

## Trusted Partner in Healthcare

# THIRD ANNUAL STAKEHOLDERS' REVIEW MEETING



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#### **Acronyms and Abbreviations**

BMS Buy Malawi Strategy

IHS Imperial Health Sciences

HSJF Health Support Joint Fund

LMD Last Mile Distribution

MHL Must Have List

NLGFC National Local Government Finance Committee

PMPB Pharmacy, Medicines and Poisons Board

CMS Central Medical Stores

#### 1.0. ACKNOWLEDGEMENTS

- **1.1.** The Central Medical Stores Trust (CMST) wishes to recognise all stakeholders who make time to honour invitations to joint review meetings which are part of the vital forums for it to receive feedback on its services and products.
- **1.2.** The Trust is therefore indebted to all stakeholders that attended CMST's Third Annual Stakeholders Review Meeting held at the Sunbird Capital Hotel Marquee in Lilongwe on 5<sup>th</sup> December 2019.
- **1.3.** The discussions held will go a long way in equipping the Trust with ideas for improvement on the major functions of procurement, warehousing and sales distribution.
- **1.4.** The Trust is therefore indebted to the Ministry of Health, the National Local Government Finance Committee (NLGFC), CMST Board and Committee members, patient's associations, suppliers and all that attended the Third Annual Stakeholders Review Meeting.



Customers appreciating stock during a CMST open Day

#### 2.0. INTRODUCTION

- **2.1.** Since its creation, the Trust, with the support of the Government of Malawi (GOM) and development partners, has implemented various reforms aimed at addressing challenges which plagued the functioning of its predecessor organisation, the Central Medical Stores (CMS). The aim is to ensure an adequate supply of quality medicines and medical supplies to all public health facilities in Malawi.
- **2.2.** The reforms are targeting operational, managerial and governance issues and particularly in the following areas: procurement, warehousing, sales and distribution, financial management and human resources. The reforms are enshrined in CMST's Corporate Strategy and Business Plan for 2015 2020.
- **2.3.** As one way of tracking the progress and reforms, the Trust commits to meeting its stakeholders at annual review meetings. These also serve as platforms for the Trust to live up to its promise of transparency and accountability by updating its stakeholders on progress made in implementing

various aspects of its mandate during in the previous year. This, therefore, is a report of the 3<sup>rd</sup> Annual Stakeholders' Review Meeting.

#### 3.0. MEETING OBJECTIVES

- **3.1.** The general objective of the meeting was for CMST to update stakeholders on the Trust's achievements during the year ended June 2019 and to receive feedback from the stakeholders on CMST operations.
- **3.2.** Specifically, the Trust presented the status of implementation of various activities, that is, the results, challenges and way forward in the following areas: selection, quantification, procurement, warehousing, quality assurance, funding, sales and distribution.
- **3.3.** Stakeholders were also updated on the progress made on the integration of parallel supply chains and implementation of recommendations from the  $2^{nd}$  Annual Stakeholders' Review Meeting.
- **3.4.** In addition, the meeting provided an opportunity for the Trust to receive recommendations on its operations for continued improvement.



Work underway in a CMST warehouse

#### 4.0. MEETING'S EXPECTED OUTCOMES

- **4.1.** It was expected that at the end of the meeting, stakeholders would have been updated on the Trust's operations that is, achievements and challenges during the year ending June 2019 and steps taken to stay on an efficient course going forward.
- **4.2.** In addition, the Trust expected to register stakeholders' observations and recommendations to be acted upon in implementing its mandate during the year 2019 2020.

### **5.0. MEETING PARTICIPANTS**

**5.1.** The review meeting was attended by Members of the CMST Board and its Committees, the Ministry of Health, National Local Government, District Commissioners, Christian Health Association of Malawi, Development Partners,

Directors of Health and Social Services, Health Officers and Directors of Central Hospitals.

**5.2.** Apart from these, there were representatives of civil society organisations, private hospitals, professional and patient associations as well as health training institutions.

#### **6.0. WELCOME REMARKS**

- **6.1.** The meeting was co-Moderated by the CMST Director of Finance and Administration, Mr. Washington Kaimvi and Director of Procurement, Mr. Rex Kuyeli.
- **6.2.** Moderator for the morning session, Mr. Kaimvi reiterated the importance of the meeting considering the critical role that CMST is expected to play in ensuring provision of quality healthcare services to the nation through an uninterrupted provision of medicines and medical supplies to public health facilities and any other in a working agreement with the Government of Malawi through the Ministry Health.
- **6.3.** The moderator also highlighted that CMST ensured it invited all relevant stakeholders to this very key meeting and made sure salient issues make the agenda.



Taking stock: Mhango (Centre) touring CMST premises in the year gone

#### **OPENING CEREMONY**

- **7.1.** The Guest of Honour for the meeting was the Minister of Health and Population, Honourable Jappie Mhango, MP. He was however unable to attend and was instead represented by Deputy Director of Health Technical Support Services (Pharmaceuticals), Mr. Godfrey Kadewere.
- **7.2.** Mr. Kadewere highlighted the key role that CMST plays in ensuring the achievement of the health strategic goals of the Government of Malawi through the Ministry of Health, noting that medicines and medical supplies are essential to the delivery of healthcare services.
- **7.3.** He challenged participants to remember throughout the meeting that the responsibility of ensuring that the delivery of quality healthcare services through consistent availability of medicines and medical supplies does not only lie with CMST, but all sides with interest in the healthcare supply chain because other activities around availability, such as quantification, rational use and security of medicines, are not entirely the full responsibility of the Trust.

- **7.4.** He expressed optimism in the recently passed Pharmacy and Medicines Regulatory Authority Act, replacing the Pharmacy, Medicines and Poisons Board (PMPB) Act of 1988, in that it brings about stiffer penalties for offences related to medicines and medical supplies.
- **7.5.** To illustrate his point, he mentioned that in the new act:
  - offences related to sales of expired medicines and medical supplies attract a fine of K5 Million and 5 years imprisonment;
  - theft of the same attracts a fine of K20 Million and 20 years imprisonment;
  - dealing in unregistered medicines attracts a fine of K2 Million and 2 years imprisonment, and;
  - sale of falsified medicines attracts a fine of K10 Million and 10 years imprisonment.
- **7.6.** He assured the participants that all these penalties have been put in place to safeguard public interest by deterring drug-related offences which deprive the majority of the society from accessing quality healthcare services.
- **7.7.** He further informed the members that currently, regulations to support the implementation of this act are being developed.
- **7.8.** On integration of parallel supply chains into one patient-centric national supply chain system, he said this was a strategic decision aimed at bringing efficiencies in the national pharmaceutical supply chain.
- **7.9.** He reiterated Government's obligation to ensure that this strategic activity gets implemented fully. He further informed members that progress is being made on this agenda.
- **7.10.** In conclusion, he said the meeting offered an opportunity to stakeholders to review CMST operations against the expectations of the Government of Malawi, Development Partners and the end users, who are the patients. He hence called for members' active participation; constructive feedback and criticism that should further help CMST improve its operations.
- **7.11.** Before Mr. Kadewere, the CMST Board Chairperson, Mrs. Hilda Singo and Chief Executive Officer (CEO), Mr Feston Kaupa made their remarks.

- **7.12.** The CEO informed members that CMST Board of Trustees found it necessary that CMST must engage the public regularly through representation in such meetings where its performance can be reviewed.
- **7.13.** He stated that specifically for this meeting, CMST performance for the year ending June 2019 would be presented and deliberated on.
- **7.14.** He assured the participants that CMST always values the feedback that they provide and called upon them to give an honest and sincere feedback in order to help CMST improve its operations. He appreciated the support that CMST gets from various partners in fulfilling its mandate, further asking for continued support from stakeholders as quality healthcare is a joint concern.



#### **CMST Board Chairperson Mrs. Single**

**7.15.** The CMST Board Chairperson thanked the participants for honouring the invitation, in particular the Guest of Honour's representative, Mr. Kadewere. She said CMST continues to make strides considering the huge task that it has in ensuring an uninterrupted supply of Medicines and Medical Supplies across the

- 3,400 item-plus general catalogue list and the 570 Must-Have-List (MHL) items among which to satisfy orders of about 670 facilities across Malawi.
- **7.16.** Mrs Singo ran through some of the Trust's achievements in the year under review such as acquisition using the Trust's own financial resources of a new ERP that allows for migration from Sage ACCPAC to Microsoft Dynamics Navision in the following year and the conducting of training for all its members of staff in readiness for the roll out of the new ERP.
- **7.17.** In the year, the Trust also completed planning for the parallel supply chain integration and developed a roadmap and work plan. This includes areas such as finance and business processes, supply chain, change management and capacity building in order to further improve CMST's performance. A project management team was also recruited with support from the Global Fund.
- **7.18.** On the operations front, she said CMST was able to achieve inventory accuracy of 86%, MHL product availability of 70% and a distribution conformance of 91%. She again assured participants that CMST is always ready to present its performance reports and receive feedback.

#### 8. CMST PRESENTATIONS AND DISCUSSIONS

- **8.1.** CMST made three presentations to help the participants appreciate the progress and challenges in various areas of CMST operations which were immediately followed by plenaries:
- **8.2.** CMST Branch Manager (North), Mr. Stewart Lichapa presented on **Progress on the Resolutions from the Second Annual Stakeholders' Meeting**.
  - **8.2.1.** There were fifteen (15) issues that were raised in the Second Annual Stakeholders' Review Meeting which subsequently culminated into same number of resolutions being made.
  - **8.2.2.** CMST was pleased to report to the meeting that all the resolutions were tackled in liaison with other concerned partners in particular the Ministry of Health.
  - **8.2.3.** It was reported that 12 of the 15 issues (representing 80%) were fully resolved. Of those 15, nine (representing 75%) were work in progress.

The remaining three of the 15 (representing 25%) were at an advanced stage of being resolved.

Table 1: Update on Resolutions from 2<sup>nd</sup> ASRM

NO	RESOLUTION/ISSUE	UPDATE						
1. Do	1. Done							
1	Delivery of short dated nutrition commodities	CMST engaged the Partners and the matter resolved.						
2	Does CMST monitor impact of its CSR action?	We do, though sometimes CSR impact may be qualitative and						
	Does CM31 Montrol Impact of its C3k actions	hard to measure.						
3	The program for the Annual Review is long	The program has been made more concise this year.						
2. Do	2. Done, Ongoing							
	Improve supply of mental Health and anti-epileptic supplies	Supply rate Increase from 50% to 70% in 2017 - 2018.						
4		Indefinite quantity supply contracts with manufacturers for						
		Psychotropics and anti-epileptics in place.						
5	Need for stock status updates	Weekly updates in place.						
6	Increase supply of single use insulin syringes	Challenge continued in the year. However, resolution with PPDA						
7	Low ordering conformance rate	CMST to motivate timely ordering.						
8	Move authorities to consider CMST's use of emergency logistics	CMST managed to deliver to all facilities including those affected						
	(helicopter)	by floods.						
9	Length periods of resolving recalls	Replacement of recalls shall take a path for emergency						
	Length pendas of resolving recails	procurement.						
10	I WNV GOESN'T CMST USE ITS MONOPOIX STATUS TO ARIVE PRICES AOWN & I	85% of items are cheaper at the Trust. For Buy Malawi Products,						
10		the cost is higher.						
11	Progress on Parallel Supply Chain Integration	To be updated in a separate presentation.						
12	CMST to consider donation of ICT materials	To be updated in a separate presentation.						
3. Ac	3. Advanced Stage							
13	Need to check prescribing habits in relation to the available	Meetings to revamp National Medicines Committee done. TORs						
	MHL	in place. Appointments are yet to be done.						
14	Lack of reagents for rapid tests for Hepatitis, urine tests	Resolution with PPDA on handling of emergency requirements						
14	(Pregnancy), Culture Media	shall mitigate this.						
15	Inadequate drug budget and need for CMST operations	CMST continues engaging Treasury on recapitalisation.						
	funding	CMST Continues engaging freasury of recapitalisation.						



- **8.3.** CMST Branch Manager (Centre), Mr. David Kulemela presented **Performance for the Year Ended June 2019.**
- **8.4.** The presentation provided an update on all areas of CMST operations from procurement, warehousing, sales and distribution to supportive functions as well.
- **8.5.** It was reported that in year ending June 2019, CMST finalised the printing of the second edition of its catalogue which has about 3,400 products and in liaison with Ministry of Health conducted a review of the Must Have-List (MHL) which now has about 550 line items, inclusive of 63 laboratory Items.
- **8.6.** The presentation also gave a glimpse of the 2019-2020 quantification of medicines and medical supplies which estimates the requirements at K38.5 Billion. In contrast, the national budget provided on K26 Billion.
- **8.7.** CMST further proposes that for an effective quantification, facilities need to conduct their own quantification other than relying totally on the national quantification exercise which may not address precise requirements of individual facilities.

- **8.8.** In that regard, CMST offers its readily available expertise to help Central Hospitals and Local Assemblies in demand or needs analysis and procurement planning.
- **8.9.** CMST continued to make strides in procurement despite facing a number of challenges which included cash flow (resulting in late payment to suppliers who consequently withheld deliveries of supplies; inability to issue letters of credit), cancellation or extension of contracts and delays in delivery of medicines and medical supplies (only 40% on time delivery).
- **8.10.** In order to maximize economies of scale, CMST continues to explore opportunities of buying direct from manufacturers and in that regard, contracts for supply of controlled medicines, anti-psychotropic, sutures and anesthetics were finalised in the year under review.
- **8.11.** Further, all MHL items were put on indefinite quantity agreements (IQA) and the list will be expanded in the coming periods to include commonly required critical items outside the MHL.
- **8.12.** Following the functional review of the Procurement and Disposal Unit, the contract management section has also been strengthened by a dedicated member of staff.
- **8.13.** The meeting was informed that CMST will continue engaging Ministry of Finance, Economic Development and Planning for its recapitalisation and/or operational expenses support and Public Procurement and Disposal Authority on implementation and impact of PPDA Act on it operations.
- **8.14.** CMST reported that on average, only 27% of the orders received in 2018-2019 were received on time. This trend impacted negatively on the supply chain integration agenda as it is the wish of CMST to be able to consolidate all products for once off deliveries to facilities there by maximizing the benefits on cost of distribution.
- **8.15.** In order to motivate facilities to submit orders on time, CMST has from 2018 2019 introduced an award for facilities that excel at placing timely orders. Further, the Trust offers to support facilities in areas of product specifications, timely and accurate ordering and demand analysis.

- **8.16.** In the year under review, product availability of the MHL items stood at an average of 70%. This was mainly affected by two factors;
  - **8.16.1.** negatively, as suppliers withheld deliveries due to accrued debt with them.
  - **8.16.2.** positively, as the Ministry of Finance, Economic Planning and Development settled arrears owed to CMST by DHOs and CHs up to June 2018 through payment to suppliers.
- **8.17.** Supply fill rate to DHO facilities stood at an average of 65% and to CHs 46% though it was noted that the South had lowest fill rates in comparison to the other regions. This was in part due to the impact of the number of CHs which request specialised items that are not normally not stocked on shelf.
- **8.18.** CMST continues to use the hybrid model of distribution in which interwarehouse transfers are internally managed and last mile distribution (LMD) is outsourced.
- **8.19.** For the year under review, CMST distributed 15,774 cubic meters of products which was a volume lower than last period of reporting, achieving a last mile distribution conformance of 91%.
- **8.20.** With support of cooperating partners, CMST acquired three distribution vehicles; two of 7 tonne capacity and one of 4 tonnes which is also a cold chain truck.
- **8.21.** CMST is grateful to the Health Support Joint Fund (HSJF) for its continued support in financing last mile distribution.
- **8.22.** Local Assemblies had a total drug budget of K13.66 billion in the year under review with K13.61 billion being disbursed to CMST in the pre-advance payment arrangement through NLGFC. Of the K13.61 billion, facilities were able to draw K13.55
- **8.23.** CMST continued to use the cost-plus model for pricing its products and services. In this regard, a mark-up of 20% is applied to cover for procurement, warehousing and distribution costs. However, following the support from HSJF there was a 2% reduction on the cost of distribution and currently the mark-up applied is 18%.

- **8.24.** Members were informed that CMST continues to receive complaints on prices of certain products, in particular those procured locally under the Buy Malawi Strategy (BMS).
- **8.25.** CMST assured members that it is working on this issue, however, members were requested to appreciate that preferential treatment is given to local manufacturers under the PPDA Act which allows for procurement of the same within a margin of 15% above prices of foreign made products.
- **8.26.** Additionally, due to the delays in settling payables with our suppliers, there is a general tendency by the suppliers to factor in the impact of the same to cushion themselves, and this is also a cost that is passed on to the facilities.
- **8.27.** CMST is working on a price segmentation scheme which will see facilities being given discounts when they do own collection or procure on cash-basis.
- **8.28.** CMST further appreciated the critical role that facilities continued to play in ensuring that:
  - **8.28.1.** through their involvement in providing specifications, recommending preferred brands and performance testing and evaluation. the products CMST procures are of good quality;
  - **8.28.2.** through return of recalled products, defective products are not used on patients.
- **8.29.** In conclusion, CMST called on the stakeholders to support its quest for recapitalisation as this would help in resolving most of the challenges currently faced and also guarantee organisation sustainability.
- **8.30.** A *plenary* followed in which members commended CMST for the various achievements made, not only in the year under review, but since its inception.
- **8.31.** There were, however, some areas on which members felt improvements need to be made some of which were in communication, procurement, product prices and availability, optimization of distribution system and inventory management visa vie stock write offs, direct funding to Local Authorities. (Refer to section on Key Issues, Recommendations and Resolutions.)
- **8.32.** CMST Quality Assurance Manager, Mr. Alfred Edwin presented on **Progress** on **Supply Chain Integration.**

- **8.33.** He gave a background to the agenda of Supply Chain Integration, saying this was conceived in 2012 when all partners involved in the pharmaceutical supply chain in Malawi agreed that there is need to bring one patient-centric national supply chain under CMST aimed at bringing efficiencies and efficiency in handling pharmaceutical supply chain issues across the board.
- **8.34.** To that effect, 36 benchmarks were developed against which CMST was assessed, and based on the findings of the same, a decision was made to kick start the integration process.
- **8.35.** Participants were informed that a Project Management Team was hired in the year under review with support from the Global Fund and will be embedded in CMST. A roadmap, implementation work plan and key performance indicators for the PMT were developed.
- **8.36.** During **plenary**, participants observed that;
  - **8.36.1.** CMST is taking almost a year to settle its payables to suppliers which in the long run may kill small and medium enterprises as their capital gets tied up
  - **8.36.2.** CMST is really struggling with its cash flow and further requested MoH to improve efficiency of the paying services in Central Hospitals which could provide extra revenue to the hospitals and subsequently

    CMST.

Table 2: Key Performance Indicators for PMT

			Baseline		Target				
Key Performance Indicator		Jun-19 CMST	International standard	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	
	a.Stock turns [total]	0.8	4	1	1.5	2	2.5	3	
1	b. Stock turns [medicines]	1.01	4	1.5	2	2.5	3	4	
	c. stock turns [supplies]	0.89	4	1	1.5	2	2.5	3	
2	Inventory accuracy	92%	95%	95%	95%	97%	97%	98%	
3	Creditor days	265	30	200	180	100	70	30	
	a.OPS/Pallets	122	42	109	100	90	80	70	
4	b. Distribution costs/km	3	8.18	2	2	1.9	1.9	1.8	
	c. warehouse costs/pallets	99	33.41	86	75	70	50	40	
5	Expiry	7.16%	2%	5%	3.50%	3%	2.50%	2%	
6	TB OSA	89%	95%	95%	96%	97%	98%	99%	

#### 9. CUSTOMER FEEDBACK

- **9.1.** There were two presentations made by District Medical Officer for Mangochi DHO, Dr Chimwemwe Thambo and Hospital Director of Mzuzu Central Hospital, Dr Frank Sinyiza the two are customer representatives for District Health Offices and Central Hospitals, respectively.
- **9.2.** Both presenters gave an indication of improvements by CMST, citing example of improved availability of antipsychotropics.
- **9.3.** They however called for CMST to step efforts in customer communication, for example, on stock updates, product availability in particular, on MHL items; lead times for processing special orders; order turn-around time, in particular for the Regional Medical Stores South; high price of services and products, giving an example of Erythromycin 250mg tablet.
- **9.4.** The CHs in particular bemoaned consistent inavailability, despite their budget allocation being substantially increased, of specialised care medicines and medical supplies which are core to their existence.
- **9.5.** Central Hospitals pleaded for consideration to be supplied with their requirements timely and that CMST regularly updates the MHL to cover incoming specialties, for example neurosurgical services.
- **9.6.** The facilities further committed to collaborate with CMST to ensure that accuracy in demand analysis and procurement planning is improved.

#### 10. PRESENTATION OF AWARD

- **10.1.** CMST committed to award DHOs who exhibit a sense of organisation by consistently placing their monthly medicine and medical supplies orders with the Trust on time throughout the year.
- **10.2.** CMST CEO therefore presided over an award ceremony which saw Rumphi DHO, for being the best customer in timely submission of orders to CMST, walk away with a trophy, certificate of recognition, two desk top computers and Wi-Fi gadgets, complimented with a one year data subscription.
- **10.3.** In his remarks, Mr Kaupa stressed how important timely submission of order facilitates product availability at a service delivery point. Additionally, at the

time when GoM is committed to integrate the supply chains, this has even become quite critical to ensure the possibility of delivery route consolidation, which would bring the much touted effectiveness and efficiency.

# 11. KEY ISSUES, RECOMMENDATIONS AND RESOLUTIONS

- **11.3.** The meeting collated key issues and recommendations in areas of policy, procurement, warehousing, distribution and supply chain integration.
- 11.4. These have been summarised and presented in *Table 3* below.

Table 3: Key Issues, Recommendations and Resolutions

S.N o	KEY ISSUES	RECOMMENDATIO N/ RESOLUTION	PURPOSE	RESPONSIB LE	TIMELIN E		
	Improve the availability of MHL items e.g. diabetes, cancer and mental health medicines, x-ray films; Lower the price of MMS; Improve the quality of MMS			CMST recapitalization	Ensure sufficient cash flow for commodity sourcing; Reduce creditor days consequently obtain lower MMS prices	MOFEPD, CMST, MOH, Parliament	
		Direct procurement from manufacturers - initiate and implement framework agreements	Lower MMS prices; Improved product quality	CMST			
1		mprove the availability of MHL tems e.g. diabetes, cancer and mental nealth medicines, k-ray films; Lower the orice of MMS; mprove the quality	Improved communicatio n flow to ensure a functional supply chain system e.g. stock status reports, procurement plans	MOH, CMST, HF			
			Build capacity for facility staff members to do needs analysis, demand planning and procurement planning	MOH, CMST, HF			
		Undertake accurate quantification of MMS  Improve prescribing habits of clinicians	Ensure demand driven MMS procurements; Reduce impact of unplanned donations	MOH, CMST, HF			
				Facilitate rational use of MMS for efficient use of resources	МОН		
		Ensure all facilities order and access mental	Ensure access to mental	MOH, CMST			

		health MMS	health services across facilities	
		Product performance testing i.e. Medical Supplies	Improve the quality of medical supplies	CMST, HF
		Ensure smooth transition from analogue to digital X Ray imaging facilities	Continuity in delivery of X-Ray diagnostic services in the hospitals through adequate procurement planning	MOH, CMST
		Continued engagement with PPDA for efficiency in procurement i.e. emergency	Efficient implementation of PPDA Act in response to health needs on the ground	MOH, CMST
2	Mitigate impact of losses through write off	Devise strategies to reduce write-offs through expiries within the supply chain	Manage wastage	MOH, CMST
3	Shortage of antidiabetes medicines and associated supplies; Common occurrence of side effects to	Review standard treatment protocol of diabetes	Counter negative treatment reactions being experienced by patients; Maximize socioeconomi cal impact of treatment	МОН
	the current used classes of diabetes medicines	Explore the possibility of introducing pen syringes	Maximize treatment outcomes for diabetic patients	MOH, CMST
4	Delayed submission of monthly normal orders by facilities	Enforce and/or motivate timely submission of orders	Allow CMST to process order within stipulated time Enforce use of OLMIS for both reporting and ordering to facilitate end-to-end product	MOH, CMST

			tracking	
			Allow for MMS consolidation from various programs	
5	Pricing of Medicines and Medical Supplies	Review MMS and services price drivers	Guarantee customers value for money MMS prices	CMST
6	Responsive Essential Medicines List	Operationalise the National Medicines and Medical Supplies Committee	Review the standard treatment guidelines and consequently Essential Medicines and Medical Supplies List to address Central Hospital requirements in particular	МОН
	retain part of the budge to be able to respond to urgent MMS requirements  Policy  Direct financing to Loca		Enable Local Authorities respond to crisises arising from inavailability of MMS	МОН
7		Direct financing to Local Authorities	Fulfill the spirit of decentralizatio n	GOM
		Maximize revenue generation in health facilities through cost sharing paying services i.e. paying services	МОН	
8	Maximize efficiency and effectivene ss in supply	Implement the integration strategy in full	Improve effeciency and effectiveness of the supply chain system	MOH, CMST
	chain system	Enforce the Pharmacy and Medicines Regulatory Authority Act	Deter MMS related crimes	MOH, PMRA

#### 12. CLOSING CEREMONY

- **12.1.** In their closing remarks, the CMST Chief Executive Officer and Board Chairperson thanked participants for their attendance and contribution to discussions.
- **12.2.** The Guest of Honour, Mr. Kadewere commended CMST for organising the meeting and further thanked all the stakeholders for sparing their time to attend this very important meeting.
- **12.3.** He further assured all delegates of MoH commitment to ensure quality healthcare delivery in all public health facilities through efforts ensuring that medicines and medical supplies are available.
- **12.4.** He indicated that indeed challenges do exist across the system in general and in CMST in particular, therefore there is need for more collaboration by all stakeholders.
- **12.5.** He cited challenges in product availability, pricing and expiries, further advising CMST to reflect on these to ensure that they do not become a basis for arguing for direct funding to Local Authorities.
- **12.6.** On another note, he said MoH has understood the need to review some of its policies to be in line with current situation on the ground, for example CMST recapitalisation, healthcare service delivery cost sharing and income generation for central hospitals, revision of standard treatment guidelines and essential medicines list, business competitiveness and sustainability.

He expressed optimism that the recommendations made in the meeting would go a long way in bringing some improvements in the pharmaceutical supply chain.