#### **GROUP 4 PRESENTATION**

# IMPROVING ADDO FINANCING, SUPPLIES CHAIN MANAGEMENT AND ROLES OF ADDO ASSOCIATIONS

#### THE GROUP'S TASKS

- Comment on the recommendations by the contractors and prioritize what is most feasible
- Make additional recommendations as appropriate
- Discuss and share opinions on the idea of mandatory APA membership as part the regulatory standard requirement
- Address supply chain challenges to ADDO and how the ARW concept can be improved

#### THE GROUP'S APPROACH

- ❖ Identification of Key Result Areas (in improving ADDO financing, supplies and roles of ADDO associations) to allow for a structured approach to the assigned discussion questions (group task).
- **❖** Analysis of enabling factors, constraints and challenges to determine feasibility of option recommendations;

## THE KEY RESULT AREAS (KRAs)

**KRA 1:** Fostering APA Establishment

**KRA 2:** Strengthening APA Operations

**KRA 3:** Enhancing APA Sustainability

**KRA 4:** Optimizing Commercial Potential of the ADDO Enterprise

### **KRA 1: FOSTERING APA ESTABLISHMENT**

Recommendation	Feasibility Ranking	Enabling Factors	Constraints & Challenges
1.1 Conduct sensitization and advocacy to ADDO providers to raise awareness on association roles, benefits, responsibilities and registration procedures	Low effort High impact	<ul> <li>Availability of a practical toolkit for APA establishment and management</li> <li>Availability of an advocacy guide for use by national and district level facilitators</li> <li>Availability of a model constitution for new/up-coming associations</li> <li>Availability of interested partners e.g. APHFTA; MSH;VICOBA etc</li> </ul>	<ul> <li>Lack of coordination among the various associations in the country;</li> <li>Lack of lead organization to champion the process</li> <li>Financial constraints;</li> </ul>
1.2 Update the practical toolkit for establishing and managing APAs to include information on SACCOs cooperatives societies and informal financial inclusion avenues such as VICOBA	Low effort High impact	<ul> <li>Availability of relevant technical experts;</li> <li>Ready support from MSH through SDSI project;</li> </ul>	• None
<b>1.3</b> Disseminate the updated APA toolkit nationally through District Cooperative Officers	High effort High impact	<ul> <li>Availability of cooperative officers in all councils countrywide</li> <li>Availability of enough copies of the toolkit to cover all districts in the country</li> </ul>	<ul> <li>Lack of designated focal points at council levels for APAs;</li> <li>Lack of a clear mechanism to disseminate the toolkit and buy-in by the key actors;</li> </ul>

#### **KRA 1: FOSTERING APA ESTABLISHMENT**

Recommendation	Feasibility Ranking	Enabling Factors	Constraints & Challenges
<b>1.4</b> Identify a lead organization to champion the APA initiative nationally	Low effort High Impact	<ul> <li>PC has official mandate to oversee the implementation of the ADDO program;</li> <li>Interested stakeholders such as MSH, APHFTA, VICOBA, PharmAccess</li> </ul>	• Potential conflict of interest with PC regulatory functions.
<b>1.5</b> Provide technical support through establishment of a council APA taskforce	High effort Low Impact	<ul> <li>Availability of relevant technical experts at the council level (pharmacist, cooperative officer, legal officer, trade officer and community development officer)</li> </ul>	<ul> <li>Competing priorities of council departments;</li> <li>Difficult integration of council functions;</li> </ul>
1.6 Integrate basic training how to establish and manage associations in the ADDO owner/dispenser trainings	Low effort High impact	<ul><li>Availability of APA toolkit as a training resource;</li><li>Availability of interested partners;</li></ul>	<ul> <li>Review of the training program will need wider consultation;</li> </ul>
<b>1.7</b> Involve APA in monitoring into routine council functions such as supportive supervision and inspection visits.	Low effort High impact	• Availability of an established system for routine supportive supervision and inspection visits by council authorities and other national stakeholders such as NHIF;	• Financial constraints (additional members in the supervision/inspection teams;

## **KRA 2: STRENGTHENING APA OPERATIONS**

Recommendation	Feasibility Ranking	Enabling Factors	Constraints & Challenges
2.1 Designate ADDOs to serve as coordination centers for APAs in the interim period	Low Effort, High Impact	<ul> <li>Availability of relevant experience from RUDOOA;</li> <li>No additional cost to ADDO owners;</li> </ul>	• None
2.2 Provide basic leadership and managements skills training to APA officials	High Effort, High Impact	Availability of training resources;	• Lack of pool of trainers ;
2.3. Strengthen institutional networking and collaboration with ADDO stakeholders to the APA capacity and raise their profile.	Low Effort, High Impact	<ul> <li>Availability of relevant forums for collaboration and networking at the council and national levels e.g pre- planning sessions for stakeholders, routine supervision and monitoring system and national stakeholders meetings;</li> </ul>	<ul> <li>Prioritizing the ADDO agenda in these platforms;</li> </ul>

## **KRA 2: STRENGTHENING APA OPERATIONS**

Recommendation	Feasibility Ranking	Enabling Factors	Constraints & Challenges
<b>2.4</b> Expand and maintain an active membership base and optimize membership fees, to increase APA financial security	Low Effort, High Impact	<ul> <li>Availability of potential members;</li> <li>Availability of existing APAs for peer learning;</li> </ul>	• Lack of clear incentives to promote voluntarily association;
<b>2.5</b> Support model associations to serve as learning grounds to the ADDO providers	Low Effort, High Impact	<ul> <li>Availability of active associations that require limited support to demonstrate their potential;</li> <li>Availability of interested partners to support the initiative;</li> </ul>	• Extensive geographical coverage;
2.6. Facilitate experience and best practice sharing through exchange visits and production of an ADDO newsletter	Low effort High impact	<ul> <li>Willingness to learn from each other;</li> <li>High literacy level among ADDOs providers</li> </ul>	<ul> <li>Weak documentation and dissemination of best practices;</li> <li>Financial constraints;</li> </ul>

#### **KRA 3: ENHANCING APA SUSTAINABILITY**

Recommendation	Feasibility Ranking	Enabling Factors	Constraints & Challenges
<b>3.1</b> Explore other financing options to reduce overdependency on membership fees (e.g. establishing SACCOs, ARW, pooled procurement, any other IGA, as well as loans from financial institutions)	High Effort, High Impact	<ul> <li>Availability of relevant information on financing opportunities;</li> <li>Availability of interested financial institutions;</li> <li>Availability of relevant experience from the existing association;</li> </ul>	<ul> <li>Changing the mind set</li> <li>Lack of financial management skills</li> <li>Lack of documentation of business case;</li> <li>Stringent conditions for borrowing by financial providers;</li> </ul>
3.2 Promote transparency and accountability in managing APA resources by strengthening financial management and reporting systems and encouraging adequate membership representation in key decision-making organs.	Low Effort, High Impact	<ul> <li>Availability of model constitution with inclusive leadership structure;</li> <li>Availability of information of financial management in the toolkit</li> </ul>	• Learning curve takes time;

#### **KRA 3: ENHANCING APA SUSTAINABILITY**

Recommendation	Feasibility Ranking	Enabling Factors	Constraints & Challenges
3.3 Establish mechanisms for long term engagement of members (e.g. continuous advocacy on APA benefits, effective representation of members, expanding scope of services and acknowledging outstanding contributions by members).	High Effort, High Impact	<ul> <li>Availability of relevant experience from other associations like MBIDDOA and BEDSA;</li> </ul>	<ul> <li>Lack of incentives to promote active membership;</li> <li>Limited scope of services by APAs;</li> </ul>
<b>3.4</b> Exploring existing avenues to make APA membership part of the standard regulatory requirement e.g. the up-coming legislation championed by TPSF.	High Effort Low impact	• None	<ul> <li>Legislation process takes time;</li> <li>No legal provision for mandatory membership</li> </ul>

### **KRA 4: OPTIMIZING ADDO POTENTIAL**

Recommendation	Feasibility Ranking	Enabling Factors	Constraints & Challenges
<b>4.1</b> Establish a reliable system for business management training to ADDO providers	High Effort, High Impact	<ul> <li>Availability of training modules on basics business skills training to ADDO owner</li> <li>Availability of APA toolkit</li> <li>Availability of relevant training materials from other stakeholders such as MEDA, VICOBA and other financial/lending institutions</li> </ul>	• Lack of ready pool of trainers in business management;
<b>4.2</b> Integrate technology in ADDO operations by exploring technology-based financing models e.g. mobile banking, using ICT to order supplies and issue payments, and detecting counterfeit medicine through mobile phones	Low Effort, High Impact	<ul> <li>Availability and widespread use of mobile phones by ADDO providers</li> <li>Availability of m-money platforms</li> <li>TFDA already working on an mHealth platform to facilitate detection of counterfeit medicines</li> </ul>	<ul> <li>Limited connectivity;</li> <li>Slow uptake of new technology</li> </ul>
<b>4.3</b> Review regulatory requirements to encourage establishment of more ARWs (e.g. allowing dispensers to manage ARWS)	Low Effort, High Impact	<ul> <li>Availability of relevant expertise (ADDO dispenser) to manage the range of approved drugs;</li> </ul>	Regulatory changes take time;

### **KRA 4: OPTIMIZING ADDO POTENTIAL**

Recommendation	Feasibility Ranking	Enabling Factors	Constraints & Challenges
<b>4.4</b> Ensure availability of updated authorized list of medicines in the ADDOs to promote compliance with ADDO regulations (A regulatory issue ??)	Low Effort, High Impact	List available and approved	Unreliable dissemination of the list
<b>4.5</b> Increase efficiency of the accreditation process to expedite setting up of ADDOs	High Effort, High Impact	Well defined system in place	<ul><li>Lack of accountability due to structural challenges;</li><li>Lack of provisional accreditation;</li></ul>
<b>4.6</b> Link ADDOs to the Community Health Fund (CHF)	High Effort, High Impact	•On –going initiatives to establish the system through NHIF/CHF;	<ul> <li>Limited accountability and inadequate services to members;</li> <li>Accreditation procedures need to be aligned;</li> <li>Delayed reimbursement;</li> </ul>
<b>4.7</b> Establish and strengthen pooled procurement to reduce operational costs and enjoy economies of scale	High Effort, High Impact	<ul> <li>Availability of relevant experience from some of the association (MBIDDOA)</li> </ul>	<ul><li>Requires high level of trust;</li><li>Linkages with reliable suppliers;</li></ul>