



# Partnering and sharing warehousing solutions to ensure health supply chain service continuity in Uganda

## The Partnership for Supply Chain Management (PFSCM) & Freight in Time (FiT) 2017–2021

In 2016, the public health supply chain in Uganda came under pressure when space and receiving constraints at the National Medical Store (NMS) resulted in high Demurrage & Detention (D&D) charges, and affected the product chain of custody.

With the support of the Global Fund to Fight Aids, Tuberculosis and Malaria, Freight in Time (FiT) a regional logistics service provider worked with PFSCM to set up and manage a 3,000m<sup>2</sup> pharma compliant transit warehouse to relieve congestion at the NMS.

The transit warehouse strengthened the local health supply chain by:

- Reducing D&D charges to ensure more funds are available for purchasing lifesaving health products.
- Securing the chain of custody – and thus product integrity and patient safety - through the implementation of current Good Distribution Practices (cGDP).
- Alleviating congestion at NMS, thereby preventing downstream operational, warehousing and distribution challenges.

### KEY OUTCOMES



#### Shared solution

From 2016 to 2021 the warehouse was shared by various organizations (peers and competitors) all delivering health products to Uganda for a variety of health programs.



#### Public Private Partnership

FiT, a private company, set up and managed the fully compliant pharma warehouse and was contracted by PFSCM a nonprofit organization. Thereafter TGF contracted FiT directly - a great example of in-country capacity building.



#### Cost savings

D&D costs would have amounted to as much as \$3 million over the last five years if the warehouse had not been implemented. Not all D&D costs would have been avoidable, but at least 50% would have been saved.

### WAREHOUSE OVERVIEW



#### Warehouse specifications

- 3,000 m<sup>2</sup> or 3,000 pallet positions.
- Eight columns of racking five levels high.
- Can accommodate the goods of about 25 forty-foot reefer containers.
- Temperature controlled at between 20°C to 25°C using industrial grade cooling fans.
- 24 hour armed security, police surveillance and CCTV surveillance.



#### Bespoke Warehouse management system

- Inbound service module tracks containers to improve planning for receipt at the warehouse and NMS.
- Outbound service module orchestrates the delivery of goods from the warehouse to the NMS.
- Automated reporting for improved visibility.
- Keeps a record of Proof of Delivery documents and photo evidence of incidents.



#### Compliance

- Operations supervised by a registered pharmacist.
- Licensed by Uganda's National Drug Authority.
- Inspected annually by the Pharmaceutical Society of Uganda.
- Standard Operating Procedures in place.
- In 2018, the warehouse passed an independent security audit, which resulted in a 3.2% insurance premium reduction.