

SIAPS TECHNICAL HIGHLIGHT

Effective Leadership in MOHFW Ensures Availability of Medicines in Bangladesh

BACKGROUND

The Ministry of Health and Family Welfare (MOHFW) in Bangladesh procures thousands of commodities utilizing Government of Bangladesh (GOB) and World Bank managed pool funds every year. But, absence of any central coordination body or mechanism made it difficult for MOHFW to ensure that commodities are procured at the right time in the right quantities and are made available to the point of service when required. Prior to 2010, nationwide stock-outs of contraceptives occurred due to delays in procurement. There was also a lack of comprehensive procurement and supply chain management guidelines to confirm that the ministry's and its procuring entities' procurement practices and systems were sufficient to meet internationally accepted standards and norms. Considering all this, MOHFW, under its five-year Health, Population, and Nutrition Sector Development Program (HPNSDP, 2011-2016), established a Procurement and Logistics Management Cell (PLMC) within the ministry to coordinate procurement and supply chain management functions and supervise decentralization, training, and capacity-building efforts within its key procuring entities.

METHODOLOGY

To facilitate the formation of PLMC, the Systems for Improved Access to Pharmaceuticals and Services (SIAPS) Program, funded by USAID and implemented by Management Sciences for Health, worked with MOHFW to carry out a comprehensive and systematic assessment to assess the procurement and logistics capacity of MOHFW and its entities. The goal was to propose solutions and establish a sustainable procurement and logistics management structure. After several consultations with key stakeholders (World Bank, USAID, and other development partners), PLMC was officially launched in October 2012.



PLMC is headed by the MOHFW additional secretary (Medical Education & Development) and has two program managers (PMs) and six deputy program managers (DPMs) to oversee all procurements across MOHFW entities, including the Central Medical Stores Depot, the Logistics and Supply Unit of the Directorate General of Family Planning (DGFP), and the Health Engineering Department. SIAPS organized a series of policy dialogues and facilitated a workshop for PLMC members where the structure and organogram of PLMC was discussed and the terms of reference for the PMs and DPMs were drafted (they were later finalized through a consultative process).

SIAPS has embedded two technical advisors at MOHFW to assist the PLMC and further develop its capacity to provide holistic supply chain management coordination and harmonization. Primarily, GOB officials from different ministries were assigned to work as PLMC members. Following the recommendations of the 2014 HPNSDP mid-term review¹ team to establish a permanent structure for PLMC, SIAPS advocated with MOHFW and key stakeholders to create permanent positions in PLMC and allocate the necessary resources to allow them to perform their responsibilities appropriately. This resulted in the approval of permanent positions for PLMC in 2016.

RESULTS

With SIAPS' assistance, PLMC introduced the Supply Chain Management Portal (SCMP) which enables MOHFW to plan procurement, track orders, and grant approvals in a centralized, online platform and track product availability at different levels. Through SCMP, all 32 MOHFW line directors developed and successfully submitted procurement plans for FYs 2013/14, 2014/15,

and 2015/16. PLMC's role in improving coordination and use of SCMP have reduced stock-outs at the upazila (sub-district) and warehouse levels, including no stock-outs of oral contraceptive pills since 2010. In 2014, SIAPS worked with the MOHFW to develop a sustainability and advocacy plan for SCMP, and PLMC is leading the way in the hand over process of the portal, which currently is in its final stage.

Under the leadership of PLMC, the Forecasting Working Group of DGFP conducted a forecasting exercise for family planning commodities and decided not to procure 65,000 implants in FY 2012-13 and 410,000 implants in FY 2014-15, leading to a cost-savings of USD 1.38 million and USD 4.1 million, respectively.ⁱⁱ

Over the last four years, PLMC, with assistance from SIAPS, has updated and published two essential supply chain management manuals—the DGFP Procurement Procedure Manual (PPM) and the DGFP Supply Manual (SM). The PPM is a reference manual that provides instructions and guidance on procurement policies, procedures, and practices for all officials procuring medical goods and services. The SM helps MOHFW effectively manage warehousing, inventory, and distribution systems at all levels. Both manuals are available to all staff involved in supply chain management at different levels of the health system.

PLMC introduced the framework agreement (standard bidding document) for common goods and services. This cell has also finalized the table of organization and equipment for 10-, 20-, 50-, 250-, and 500-bed hospitals and developed a pricing guide for strengthening procurement planning, which is awaiting finalization. In addition, PLMC customized procurement documents that will bring more efficiency to sub-national procurement processes.

PLMC intervention expedited condemnation processes at district hospitals, district reserve stores, upazila health complexes, DGFP warehouses, and upazila family planning stores. With SIAPS, PLMC conducted seven divisional workshops on condemnation for all district and sub-district-level health managers under the MOHFW to share assessment findings and the process of condemna-



MOHFW Secretary Syed Monjurul Islam speaking at the finalization workshop for sub-national procurement documents, photo courtesy SIAPS BD

tion. As a result of the condemnation process, approximately 708,000 cubic feet of storage space has been recovered. Moreover, the district reserve store at Sylhet was de-junked in 2015 for the first time in 23 years.

PLMC's involvement accelerated the signing of a memorandum of understanding between the Engineering Staff College, Bangladesh (ESCB) and SIAPS to facilitate procurement and supply chain management trainings for MOHFW procurement officials. To date, 734 MOHFW staff have built their procurement capacity through training.

CONCLUSION

As permanent positions have been granted for PLMC, planning and budget allocation should be done to fund these positions under the next operational plan. Also, recruitment should be initiated soon to hire full-time staff for PLMC. With leadership and trained staff, PLMC, as the central coordinating body for procurement and logistics management of MOHFW, can ensure stronger pharmaceutical supply chain functions, resulting in improved availability of commodities and better service delivery for the people of Bangladesh.

ⁱ Health, Population, and Nutrition Sector Development Program (HPNSDP) July 2011-June 2016, Mid-term program implementation report (MPIR): July 2011-June 2014

ⁱⁱ Saving Lives of Women and Children: Systems Strengthening Approaches to Improve Access to Contraceptives; <http://siapsprogram.org/publication/family-planning-impact-brief-bangladesh/>; 2015

ⁱⁱⁱ The amount of recovered space was calculated by SIAPS in September 2011.

ABOUT SIAPS | The Systems for Improved Access to Pharmaceuticals and Services (SIAPS) program works to assure access to quality pharmaceutical products and effective pharmaceutical services through systems-strengthening approaches to achieve positive and lasting health outcomes. SIAPS is funded by the US Agency for International Development (USAID) and is implemented by Management Sciences for Health.

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