

# Moving Forward with ADDO Provider Associations



## ROLES, BENEFITS AND RESPONSIBILITIES

#### Introduction

The Accredited Drug Dispensing Outlets (ADDO) Programme is a major national initiative aimed at increasing access to affordable, quality medicines and pharmaceutical services, especially in the under-served areas (mainly rural and peri-urban) with few or no registered pharmacies. Introduction of the programme followed a comprehensive assessment of the country's pharmaceutical sector, conducted in 2001 by the Ministry of Health and Social Welfare through the then Pharmacy Board (now Tanzania Food and Drugs Authority), with technical support from Management Sciences for Health (MSH). The assessment showed a number of gaps in the operations of the Part II Poison Shops, commonly known in Kiswahili as *Duka la Dawa Baridi* (DLDB). The gap, included lack of qualified dispensing staff, indiscriminate sale of prescription medicines and poor storage facilities.

In 2002, implementation of the ADDO programme began on a pilot basis in Ruvuma Region, with technical support from MSH. The objective was to address the problems related to operations of the DLDBs and learn from the process in scaling up the ADDO programme to other regions. An evaluation of the pilot project showed significant achievements, including improved access to basic medicines in terms of availability, quality and affordability, as well as improved quality of services provided by the accredited drug shops. The success of the pilot project encouraged the government to scale up the programme nationally.



Success of the ADDO programme in the pilot region of Ruvuma encouraged the gorvenment to scale it up nationally.

By June 2009, nine regions had achieved full coverage of the programme and four others were at initial stages of the implementation. The rapid roll-out followed introduction of a decentralised approach in scaling up the ADDO programme with a target of achieving national coverage by January 2010.

However, mere scaling up of the programme offers no guarantee for success without establishing effective mechanisms for sustainable delivery of quality pharmaceutical services to the population. The following fundamental questions confront the programme with regard to its sustainability in the long term:

- (i) How best can ADDO providers (owner and dispensers) be empowered to play a more proactive role in ensuring delivery of quality of pharmaceutical services through self-regulation and compliance with standards?
- (ii) Considering the rapidly increasing number of drugshop owners and dispensers being enrolled into the ADDO programme, what mechanisms are available for dialogue and consensus building on various contentious issues regarding the sector?
- (iii) How best can regulatory authorities, and other stakeholders work together with the ADDO providers as organised groups of primary stakeholders to ensure sustainability of the programme?

Establishment of ADDO provider associations is considered a viable option for promoting self-regulation, and empowerment of ADDO providers towards sustainable delivery of quality pharmaceutical services to the population.

#### **Rationale**

In June 2009, Management Sciences for Health (MSH) in collaboration with Tanzania Food and Drugs Authority (TFDA) commissioned an assessment of ADDO provider associations in the initial ADDO programme regions of Ruvuma, Rukwa, Mtwara, and Morogoro. The assessment showed that ADDO owners and dispensers had different reasons for forming the associations.

Among the issues, ADDO owners said they would like to address through the associations were: widespread shortage of trained dispensers forcing some of the owners to close down their shops, increasing demands of dispensers in terms of salary and working conditions, illegal operation of some shops allegedly with the knowledge of some district officials, operational problems with the National Health Insurance Fund (NHIF), over taxation by Tanzania Revenue Authority (TRA), limited access to liquidity as a result of unfavourable

Establishment of ADDO provider associations is a viable option for promoting self-regulation, self-cempowerment and constructive engagement among the key stakeholders towards sustainable delivery of quality pharmaceutical services to the population.

While the issues ADDO owners would like to address through associations mainly reflect systems challenges, dispensers' issues mainly touch on their labour rights and capacity development needs.

lending conditions by some financial institutions, lack of reliable system of distributing drug registers by TFDA, delays in issuing accreditation certificates, and undue harassment, and use of inappropriate language by some ADDO inspectors.

Unlike the ADDO owners, dispensers' issues had more to do with their labour rights and capacity development needs, than systems challenges. They included poor remuneration by ADDO owners, poor working conditions worsened by long working hours without annual leave, lack of assistants in the shops as per regulation, lack of refresher training and continuing education programmes for skills development, and lack of freedom to express their opinions to owners even when certain regulatory procedures are at stake.

In view of the above observations, the need for a sustainable mechanism for addressing both the ADDO owners and dispensers' issues cannot be overemphasised. The ADDO provider associations offer a unique opportunity to address systems challenges, and capacity development needs of the primary stakeholders towards sustainable delivery of quality pharmaceutical services.

**Types of Associations** 

Considering the divergent views of ADDO owners and dispensers regarding the issues, they would like to address through associations, the June 2009 assessment showed that both groups prefer separate associations. This position was supported by the fact that since the dispenser is an employee of the shop owner, a joint association would not give them an equal voice in addressing their respective needs. However, both groups underscored the need for the dispenser and the owner associations to work closely together for a common good.

#### **Roles of the Associations**

The primary role of the associations is to create a mechanism for ADDO providers to work together towards sustainable delivery of quality pharmaceutical services to the population and economic empowerment of the providers.

Specific roles of the associations are as follows:

- (i) To provide a forum for ADDO owners and dispensers to speak with one voice on various issues concerning the sector;
- (ii) To facilitate exchange of ideas and experiences among members;

ADDO provider associations offer a unique opportunity to address systems challenges and capacity development needs of ADDO providers towards sustainable delivery of quality pharmaceutical services.

Even though ADDO owners and dispensers prefer separate associations to address their varied needs, both groups agree on the need for a close working relationship between the associations.



ADDO provider associations offer a unique forum for the members to share ideas and experiences.

- (iii) To promote self-compliance with regulations and standards;
- (iv) To consolidate and co-ordinate group effort towards achievement of shared objectives;
- (v) To enable members to pool together resources and invest in income generating activities;
- (vi) To provide a forum for constructive engagement with various stakeholders, including regulatory authorities such as TFDA, the Pharmacy Council, TRA, local government authorities, financial institutions and donors, among others;
- (vii) To advocate for various needs and rights of members;
- (viii) To provide a forum for conflict resolution among ADDO providers;
- (ix) To link members to financing opportunities and act as the guarantor in accessing loans from micro-finance institutions;
- (x) To represent members in decision-making processes at various levels, especially on issues concerning the ADDO sector.

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#### The Benefits

A well-established and fully functional ADDO provider association has the potential of:

- Championing the needs of members by making their voices heard;
- Promoting understanding and good working relations among drug shop owners and dispensers;
- Empowering the members economically;
- Promoting self-regulation and compliance with standards;
- Strengthening institutional networking and collaboration towards quality improvement and development of the sector;

• Enhancing sustainability of the ADDO programme in the long term.

### (i) Making the voices of ADDO providers heard

The ADDO provider associations can be of great benefit to members by providing a forum through which they can collectively voice their needs and concerns.

For those ADDO dispensers, who feel aggrieved by poor working conditions, low salary and even lack of freedom to express their opinions to ADDO owners regarding certain regulatory issues, the dispensers' association provides a unique opportunity to voice such concerns in a way that cannot be ignored by the responsible people. The association would also be very helpful in advocating for other needs of the dispensers, such as refresher training and continuing education opportunities for skills development.

Likewise, ADDO owners' association provides the members with a powerful mouthpiece through which they can voice their concerns about different systems challenges which constrain the growth of their businesses and undermine their potential for self-improvement.

## (ii) Promoting understanding and good working relations between ADDO owners and dispensers

Good working relations between ADDO owners and dispensers is essential for smooth operation of the drug shops. Both need each other to fulfil their economic needs and ensure delivery of quality pharmaceutical services to the communities they serve. The ADDO provider associations can be very instrumental in promoting good working relations between both groups, by providing mechanisms for addressing operational problems affecting both groups and building consensus on various contentious issues. Among the owner-dispenser issues, which could be addressed through the associations, are working conditions, remuneration and conduct of dispenser, as well as compliance with regulations, considering that some owners tend to overule decisions made by their dispensers on certain regulatory issues. This would help to improve quality of services provided by the ADDOs, and contribute to growth and development of the sector.

## (iii) Economic Empowerment

An ADDO provider association can empower its members economically by:

• Enabling them to pool together resources for investment in income-generating activities;

ADDO provider associations have the potential of championing the needs of members, promoting good working relations, improving quality of services through self-regulation, strengthening institutional networking and enhancing sustainability of the ADDO programme in the long term.

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ADDO providers' association creates an opportunity for joint procurement of drugs and other products stocked by the drug shops, thereby reducing their operational costs and increasing profit margins through economies of scale.

- Negotiating with financial institutions to offer favourable lending conditions to the members;
- Linking them to financial institutions and acting as a guarantor in accessing liquidity;
- Creating an opportunity to Savings and Credit Cooperatives (SACCOs), which could be better placed to respond to financial needs of members;
- Creating an opportunity for joint procurement of drugs and other products stocked by the drug shops, thereby reducing their operational costs and increasing profit margins through economies of scale;
- Advocating for expansion of the drugs list and other authorised products in response to the changing health needs of the population;
- Advocating for favourable taxation policies and procedures, considering the immense social benefit of the ADDO enterprise.

## (iv) Promoting self-regulation and compliance with set standards

The ADDO provider associations can improve compliance with regulations and standards by:

- Advocating to members to adhere to set regulations and standards for the benefit of the communities they serve and the ADDO sector in general;
- Taking disciplinary action against ADDOs whose business practices are not in line with regulations by reporting them to the relevant authorities;
- Putting to task council officials and inspectors who collude with the ADDOs and condone unethical practices, which compromise quality of services, and reputation of the sector;
- Collaborating with the council health management team in conducting routine supportive supervision to ADDOs.

ADDO provider associations have an important role to play in promoting self-compliance with regulations and standards.

Some councils have already expressed their willingness to involve the associations in such supervision activities;

- Working together with regulatory authorities to bring regulatory tools closer to the members. For example, instead of TFDA distributing drug registers through the district councils, ADDO associations could be used instead. The same could apply to dispenser coats and other essential working tools;
- Working together with the regulatory authorities to address systems challenges, such as the shortage of dispensers and lack of refresher training and continuing education opportunities for the dispensers. For example, the associations could mobilise the members to meet part of, or all training costs and help in organising such trainings.

ADDO provider associations have the potential of linking members to various institutions and other stakeholders for both technical and financial support.

## (v) Strengthening Institutional Networking and Collaboration

ADDO provider associations offer a good opportunity to link members to the following institutions:

- Regulatory authorities in addressing systems challenges that directly affect operations of the ADDOs;
- Financial institutions in addressing financial needs of members;
- Training institutions for the necessary technical support in training drug shop owners and their dispensers;
- Councils authorities to ensure integration of ADDO issues in the council plans;
- Donors and other development partners for the necessary technical and financial support to the associations;
- Tanzania Revenue Authority (TRA) in addressing taxation issues;
- Complimentary schemes such as the National Health Insurance Fund (NHIF) in addressing operational problems, including reimbursement procedures to ADDOs accredited by the fund.



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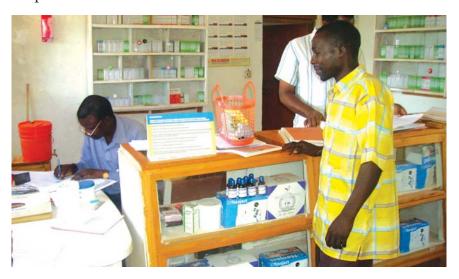
## (vi) Enhancing sustainability of the ADDO in the long term

By championing the needs of ADDO owners and dispensers, promoting good working relations among the stakeholders, promoting self-regulation and compliance with standards, strengthening institutional linkages and empowering the owners and dispensers economically; ADDO provider associations have immense potential of ensuring sustainable delivery of quality pharmaceutical services to the population, which is the primary objective of the ADDO Programme.

## Responsibilities

Apart from championing and safeguarding the interest of members, the associations have the responsibility of:

- Ensuring delivery of quality pharmaceutical services to the population by promoting the concept of self-compliance with regulations and standards;
- Safeguarding the health of consumers by promoting safe medicines use, and buying of medicines from legitimate providers only;
- Protecting consumers from unethical practices, such as collusion and price fixing by errant ADDO providers;
- Protecting the ADDO sector from any form of conflict of interest that may compromise with regulations and standards;
- Building and upholding credibility of the sector by promoting transparency and accountability among ADDO providers.



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