



Quick Reference: Quantification Planning

Quantification is the process of estimating the quantities and costs of the products required for a specific health program (or service), and determining when the products should be delivered to ensure an uninterrupted supply for the program.

The process includes *both* a forecasting and a supply planning step. The **supply plan is the final output** of the quantification, and details the quantities, costs, and arrival dates of shipments. It is recommended that quantifications for procurement purposes be completed for a 24-month period. When determining the quantities of actual commodities to procure, do so for no more than 12 months, or build flexibility into procurement contracts to be able to call down commodities as needed.

Preparing for a Quantification

Staff should be dedicated to be part of a quantification team that conducts annual quantifications, quarterly reviews, and routine monitoring of the supply pipeline. The team should include staff whose job descriptions are focused on logistics or procurement; for example, staff from

Ministry of Health (MOH) procurement departments, major partners who fund procurement of the commodities or service delivery, and relevant staff who work at the selected MOH disease-specific program units. The size and composition of the quantification team depends on the scope of the quantification (e.g., number and type of commodities, size of the program, etc.). Advisors/consultants skilled in quantification may be engaged, depending on existing capacity.

The length of an annual quantification exercise and subsequent updates will vary according to a number of factors, including how many products are quantified, the quantity and quality of available data, whether technical assistance is utilized, and level of technical capacity to conduct the quantification exercise. According to the illustrative example in figure 2, while the entire process for conducting the quantification may take two months (depending on the variables above), some of that time will be allocated to the preparation required in advance and the follow-up documentation and wrap-up activities; therefore, the intensive quantification exercise may last three to four weeks.

Institutionalizing the Quantification Process

Building capacity in quantification requires a focused approach by a team experienced in quantification and should be done during an actual quantification exercise. Participation during the quantification exercise allows staff to have practice implementing all steps of the process as well as hands-on practice using the software tools (for example, Quantimed for the forecasting steps, and PipeLine for supply planning) by entering and

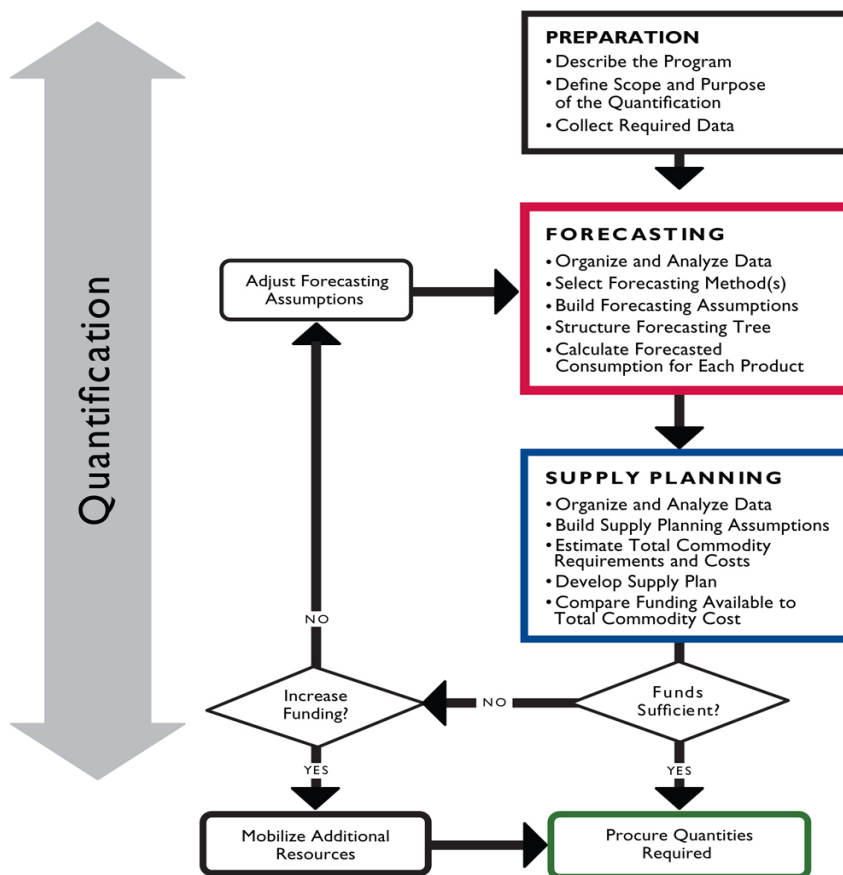
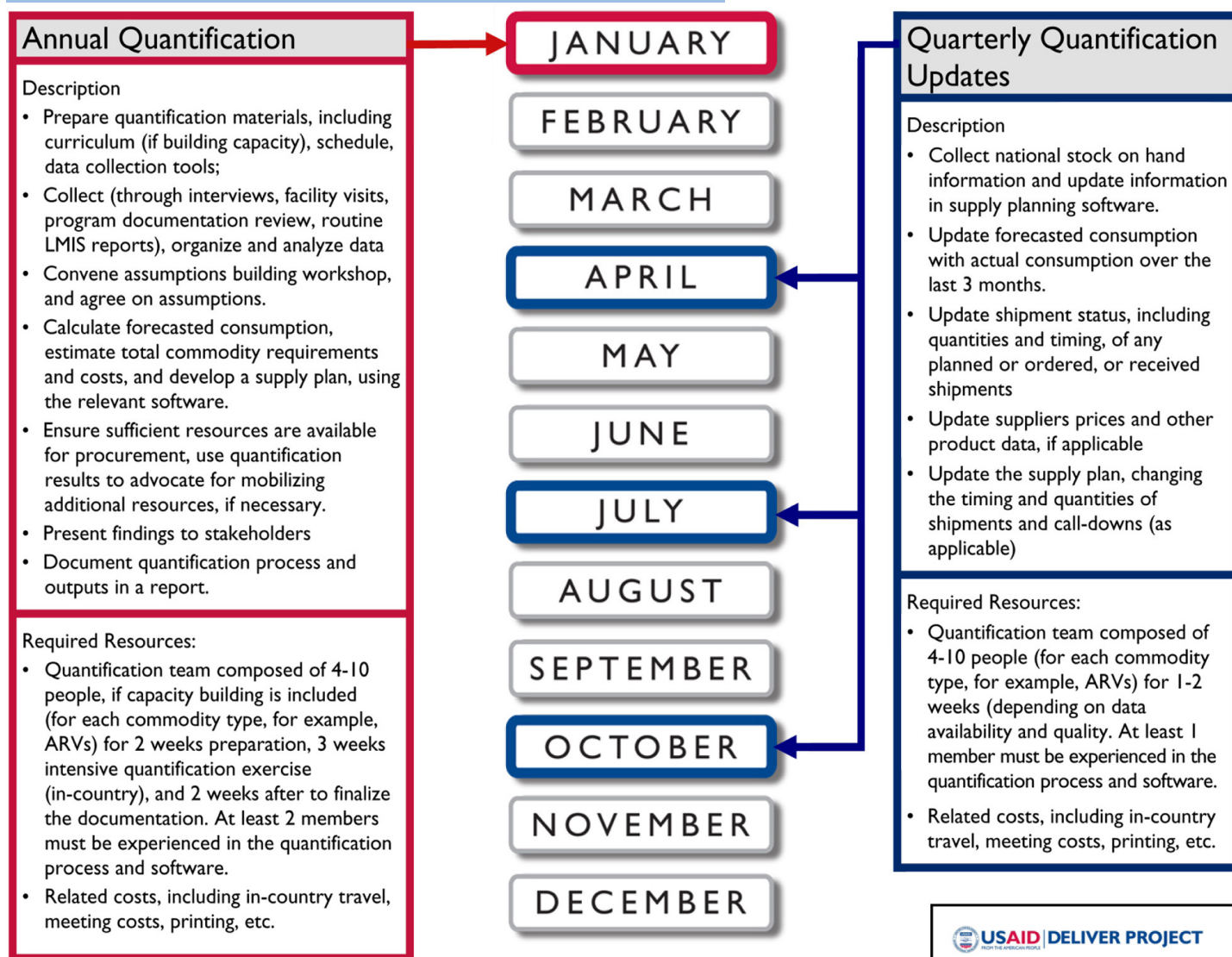


Figure 1. Quantification Process

manipulating actual data. Follow-up support for capacity building is typically required for one or more updates or annual quantifications before staff are fully able to carry out quantifications on their own.

Quantification is not a one-time event, but should be conducted annually, with quarterly or semiannual reviews to monitor the status of the supply pipeline and update the quantification data, assumptions, and supply plan. The total commodity requirements and costs should be recalculated to reflect actual consumption and shifts in program policies and plans that may affect demand. In some situations (for example, in rapidly growing or changing programs or situations where policies are shifting and the demand for products may be significantly affected), the full quantification exercise may be required semiannually (rather than annually) during which time the forecast and supply plan will be updated. In many cases, during quarterly updates, just the supply plan is updated. Figure 2 depicts the annual quantification and quarterly update scenario.

Figure 2. Illustrative Quantification Timeline and Resources



For more information, please see the document *Quantification of Health Commodities* on the USAID | DELIVER PROJECT website at deliver.jsi.com.

