

Impact of the Covid-19 Pandemic on and Lessons for In-Country Private Sector Health Products and Supply Chains

A presentation by Pamela Steele to
The Child Health Task Force Private Sector Group

Introduction to the speaker



Pamela Steele is the Supply Chain Transformation Director for PSA, a management consultancy specializing in supply chain transformation and workforce capacity development in the health sector in low- and middle-income countries.

Previous positions include CEO of PSA for 7 years, Capacity Development Specialist for UNICEF, Humanitarian Logistics Specialist for UNFPA, and Head of Humanitarian Logistics for Oxfam GB.

Objective

To present the impact of the pandemic on private sector health supply chain

Agenda

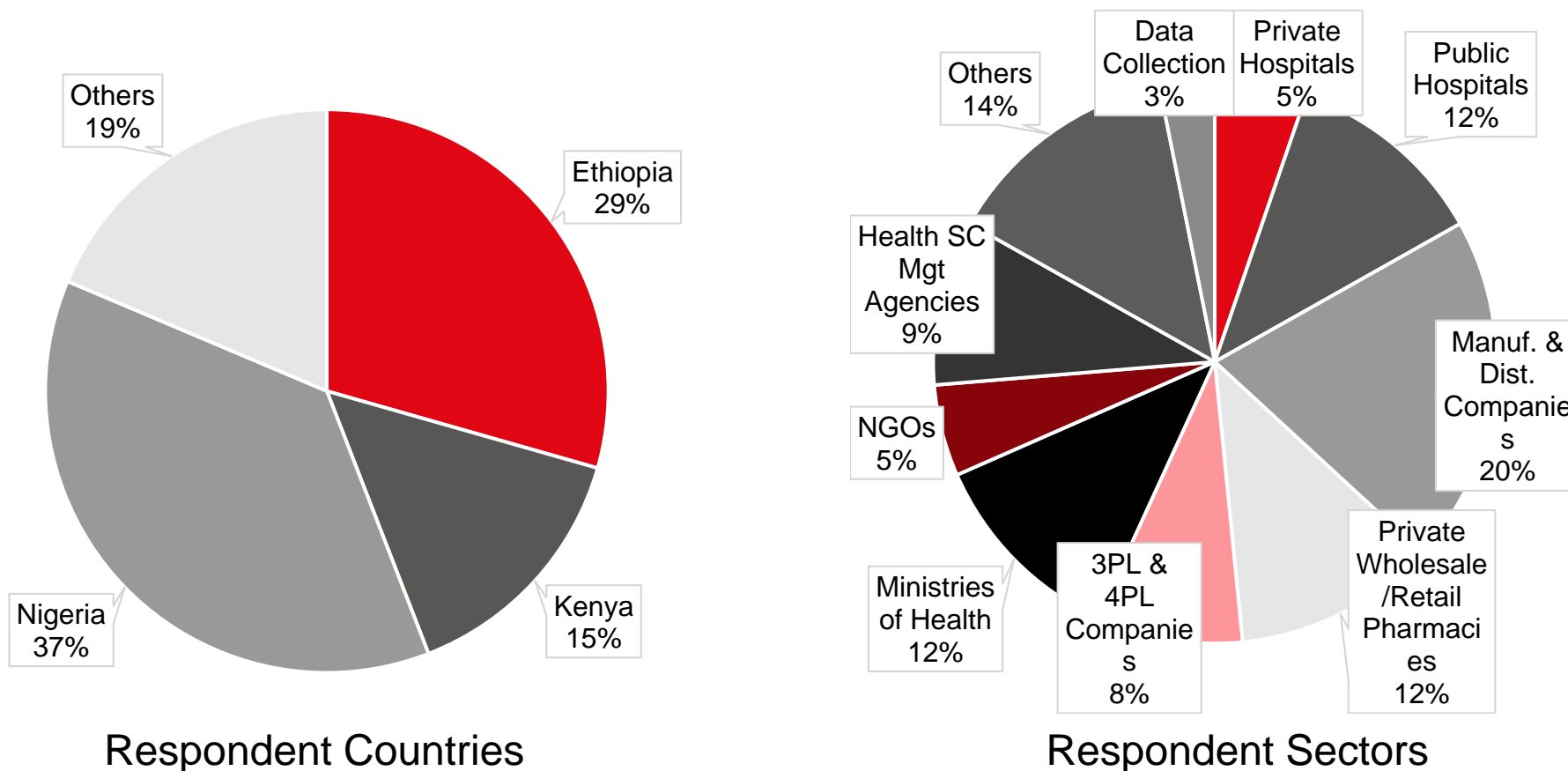
- Background
- Methodology
- Impact of Covid-19
- Building Resilience
- Long-term Impact
- Lessons Learned
- Improving Governments' Responses
- Next Steps for the Private Sector
- Conclusions

Background

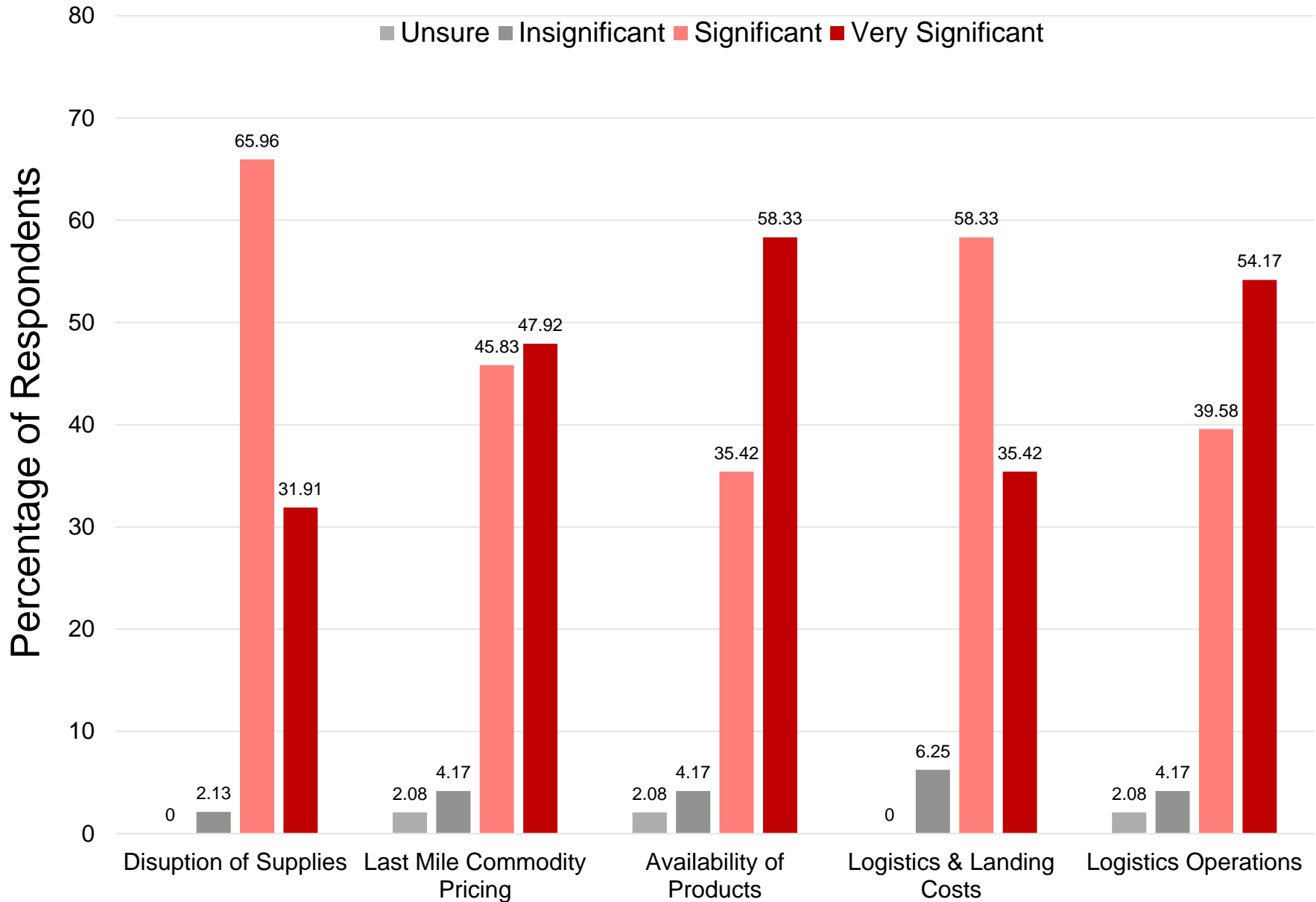
- Africa's pharmaceutical market has grown over the last 5 years, driven by urbanization, increasing healthcare capacity, disease burden and increased donor investments.
- Covid-19 has impacted delivery of care due to poor infrastructure, inadequate funding, parallel supply systems, insufficient local manufacturing, high prices, etc.

Methodology

- Desk review of literature followed by an online survey
- Responses were collected from IAPHL online platform and other stakeholder groups using email and WhatsApp.

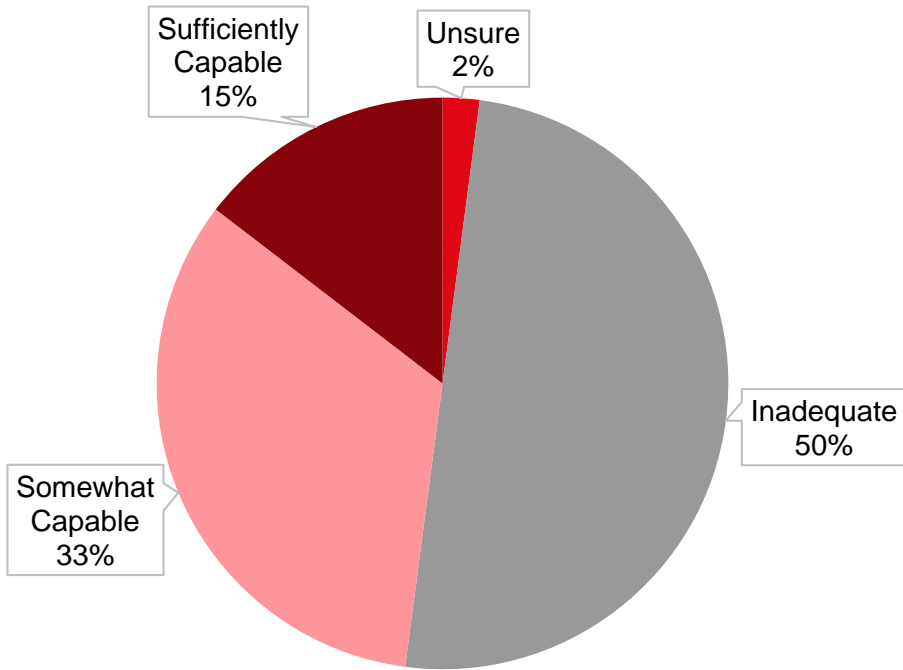


Impact of Covid-19

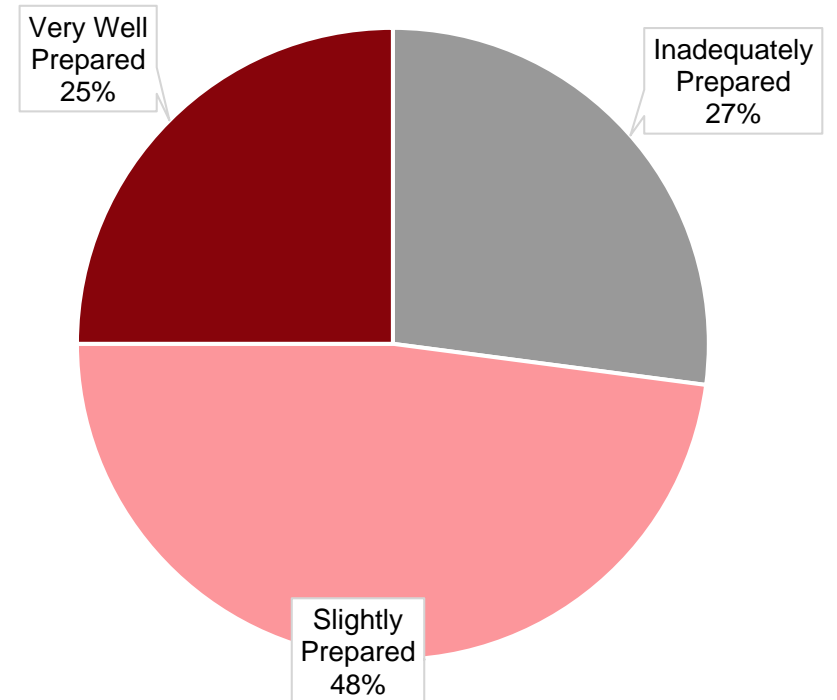


Impact of Covid-19 (continued)

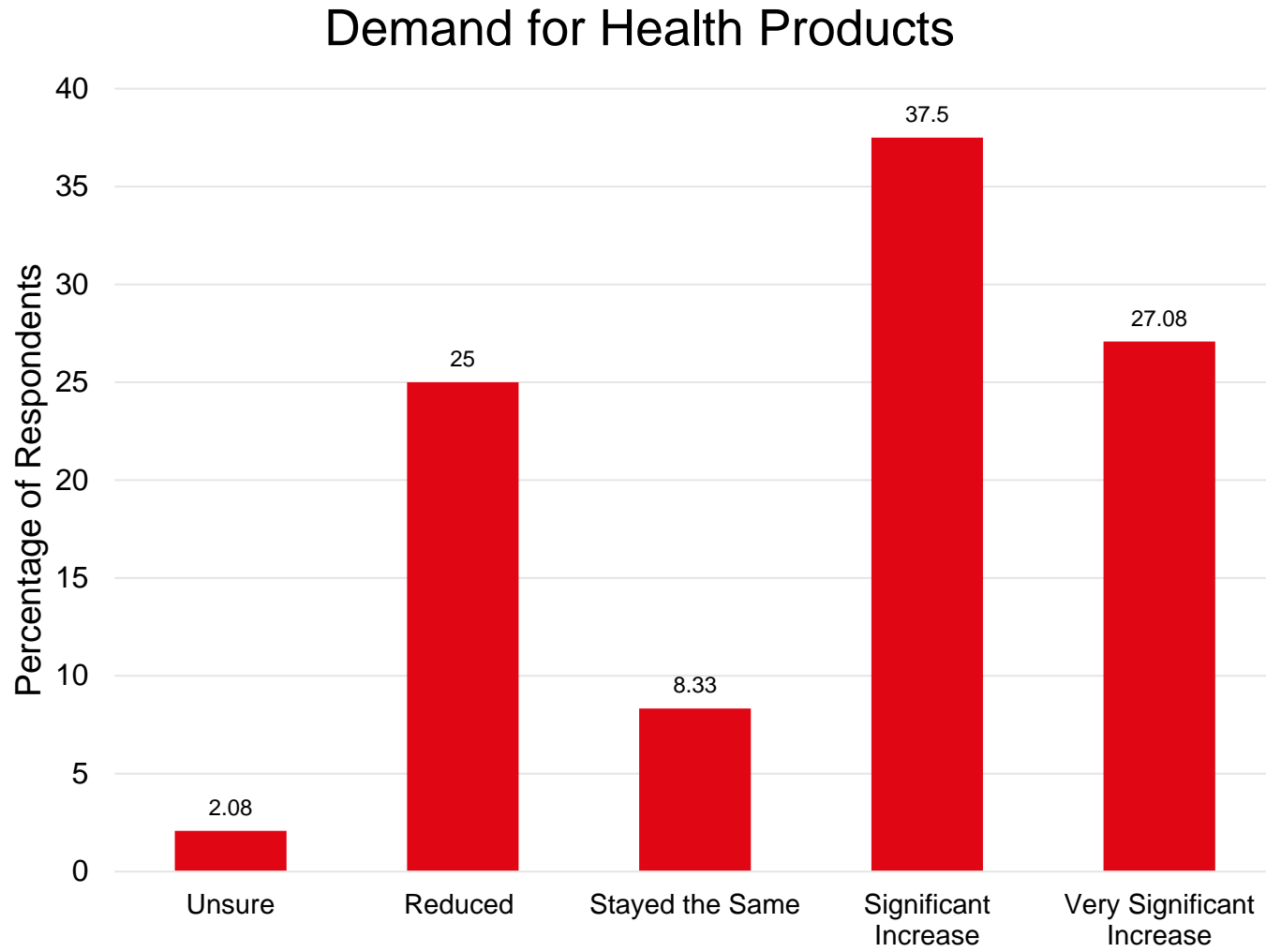
Local Manufacturing Production Capability for Covid-19 Essentials



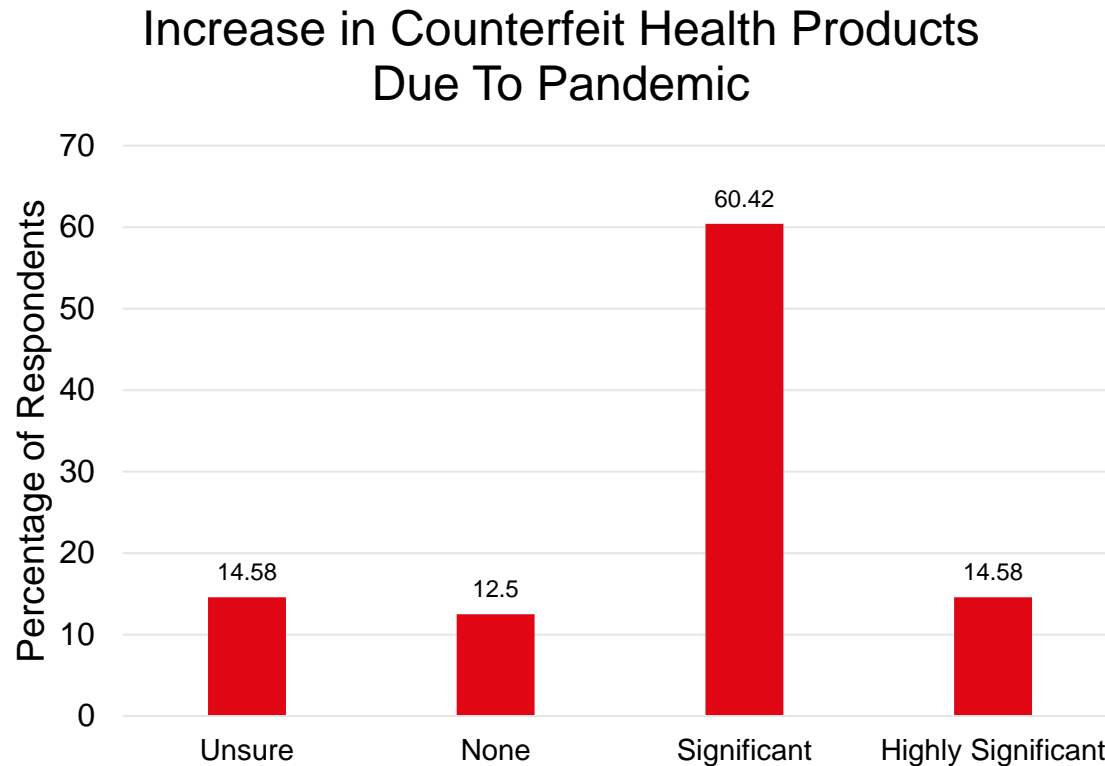
Level of Staff Preparedness to Provide Services During Pandemic



Impact of Covid-19 (continued)

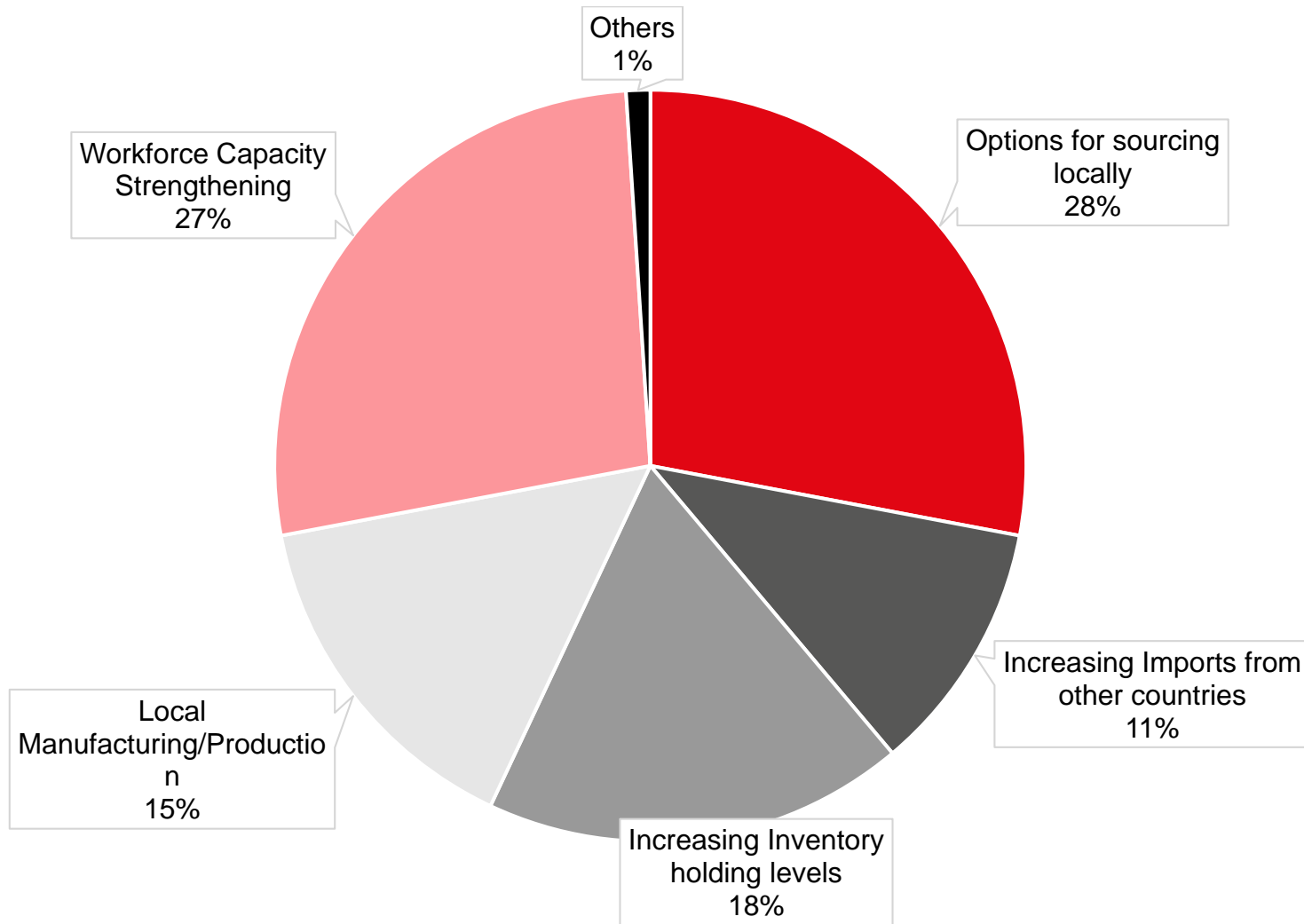


Impact of Covid-19 (continued)



- Product demand/supply imbalance exploited by profiteers
- Significant exporter restrictions in India and China

Building Resilience



Long-term impact

- Disruption of HIV and TB testing, and family planning commodities
- Shortage of/reduced access to essential medicines and PPE
- Fewer patients visiting healthcare facilities
- Long lead time for Covid-19-related health commodities
- Increased logistics and supply chain costs
- Increased use of virtual communication
- Significant decline in productivity and motivation of staff who are overburdened
- Increased cost of accessing health services

Lessons learned

- Investment in people is critical to building resilient systems
- Organizations and governments needs to be more agile
- Deliberate efforts at emergency preparedness, risk and contingency planning
- Build local pharmaceutical manufacturing capacity
- Rethink sourcing strategy including single supplier sourcing and sourcing from China
- Need to encourage collaborative relationships with local and global suppliers to support in emergencies
- Legal frameworks are essential for support in future disruptions
- Upskilling and technology are important components for emergency response
- Incorporate risk considerations and resilience in the design of processes and procedures
- Some respondents thought increasing inventory holding capacity

Improving governments' responses

- Refocus investment priorities and consider partnerships with the private sector
- Initiate policies that put risk mitigation plans in place
- Provide tax relief for small businesses providing essential services in response to Covid-19
- Support the development & implementation of a Covid-19 national response plan
- Invest in inventory, increase safety stocks & push products to the shelves
- Implement contingency measures and robust procurement mechanisms
- Encourage local pharmaceutical manufacturers and increase funding to support the pandemic response
- Develop good supplier relationships

Next steps for the private sector

- Brainstorming sessions to share expert knowledge on the impact of Covid-19 on their activities and on best ways of working post-Covid-19
- Build resilience by increasing local pharmaceutical manufacturing options for sourcing locally and increasing inventory holding levels
- Foster supplier collaborations
- Develop workforce capacity to increase technical capabilities
- Enhance quality control measures to prevent counterfeiting
- Operate lean and agile work systems

Conclusions

- 3 phases in African health commodity supply chain
 - Recovery
 - Review and
 - Redesign
- Public-private partnerships are essential
- Government and donor investment in the private sector are critical

Thank you for
listening

