



# SUPPLIER SUMMIT

**USAID Global Health  
Supply Chain Program  
Supplier Summit  
February 21-23, 2017**

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SUMMIT

USAID Global Health Supply Chain Program

# VOLUNTARY MEDICAL MALE CIRCUMCISION KITS

THE JOURNEY SO FAR AND THE PATH AHEAD...



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FROM THE AMERICAN PEOPLE



**PEPFAR**  
U.S. President's Emergency Plan for AIDS Relief



**USAID**  
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U.S. President's Malaria Initiative

## SESSION GOAL

To provide an update of the progress, targets, and future trends in USG VMMC programs and explore ways to improve the performance of suppliers and the services provided by GHSC-PSM.

# SESSION TOPIC OVERVIEW

- VMMC: Role in PEPFAR programs
- Overview: USG VMMC program achievements, targets, and future trends
- How GHSC-PSM serves country VMMC programs
- VMMC product issues
- GHSC-PSM demand forecasts
- Discussion: The way forward to achieve excellent service by suppliers and by GHSC-PSM

# USAID-SUPPORTED VMMC PROGRAMS

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# VMMC BACKGROUND

- Oldest and most common surgical procedure in the world.
- Studies in the mid-1980s indicate that circumcised men have a lower prevalence of HIV infection than uncircumcised men.
- Therefore it is recommended that VMMC is included as part of a comprehensive HIV prevention strategy which includes HIV testing and counseling; treatment for sexually transmitted infections (STIs); the promotion of safer sex practices; and the distribution of condoms as well as their correct and consistent use.



**This clinic is being held at Kibena Hospital, also known as Njombe District Hospital; it is just one of several sites in Iringa where Tanzanians can be counseled and participate in this safe and effective HIV prevention intervention.**

*MCHIP*

## WHY VMMC?

- Findings published in 2005 from the South Africa Orange Farm Intervention Trial demonstrated at least a 60% reduction in HIV infection among men who were circumcised.
- In 2007, WHO issued guidance that *“Male circumcision should now be recognized as an efficacious intervention for HIV prevention, and promoting male circumcision should be recognized as an additional, important strategy for the prevention of heterosexually acquired HIV infection in men.”*

| [http://apps.who.int/iris/bitstream/10665/43751/1/9789241595988\\_eng.pdf](http://apps.who.int/iris/bitstream/10665/43751/1/9789241595988_eng.pdf)

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2017

By the end of 2017, achieve a 40 percent reduction in HIV incidence among adolescent girls and young women (aged 15-24) within the highest burden geographic areas of 10 sub-Saharan African countries.



2016

By the end of 2016, PEPFAR will provide 11 million voluntary medical male circumcisions for HIV prevention, cumulatively.

60%

Percentage by which VMMC reduces men's risk of sexually acquiring HIV (*Lei, 2015*).

\$16.5 billion

Potential savings in HIV care & treatment costs if 8 of every 10 men are circumcised through rapid VMMC (*Njeuhmeli, 2011*).

11.7 million

The number of VMMC procedures that PEPFAR has supported to reduce the risk of HIV transmission in Eastern and Southern Africa (*PEPFAR*).

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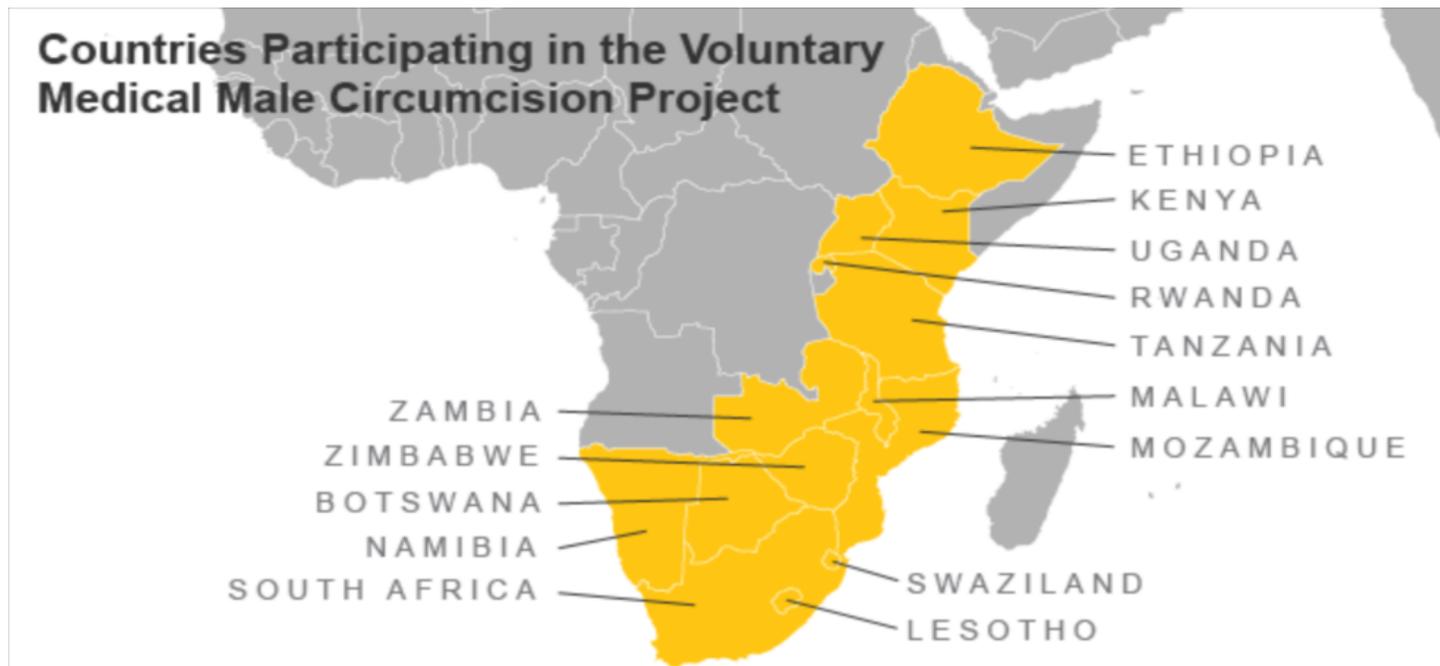
# HOW GHSC-PSM SERVES COUNTRY VMMC PROGRAMS

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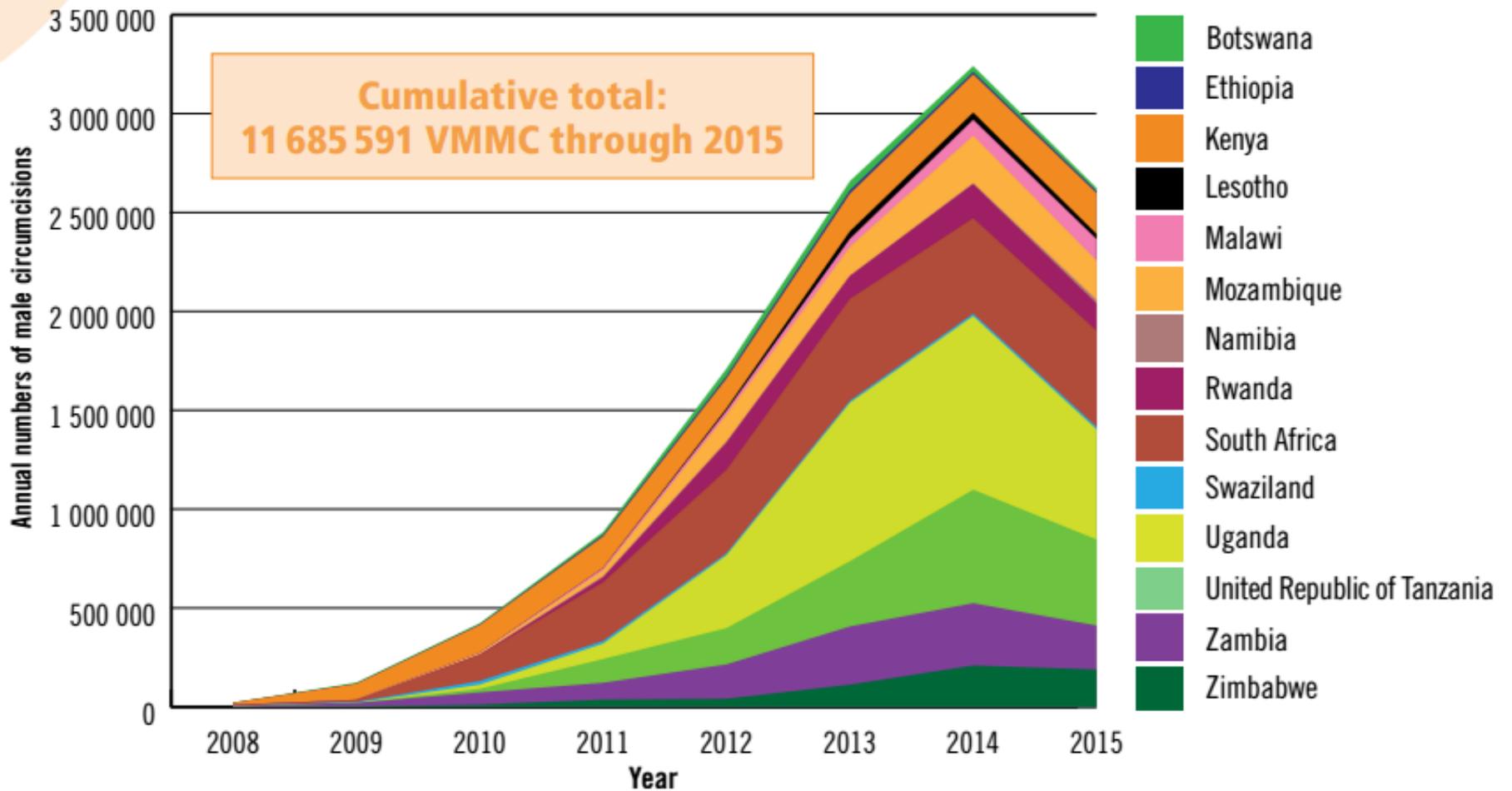
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# PEPFAR'S VMMC PROGRAM

- 14 focus countries with high HIV prevalence - low MC prevalence
- Most procedures have been USG funded in all 14 focus countries except for South Africa and Kenya



**Figure. Annual number of voluntary medical male circumcisions performed for HIV prevention in 14 countries in East and Southern Africa, 2008–2015**



WHO / HIV / 2016.14 Source: Global AIDS Response Progress Reporting from national programmes, UNAIDS/UNICEF/WHO

# VMMC PROGRAM SCALE-UP

- Why is continuing to scale up VMMC important?
  - Achieving and maintaining 80% VMMC coverage by 2020 in PEPFAR's 14 priority countries could avert 3.5 million new HIV infections
- PEPFAR will continue investment in and expansion of VMMC
  - Expanding to under-14-year-olds in high performing countries
- Targets:
  - By 2021, 90% of males aged 10–29 years will have been circumcised in priority settings in sub-Saharan Africa
  - The 90% target translates to 27 million procedures

# VMMC AT GHSC-PSM

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# GHSC-PSM: VMMC STRATEGY

## Key Objectives for GHSC-PSM's Strategy: Improve Forecasting and Planning

- Establish close collaboration across GHSC-PSM teams, implementing partners, and countries
- Set expectations and processes for communication and data requirements
- Provide technical assistance and in-country support for quantification and other supply chain aspects critical to VMMC implementation

## Benefits to Suppliers

- Improved communication within GHSC-PSM and with the VMMC implementer's network leads to more accurate and further reaching forecast information to better advise suppliers on expected shipments and capacity needs
- Information on implementing partner's progress toward targets, total progress to date, etc., guides future forecasts which can inform all levels of the supply chain
  - E.g., VMMC saturation within a target age group may signal shifts to different types of kits within a country

# Strategic Priorities for GHSC-PSM's VMCMC Program



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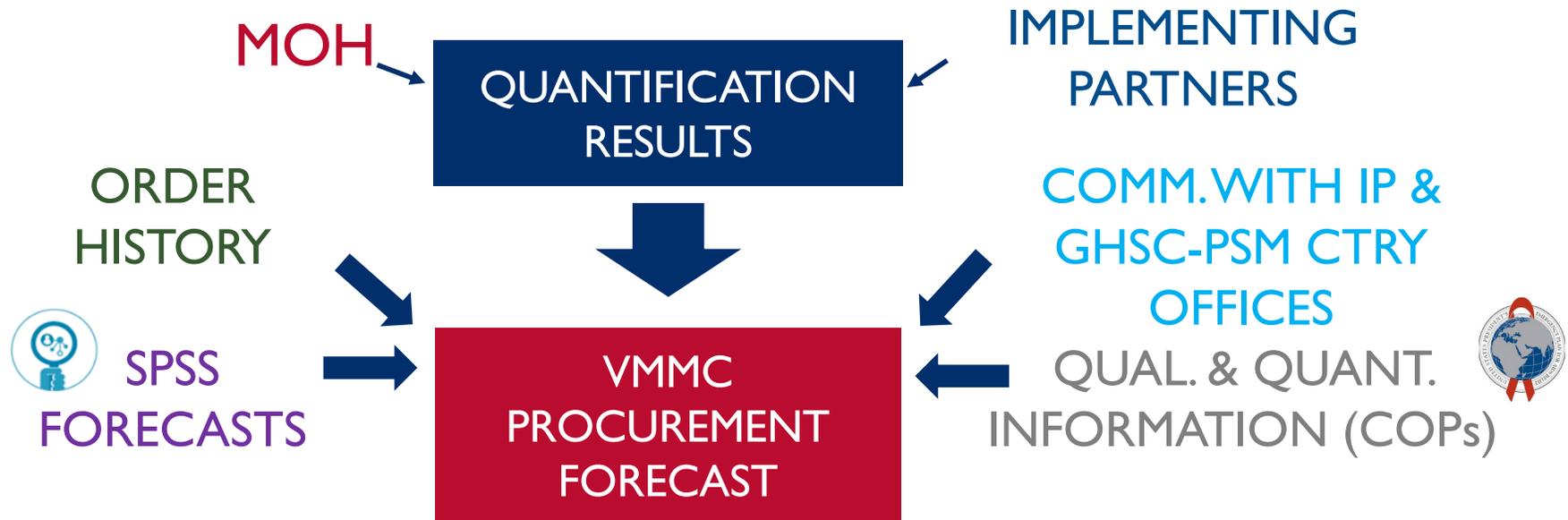


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# VMMC PLANNING METHODOLOGY



## METHODOLOGY OVERVIEW

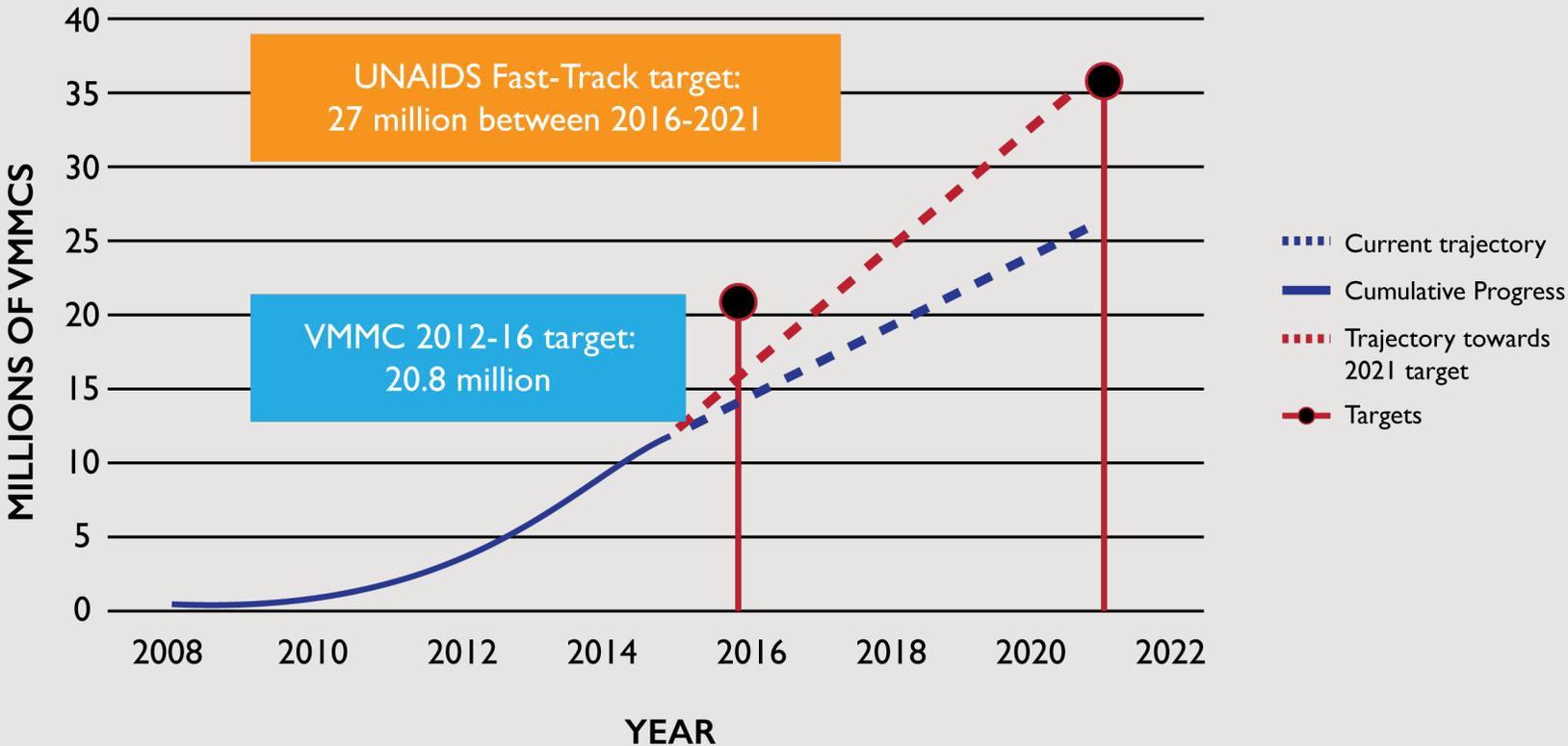
- Procurement forecasts are informed by country supply plans and are augmented with order history, SPSS models, and qualitative/quantitative information from COPs/IPs
- GHSC-PSM's VMMC procurement forecast is then used to plan restocking orders and place orders with suppliers to meet demand for the upcoming six- to nine-month period

# GHSC-PSM DEMAND FORECASTS

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# GLOBAL VMMC KIT FORECAST



Source: UNAIDS, Joint United Nations Programme on HIV/AIDS; VMMC, voluntary medical male circumcision

# PRELIMINARY VMMC DEMAND FORECAST

MC Kit Description	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2017 Total
MC Kit, <b>Non-Sterile, Reusable Instruments for Forceps-guided Procedure</b>	0	0	0	1,000	1,000
MC Kit, <b>Non-Sterile, Reusable, Instruments for Dorsal Slit/Sleeve Resection</b>	260	189,440	1,123	402	191,225
MC Kit, <b>Sterile, Single Use, Forceps-guided Procedure</b>	123,101	358,018	87,446	186,050	754,615
MC Kit, <b>Sterile, Single Use, Additional Instruments for Dorsal Slit/Sleeve Resection</b>	6,000	42,772	33,000	80,000	161,772
MC Kit, <b>Sterile, Single Use, for All Surgical Procedures</b>	38,478	182,672	35,000	20,000	276,150
MC Kit, <b>Sterile, Single Use, Essential Consumables</b>	29,000	29,600	42,200	40,200	141,000
MC Kit, <b>Sterile, Single Use, PrePex Removal</b>	0	0	21,000	0	21,000

# QUALITY ASSURANCE FOR VMMC

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# GHSC-QA PROJECT MANAGEMENT TEAM



Steve Hamel  
Director



**Chryste Best**  
Deputy Project Director



**Aida Cancel, PhD**  
Associate Director, Regulatory



**Katie Cretin, MPH**  
Associate Director, Business  
Operations



**David Jenkins, PhD**  
Associate Director, Research



**Thomas Layloff, PhD**  
Senior Technical Advisor



**Jeff Tremelling**  
Associate Director, Laboratory  
Testing



# GHSC-QA

Establish and implement a comprehensive **Quality Assurance Program** for USAID that:

- Provides global technical leadership regarding quality issues to the international quality assurance community
- Provides technical assistance to host country governments and other stakeholders
- Assures that health commodities purchased on behalf of USAID meet applicable quality standards
- Implements Model Quality Assurance System (MQAS) guidance (WHO Technical Report Series)
- Employs risk management practices to maintain diligence and recognizes that by limiting the risk of accepting products of inadequate quality, increased protection of the client/patient and USAID is ensured.

GHSC-QA provides independent Quality Assurance for:

- **Task Order 1-HIV**
- **HIV RTKs (RMI)**
- Task Order 3-Reproductive Health
- Task Order 4-Maternal and Child Health

## Objectives

Quality Assurance

Quality Control

Technical Assistance  
and Leadership

Global  
Collaboration

# REQUIREMENTS FOR VMMC KITS

- MC kit for all surgical procedures, Single use, Sterile
- MC kit, Additional Instruments for Dorsal Slit/Sleeve Resection, Single Use, Sterile
- MC kit, Essential Consumables Pack, Single Use, Sterile
- MC kit, Forceps-guided Procedure, Single Use, Sterile
- MC kit, Reusable Instruments for Dorsal Slit/Sleeve Resection, Non-Sterile
- MC kit, Reusable Instruments for Forceps-guided Procedure, Non-Sterile
- MCI:C25C kit for all surgical procedures, Single Use, Sterile, 1 kit
- PrePex Removal Kit

## Eligibility Requirements

- Voluntary Medical Male Circumcision Technical Working Group (VMMC TWG) determines requirements and technical specifications for each type of kit.
  - Supplier must meet
    - ISO 13485:2016; and
    - ISO 11135-1:2007 (for sterile kits)
  - GHSC-QA audit
  - Validation of sterilization cycles for the various kit options

## QA and QC Activities

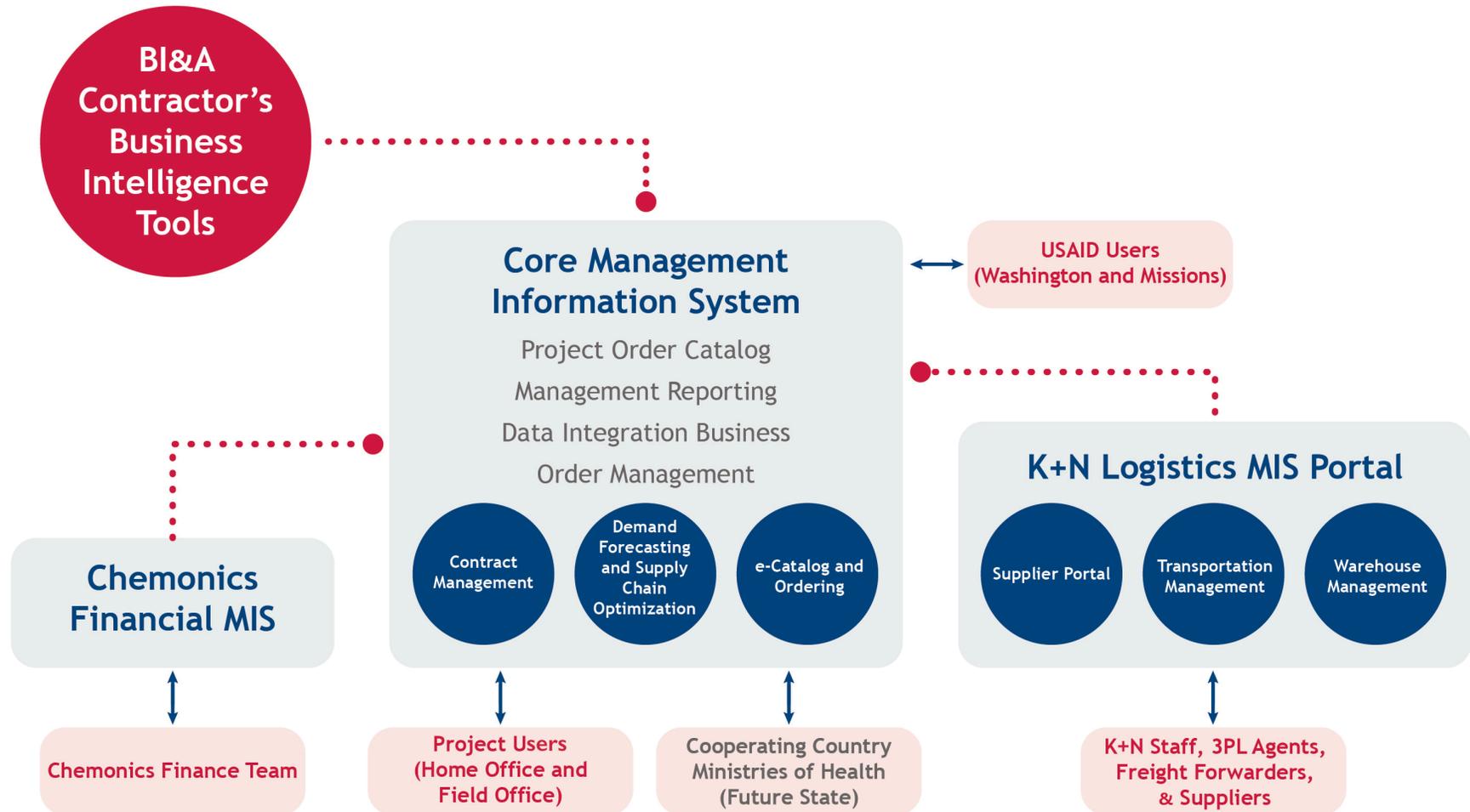
- Frequency of GHSC-QA audits dependent on risk assessment (2 – 4 years)
- Pre-shipment, concurrent, or post-shipment sterility testing dependent on risk assessment, and physical inspection.
- Sterility validation data reviewed and approved by GHSC-QA

# NAVIGATING GHSC-PSM SYSTEMS

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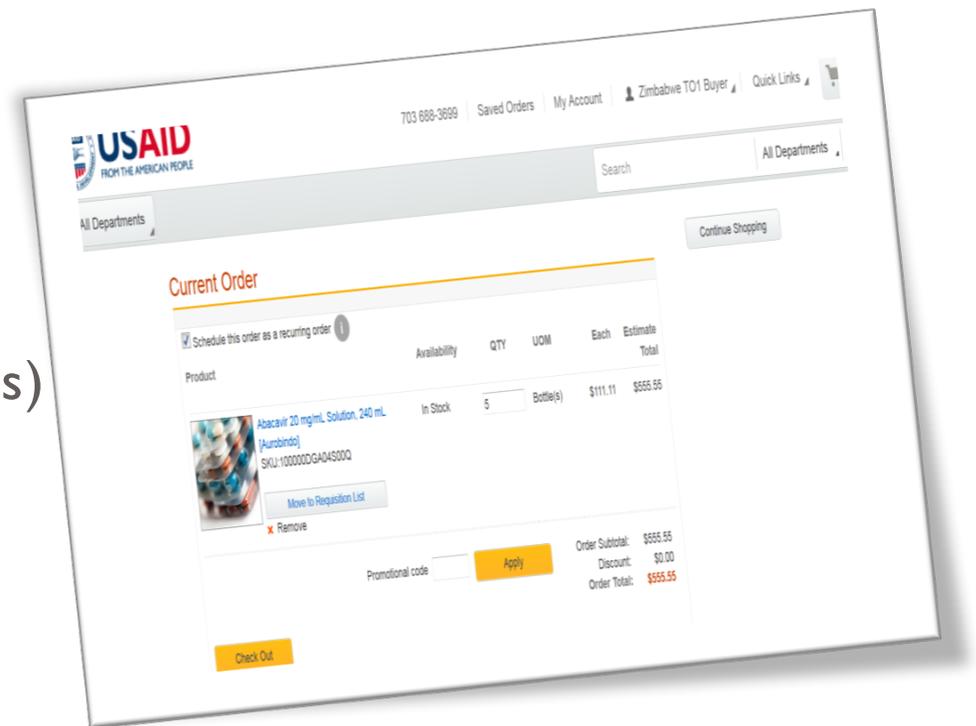
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# ARTMIS OVERVIEW



# RO PROCESSING/CATALOG

- Catalog product browsing
- Process Requisition Orders (ROs)
- Catalog management



URL: <https://psmsso.ghsc-psm.org/webapp/wcs/stores/servlet/en/psmb2bstore>

# ORDER FULFILLMENT

- Drop Ship Purchase Orders (POs) – Supplier to country
- Replenishment Purchase Orders (IOs) – Supplier to RDC
- Distribution Orders (DOs) – RDC to country

**Purchase Order Detail**

Enterprise: CHEMONICS      Buyer: CHEMONICS  
 Order #: PO10000681      Status: Draft PO Created  
 Order Type: Unplanned      Service:   
 Document Type: Purchase Order

**Ship To**  
 AO

**Bill To**  
 Chemonics International  
 1717 H Street N W  
 Washington DC 20006  
 US

Line	Item ID	PC	UOM	Description
1	102260-CIPGOA-301		PACK	Magic medicine

**Charges**

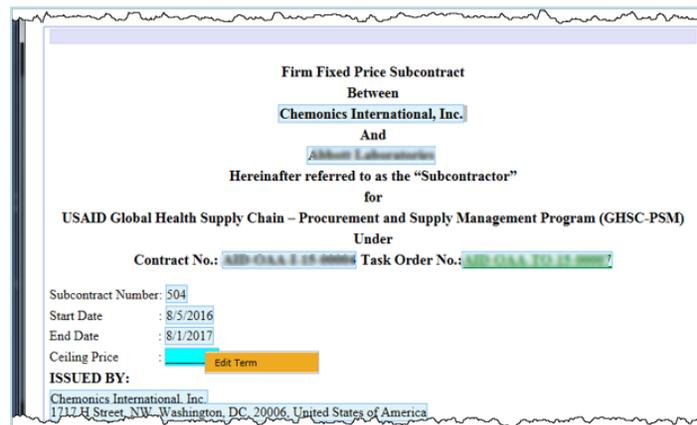
Line Sub Total	100.00
Total Charges	0.00
Total Tax	0.00
Total Discount	0.00
<b>Grand Total</b>	<b>\$ 100.00</b>

Delivery Date	Line Qty	Amount	Status
	1.00	\$ 100.00	Draft PO Create

# SOURCING AND CONTRACTS MANAGEMENT



Conduct and manage RFXs



Contract management



Supplier onboarding and management

# EVALUATION CRITERIA

# EVALUATION CRITERIA (AQSCIR-P)

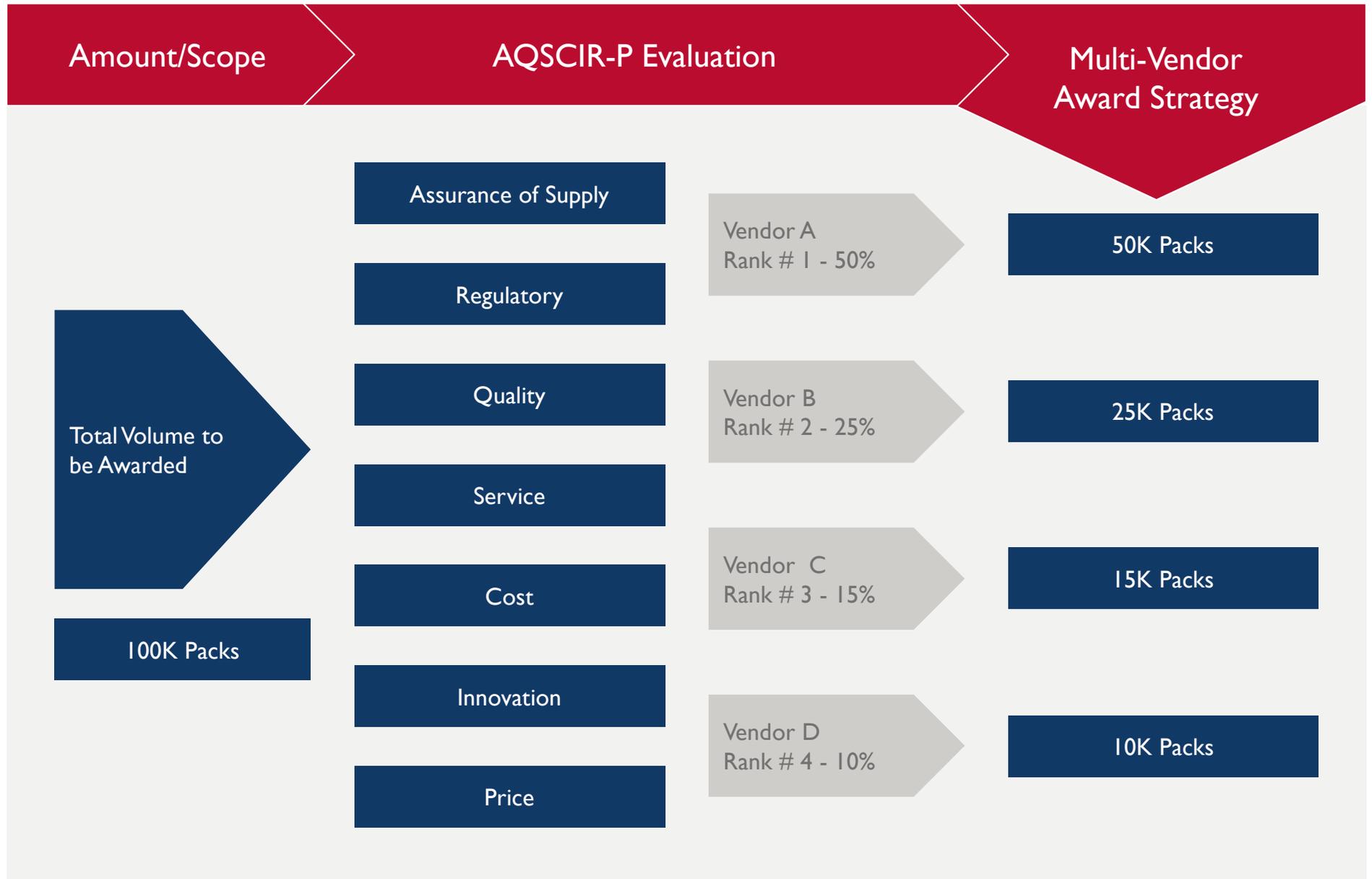
EXAMPLES

Assurance of Supply	<ul style="list-style-type: none"><li>• Production capacity</li><li>• Quantity in stock (when required)</li><li>• Past performance</li></ul>
Regulatory	<ul style="list-style-type: none"><li>• Administrative requirements</li><li>• Registration in country</li></ul>
Quality	<ul style="list-style-type: none"><li>• QA requirements (USFDA, WHO, GHSC-QA)</li><li>• Shelf life</li><li>• Stability studies/climatic zone standards</li></ul>
Service	<ul style="list-style-type: none"><li>• Lead time (stock, fresh production)</li><li>• Customer service</li><li>• Product Identification</li></ul>
Cost	<ul style="list-style-type: none"><li>• Specific/Unique label language</li><li>• Unique Distribution requirements</li></ul>
Innovation	<ul style="list-style-type: none"><li>• Serialization</li><li>• Packaging optimization</li><li>• New/improved products</li></ul>
Price	<ul style="list-style-type: none"><li>• FCA Unit price</li></ul>

Criteria and % Weights are Tailored to the Commodity and/or Product and Specific Sourcing Strategy

BEST VALUE AWARD STRATEGY TO ACHIEVE DESIRED MARKET OUTCOME

# GHSC-PSM APPROACH FOR MULTI-VENDOR AWARDS



# SCORECARD METRICS

<b>Product Quality</b>	<b>40%</b>	- Percentage of POs with and out of specification
<b>Order Fulfillment</b>	<b>30%</b>	- Were the goods supplied in the right quantities? - Were the goods made available on time?
<b>Invoicing</b>	<b>10%</b>	- Were the goods invoiced correctly?
<b>Service</b>	<b>10%</b>	- Are the suppliers responsive to communications? - Ease of doing business? - Does the supplier offer after-sales service or in-country support (i.e., lab supplies, vehicles)?
<b>Innovation</b>	<b>10%</b>	- Is the supplier innovative in its supply chain and/or business processes?

# ADOPTION OF GLOBAL STANDARDS FOR IDENTIFICATION AND DATA CAPTURE AND EXCHANGE

Implement global standards for

- Product and location identification
- Packaging, presentation, and data capture
- Data exchange of orders, shipment status, and delivery notification

Goal is to achieve:

- End-to-end data visibility
- Supply chain efficiency
- Supply chain security

For more information, we suggest you attend the following sessions:

- Implementation of GSI Global Standards for Product Identification
- Data Exchange with GHSC

# Q&A AND DISCUSSION

# DISCUSSION

- Supplier feedback
- Current challenges
- How GHSC-PSM can help
- Market feedback
- Emerging innovations

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The USAID Global Health Supply Chain-Procurement and Supply Management project provides commodity procurement and logistics services, strengthens supply chain systems, and promotes commodity security. We support USAID programs and Presidential Initiatives in Africa, Asia, Latin America, and the Caribbean, focusing on HIV/AIDS, malaria, maternal and child health, and reproductive health commodities.

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