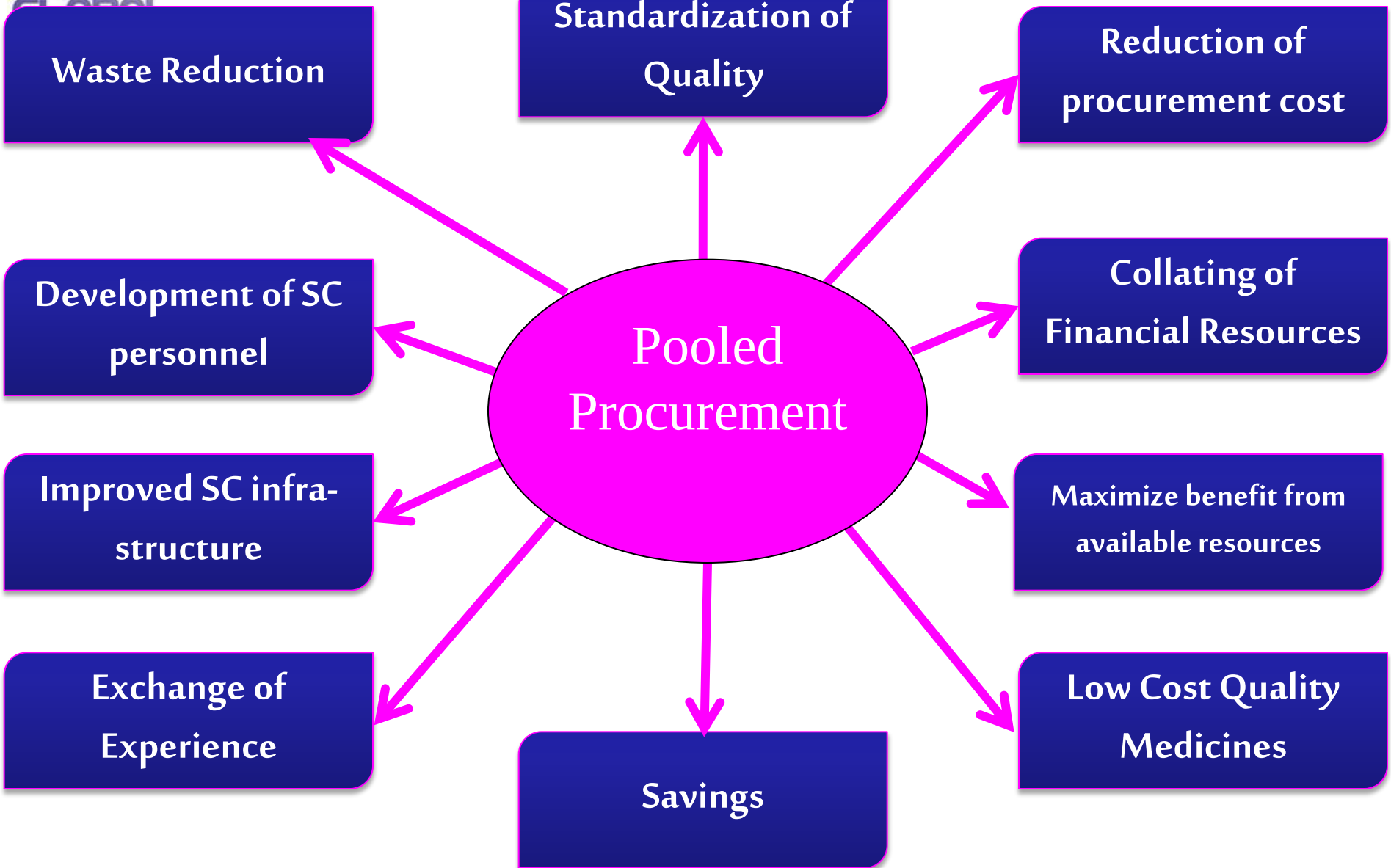
Before the integration-State level

- The emergency medicines project managed by directorates of pharmacy.
- Revolving drug fund managed by board of directors chaired by Minister of Health and has no relation to the state directorate of pharmacy.
- Other vertical programs distributes its supplies directly to the health facilities through the direct supervision of national coordinators.

Preparatory steps for the integration

- A ministerial decree was issued in May 2011 for unification of the deferent MOH programs in CMS.
- A presidential decree unified the public procurement by CMS(NHIF, Military, Police and National Security).
- CMS signed bilateral agreements with states RDF as new supply bodies called SMSF.
- In early 2015 change the legal status of CMS as National body called National Medical Supplies Fund, and SMSF become branches of NMSF by low.

Advantages of Pooled Procurement



Preparatory steps for the integration- continued

- The National Medical Supply Fund (NMSF) announced the redesign of the national medical supply fund to include the Central Medical Supply Public Corporation and the states revolving drug funds; in one integrated supply system that is aim to increase access to health care commodities to clients at lower level.
- NMSF increase storage capacity, outsourced transportation of medical supplies to the states through para-statal company.

NMSF support the states by;

- Temperature-controlled vehicles for medicines transport up to the states health facilities.
- Cars for supervisions.
- LMIS forms for reports
- IT devices and accessories.
- Expand the soft ware (ERP) for inventory management (stocks, movements and expires) and LMIS.
- Training of the personnel at different supply chain levels.

Advantages of integration

- Saving of running cost e.g warehousing, transportation and other utilities.
- Better management of human resources, unified supply and supervision and other personnel.
- Capacity development.
- Decrease waste (expiration, damage, theft..)
- Tied-up funds
- Huge saving after pooled procurement(e procurement)
- Increase accessibility and sustainability.

Challenges

- Each program has its own required reports and other activities which increase the work load.
- Some foreign donors funded programs do not allow items exchange between different programs, which lead to risk of expiration and stock out.
- Turnover of states' minister for health.
- Resistance of some programs' managers.
- Lack of leadership and well-trained staff .
- Weak reporting system
- Weak supply chain infra-structure

Conclusions

The supply chain management of health commodities, including medicines, has been improved by reducing fragmentation and ensuring strong coordination and collaboration between NMSF, public health programs and private institutions responsible for drug procurement, storage and distribution. Hence there is some challenges has to be overcome