

# Saving Lives

Through Stronger Supply Chains



# Meeting the need for rapid scale-up

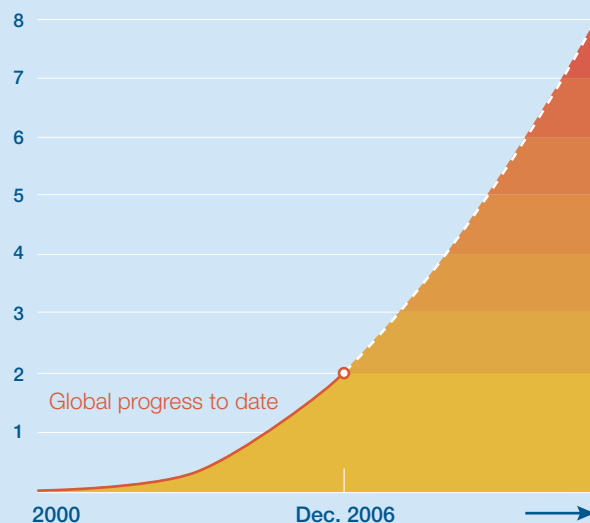
By the end of 2006, about 2 million people living with HIV/AIDS were receiving antiretroviral therapy in low- and middle-income countries—a dramatic 54 percent increase over the year before. Still, global experts estimate a near-term expansion of up to four times is required to meet the growing need for treatment.

Ensuring that essential medicines, HIV test kits, laboratory supplies and other health products are continuously available when they are needed is an ongoing imperative. Once people living with advanced HIV start antiretroviral therapy, they must stay on treatment to maintain their health and to prevent drug resistance. Efficient supply chains—the integrated network of activities and organizations that move products and transfer information between manufacturer and recipient—are critical to expand program capacity, improve patient outcomes and save lives.

SCMS is committed to helping existing supply systems meet the increasing demands from a rapid expansion of HIV/AIDS programs.

Supply chain capacity must continue to expand as countries increase treatment for people with HIV/AIDS

Number of people in low- and middle-income countries on antiretroviral therapy (in millions)



Source: UNAIDS

# How we can work together

## Providing HIV/AIDS medicines and supplies at the best value

SCMS offers a full range of items necessary for HIV/AIDS prevention, care and treatment programs including antiretrovirals, medicines for opportunistic infections such as tuberculosis, rapid HIV test kits, laboratory commodities and a host of other products. We have created a consolidated procurement mechanism that feeds into local supply chains to meet the needs across multiple countries and leverage economies of scale. The results are lower prices for products of assured quality, along with increased cooperation between suppliers and recipients.

Key procurement strategies to drive down prices of essential medicines and ensure a steady supply of high-quality items include:

- ❖ Long-range planning and forecasting to prevent costly emergency procurements and stockouts of vital items
- ❖ Pooling procurement—consolidating orders across many recipients to buy in larger volumes
- ❖ Establishing long-term contracts with vendors, with prices and terms other stakeholders can access

### SCMS regional distribution centers:

Enabling a rapid response

Health programs and the people they serve depend on getting the right medicines, in good condition, when they expect them. With state-of-the-art regional distribution centers operating in Ghana, Kenya and South Africa, the most frequently requested essential medicines including antiretrovirals, HIV test kits and other critical health products are closer to HIV/AIDS programs than ever before. This shortens delivery times from many months to between two and four weeks for planned orders. Programs can hold less stock on hand knowing they will receive more frequent replenishment based on their planned requirements. We support similar solutions for PEPFAR focus countries in the Americas and Asia.

Three state-of-the-art regional distribution centers ensure a rapid and reliable supply of frequently requested items



- ❖ Adhering to stringent quality assurance processes and standards
- ❖ Buying generic antiretrovirals and other pharmaceuticals whenever possible
- ❖ Publishing our current pricing information

The e-catalog on our website provides a list of products available and price estimates for many items. Please contact us at [scmsinfo@pfscm.org](mailto:scmsinfo@pfscm.org) if your organization is interested in procuring items through SCMS.

## Logistics Management Information Systems

Improve systems for inventory management, tracking consumption data and reordering products.



“SCMS has used the experience of its consortium partners in setting up procurement, logistics and supply chain systems successfully in a very short period. The regional distribution center concept is one of the key factors in ensuring efficient supply chains for the distribution of drugs across all of the PEPFAR beneficiary countries.”

**Anirudh Deshpande**

General Manager- International Business,  
Aurobindo Pharma Ltd.



## Demand Planning

Develop long-term forecasts to determine what medicines and products are needed, how much, when and who will purchase them.

## Technical assistance to transform supply chain performance

To increase local capacity and ensure supply chain sustainability, SCMS shares our skills, tools and knowledge through customized, hands-on technical assistance. We offer support throughout the supply chain, from planning demand to local delivery, for a range of stakeholders including host governments and ministries of health, nongovernmental organizations, faith-based providers and the private sector.

### Quality Assurance

Strengthen quality assurance systems to ensure a controlled process and high-quality medicines and supplies.



Strengthening or developing systems to ensure cost-effective, secure and reliable supply chains



### Procurement

Conduct effective purchasing through a transparent, competitive and fair process to ensure a reliable supply of quality medicines and health products.



### Freight Forwarding

Ship products using the most appropriate method and clear customs without delay.



### Warehousing and Inventory Management

Safely and securely store products according to best practices and facilitate an efficient ordering process from health facilities.



### Delivery

Ensure medicines and supplies reach their destination in good condition so they are available to patients.

## Global collaboration for long-term, local solutions

The unprecedented scale-up of HIV/AIDS care and treatment throughout the world requires partnerships across donors, regions and industries. Coordinating our efforts and sharing information ensures maximum reach and impact, avoids duplication and improves decision making.

### SCMS works with a range of partners, including:

- Host-country governments
- Foundations and other donor organizations
- HIV/AIDS implementing programs
- Multilateral institutions
- Faith-based organizations
- Nongovernmental organizations
- Private sector companies
- Suppliers

SCMS participates in and helps convene numerous initiatives to coordinate efforts among partners, such as the procurement working group for the World Bank, the Global Fund to Fight AIDS, Tuberculosis and Malaria and the US government. We are also a member of the World Health Organization/UNAIDS working group on antiretroviral forecasting for global demand. With the Ecumenical Pharmaceutical Network, we have created a task force to strengthen supply chains in countries with faith-based drug supply organizations.

Committed to transparency, we share supply chain information such as forecasts, procurement plans and product prices with stakeholders in the community. We will continually add relevant information to our website so that people around the globe can learn—and share—best practices.

To learn more about partnering opportunities, please visit: [www.scms.pfscm.org](http://www.scms.pfscm.org) or write [scmsinfo@pfscm.org](mailto:scmsinfo@pfscm.org).



### Solutions that will last beyond SCMS

Developing strategies that can continue beyond SCMS is central to our efforts. We strengthen existing supply systems rather than replacing them with new structures that are dependent on donor support. In Rwanda, for example, we are working side by side with the national procurement organization, CAMERWA, to enhance its procurement, distribution, warehouse management and accounting skills to meet its goal of procuring health commodities directly with US government funds. Our regional distribution centers operate to world-class quality standards for storage and distribution of health commodities, and provide services to other customers in addition to SCMS. Our global information systems are designed to be easily transferable to new owners once the project ends.

# About SCMS

To support the rapid scale-up of HIV/AIDS prevention, care and treatment, the Supply Chain Management System (SCMS) was established as part of the US President's Emergency Plan for AIDS Relief (PEPFAR). SCMS's broad team of public and private sector organizations helps strengthen supply chains to deliver a continuous flow of high-quality, affordable, life-extending medicines and supplies throughout the developing world.

## Our Approach

- Working with and strengthening existing systems, not creating parallel or duplicate systems
- Building local capacity, empowering in-country partners to enhance and develop sustainable and appropriate responses for their own communities
- Delivering quality HIV/AIDS medicines and supplies at the best value by leveraging industry best practices for planning, procurement, storage and distribution
- Promoting transparency to ensure accurate and timely supply chain information is collected, shared and used to improve decision making
- Collaborating with in-country and international partners to identify needs, fill gaps, avoid duplication and share best practices

“SCMS has been an important partner in Rwanda to help CAMERWA navigate the complexities of procuring and distributing pharmaceuticals and other commodities for our HIV/AIDS programs. By working together, we are learning by doing.”

**Ambassador Zephyr Mutanguha**  
Director General of CAMERWA, Rwanda

## Meet our team

More than 200 dedicated staff, based in 17 countries, are united in a common vision to transform health care delivery by ensuring that quality medicines reach people living with or affected by HIV/AIDS. SCMS is a team of 16 public and private sector organizations from Africa, Europe and the United States—including some of the world's most trusted names in supply chain management, international public health and development. SCMS is funded by the US President's Emergency Plan for AIDS Relief through the US Agency for International Development.

### SCMS team member organizations

Affordable Medicines for Africa  
AMFA Foundation  
Booz Allen Hamilton  
Crown Agents Consultancy, Inc.  
The Fuel Logistics Group  
IDA Solutions  
JSI Research & Training Institute, Inc.  
Management Sciences for Health

The Manoff Group  
MAP International  
North-West University  
Northrop Grumman  
PATH  
UPS Supply Chain Solutions  
Voxiva  
3i Infotech

*We look forward to hearing from you.*

### Supply Chain Management System

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Implementing Partner



May 2007