Synopsis

This study seeks to formulate and field test a flexible cross-border supply chain solution for the 6 East African Community (EAC) countries (Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda). It is envisaged that this will allow commodities to cross borders to increase responsiveness and reduce stock-outs, without requiring major changes to the existing supply chain management (SCM) systems in the six countries. The study is a partnership between the University of Rwanda's EAC Centre of Excellence for Supply Chain Management and SCM contractor IMS/Quintiles. The EAC Community Secretariat is a significant partner with an important coordinating and facilitating role.

Research lead and Budget
Dr. Kanyanta Sunkutu; US$450,000

Objective

To explore recent developments in legal and policy regimes at the regional (EAC) and national levels relating to the establishment of a cross-border supply chain mechanism, formulate feasible solutions and identify further areas of work.

Methodology

Tools were developed collaboratively and field tested in Kenya. The situational analysis and feasibility study was based on an assessment of supply chain systems, practices, laws and regulations. An inception meeting was held, followed by the training of data collection teams. The study began with a desk review, interviews and report writing. These findings are to be presented to a regional technical working group (9–13 October), after which country-specific meetings (20–27 October) will be held to generate consensus. The validated findings with a proposed SC solution will be presented to a council of EAC ministers in November 2017. The study was hampered by challenges relating to inadequate logistics capacity on the part of the University of Rwanda to arrange meetings outside of Rwanda. Some government respondents were not available.

Key findings

All of the EAC countries have different SCM regulatory frameworks; however, they form part of the EAC and have pre-existing political commitments to harmonize and standardize systems and institutions as part of regional integration, including SCM through the SCM Centre of Excellency. There is political commitment to pool resources and conduct bulk procurement. All countries have warehouses with staff members who can be trained to form the backbone of the system. Consensus is awaited from countries before the dashboard can be finalized.

Implications

The proposal will be submitted to the Council of Ministers in November, for recommendation at the Summit of Heads of States. It is recommended that policy makers and practitioners modify their processes to ensure bulk-pooled procurement and to consider a unitary system covering the EAC.