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IN THE FIGHT AGAINST AIDS, TB AND MALARIA IN **ETHIOPIA**

Aden Gulf

SIBOUT

PROCUREMENT & SUPPLY CHAIN MANAGEMENT

Ethiopia's Global Fund grant is highly commoditized where more than 70% of the grant is allocated for procurement of pharmaceuticals and health products. The contribution of GF grant ranges from allocating resources for procurement of pharmaceuticals and health products to storage and distribution as well as investing on infrastructures and human resource. GF grant has a huge contribution in enhancing the Supply management system of medicines and health products.

Each grant allocates 5% of the Free On Board (FOB) value of commodities for storage and distribution of health commodities. Global fund also supports the procurement process by considering 2% procurement fee for procurements managed through Ethiopian Pharmaceuticals Supply Agency (EPSA). Capacity development provided by the GF sourcing team by training and coaching EPSA procurement experts to introduce the long-term framework agreements which are now being implemented for selected HIV and Malaria commodities

The contribution through RSSH grant in staff hiring and human capacity building are among the major contributors to enhancing supply chain efficiency and effectiveness. In previous grant periods, GF has made investments in warehouse building, renovation, maintenance which contributed a lot to the overall supply chain operation capacity improvement. The GF under the New Funding Model (NFM)3 RSSH grant has approved a budget for the implementation of Enterprise Resource Planning (ERP) system at EPSA. The system is expected to bring an overhaul to the supply chain system and improve the capacity of the agency in the supply chain management of pharmaceuticals and health products for TB, HIV and malaria programs and other program and the revolving drug fund (RDF) scheme.

In terms of procuring lifesaving medicines and health products, Wambo.org platform contributed a lot to the availability of small volume but critical medicines and health commodities to the program. The country has been using this platform to bridge procurement gaps. Wambo platform is currently used for procurement of new ARVs, low volume products that need order consolidation and also products that need emergency procurement. The platform has clear delivery schedule updates and payment history updates which makes it convenient for use.





RECOMMENDATIONS ON THE WAY FORWARD:

- The Principal Recipient, GF-Country Team and Global Sourcing Department at GF need to work closely, as is now, to efficiently use the available tools and platforms both locally and globally.
- Support the local manufacturing and sourcing of pharmaceuticals and health products locally. This in turn will ensure the sustainability and continuous availability of essential medicines in the country.
- Strengthen the local supply chain management capacity through advanced support and capacity building to Principal Recipients and EPSA
- Strengthening the capacity of the national quality control and quality assurance mechanism
- Improve the shipment delivery efficiency for the procurements through Wambo.org
- Improve the grant budget to ensure the sustainable, availability of medicines and health products

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