

Sierra Leone MDTF
Fund Signature Page
(Note: this page is attached to the programme document)

Participating UN Organisation(s): UNICEF	Priority Area: JV: Equitable and Affordable Health Services AFC: Chapter seven – Human Development
Programme Manager, Participating UN Organization: UNICEF Name: Dr Lianne Kuppens Address: Govt. Medical Stores Compound Jomo Kenyatta Road PO Box 221 New England Freetown - Sierra Leone Mobile: +232 76291 023 E-mail: lkuppens@unicef.org	Implementing Partner(s): National Health System Name: N/A (Direct Execution) Address: N/A Telephone: N/A E-mail: N/A
Project Number: Joint Vision Programme Twenty.	Programme Duration: 15 Months Estimated Start-Up Date: July 2010
Project Title: National Health System: Strengthen the Procurement and Supply Chain Management (PSM) for medical supplies of the MOHS	Programme Location: Country wide encompassing all 13 districts.
Project Description: National health systems: Strengthening the PSM of medical commodities and other health related of the MOHS at all level. UNICEF will ensure systems are strengthened and monitoring systems in place to ensure essential medical supplies and commodities reach the target population.	Total Project Cost: US\$447,668 SL- MDTF: US\$ 447,668 Government Input: 0 Other: 0 GRAND TOTAL: US\$447,668
Development Goal and Key Outcomes: Outcome : Harmonized procurement and distribution system that ensures uninterrupted equitable access to medicines and medical supplies	
Deliverables: 20.1.1 Efficient procurement and supply chain management system which incorporates development of training materials designed and put in place including integration of HIV screening and diagnostic facilities by the end of 2011. 20.1.2 Training on data collection, analysis and use conducted for health personnel involved in the generation of data from the district health information system by 2011. 20.1.3 Community based health and nutritional information system put in place by end of 2012. 20.1.4 Annual planning process of comprehensive district planning in all 13 districts finalized each year from 2010 to 2012. 20.1.5 A monitoring system for the free health care programme for pregnant women and children under five developed and implemented by 2010.	

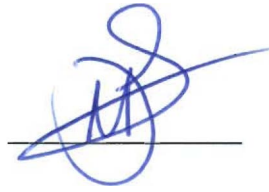
The term "programme" is used for projects, programmes and joint programmes.

Signature

Date

Name/Title

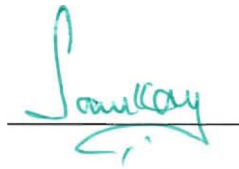
UNICEF



11/7/12

Mr. Mahimbo Mdoe
Country Representative

DEPAC Co-Chair



6/7/11

Honorable Dr. Samura Kamara
Minister of Finance and
Economic Development

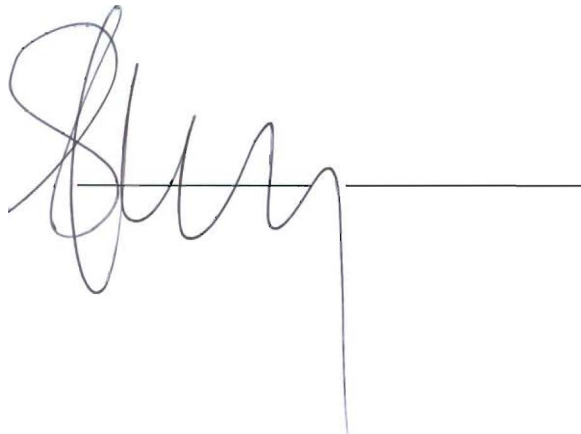
DEPAC Co-Chair



11, 2011

Mr. Vijay Pillai
Country Manager
World Bank

DEPAC Co-Chair



Mr. Michael von der Schulenburg
Executive Representative
of the Secretary General
of the United Nations

Project Document

1. Executive Summary:

The Sierra Leone health system faces several challenges that affect its ability to provide the desired quality health care at all levels. These include a fragmented and inefficient healthcare delivery to adequately fulfil its sector leadership mandate; ineffective utilisation of existing skills and resources; inadequate national capability to test and respond to emerging and re-emerging diseases and disasters; lack of comprehensive health standards to guide the required minimum investment for quality health care delivery; amongst others. The sector is privileged to have several non-state health providers and development partners whose efforts however, in many cases due to poor coordination, experience duplication of health interventions and inefficiencies. Although the sector has developed a strategic plan to guide prioritisation of health interventions in response to the current burden of disease, its effective implementation will heavily rely on regular planning by all sector actors collectively and review of their performance, a function which is currently very weak. Health hereto, has been supply driven assuming that health providers fully understand their client/patient service needs, a situation that the strategic plan seeks to reverse to make health care delivery customer driven and responsive. Similar to other countries in the region, Sierra Leone is constantly faced with the risk of outbreaks of emerging and re-emerging diseases as well as natural disasters that require rapid evidence-based responses. These responses however, are currently compromised by weak laboratory services at all levels, a situation that is further worsened by inadequate research and quality control capability.

2. Situation analysis:

Sierra Leone continues to have very high child and mortality maternal mortality. The Government is thereby working with development partners to reverse the trend and achieve the Millennium Development Goals (MDG) four and five.

An intermediate goal before the MDGs target year was set by the country was to reduce by 30% the infant, child and maternal mortality by the year 2010. In order to achieve this, maternal and child health interventions had to be scaled up to reach universal coverage. Availability of essential drugs at all levels of the health system is one of the important pillars to provide quality health care to the population and reduce significantly the mortality due to common diseases.

Assessment of the PSM System

A number of assessments of the Procurement and Supply Chain Management in Sierra Leone have been undertaken with varying levels of rigour and scope. An initial assessment was undertaken with funding from the European Development Fund for the Health Sector Support Project.² A mission to assess the context in which the request by MOHS to UNICEF provide technical assistance and capacity building related to all aspects of the Procurement and Supply Chain Management within the MOHS system and Service support related to the Reproductive and Child Health (RCH) programme while the system is set up, were taking place, analyze the risks and to support the formulation of recommendations for the way forward.³ The Ministry of Health and Sanitation in collaboration with UNICEF also undertook country wide assessments to quantify essential medicines and Medical consumables."

² Health Sector Support Project (HSSP) PE3 Final Report July to December 2006

³ Analysis and recommendations for Procurement and Supply Management (PSM) strengthening in Sierra Leone. Mission Report. April 20-24, 2009

⁴ Technical Report on the assessments of the Supply Chain and the Forecasting and quantification of Essential Medicines and Medical Consumables for the RCH/MOHS, Sierra Leone, May 2009

These assessments showed that the procurement and supply chain management of health commodities for Sierra Leone is facing serious challenges following the near collapse of the country's health systems as a result of over a decade of conflict, economic recession and brain drain, which have inflicted a negative impact on its economic growth, with the worst effects being caused by under investments in health and therefore where the root causes of the PSM system failures are linked to the incentive structures and lack of accountability in the present governance systems.

Challenges as a Result of Decentralization

The recent devolution of financial authority and procurement functions to the Districts Councils has highlighted problems in that area, including the encouragement of repetitive procurements in small quantities thereby denying the advantages of buying economics. There is also the risk of proliferation of substandard and counterfeit drugs and frequent stock-outs.

Coordination of Inputs

There are gaps that need to be addressed such as an uncoordinated PSM structure and system, insufficient budgetary allocation, human resource constraints, lack of public accountability, limited technical capacity of the human resource, incentive structures etc.

These gaps if addressed coupled with strong national leadership and political commitment at the highest level, a clear national framework, coherent budget allocation, and the presence of transparent and accountable decision making bodies will contribute to the effective implementation of the various health programs.

The RCH Program is generally recognized as positive platform and model for further health system development and is a major government strategic project in partnership with UNICEF and other major health partners including UN agencies and bilateral cooperation that addresses the extremely high infant, child and maternal mortality in Sierra Leone.

Actions by GOSL

The Government of Sierra Leone is aware of the gaps as well as what needs to be done, thus The Honourable Minister of Health, Ministry of Health and Sanitation (MOHS) officially requested UNICEF⁵ to share their expertise by providing technical assistance and capacity building related to all aspects of the Procurement and Supply Chain Management within the MOHS system, and Support procurement services related to the Reproductive and Child Health (RCH) Program while the system is set up⁶.

Response to the Request to UNICEF

As a first step in developing the basic principles that will guide the process of developing the PSM, as well as to assess the type of expertise needed, a team from the UNICEF Supply Division, Copenhagen, UNICEF Regional Office and the country team met with a range of stakeholders during 21-24 April 2009. The team assessed the level of risk for UNICEF, the willingness of partners to participate in the program, the feasibility and capacity of both government and partners including UNICEF. The team also assesses the policy and the governance issues around the program. The team and the Country Office agreed on a two track approach to the PSM development.

The first track approach will cater for immediate need in drugs procurement and distribution to all

⁵UNICEF is one of the world's leading organizations supporting national policies, strategies and systems, procuring medicines and vaccines for children and women globally

⁶ MOHS Letter dated 25th February 2009

district and all PHUs. With the launch of the Free Health Care Initiative in April 27th 2010, the UNICEF Country Office was tasked to meet the immediate needs of procuring and distributing the Essential Commodities to all the thirteen districts in Sierra Leone. The first track will also prepare the terrain for the second track by putting in place essential structures like district medical stores and PHUS storage capabilities. Training in LMIS of health personnel at all levels of the health system, specifically the ones in charge of drugs management is of paramount importance for the first track, but also will be the basis of putting in place an effective and sustainable system.

The second track will go through a phased approach. The first phase which covered the in-depth assessment of the current PSM was completed in September 2010, with recommendation of strategies and PSM model to put in place to ensure effective and sustainable PSM. In a high level stakeholders meeting, it was agreed to establish a National Autonomous Pharmaceutical Procurement and Supply Agency (NAPPSA). To implement this it was recommended to hire an international firm to support the instituting process of NAPPSA. The second phase (of the second track) consisted in recruiting the international consulting firm. The process is at its final stage. The firm, Crown Agent, has been selected, now the process is at contracting signing stage.

3. Results framework

Joint Vision framework and benchmark

As part of the Joint Vision programme 20, National Health System, this project contributes to the UN Joint Vision's broader effort to improve the national health services and in particular, the development of a national procurement and supply management system for SL.

Outcomes

The intended outcomes of UNICEF contribution to programme 20 is to put in place a harmonized procurement and distribution system that ensures uninterrupted equitable access to medicines and medical supplies to all target population.

By 2012 the public supply chain management system will be in line with acceptable international standards is operational at all levels by 2012.

The aforementioned funds will target deliverables 20.1.6, 20.1.7, 20.1.8, 20.1.9 and 20.1.10 as highlighted below:

Deliverables

- 20.1.6 Efficient procurement and supply chain management system which incorporates development of training materials designed and put in place including integration of HIV screening and diagnostic facilities by the end of 2011.
- 20.1.7 Training on data collection and LMIS, analysis and use conducted for health personnel involved in the generation of data from the district health information system by 2011.
- 20.1.8 Community based health and nutritional information system put in place by end of 2012.
- 20.1.9 Annual planning process of comprehensive district planning in all 13 districts finalized each year from 2010 to 2012.
- 20.1.10 A monitoring system for the free health care programme for pregnant women and children under five developed and implemented by 2010.

Core activities:

1. Support 14 district logistic officers and provide their office and transport equipment

2. Train health personnel at all levels and counterparts on LMIS
3. Support District medical stores (equipment, furniture, rehabilitation),
4. Monitoring the project

4. Management and coordination arrangements

UNICEF will hire a consultant to support the implementation of the first track of the project. The main role of the consultant includes drugs and medical consumables forecasting and ordering, training of health personnel in LMIS, ensure districts and PHUs have adequate storage space for drugs and medical consumables. At Central Medical stores (CMS), UNICEF will provide an international logistician to support the CMS team in managing the great quantities of drugs for the FHC. At district levels, also UNICEF will strengthen the team, by hiring a District Logistician Officer in each district, who will help to build the capacity in PSM both at district and PHUs levels.

For the long term track, an International Consulting Firm with expertise in Pharmaceutical Procurement and Supply Chain Management will be contracted by UNICEF to work with and transfer skills to the Government to strengthen the entire PSM system at the central and district levels of health care delivery in Sierra Leone. It is envisaged that the consulting firm will have staff having diverse expertise in procurement, tendering, forecasting, contracting, logistics, freight, pharmacy, health product technology, quality control, inspection, warehousing & distribution, finance, human resources and information and communication technologies.

The design and implementation is planned to be very inclusive taking into account all existing systems and facilities in place and will be executed in three phases.

The expected output of the comprehensive technical assistance for the two track approach will be:

- Complete capacity building activities to enhance the staff capabilities in LMIS.
- Inventory control system defined and procedures for inventory control practises developed such as ordering, issuing, receiving, and storing health commodities.
- Management tools designed, including a Logistics Management Information System
- Monitoring, supervision and quality assurance systems defined.
- Storage capacities improved in all districts.
- Situation analysis leading to development of strategic plan and budget for PSM restructuring process.
- An integrated, transparent and sustainable Procurement and Supply-Chain management systems which is governed by well-defined checks and balances and supported by a well-trained Supply Chain team.
- Comprehensive PSM monitoring and quality assurance system.
- Setting up of a Donor/ Development Partners supply pooled fund system
- Establishing a local quality drugs procurement facility for districts and Faith Based Organizations.

5. Fund management arrangements

UNICEF will manage the funds according to internal funds management. An agreed reporting system will be established between UNICEF and MDTF.

UNICEF will sign the necessary MoD with the AA at the MDTFO to be a recipient of funds channelled through the SL-MDTF.

6. Monitoring, evaluation and reporting

Project monitoring and reporting will be done as per the UN Vision monitoring mechanisms.

The impact of this project will be assessed as part of the Joint Vision programme 20 at least one calendar year after in the end of the project. However a report on the project's delivery will be issued in March 20]2 as part of the MDTF reporting requirements.

7. Elements of the logical framework

Results chain	Performance indicators
Joint Vision Priority Area: Equitable and Affordable Health Service	
JOINT VISION BENCHMARK	
National health systems: Strengthening the PSM of medical commodities and other health related supplies of the MOHS at all level I. UNICEF will ensure systems are strengthened and monitoring systems in place to ensure essential medical supplies and commodities reach the target population.	
OUTCOME	
1. Put in place a harmonized procurement and distribution system that ensures uninterrupted equitable access to medicines and medical supplies to all target population.	<ul style="list-style-type: none">]. An integrated public supply chain management system in place at central, district and PHU levels . 2. A Functional integrated Logistics Management Information System in place at central, district and PHU levels countrywide.
2. Public supply chain management system will be in line with acceptable international standards and is operational at all levels by 20]2	<ul style="list-style-type: none"> 1. Transparent procurement process at National level. 2. Proportion of health personnel in charge of drugs management trained in LMIS 3. Proportion of good storage facilities at National District and PHU levels. 4. Proportion of Efficient delivery and distribution systems at all levels 5. Proportion of efficient inventory control system in place at all levels. 6. Proportion of efficient monitoring and supervision mechanisms in place countrywide.
DELIVERABLE	
1. Efficient procurement and supply chain management system which incorporates	1. Availability of Logistics Management Information Systems (LMIS) forms -

<p>development of training materials designed and put in place including integration of HIV screening and diagnostic facilities by the end of 2011.</p> <p>2. Training on data collection, analysis and use conducted for health personnel involved in the generation of data from the district health information system by 2011.</p> <p>3. Community based health and nutritional information system put in place by end of 2012.</p> <p>4. Annual planning process of comprehensive district planning in all 13 districts finalized each year from 2010 to 2012.</p> <p>5. A monitoring system for the free health care programme for pregnant women and children under five developed and implemented by 2010.</p>	<p>inventory control cards, stock card, reports, requisitions and issue voucher(RRN), Daily Health Commodities Dispensing register, Reporting form for claims /returns, Gate pass</p> <p>2. # of district medical stores rehabilitated</p> <p>3. Availability of Standard Operating Procedure Manual (SOP) on the integrated logistics system.</p> <p>4. Number of people trained on the Integrated LMIS.</p> <p>5. Proportion of districts with Community Based Health and Nutrition information system.</p> <p>6. Number of Comprehensive district Health Plans finalized</p> <p>7. Availability of protocols and guidelines for monitoring Free Health Care at National, District and community levels.</p>
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8. Legal Context or Basis of Relationship

Signatory to the Joint Vision as the UN's contribution to the GoSL Agenda for Change.

Workplan and budget

Workplan (2011)

EXPECTED outcome and indicators of performance	PLANNED ACTIVITIES	J	A	S	O	N	D	RESPONSIBLE PARTY	SOURCE OF FUNDS	PLANNED BUDGET in US\$
<p>OUTCOME 1: Harmonized procurement and distribution system that ensures uninterrupted equitable access to medicines and medical supplies to all target population.</p> <p><i>Performance indicators:</i></p>	1. Support 14 district logistic officers and provide their office and transport equipment	x	x					UNICEF/ MOHS	MDTF/ UNICEF	75,000
	2. Train in LIMS health personnel at all levels, counterparts,	x	x					UNICEF/ MOHS	MDTF	260,000

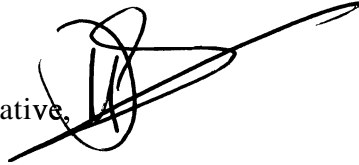
EXPECTED outcome and indicators of performance	PLANNED ACTIVITIES	J	A	S	O	N	D	RESPON SIBLE PARTY	SOURC EOF FUNDS	PLANNED BUDGET in US\$
The public supply chain management system in place and in line with acceptable international standards is operational at all levels .	3. Support District medical stores (equipment, furniture, rehabilitation)	x	x					UNICEF/ DHMT		70,000
	4. Monitoring the project	x	x	x	x	x	x	UNICEF, WHO, MOHS	MDTF	6,848
HQ (7%)										35,820
Total										447,668

UNDG standard Budget

Line #	Line description	Amount
1	Supplies, commodities, equipment and transport	145,000
2	Personnel (staff, consultants, travel and training)	0
3	Training of counterparts	260,000
4	Contracts	0
5	Other Direct costs (project monitoring)	6,848
6	Indirect Costs (7%)	35,820
7	<i>Total Received Funds (this project)</i>	447,668
8	<i>Agency Earned Interest Income</i>	

To: Michael von der Schulenburg,
Executive Representative of the Secretary General of the United Nations,
Sierra Leone
DEPAC Co-Chair

From: MahimboMdoe
UNICEF Representative,
Sierra Leone



Date: 4/7/2011

Request for the reprogramming of the MDTF Funds for program 20. 'Strengthening the Procurement and Supply Chain Management (PSM) for medical supplies of the MOHS' project by UNICEF

In the framework of the UN Vision, program 20, UNICEF Sierra Leone received in July 2010, \$511,848.31 from MDTF to support the MOHS to establish an effective Procurement and Supply Management (PSM) system for the medical products. Of this amount, US \$100,000 were returned to MDTF to be given to WHO to support other aspects of PSM and remained \$411,848.31.

The intended outcomes of the project was to have established a harmonized procurement and distribution system that ensures uninterrupted equitable access to medicines and medical supplies to all target population, and ensuring that by 2012 the public supply chain management system in line with acceptable international standards is operational at all levels.

UNICEF, after initial assessment and in collaboration with MOHS and other UN agencies had identified two track approach to the PSM development. The first track was a short term approach to cater for the immediate need of procurement and distribution of drugs and medical supplies, especially with the high demand of the then new Initiative of Free Health Care.

The second track was a longer term and implemented in several phases to develop a solid and sustainable PSM system. Following a report of the assessment phase, the partners (MOHS, UNICEF, UNFPA, WHO) approved the establishment of a National Autonomous Pharmaceutical Procurement Agency (NAPPSA) and to recruit an international consulting firm to support the process of establishing NAPPSA.

The funds were allocated to funds the activities in table below:

PLANNED ACTIVITIES	PLANNED BUDGET in US\$
1. Hire an international institution to support the process	350,000
2. Train counterparts, policy workshops, support district annual planning process	100,000
3. Monitoring the project	47,668

PLANNED ACTIVITIES	PLANNED BUDGET in US\$
4. Indirect cost	50,000
5. Total	547,668

The hiring of the international firm took longer than planned, especially there was long delays in the process of selecting the international firm, some partners were slow in providing the rating for the selection of the firm. Though the process is now at its last stage of signing the contract with the selected firm, the process may take another couple of months, as the Cabinet must approve the National Autonomous Pharmaceutical Procurement Agency (NAPPSA) paper.

As the big portion of this funds was allocated to the payment of the hired firm, and given the fact the contract isn't yet signed, to allow us to spend the funds in the approved timeframe, we would like to request to use the funds for other PSM activities, which can be implemented immediately.

The funds re-allocation is proposed as follows:

PLANNED ACTIVITIES	PLANNED BUDGET in US\$
1. Support 14 district logistic officers and provide their office and transport equipment	75,000
2. Train in LIMS health personnel at all levels} counterparts}	260,000
3. Support District medical stores (equipment} furniture} rehabilitation)	70,000
4. Monitoring the project	6,848
Total	411,848

The proposed activities for re-allocation of the funds will contribute to the same outcome of "Harmonized procurement and distribution system that ensures uninterrupted equitable access to medicines and medical supplies".

Thank you