



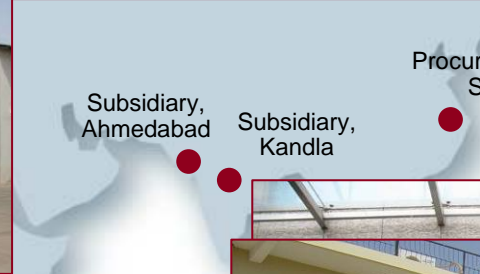
Local Supply Chain Challenges

MISSIONPHARMA



April 2009

Locations



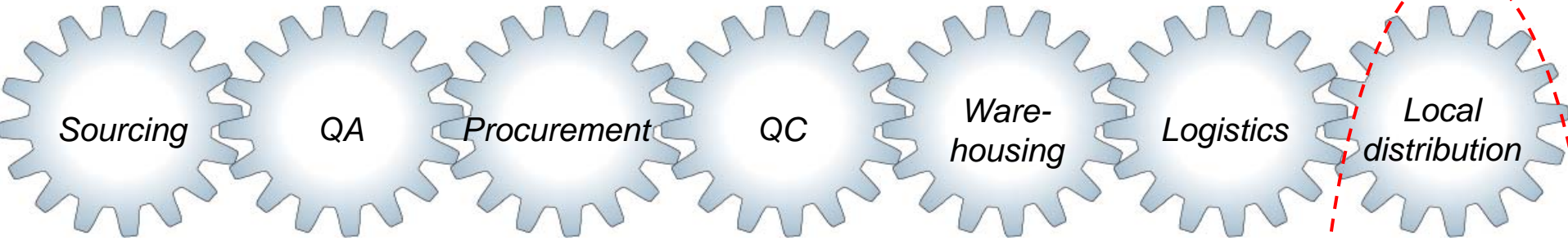
Subsidiary,
Ahmedabad

Subsidiary,
Kandla

Procurement Office,
Shanghai



Missionpharma Supply Chain Services



Sourcing	QA	Procurement	QC	Warehousing	Logistics	Local distribution
<ul style="list-style-type: none"> ✓ Sourcing of raw material manufacturers ✓ Sourcing of finished product manufacturers 	<ul style="list-style-type: none"> ✓ Assessment of documentation (product and manufacturing site) ✓ GMP audit and inspection of the manufacturing site ✓ Validation of product dossiers ✓ Batch tracking of all batches ✓ Handling of claims and deviations ✓ Handling of product recall 	<ul style="list-style-type: none"> ✓ Selection of pre-qualified manufacturers ✓ Price negotiations ✓ Procurement and order management ✓ Monitoring & Evaluation of manufacturer performance ✓ Follow up on deliveries 	<ul style="list-style-type: none"> ✓ Product sampling ✓ Visual control of incoming products ✓ Verification of technical specs., shelf life, manufacturing site etc. ✓ Handling of deviations ✓ Quality control reporting 	<ul style="list-style-type: none"> ✓ Product storage ✓ Consolidation ✓ Preparation of orders ✓ Product re-packing ✓ Carton marking and labelling per final recipient 	<ul style="list-style-type: none"> ✓ Preparation and verification of documents ✓ Booking means of transportation ✓ Pre-shipment inspection ✓ Dispatch of goods to forwarder ✓ Custom clearance management ✓ Follow up on all shipments 	<ul style="list-style-type: none"> ✓ Local warehousing ✓ Local distribution to final recipients ✓ Development and implementation of Inventory Management System ✓ On-site training of sub-recipients

Forwarder by destination: AFRICA



Challenges in the local Supply Chain



Documentation

Infrastructure

Customs

Local preference

Planning

Volume handling

Coordinate programs

Overview & Tracking

Proof of Delivery (POD)

Consolidation

ROLES & RESPONSIBILITIES!



Case: ETHIOPIA



Missionpharma is responsible for the Procurement and Supply Chain for a project under Pharmaceutical Fund and Supply Agency (PFSA), Ministry of Health, Ethiopia

FUNDER	World Bank
CUSTOMER	Ministry of Health (PFSA)
RECEIVER	5 Regional health bureaus within Ethiopia
PRODUCTS	Pharmaceuticals and hospital equipment
STAKEHOLDERS	Manufacturers, forwarders, customs, transporters, MoH, PFSA, World Bank, Crown Agent, UNICEF, Missionpharma, warehouses, sealiners, clearing agents
VOLUME	10.000 cbm (400TEU)
VALUE	USD 12,5 mill.
TRANSPORTATION	Sea and overland via Djibouti seaport



Case: ETHIOPIA



CHALLENGES	SOLUTIONS
Roles and responsibilities	Workshops for all relevant stakeholders in Europe, Ethiopia and India.
Local preference: Mandatory sealiner imposed at signing of contract	Sign special project agreement which includes Ethiopian Shipping Lines (ESL).
Planning and volume handling	<ul style="list-style-type: none"> - Assessment of all parts of the Supply Chain: Manufacturers, ports, transporters, warehouses etc. - Volume reports to all relevant parties.
Capacity at Djibuti seaport	<ul style="list-style-type: none"> - Physical assessment of site. - Maximum load of containers per vessel (contract: 10,000 cbm within 4 weeks).
Comprehensive custom procedures – Djibuti transit country	Partner with experienced clearing agents in Djibuti as well as in Ethiopia, establish local control.
Infrastructure	Consolidation before shipment and customized containers, thereby solve local consolidation.
Ensure delivery to authorized entities (DDU deliveries)	SOP for Proof of Delivery (POD) to authorized personnel.
Logistics costs in local currency	<ul style="list-style-type: none"> - Handling of USD and local currencies in contract. - Special contract with forwarder and partners for payment and responsibilities.
Documentation and flow (product flow is “easy”)	SOP for documentation flow to ensure: <ul style="list-style-type: none"> - Correct and fastest possible flow. - Comply with contract (L/C ex B/L).
Product specification of hospital equipment	Detailed product specifications, photos, samples, workshop with suppliers, inspections. All included in supplier contracts.