



Adama Usman

been built on so many issues related to logistics management and procurement, and these trainings have helped us successfully manage the DRF. The impact we see today is as a result of this technical support by PATHS2.”

Visits to most health facilities in Jigawa show that drugs are always available, and clients attest to this. Adama Usman, a client at Hadejia General Hospital, says, “Whenever I come to the health facility, I always get drugs. I come here to buy drugs because it is cheap. For instance, I buy paracetamol

syrup for N55 naira here, but outside it sells for N70 naira. This encourages me to patronise the pharmacy in the health facility because the drugs are cheap and of high quality.”

PATHS2 in partnership with other key stakeholders is working with the Jigawa government to give JIMSO full autonomy. The State National Assembly has passed a bill to establish the Jigawa Drug Management Agency. When the state government signs this into law, the JIMSO will be fully autonomous.

CASE STUDY

Improving Drug Availability at the Health Facilities in Jigawa State: The JIMSO success story

Jigawa • September 2012



JIMSO Store full of drugs ready for distribution to health facilities

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The Partnership for Transforming Health Systems Phase Two (PATHS2) is a six-year development initiative that aims to ensure Nigeria achieves important health-related Millennium Development Goals.

Funded by UKAID from the Department for International Development, PATHS2 is working in partnership with the Government of Nigeria and other stakeholders to improve the planning, financing, and delivery of sustainable health services for those most in need. In addition to its work at the Federal level, the PATHS2 programme is implemented in the five states of Enugu, Jigawa, Kaduna, Kano, and Lagos. PATHS2 follows the successful PATHS programme, which was implemented from 2002 to 2008.

PATHS2 is managed by Abt Associates, in association with Options, Mannion Daniels, and the Axios Foundation.



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“**M**ay Allah bless those who initiated this venture and provided these medicines for the benefit of our people,” the Emir of Dutse, Alhaji Nuhu Muhammadu Sanusi, prayed. The Emir offered the prayer when he visited the Jigawa Medicare Supply Organisation (JIMSO) and saw that its stores were brimming with medicines and other health commodities that it supplies to health care facilities throughout the state.

Before the introduction of the Drug Revolving Fund (DRF) in Jigawa State, fake, adulterated, substandard and expired drugs were everywhere, including at

health care facilities. “Out of stock,” meaning “not available in the pharmacy,” was a common expression around health facilities. Patients lost confidence in the health services and resorted to patronising quacks or traditional healers.

The UKaid-funded Partnership for Transforming Health Systems Phase 2 (PATHS2) programme, working with the Jigawa State government, started a reform process that introduced the DRF, to provide a sustainable source of safe, effective and affordable



Emir of Dutse, Alhaji Nuhu Muhammadu Sanusi

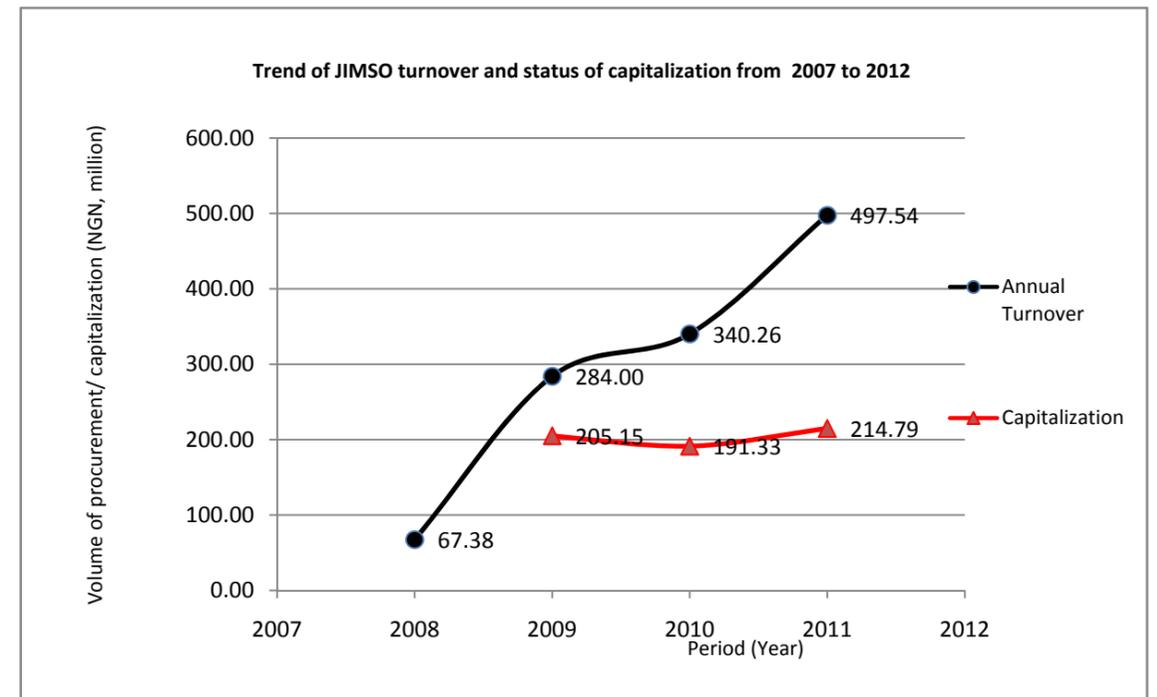
drugs and other supplies to public health facilities. The DRF is a system in which, after an initial capital investment, drug supplies are replenished with the proceeds of sales of the drugs. It is a very effective strategy for ensuring uninterrupted drug supply in the healthcare delivery system. The Jigawa State government established the JIMSO, a semi-autonomous central procurement and distribution outfit, as a part of the intervention.

The JIMSO took off in May 2007 with an initial seed stock of medicines and supplies worth about N408 million naira (about £1.6 million pounds sterling) provided by the UK-funded PATHS and Health Commodities Projects. Before the UK stepped in, the overall value of the drugs, medical consumables and reagents in the Jigawa health sector had been assessed (in 2004) at about N3.5 million naira.

To get the JIMSO started, the existing Central Medical Store was redesigned and fully rehabilitated: its airconditioning system was fixed so the drugs could be kept cool, delivery trucks were bought, a framework for pre-qualifying the JIMSO's suppliers was developed, and staff were trained to effectively manage inventory and stock-taking of drugs.

The JIMSO had supplied seed stock to all 27 Local Government Areas DRF Stores and 374 health facilities by the end of 2008. PATHS ended and was succeeded in 2009 by PATHS2, which supported the JIMSO and the Gunduma Health System in rolling out the DRF to 112 more facilities. By January 2012, 486 facilities in Jigawa had a DRF.

At the commissioning of the JIMSO in 2007, Commissioner for Health Hajia Hajara Usman Nagado said: "It is our hope that JIMSO will become the leading supplier and distributor of drugs and other medical sundries that will have the greatest impact on health care delivery services, not only in all the DRF operating health institutions, but also the private sector and in the state and environs." JIMSO did not disappoint her—it retained drugs and consumables worth N168 million naira as its initial capitalisation after distributing seed stocks to health facilities.



Five years after, transformation in the value of this seed stock is shown in the graph below. Records of sales by JIMSO showed that N16 million naira had been realised in 2007, the first year of its operation. Even though procurement started late in 2008 (in September), the year showed a good turnover of over N67 million naira, and this increased annually. By the end of 2011 the turnover had risen astronomically to close to N500 million naira. In spite of losses and adjustment of about N24 million naira, the JIMSO's positive performance is also shown by a growth of initial capitalisation from N168 million naira to over N214.5 million naira by the end of 2011. The capitalisation was close to N260 million naira by the end of July 2012.

The JIMSO has not needed monthly overheads or any subvention from the government for its running cost. The JIMSO depends only on its legitimate expenses markup (2%) generated from sales, which means that it is the only Jigawa state agency that is financially independent.

Even more importantly, because JIMSO is able to sustain a secure drug supply, the recent quantification for UKaid Phase IV commodity procurement did not have to include essential drugs for Jigawa.

The General Manager of JIMSO, Pharmacist Ali Garba Dandidi, attributes the success of JIMSO to political will and support of the state government, and capacity-building for JIMSO staff by PATHS2. "PATHS2 support is immeasurable. Our capacity has



Pharmacist Ali Garba Dandidi, General Manager, JIMSO