

Leveraging the VAN to Meet Manufacturer Requests

October 16th, 2023

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Forecasting

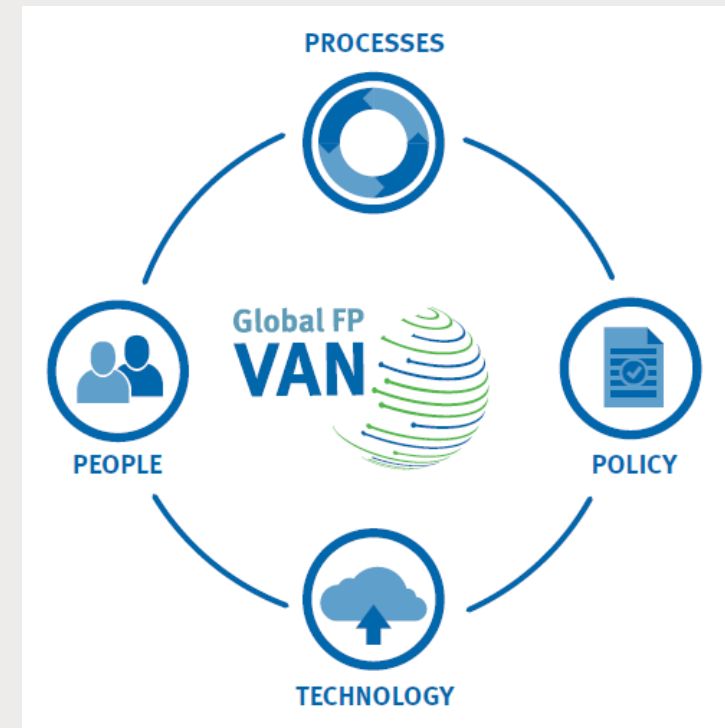


WHAT WE DO

VAN Goal

Better aggregate, share, and align country demand data with production, procurement, and funding to avoid stock imbalances and maximize use of limited resources to ensure continuous availability and choice of family planning products in developing countries.

- **Better** = technology
- **Aggregate** = process
- **Share** = policy
- **Align** = people



VAN Membership is Growing Everyday

GOVERNMENTS (37 total trained)

Afghanistan	Ghana^	Nigeria^
Angola*	Guinea	Pakistan
Bangladesh	Guinea-Bissau	Rwanda^
Benin^	Haiti	Sao Tome & Principe
Burkina Faso^	Kenya	Senegal
Burundi	Liberia^	Sierra Leone
Cape Verde	Madagascar	Tanzania
Chad	Malawi^	Togo^
Côte d'Ivoire	Mali	Uganda
DRC	Mauritania	Zambia
Ethiopia^	Mozambique	Zimbabwe
Gabon	Nepal	<i>*Pending MOH TOU agreement</i>
Gambia	Niger^	<i>^Premium/Premium+ member</i>

SUPPLIERS AND MANUFACTURERS

Bayer

Mylan Laboratories, Ltd. - A Viatris Company

Pfizer

Shanghai Dahua Pharmaceutical Co., Ltd./DKT WomanCare

Global

TECHNICAL ASSISTANCE PARTNERS

Clinton Health Access Initiative

Global Health Supply Chain Program-Procurement and Supply Management project

Global Health Supply Chain Program-Technical Assistance Francophone Task Order

JSI

DONORS AND PROCURERS

Children's Investment Fund Foundation (CIFF)

Bill & Melinda Gates Foundation

International Planned Parenthood Federation

Marie Stopes International

Population Services International

SEMA Reproductive Health

United Kingdom Foreign, Commonwealth & Development Office

United Nations Population Fund

United States Agency for International Development

West African Health Organization / KfW

VAN Offers a Global-Level Commodity Security Working Group | Consensus Planning Group (CPG)

- 1) Execute against immediate country supply plan needs
 - Monitor orders, shipments and inventory against the supply plan (across USAID, UNFPA, SMOs, national procurements, etc.)
 - Discuss recommendations for action to global donors to resolve projected overstocks, shortages, or stockouts
 - Build scenarios
 - Support donors with prioritization of limited funding resources
 - Support allocation of supply-constrained products
- 2) Share longer-term plans with global partners
 - Share supply plans for better global forecasting and production planning with manufacturers and donors
 - Communicate annual funding gaps across all products for global action

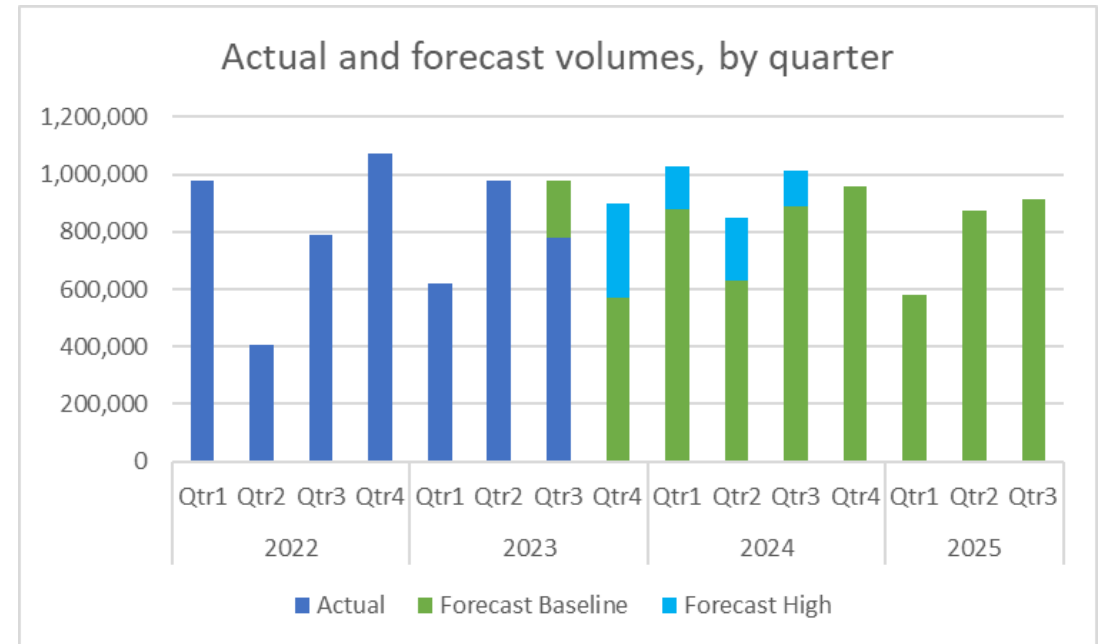
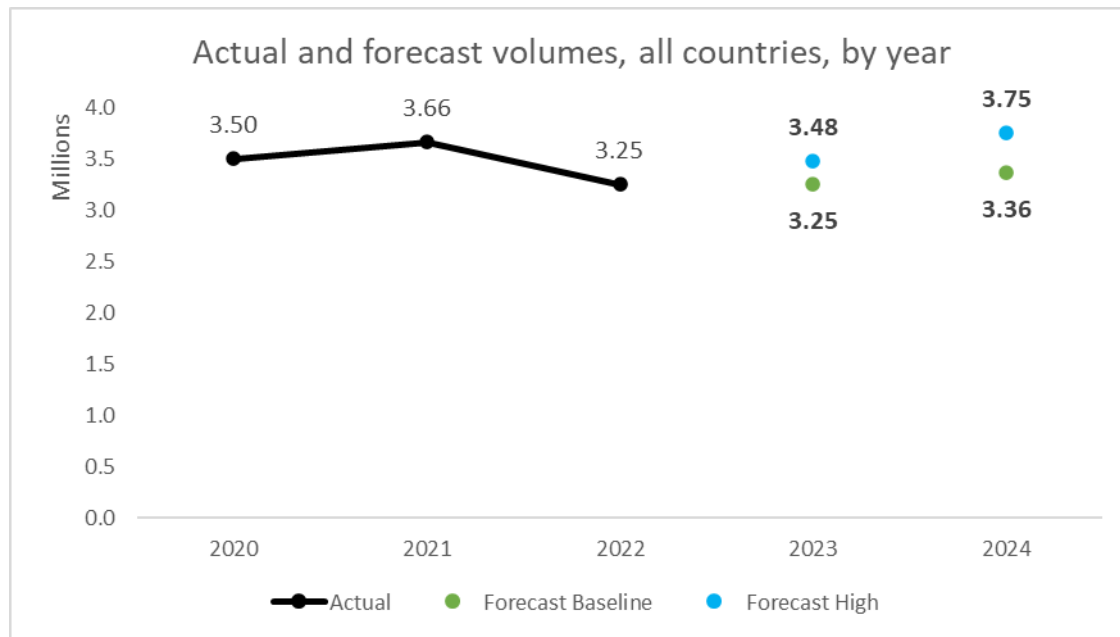
Criteria to Receive a VAN Manufacturer Forecast

- Manufacturer must be a VAN member and have users that have agreed to the VAN Terms of Use
- Manufacturer must provide **shipment data** for non-UNFPA and non-USAID procurements on a routine basis to the VAN. Data is submitted via Excel.
 - GHSC-PSM provides updates to the VAN daily on their requisitions, orders, and shipments
 - UNFPA provides updates to the VAN weekly on their requisitions, orders, and shipments
 - IPPF sends updates to the VAN ~quarterly on their direct shipments
 - To conduct a full market forecast for a manufacturer, we need visibility on the “other” quantities being shipped to our market (i.e., direct government procurements, other NGO procurements, etc.)

Building the Manufacturer Forecast

- March 2023 the VAN implemented a new module (Demand Planning) to support an improved forecasting approach.
- Future time horizon in the module is a rolling 24-months
- VAN set a quarterly cycle to update and provide forecasts to align with when country supply plans are received, reviewed, and approved/finalized
- Countries are grouped into three “buckets” to determine which methodology is used to build the forecast:
 - **Countries with no inventory or supply plan data in the VAN**
 - Module generates a statistical forecast when sufficient historical shipment data is available. VAN Analyst decides whether to use this forecast; adjusts it as needed.
 - **Countries with supply plans in the VAN**
 - VAN Analysts use the most recent country supply plan, adjusted as needed.
 - **Countries with only inventory and AMC data in the VAN**
 - VAN Analyst builds a scenario to estimate future needs to maintain max-min stock levels OR
 - VAN Analyst decides to use the model generated statistical forecast; adjusted as needed.

Product-Specific Sample Outputs by Year and by Quarter [Fake Data]



“Forecast High” generally represents an assessment of potential demand in light of short-term funding availability. It can represent adjustments made when VAN Analysts do not believe funding will be available in time to meet demand.

Forecast Accuracy

- Funding availability and timing is a key driver of forecast accuracy
- New module allows us to show the forecast broken down by quarter so we are piloting adding in the quarterly breakdown. There is a higher degree of uncertainty on the quarterly forecast as it is difficult to predict when funding will be made available to meet the unfunded needs.
- Supply plans show the date that the product needs to be received in the country, whereas the manufacturers are more interested in when the product needs to be produced.
- The new module allows us to track forecast accuracy more easily and we will begin measuring accuracy in the coming months once we build up sufficient forecast data in the new module.

Manufacturer Quotes

“We receive the VAN forecast regularly. Together we share the data by using e2open [VAN platform]. Based on the forecast data, we will adjust the sales strategy. When the forecast is much lower than we expected, we will also adjust our future production planning to avoid large inventory. We will also analyze the forecast data with the distributor and confirm its accuracy with the orders we have on hand. Overall, the forecast data is very good for us to analyze the future market dynamics and help us to better develop the market.”

- Mr. Canis Zhou, Vice General Manager, Shanghai Dahua Pharmaceutical Co. Ltd.

“We found it [VAN] an interesting and user-friendly platform and planning tool, providing a high level visibility and comprehensive overview of contraceptive market through orders from different customers. The VAN has been most valuable in tracking the progress of orders and improving planning and inventory management.”

- Ms. Ama Benyezza, AMP Manager, EMEA Regional Supply Chain, Pfizer

Reducing the Reporting Burden Faced by Manufacturers

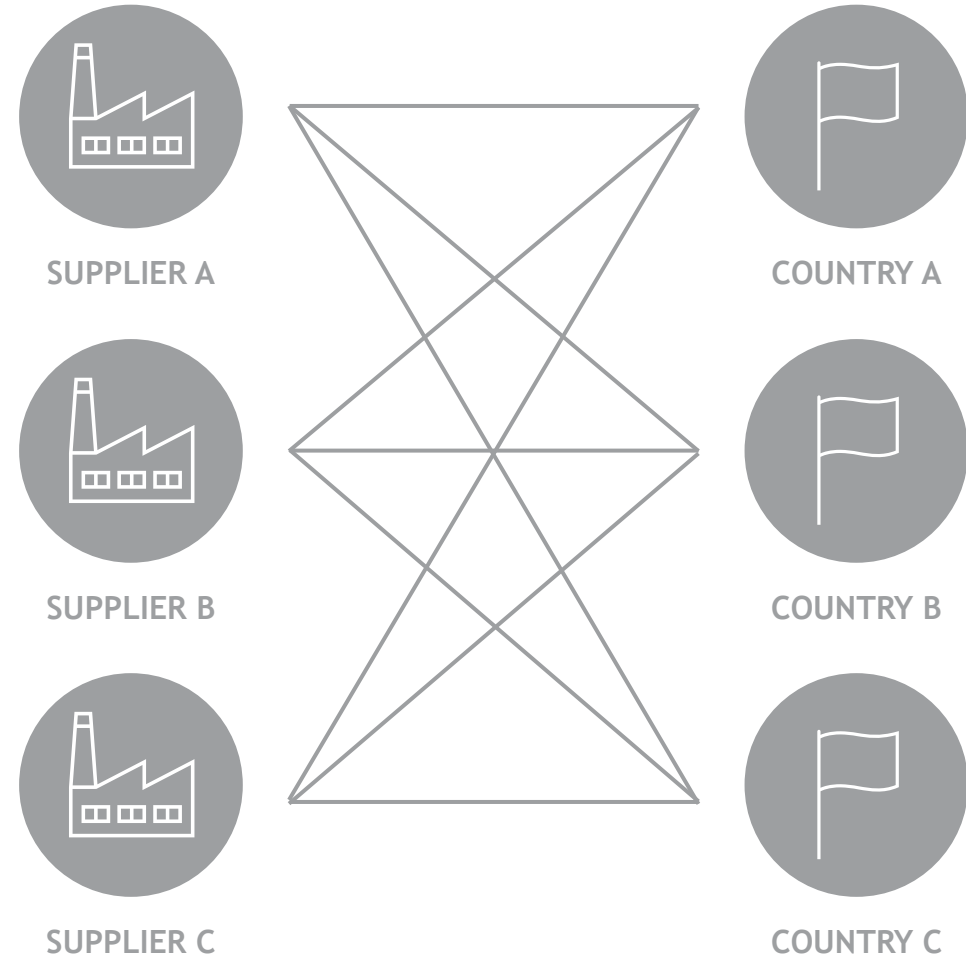
Manufacturing Reporting Subcommittee

Manufacturer Reporting Pain Points

Concerns Previously Raised by the Manufacturer's Group

1. Increasing Procurer Reporting Requirements
2. Inefficient Reporting
 - Differing Data Definitions
 - Duplicative Reporting Methods
3. Growing Number of Procurers

Many Connecting to Many



Community Response & Important Questions

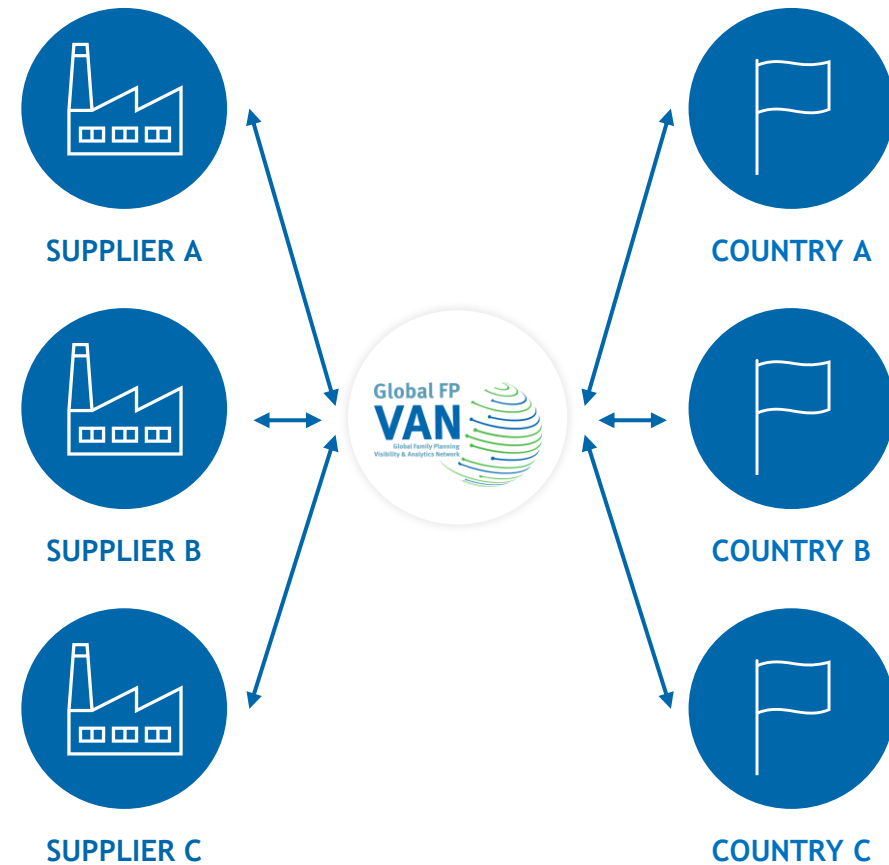
Given that multiple procurers are looking to modernize their manual processes related to manufacturer reporting, how can we work together to avoid many connecting to many and leverage the VAN?

- USAID's NextGen
- UNFPA SCMU's New ERP

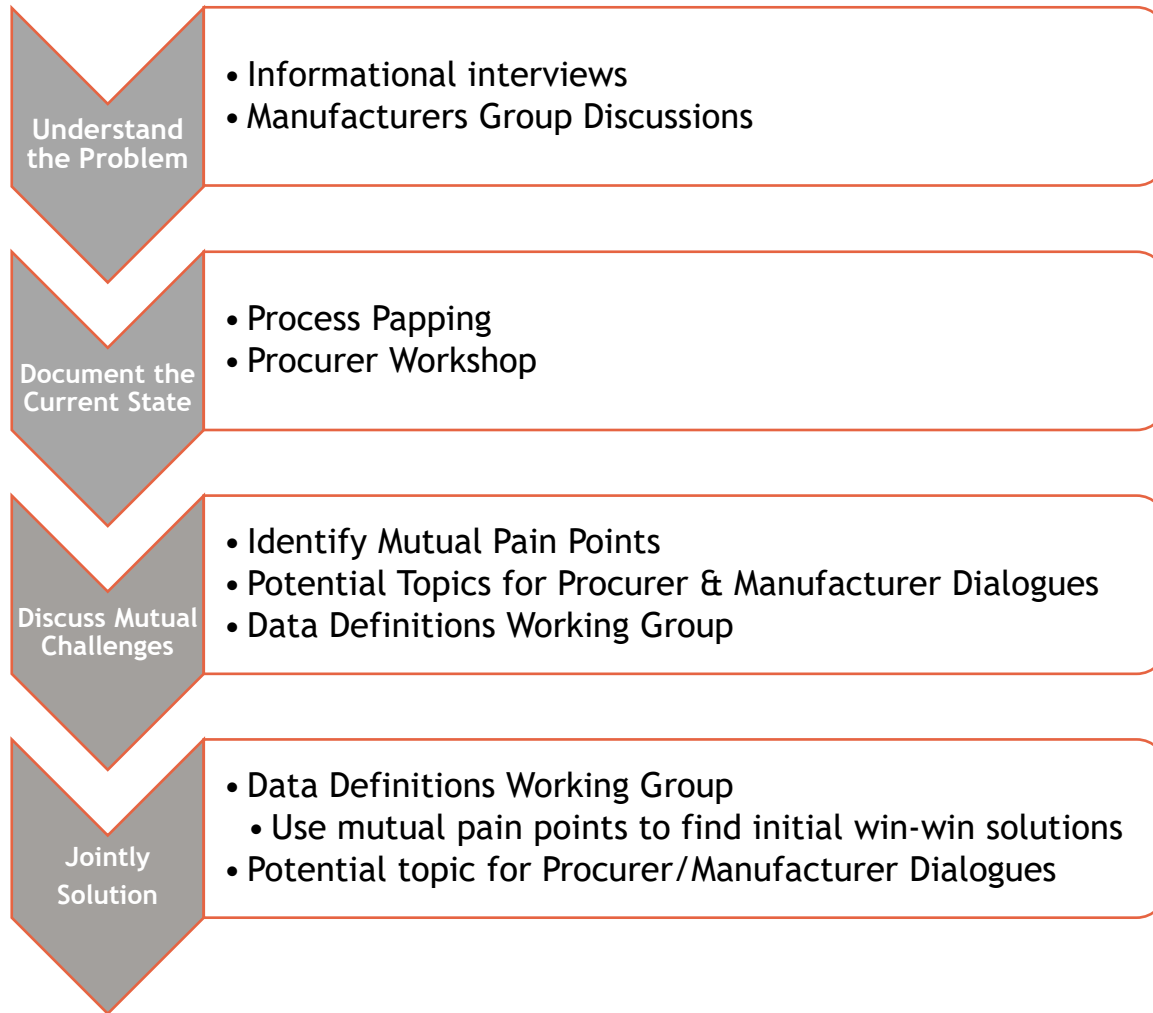
How can we work together across initiatives related to manufacturer data reporting?

- TRVST initiative
- GDSN/GS1

Many Connecting Through One



Manufacturer Reporting Subcommittee | Plan of Action



Hosted & Facilitated by RHSC

Participants:

- BMGF
- FCDO
- UNFPA
- USAID
 - GHSC-PSM (as assigned by USAID)

Critical Tracking Events (CTEs) & Key Data Elements (KTEs): Seafood Traceability

Basic Universal List of Key Data Elements (Wild-capture Products)	CTEs						
	Fishing	On Vessel Processing	Transshipment	Landing	Aggregation/Disaggregation	Ship/Receive	Processing
VESSEL DATA (master level data)							
Vessel Name	X	X					
Vessel Registration	X	X					
Unique Vessel Identification	X	X					
Public Vessel Registry Hyperlink	X	X					

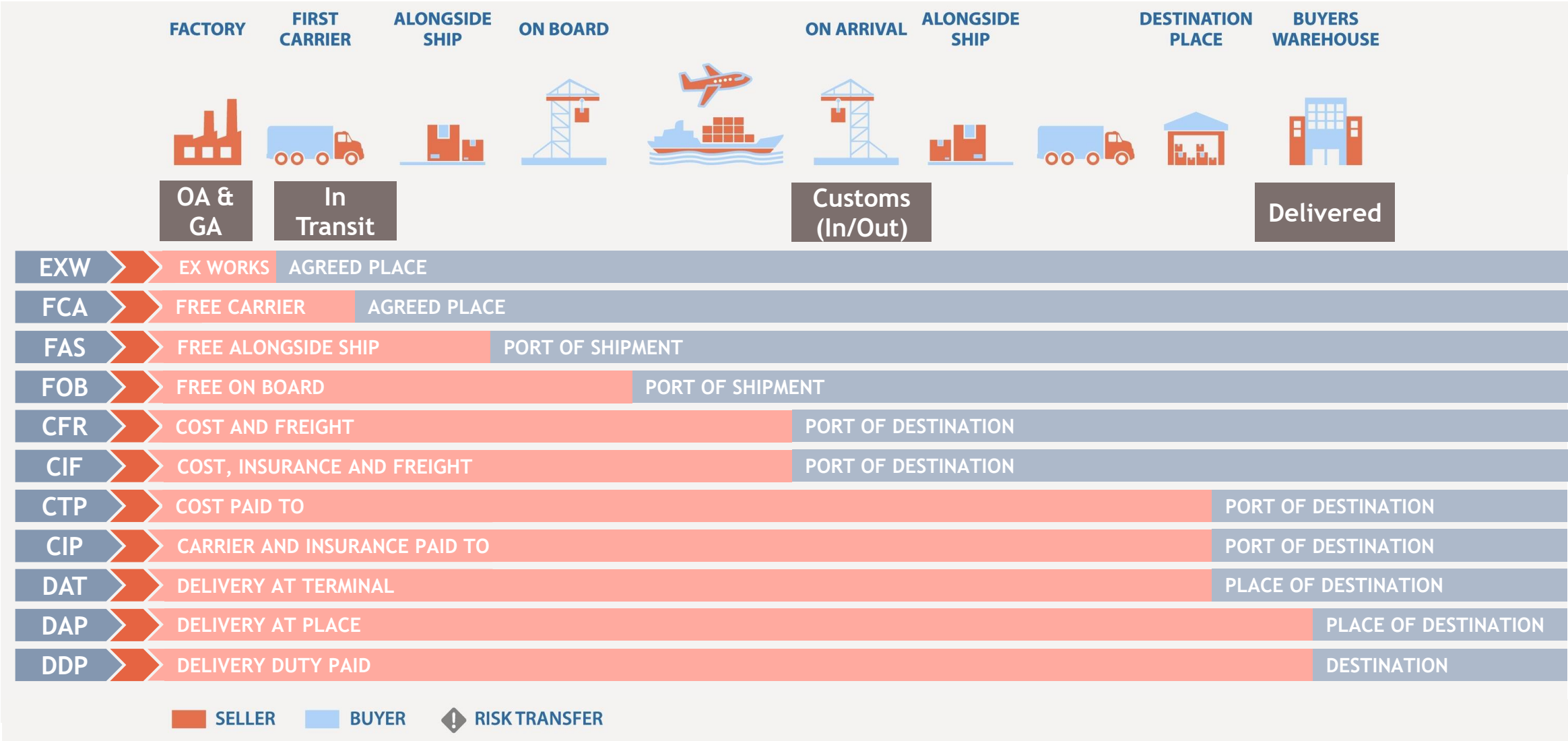
Family Planning Critical Tracking Events

	Order Accepted	Goods Available	In Transit	Arrived At Customs	Exited Customs	Delivered (Final Recipient)
Definition	Manufacturer has entered into a contract to produce the goods and expected timeframes for production and shipping are set.	Production is complete and goods are ready to ship out from the supplier's premises.	Goods have left supplier's premises and is in transit to the final destination.	Goods have arrived in customs at the final destination.	Goods have cleared customs at the final destination.	Goods have been delivered to the custody of the consigned recipient in country.

Family Planning Key Data Elements

	Order Accepted	Goods Available	In Transit	Arrived At Customs	Exited Customs	Delivered (Final Recipient)
Agreed		X				X
Estimated		X	X	X		X
Actual	X	X	X	X	X	X

Family Planning Key Data Elements & Incoterms



Next Steps

- Get approval across engaged procurers and interested manufacturers on:
 - Critical steps we need to track from when an order is placed to when it is delivered (Critical Tracking Events)
 - Standardized definitions of the data reported (Key Data Elements)
 - Standardized data source
 - How standardized definitions could map to internal procurer system definitions
- Discuss with procurers and manufacturers how these standardized data definitions and sourcing could be applied to simplify reporting.
- Discuss with procurers and manufacturers how to better coordinate with the different initiatives working on manufacturer reporting.

Ask

- If you are interested in getting involved with future discussions and Subcommittee work, please reach-out to Abi at abeaudette@rhsupplies.org.
- How would this group like to engage with procurers to discuss findings and jointly solution together? Would this be a good topic for the Procurer/Manufacturer Dialogues in the future?

Thank you!
Merci!
謝謝

Join the VAN @ the GMM

VAN Open Session

Tuesday 8:30 - 11 am | Pearl Room

VAN Plenary Session

Thursday 11 am - 1 pm | Adlon Room

