Leveraging the VAN to Meet Manufacturer Requests

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JULIA WHITE, RHSC  
VAN Control Tower Planning Manager

ABI BEAUDETTE, RHSC  
VAN User Engagement Specialist
Forecasting
**VAN Goal**

Better aggregate, share, and align country demand data with production, procurement, and funding to avoid stock imbalances and maximize use of limited resources to ensure continuous availability and choice of family planning products in developing countries.

- **Better** = technology
- **Aggregate** = process
- **Share** = policy
- **Align** = people
VAN Membership is Growing Everyday

GOVERNMENTS (37 total trained)

Afghanistan
Angola*
Bangladesh
Benin*
Burkina Faso*
Burundi
Cape Verde
Chad
Côte d’Ivoire
DRC
Ethiopia*
Gabon
Gambia
Ghana^
Guinea
Guinea-Bissau
Haiti
Kenya
Liberia^
Madagascar
Malawi^
Mali
Mauritania
Mozambique
Nepal
Niger^
Nigeria^
Pakistan
Rwanda^*
Sao Tome & Principe
Senegal
Sierra Leone
Tanzania
Togo^*
Uganda
Zambia
Zimbabwe

*Pending MOH TOU agreement
^Premium/Premium+ member

TECHNICAL ASSISTANCE PARTNERS

Clinton Health Access Initiative
Global Health Supply Chain Program-Procurement and Supply Management project
Global Health Supply Chain Program-Technical Assistance Francophone Task Order
JSI

DONORS AND PROCURERS

Children’s Investment Fund Foundation (CIFF)
Bill & Melinda Gates Foundation
International Planned Parenthood Federation
Marie Stopes International
Population Services International
SEMA Reproductive Health
United Kingdom Foreign, Commonwealth & Development Office
United Nations Population Fund
United States Agency for International Development
West African Health Organization / KfW

SUPPLIERS AND MANUFACTURERS

Bayer
Mylan Laboratories, Ltd. - A Viatris Company
Pfizer
Shanghai Dahua Pharmaceutical Co., Ltd./DKT WomanCare Global
1) Execute against immediate country supply plan needs
   • Monitor orders, shipments and inventory against the supply plan (across USAID, UNFPA, SMOs, national procurements, etc.)
   • Discuss recommendations for action to global donors to resolve projected overstocks, shortages, or stockouts
   • Build scenarios
   • Support donors with prioritization of limited funding resources
   • Support allocation of supply-constrained products

2) Share longer-term plans with global partners
   • Share supply plans for better global forecasting and production planning with manufacturers and donors
   • Communicate annual funding gaps across all products for global action
Criteria to Receive a VAN Manufacturer Forecast

• Manufacturer must be a VAN member and have users that have agreed to the VAN Terms of Use

• Manufacturer must provide shipment data for non-UNFPA and non-USAID procurements on a routine basis to the VAN. Data is submitted via Excel.
  • GHSC-PSM provides updates to the VAN daily on their requisitions, orders, and shipments
  • UNFPA provides updates to the VAN weekly on their requisitions, orders, and shipments
  • IPPF sends updates to the VAN ~quarterly on their direct shipments
  • To conduct a full market forecast for a manufacturer, we need visibility on the “other” quantities being shipped to our market (i.e., direct government procurements, other NGO procurements, etc.)
Building the Manufacturer Forecast

• March 2023 the VAN implemented a new module (Demand Planning) to support an improved forecasting approach.

• Future time horizon in the module is a rolling 24-months

• VAN set a quarterly cycle to update and provide forecasts to align with when country supply plans are received, reviewed, and approved/finalized

• Countries are grouped into three “buckets” to determine which methodology is used to build the forecast:
  • **Countries with no inventory or supply plan data in the VAN**
    • Module generates a statistical forecast when sufficient historical shipment data is available. VAN Analyst decides whether to use this forecast; adjusts it as needed.
  • **Countries with supply plans in the VAN**
    • VAN Analysts use the most recent country supply plan, adjusted as needed.
  • **Countries with only inventory and AMC data in the VAN**
    • VAN Analyst builds a scenario to estimate future needs to maintain max-min stock levels OR
    • VAN Analyst decides to use the model generated statistical forecast; adjusted as needed.
“Forecast High” generally represents an assessment of potential demand in light of short-term funding availability. It can represent adjustments made when VAN Analysts do not believe funding will be available in time to meet demand.
Forecast Accuracy

• Funding availability and timing is a key driver of forecast accuracy

• New module allows us to show the forecast broken down by quarter so we are piloting adding in the quarterly breakdown. There is a higher degree of uncertainty on the quarterly forecast as it is difficult to predict when funding will be made available to meet the unfunded needs.

• Supply plans show the date that the product needs to be received in the country, whereas the manufacturers are more interested in when the product needs to be produced.

• The new module allows us to track forecast accuracy more easily and we will begin measuring accuracy in the coming months once we build up sufficient forecast data in the new module.
Manufacturer Quotes

“We receive the VAN forecast regularly. Together we share the data by using e2open [VAN platform]. Based on the forecast data, we will adjust the sales strategy. When the forecast is much lower than we expected, we will also adjust our future production planning to avoid large inventory. We will also analyze the forecast data with the distributor and confirm its accuracy with the orders we have on hand. Overall, the forecast data is very good for us to analyze the future market dynamics and help us to better develop the market.”

- Mr. Canis Zhou, Vice General Manager, Shanghai Dahua Pharmaceutical Co. Ltd.

“We found it [VAN] an interesting and user-friendly platform and planning tool, providing a high level visibility and comprehensive overview of contraceptive market through orders from different customers. The VAN has been most valuable in tracking the progress of orders and improving planning and inventory management.”

- Ms. Ama Benyezza, AMP Manager, EMEA Regional Supply Chain, Pfizer
Reducing the Reporting Burden Faced by Manufacturers

Manufacturing Reporting Subcommittee
Manufacturer Reporting Pain Points

Concerns Previously Raised by the Manufacturer’s Group

1. Increasing Procurer Reporting Requirements

2. Inefficient Reporting
   • Differing Data Definitions
   • Duplicative Reporting Methods

3. Growing Number of Procurers
Community Response & Important Questions

Given that multiple procurers are looking to modernize their manual processes related to manufacturer reporting, how can we work together to avoid many connecting to many and leverage the VAN?

- USAID’s NextGen
- UNFPA SCMU’s New ERP

How can we work together across initiatives related to manufacturer data reporting?

- TRVST initiative
- GDSN/GS1
Manufacturer Reporting Subcommittee | Plan of Action

Hosted & Facilitated by RHSC

Participants:
- BMGF
- FCDO
- UNFPA
- USAID
  - GHSC-PSM (as assigned by USAID)

Understand the Problem
- Informational interviews
- Manufacturers Group Discussions

Document the Current State
- Process Papping
- Procurer Workshop

Discuss Mutual Challenges
- Identify Mutual Pain Points
- Potential Topics for Procurer & Manufacturer Dialogues
- Data Definitions Working Group

Jointly Solution
- Data Definitions Working Group
  - Use mutual pain points to find initial win-win solutions
  - Potential topic for Procurer/Manufacturer Dialogues
### Critical Tracking Events (CTEs) & Key Data Elements (KTEs): Seafood Traceability

<table>
<thead>
<tr>
<th>Basic Universal List of Key Data Elements (Wild-capture Products)</th>
<th>CTEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>VESSEL DATA (master level data)</td>
<td>CTEs</td>
</tr>
<tr>
<td>Vessel Name</td>
<td>Fishing</td>
</tr>
<tr>
<td>Vessel Registration</td>
<td>On Vessel Processing</td>
</tr>
<tr>
<td>Unique Vessel Identification</td>
<td>Transshipment</td>
</tr>
<tr>
<td>Public Vessel Registry Hyperlink</td>
<td>Landing</td>
</tr>
<tr>
<td></td>
<td>Aggregation/Disaggregation</td>
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<tr>
<td></td>
<td>Ship/Receive</td>
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<tr>
<td></td>
<td>Processing</td>
</tr>
<tr>
<td>Vessel Name</td>
<td>X</td>
</tr>
<tr>
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<td>X</td>
</tr>
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</tbody>
</table>

**Global Dialogue on Seafood Traceability**

#RHSUPPLIES2023
# Family Planning Critical Tracking Events

<table>
<thead>
<tr>
<th>Definition</th>
<th>Order Accepted</th>
<th>Goods Available</th>
<th>In Transit</th>
<th>Arrived At Customs</th>
<th>Exited Customs</th>
<th>Delivered (Final Recipient)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturer has entered into a contract to produce the goods and expected timeframes for production and shipping are set.</td>
<td>Production is complete and goods are ready to ship out from the supplier’s premises.</td>
<td>Goods have left supplier’s premises and is in transit to the final destination.</td>
<td>Goods have arrived in customs at the final destination.</td>
<td>Goods have cleared customs at the final destination.</td>
<td>Goods have been delivered to the custody of the consigned recipient in country.</td>
<td></td>
</tr>
</tbody>
</table>
## Family Planning Key Data Elements

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<tbody>
<tr>
<td>Agreed</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Estimated</td>
<td></td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Actual</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>
Family Planning Key Data Elements & Incotermas

- **EXW**: EX WORKS, AGREED PLACE
- **FCA**: FREE CARRIER, AGREED PLACE
- **FAS**: FREE ALONGSIDE SHIP, PORT OF SHIPMENT
- **FOB**: FREE ON BOARD, PORT OF SHIPMENT
- **CFR**: COST AND FREIGHT, PORT OF DESTINATION
- **CIF**: COST, INSURANCE AND FREIGHT, PORT OF DESTINATION
- **CTP**: COST PAID TO, PORT OF DESTINATION
- **CIP**: CARRIER AND INSURANCE PAID TO, PORT OF DESTINATION
- **DAT**: DELIVERY AT TERMINAL, PLACE OF DESTINATION
- **DAP**: DELIVERY AT PLACE, PLACE OF DESTINATION
- **DDP**: DELIVERY DUTY PAID, DESTINATION
Next Steps

• Get approval across engaged procurers and interested manufacturers on:
  • Critical steps we need to track from when an order is placed to when it is delivered (Critical Tracking Events)
  • Standardized definitions of the data reported (Key Data Elements)
  • Standardized data source
  • How standardized definitions could map to internal procurer system definitions

• Discuss with procurers and manufacturers how these standardized data definitions and sourcing could be applied to simplify reporting.

• Discuss with procurers and manufacturers how to better coordinate with the different initiatives working on manufacturer reporting.
If you are interested in getting involved with future discussions and Subcommittee work, please reach-out to Abi at abeaudette@rhsupplies.org.

How would this group like to engage with procurers to discuss findings and jointly solution together? Would this be a good topic for the Procurer/Manufacturer Dialogues in the future?
Thank you!
Merci!
謝謝
Join the VAN @ the GMM

VAN Open Session
Tuesday 8:30 - 11 am | Pearl Room

VAN Plenary Session
Thursday 11 am - 1 pm | Adlon Room