

MEMS NEWSLETTER

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A forum for sharing progress on the on-going MEMS activities and other related professional matters between MEMS and Participating Health Facilities

(Issued by the Mission for Essential Medical Supplies - MEMS)

Dear reader,

As we are approaching the launching of the MEMS Prime Vendor programme, we are delighted to inform you about major steps that have been achieved recently. These are; the signing of the prime vendor contract and the signing of the VSAT deployment services contract with SimbaNET, one of the best internet service Providers in the country.

Prime vendor Contract

The long waited prime vendor contract was signed by Diocare/Crown Agent (the Prime Vendor) on 13th August and thereafter signed by the ELCT Secretary General Mr. Amani Mwenegoha.

Although the contract was to be signed after Participating Health Facilities (PHFs) signed the MOU indicating acceptance of MEMS procurement and related services, delays in signing the Contract were encountered. For example, there were longer than expected discussions in reaching terms and conditions of the Contract and additional time needed to review the new prices.



Front row: Kibo Marealle (left) from Diocare and Paul Stannard (right) from Crown Agent Signing the Prime Vendor Contract. Behind them is Ned Heltzer of MSH (at the center) and William Mfuko, MEMS Project Manager (far right). On the left are Japhary and Mrs. Mercy Marealle from Diocare

Review of prices was necessitated by price increases in the world pharmaceutical market. These were fuelled by increases in the price of petroleum products and

transportation costs. In addition, currency fluctuations contributed to the increase in prices. Recently, in line with these increases, many pharmaceutical organizations, including the MSD and other private wholesalers revised their prices to reflect the change in cost structure in the world and local market.

The MEMS staffs have thoroughly reviewed the new prices offered to the programme by Prime Vendor. The prices are competitive and comparable to MSD July 2004 pricelist and the best international agency prices offered by suppliers to organizations such as medical stores in various part of the world. Also, from this evaluation it was concluded that besides the competitive prices Prime Vendor have offered to MEMS; the Prime Vendor has a comparative advantage over other suppliers (local and international) in the range of products that they will offer to meet the requirements of participating health facilities.

The signing of the Prime Vendor Contract has paved the way for the launching of the programme in November.

Baseline Survey for the Prime Vendor Project

In late June to early July a team of surveyors from Health Scope on behalf of MEMS did a baseline survey to the hospitals. The baseline data/indicators will be used to gauge the success of the project (at the end of the pilot phase and during its implementation) in terms of availability of drugs and medical supplies, accessibility in terms of affordability of prices, quality of products, PHFs satisfaction with the services of the MEMS/PV program. Also interpretation of the baseline data will be used to help in the development of focused operational plans for the MEMS project.

The survey involved 22 health facilities of which 12 were intervention facilities (that are participating in the programme) and the other 10 are control facilities (that are not included in the programme but will be included at a later stage in the development of the programme).

SimbaNET Contract

The VSAT contract was signed on July 2, 2004 by SimbaNET general Manager, Mr. Rakesh Kukreja and the ELCT Deputy Secretary General – Finance and Administration, Mr. Aminieli Mungure. The contract will cover for nine hospitals namely, *Bumbuli, Haydom, Iambi, Makiungu, Ilebula, Marangu, Machame, Endulen and Karatu.*

Other three hospitals in the programme, *Selian, St. Elizabeth and Nkoaranga* have been connected through a wireless internet connection because of their proximity to Arusha town. The service to these three hospitals will be provided by Arusha Node Marie from Arusha.

One VSAT dish has already been installed in Haydom hospital, the system is working so far; other hospitals to follow are Iambi and Makiungu. Installation to these hospitals has already been done.

Each hospital has committed to utilize a certain bandwidth. This bandwidth dedication has been discussed and agreed with Hospitals and SimbaNET. Payments shall be done on monthly basis and shall be done to MEMS. MEMS will then transfer the money to SimbaNET as agreed in the contract.

New Project Manager

On Tuesday July 14, 2004 Ulla Vaeggemose said farewell to the ELCT/MEMS project as her stay in Tanzania came to an end. Ulla has been replaced by William Mfuko, on secondment from MSH, upon agreement with ELCT/MEMS. William will be an Interim project Manager for about 12 months and thereafter Orgenes Lema will succeed William on a permanent basis.

During a farewell gathering organised by ELCT, Ulla and family were praised for their commitment and support for the whole period of five years they stayed in Tanzania. During his remarks, Mr. Mungure (ELCT Deputy Secretary – Finance and Administration) praised Ulla for managing to mobilise fund for the MEMS project. Plans are underway to collaborate with Ulla as the consultant for the project while in Denmark. MEMS wishes Ulla, Erik and their children the very best in their new life.

Participating Health Facilities' Preparation for the First Order through the prime Vendor

From the 23th August to 10th September a team of MEMS staff visited all the PHFs to establish the current levels of drugs and medical supplies with the objective of discussing with the facilities their

ordering preference and assist them in the preparation of the first orders. It is expected that facilities will submit to MEMS their confirmed first orders towards the end of October. And depending on delivery dates to be agreed upon with the facilities, the prime vendor will deliver first orders at the Arusha collection point from November for hospitals that are in the northern zone. Ilebula and Bumbuli hospitals will have separate plans for collecting their supplies.

During the visit, MEMS was very impressed by the computerised stock records exhibited by some hospitals; it is our expectations that electronic ledgers will be introduced to all hospitals in a very near future.

MEMS also wish to thank all the hospital for their support commitment and commitment in ensuring that this exercise was a success.

TRANSHIPMENT POINT



The Transshipment Point (located few kilometres from Arusha Municipality) which will be used by facilities to collect their deliveries from the Prime vendor.

The 14th MEMS Technical and Advisory Committee (MT&AC) Meeting – July 12

On July 12th, 2004 MEMS had its 14th committee meeting. This meeting was the first following the appointment of members from CSSC, St. Luke Foundation – Moshi, and representatives from Catholic and Lutheran hospitals, as proposed in the MEMS governing structure.

The new members are; Dr. Frederick Kigadye, Health Director – CSSC; Dr. George Kamm, Director of the Infusion Unit Project – Moshi; Dr. Swai, Dr. In-charge Machame Hospital (who will be representing

the Lutheran Hospitals in the Committee and Dr. Kway of St. Elizabeth who will be representing the Catholic hospitals).

Dr. Kamm appreciated the amount of work done in the preparation of the prime vendor project and he strongly suggested that MEMS should explicitly develop a long term strategic plan and sound independent financial system for it to be sustainable.

Dr. Kigadye acknowledged the arrangement of having a prime vendor to undertake the logistic functions of procurement, storage and distribution of the health commodities. He said the arrangement was suitable for quick scaling-up without the need to replicate/expand human resources, geographically, to manage the supply chain.

Funds from Cordaid and Danida

On July 2004, MEMS project received confirmation of support from Cordaid and the Danida Health Sector Programme Support Phase III (HSPS III) for five years; MEMS express its sincere gratitude to Cordaid and Royal Danish Embassy and Danidato their support in the development of a strong MEMS.

From the MEMS Calendar

Date/Month	Activity
September	Preparation of the MEMS Quality Control Laboratory
September/October	Round tour to Hospitals to workout quantise for possible first orders.
October	Distribution of VSAT Dishes to participating health facilities
October	Quality Assurance Training for the MEMS staff
	Finalization of hospitals first order
	Installation and commissioning of VSAT communication system MEMS hospitals
	Submission of First Confirmed Orders to the prime Vendor
November	Depending on agreed delivery dates, some first order delivered to Arusha Collection Point for pick up by facilities.

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