

Nepal Family Health Program Technical Brief #15

Health Commodity Security



An NFHP-sponsored reproductive health commodity workshop brought together key players to review the status of commodities and secure commitments for future supply.

BACKGROUND

Commodity security is essential for the effective delivery of quality health services. Commodity security exists when people are able to choose, obtain and use products whenever they need them. With support from USAID, JSI and the Nepal Family Health Program (NFHP) have been consistently working toward this goal with priority to contraceptives, reproductive health and maternal child health commodities.

After establishing the national Logistics Management Information System (LMIS) reporting system (see **NFHP Technical Brief #12: Logistics Management Information System**) the Contraceptive Security Working Group was formed under the leadership of the Ministry of Health and Population (MOHP) Family Health Division (FHD) in 1998. The core group consists of the representations from Logistics Management Division (LMD), UNFPA, Nepal Family Health Program (NFHP), KfW (the German Reconstruction Credit Institute), and USAID. The NFHP logistics unit has provided technical assistance to the working group. The larger group consists of representation from the core group plus members from Family Planning Association of Nepal (FPAN), Social Marketing, and the National Center for AIDS and Standard Control (NCASC).

STRATEGIC APPROACH

A Consensus Contraceptive Security Forecast meeting is held biannually: In June, the shipment schedule, requirements and shortfall for the public sector, private sector (social marketing), and NGO sector (FPAN) are presented for the next five years. In November, a five-year commodity forecast and budget need for MOHP, FPAN, and social marketing is determined. The meeting is attended by the Director General, Department of Health Services (DOHS), donor partners (DFID, KfW, USAID, UNFPA, UNAIDS, World Bank), MOHP program divisions, FPAN, Social Marketing, NFHP, National Planning Commission, and the Ministry of Finance.

ACTIVITIES

NFHP has provided technical support in preparing five year forecast documents (circulated among program division and donor partners by the LMD) for certain key commodities: oral re-hydration salts, vitamin A, Cotrimoxazole-Pediatric 100/20 mg, iron tablets, and oxytocin 10 injection (1 ml). The forecast document identifies the long-term costs and requirements for the above commodities, allowing better identification of funding gaps and procurement and distribution schedules.

Key Achievements

- Ensured FP/MNCH commodity security through effective coordination of public, private and donor partners.
- Secured funds for contraceptive procurement consistently and on a timely basis, since 1998.
- Resource and funding needs are known in advance for contraceptives and other key commodities; this has greatly helped in allocating and finding needed resources
- Contraceptive procurement now partly funded by the MOHP.
- Long-term Reproductive Health Commodities Security Strategy has been prepared, endorsed and published by the Ministry of Health and Population.

TEAMWORK

The success of commodity security in Nepal can be attributed to the excellent team work of the various MOHP program divisions (FHD, LMD, NCASC), external donor partners (USAID, UNFPA, KfW, DFID, World Bank, UNICEF, NFHP), and stakeholders (social marketing agencies and FPAN). The team successfully developed a National Strategy on Reproductive Health Commodity Security for Nepal (RHCS), 2007 - 2011.

Present Situation

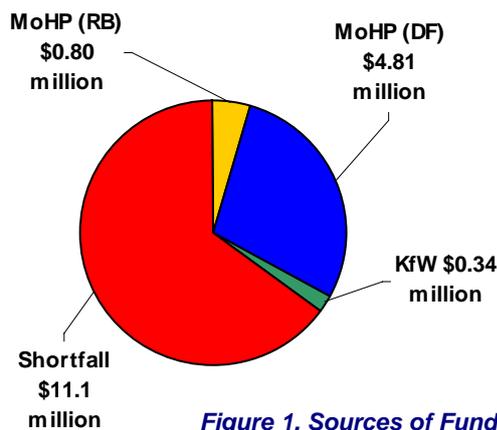
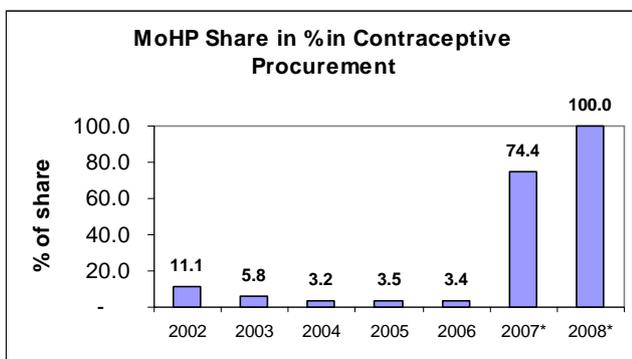


Figure 1. Sources of Funds to Meet Contraceptive Requirements for MOHP (2007-2011)

The predicted shortfall in funding (starting in 2009) for contraceptives for the MOHP amounts to US\$ 11.1 million (Figure 1).

The MOHP share in the funding of contraceptives has significantly increased since 2002. MOHP, with some donor support, is taking responsibility to procure contraceptives in 2007 and 2008. It is

Figure 2: Trend in MOHP Share in Contraceptive Procurement



very encouraging to see this increase in the MOHP's financial commitment to procurement and it is likely that this trend will continue.

Factors Contributing to Health Commodity Security

- LMIS.** A well functioning, integrated, and robust LMIS is reliable, effective, and used for logistics decision-making, forecasting, inventory management, pipeline monitoring, procurement and prevention of stock-outs at health facility level. Monitoring and using LMIS data for informed decision-making ensures availability of health commodities.
- District Store Construction.** Good storage practice helps ensure the quality of drugs and other commodities and improves their distribution to service delivery sites. At present 31 district storerooms and one cold room have been constructed with funds from KfW and 5 storerooms have been constructed with DFID funds. This storage space serves about 55% of the country's population. At present (2007) eight new district storerooms are under construction with KfW funds.
- Inventory Control System.** In 1998, an inventory control system was developed and installed in all MOHP HFs. The system not only allowed HFs to determine the quantity of program commodities that can be ordered from the district store but also set the authorized stock level and emergency order point used to trigger re-orders.
- Pull System of Essential Drugs:** A *pull system* is a demand-based approach for ensuring the reliable availability of health commodities at all service delivery points within a health system (see **NFHP Technical Brief #13: Pull System**). At present, pull system has been implemented in 14 districts with a planned gradual expansion to other districts. Two key advantages of this approach in Nepal are: 1) all government-provided health commodities (vaccines, contraceptives, essential drugs) are merged under a single logistics distribution system and 2) field-level health personnel are empowered due to the decentralization of logistics decision-making.
- Human Resource in Health:** Health workers in public health facilities (service delivery points) needed updating of their knowledge and skills in health logistics including on the pull system. NFHP, the National Health Training Center (NHTC) and LMD have worked to institutionalize logistics and LMIS training. Trainers from NHTC were trained and Regional Health Training Centers have been conducting logistics training at HFs.

Logistics training was included in NHTC's annual workplan and endorsed by the National Planning Commission. Logistics practices and the LMIS system have been incorporated in the pre- and in-service training curricula of NHTC staff and the pre-service training of health workers and public health graduates.

LESSONS LEARNED

- **Teamwork** and actively involving other **stakeholders** is essential for ensuring contraceptive commodity security.
- **Advocacy** for commodity security at district, regional and central levels of government and among donors is a major factor in achieving contraceptive security.
- Achieving contraceptive security in the country is a major achievement and has been acknowledged by MOHP and partners as a **real success**. This has led to a willingness to replicate this process for other essential drugs, which will lead to better commodity security in other technical areas, for example reproductive, maternal and child health programs.

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