

RUTF Supply Chain Workshop

Opening Remarks



Laura Rock Kopczak – Zaragoza Logistics Center
Jan Komrska – UNICEF Supply Division

Ready-to-Use-Therapeutic Food

- RUTF is used to treat SAM
- Most commonly it is a peanut-based paste with the following ingredients:
 - Peanuts, vegetable oil, milk powder, sugar
 - Vitamin mineral mix
- Advantages:
 - Allows community-based feeding
 - Babies like it
 - It stores well
- Product variety:
 - Common ingredients
 - Distinct packaging

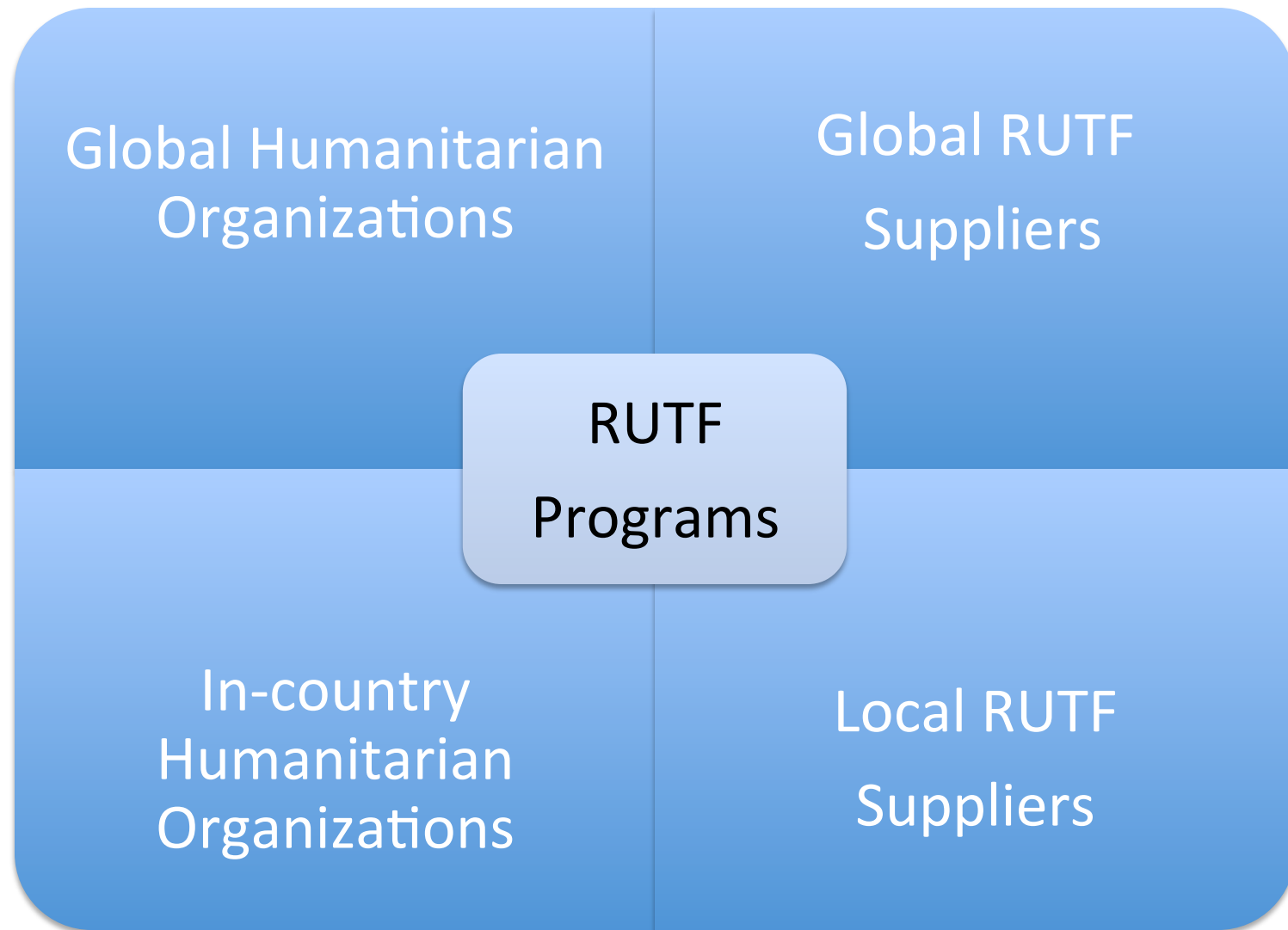


Top Countries With Highest RUTF Demand (UNICEF)

	2011		2010		2009	
1	Ethiopia*	4,779	Niger*	3,743	DR Congo	655
2	Somalia	4,197	Ethiopia*	3,490	Somalia	642
3	Kenya*	2,782	Chad	1,567	Kenya*	526
4	Niger*	2,385	Sudan South	1,252	Ethiopia*	503
5	Pakistan	1,849	Somalia	1,118	Burkina Faso	399
6	Nigeria	1,384	Pakistan	1,041	Sierra Leone	393
7	DR Congo	1,357	Nigeria	995	Sudan North	312
8	Yemen	1,154	Kenya*	992	Chad	294
9	Sudan North	863	DR Congo	884	Nigeria	258
10	Chad	789	Sudan North	879	Pakistan	229

Top 10 countries represent 68% (2009) to 79% (2011) RUTF worldwide demand

The Demand-Supply Network



Topics for this Session

Background

Managing Global Supply and Demand

Co-leaders: Jan Komrska (UNICEF), Peter Schaller (WFP),
and Alice Bruneau (Nutraset)

Matching Supply and Demand at the Country Level

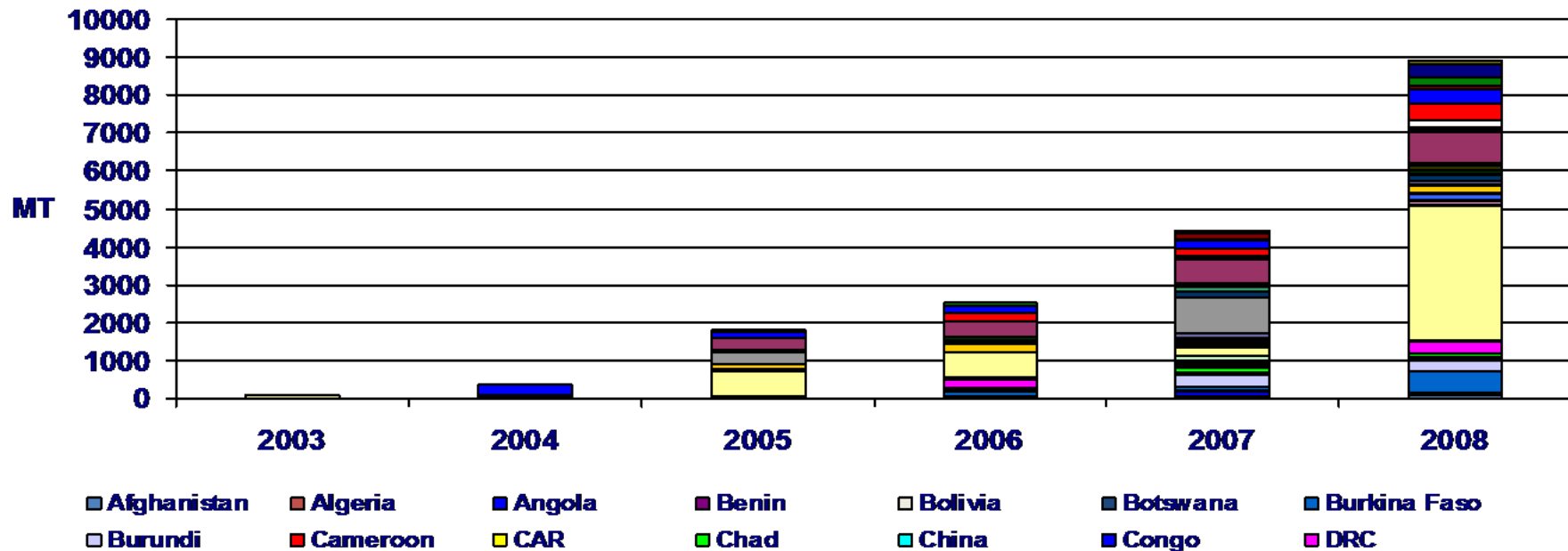
Leader: Ann Allen (INSEAD)

Making Local Supply Work: Capacity and Capability

Co-Leaders: Andrews Gunda (CHAI), Elaine Collins (Valid Nutrition)
and Adeline Lescanne-Gautry (Nutraset/Plumpyfields)

RUTF – “The Early Years”

- 1997: RUTF invented by Nutriset
- 1999: Community-based feeding protocol created
- 2001-2007: Pilots in Sudan and Niger
- May 2007: WHO/UNICEF/WFP/SCN joint statement



A SUPPLY CHAIN ANALYSIS OF READY-TO-USE THERAPEUTIC FOODS FOR THE HORN OF AFRICA: THE NUTRITION ARTICULATION PROJECT

Co-PI's: Anthony So (Duke) and Jayashankar M. Swaminathan (UNC)

Recommendations

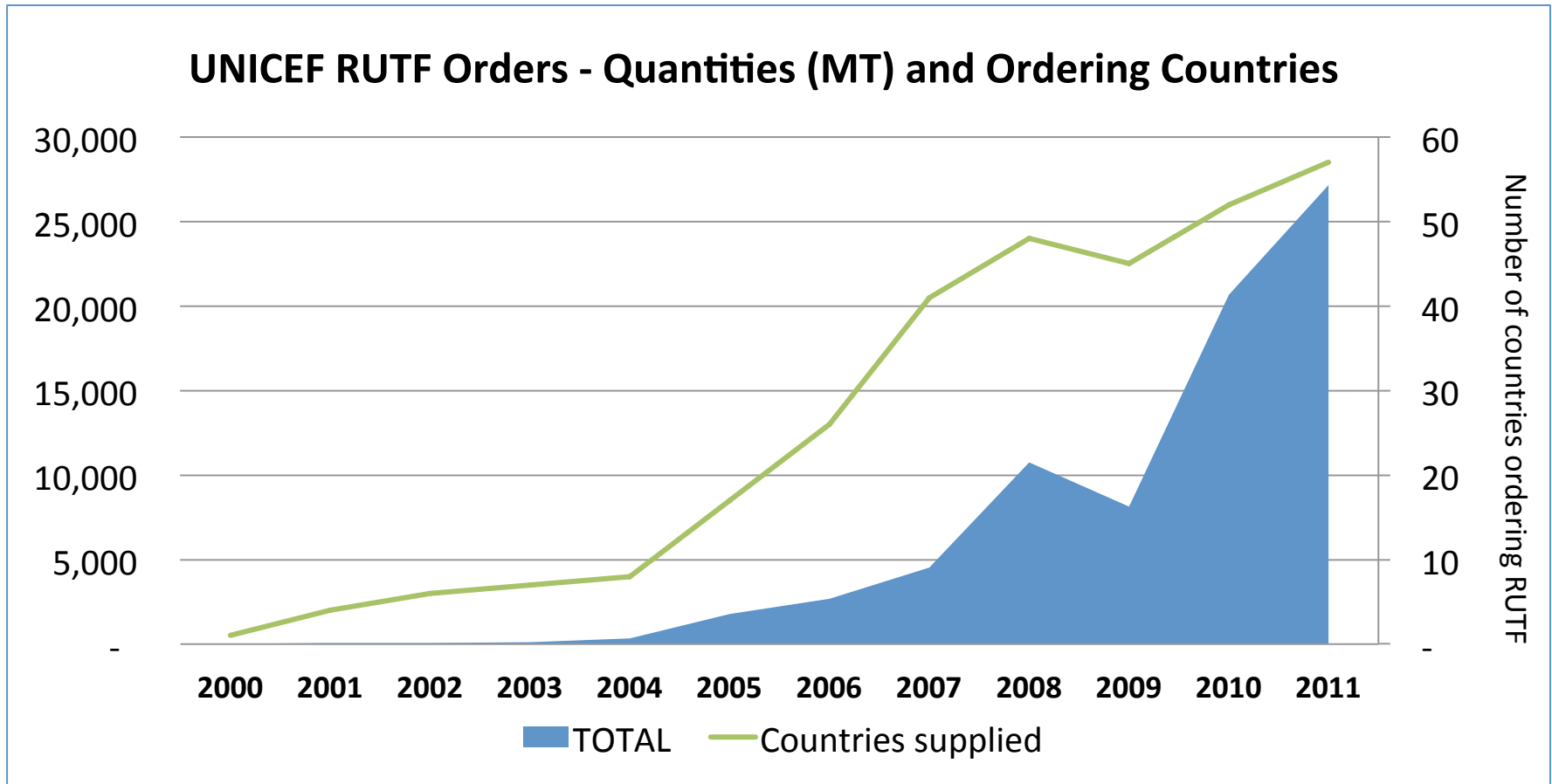
- Preposition buffer stock to reduce lead times
- Diversify the supplier base
- Increase collaboration with funding partners and across agencies
- Improve data quality for assessments of forecasted need
- Improve information flow



Photograph © 2006 International Medical Research

This study was commissioned by the United Nations Children's Fund.

Expansion of Demand for RUTF



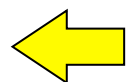
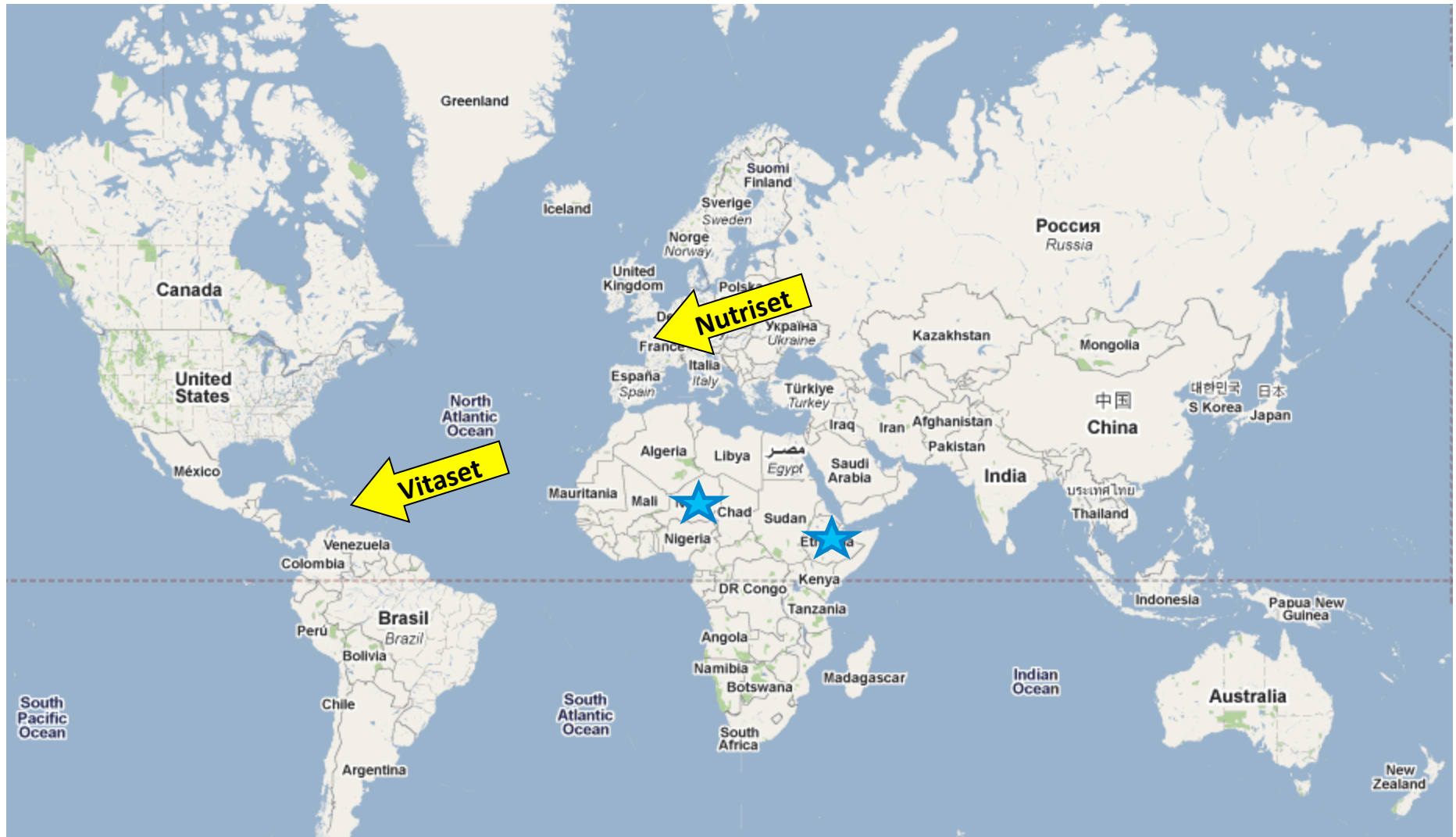
Expansion of the Supply Base

Location	2005	2006	2007	2008	2009	2010	2011	2012
Africa		1	2	2	7	9	10	11
Americas				1	3	3	5	6
Asia						1	2	2
Europe	1	1	1	1	1	1	2	2
Total	1	2	3	4	11	14	19	21

By March 2012 UNICEF approved **21** RUTF suppliers:

1. Amwili, DR Congo
2. Challenge Dairy Product, USA
3. Compact, Norway
4. Compact, India
5. Diva Nutritional Products, South Africa
6. Edesia, USA
7. Hilina, Ethiopia
8. Insta, Kenya
9. JAM, Mozambique
10. JB/Tanaka, Madagascar
11. Mana Nutritive Aid Products Inc., USA
12. MFK, Haiti
13. Nutriset, France
14. NutriVita Foods Pvt. Ltd, India
15. Power Foods, Tanzania
16. PPB, Malawi
17. PPB, Sierra Leone
18. STA, Niger
19. Tabatchnick Fine Foods, USA
20. Valid Nutrition, Malawi
21. Vitaset, Dominican Republic

Approved suppliers by 2008

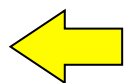


Global Supplier



Local Supplier

Approved suppliers by 2012



Global Supplier



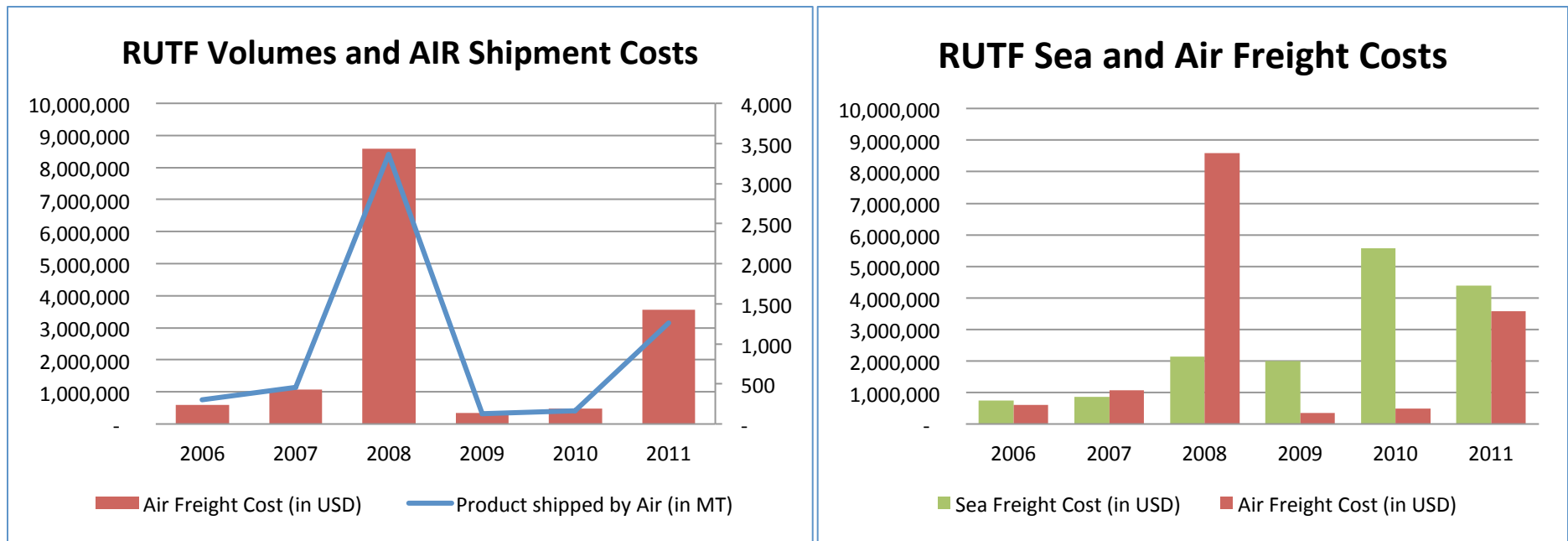
Local Supplier



Hub (stock pre-positioning)

How do we measure success?

- Product is available timely – no need to postpone delivery dates
- Funds spent on shipping RUTF by AIR



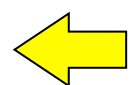
Managing Global Supply and Demand

Co-leaders: Jan Komrska (UNICEF)

Peter Schaller (WFP),

and Alice Bruneau (Nutraset)

UNICEF approved suppliers - 2012



Global Supplier



Local Supplier



Hub (stock pre-positioning)

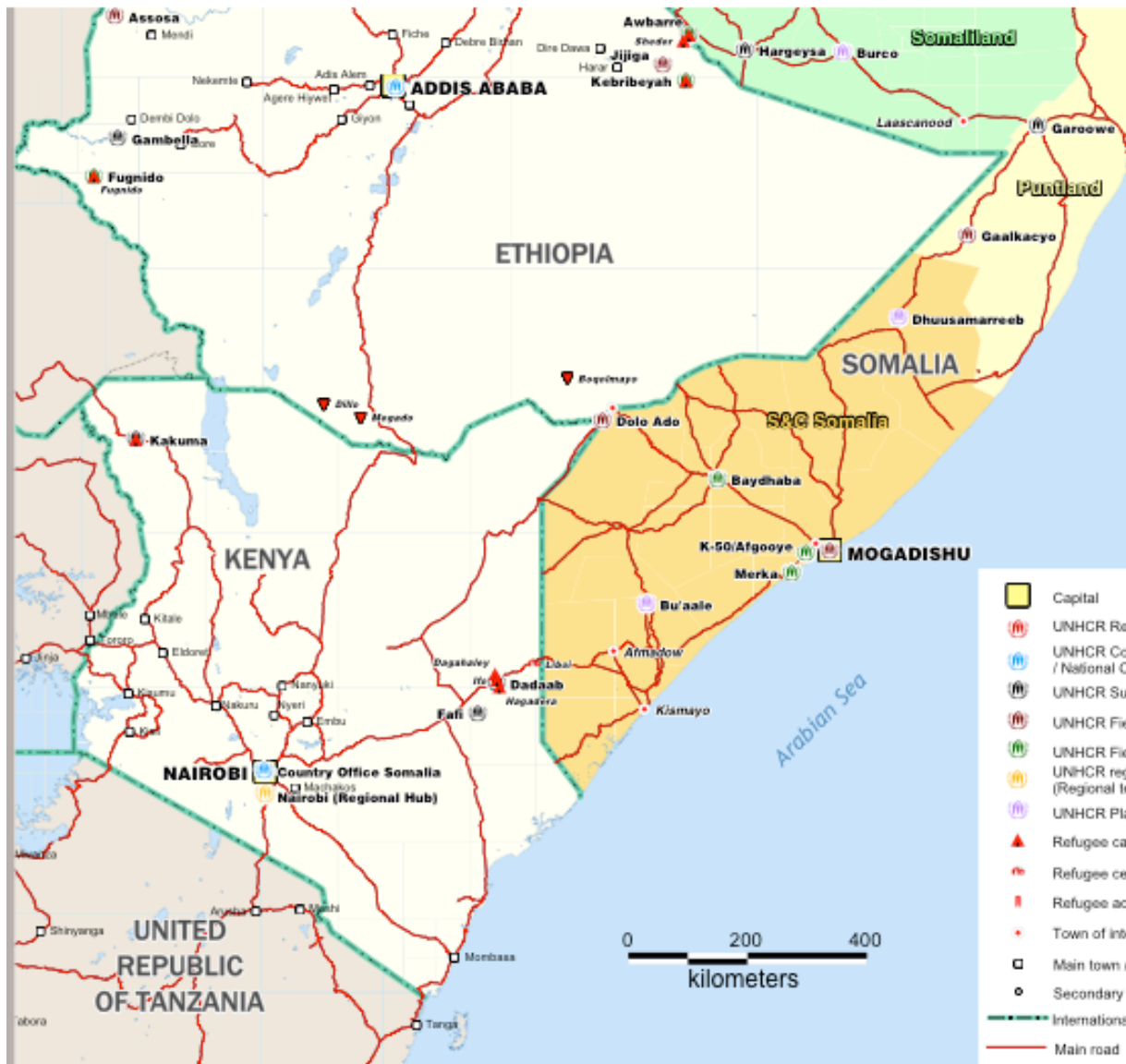
UNICEF Global and Local Suppliers

Global suppliers	Local suppliers
1. Nutriset (France)	1. STA (Niger)
2. Vitaset (Dominican Republic)	2. Hilina (Ethiopia)
3. Diva Nutritional Products (South Africa)	3. Project Peanut Butter (Malawi)
4. Insta EPZ (Kenya)	4. Valid Nutrition (Malawi)
5. Challenge Dairy (United States)*	5. Amwili (DR Congo)
6. Tabatchnick Fine Foods (United States)	6. JAM (Mozambique)
7. Compact (India)	7. Power Foods (Tanzania)
8. Compact (Norway)	
9. Edesia (United States)	
10. Nutrivita (India)	
11. JB/Tanjaka Foods (Madagascar)**	
12. Mana Nutritive Aid Products (United States)	

***Matching Supply and Demand
at the Country Level***

Leader: Ann Allen (INSEAD)

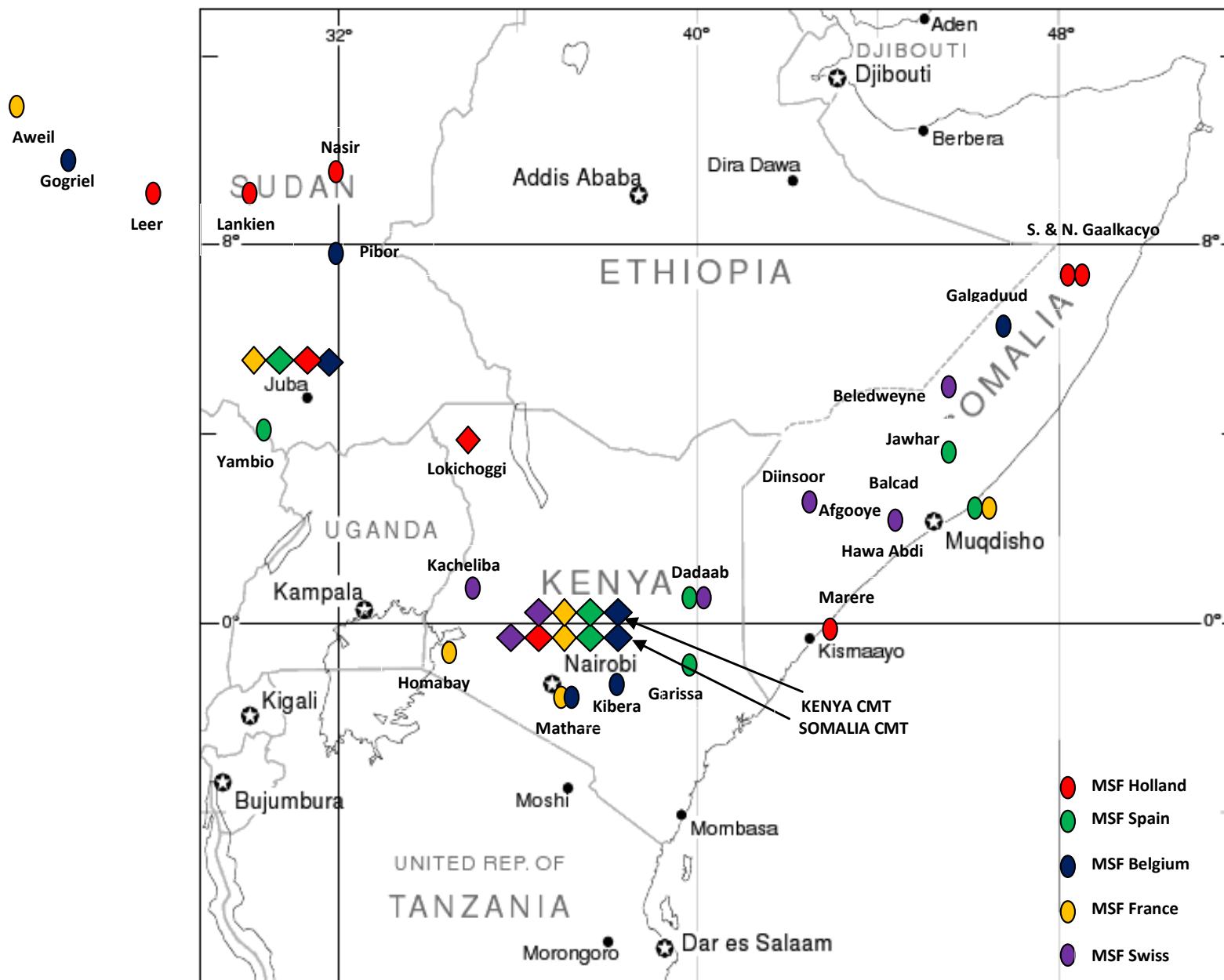
Supply Demand Cost Delivery



European Supply Center Set up



MSF Coordination & Project Locations supported all, or in part, by a Nairobi supply hub (as of 2010)



***Making Local Supply Work:
Capacity and Capability***

Co-Leaders: Andrews Gunda (CHAI),
Elaine Collins (Valid Nutrition) and
Adeline Lescanne-Gautier (Nutriset/
PlumpyFields)

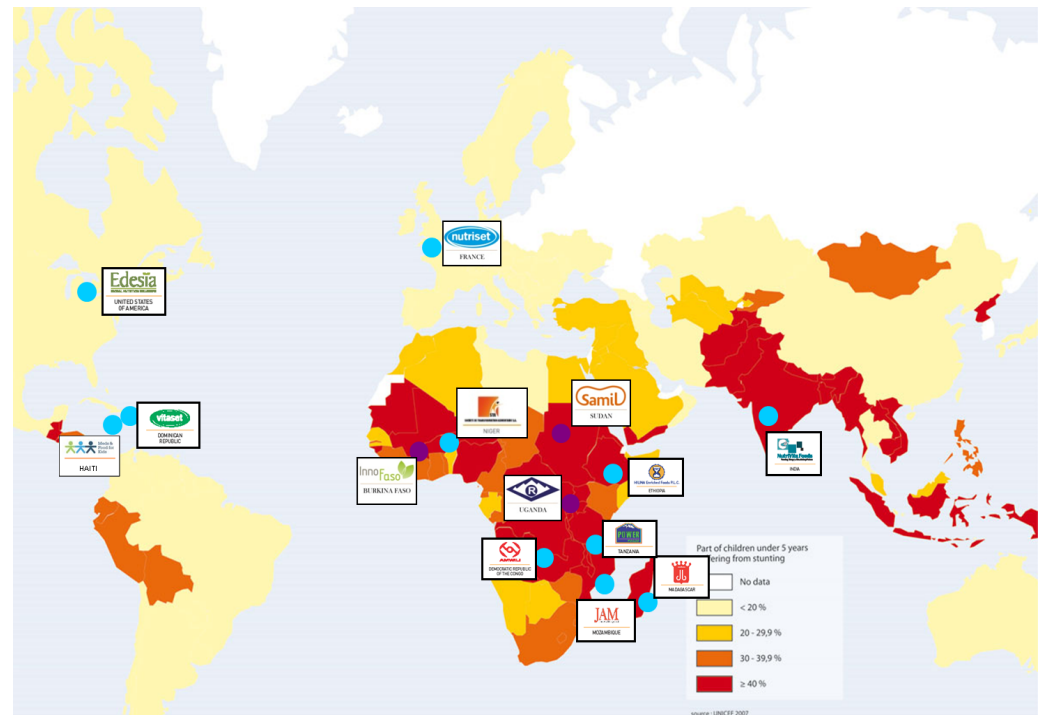
Nutriset and the PlumpyField model

What is PlumpyField ?

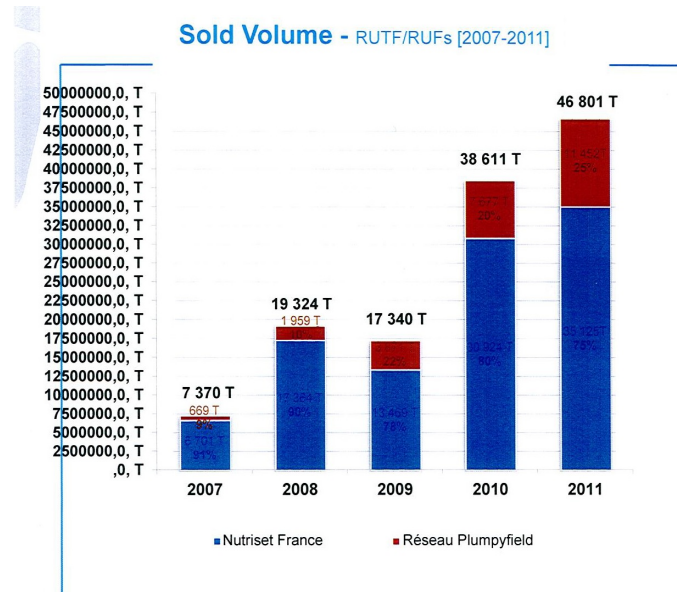
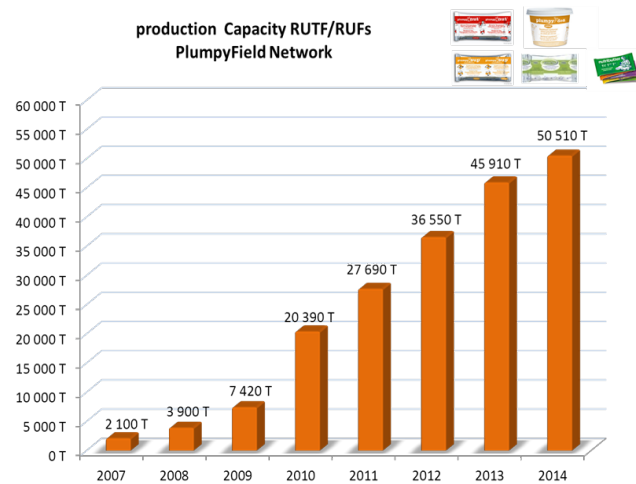
With the goal to share its know-how and technology with local manufacturers, Nutriset has developed since 2005, the PlumpyField® Network, a network of 12 entrepreneurs producing and distributing Plumpy'nut® and other RUF products.

Partnership model

- *A continuous accompaniment of a dedicated team*
- *Research and Development*
- *Capitalization on production, quality, procurement experiences within the network:*
- *Projects and cost mutualization within the network*
- *Capitalization on the sourcing:*
- *Empowerment of local manufacturers*
- *Foster a spirit of cooperation*



Nutriset and the PlumpyField model - Datas



Social impact first review:

- 400 persons are employed and trained locally with a salary 23% higher than in their former company
- Each entrepreneur is sustainable after 6 to 24 months of activity
- The development of agricultural sectors via the local procurement of raw materials: peanuts (800 tons), sugar (970 tons) and oils (870 tons)
- Transfer of technical skills: in agro-industry, analytical laboratories.
- Development of expertise: all the industries are meeting the international standards and have been successfully audited



- Valid Nutrition (VN) produce in Malawi and will soon start production in Ethiopia. VN's ready-to-use foods are currently supplied to a variety of international humanitarian agencies, local NGOs and national governments.
- VN use locally available ingredients wherever possible, which, together with employment from our production, helps to stimulate the local economy.
- Due to the generous funding received from Irish Aid, VN are currently well advanced in developing a range of new (and lower cost) RUF recipes made from locally available, affordable crops.



How CHAI Engages

TREATING HIV/AIDS AND MALARIA: CLINTON HEALTH ACCESS INITIATIVE

1. Market engagement

- Global demand forecasting
- Share market intelligence with developers and suppliers
- Supplier and pipeline mapping
- Specific advice to suppliers on product specifications, best practices in distribution and evaluations and registrations



How CHAI Engages

TREATING HIV/AIDS AND MALARIA: CLINTON HEALTH ACCESS INITIATIVE

2. In-country engagement

- Advocacy and education
- Decision support and analysis for new product adoption
- Facilitating evaluation and pilots
- Operational planning: network design, training and QA plans
- Development of supply chain management tools
- Resource mobilization
- Negotiation on price, service and maintenance

Local Supply

Local Inputs: Peanuts,
vegetable oil, sugar

Imported Inputs:
Milk powder,
vitamin mineral mix

Packaging

Foreign Exchange



Working capital



**Funding
Releases**

**Customer
Orders**

**Production
and Delivery**



More Information

- [Article by Jan Komrska for Field Exchange](#)
- [NutART Report:](#)
 - <http://oneresponse.info/GlobalClusters/Nutrition/Documents/NutArt%20Final%20Report.pdf>
- Financial Times Article:
 - <http://www.ft.com/cms/s/0/edb873a2-d6ef-11df-aaab-00144feabdc0.html#axzz17S57QbYU>
- Teaching Case & Note
 - UNICEF Plumpy'Nut Supply Chain
- Articles on
 - Innovating Aid in Humanitarian Operations
 - By Laura Rock Kopczak and Jayashankar M. Swaminathan
 - Impact of Funding Flows in Humanitarian Inventory Management
 - By Karthik Natarajan and Jayashankar M. Swaminathan