

Countries-at-Risk Group

Progress Report: January 2005 – September 2006

The Countries-at-Risk (CAR) group was established in December 2004, and its first meeting took place in January 2005. The CAR was intended to meet monthly as a forum where key global-level partners for the funding and procurement of contraceptives and condoms – UNFPA, KfW, USAID, World Bank, and others – share information to identify countries on the verge of or in supply shortages, to better understand the causes of these shortages, to identify solutions, and to coordinate their implementation. In 2005, UNFPA assumed the lead in supporting the logistics and management of the CAR – organizing meetings, keeping notes, etc.

This report reviews the CAR's actions since its inception. It draws in part from indicators that CAR members adopted in early 2006 to monitor CAR activities. The report summarizes the CAR's activities and accomplishments, and offers observations on issues that have come to the CAR's attention and merit broader attention by the Reproductive Health Supplies Coalition (RHSC). While there are examples where the CAR has contributed to averting supply shortages, there remains room for improvement in the CAR's performance. Specific areas for improvement are proposed at the end of this report.

A. Indicators

1. Number of organizations/individuals participating per meeting:

During 2005, some organizations had multiple participants at each meeting. During 2006, the number of participating organizations changed little, though the number of participants dropped by half.

	Number of Organizations Participating ¹	Number of Participants ¹
2005	Range 2 – 5 Average number of organizations per meeting: 4	Range 3 – 10 Average number of participants per meeting: 7
2006	Range 2 – 4 Average number of organizations per meeting: 3	Range 2 – 4 Average number of participants per meeting: 3

¹ Numbers do not include Supply Initiative

2. Number of meetings held:

9 out of 21 months, i.e., 43%
2005: met 5 out of 12 months
2006: met 4 out of 9 months

3. Products most cited for stock outs:

CAR meetings often discussed general needs for funding or emergency shipments, rather than focusing on specific product issues. In 2005, condoms were often discussed (for example, delays prompted by post-shipment testing requirements), while in 2006 no specific product stood out as being more frequently discussed than others.

4. Causes of supply problems (listed in no particular order):

- Donor pullout
- Lack of accurate information on in-country stock status (sometimes delayed fulfilling emergency requests)
- Imposition of new post-shipment testing requirements without adequate planning
- Forecasting not capturing growing demand
- Funds not available in a timely way for procurement, sometimes due to delay in signing a financing agreement between donor and government
- Lack of funding – sometimes for product, once for port clearance
- Re-registration of product needed

5. Number of countries with reoccurring short-term crisis:

Cannot measure due to incomplete information.

6. Number of months taken to avert short-term crisis:

Cannot measure due to incomplete information.

7. Number of countries where a commodity security policy discussion initiated as a result of the crisis:

Cannot measure due to inadequate follow up and incomplete information.

B. Examples

- In **Kenya** there was a potential condom shortage due to a delay in a public sector procurement. As a result of CAR discussions, the MoH released condoms meant for social marketing for free public sector distribution, thus averting a national level stock out. In addition, at the request of the MOH, UNFPA, using its global emergency funds, procured condoms to cover the country till October 2006, when it was expected that the public procurement would be completed. The covering of the emergency included a negotiation to address key systemic procurement and distribution issues through a new SWAp mechanism currently under planning. While this response used a short-term crisis to address broader commodity security issues, the steps could have been better coordinated and delivered more in a joint manner by the key players involved in commodity security issues in Kenya.
- CAR discussions about **Ethiopia's** contraceptive financing gap heightened awareness of the country's supply problems. USAID/Ethiopia funded an emergency shipment of 1 million vials of Depo-Provera. In addition, under a World Bank-funded project commodity funds are

being planned that will ensure there is sufficient funding for essential commodities. Contraceptives have been included in this funding. This is in part due to increased awareness of the country's contraceptive "insecurity."

- Reproductive health leadership with the **World Bank** was able to include a chapter on commodities and supply chains in a World Bank report on "addressing the demographic bonus through family planning." This was due to increased knowledge about the status of contraceptive "insecurity" in countries gained through participation in the CAR and other RHSC activities.

C. Additional Observations

- During CAR discussions, broader issues are raised that, though not within the CAR's scope to address, merit attention from the RHSC:
 - a) New post-shipment quality assurance testing requirements – sometimes imposed by countries without adequate planning, sufficient notice, or financing in place – are creating new potential chokepoints in country supply chains. To what extent can (or should) donors and funders develop a common approach to this growing trend?
 - b) The existence of multiple brands in public sector supply chains, combined with the fact that different donors procure different products, complicates the CAR's ability to address emergency requests. Can donors/funders develop a more coordinated approach to the multiple brands issue? Where is the balance in public sector systems between concerns of efficiency versus client choice, particularly as private sector alternatives assume a greater role in making available a range products? And, what are the future prospects for more harmonized donor procurement?
- Regular updates on the completion of funding agreements, inasmuch as delays can impact the timeliness of product procurement, have proven useful to the CAR. These can be a more routine part of the CAR's agenda.
- One of the CAR's strengths has been the consistent participation of key *organizations*, namely UNFPA, KfW, USAID and the World Bank, as well as the openness of CAR discussions. However, as seen in the indicator review above, participation by key *individuals* has declined significantly. Further, the frequency of CAR meetings has not met expectations, falling short by more than half. The group would benefit from more regular meetings, as well as improved information gathering and follow-up. Specific recommendations follow below.

D. Potential Areas for Improvement

- Maintain the CAR's focus on "firefighting" and develop a more systematic approach that links short-term crises to addressing broader systemic issues. This can include regular communications to the Coalition on the broader issues that come to the CAR's attention.

- Create and maintain a watch list of countries vulnerable to supply crises. Monitoring of the watch list can facilitate more proactive actions to avert emergencies.
- Consider adopting a regional focus for the CAR, or a focus on a list of priority countries.
- CAR meetings are sometimes cancelled when specific individuals are unavailable (e.g., on travel). Participation in the CAR should be an institutional versus personal commitment. One option is for each participating organization to designate a lead representative, who has knowledge of their organization's funding/procurement, and make provisions for a back-up representative when the lead is not available.
- The CAR can be more attentive to follow-up. While CAR meetings often lead to specific action items, there is not consistent follow-up. Similarly, progress reports or updates are not always made on such concerns as delays in signing financing agreements.
- The CAR also needs to strengthen its advance preparation for meetings. Countries are sometimes brought up in meetings with no advance notice. Hence, members are sometimes ill-prepared to discuss these countries. With improved advance notice of countries and issues to be discussed, CAR meetings can be more efficient and productive.

Some of these potential areas for improvement reflect the fact that, like other activities in the RHSC, reliance by the CAR on the in-kind contributions of individuals (e.g., time) has reached its limits. Consideration should be given to asking the Coalition's Secretariat to provide administrative and logistical support to the CAR.