



**GLOBAL
HEALTH**
SUPPLY CHAIN SURVEY

GETTING PRODUCTS TO PEOPLE

The Role of the Private Sector in Public
Health Supply Chains

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John Snow, Inc.

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STRONG SYSTEMS SAVE LIVES



JSI improves health logistics in Africa, Asia, Latin America, the Caribbean, Eastern Europe, and Eurasia.



We strengthen supply chains end-to-end by building systems that connect manufacturers, funders, IT experts, health ministries, pharmacies and communities.



JSI creates sustainable systems that draw on >30 years of strong relationships with country governments, commercial sector, civil society, academia, and the donor & multilateral communities.



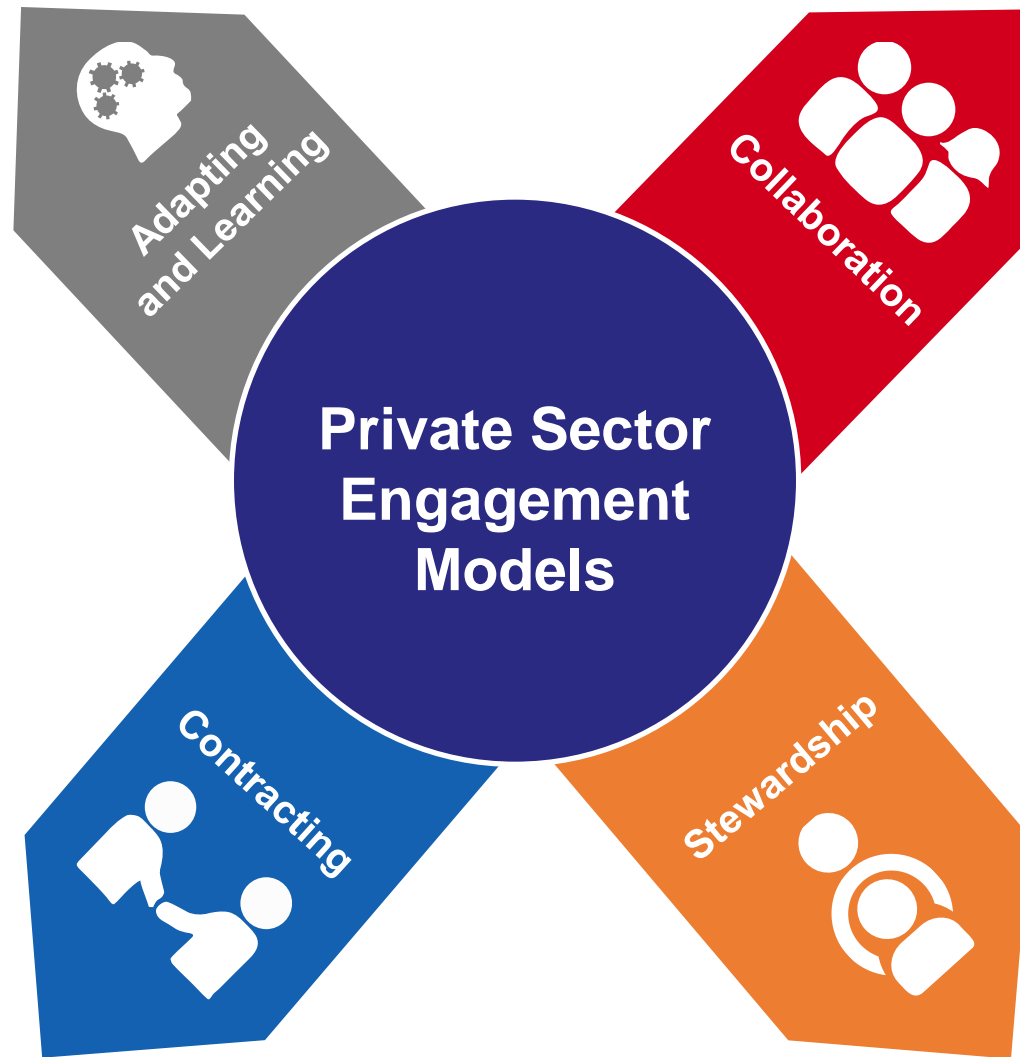
We are leading the way on more than **30 current SCM projects**, with \$3B+ of health procurement experience on 125 SCM projects implemented in >100 countries.



We are passionate about using our public health and supply chain expertise to help our partners eradicate malaria, increase access to contraceptives, improve routine immunization



MODELS FOR PRIVATE SECTOR ENGAGEMENT IN PUBLIC HEALTH SUPPLY CHAINS





AS SUPPLY CHAINS MATURE, SO DOES THE PUBLIC SECTOR'S ABILITY TO ENGAGE THE PRIVATE SECTOR

JSI's Supply Chain Integration Framework for Private Sector Engagement⁸

	 Ad Hoc	 Organized	 Integrated
ADAPTING	Limited understanding of private sector approaches	Increased opportunities to collaborate and learn from private sector, with limited adaptation of approaches	Private sector approaches adapted, employed, and monitored for optimal performance
CONTRACTING	Limited (one-off) contracting with private sector is disconnected from strategic objectives	Better-defined functions and processes facilitate more streamlined contracting of logistics functions	Contracting extends to all supply chain functions, and is strategically used to maximize performance
COLLABORATING	Limited collaboration among cross-sector supply chain actors	Increased opportunities for collaboration among in-country and global actors from the private and public sectors	On-going collaboration mechanisms support aligned objectives and information sharing across sectors
STEWARDSHIP	Limited understanding of private sector or how to engage with it	Public sector analyzes total market and begins to put cross-sector coordination mechanisms and policies in place	Public sector sets priorities, establishes policies, ensures quality, monitors performance, and coordinates across sectors

PRIVATE SECTOR ENGAGEMENT IMPROVES

⁸John Snow Inc. January 2012. Getting Products to People: The JSI Framework for Integrated Supply Chain Management in Public Health. Arlington, VA: John Snow Inc.

APPROACHES FOR PRIVATE SECTOR ENGAGEMENT IN PUBLIC HEALTH SUPPLY CHAINS

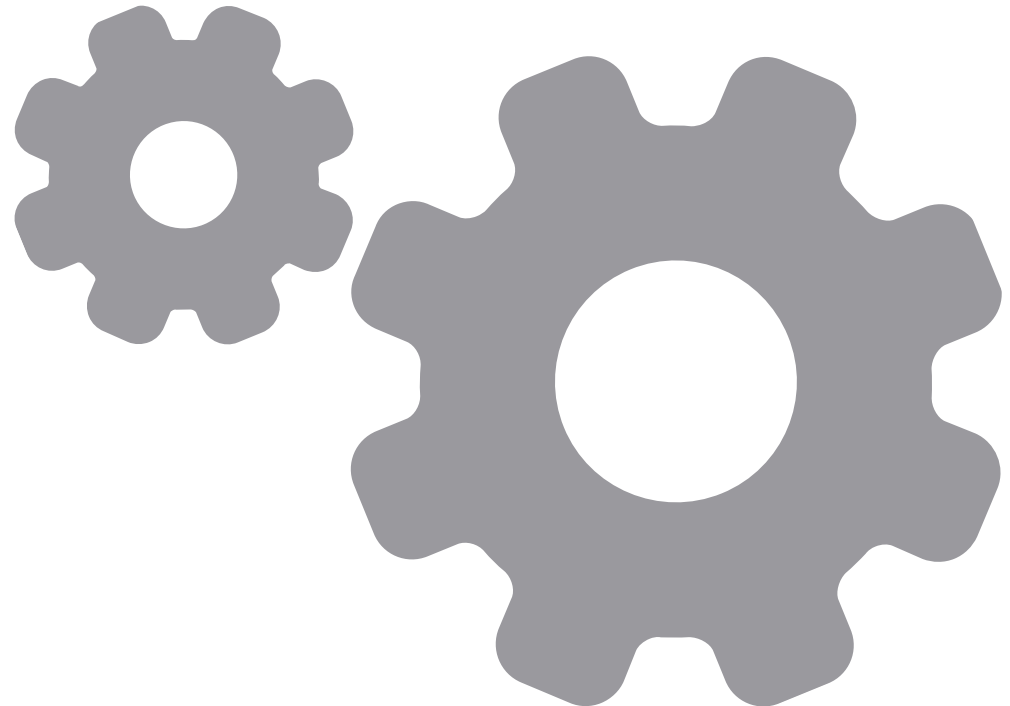
Adapting from The private sector

- Theoretical frameworks
- Analytical and operational tools
- Technical approaches

Contracting from The private sector

Collaborating from The private sector

Stewardship: actors, sectors and functions





GLOBAL HEALTH
SUPPLY CHAIN SUMMIT

ADAPTING FROM THE PRIVATE SECTOR: TANZANIA E-LMIS

- **Nationally scaled** electronic Logistics Management Information System (e-LMIS)
- Data from **5,000** health facilities
- Manages **essential meds, HIV/AIDS, lab, malaria and TB commodities, vaccines and equipment**

Impact

Reporting increases from **45% (2009)** to **90% (2015)**

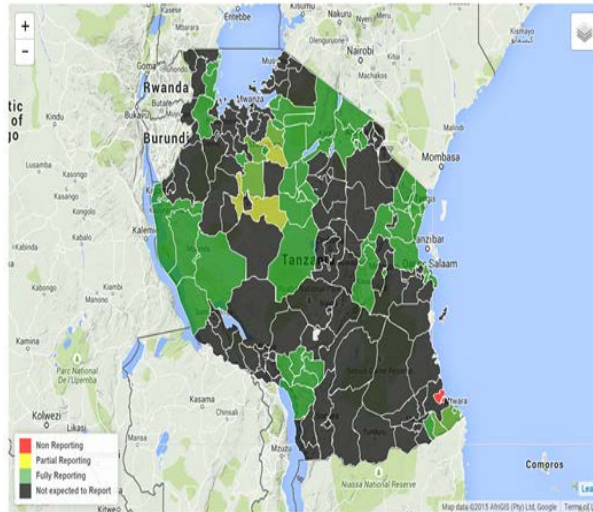
10% reduction in stockout rates

Tanzania GIS Dashboard

Reporting Rate Report

Program* Schedule* Year* Period* Indicator

ILS Group A 2015 January - March Reported during period / Expected Facilities



You can click on the chart to see list of facilities

District	Expected	Reported	% Reported
Nimbo	21	21	100 %
Nzega	49	45	92 %
Pangani	18	18	100 %
Shinyanga DC	40	38	95 %
Shinyanga MC	10	10	100 %
Singida DC	25	25	100 %
Singida MC	10	10	100 %
Tandahimba	32	30	94 %
Tanga CC	27	27	100 %
Tembeke	36	36	100 %
Ushetu	20	19	95 %
Uvinza	40	40	100 %
Uyui	41	27	66 %
Wangingombe	41	41	100 %



APPROACHES FOR PRIVATE SECTOR ENGAGEMENT IN PUBLIC HEALTH SUPPLY CHAINS

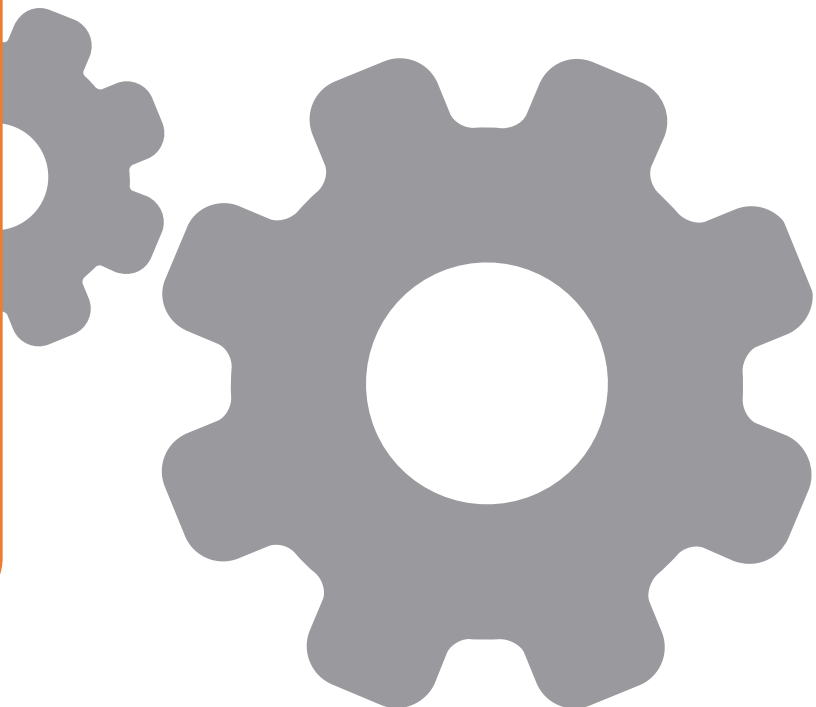
Adapting from
The private sector

Contracting from
The private sector

- Engage third party logistics providers (3PLs) for warehousing, transport, or other services
- Build or hire contract management capacity (4PL)

Collaborating from
The private sector

Stewardship: actors,
sectors and functions





CONTRACTING: MALAWI OUTSOURCED STORAGE & DISTRIBUTION

Setting up an outsourced operation

- Direct delivery of



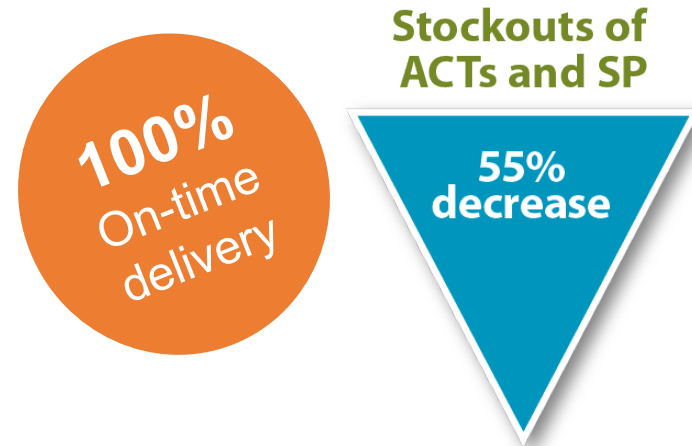
As contract manager (4PL):

- Design & document (SOPs)
- Contract service providers (3PLs)
- Monitor for product quality
- Link programs & partners with data

Logistics Service Providers:

- Cargo Management Logistics (Malawian)
- IMPERIAL Health Sciences (Global with African footprint)

Impact: Product Availability



June 2011-Dec 2013

Impact: Private sector capacity

Malawian 3PL's investments lead to improved performance:

- Dedicated transport section (4 staff)
- Installation route scheduling software
- SOPs, KPIs, vehicle maintenance plan

Transitions to professionally run transportation company



APPROACHES FOR PRIVATE SECTOR ENGAGEMENT IN PUBLIC HEALTH SUPPLY CHAINS

Adapting from
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Stewardship: actors,
sectors and functions

Establish
collaboration:

- across sectors (public, private & NGO)
- between actors who source, procure, manufacture and demand products

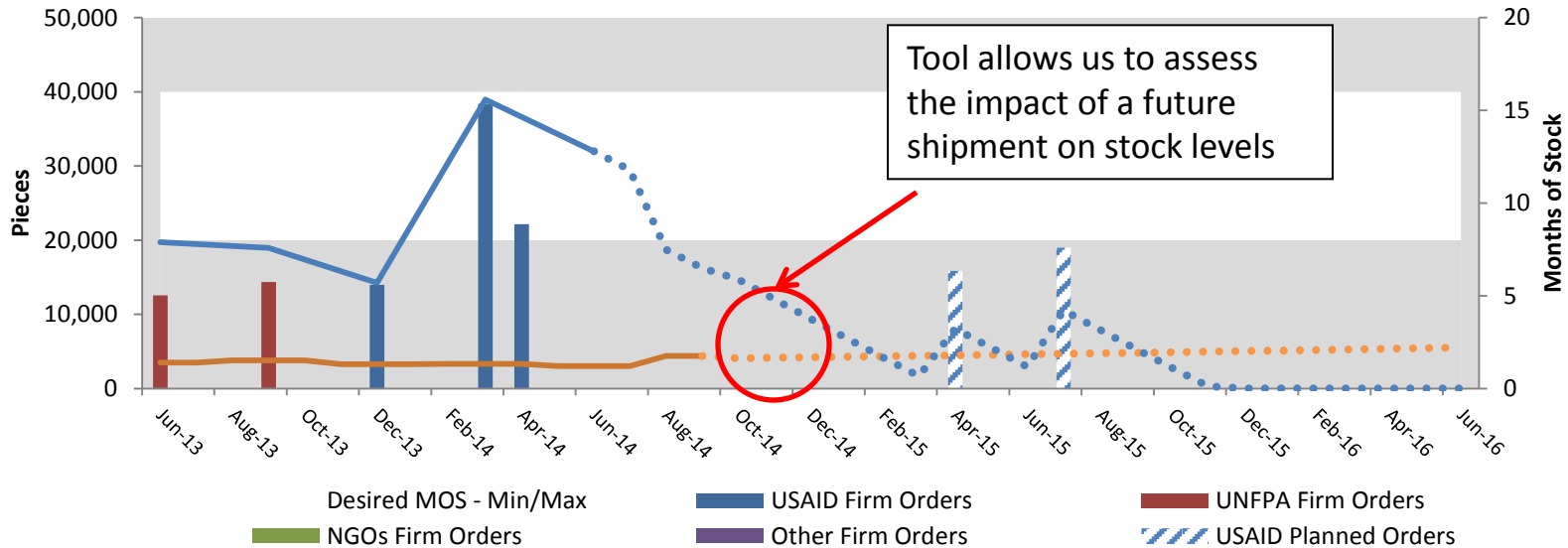


COLLABORATING: IMPLANTS ACCESS PROGRAM

- Prohibitive prices for contraceptive implants leads funders to sign minimum volume guarantee with manufacturers
- JSI helps link manufacturers and funders with in-country supply chains, including demand/use data
- Linkages result in:
 - data visibility for all actors
 - evidence-based decision making
 - quicker resolution of supply bottlenecks



Utilizing market data to improve planning



APPROACHES FOR PRIVATE SECTOR ENGAGEMENT IN PUBLIC HEALTH SUPPLY CHAINS



Adapting from
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Stewardship: actors,
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- Policymakers are *stewards* – focus on delivering PH mandate rather than *own* fleets or warehouses
- Orchestrate inputs from those best able to provide them



STEWARDSHIP INVOLVES TAKING A STRATEGIC APPROACH TO ENGAGING THE PRIVATE SECTOR

Considerations for private sector engagement

Is the enabling environment conducive?

Can the supply chain be strengthened by learning from, contracting to, or collaborating with private companies?

What are the risks and opportunities?

What is our long-term plan?

QUESTIONS?



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