

RAPID FINANCING FACILITY**Clearance**

Criteria	Yes/No
Funding is provided to support the implementation of the UNDP Covid 2.0 offer in alignment with national priorities and needs, and in partnership with the UNCT and other partners.	YES
Proposal is aligned with priorities identified in national socio-economic impact assessments and/or national Covid recovery plans.	YES
Proposal is complemented by other funds	YES
CO has expended at least 50 per cent of its RRF funding.	YES
Gender marker ratings (GEN2 or 3) validated.	YES GEN2

Technical Recommendation – Summary:

The project is well conceived aimed at strengthening public sector pharmaceutical supply chain through digitization and improved infrastructure. Critical for Namibia since it's an Upper Middle-Income Country [UMIC] and therefore does not get Global Fund grants for health systems strengthening. The project has a strong partnership component building on the Rapid Response Facility [RRF] towards COVID-19 response.

SUBSTANTIVE AREA OF RFF REQUEST

(Please choose the most relevant area)

X Continued Health Crisis Support

- X Green economy
- X Digital disruption and innovation
- X Governance

PROPOSAL DETAILS

Country: Namibia
Requestor: Irish Goroh
Project Title: Strengthened Namibia Public Pharmaceutical Supply Chains through digitization and infrastructure improvement
Requested amount: \$602,000
Gender Marker: GEN 2
Date of submission: October 2020
Implementation Start Date: November 2020

1. SITUATION ANALYSIS

Pre-crisis situation

Population. About half of Namibia's predominantly young 2.5 million inhabitants live in rural areas and depend heavily on rainfed agriculture, livestock farming, artisanal fisheries, collection and use of natural products, ecotourism and hunting for their livelihoods. Over a third are children (<14 years) and a fifth youth (15-24 years). The sex ratio is in favour of women at 52%. Poverty affects about a third of households with one-sixth classified as being in extreme poverty. A small segment of poor Namibians benefits from employment income, while the majority relies on subsistence farming or social grants and other transfers. An upper middle-income country with a per capita GDP of USD 5,200, Namibia is one of the most unequal countries in the world with a GINI coefficient of 0.57. The share of national income received by the top 10% is 64%¹ while the bottom 40% receives just 4%.

Access to health care. Universal access to quality health care is difficult to provide due to the sheer size of the country and its low population density. Dwindling opportunities in rural areas have resulted in urban drift with unprecedented strain being placed on the already weak social services and health infrastructure. Only 18% of the population is covered by medical aid. As a result, the remaining 82% of the population are covered by the public health system or out-of-pocket (OOP) expenditure in the private sector.²

Health outcomes. Although government spending on health has been consistently close to the Abuja target of 15%, health outcomes are poor. The country faces a double burden of both communicable and non-communicable diseases (NCDs), with high HIV/AIDS prevalence at 0.36% (0.59% among females and 0.13% among males),³ stunting (22.7%)⁴ and maternal mortality rates (195/100,000)⁵ that predominately affect the poor, and an increasing prevalence of NCDs that will contribute to costly treatments and growing health expenditures in the future.⁶

Lack of medicines. According to the fifth National Development Plan (NDP5), the lack of availability of essential medicines is one of the areas that directly impacts on the health and the life expectancy of Namibians.

Pharmaceutical supply chain management. The Namibian Pharmaceutical Supply Chain is primarily managed by the public sector, while the private sector is involved in wholesale and distribution.

¹ Reference data is of 2015, extracted from UNDP HDR 2019.

² Christians F. Country profile - Primary healthcare and family medicine in Namibia. *Afr J Prm Health Care Fam Med.* 2020;12(1), a2242

³ NAMPHIA Study Report, 2018

⁴ Global Nutrition Report, 2020

⁵ The World Bank

⁶ Namibia Health -Sector Public Expenditure Review. 2019

The Central Medical Stores (public sector) is responsible for the procurement of pharmaceuticals and health commodities including medicines. Furthermore, they are responsible for distribution to public health facilities. CMS also issues tenders for the storage and distribution of said pharmaceuticals and commodities. The private sector bids for these tenders. The successful bidders then supply private and designated public health facilities and clinics.

The CMS therefore is critical to the Ministry's capacity to ensure regular, uninterrupted and equitable supply of quality medicines and medical supplies to all health facilities and thus the Namibian population.

Current supply chain challenges.

Pharmaceutical management is constrained by:

- (i) procurement delays due to sub-optimal practices within MoHSS and at the Central Procurement Board

The average budget and actual spend of CMS alone in the last 5 years is around N\$1bn.

With the current maximum limit of N\$25m per order, for the MOHSS to procure circa N\$1bn of stock within its current limit, CMS will need to present in excess of 40 separate procurement requests; each of which will be complex in nature (Number of products, specifications, pack sizes, registration issues etc.). The MOHSS procurement committee sits fortnightly, therefore CMS must present 2 such procurements at each session, and all must pass the required high level of scrutiny. Failure to do so, means the CMS cannot meet the required spend tempo.

Above the threshold (N\$25m) MOHSS - along with all other ministries - must seek to process any procurement through the central procurement board (CPB). All other ministries can effectively 'bypass' the CPB as the \$25m limit is not as relevant as these other ministries spends are so much lower. The phase 2 report of the CMS turnaround strategy indicated that between 2017 and 2019 CMS submitted 5 tenders above 25m to the CPB, four of the five tenders failed due to procedural or time reasons.

- (ii) low value (low threshold limit) local procurements at higher prices

Low threshold limit and the excessive number of requests for quotes, CMS is unable to secure sufficient interest from international bidders. Consequently, CMS is forced to source from local suppliers, whom often do not hold stocks themselves, but simply procure the small quantities requested by CMS from such international bidders and add a mark-up. CMS has now recently received an exemption from the MOF to use pooled procurement however this is for limited items.

- (iii) logistics and supply-management challenges in delivering medicines to health facilities

The Namibian pharmaceutical logistics supply management is primarily managed through the Pharmaceutical Management Information System (PMIS). A recent study by University of Namibia assessed the data quality of PMIS using completeness, accuracy and consistency as predictors. The conclusions made from the study was that data quality of PMIS is sub-optimal; and that this negatively impacted on planning for equitable access to pharmaceutical public health services and delivery. The study recommended the implementation of automated pharmaceutical intelligence system for data

quality checks, data analysis, real-time feedback and automatic decision-making system with outputs accessible to all management levels.⁷

These barriers severely affect the efficiency of the system and its capacity to procure medicines leading to disruptions in essential drugs' availability and service delivery, thus poorer health outcomes.

Impact of COVID-19

Socio-economic impact. While the health impact of COVID-19 is still relatively contained in Namibia,⁸ its impact on its economy has been devastating. Growth has been in decline since 2016 and the Bank of Namibia predicted that the economy will further shrink by 6.9% in 2020. The country's trade is largely concentrated to a few countries and commodities; travel restrictions and lower demand has resulted in a contraction of exports, increased unemployment and impoverishment. Extreme poverty is projected to affect one in five Namibian households by 2022⁹ especially female headed households, persons with lower education attainment, households with high dependence ratios, children and older persons, and laborers in subsistence farming. The worst affected are the citizens in remote rural communities as they have no or limited access to basic social services and infrastructure including health care.

Impact on health care supply chains. The pandemic has exposed vulnerabilities of the local pharmaceutical supply chains which need immediate action for the long-term management of the pandemic.

As the country's importation gateway for medical commodities is almost entirely linked to the South African suppliers' market, there is an urgent need to improve access to and availability of medical commodities.

Government response. The Namibian government recognizes that the current system of pharmaceutical management is not fit for purpose and is currently exploring ways to improve chain reliability through more efficient and diversified supply chains, particularly to ensure that the country is better placed to respond to prolonged lockdowns. Possible solutions being explored include multiple sourcing including pooled procurement, exploring opportunities that exist within the competition law and policy as it relates to the protection and promotion of innovation and equitable access to health technologies; forecasting, improved automated supply capacities, and visibility and analysis.

Storage facilities and supply management. Solutions need to be developed for storage facilities and more efficient supply management systems. The current facilities are too small: stock is held in 15 different rooms and locations which currently have no potential for retrofitting or expansion. Secondly, the current

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https://www.sciencedirect.com/science/article/abs/pii/S1551741120302254?dgcid=rss_sd_all

⁸ There are currently 11,781 confirmed cases, of which 1,895 are active, 9,759 recovered and 127 resulted in death. Source: Namibian Statistics Agency <https://nsa-online.maps.arcgis.com/apps/opsdashboard/index.html#/a4e21ca63c5e4029a04df0a1269569b7> Retrieved on 9 October 2020

⁹ World Bank, Namibia Overview, July 2020. Retrieved from <https://www.worldbank.org/en/country/namibia/overview> on 12 October 2020.

stock management systems are not fully digitized relying mainly on manual administration. These inefficiencies impact on clinical management, and quality and reliability of end-user health outcomes for patients.

2. PROPOSAL OVERVIEW AND EXPECTED OUTPUTS

Rationale. Government is seeking to overhaul its pharmaceutical supply management systems in order to overcome their weaknesses and aims at operational excellence in the health sector by 2022. Timing for this intervention is key as the vaccination campaign against COVID-19 will need to be up and running by then and the CMS' roles and function will be critical for its success.

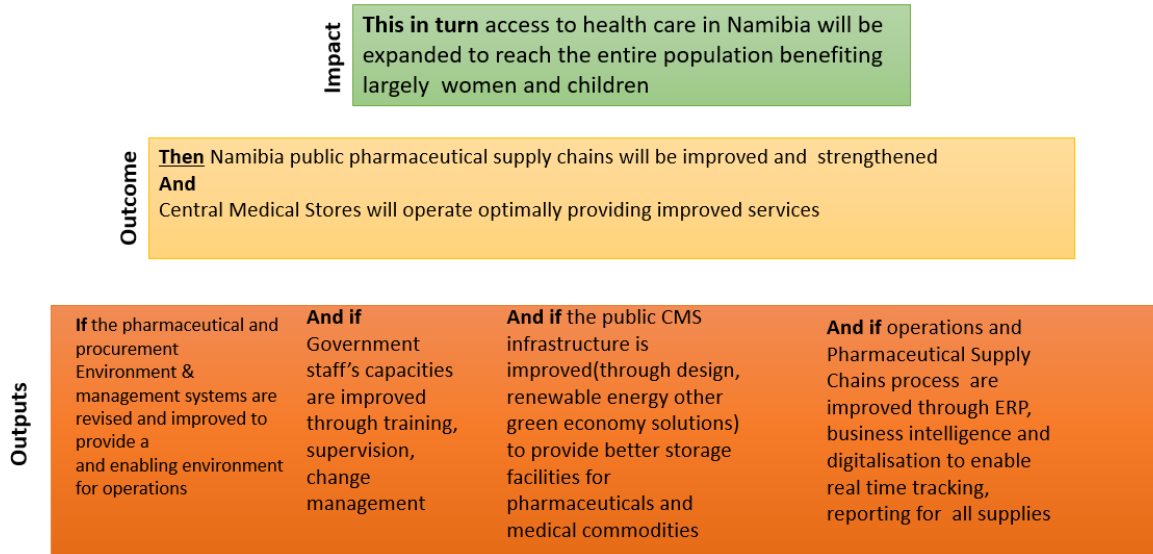
The MoHSS is in the process of rolling out its plan for the modernization of its Central Medical Stores. UNDP has been in discussion with the Ministry and will utilize the resources secured from this project to contribute to the initial stages of the Ministry's plan and will help catalyse additional resources for the improvement of the current system of procurement, storage, stock management and distribution of medical supplies and pharmaceuticals.

Justification. The proposed project will build on many years of experience that UNDP has accumulated while supporting the Government with Pharmaceutical Supply Chain Management Systems (PSCM). The Namibia CO through this project will support efforts towards improving warehousing infrastructure, equipment, electronic logistics management information systems (eLMIS), procurement of health commodities and procurement systems in general. The project will thus strengthen PSCM and implement the Government's 2018 Clinical Management System (CMS) turnaround strategy.

Scope and objective. The proposed project aims to support the Namibian Government in achieving improved health outcomes through strengthened PSCM. The project will contribute to the achievement of SDG3 directly and can rely on government commitment to its implementation as it is fully aligned with its strategy.¹⁰ The project is designed based on the following theory of change:

¹⁰The strategy envisages strengthening pharmaceutical supply chains through improvements to warehousing, digitization of systems and support to pharmaceutical governance.

Theory of Change



Outcome. The main outcome of the project will be strengthened public pharmaceutical supply chains, which will be delivered through the following four main outputs:

Output 1: Improved enabling environment for pharmaceutical and procurement management system through a revised procurement policy and competition bill (2003).

Output 2: Government health sector—pharmaceutical staffs’ improved capacities through training, supervision, change management and programme implementation support.

Output 3: New storage facilities through logistics, planning and procurement support.

Output 4: Digitalised public supply chains through automated business processes and enterprise resource planning (ERP) including real time tracking systems.

The RFF resources will fund specific support for MoHSS these include

- Long term PSCM technical assistance (TA) to help coordinate and lead the project.
- Relocation of the current warehousing arrangements to a new facility (Ramatex building) – this will include design and layout of the warehouse, equipping the warehouse to pharma grade, insulation and security including renewable energy solutions.
- Conduct a rapid review of activities carried out in the last 2 years; Review current Pharmaceutical Information Systems (PIS), dashboards and processes. Make provision for the accommodation of change management activities required within the current facility e.g., physical upgrades to allow preparation for the move.
- Reform of the current procurement policy with its limited thresholds for improved procurement governance.
- Technical assistance to strengthen financial management capacity at decentralized levels.

Beneficiaries and GEN marker. All Namibians will benefit from this project. Special attention will be paid to removing the barriers that specifically hamper women and girls' access to health care. An EU financed study conducted by the Legal Assistance Centre (LAC) revealed that about half of the Namibian women surveyed reported one of the following four barriers hampered their accessing to health care: (i) distance to the health facility (31%), (ii) cost of treatment (28%), fear of travelling to the facility alone (15%) and failure to get permission to travel to the facility (6%).¹¹

The proposed project fulfils the GEN 2 marker as the project interventions will help expand access to health care to the entire population and pay specific attention to women and girls.

Gender mainstreaming. Gender issues will be mainstreamed across all areas of interventions and specific attention will be paid to (i) the different social, economic, cultural and political situations of men and women that impact their health seeking behaviour and services; (ii) Inclusively giving preferential access to project and MoHSS' staff to capacity building and training opportunities especially in the areas of digitalisation and software development and (iii) gender disaggregating data collected and generated by the improved digital CMS systems and infrastructure so that they can inform gender transformative knowledge for decision making. Moreover, this can be linked back to the Namibia Statistics Agency (NAS), National Spatial Data Infrastructure (NSDI) to incorporate data from a geo-spatial data tag.

Strategic alignment

This project is aligned with the following strategic documents:

- **NDP5** – the Government social transformation pillar
- **United Nations Partnership Agreement Framework (UNPAF) 2019-2023 – output 2.1.2.6:** Strengthening the management system for supply of medicines, vaccines and commodities supply to prevent stock out and improve timely delivery of services.
- **MoHSS strategic plan 2020/2022—Main goal:** to achieve 90% service level at CMS.
- **UNDP's Country Programme Document—Pillar 1** – economic progression through health – within the Multi-dimensional poverty index (MPI); and **Pillar 3:** environmental sustainability through stronger resilience to shocks and crises and good governance through digitalization.

Greening the health system: The project will be anchored in the green economy principles and strive to ensure that the new CMS building will use solar energy to supplement its power needs. For this purpose, it will leverage the success of UNDP's 2019 Vehicle-Grid-Integration (VGI) and Electric Vehicle (EV) project and promote adoption of its digital solutions e.g. Syspro, electronic Health Intelligence Networking (eHIN) and others by the National eHealth strategy.

The project will be subjected to the UNDP Social and Environmental Screening Procedure (SESP), ensuring responsible consumption, reduction of carbon emission, waste reduction, recycling, and the introduction of sustainable, environmentally friendly supply chains.

¹¹ http://www.lac.org.na/projects/grap/Pdf/Namibia_Gender_Analysis_2017.pdf

This project will provide the Government an opportunity to transition to better, greener operational standards, saving resources while reducing carbon emissions and building resilience to climate change. It will seek to build individual and institutional capacities to adapt to current and future climate related and other shocks, energy deficits, disease outbreaks, communicable and non-communicable diseases and foster a more responsive and efficient service delivery.

Financing: This project will leverage the planned digital finance ecosystem assessment that will be rolled out in the context of the Integrated National Financial Framework (INFF) in Namibia; as well as the broader INFF agenda, that UNDP is pursuing as part of its commitment to help Namibia build back stronger.

Although Namibia is not one of the 10 countries listed in the UNDP Sustainable Health in Procurement Project ([SHiPP](#)) initiative, this project will aim to achieve some of the goals listed in the initiative by strengthening capacity for sustainable procurement in the health sector.

Sustainability: The proposed project will assess and strengthen the capacity of the MoHSS Central Medical Stores and will serve as the first step in modernizing and enhancing their operations thus strengthening the overall health system nationwide. Improvements to CMS will have ripple effects on public supply chains towards reduced wastage with its attendant costs and will engender more sustainable practices and policy implementation across the health sector. The project will aim towards environmentally friendly supply chains that contribute towards improving health outcomes for Namibians.

3. MANAGEMENT ARRANGEMENTS

Describe how the initiative will be managed within UNDP.

Project Design:

The proposed project does not intend to develop parallel structures within government but will build on existing national structures to further strengthen already existing partnerships between government, donors, and development partners. UNDP will work closely with partners leveraging its integrator role to facilitate collaboration.

Management arrangements will involve **UNDP's Direct Implementation Modality** and constant consultation and coordination with MoHSS, health and digital sectors interested donors, and other partners operating in Namibia in the same sectors such as USAID, GIZ, World Health Organization (WHO) and UNICEF.

A Project Steering Committee consisting of relevant partners will be established as the coordinating and governance mechanism; and will be responsible for:

- Providing overall guidance and direction to the project, ensuring it remains within any specified constraints.
- Addressing project issues as raised by the project coordinator.

- Providing guidance on new project risks and agree on possible countermeasures and management actions to address specific risks.
- Agreeing on project managers risk tolerances as required.
- Reviewing the project progress and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Appraising the annual project implementation report, including the quality assessment rating report; make recommendations for the workplan.
- Providing ad hoc direction and advice for exceptional situations when the project coordinator's tolerances are exceeded; and
- Assessing and decide to proceed on project changes through appropriate revisions.
- Assuming any responsibilities as prescribed by respective donors and MoHSS.

Implementation Phase:

The Executive: The Executive is an individual who represents ownership of the project who will chair the Project Steering Committee. This role can be held by a representative from the Government or UNDP. The Executive is: *Executive Director, MoHSS.*

The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The executive has to ensure that the project gives value for money, ensuring cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities: (as part of the above responsibilities for the PSC.

- Ensure that there is a coherent project organisation structure and logical set of plans.
- Set tolerances in the AWP and other plans as required for the Project Coordinator.
- Monitor and control the progress of the project at a strategic level.
- Ensure that risks are being tracked and mitigated as effectively as possible.
- Brief relevant stakeholders about project progress.
- Organise and chair Project Board meetings.

Senior Supplier: The Senior Supplier is an individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the committee is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role. The Senior Supplier is: *UNDP Programme Specialist.*

Specific Responsibilities (as part of the above responsibilities for the PSC)

- Make sure that progress towards the outputs remains consistent from the supplier perspective.
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management.
- Ensure that the supplier resources required for the project are made available.
- Contribute supplier opinions on PSC decisions on whether to implement recommendations on proposed changes.
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts.

Senior Beneficiary: The Senior Beneficiary is an individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries. The Senior Beneficiary role is held by a representative of the government or civil society. The Senior Beneficiary is: National Planning Commission.

The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness, the role should not be split between too many people.

Specific Responsibilities (as part of the above responsibilities for the PSC)

- Prioritize and contribute beneficiaries' opinions on PSC decisions on whether to implement recommendations on proposed changes.
- Specification of the Beneficiary's needs is accurate, complete and unambiguous.
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target.
- Impact of potential changes is evaluated from the beneficiary point of view.
- Risks to the beneficiaries are frequently monitored.

Project Coordinator: The Project Coordinator has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Coordinator is responsible for day-to-day management and decision-making for the project. The Project Coordinator's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

The Implementing Partner appoints the Project Coordinator, who should be different from the Implementing Partner's representative in the PSC.

Specific responsibilities include:

- Provide direction and guidance to project team(s)/ responsible party (ies);
- Liaise with the Project Board to assure the overall direction and integrity of the project.
- Identify and obtain any support and advice required for the management, planning and control of the project.
- Responsible for project administration.

- Plan the activities of the project and monitor progress against the project results framework and the approved annual workplan.
- Mobilize personnel, goods and services, training and micro-capital grants to initiative activities, including drafting terms of reference and work specifications, and overseeing all contractors' work.
- Monitor events as determined in the project monitoring schedule plan/timetable, and update the plan as required.
- Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments or reimbursement using the fund authorization and certificate of expenditures.
- Monitor financial resources and accounting to ensure the accuracy and reliability of financial reports.
- Be responsible for preparing and submitting financial reports to UNDP on a quarterly basis.
- Manage and monitor the project risks initially identified and submit new risks to the project board for consideration and decision on possible actions if required; update the status of these risks by maintaining the project risks log.
- Capture lessons learned during project implementation.
- Prepare the annual workplan for the following year; and update the Atlas Project Management module if external access is made available.
- Prepare the Annual status report and submit the final report to the Project Board.
- Based on the periodical progress report and the Project Board review, prepare the AWP for the following year.

Identify follow-on actions and submit them for consideration to the Project Board.

Furthermore, the project will also acquire services of the Lead TA to support CMS with change management and PSCM activities as well as drive the implementation of the strategy. This person will have direct report ting directly to the MoHSS with secondary reporting to UNDP until a suitable candidate is identified for the director position at CMS. Terms of reference will be developed in accordance with the MoHSS requirements for the role.

Project Closure:

Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP. On exceptional conditions donor specific conditions will be applied as per agreement with respective donors for the project.

Monitoring and Evaluation:

The project will be monitored in accordance with UNDP's programming policies and procedures and as prescribed by respective donor requirements, A monitoring and evaluation plan will be developed to form part of the project document prior to implementation.

3.1 Partnerships *(maximum 2,000 characters)*

Describe how the country office will work with partners to achieve results.

The project will not operate in isolation from previous efforts but build on those and ally with several partners that are currently working with MoHSS. These include:

- **USAID** (through Chemonics) currently provides support to the national HIV programme PSCM (such as the supply chain dashboard and the upgrade of Syspro) concomitantly benefitting treatment and prevention of other diseases like TB and Malaria.
- **Chemonics -PSM** current focus area is Management Information Systems and more specifically the implementation of the upgrade of Syspro at CMS. Chemonics has a staff embedded in the CMS to support the management of Syspro.
- **GIZ** provided support to MoHSS through lead TA overseeing the implementation of the strategy which ended on 30 September 2020. UNDP will assume this responsibility moving forward.
- **UNICEF** has recently indicated that they would be interested in supporting public finance and procurement and will bring their expertise, global lessons and best practices to this area.
- The country office will engage **WHO** on all levels of implementation according to the UNDP-WHO MoU reached on health system support on health emergencies as well as in accordance with the Global Action Plan on delivery of SDG 3.

Partners	Role	Power	Influence	Interest
MoHSS Programs, Nutrition, Vaccines, Regions, and CMS Management.	Implementing Partner	High	High	High
USAID – Chemonics	HIV PSM Support Management Information Systems (MIS) TA Supporting with Syspro upgrades	Medium	Medium	High
USAID	Donor support to PSM through Chemonics Support the MoHSS through TA that provides procurement support to CMS(tender preparations)	High	High	High
GIZ	Currently providing TA support for the turnaround strategy which ended on 30 September 2020. TA driving the turnaround strategy	Medium	High – through TA	Not for long run
WHO	TA on cGMP and standardization.	High	High	High

	TA support across all other areas as and when required.			
UNICEF	Currently not involved except on the Ministry side guidance for vaccine. Have recently indicated interest in Public Finance Management analysis on health sector procurement.	High	High	High
Global Fund	Current Donor	High	High	High
GAVI	Potential donor	High	High	High
Japan Supplementary Budget for Health	Donor	Low	Low	Unknown
European Commission	Donor	High	High	Unknown
CEPI	Potential Donor	High	High	High
IFFim	Vaccine bonds	Unknown	Unknown	Unknown
SDG fund/INFF	Digital Finance Ecosystem Assessment which will lead to the Digital Finance Strategy.	Medium	High	High
University of Namibia	Technical Assistance, Pharmaceutical Information systems indicators	High	High	High

3.2 Complementarity with other funds available for COVID-19

If the country office already has resources available for COVID-19 (e.g. core resources, Rapid Response Facility, government C/S, third-party C/S, vertical funds, etc.), please indicate how the requested funds will complement other funds or help mobilise additional resources toward programmatic ambitions and sustainability.

Coalition building plan. The UNDP CO in Namibia will utilize the RFF earmarked resources (\$602,000) for Namibia to catalyze additional resources through different funding windows/platforms while at the same time establishing and strengthening partnerships with key donors such as the Global Fund, Green Climate Fund, the Government of Japan, USAID and other partners that may express interest during the inception phase of the project.

Leveraging additional financing. UNDP will leverage and build on work that has been done in the past with the MoHSS including interventions carried out using the Rapid Response Facility towards COVID-19 response. Furthermore, UNDP will advocate that the Government of Namibia provides additional

resources to supplement the current resources allocated by all donor partners. It is envisioned that these resources will be secured through Government cost sharing mechanism managed by UNDP.

Funding source	Amount USD	Purpose of / period covered by Funding
Rapid Response Facility RBA core resources	267,000 300,000	<ul style="list-style-type: none"> • Support with community volunteers to support the social mobilization efforts by MoHSS during COVID • Support WASH activities carried out by MoHSS during COVID Response through the provision of tippy taps • Support the Solar for health project through further development of an environmental analysis for Namibia • Support to National Institute of Pathology (NIP) with procurement of medical commodities during COVID response.
Global Fund	\$1.1 million	CMS upgrades
Japanese Supplementary Budget (Health)	TBC	Health Care Management Enhance human and institutional capacities Accelerating economic transformation and improving business environment through innovation and private sector engagement (health)
USAID Chemonics	\$320,000	MIS and PSM support
GCF	TBC	Post RRF period. CMS Upgrades proposing transitioning to a new modality of energy-as-a-service to be included in S4H project
GAVI – in response to COVID	TBC	COVID vaccine distribution
EU Commission		NewEU4Health (2021-2027) making medicines, medical devices and other crisis relevant products, available and affordable and supporting innovation
GRN cost sharing	\$2,000,000	CMS upgrades and move to Ramatex (over 3year period)
INFF	399,755	Digital Finance Ecosystem Assessment which will lead to the Digital Finance Strategy.

3.3. Risk mitigation *(maximum 2,000 characters)*

Identify the key risks that may threaten the achievement of results and describe how project risks will be mitigated.

Risk Description	Impact (0 = Low -5 = High) Probability and Effects (Low, Medium, High)	Risk Treatment / Management Measures
Financial Insufficient GRN contribution	Probability - Low Impact - 5	The UNDP will continue to encourage the GRN to pursue government cost sharing as well as other means of donor funding
Operational Multiple partners interested in the same interventions might cause tension	Probability - Low Impact = 3	UNDP will emphasize its integrator role and ensure lead TA support to the Ministry
Organizational Change management process take longer than expected	Probability – Medium Impact – 3	UNDP will work very closely with MoHSS, all relevant partners and donors to ensure smooth transition and coordination of activities prior to and during implementation of the project
Political: Procurement governance is highly politicalized.	Probability – Low Impact – 5	UNDP will propose using UNDP procurement and will draw from previous experience in dealing with other governments in this area to facilitate smooth coordination of activities as it relates to policy development
Strategic- Lack of ownership from the Government to drive the strategy since CMSS doesn't have an active director. It currently relies on the TA support to drive the strategy	Probability – High Impact – 5	UNDP will ensure country ownership by proposing measures for the ministry to spearhead the executive committee and the project unit activities.

4. BUDGET / WORKPLAN

4.1 UNDP RFF Resource Allocation only including workplan

EXPECTED OUTPUTS	PLANNED ACTIVITIES <i>List all activities including M&E to be undertaken during the year towards stated CP outputs</i>	TIMEFRAME							RESPONSIBLE PARTY	PLANNED BUDGET*		
		2020		2021				2022		Source of Funds	Budget Description	Amount
		Q3	Q4	Q1	Q2	Q3	Q4	Q1				
Output 1. Improved enabling environment for pharmaceutical and procurement management system through a revised procurement policy	1.1. PSM Procurement policy review and diagnostic study and policy reform.		X	X	X	X	X	X	UNDP/ UNICEF /WHO/ UNECA	RFF		32,000
	1.2. Support the Namibia Competition Commission through the review of the Competing law and policy to support strategies targeted to protect and promote innovation and equitable access to pharmaceutical and health technologies.								UNDP			
	1.3. TA to strengthen financial management capacity at decentralized level <i>1.3 Digital Financing Ecosystem Assessment</i>								UNDP/WHO			30,000
									UNDP/WHO			

<p>Output 2. Strengthening capacities of government staff through training, supportive supervision and programme implementation & Change management</p> <p>GEN2</p>	<p>2.1 Change management</p> <p>2.2 In country PSCM coordination and TA PSM TA</p>		X	X	X	X	X	X	X	UNDP/ GF	RFF		150,000
<p>Output 3: Support upgrades and improving new storage facilities through design, layout, logistics, planning and procurement support to include renewable energy other green economy solutions</p> <p>GEN0</p>	<p>3.1 External Consultants for the planning of warehouse changes, setting up project reporting, assisting with GS1 planning, Forecasting, Procurement, etc.</p>			X	X	X	X	X		UNDP	RFF		130,000

Output 4: Support the automation of business process through ERP and the digitalisation of public supply chain through real time tracking through business intelligence solutions GEN 2	4.1. Current dashboard review (diagnostic study to establish a baseline for all systems) 4.2 Software and systems upgrades			X	X	X	X	X	UNDP/GF/ WHO	RFF		60,000
UNDP Project management (PM, M&E and audit where applicable) cost excl. other donor contribution				X	X	X	X	X				100,000
Total											602,000	

**IN LINE WITH OUTPUTS WITH GENDER MARKER GEN2 OR GEN3, IT IS RECOMMENDED TO ALLOCATE AT LEAST 15% OF THE FUNDING TO ACTIVITIES IN SUPPORT OF GENDER EQUALITY AND THE EMPOWERMENT OF*

****Technical Support where applicable will be offered according to and as recommended by WHO**

5. Results Framework										
EXPECTED OUTPUTS	OUTPUT INDICATORS ¹²	BASELINE		MILESTONES AND TARGETS						
		Value	Year	2020		2021				2022
				Q3	Q4	Q1	Q2	Q3	Q4	Q1
Output 1. . Improved enabling environment for pharmaceutical and procurement management system through a revised procurement policy	1.1 International TA Review and diagnostic study of national drug policy, innovative pharmaceutical procurement policy framework report		2021			X				
	1.2 Diagnostic study on public financial management at decentralized level report – International TA		2021			X				
	1.3 <i>Digital Financing Ecosystem Assessment</i>		2021			X	X	X		
Output 2.: Strengthening capacities of government staff through training, supportive supervision and programme implementation & Change management	2.1 Contracted international change management and coordination (TAs)		2020/ 2021		X	X	X	X	X	X
	2.2 In country PSCM TA support to CMS		2020/ 2021		X	X	X	X	X	
	2.3 Number of interventions that will address the gender parity, number of female staff capacitated									
Output 3: Support establishment of new facilities through logistics and procurement (design, layout)	3.1 Warehouse design plan, layout and logistics plan - TA including (equipping the warehouse to pharma grade, insulation, security; including clean and reliable energy services solution for the new facilities etc)		2021/ 2022			X	X	X	X	X

¹² It is recommended that projects use output indicators from the Strategic Plan IRRF COVID-19 indicators, as relevant. Due to the nature of the COVID-19 response

Output 4: Support the automation of business process through ERP and the digitalisation of public supply chain through real time tracking through business intelligence solutions*	4.1 Review of current MIS and diagnostic study (Syspro & eHIN and other available dashboards)		2021/ 2022		X	X	X	X	X	X
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work, quarterly milestones and targets are recommended. Monitoring will be conducted using the COVID-19 Monitoring Dashboard. Reporting will be streamlined into the COVID-19 reporting exercise (mini-ROAR and COVID-19 indicators.) No separate reporting will be required for rapid financing facility.