

Vote:116 National Medical Stores

V1: Vote Overview

I. Vote Mission Statement

To effectively and efficiently supply Essential Medicines and Medical Supplies to Public Health Facilities in Uganda.

II. Strategic Objective

- a. Procure, warehouse and distribute Essential medicines and health supplies to all public health facilities
- b. Maximise value offering to our customers.
- c. Strengthen management efficiency and effectiveness for improved service delivery.
- d. Enhance innovations for efficient service delivery.
- e. Broaden and sustain the resource base of corporation.
- f. Enhance organisational capacity for sustainable operations and growth of National Medical Stores.
- g. Strengthen partnerships and collaborations for improved stakeholder engagement.

III. Major Achievements in 2017/18

The Corporation received and spent shs 249 billion by the end of March 2018. This is 90% of the appropriated budget of essential medicines and health supplies of shs 278.9 billion for the FY 2017/18. The release was in accordance with the levels of care from Health centre ii (shs 15.9 billion); Health centre iii (shs 24.41 billion); Health centre iv (shs 12.141 billion); General Hospitals (shs 14.18 billion); Regional Referral Hospitals (shs 12.265 billion); Emergency and donated items (shs 2.25 billion); Reproductive health supplies (shs 9.823 billion); Immunisation supplies including Hepatitis B Vaccine (shs 17 billion); Laboratory commodities (shs 5 billion); Supply of ARVs (shs 92 billion); Supply of ACTs (shs 8.108 billion); Supply of Anti TB drugs (shs 6.5 billion). The Corporation received an allocation to domestic arrears FY 2017/18 of shs 20.110 billion,

The Corporation procured, stored and distributed essential medicines and health supplies worth shs 249 billion to all Government health facilities. The Corporation further warehoused and distributed donated supplies (ARVs and Vaccines) worth shs 800 billion to Government health facilities.

The procurement, storage and distribution of the essential medicines and health supplies was in adherence to the objective of strengthening mechanism for quality effective and efficient service delivery.

Construction works of NMS ultra modern state of the art ware house was started at Kajjansi.

The Corporation innovated and deployed an IT tool for production of accurate procurement plans of Essential medicines and health supplies for health facilities.

The Corporation collected and incinerated non viable stocks from all districts for government, private and PNFP facilities.

As part of corporate social responsibility, NMS provided free yellow fever vaccination to 99,000 people.

IV. Medium Term Plans

The Corporation will continue to procure, store and distribute Essential medicines and health supplies to all public health facilities in accordance with levels of health care taking into consideration sensitivities of age, sex and location. It will strengthen management efficiency and effectiveness for improved service delivery and enhance innovations for efficient service delivery.

It will enhance organizational capacity for sustainable operations and growth of National Medical Stores.

The Corporation will strengthen partnerships and collaborations for improved stakeholder engagement. Efforts to prepare and review procurement plans with the health facilities will be enhanced as a key factor in getting procurement plans rights and ensure they have taken care of needs for the distinct needs for regions, for the youth, women, men and elderly. Special attention to be paid to the marginalized groups like the mentally challenged and disabled.

There will be prominent consideration for people infected with HIV/AIDS to execute the test and treat policy to improve their quality of life.

The vote performance will be improved through better planning and execution with an ill-inclusive and seamless Enterprise

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Resource Planning (ERP) whose procurement is underway.NMS plans to complete the construction of an ultra modern ware house that will increase the storage capacity three times the current one.This will ensure sufficient storage of more stock to take care of buffer stock wherever there are challenges during transportation by the suppliers.

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V. Summary of Past Performance and Medium Term Budget Allocations

Table 5.1: Overview of Vote Expenditures (US\$ Billion)

	2016/17 Outturn	2017/18		2018/19	MTEF Budget Projections				
		Approved Budget	Expenditure by End Dec		2019/20	2020/21	2021/22	2022/23	
Recurrent									
Wage	0.000	0.000	0.000	9.913	10.904	11.450	12.022	12.623	
Non Wage	264.964	237.964	198.621	267.051	325.803	374.673	449.608	539.529	
Devt.									
GoU	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
GoU Total	264.964	237.964	198.621	276.964	336.707	386.123	461.630	552.152	
Total GoU+Ext Fin (MTEF)	264.964	237.964	198.621	276.964	336.707	386.123	461.630	552.152	
Arrears	0.000	20.110	19.795	0.000	0.000	0.000	0.000	0.000	
Total Budget	264.964	258.075	218.416	276.964	336.707	386.123	461.630	552.152	
A.I.A Total	0.000	0.000	0.000	23.130	24.000	25.000	32.000	40.000	
Grand Total	264.964	258.075	218.416	300.094	360.707	411.123	493.630	592.152	
Total Vote Budget Excluding Arrears	264.964	237.964	198.621	300.094	360.707	411.123	493.630	592.152	

VI. Budget By Economic Classification

Table V6.1 2017/18 and 2018/19 Budget Allocations by Item

<i>Billion Uganda Shillings</i>	2017/18 Approved Budget				2018/19 Draft Estimates			
	GoU	Ext. Fin	AIA	Total	GoU	Ext. Fin	AIA	Total
Output Class : Outputs Provided	237.964	0.000	0.000	237.964	276.964	0.000	23.130	300.094
211 Wages and Salaries	0.000	0.000	0.000	0.000	12.511	0.000	0.991	13.502
212 Social Contributions	0.000	0.000	0.000	0.000	1.321	0.000	0.000	1.321
213 Other Employee Costs	0.000	0.000	0.000	0.000	2.918	0.000	0.000	2.918
221 General Expenses	0.000	0.000	0.000	0.000	2.523	0.000	10.413	12.936
222 Communications	0.000	0.000	0.000	0.000	0.002	0.000	0.000	0.002
223 Utility and Property Expenses	0.000	0.000	0.000	0.000	0.283	0.000	1.377	1.660
224 Supplies and Services	237.964	0.000	0.000	237.964	255.039	0.000	0.200	255.239
225 Professional Services	0.000	0.000	0.000	0.000	0.000	0.000	0.752	0.752
226 Insurances and Licenses	0.000	0.000	0.000	0.000	0.800	0.000	1.600	2.400
227 Travel and Transport	0.000	0.000	0.000	0.000	0.200	0.000	4.986	5.186
228 Maintenance	0.000	0.000	0.000	0.000	1.367	0.000	2.811	4.178
Output Class : Arrears	20.110	0.000	0.000	20.110	0.000	0.000	0.000	0.000
321 DOMESTIC	20.110	0.000	0.000	20.110	0.000	0.000	0.000	0.000
Grand Total :	258.075	0.000	0.000	258.075	276.964	0.000	23.130	300.094

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Total excluding Arrears	237.964	0.000	0.000	237.964	276.964	0.000	23.130	300.094
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VII. Budget By Programme And Subprogramme

Table V7.1: Past Expenditure Outturns and Medium Term Projections by Programme and SubProgramme

<i>Billion Uganda shillings</i>	FY 2016/17 Outturn	FY 2017/18		2018-19 Proposed Budget	Medium Term Projections			
		Approved Budget	Spent By End Dec		2019-20	2020-21	2021-22	2022-23
59 Pharmaceutical and Medical Supplies	264.964	258.075	218.416	300.094	360.707	411.123	493.630	592.152
01 Pharmaceuticals and Other Health Supplies	264.964	258.075	218.416	300.094	360.707	411.123	493.630	592.152
Total for the Vote	264.964	258.075	218.416	300.094	360.707	411.123	493.630	592.152
Total Excluding Arrears	264.964	237.964	198.621	300.094	360.707	411.123	493.630	592.152

VIII. Programme Performance and Medium Term Plans

Table V8.1: Programme Outcome and Outcome Indicators (Only applicable for FY 2018/19)

Programme :	59 Pharmaceutical and Medical Supplies		
Programme Objective :	To provide supplies of medicines and other pharmaceutical supplies to the Ugandan Population		
Responsible Officer:	Mr. Moses Kamabare		
Programme Outcome:	Quality and accessible medicines, equipment and other health supplies		
<i>Sector Outcomes contributed to by the Programme Outcome</i>			
1. Improved quality of life at all levels			
Outcome Indicators	Performance Targets		
	2018/19	2019/20	2020/21
	Target	Projection	Projection

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• Proportion of medicines and supplies procured and distributed against the consolidated procurement plan	85%	87%	90%
• Proportion of health facilities without drug stock out for 41 tracer medicines in previous 3 months	85%	87%	90%
SubProgramme: 01 Pharmaceuticals and Other Health Supplies			
Output: 06 Supply of EMHS to HC 11 (Basic Kit)			
Value of EMHS basic kits supplied to HC II	11163236942	18000000000	25000000000
Output: 07 Supply of EMHS to HC 111 (Basic Kit)			
Value of EMHS basic kits supplied to HC III	20360000000	26000000000	30000000000
Output: 08 Supply of EMHS to HC IV			
Value (shs Billions) of EMHS supplied to HC IV	12782000000	22000000000	25000000000
Output: 09 Supply of EMHS to General Hospitals			
Value (shs Billions) of EMHS procured and supplied to General Hospitals	19456000000	20000000000	25000000000
Output: 10 Supply of EMHS to Regional Referral Hospitals			
Value (shs Billions) of EMHS supplied to Regional Referral Hospitals	18233000000	28000000000	35000000000
Output: 11 Supply of EMHS to National Referral Hospitals			
Value (shs Billions) of EMHS supplied to National Referral Hospitals	16365600000	25000000000	35000000000
Output: 13 Supply of EMHS to Specialised Units			
Value (shs Billions) of specialised medicines supplied to specialized units	17103629836	25000000000	30000000000
Output: 14 Supply of Emergency and Donated Medicines			
Value (shs Billions) spent on emergencies, donations and related costs	2500000000	7000000000	10000000000
Output: 15 Supply of Reproductive Health Items			
Value(Shs billions) of Reproductive health commodities distributed to health Facilities	16000000000	45000000000	50000000000
Output: 16 Immunisation Supplies			
Value of vaccines supplied to health facilities	19000000000	28000000000	35000000000
Output: 17 Supply of Lab Commodities to accredited Facilities			
Value of Laboratory procured and supplied against plan	10295975000	50000000000	55000000000

IX. Major Capital Investments And Changes In Resource Allocation

Table 9.1: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

N/A

X. Vote Challenges and Plans To Improve Performance

Vote Challenges

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The sustained depreciation of the Uganda shilling against the USD dollar and other major currencies causes inflationary pressures and ultimately rise in the cost of the medicines and medical supplies. The challenges of implementing the guideline to tender in Uganda shillings has discouraged global manufacturers from participating in tenders leaving their agents/middlemen to quote very high prices.

The implementation of the Test and Treat policy for HIV infected people which is very well intended but has no significant additional funds to take care of the additional new patients.

The unfunded priorities which don't receive sufficient resource allocation and continue to affect service delivery include Laboratory items (shs 44 billion) to fill up gaps. Anti Malaria (shs 35 billion); Maama kits (shs 5 billion) this is essential for mothers delivering in public health facilities. More funds (shs 60 billion) to be availed towards the procurement of ARVS to cater for the increase in patients to be put on ARTS in relation to the Test and Treat policy. There is a funding gap of shs 10 billion for safe blood collection. The emergency vote for MOH and Immunisation supplies (Vaccines) require addition funding of shs 5 billion and 8 billion respectively. Availability of funds for these items is a game changer in the health sector's service delivery and a step towards strengthening mechanism for quality effective and efficient service delivery.

Plans to improve Vote Performance

The vote performance will be improved through better planning and execution with an all inclusive seamless Enterprise resource planning system. This will cover the inbound and outbound along the medicines and health supply chain.

Plans to engage more with stakeholders who are in the supply chain for medicines and medical supplies will go along way to mainstream gender and equity issues in budgeting. Medicines and medical supplies will be procured to cater for the children, the mothers, the age bearing women, the youth, elderly, disabled and mentally challenged.

Medicines and health supplies will be delivered to health facilities located across the country at the same cost irrespective of where the health facilities are located to buttress the equity principle of budgeting.

The corporation will continue to liaise with the quantification and procurement unit of the Ministry of health, the Directors of National and Regional Referral Hospitals and all other stakeholders in the supply chain of medicines and health supplies to ascertain and streamline the needs of medicines and health supplies covering all sensitivities of Gender and Equity including but not limited to age, sex and location.

XI. Vote Cross Cutting Policy And Other Budgetary Issues

Table 11.1: Cross- Cutting Policy Issues

Issue Type: HIV/AIDS

Objective :	To avail ARVs to people infected with HIV/AIDS in accordance with the test and treat policy.
Issue of Concern :	Adequate supply of ARVs to accredited centers.
Planned Interventions :	Quantify the national need for ARVs in accordance with test and treat policy.
Budget Allocation (Billion) :	87.000
Performance Indicators:	ARVs worth shs 87 billion procured, stored and distributed to accredited centers.

Issue Type: Gender

Objective :	To avail medicines and medical supplies to men, women, youth, children, elderly and disabled.
Issue of Concern :	Adequate and affordable essential medicines and health supplies availed to children, women, men, youth elderly and disabled people.
Planned Interventions :	Essential medicines and health supplies procured, stored and distributed to health facilities spread across the country.
Budget Allocation (Billion) :	254.000
Performance Indicators:	Procure, Store and Distribute essential medicines and health supplies worth shs 254 billion.

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Issue Type: **Enviroment**

Objective :	To incinerate non-viable stock in accordance with proper stock management.
Issue of Concern :	Emergency and donated items are distributed to health facilities and proper stock management is maintained.
Planned Interventions :	To have proper stock management and periodic incineration of non-viable stock
Budget Allocation (Billion) :	0.100
Performance Indicators:	Non-viable stock incinerated.

Table 11.2: AIA Collections

Source of AIA(Ush Bn)	2017/18 Budget	2017/18 Actual by Dec	2018/19 Projected
Other Fees and Charges	0.000	0.000	23.130
Total	0.000	0.000	23.130

XII. Personnel Information

Table 12.1 Staff Recruitment Plan

Post Title	Salary Scale	No. Of Approved Posts	No Of Filled Posts	Vacant Posts	No. of Posts Cleared for Filling FY2018/19	Gross Salary Per Month (UGX)	Total Annual Salary (UGX)
ACCOUNTS ASSISTANT-3	GRADE 6	6	5	1	1	2,704,114	32,449,365
ARCHIVES CLERK	GRADE 10	1	0	1	1	1,555,848	18,670,176
DRIVER-5	GRADE 11	28	23	5	5	7,548,897	90,586,758
FINANCE CLERK-2	GRADE 8	2	1	1	1	2,089,068	25,068,814
FLEET MAINTENANCE OFFICER	GRADE 4	1	0	1	1	7,127,531	85,530,375
LABORATORY ASSISTANT	GRADE 8	2	0	2	2	4,178,136	50,137,628
MONITORING AND COMPLIANCE OFFICER	GRADE 4	1	0	1	1	7,127,531	85,530,375
PERSONAL ASSISTANT	GRADE 6	3	0	3	1	2,704,114	32,449,365
PICKER PACKER-2	GRADE 10	68	59	9	9	14,002,632	168,031,584
PROGRAMME DEVELOPER	GRADE 5	1	0	1	1	5,547,374	66,568,484
PUBLIC RELATIONS ASSISTANT –STAKEHOLDER MANAGEMENT	GRADE 6	1	0	1	1	2,704,114	32,449,365
QUALITY ASSURANCE ASSISTANT-1	GRADE 6	2	1	1	1	2,704,114	32,449,365
QUALITY CONTROL ASSISTANT	GRADE 6	1	0	1	1	2,704,114	32,449,365
QUALITY CONTROL OFFICER	GRADE 3	1	0	1	1	9,558,544	114,702,525
SALES CLERK	GRADE 10	4	0	4	4	6,223,392	74,680,704
TRANSPORT & LOGISTICS ASSISTANT	GRADE 7	2	0	2	2	4,435,823	53,229,870
TURN MAN-3	GRADE 12	26	21	5	5	6,077,531	72,930,375
Total		150	110	40	38	88,992,874	1,067,914,493