

Countries-at-Risk Group

Progress Report: October 2006 – September 2007

The Countries-at-Risk (CAR) group was established in December 2004. Its first meeting took place in January 2005. The CAR meets 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 reproductive health supply shortages, to better understand the causes of these shortages, to identify solutions, and to coordinate their implementation. The CAR’s focus is largely, though not exclusively, on contraceptives. UNFPA initially assumed the lead in supporting the logistics and management of the CAR (organizing meetings, keeping notes, etc.); this role was assumed in January 2007 by the RHSC Secretariat.

This report reviews the CAR’s actions since the last progress report, which covered January 2005 to September 2006. This report uses 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).

A. Indicators

1. Number of meetings held:

Five (out of 12) monthly meetings were held between October 2006 and September 2007. All were held since January 2007. This translates into a meeting “rate” of 42%.

2. Number of organizations/individuals participating per meeting:

Some organizations had multiple participants at each meeting. The “core” organizations were UNFPA, USAID, KfW, World Bank, RH Interchange, and the RHSC secretariat. Other organizations participated on an ad hoc basis, such as IPPF, Crown Agents and DFID. Five out of the six core organizations had a 100% attendance – only 2 meetings did not have participation from all of the core organizations.

Number of Organizations Participating	Number of Participants
Range 5 – 8 Average number of organizations per meeting: 6	Range 6 – 11 Average number of participants per meeting: 8

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 2007, pills and injectables were the most often discussed products, but other contraceptive methods were mentioned at least once during the year.

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)
- Demand exceeding forecasts
- Funds not available in a timely way for procurement, sometimes due to delay in signing a financing agreement between donor and government
- Lack of timely and (sometimes) transparent procurement planning and procurement processes by governments

5. **Number of countries with re-occurring short-term crisis:**

Kenya featured in three of the five meetings. The CAR's "visibility" into Kenya has been somewhat diminished by the end of the Deliver Project in Kenya. UNFPA is assisting to obtain the data where possible.

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

Kenya's stock out of pills was resolved within a month; a stock out of injectables within two months (see below).

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

None recorded.

B. Examples

- In **Kenya** there were potential shortages of several products due to delays in public sector procurement. USAID was able to avert a stock out of condoms by providing 40 million condoms. As a result of CAR discussions, and using the RH Interchange database (which showed the USAID condom shipment), UNFPA focused its resources to ship emergency orders of pills and injectables. Kenya remains a country of particular concern for the CAR. Public sector procurement processes require improvement, while the CAR will rely on the UNFPA country office for timely information on stock status in Kenya.
- **Rwanda** had an upsurge in demand for injectables in 2007. Timely forecast updates showed that the country would have stocked out in November 2007 unless already scheduled orders were brought forward by USAID. CAR discussions affirmed the need for this action. Follow-up in USAID ensured that shipment plans were adjusted and reinforced the need to reschedule further orders and/or find new donors for 2008.
- In **Bangladesh**, delays in public sector procurement led to stock outs of injectables. The CAR was aware of the situation, but unable to effect a short-term solution due to inaction from within the GOB.
- In **Malawi** and **Uganda** shortages in NGO and social marketing programs (due in part to lack of timely procurement during transitions to basket/sector-wide funding) also came to the CAR's attention, but found no solutions from within the CAR.

C. Additional Observations

- There is a growing need to build public sector capacities for procurement of RH commodities. This has become all the more urgent with the accelerating trend to sector-wide approaches and budget support. The transition to new assistance modalities can easily get ahead of public sector capacities to assume new/expanded responsibilities for RH commodity security, procurement being just one of many. This has led to procurement delays and the need for costly emergency shipments.
- The new Procurement Planning and Monitoring Report, designed in consultation with the CAR, will provide with much needed data for key countries. However there are countries (e.g., Philippines, Pakistan and Kenya) where stock status data is proving hard to obtain on a regular basis. The CAR will need to utilize a range of data sources (USAID | DELIVER PROJECT, UNFPA, etc.), preferably consolidated in the format used by the Procurement Planning and Monitoring Report.
- With transitions to government procurement, some supplies may be subject to import duties (whereas donated supplies often are duty free), unless a duty waiver is applied. This can lead to uncertainties that delay customs clearance of supplies.
- 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. The frequency of CAR meetings, though, has still not met expectations, though at least two meetings were cancelled because there were no "countries-at-risk" to discuss.
- There seemed to be fewer crises this year as compared to the previous year. Whether this is a reality in the field, or an artifact of the CAR's limited visibility into field programs, is unclear.

D. Potential Areas for Improvement

- Maintain the CAR's focus on "firefighting" and develop a 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 focus on a list of priority countries.
- By the examples above, the CAR is only partially successful in effecting short-term solutions to supply shortages. The firefighting metaphor is a useful one. Sometimes, the CAR is akin to firefighters arriving at a fire, only to find themselves with no water. Sometimes, the discussion is more about why the fire detectors failed, then about putting out the fire. There should be a discussion, after two year's of experience, on whether the CAR should have available funding and/or supplies to better and more flexibly address shortages. Perhaps there is a link to be explored with the potential MVG/PG mechanisms.

- Create a better early-warning system or mechanism by which in-country managers can alert the CAR to potential problems. At present, the CAR relies on limited sources of information. It is very plausible that there were shortages in the past year that the CAR did not know about, but could have assisted with.