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REPORT ON

NEEDS ASSESSMENT STUDY
OF THE DRUGS & LOGISTICS
MANAGEMENT SYSTEMS

OF

PAKISTAN MINISTRY OF HEALTH AND
MINISTRY OF POPULATION
WELFARE

REPORT ON

DRUGS & LOGISTICS MANAGEMENT
SYSTEMS

OF

PAKISTAN MINISTRY OF HEALTH AND
MINISTRY OF POPULATION WELFARE

USAID Task Order # GHS-I-01-07-0003

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Executive Summary

This is a report on a situational analysis in of the logistics systems for essential drugs and contraceptives that operate in Population Welfare and Health department in Pakistan that was conducted during the second half of 2008 by Abt Associates Inc., a contractor supporting the U.S. Agency for International Development under its Technical Assistance on Capacity Building in Midwifery, Information, and Logistics (TACMIL) Health Project. The study team, consisting of logistics specialists from TACMIL Project and its sub-contractor Union Transport Incorporation (UTi), visited selected provincial and district warehouses and stores; reviewed related public-sector policies and observed the drug logistics related practices. The team met with senior managers at the provincial and district levels and collected data using well-tested instruments that were developed by LMI, another sub-contractor for TACMIL. The need assessment study yielded important findings and recommendations presented in this report.

The broad findings are summarized as follows.

- A reduction of duplication and inconsistency in logistics operations across the various ministries, provinces, and district levels would be more consistent with industry best practices, and would improve the reliability of the supply chain.
- Provincial procurement committees function differently in all four provinces
- Non formal forecasting methods are being used; most common method is personal experience and judgment of doctors.
- Better sharing of information and processes across organizations would enhance visibility of inventories, demand data, and forecasting efforts.
- Most warehouses lack shelving and stock or bin cards that are normally used for storing medicines.
- Drugs selected and procured are solely provincial decisions; there is no overall federal visibility of requirements.
- A comprehensive program to improve and properly maintain physical infrastructure supporting logistics operations would immediately enhance the efficiency and effectiveness of supply chain management efforts at all levels of government.
- Forklifts are rarely available, and cannot function in most places visited because of limited space
- Products with relatively short expiration dates are often stored too high or placed behind boxes where accessing is difficult. Inventory expires or in some cases is not properly maintained in the inventory.

Realizing that the identified logistics management issues are complex with high cost implications, the study team proposes a phased approach to address them. The following five phases are designed to guide MoPW and MoH in implementing a logical transition from today's system to one that embraces many of the best practices worldwide that are cost effective with maximum outputs.

Phase 1: Upgrade Current Logistics Operations

- Train all warehouse and store personnel on best inventory practices, such as storing items on shelves and pallets; ensuring that stored items can be readily identified when needed; maintaining clean storage facilities; and providing storage containers for all items.
- Develop standard system-wide procedures for receiving items, updating inventories, disbursing items, and providing training to all warehouse and store personnel on their usage.
- Introduce personal computers to warehouse and store personnel, as appropriate.

Phase 2: Enhance Logistics Management Practices

- Train personnel in all organizations responsible for procuring drugs/medicines and contraceptives to develop forecasts of their requirements, and then rationalize those requirements to eliminate redundant purchases.
- Develop/ revise existing procurement manuals to prepare a federal manual that guides the procurement of all drugs/medicines and contraceptives.
- Prepare an operations manual detailing the minimum operations of all warehouses and stores.

Phase 3: Improve Warehouses and Stores

- Conduct a survey of the physical condition of all warehouse and stores for the purpose of identifying facilities that should no longer be used for storage and those that warrant remedial attention.
- Craft a plan for making needed facility improvements that includes estimated costs and proposed priorities, and identify any needs for additional facilities.

Phase 4: Develop Performance Measures

- Develop, test, and implement metrics that track system performance; train warehouse and store personnel on their applications; and demonstrate their value to senior federal, provincial, and district managers.

Phase 5: Implement a Logistics Management Information System

- Modify the existing LMIS to support the updated logistics management system; ensure it supports the needs of all warehouse, store, procurement, financial, and distribution personnel; prepare a manual describing the system's use; and train personnel on its application.

As currently envisioned, these phases logically progress from relatively simple, low-cost improvements to a state-of-the-art system. However, the study team is convinced that even the Phase 1 initiatives will yield substantial benefits at minimal cost.

Introduction

Abt Associates Inc., a contractor supporting the U.S. Agency for International Development (USAID) under its Technical Assistance on Capacity Building in Midwifery, Information and Logistics (TACMIL) Health Project, conducted a situational analysis of the logistics system supporting population welfare and health in Pakistan. The analysis was performed by the following team: Mr. Ahmed Nadeem Mir, Senior Logistics Advisor, TACMIL Health Project; Mr. Wajahat Raza, Logistics Officer, TACMIL Health Project; and Mr. Suphyan Mansoor Siddiqui, Project Manager, Union Transport Incorporation (UTi), Karachi. From June 3, 2008 to August 8, 2008, the study team visited provincial and district warehouses and stores; assessed public-sector health policies and practices; focused on health logistics; met with senior managers at the provincial and district levels; performed a needs assessment evaluation of logistics practices; and formulated a set of findings and recommendations for improvement that are highlighted in this report.

Background

The field of logistics management has been gaining added importance within the government of Pakistan. Although the field was introduced in government institutions approximately 12 years ago by international development organizations, the application of logistics management practices within the health sector area is only a recent phenomenon. The government of Pakistan has three major components in the health sector that procure, store, and distribute drugs/medicines and contraceptives:

- Ministry of Health (MoH)
- Ministry of Population Welfare (MoPW)
- National Program for Family Planning and Primary Health Care (National Program for FP & PHC), also referred to as the Lady Health Workers' (LHW) Program.

MoH, a supervisory body, establishes policies related to health matters, whereas the Departments of Health (DoHs) in the provinces execute these policies. The DoHs also deliver health care services. However, they have yet to fully embrace the concepts of logistics management. Moreover, staff trainings regarding the logistic techniques associated with the procurement, storage, and distribution of drugs/medicines have not been recently conducted in the provinces.

MoPW, established in 1965, oversees reproductive health matters and procures most of the contraceptives that are distributed throughout Pakistan. In collaboration with the United Nations Population Fund (UNFPA), Pakistan, MoPW developed a logistics instructional manual—*Contraceptives Logistics*—and offers some logistics management training to its staff. The manual focuses on procuring, storing, and distributing contraceptives, with emphasis on the ministry's policies. However, a discussion of forecasting requirements is not covered and is an important component of logistics management.

The National Program for FP & PHC (LHW Program), which functions under the MoH umbrella, has been operational since 1994. As Pakistan's second largest health care program, it is instrumental in improving the availability of contraceptive supplies, and thus increasing the country's Contraceptive Prevalence Rate (CPR). The LHW Program also developed a logistics management manual in collaboration with UNFPA (during the 2000–2001 timeframe) and conducted a series of training sessions throughout Pakistan. The sessions trained federal, provincial, and district program staff

members in logistics management techniques. Unfortunately, most of the trained staff has moved on to other organizations. The National Program for FP & PHC also pioneered development of the Logistics Management Information System (LMIS), Pakistan's first logistics software application within the public sector. That initial LMIS approach was seen to be very complex and difficult to use.

Study Approach

The study team conducted its situational analysis following an approach developed by LMI, a not-for-profit consulting firm that specializes in health logistics management and a subcontractor to Abt Associates. As the study focused on logistics operations, the study team visited district stores in 18 of 20 TACMIL Health Project districts, and provincial warehouses in all four provinces: North West Frontier Province (NWFP), Baluchistan, Sindh, and Punjab. These four provinces were selected by USAID for inclusion into the study.

Briefly, the study was conducted following the general steps outlined below:

- LMI developed the assessment approach and analytical tools.
- Study team met with provincial and district managers to understand the policies that were guiding the logistics practices in the warehouses and stores.
- Study team visited the provincial warehouses and district stores to gather data and information on logistics management operations.
- Study team interviewed district store officials to obtain more insight into store operations.
- Study team evaluated visit and interview results, identified opportunities for improvement, and proposed recommended actions for the future.

Study Areas

Table 1 lists the four provinces, the districts visited within each province, and the associated population served by the warehouses and stores.

Table 1. Provinces and Districts Visited, and Population Served

Province	District	Population (in millions)	Facilities Visited	Persons Interviewed
NWFP	Peshawar		1	1
	Charsadda	1.22	3	4
	Swabi	1.26	3	3
	Upper Dir	0.58	3	3
	Lakki Marwat	0.49	0	0
	Battagram	0.31	2	3
	Bunner	0.51	3	4
Baluchistan	Quetta		3	4
	Lasbella	0.31	3	4
	Jafferabad	0.43	3	4
	Zhob	0.28	3	3
	Kech (Turbat)	0.41	3	4
	Gawadar	0.18	2	2
	Khuzdar	0.42	0	0
Sindh	Karachi & Hyderabad		2	3
	Thattha	1.11	3	3
	Dadu	1.10	2	2
	Sanghar	1.42	3	3
	Sukkur	0.90	3	3
	Larkana	1.92	3	4
	Ghotki	0.97	3	4
Punjab	Lahor		3	3
	Dera Ghazi Khan	1.64	3	4
	Jehlum	0.93	3	3

Data Collection Tools

The data collection tools, which were primarily designed by LMI, addressed the following areas of logistics management:

- Warehousing
- Procurement
- Distribution

- Information, communication technology
- Finance and governance.

These tools ensure that product selection, forecasting, procurement, warehousing, and distribution practices in the provinces and districts could be examined in detail. Copies of these tools are included in the appendices.

Variables

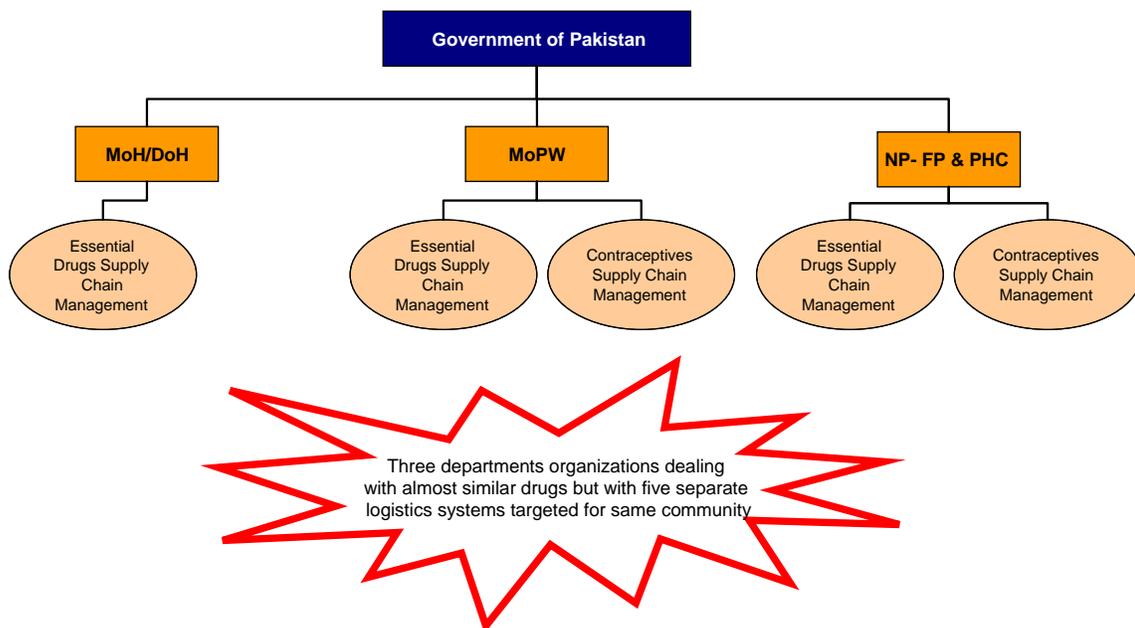
For the quantitative analysis, variables were defined by pooling sets of relevant questions. For example, for the ‘Warehouse’ data collection tool (Appendix A), questions pertaining to “refrigerated items” were combined into a single variable. For the “Procurement” data collection tool (Appendix B), questions pertaining to the “solicitation process” were combined into a single variable. A total of 28 variables are analyzed by location and by institutional group, MoH/DoH, MoPW, and National Program for FP & PHC.

Data Collection

The study team used the tools to collect all data while visiting the four provincial warehouses, meeting with management, and interviewing warehouse staff. They also visited all district offices and stores, where, again, they used the same tools to collect data.

The management interviews and the field visits clearly show that MoH is creating demands, processing requests, procuring, distributing contraceptives and essential medicines for the same customers, while following separate, distinct logistics practices (see Figure 1).

Figure 1. Procuring and Distributing Contraceptives and Essential Medicines: Government of Pakistan



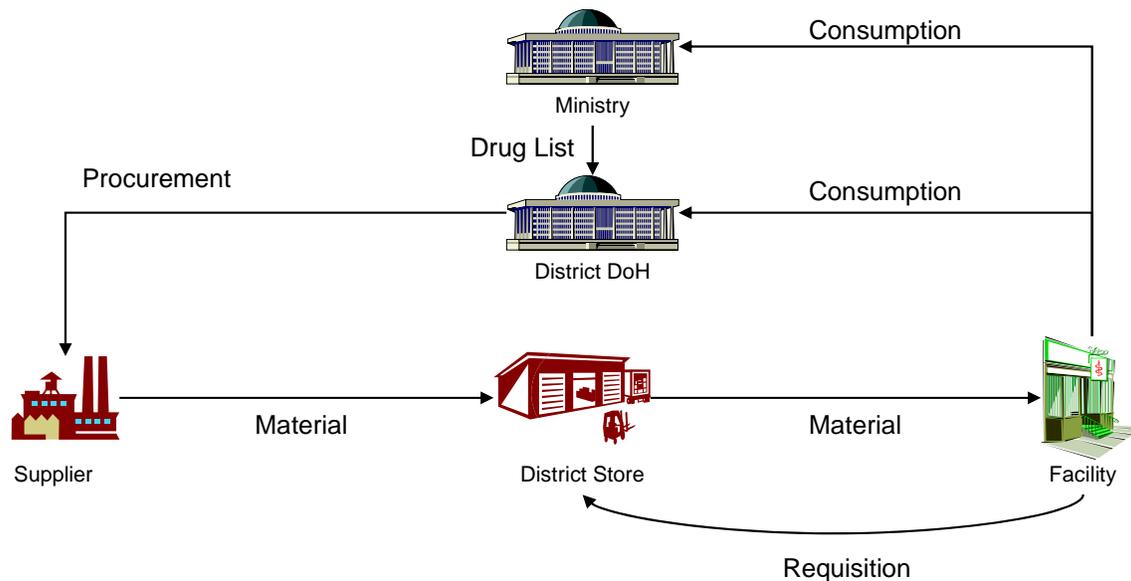
The study team also found that the logistics systems used within the four provinces vary considerably. Each province has adopted a separate system that is easy to use, but periodically creates problems for the manufacturers or suppliers of the products.

Observations – Ministry of Health

MoH/DoH Supply Chains

The MoH and DoH supply chains primarily handle essential drugs and are operated by each district. Figure 2 shows the basic process used in these supply chains.

Figure 2. MoH Essential Drugs Supply Chain

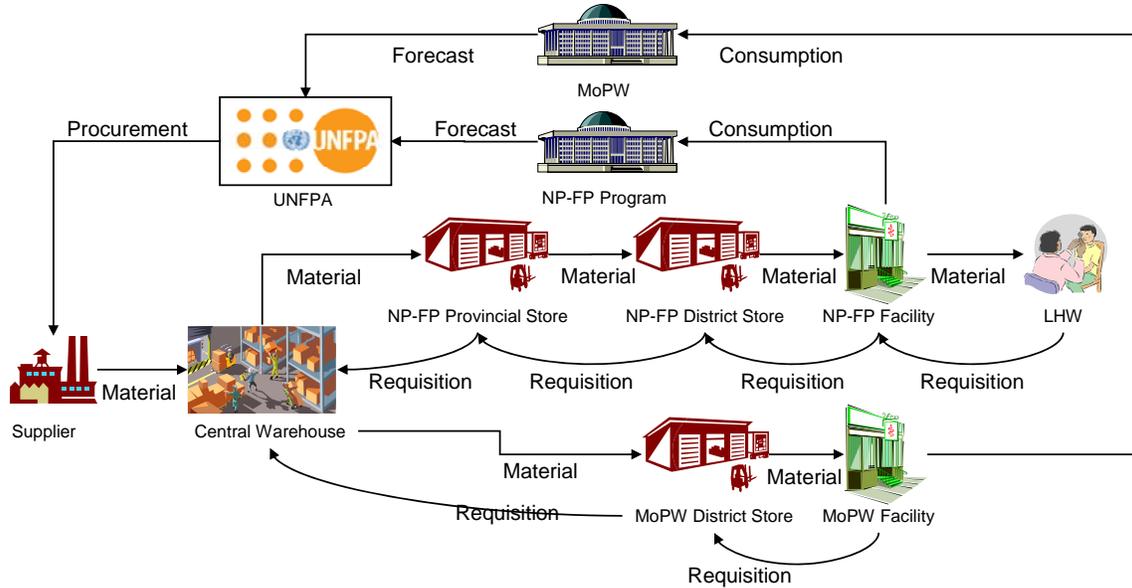


As this diagram shows, each district is procuring and managing material on their own. This design results in duplication of procurement actions for the same materials from the same sources. In addition, the overall system may be able to leverage the economies of scale to negotiate better procurement terms from suppliers if procurement were centralized.

Contraceptive Supply Chains

Two programs currently manage and distribute contraceptives, the MoPW and NP-FP&FHC. Figure 7 show these two supply chains combined.

Figure 3. Combined Contraceptive Supply Chains

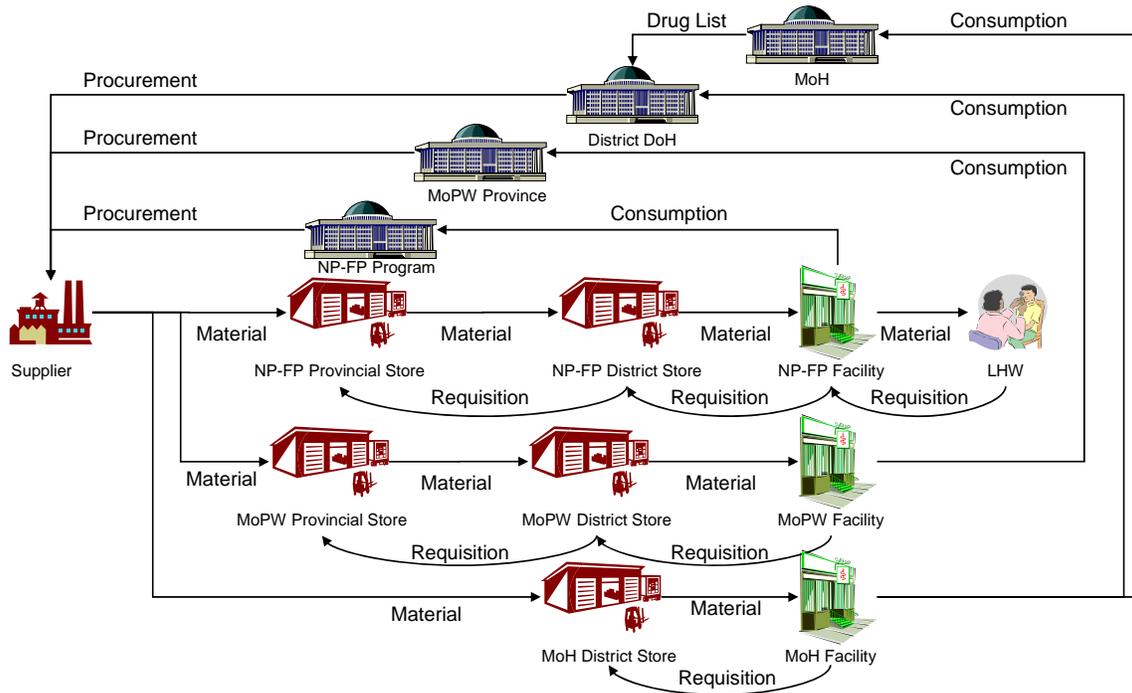


As this figure shows, there is some duplication in district storage, distribution and product forecasting throughout the supply chains.

Essential Drug Supply Chains

Three programs currently manage and distribute essential drugs, the MoH, MoPW, and NP-FP&FHC. Figure 8 show these two supply chains combined.

Figure 4. Combined Essential Drug Supply Chains



As this figure illustrates, there is duplication in the distribution system at the district level as well as in forecasting and procurement.

Detailed Findings

The following subsections highlight some of the study team’s observations on the logistics management practices in selected provinces and districts.

North West Frontier Province

District Charsadda

The study team made the following observations during its visit to the district store within District Charsadda, which is located about 20 kms southeast of the capital of NWFP, Peshawar.

- Essential drugs were stored in a small room within a rented building housing DPWO; most were stored in racks that were pushed against a wall. Lack of adequate lighting and the absence of pallets were noted .
- The small room and the office temperature was not regulated or ventilated to the required level.
- A stock register was used to record inventories.
- All requisitions from FWCs, MSUs, and RHSs to the district store were manually prepared.

*Figure 5. District Charsadda:
Essential Drug Storeroom*



*Figure 6. District Charsadda:
Deteriorating Storeroom*



District Swabi

The study team made the following observations regarding the storage and inventory management of commodities within District Swabi, NWFP:

- The Executive District Officer Health’s (EDOH’s) office and drugs/medicines store are located within the District Head Quarter (DHQ), Swabi.
- The DHQ building is state-of-the-art, but needs to be maintained properly; the hall used for the storage of commodities has sufficient capacity.
- All commodities (such as drugs, medicines, equipment, drums of ethylated spirit, surgical items, cotton bandages, and pillows) were stored at one location, which needs to be maintained (see Figures 7 and 8).

- The windows require iron bars.
- Commodities need to be stored more systematically so that there are no leaning stacks.
- Bin cards should be used to track the amount of each commodity in storage; the only record keeping instrument in use was the stock register that needs to be regularly maintained.
- There was a need to requisition commodities consistently. Safety stock should be purchased and maintained.
- The storekeeper, despite many years of experience, requires formal training in logistics practices.

*Figure 7. District Swabi:
Drug/Medicines Store*



*Figure 8. District Swabi:
Medicine, Spirit, and Cotton Storage*



Sindh Province

The study team made the following observations regarding the storage and inventory management of commodities within the Sindh province:

- The commodities were stored in a warehouse that is at a distance from the provincial office.
- The warehouse is an old building, structurally in imperfect condition, inadequately ventilated, with inadequate lighting and storage space.
- The storekeeper requires training in logistics or store management practices.
- The commodities needed systematic placement, additional space between the stacks and the walls is recommended; stack placement back-to-back and against the ceiling is not favored.
- Bin cards were absent; although the stocks register was used for record keeping.
- The province uses the push system to move supplies to lower levels.
- Some of the commodities were stored on pallets.

District Thattha

EDOH

The EDOH office, Thattha, stocks drugs/ medicines in two stores built by UNFPA in the same vicinity of the National Program for FP & PHC's stores. The office and the stores do not share inventory records, so they could be stocking many of the same items. In addition, some of the drug/medicines received at the EDOH office's stores from different manufacturers are distributed to First Level Care Facilities (FLCFs) and should have proper sample collection and lab testing; also, the Drug Inspector should pick samples from each batch, instead of randomly picking samples and sending them to a testing laboratory for analysis.

District Dadu

The stores for EDOH's drugs/medicines and for the National Program for FP & PHC's commodities are located in a building, about 3 kms from the District Program Implementation Unit (DPIU) Dadu. The logistics management practices of this district were almost identical to those observed in District Thattha: supplies were pushed from the provincial level and the district was forced to follow the same practices, which resulted in supplies often exceeding actual need and available storage space; the Account Supervisor, was trained in logistics management, appeared to have minimal management of the situation and routinely pushed supplies to lower levels, without prior verification of current stock positions.

Storage and Inventory Management

The study team also had the following observations about the district's storage and distribution practices:

- The storage facilities should be tidy.
- Few items were stored on shelves or pallets; most items, such as cotton bandages, were seen to be in unfavorable places (see Figure 9).
- The shortage of storage space resulted in all program commodities—drugs/ medicines, contraceptives, non-drug items, and printed material—being stored at one location.
- The commodities were routinely stored in stacks that exceeded 8 feet.
- In the absence of bin cards; the stock register was the only record of the commodities.
- Routine (such as annually or semi-annually) physical inventories of commodities are suggested to be performed regularly.
- The monitoring of performance by provincial officials appeared to be nominal.

Figure 9. Example: District Dadu Stock Lying on the Floor



Baluchistan Province

DoH

The DoH's procurement and supply chain management responsibilities have been decentralized in Baluchistan province, so the districts now place demands and receive their supplies directly from the manufacturers. However, the Medical Stores Department (MSD), Baluchistan, still initiates the procurement process because it finalizes the list of essential medicines for all districts and the major hospitals in Quetta (the provincial head quarter). DoH's logistics practices include the following:

- Firms are pre-qualified for 3 years.
- An 18-member committee makes all procurement decisions for Quetta DHQ and hospitals; the procurement process typically takes 3 to 4 months.
- The list of pre-qualified firms, and their drugs, is sent to all health institutions for additions, deletions, and eventually approval; this process can take up to 6 weeks.
- The approved list is then sent to Provincial Secretary Health, Baluchistan, for formal and final approval.
- MSD also receives budget for emergency disaster management.
- Only registered national pharmaceutical firms can participate in the bidding process.
- After the lists of pre-qualified firms and approved drugs are sent to all districts, the districts directly contact the manufacturers for the drugs/medicines that they need.
- MSD, Baluchistan, has not fully dedicated or authorized a storekeeper position and appears to need additional personnel; a pharmacist is involved in store management without having any formal training in LMIS.
- Bin cards should be used at MSD, Baluchistan.

- Storage space is typically inadequate, so different items, such as mattresses, pillows, and surgical items were stored along with drugs/medicines; also, drums of ethylated spirit were seen to be in hazardous location with direct exposure to sunlight (see Figure 10).
- The shelf-life requirement at the time of receipt of any item at MSD must be 80 percent and above.
- Storage deficiencies include stacking of medicines up-side down, no space between stacks, labels of many items not readily visible, and shortages of pallets and racks (see Figure 9).

Figure 10. Drums of Ethylated Spirit



Figure 11. Shortage of Pallets and Racks



Punjab Province

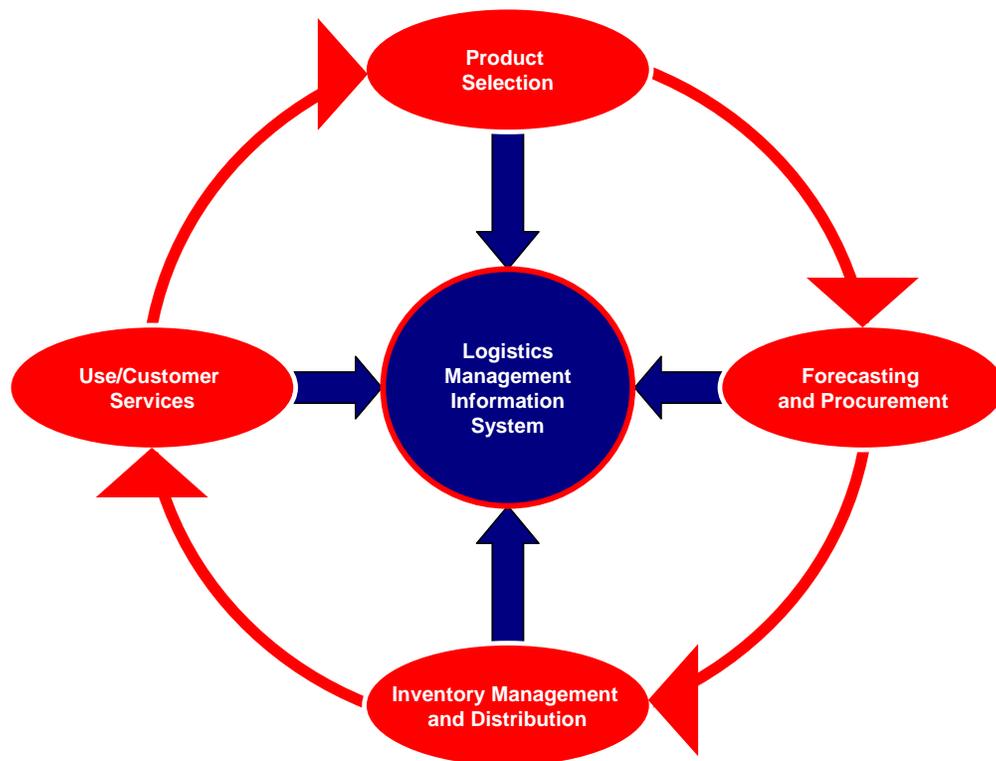
DoH

The procurement and logistics management responsibilities were recently decentralized in Punjab Province: the districts now manage their health logistics systems by placing demands and receiving their supplies directly from the manufacturers. However, the procurement process is overseen by a procurement committee that finalizes essential medicines for all districts. The logistics cycle at DoH Punjab consists of the following processes and steps (see Figure 10):

- Pre-qualification of firms is made by a designated provincial tender committee.
- The solicitation process is mainly performed by a Technical Scrutiny Committee.
- The procurement process takes 2 to 3 months.
- The quantities to be procured are received through demands from EDOH.
- The procurement committee follows the rules and regulations as prescribed in the province's approved procurement manual.
- The lists of pre-qualified firms, along with included drugs, are sent to all districts and the districts place their demands to the firms based on their approved budgets.
- Only registered national pharmaceutical firms can participate in the bidding process; all firms are required to quote rates that are 15 percent below their regular prices.
- All product requirements are approved by a product identification committee; the Additional Chief Secretary Health has the final approval authority.

- The product price monitoring is made by a drug inspector, who surveys the market and submits reports to the finance department.

Figure 12. Logistics Cycle: DoH Punjab



Warehousing and Inventory Management, MSD

The study team made the following observations regarding MSD Punjab's logistics practices:

- The warehouse has about 50,000 square feet of storage space.
- Key Informative Interviews (KII) with store in charges at district, provincial and central warehouses has found an acute shortage of required staff for handling logistics, despite the commodities appear to be stored efficiently.
- MSD manages the storage of DoH Punjab medicines and the commodities of the National Program for FP & PHC.
- The storage space is insufficient for the huge supplies required by the National Program for FP & PHC; those supplies also contribute to the staffing shortage.
- The warehouse supervisor is an experienced official, who has been serving at this same location for many years.
- The commodities were stacked properly; although the shortage of space forced the staff to exceed recommended stack heights (some stacks were actually touching the ceiling).
- Practices such as FEFO or FIFO were being followed.
- Record keeping was very detailed and all record-keeping tools, such as bin cards, stock register, and IRVs, were being maintained.

- Some stacks were placed near each other and to walls; all available pallets were placed under the items.

District Dera Ghazi Khan

DoH

The study team made the following observations regarding DoH within District Dera Ghazi:

- The Executive District Officer's (EDO's) office is located in the middle of the district; it was constructed in 1913 and occupies 22,000 square meters, although only 30 percent is being utilized for offices.
- The available storage space was inadequate for the annual supply of goods.
- The EDO office should hire a storekeeper; according to EDO requirements, a six-scale official needs to manage the store and that person must be a certified dispenser.
- The current storekeeper uses a personal computer system to prepare distribution plans.
- The store places orders with manufacturers on the basis of demand raised by FLCFs and in keeping with available budget; since the budget cannot meet the complete demand, the office procures only the most demanded drugs, which restricts the amount of other drugs procured.
- The suppliers receive their orders and must deliver the drugs within 3 months, testing then takes another 2 months; so stocks are kept in the store for almost 5 months.
- Currently, there are 10 suppliers for the drugs; orders were placed in December 2007 and all deliveries were to be finished in March 2008, but the suppliers delayed the deliveries; delays from suppliers often forced the district store to hold extra stock of up to 1 year's supply to prevent shortages.
- This delay allows the store to distribute drugs to the FLCFs quarterly since it cannot carry a complete month of stock; the process should be looked into to avoid inefficiency and lead to overstocking and mismanagement.

Ministry of Health Key Findings

During its situational analysis of Pakistan's health logistics system, the study team made numerous observations regarding current practices and processes. This section presents the team's key findings that either crossed provincial and district boundaries, or appeared to be best practices that could be more widely used at federal, provincial, or district levels. The findings are presented by the components of effective logistics management: product selection, forecasting, procurement, inventory management, distribution, warehousing, monitoring and supervision.

Product Selection

- Product selection is a provincial responsibility.
- Provincial procurement committee, with representatives from ministry, civil hospitals, specialized doctors, courts, and some districts, makes all procurement decisions, and prepare the approved drug list.
- Baluchistan province uses a commercial book of medicine to select drugs for procurement; drug amounts procured are based on estimated demands from each district; Provincial Secretary Health approves all drugs procured.

Forecasting

- No formal forecasting methods are being used; most common method is based on personal experience and judgment of doctors.
- Inadequate budgets further restrict the use of effective forecasting methods by limiting staff, training, and computer resources.

Procurement

- Provincial procurement committee floats tenders for essential drugs; rate contracts are made at provincial level; districts place orders for drugs with pharmaceutical companies, but must remain within budgets.
- Within Punjab Province, pharmaceutical companies are required to quote the same rate to all departments.
- Drugs are procured once each year.

Inventory Management

- Inventory management at all levels is manual.
- Provinces follow various inventory management practices and operate from different types of facilities: some facilities are too small, others are poorly constructed or not designed to effectively receive and distribute commodities, while still others are located in areas not conducive to making timely deliveries.
- Drugs are often stored in small rooms.

- Many stores are managed by storekeepers who lack basic training in inventory management practices.

Distribution

- Distribution from pharmaceutical companies to the district stores is the responsibility of manufacturers.

Warehousing

- District stores under the Provincial Health Departments appear to be in the best condition; most of the other stores show signs of severe neglect.
- Most warehouses lack shelving, stock or bin cards that are normally used for storing medicines. Boxes are often stacked in small, poorly constructed rooms with broken walls, providing easy access from outside and exposing the commodities to pests, rain, and dust.
- Forklifts are rarely available, and cannot function in most places because of limited space; products with relatively short expiration dates are often stored too high or placed behind boxes where accessing them is difficult.
- Several district stores stock flammable items, such as ethylated spirit, along with medicines and contraceptives in the same room. None of the stores have smoke alarms or fire-fighting equipment.

Monitoring and Supervision

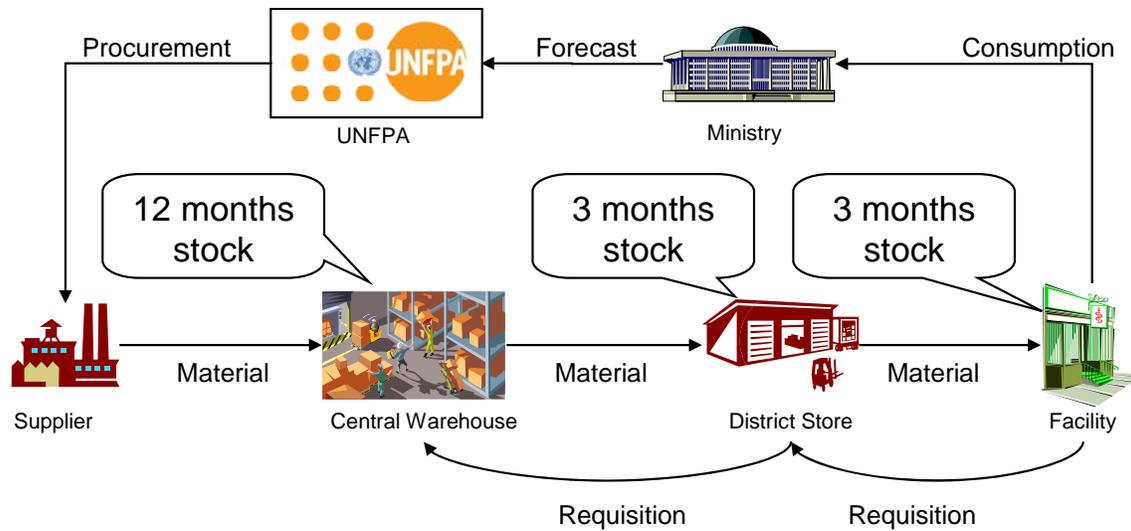
Most of the province, district, warehouse, and store personnel who met with the study team recognized the value of effective supervision, oversight, and evaluation. However, they further noted that little supervision, oversight, and evaluation occurred on a regular basis, which contributed substantially to the observed deficiencies.

Observations – Ministry of Population Welfare

MoPW Supply Chains

The MoPW manages both contraceptives and essential drugs. As shown in Figure 13, contraceptives are procured through UNFPA and distributed through a central warehouse to district stores.

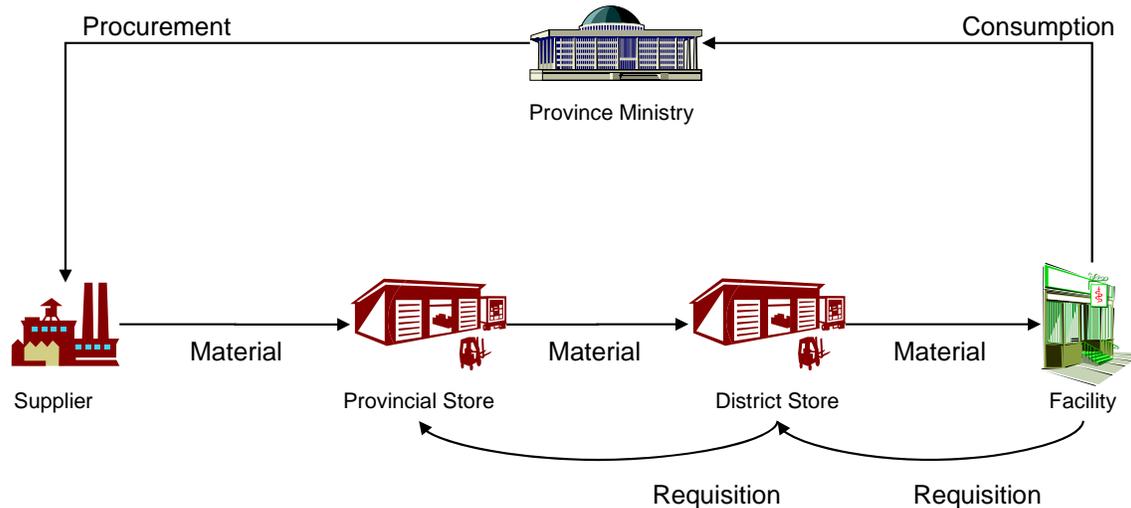
Figure 13. MoPW Contraceptive Supply Chain



As the diagram shows, the central warehouse stores an average of 12 months worth of stock with another 3 months at the district store and an additional 3 months at the facility. The result is a total average of 18 months of stock in the supply chain. By most commercial supply chain standards, this is an excessive amount especially considering that distribution times between locations are generally less than two weeks, most of the materials have limited shelf lives, and district and facility stores often lack adequate environmental and security controls.

MoPW essential drugs supplies travel through a similar system as shown in Figure 14.

Figure 13. MoPW Essential Drugs Supply Chain

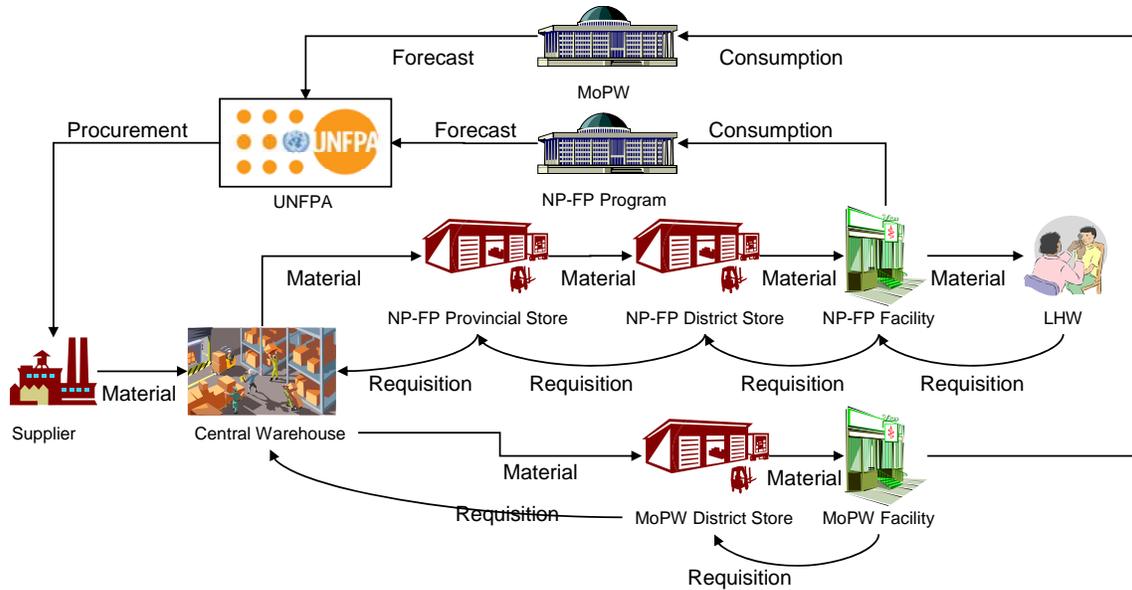


As the figure illustrates, essential drug procurement is done by the provincial staff with delivery straight to the province. The provincial store receives an annual delivery of medicines and then immediately distributes them to the district level. This means that the province is maintaining a storeroom which is only operated for a limited time.

Contraceptive Supply Chains

Two programs currently manage and distribute contraceptives, the MoPW and NP-FP&FHC. Figure 15 show these two supply chains combined.

Figure 15. Combined Contraceptive Supply Chains

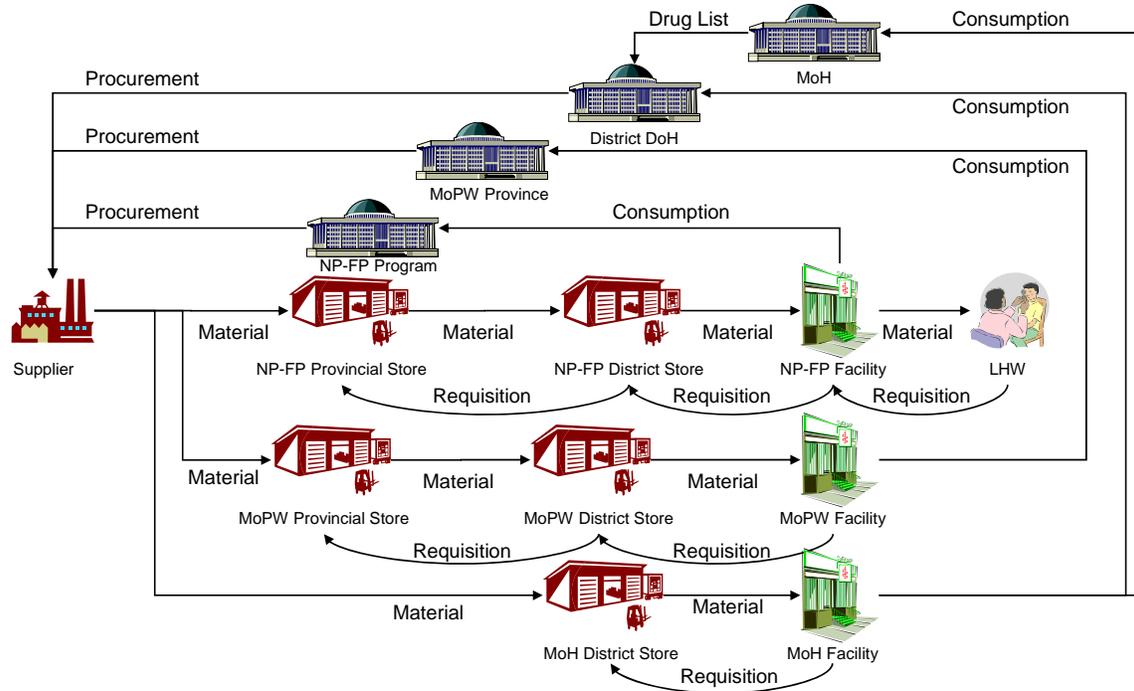


As this figure shows, there is some duplication in district storage, distribution and product forecasting throughout the supply chains.

Essential Drug Supply Chains

Three programs currently manage and distribute essential drugs, the MoH, MoPW, and NP-FP&FHC. Figure 16 show these two supply chains combined.

Figure 16. Combined Essential Drug Supply Chains



As this figure illustrates, there is duplication in the distribution system at the district level as well as in forecasting and procurement.

Detailed Findings

The following subsections highlight some of the study team’s observations on the logistics management practices in selected provinces and districts.

The study team made the following observations regarding the procurement, storage, requesting, and distribution of contraceptives and essential drugs within NWFP MoPW:

- Contraceptives:
 - Procurement of nine types of contraceptives is done at federal level.¹
 - Warehouses for contraceptives or essential drugs are not being operated in NWFP.
 - Central Warehouse and Supplies, Karachi, receives requests for contraceptives on a Contraceptives Logistics Requisition (CLR) form-6 directly from District Population Welfare Offices (DPWOs).
 - DPWOs receive their supplies from Central Warehouse and Supplies, Karachi.
 - Most supplies are not delivered by the Central Warehouse directly to DPWOs because of small quantities ordered, but are transported on the roof of public transport vans.

¹ These contraceptives include condoms, the oral contraceptives Microgy, non/Lo-Ferminal, Exluton and Pastinor2, the IUDs Copper T 380 A and Copper T 375 as well as the injectables Norigest and Megestron/Depo. Norplants are also included in this inventory.

- NWFP district stores are required to maintain 6 months of contraceptives, while Family Welfare Centres (FWCs) are required to maintain 3 months of supply.
- At provincial level both need assessment of contraceptive and logistics staff training on forecasting techniques is inadequate.
- The lead-time for supplies from Central Warehouse and Supplies, Karachi, to NWFP districts is 15 to 30 days for most products.
- Essential drugs:
 - Provincial office manages approximately 45 essential drugs; MoPW does not procure essential drugs within the province.
 - DoPW has adopted an easy and transparent way of procuring essential drugs: it uses a contract issued by the Medicine Coordination Cell provincial committee for the procurement of drugs, medicines, and other supplies for NWFP DoH.
 - DPWOs procure their essential drugs on an annual basis, but in accordance with their budgets.
 - Essential drugs are delivered directly from manufacturers and pharmaceutical companies to district stores.
 - DPWOs distribute essential drugs to FWCs, Mobile Service Units (MSUs), and Reproductive Health Services (RHSs) every quarter.

District Charsadda

The study team made the following observations during its visit to the district store within District Charsadda, which is located about 20 kms southeast of the capital of NWFP, Peshawar.

- Essential drugs were stored in a small room within a rented building housing DPWO; most were stored in racks that were pushed against a wall. Lack of adequate lighting and the absence of pallets were noted (see Figures 17 and 18).
- Contraceptives were stored in the storekeeper's office because of small stock levels.
- The small room and the office temperature was not regulated or ventilated to the required level.
- There was a need to store essential drugs and contraceptives systematically, along with the appropriate use of bin cards to fulfill request for products —such as last-in, first-out FEFO because sometimes the stores receive short expiry items which need to be issued first, or first-in, first-out (FIFO).
- A stock register was used to record inventories.
- All requisitions from FWCs, MSUs, and RHSs to the district store were manually prepared.
- District should forecast requirements for either contraceptives or essential drugs, although it maintains a file of past requisitions.

*Figure 17. District Charsadda:
Essential Drug Storeroom*



*Figure 18. District Charsadda:
Deteriorating Storeroom*



Sindh Province

The study team made the following observations regarding the storage and inventory management of commodities within the Sindh province:

- The commodities were stored in a warehouse that is at a distance from the provincial office.
- The warehouse is an old building, structurally in imperfect condition, inadequately ventilated, with inadequate lighting and storage space.
- The storekeeper requires training in logistics or store management practices.
- The commodities needed systematic placement, additional space between the stacks and the walls is recommended; stack placement back-to-back and against the ceiling is not favored.
- Bin cards were absent; although the stocks register was used for record keeping.
- The province uses the push system to move supplies to lower levels.
- Some of the commodities were stored on pallets.

Baluchistan Province

The study team noted that personnel within the procurement section of MoPW, Baluchistan, required awareness regarding many problems, such as the stoppage of procurement cycle for the past 1½ years. The team's specific observations related to MoPW's warehouse and inventory management practices included the following:

- The warehouse was located within a government school's premises; it appears to have an unsatisfactory physical structure.
- Two officials that work in the warehouse require training.
- Medicines and other commodities were stored directly on the floor, with inadequate organization.

- The essential medicines, which are procured annually, should be distributed to districts every quarter, but this distribution frequency was not followed regularly.
- The inventory management practices require a structure, such as first expiry, first out (FEFO) or FIFO (first-in, first-out).
- Accuracy in record keeping and the use of bin cards is advised.
- Four newly procured MSUs should be used instead of commercial transportation for the distribution of medicines to districts.
- Monitoring visits from the provincial office to the warehouse and district stores should occur frequently.
- manufacturers.

Punjab Province

DoPW Punjab follows the procurement methods as detailed in the province's procurement manual. The officer responsible for procurement is familiar with the prescribed procedures. Summarized below are some of the observations from the study team's review of MoPW's warehouse and inventory management practices:

- The warehouse building, which is located in a congested area within the city, is in unsatisfactory physical condition.
- The officials that work in the warehouse require training.
- Most of the medicines and other commodities need proper storing.
- Essential medicines annually procured by MoPW Punjab are to be distributed to districts every quarter that needs to be followed regularly.
- The inventory management practices were satisfactory because certain form of FEFO or FIFO was being followed.
- Record keeping requires adequacy and bin cards should be used.
- Commercial transportation was used for distributing medicines to the districts.
- Visits from the provincial office to warehouse and district stores should occur more often.

District Dera Ghazi Khan

- The store is located in the back of a bungalow where non-drug items are also stored along with drugs and contraceptives.
- The store sends monthly requests to the Central Warehouse and Supplies, Karachi, which typically fills them within 15 days; although a request made during May 2008 was not delivered until July 2008 and the store was still waiting for June 2008 and July 2008 deliveries.
- The stock register should be maintained to know the availability of remaining stock.

- Essential drugs were received from the Lahore provincial store according to predefined quota based on FWCs.
- The store receives the annual supply and delivers by quarter supply to FWCs; the store has received its FY07–FY08 stock and was waiting for FY08–FY09 stocks from Lahore provincial store, which were due in July 2008.
- The essential drugs lack a safety stock, either at the district store or FLCFs (however, the district storekeeper noted that some safety stock was being maintained at FLCFs for contraceptives).
- The storekeeper must be aware of the current Average Monthly Consumption (AMC), and the last delivery to FLCFs, and when they were out of safety stock.
- Central warehouse books the supply with a third-party logistics transporter and the district store picks the stock by paying the rail freight.
- The store had bin cards for the supplies made in May 2008, but they only showed issues to FLCF in July 2008; no previous record of bin cards was available, suggesting that the bin cards may have been created in anticipation of the study team’s visit.

Ministry of Population Welfare Key Findings

During its situational analysis of Pakistan's health logistics system, the study team made numerous observations regarding current practices and processes. This section presents the team's key findings that either crossed provincial and district boundaries, or appeared to be best practices that could be more widely used at federal, provincial, or district levels. The findings are presented by the components of effective logistics management: product selection, forecasting, procurement, inventory management, distribution, warehousing, monitoring and supervision.

Product Selection

- Provincial procurement committee functions differently in all four provinces.
- Drugs selected and procured are solely provincial decisions.
- Contraceptives are selected by the federal tier.

Forecasting

- No formal forecasting methods are being used; some officials noted that they routinely add 10 percent to amount purchased during the previous year.
- Budgetary limitations further restrict the use of formal forecasting methods for essential drugs.

Procurement

- Contraceptives are procured annually at the ministry level through UNFPA.
- Essential drugs are procured by provinces through procurement committees, which are also responsible for market research for products, current price trends, and drug lists.
- Technical committee ensures quality of the drugs, but only based on physical appearance.
- Punjab province follows the provisions in its approved procurement manual; the only province using prescribed guidelines.

Inventory Management

- Many storekeepers lack formal training in inventory management practices.
- Peshawar NWFP makes direct deliveries to district stores from pharmaceutical companies.
- Inventory management at all levels is manual; district stores are being operated without bin cards and using incomplete stock registers.
- Districts stores are often small rooms within a DPWO office.

Distribution

MoPW

- Drugs are supplied by pharmaceutical companies to district stores; contraceptives are distributed from a central warehouse by transport companies to their depots, where district representatives further distribute them to district stores.
- The cost of transporting contraceptives from the depots to district stores is funded from district office accounts.
- DPWOs sometimes bring the contraceptives to district stores.

Warehousing

- District stores under the Provincial Health Departments appear to be in the best condition; most of the other stores show signs of severe neglect.
- Most warehouses lack shelving, stock or bin cards that are normally used for storing medicines. Boxes are often stacked in small, poorly constructed rooms with broken walls, providing easy access from outside and exposing the commodities to pests, rain, and dust.
- Forklifts are rarely available, and cannot function in most places because of limited space; products with relatively short expiration dates are often stored too high or placed behind boxes where accessing them is difficult.
- Several district stores stock flammable items, such as ethylated spirit, along with medicines and contraceptives in the same room. None of the stores have smoke alarms or fire-fighting equipment.

Monitoring and Supervision

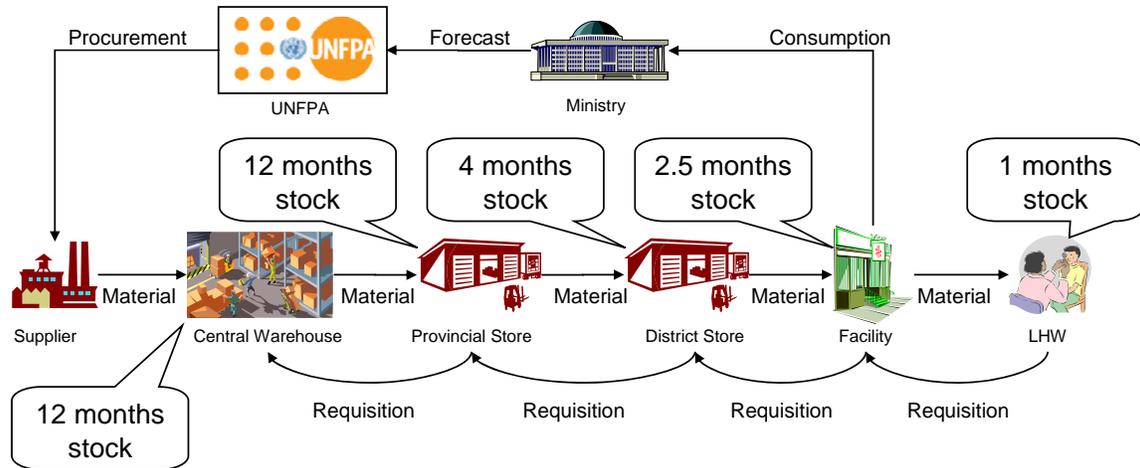
Most of the province, district, warehouse, and store personnel who met with the study team recognized the value of effective supervision, oversight, and evaluation. However, they further noted that little supervision, oversight, and evaluation occurred on a regular basis, which contributed substantially to the observed deficiencies.

Observations National Program for FP & PHC

NP-FP&PHC Supply Chains

The NP-FP&PHC manages both contraceptives and essential drugs. As shown in Figure 19, contraceptives are procured through UNFPA and distributed through a central warehouse to provincial and district stores.

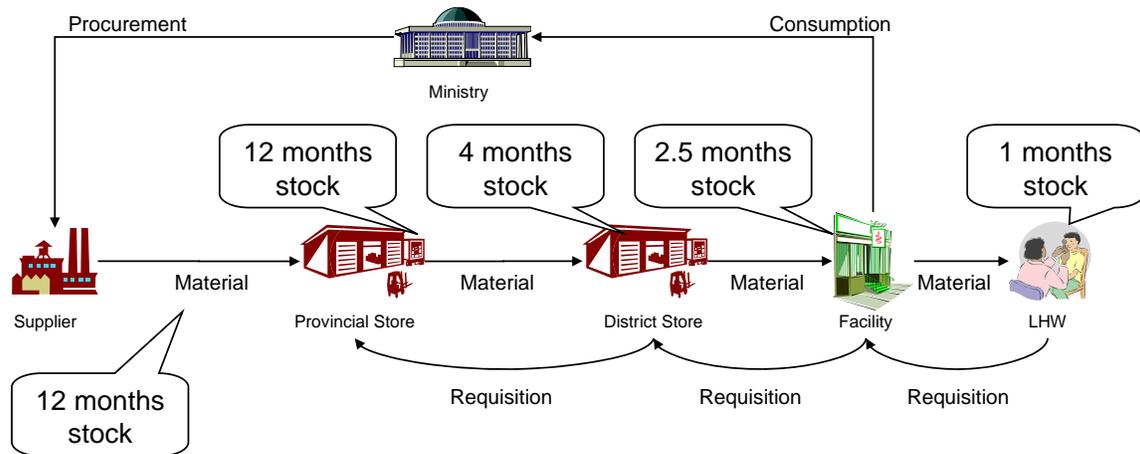
Figure 19. NP-FP&FHC Contraceptive Supply Chain



As the figure shows, the system as a whole stores about 30 months of supply. By most commercial supply chain standards, this is an excessive amount especially considering that distribution times between locations are generally less than two weeks, most of the materials have limited shelf lives, and district and facility stores often lack adequate environmental and security controls.

Essential drugs are managed through a similar system shown in Figure 6.

Figure 20. NP-FP&FHC Essential Drugs Supply Chain

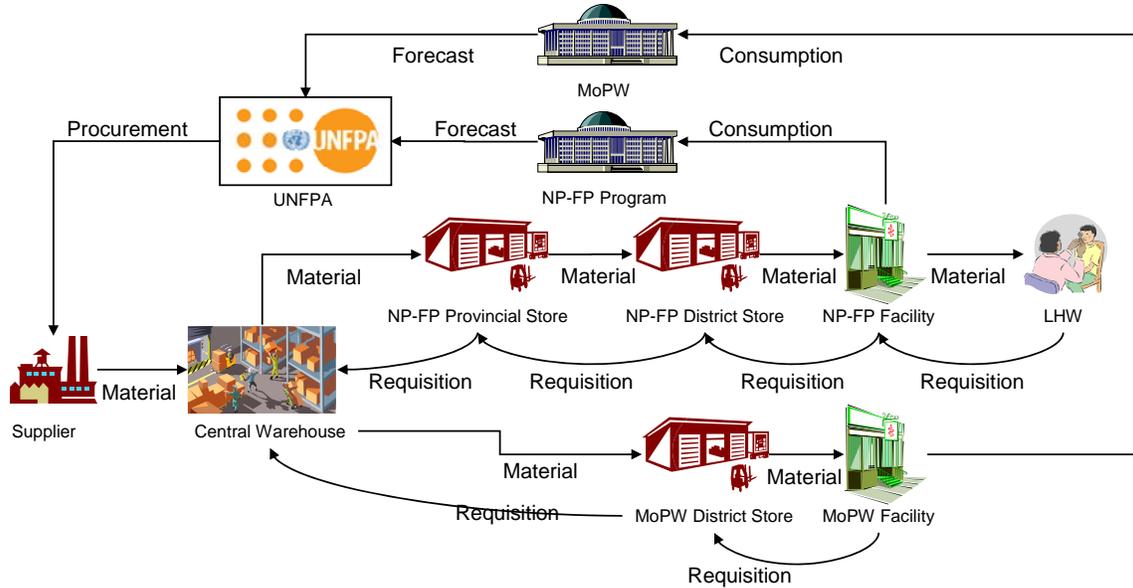


Like the contraceptive supply chain, the essential drugs supply chain maintains about 30 months of material through multiple tiers of storage.

Contraceptive Supply Chains

Two programs currently manage and distribute contraceptives, the MoPW and NP-FP&FHC. Figure 21 show these two supply chains combined.

Figure 21. Combined Contraceptive Supply Chains

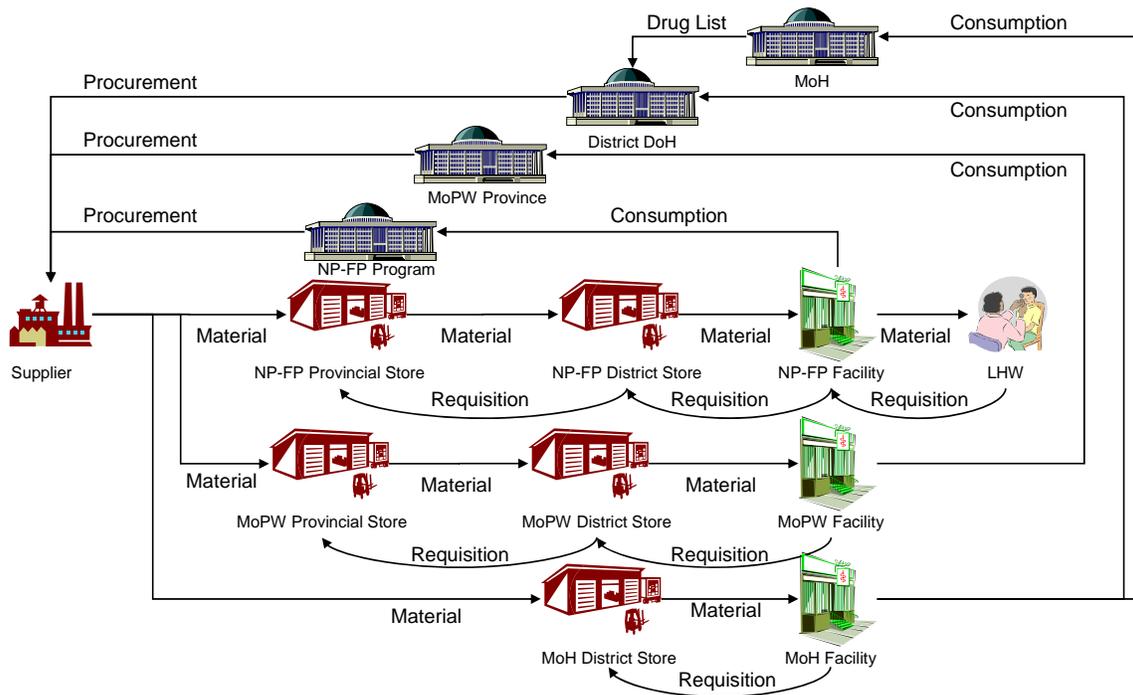


As this figure shows, there is some duplication in district storage, distribution and product forecasting throughout the supply chains.

Essential Drug Supply Chains

Three programs currently manage and distribute essential drugs, the MoH, MoPW, and NP-FP&FHC. Figure 8 show these two supply chains combined.

Figure 22. Combined Essential Drug Supply Chains



As this figure illustrates, there is duplication in the distribution system at the district level as well as in forecasting and procurement.

Detailed Findings

The following subsections highlight some of the study team's observations on the logistics management practices in selected provinces and districts.

Sindh Province

The study team made the following observations regarding the storage and inventory management of commodities within the Sindh province:

- The commodities were stored in a warehouse that is at a distance from the provincial office.
- The warehouse is an old building, structurally in imperfect condition, inadequately ventilated, with inadequate lighting and storage space.
- The storekeeper requires training in logistics or store management practices.
- The commodities needed systematic placement, additional space between the stacks and the walls is recommended; stack placement back-to-back and against the ceiling is not favored.
- Bin cards were absent; although the stocks register was used for record keeping.
- The province uses the push system to move supplies to lower levels.
- Some of the commodities were stored on pallets.

District Thattha

The stores used for storage of EDOH's drugs/ medicines and the National Program for FP & PHC commodities were built by UNFPA in 2004–2005. The District Coordinator oversees these drugs/ medicines and commodities, but without any written or formal orders from DoH Sindh. The province follows the push system for supplies, so the district is required to react accordingly; also, each level passes along its supplies as quickly as possible, resulting in stocks at each point of storage often exceeding the actual need and available storage space. (Figure 6 shows the entrance to the Thattha Warehouse.) A key employee, who had training in logistics management, appeared to have inadequate control over the situation and routinely pushed supplies to lower levels, without verifying current stock positions.

Figure 4. Entrance to District Thattha Warehouse



Storage and Inventory Management

The study team made the following observations regarding District Thattha's storage and inventory management practices:

- Storage facilities must be cleaned.
- Some of the items were stored in racks and on pallets, while other items, such as cotton bandages, were lying on the floor.
- The push system resulted in all program commodities, such as drugs/medicines, contraceptives, non-drug items, and printed material, being stored at one location.
- Labels on commodities stacked should be clearly visible for identification.
- Bin cards use and regular maintenance of stock register is suggested.
- The district uses the provincial push system to distribute its commodities; performing a physical inventory of commodities routinely (such as annually or semi-annually) is essential.
- The monitoring of performance by provincial officials appeared to be ineffectual.

District Dadu

The stores for EDOH's drugs/medicines and for the National Program for FP & PHC's commodities are located in a building, about 3 kms from the District Program Implementation Unit (DPIU) Dadu. The logistics management practices of this district were almost identical to those observed in District Thattha: supplies were pushed from the provincial level and the district was forced to follow the same practices, which resulted in supplies often exceeding actual need and available storage space; the Account Supervisor, was trained in logistics management, appeared to have minimal management of the situation and routinely pushed supplies to lower levels, without prior verification of current stock positions.

Storage and Inventory Management

The study team also had the following observations about the district's storage and distribution practices:

- The storage facilities should be tidy.

- Few items were stored on shelves or pallets; most items, such as cotton bandages, were seen to be in unfavorable places (see Figure 24).
- The shortage of storage space resulted in all program commodities—drugs/ medicines, contraceptives, non-drug items, and printed material—being stored at one location.
- The commodities were routinely stored in stacks that exceeded 8 feet.
- In the absence of bin cards; the stock register was the only record of the commodities.
- Routine (such as annually or semi-annually) physical inventories of commodities are suggested to be performed regularly.
- The monitoring of performance by provincial officials appeared to be nominal.

Figure 24. Example: District Dadu Stock Lying on the Floor



Baluchistan Province

The warehouse that was designed for logistics operations supports the National Program for FP & PHC, Baluchistan. It is located on the premises of a TB Sanatorium on the outskirts of the city, where managing a fleet of trucks does not routinely encounter major traffic problems. It also has a huge parking slot, dock-bays, in-out doors, and secure access, all rarely observed around other warehouses in Pakistan.

The study team made the following observations regarding the storage of commodities and inventory management in this warehouse:

- The warehouse is not located near the Provincial Program Implementation Unit (PPIU); it was built about 32 years ago and needs improvement in its structural condition.
- The storekeeper has been trained in logistics and store management techniques, clearly visible as all commodities were stored following standard practices.

- Since the storage space was insufficient, the commodities were stored close to one another, although standard space between walls and stacks, and between stacks, was maintained.
- Bin cards were being used, but required updating.
- Commodities were being issued following such practices as FEFO or FIFO.
- The push system of supplies to lower levels was being used.
- Most commodities and drugs/medicines were placed on pallets; some were placed on the floor (often because of a shortage of funds for pallets).
- Some of stacked items caused damage to low-standard packing material used by manufacturers.

District Zhob

The National Program for FP & PHC's store within District Zhob is primarily staffed by two fully dedicated officials: District Coordinator and Supervisor Accounts. The Supervisor Accounts is trained in logistics management. The study team made the following observation during its visit to the store:

- The store was located in a 14-foot square room on the first floor of the building.
- The store require a systematical approach regarding placement of the items, cleanliness needs to be emphasized, and it was located where the loading and unloading of items was quite difficult.
- Bin cards, stock registers, and Issue Receipt Vouchers (IRVs) were being maintained and updated, while practices such as FEFO or FIFO were being followed.
- Supplies from the provincial warehouse that were forwarded to health facilities were made following a push system.
- All inventory management was being manually performed.

District Lasbella

The National Program for FP & PHC's store within District Lasbella was staffed by two fully dedicated officials: District Coordinator and Supervisor Accounts. The Supervisor Accounts manages the program's financial and logistics operations. The district store is located at DHQ hospital, Lasbella. The study team made the following observations regarding the store operation and management:

- The Supervisor Accounts requires training in logistics management.
- The store was located in a separate, but new building near DHQ.
- The stored require a systematical approach regarding placement of the items, cleanliness needs to be emphasized and it was located where the loading and unloading of items was quite difficult
- Bin cards, stock registers, and IRVs were maintained and updated.
- Separate files were maintained for IRVs and requests received from Basic Health Units.
- Practices such as FEFO or FIFO were being followed.

- Supplies from the provincial warehouse that were forwarded to health facilities were made following the push system.
- All inventory management was being manually performed.

National Program for FP & PHC Key Findings

During its situational analysis of Pakistan's health logistics system, the study team made numerous observations regarding current practices and processes. This section presents the team's key findings that either crossed provincial and district boundaries, or appeared to be best practices that could be more widely used at federal, provincial, or district levels. The findings are presented by the components of effective logistics management: product selection, forecasting, procurement, inventory management, distribution, warehousing, monitoring and supervision.

Product Selection

- Federal procurement committee makes all decisions for both essential medicines and contraceptives.

Forecasting

- Annual forecasts developed at Provincial Logistics Officers' meetings

Procurement

- All procurements of drugs and contraceptives are made at the federal level, in accordance with established tendering process.

Inventory Management

- Provinces use a Logistics Officer, while districts use Account Supervisors to manage the stores while also performing other financial responsibilities.
- The conditions of warehouses vary widely, with several designed and built to receive and distribute inventory.

Distribution

- Drugs are transported from pharmaceutical companies to provincial warehouses (manufacturers' responsibility) and then to district stores (in accordance with the central rate contract with goods transport companies arranged at provincial level).
- Central warehouse delivers contraceptives to the provincial warehouses, which then distributes them to the district stores. Central warehouse pays distribution costs to provincial warehouses, with provincial offices responsible for the cost of transportation to the district stores; this is accomplished via commercial transport.

Warehousing

- District stores under the Provincial Health Departments appear to be in the best condition; most of the other stores show signs of severe neglect.
- Many of the National Program for FP & PHC stores are located in unused district government buildings that were built many years ago.

- Most warehouses lack shelving, stock or bin cards that are normally used for storing medicines. Boxes are often stacked in small, poorly constructed rooms with broken walls, providing easy access from outside and exposing the commodities to pests, rain, and dust.
- Forklifts are rarely available, and cannot function in most places because of limited space; products with relatively short expiration dates are often stored too high or placed behind boxes where accessing them is difficult.
- Several district stores stock flammable items, such as ethylated spirit, along with medicines and contraceptives in the same room. None of the stores have smoke alarms or fire-fighting equipment.

Monitoring and Supervision

Most of the province, district, warehouse, and store personnel who met with the study team recognized the value of effective supervision, oversight, and evaluation. However, they further noted that little supervision, oversight, and evaluation occurred on a regular basis, which contributed substantially to the observed deficiencies.

Recommendations

Based on the results of its situational analysis of the logistics system supporting population welfare and health in Pakistan, the study team recommends several actions to improve overall system performance. It further recognizes that one common theme runs through many of these recommendations: the need for an automated inventory management system. That theme is addressed in the concluding subsection.

Product Selection

- Combine the product selection process of contraceptives and essential drugs across provinces to achieve economies of scale.
- Recognize that the provinces experience different diseases before finalizing the list of contraceptives and essential drugs.
- Establish a pharmacopeia for each province.

Forecasting

- Combine the provinces' procurement processes for contraceptives and essential drugs to improve forecasts of requirements and achieve economies of scale.
- Develop standard forecasting guidelines for increased efficiency, transparency, and consistency; capture guidelines in a federal procurement manual.
- Create a training course on forecasting requirements for personnel working at all levels of procurement so they might understand and use proper forecasting methods.
- Create a centralized logistics information database that shows product status at all levels, along with district populations, number of Basic Health Units, and population coverage.

Procurement

- Combine the procurement process of contraceptives and essential drugs to achieve economies of scale.
- Develop standard procurement guidelines for increased efficiency, transparency, and consistency; capture guidelines in a federal procurement manual.
- Create a training course on procurement requirements for personnel working at all levels of procurement.
- Require all pharmaceutical companies to produce quality clearance certificates before sending any drugs to stores; provide supporting enforcement to ensure compliance.

Inventory Management

- Implement an automated inventory management system.

Distribution

- Ensure dedicated vehicles are available at each district store to meet established delivery timelines.
- Introduce separate transportation budgetary responsibilities at district levels.

Warehousing

- Conduct an assessment of existing warehouses, focusing on storage space, utilization, and conditions; based on the results of that assessment, prepare a plan for correcting shortcomings.
- Develop guidelines and procedures for disposing of damaged, obsolete, or discarded items.
- Create a plan for upgrading warehouse staffing, training, supervision, and equipment.
- Implement a computerized inventory management system at all provincial warehouses and district stores.

Monitoring and Supervision

- Require MoH, MoPW, and National Program for NP & PHC develop and implement a formal field monitoring and supervision system, making extensive use of assessment checklists.
- Provide on-job-training during monitoring and supervisory field visits, when needed.
- Develop measures of performance that allow senior federal, provincial, and district personnel to fully and effectively exercise their logistics management responsibilities.

Logistics Management Information System

One of the best practices that every effective logistics management organization fully embraces is an automated system for tracking inventories; forecasting requirements; planning deliveries; and reconciling invoices, receipts, and disbursements. Pakistan's population welfare and health program has a similar requirement. The study team found that parts of a comprehensive logistics management system exist throughout the MoH, DoPW, and National Program for NP & PHC organizations. For example, every year, MoH prepares a list of preferred or required items (selection); assesses quantities against available budgets (forecasting); makes purchases (procurement); and receives, stores, and distributes from stores and warehouses (inventory management). Each of these actions comprises an important area of logistics, or supply chain, management.

The study team recommends that a combined ministry, provincial, and district effort be launched to assess the viability of LMIS to meet Pakistan's population and health program logistics management requirements; identify areas in need of improvement; develop a long-range plan for making those improvements; and provide the necessary training to fulfill the system's requirements.

Figure 25. Efficient, Organizations Align People, Processes, and Technology

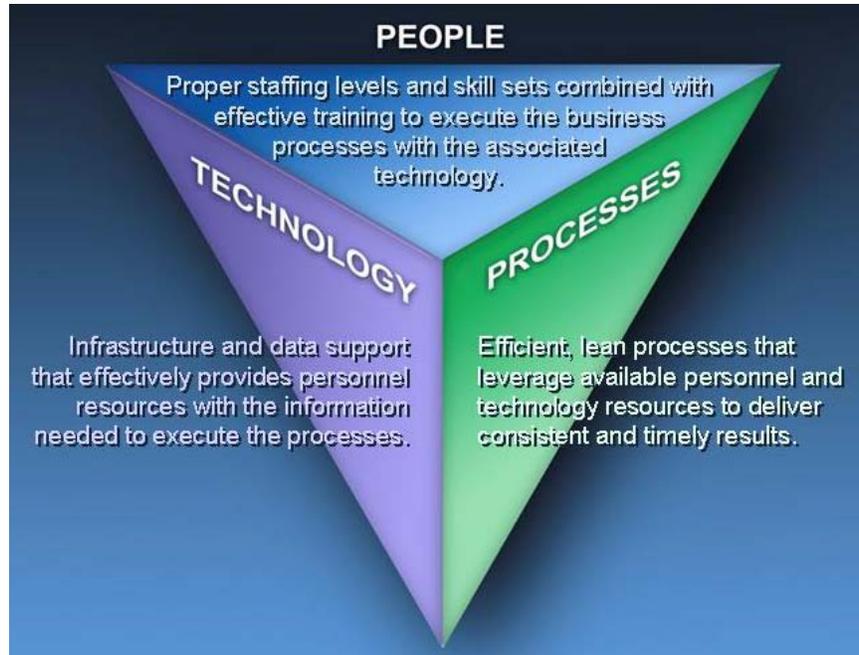


Figure 26 highlights common findings in the MoH, MoPW, and LWHP.

Figure 26. MoH, MoPW, and LHWP Have Common Findings in All Three Areas

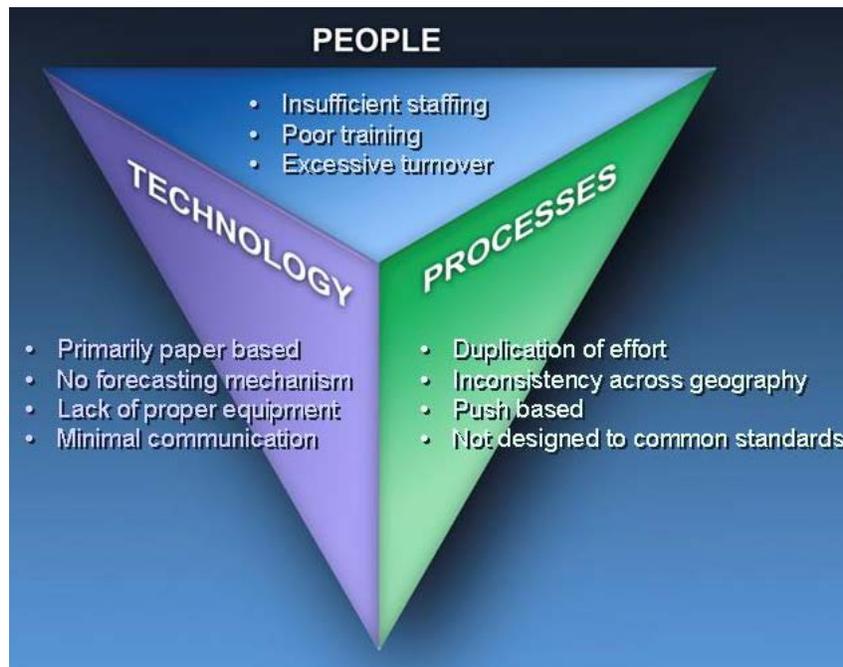


Figure 27. TACMIL Will Address Many of the Shortfalls

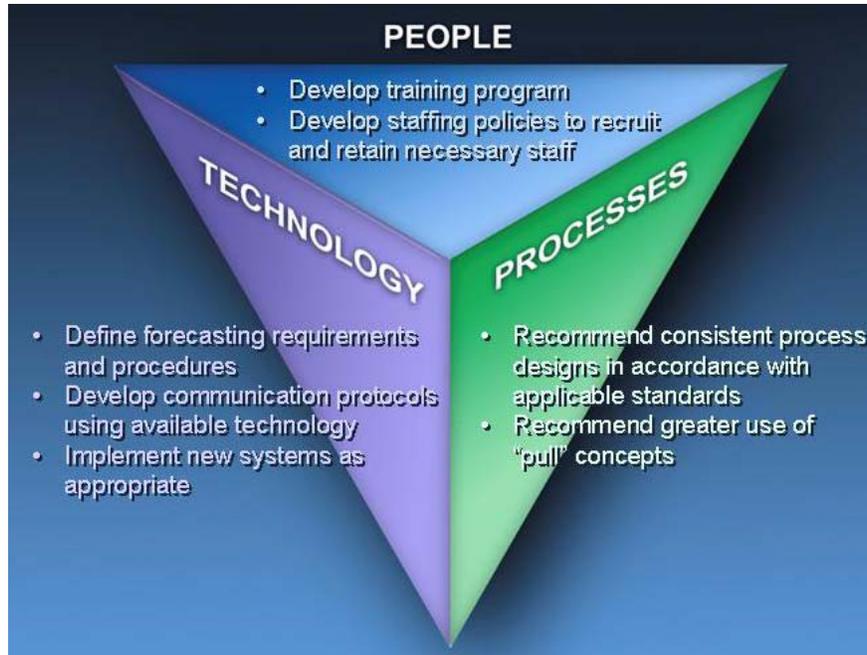
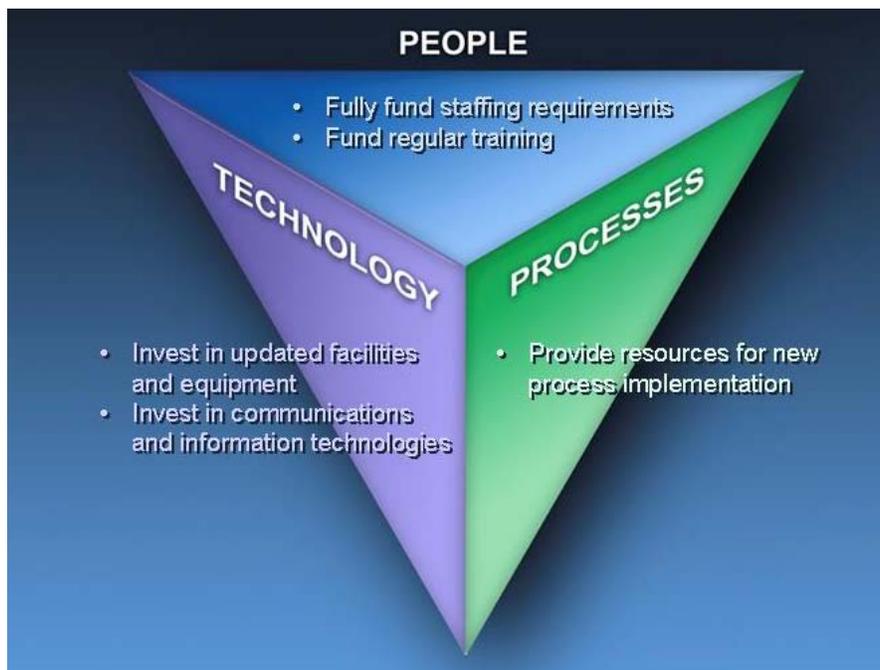


Figure 28. The System May also Need Long Term Investment to Optimize Operations



List of Abbreviations

CLR-6	Contraceptives Logistics Requisition Form-6
CPR	Contraceptive Prevalence Rate
DG	Director General
DHQ	District Head Quarters
DoH	Department of Health (Provincial)
DoPW	Department of Population Welfare
DPW	District Population Welfare
DPWO	District Population Welfare Officer
ED	Essential Drug
EDOH	Executive District Officer Health
FLCF	First Level Care Facility
FWC	Family Welfare Centre
ICT	Information, Communication Technology
LHW	Lady Health Worker
FEFO-FIFO	first expiry – first out, last in, first out-first in, first out
LMIS	Logistics Management Information System
M/DoH	Ministry/Department of Health
MCC	Medicine Coordination Cell
MoH	Ministry of Health (Federal)
MoPW	Ministry of Population Welfare (Federal)
MSD	Medical Stores Department
MSU	Mobile Service Units
NP FP & PHC	National Program for Family Planning & Primary Health Care
NWFP	North West Frontier Province
PHC	Primary Health Care
RH	reproductive health
RHS	Reproductive Health Service
TACMIL	Technical Assistance on Capacity Building in Midwifery, Information and Logistics

UNFPA	United Nations Population Fund
USAID	U.S. Agency for International Development
UTi	Union Transport Incorporation

Appendix A. Situational Analysis Tool (Warehouse)

Pakistan Warehouse Data Gathering Checklist

I. General Information					
Completed By:		Date:			
Title:	Phone:	E-mail:			
Signature:					
II. Facility Information					
Facility Name:		Address:			
City/Town:		Province and District:			
Point of Contact Name and Designation:	Phone:	E-mail:			
Building Composition: <input type="checkbox"/> Brick <input type="checkbox"/> Wood <input type="checkbox"/> Metal <input type="checkbox"/> Other _____					
Building Ownership: <input type="checkbox"/> Government <input type="checkbox"/> Rented		Date Facility Constructed:			
Total Square Footage:		Total Number of Floors:			
Number of Staff Allocated:	Number of Staff Available:	Number of Staff Required:			
Inventory Value:	Annual Shipment and Receipt Value:				
Total Number of Occupants:	Normal hours of operation:				
Distance to Nearest Police Department:	Police Department Phone:				
Distance to Nearest Fire Station:	Fire Department Phone:				
Requirement			Yes	No	N/A
III. Facility Characteristics					
1. Is facility structurally sound and generally free from major defects, water leaks, structural damage, evidence of dampness?					
2. Are windows and ceiling secured to prevent entry from outside?					

Requirement	Yes	No	N/A
3. Is the facility floor smooth, non-pitted concrete or similar flooring? Is it devoid of cracks or defects that could impede the movement of cargo?			
4. Is floor space sufficient to allow for efficient receiving, stock replenishment, inventory, consolidation and preparation of materials for shipment?			
5. Does the facility have restrooms?			
6. Does the facility have sufficient loading and shipping dock bays?			
7. Provide number of bay doors: ___(#) Receiving ___(#) Shipping			
8. Are locking dock doors a minimum of 8' high?			
9. Does the facility have loading dock levelers?			
10. Can the facility effectively accommodate delivery vehicles?			
11. Can facility parking/staging area accommodate up to ___ (#) trucks?			
Comments:			
IV. Utilities/Power Supply			
1. Does facility have sufficient amp load capability?			
2. Does facility have emergency backup power (generator)?			
3. How often is the emergency power tested semi-annually and documented? Obtain copies.			
4. Is facility connected to all public utilities (telephone, water, sewer, gas, electricity)?			
5. Do the heating, air conditioning, gas, and electricity operate properly?			
6. Is the facility environmentally controlled?			
7. Is ventilation adequate and are exhaust systems working?			
8. Does facility have LAN connection or high-speed internet capability?			
9. Does the facility have adequate lighting? Lighting type: _____			
10. Number and type of material handling equipment:			

Requirement	Yes	No	N/A
Comments:			
V. Physical Security			
1. Is there a record of facility actual opening and closing times?			
2. Does the facility have minimal threat targets/hazards within its vicinity?			
3. Is there a history or evidence of uncontrolled external access into the building?			
4. Is access control visibly enforced?			
5. Does the facility have a physical security plan? Obtain copy.			
6. Does the facility manager conduct semi-annual key inventories?			
7. Does the facility have emergency bomb procedures?			
8. Does the facility have an occupant emergency evacuation plan?			
9. Are there exterior barriers extending the physical perimeter (i.e., concrete barriers, planters, boulders, fences, and vehicle gate controls) of the facility?			
10. Are the exterior barriers separating the parking/drop off area from the facility?			
11. Do all exterior and interior doors have 2 locks (i.e., one deadbolt and one key lock)?			
12. Are door hasp bolts installed on the interior of all door frames?			
13. Do all exterior doors have high security locks?			
14. Does the facility have more than one tenant?			
15. If so, are internal security barriers in place and inspected?			
16. Does the facility have monitoring devices or intrusion detection (IDS) systems installed?			
17. If yes, are all access points such as exterior doors, windows, and loading dock doors alarmed?			
18. Is the intrusion detection system (IDS) tested periodically?			
19. Is the IDS tested periodically and documented? Obtain copy.			
20. Is the IDS on backup power supply?			
21. Is backup power supply tested semi-annually?			
22. Is there exterior lighting with 360 degree coverage around the exterior of the facility?			
23. Is there key and badge controls for perimeter doors?			
24. Does the facility have closed circuit television (CCTV) monitoring system?			

Requirement	Yes	No	N/A
25. If CCTV is limited, is it monitoring external facility doors and door to controlled substance storage vault/area?			
26. Is the CCTV monitored by the security force?			
27. Is the CCTV on back-up power supply? Included in test documentation (above)			
28. Is access to utilities, such as heating, ventilating, air conditioning, back-up generator, utility closets limited to authorized personnel only?			
Comments:			
VI. Personnel Security			
1. Are personnel subject to background checks?			
2. Do personnel have security identification badges?			
3. Does facility conduct annual physical security awareness training?			
4. Does facility have visitor access controls to prevent unauthorized entry into the facility, which should include sign-in register and temporary visitor badges?			
5. Are visitors provided escorts?			
Comments:			
VII. Parking			
1. Are all vehicles set back at least 100 feet from the facility?			
2. If not, are vehicles within 100 feet of the facility screened by a guard?			
3. Is employee parking separated from public parking?			
4. Are trucks inspected for possible explosives before backing into the loading dock?			

Requirement	Yes	No	N/A
Comments:			
VIII. Receiving Area and Process			
1. Is material segregated and processed by Packing List or Bill of Lading?			
2. Is segregated material inventoried using packing lists, purchase order or vendor call number?			
3. Are all material inventories documented using the 2-man rule?			
4. Are receipts immediately posted in the inventory management system using the 2-man rule?			
5. If materials are for stock, are storage locations and quantities posted in the inventory management system?			
6. If materials are for stock, are storage locations printed or tagged or bar coded to the exterior packaging?			
7. Once receipted, are materials for stock moved away from the quarantine area and staged for put-away into storage locations?			
8. If materials are identified as "cross dock customer," are the materials moved into shipping once posting is completed?			
9. Is all documentation (i.e., Bill of Lading, pack list, purchase order and/or vendor call number) stapled and kept in a "completed file"?			
10. Is the completed receipt documentation delivered directly to Procurement and/or Inventory Managers for obligation and status inputs?			
11. Is the expiration date, lot number and manufacture number visually checked on each product and documented in the inventory management system receipt?			
12. Is the expiration date, lot number, and manufacturer number written on each copy of the purchase order?			
13. Does the receiving have a process for resolving quantity discrepancies between the Bill of Lading and the quantity received? Obtain a copy.			
14. Are controlled substances segregated, received and stored in a lockable container, prior to transfer to the vault?			
15. Is the controlled substance container also sealed with tamper-evident seals in the receiving area, using a 2-man rule?			
16. Are records kept in receiving on all tamper-evident seals applied in the receiving area?			
17. Is the controlled substance container transfer to the vault conducted by the controlled substance custodian and a receiving clerk?			

Requirement	Yes	No	N/A
18. For material not processed because of missing receipt information, is there a segregated space within the receiving area identified for "FRUSTRATED RECEIPTS"?			
19. Are appropriate notifications made to superiors when frustrated receipts are experienced?			
20. Are aged frustrated receipts reviewed by the Account Manager for appropriate resolution or action?			
21. On arrival, are drivers' credentials checked and logged into a "Drivers' Log"?			
22. Is the receiving area/shipping area (s) monitored and secured?			
23. Is a waiting area with restrooms located in an area proximal to the area to prevent visitors and/or drivers from entering the receiving/shipping area?			
24. Are materials adequately protected against pilferage?			
25. If items are received in cold or frozen pack containers, are these taken on arrival to the refrigerator or freezer for inventory and receipt processing latter in the day?			
26. Prior to placing in temperature controlled storage is the temperature of contents at receiving recorded on the receipt paperwork?			
27. Is the receiving area floor cleared and cleaned at the close of each business day?			
28. Are written procedures in place to deal with any violations of packaging requirements of material received?			
29. On separate pages, describe and flowchart the existing receiving processes.			
Comments:			
IX. Storage Area			
1. Does the layout of the storage area maximize the efficiency of storage and distribution of product to customers?			
2. Does warehouse staff use barcode technology to facilitate storing product?			
3. Does storage have established performance standards, i.e., 24 hours for processing of putaways into locations?			
4. Are products stored properly to minimize damage?			
5. Are employees trained to ensure the proper handling, storing, and distribution of product?			
6. Is the warehouse organized using a planograph and a discrete location numbering system throughout?			
7. Is the planograph updated and available for reference by the warehouse staff?			
8. Are locations kept current on the planograph?			

Requirement	Yes	No	N/A
9. Are the storage locations adequately identified to facilitate the location of product?			
10. Are inventory levels (min-max) established and monitored? Specify how.			
11. Are fast, medium, and slow-moving products identified and located to ensure efficient handling, selection, and issue?			
12. Is storage utilization monitored and action taken to prevent wasted or excess space?			
13. Is there sufficient space between storage racks to enable effective and safe access and utilization of materiel handling equipment?			
14. Are results of the most recent location survey posted and in view by all staff?			
15. Is shelf-life material stored by lot number and expiration date?			
16. Is the first-in first-out (FIFO) principle applied when storing and selecting shelf-life materiel?			
17. Are there a minimum 10% inventory conducted monthly and a 100% warehouse wide inventory conducted annually? Obtain a copy.			
18. Do all aisles provide a 4 foot passage? Document distance.			
19. Does all warehouse staff receive periodic drivers training for all equipment (i.e., pallet jacks, material handing equipment, fire extinguishers) and first aid, at least annually? Obtain copy.			
20. Does all warehouse staff possess a current valid operators' license for all required equipment and vehicles? Visually confirm.			
21. Does all warehouse staff wear/use lumbar supports, safety visors/glasses, aprons, safety shoes and material handling equipment (MHE) harnesses?			
22. Is the warehouse cleaned, free from infestation, accumulated waste, and row maintenance performed regularly?			
23. Are materiel requests pulled and staged for shipment using a pick list?			
24. Does warehouse staff perform cycle counts when a warehouse denial occurs?			
25. Is there an established process for performing cycle counts and resolving warehouse denials? Obtain a copy.			
26. Are location errors resolved or reported/documentated to the warehouse manager as they occur?			
27. Are material location changes recorded in the inventory management system?			
28. Is there an established process for processing excess, expired, and unserviceable products? Obtain a copy.			
29. Is there a contract to properly dispose of expired material?			
30. Is there an established process for recall of product? Obtain a copy.			
31. Is recalled or expired product quarantined until proper disposition instructions are given?			
32. Is there an established process for processing customer returns? Obtain a copy.			
33. Is there a contract to properly dispose of expired, unserviceable, and HAZMAT product?			
34. Is there a process for removing expired or unserviceable inventory from usable inventory records and notifying appropriate officials?			
35. Is there a comprehensive product surveillance program to ensure the serviceability and reliability of materiel?			

Requirement	Yes	No	N/A
36. Are shelf-life material and other material with deteriorative properties stored in environmentally controlled areas?			
37. Is unserviceable materiel segregated from usable stock and placed in a quarantined area?			
38. Does the storage activity have the appropriate materiel handling equipment to ensure efficient operations?			
39. Does the warehouse operation have a product rotation program for shelf-life material established with commercial vendors?			
40. On separate pages, describe and flowchart the existing storage processes.			
Comments:			
X. Hazardous Materials (HAZMAT)			
1. Are hazardous materials (HAZMAT) locations included in the warehouse planograph?			
2. Is there a monthly inventory of all HAZMAT? Obtain copy of last inventory?			
3. Is the HAZMAT storage area separated from the rest of the warehouse storage locations?			
4. Are HAZMAT stored separately by hazard type?			
5. Are manufacturers' Material Safety Data Sheets (MSDS) kept up to date and available for use by all warehouse staff?			
6. Are HAZMAT placards or signs for each type posted on internal storage area doors, and on the warehouse exterior doors designating the highest danger?			
7. Are discrepancies with HAZMAT immediately investigated, reported and documented?			
8. Is there a wash station near the HAZMAT storage area? Does it work? Is it regularly inspected to ensure proper operation? Is there documentation of the testing?			
9. Are there portable wash stations installed in the receiving, shipping and warehouse? Do they work? Are they regularly inspected to ensure proper operation? Is there documentation of the testing?			
10. On separate pages, describe and flowchart the existing HAZMAT processes.			

Requirement	Yes	No	N/A
Comments:			
XI. Controlled Substance Storage Area			
1. Are materials immediately processed into the area with controlled substance custodian and receiving clerk?			
2. Is each item immediately posted to the vault master record using a 2 man rule?			
3. Is each item's expiration date, lot number and manufacture number posted in the master record and purchase order?			
4. Are controlled substances shelved by expiration date using FIFO?			
5. Are issues strictly processed with pick lists with quantity and initials posted in the controlled substance master record?			
6. Are issues repackaged and prepared for shipment in the controlled substance area?			
7. Are outgoing shipments of controlled substances sealed with tamper-evident seals prior to leaving the vault?			
8. Does the controlled substance custodian maintain a record of all tamper-evident seals?			
9. Are controlled substances moved to the shipment area by the custodian using a 2-man rule?			
10. Are controlled substances identified as Schedule I and II stored in an approved safe or vault?			
11. Are double high security locks used to secure door to the controlled substance area and vault?			
12. Does the vault have a monitoring alarm system?			
13. Is the alarm periodically tested to ensure serviceability and are records maintained of the test results?			
14. Are monthly inventories being performed using a disinterested person?			
15. Are inventory discrepancies properly investigated, research and documented?			
16. Is management informed immediately of any inventory discrepancy?			
17. Is access to the vault controlled?			
18. Is there an access record posted on the outside of the vault door? Is it current?			
19. On separate pages, describe and flowchart the existing controlled substance processes.			

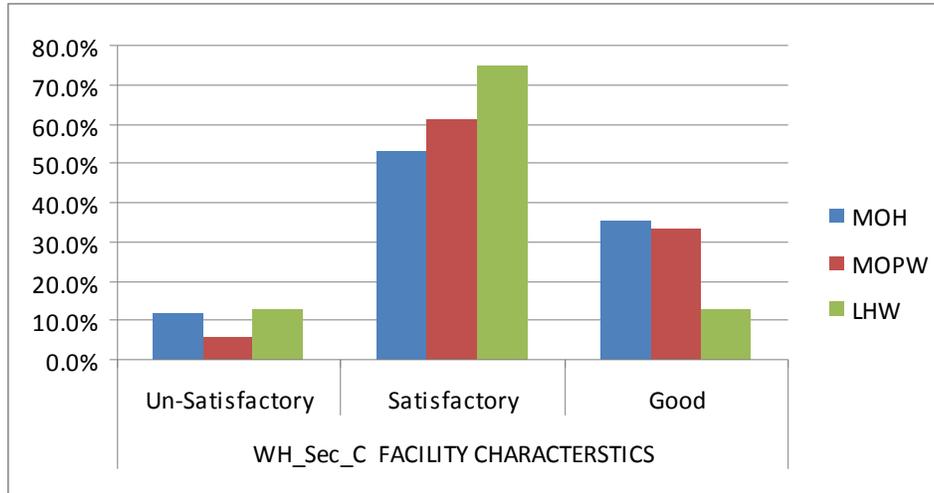
Requirement	Yes	No	N/A
Comments:			
XII. Shipping Area and Process			
1. Are picked materials delivered to shipping with the pick list?			
2. Are materials orders organized for shipment preparation by customer?			
3. Are material orders packed to prevent damage, breakage, spillage, or contamination by other products?			
4. Are temperature-sensitive products packaged properly to prevent damage during transport?			
5. Does the shipping operation use internal transportation or commercial assets, or a combination thereof, to transport product?			
6. Do shipping personnel verify the accuracy of the product picked to the pick list before loading on trucks?			
7. Is the shipping area adequate to handling the peak levels of volume?			
8. Does transportation ensure that the pick list and the Bill of Lading information match?			
9. Does transportation provide the carrier with a Bill of Lading to schedule transportation assets?			
10. What types of transportation modes, i.e., air, ground, does the organization used? Describe in comments block.			
11. Do shipping personnel stage material according to customer or destination?			

Requirement	Yes	No	N/A
12. Are HAZMAT materials and orders segregated for shipment preparation by customer?			
13. Do all HAZMAT material orders arrive for shipment with the respective MSDS?			
14. Do controlled substances arrive in shipping in a locked container with tamper-evident seals?			
15. Are material orders checked and documented on a packing list by customer?			
16. Is the packing list used to build the Bill of Lading or Issue Receipt Voucher for shipment?			
17. Prior to order assembly, is each material order signed, with customer copy left with material?			
18. Is the order assembly process-thru-to banding conducted using a 2-man rule?			
19. During order assembly and shipment preparation, are all customer materials boxed with packing materials, consolidated materiel release orders, and MSDS sheets, as appropriate?			
20. Are prepared shipping labels and packing slips affixed to the outside of all shipment containers?			
21. Are the shipment containers marked as "MEDICAL", and "TEMPERATURE CONTROLLED", as necessary?			
22. Is each customer shipment container banded with a tamper-evident seal prior to transport arrival, or before the end of shift?			
23. Is each shipment container's weight and cube documented on the Bill of Lading or Issue Receipt Voucher?			
24. Are Bill of Lading or Issue Receipt Voucher documents kept with each shipment until transport arrives?			
25. Are material orders for controlled substances and HAZMAT processed separately, at designated times?			
26. On arrival, are drivers' credentials checked and logged into a "Drivers' Log Book"?			
27. Once transport arrives, does the shipment clerk work with the transport driver to confirm shipments, special load instructions, and complete signatures on Bill of Lading or Issue Receipt Voucher?			
28. Is driver provided with a copy of the Bill of Lading or Issue Receipt Voucher?			
29. Once shipment has departed, does shipping clerk assemble all documentation, post release and shipment in system before filing?			
30. Does shipping have the capability, i.e., global positioning system, to track the location of ground conveyances?			
31. On separate pages, describe and flowchart the existing shipping processes.			

Requirement	Yes	No	N/A
Comments:			
XIII. Refrigerated Items			
1. Are receipted refrigerated items immediately transferred to storage personnel for putaway?			
2. Are refrigerated items maintained at recommended temperatures?			
3. Do the refrigeration units have temperature-monitoring devices to ensure proper temperature ranges are maintained?			
4. Do storage personnel periodically check the temperature of these units to ensure that temperature ranges have not exceeded recommended manufacturer ranges?			
5. Is a daily record of temperatures being maintained?			
6. Is the record posted outside the refrigeration unit?			
7. Do the refrigeration units have an alarm system that alerts storage personnel if the unit malfunctions?			
8. Does the alarm unit provide alerts to storage personnel if the unit fails after normal duty hours?			
9. Are the refrigeration units on emergency power?			
10. Does storage have procedures for the proper handling, storing, issuing, and transporting of refrigerated material?			
11. Are warehouse personnel properly trained in the handling of refrigerated items?			
12. Does the storage operation have a written emergency plan of action in the event of a power outage?			
13. Does the storage operation have a contract with a refrigeration repair company to response to equipment malfunctions?			
14. Are storage personnel familiar with the plan and what actions to take?			
15. Is food, water, or beverages being stored in these units?			
16. If spoilage occurs, are refrigerated items segregated from the regular inventory?			
17. Do storage personnel immediately notify quality control unit (QCU) if spoilage occurs?			
18. Are refrigerated items packed in approved containers prior to shipment?			
19. For temperature control items, are insulated containers used and are temperature monitors placed in the container to monitor the temperature while in transit?			
20. Are temperature control items stored away from walls, coils, and peripheral areas?			

Requirement	Yes	No	N/A
21. Are there procedures that prohibit temperature control items from being stored in the refrigeration unit door?			
22. Is access limited to the refrigeration units to authorized personnel only?			
23. Upon receipt, do receiving personnel know to notify the supervisor and QCU if the temperature monitor inside a vaccine container indicates the temperature ranges have been exceeded?			
24. On separate pages, describe and flowchart the existing refrigerated item processes.			
Comments:			
IX. Quality Assurance/Quality Control (QA/QC)			
1. Does the organization have a quality control unit (QCU) that is responsible for quality assurance/quality control (QA/QC) and ensuring that government regulatory requirements are being met or enforced?			
2. Is there an approved quality assurance management plan that delineates the quality assurance program for the organization? Obtain a copy.			
3. Does the plan contain management's quality policy and objectives?			
4. Has the plan been implemented and is it being followed?			
5. Have QA/QC employees read and signed the plan?			
6. Are QA/QC practices, methods, and techniques being applied and enforced?			
7. Does QCU have a quality improvement process?			
8. Does QCU conduct quality reviews with management and employees?			
9. Does QCU have a corrective action/preventive action (CAPA) system to identify, correct and prevent quality deficiencies and non-conformances?			
10. Is the CAPA system automated or manual?			
11. Is a CAPA request number assigned to each quality problem found?			
12. Does management review all CAPA problems?			
13. Does QCU have a document management system that establishes guidelines for the reviewing, revising, approving, and version control of documents? Obtain a copy.			
14. Does QCU have a records management system that establishes guidelines for maintaining and disposing of quality records? Obtain a copy.			

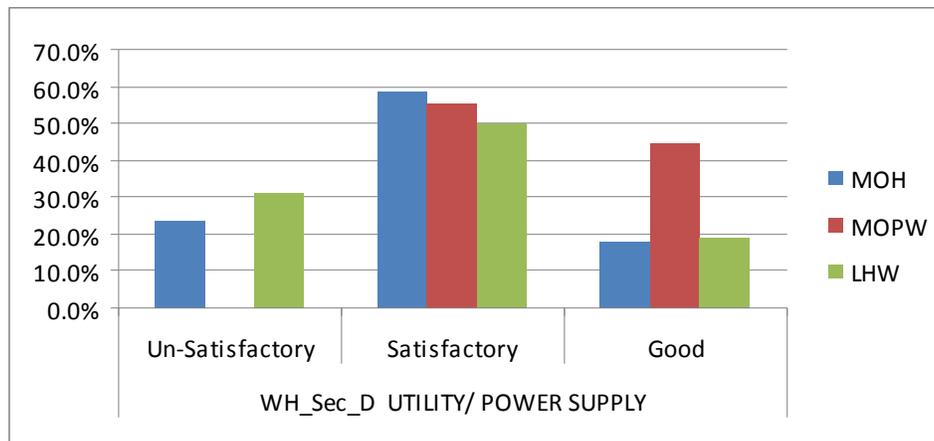
Requirement	Yes	No	N/A
15. Is the organization subject to government regulatory requirements pertaining to the management, receipt, storing, and distribution of pharmaceuticals?			
16. Does QCU have a quality training program? Obtain a copy.			
17. Does QCU have procedures for creating, revising, and disposing of documents?			
18. Does QCU performed system transaction audits to verify the accuracy of data input into the inventory management system?			
19. Does QCU have an audit program?			
20. Does QCU have a process to verify established performance standards or metrics such as inventory and locator accuracy, receipt processing time, order accuracy, and pick list processing time?			
21. Does QCU staff perform quality checks, i.e., verification of lot number, expiration date, correct quantity and correct product pulled, of product that is selected for issue?			
22. On separate pages, describe and flowchart the existing QA/QC processes.			
Additional Comments			



WH_Sec_C FACILITY CHARACTERISTICS * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

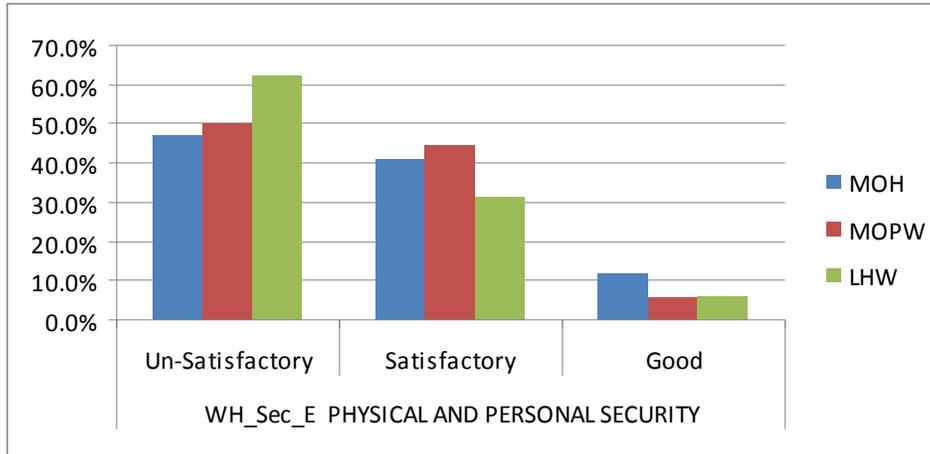
		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_C FACILITY CHARACTERISTICS	Un-Satisfactory	11.8%	5.6%	12.5%	9.8%
	Satisfactory	52.9%	61.1%	75.0%	62.7%
	Good	35.3%	33.3%	12.5%	27.5%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_D UTILITY/ POWER SUPPLY * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_D UTILITY/ POWER SUPPLY	Un-Satisfactory	23.5%	0.0%	31.3%	17.6%
	Satisfactory	58.8%	55.6%	50.0%	54.9%
	Good	17.6%	44.4%	18.8%	27.5%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_E PHYSICAL AND PERSONAL SECURITY * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

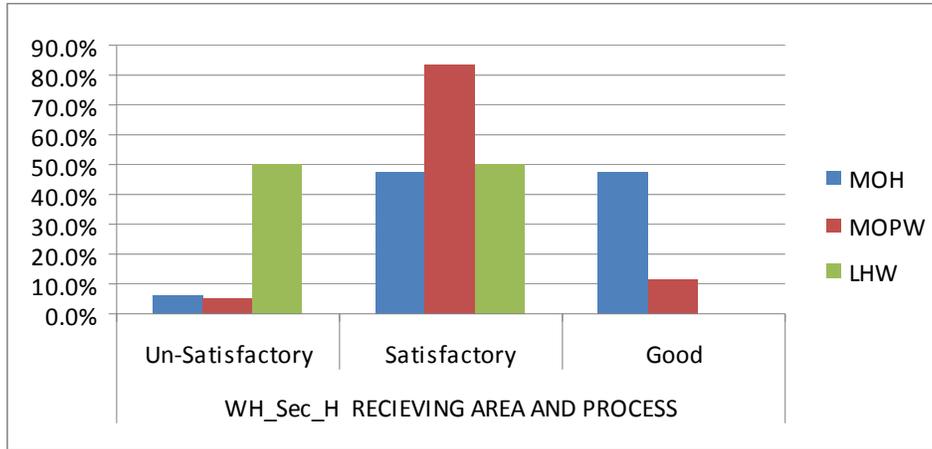
		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_E PHYSICAL AND PERSONAL SECURITY	Un-Satisfactory	47.1%	50.0%	62.5%	52.9%
	Satisfactory	41.2%	44.4%	31.3%	39.2%
	Good	11.8%	5.6%	6.3%	7.8%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_G PARKING * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

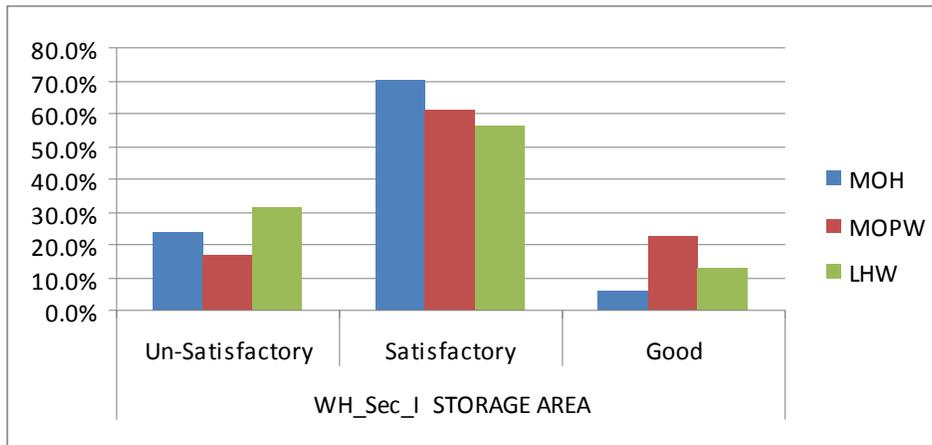
		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_G PARKING	Un-Satisfactory	52.9%	66.7%	62.5%	60.8%
	Satisfactory	47.1%	33.3%	31.3%	37.3%
	Good	0.0%	0.0%	6.3%	2.0%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_H RECEIVING AREA AND PROCESS * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

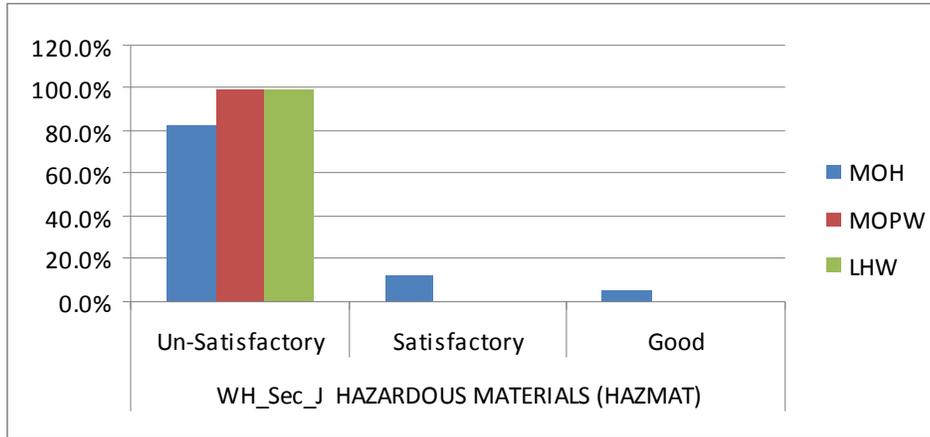
		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_H RECEIVING AREA AND PROCESS	Un-Satisfactory	5.9%	5.6%	50.0%	19.6%
	Satisfactory	47.1%	83.3%	50.0%	60.8%
	Good	47.1%	11.1%	0.0%	19.6%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_I STORAGE AREA * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

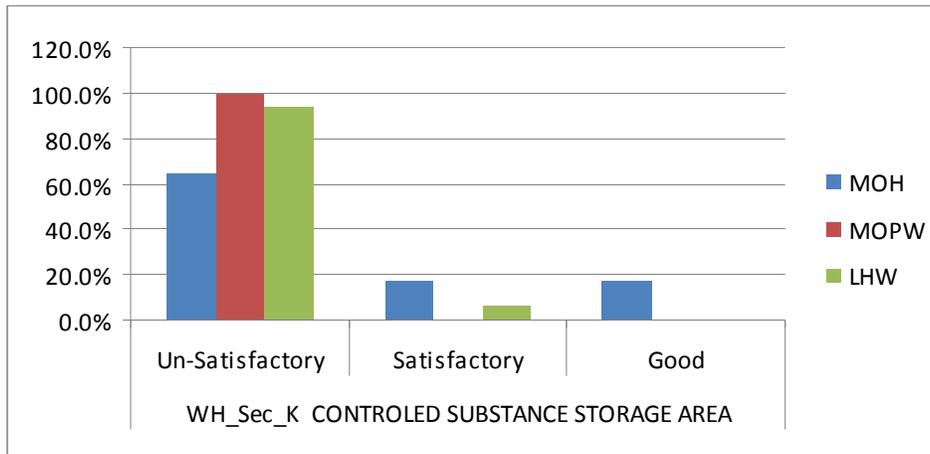
		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_I STORAGE AREA	Un-Satisfactory	23.5%	16.7%	31.3%	23.5%
	Satisfactory	70.6%	61.1%	56.3%	62.7%
	Good	5.9%	22.2%	12.5%	13.7%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_J HAZARDOUS MATERIALS (HAZMAT) * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_J HAZARDOUS MATERIALS (HAZMAT)	Un-Satisfactory	82.4%	100.0%	100.0%	94.1%
	Satisfactory	11.8%	0.0%	0.0%	3.9%
	Good	5.9%	0.0%	0.0%	2.0%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_K CONTROLLED SUBSTANCE STORAGE AREA * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

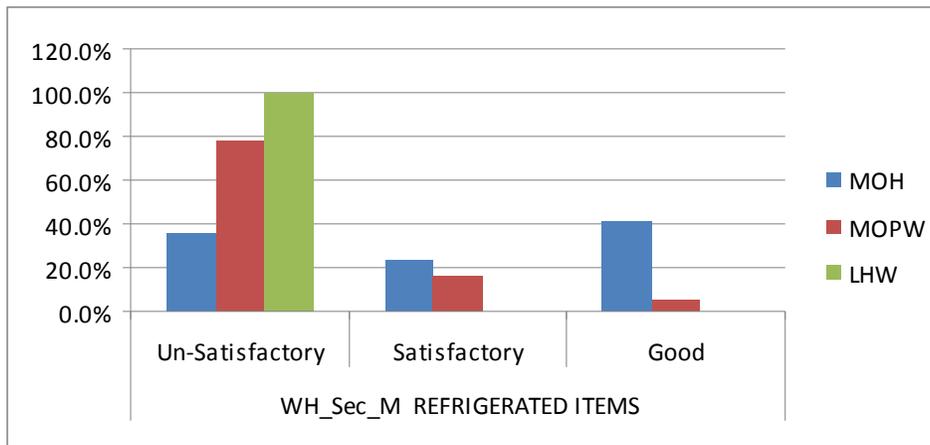
		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_K CONTROLLED SUBSTANCE STORAGE AREA	Un-Satisfactory	64.7%	100.0%	93.8%	86.3%
	Satisfactory	17.6%	0.0%	6.3%	7.8%
	Good	17.6%	0.0%	0.0%	5.9%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_L SHIPPING AREA AND PROCESS * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

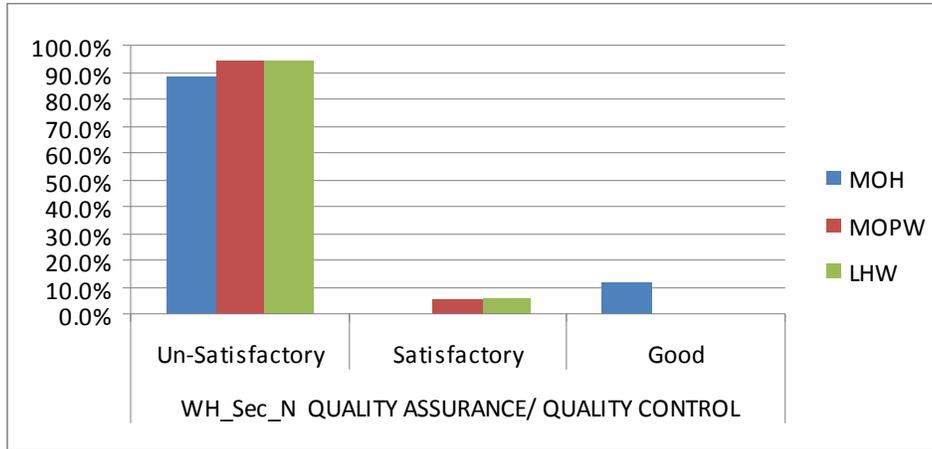
		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_L SHIPPING AREA AND PROCESS	Un-Satisfactory	11.8%	11.1%	6.3%	9.8%
	Satisfactory	47.1%	38.9%	87.5%	56.9%
	Good	41.2%	50.0%	6.3%	33.3%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_M REFRIGERATED ITEMS * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_M REFRIGERATED ITEMS	Un-Satisfactory	35.3%	77.8%	100.0%	70.6%
	Satisfactory	23.5%	16.7%		13.7%
	Good	41.2%	5.6%		15.7%
Total		100.0%	100.0%	100.0%	100.0%



WH_Sec_N QUALITY ASSURANCE/ QUALITY CONTROL * B01 "FACILITY NAME TYPE" Crosstabulation

% within B01 "FACILITY NAME TYPE"

		B01 "FACILITY NAME TYPE"			Total
		MOH	MOPW	LHW	
WH_Sec_N QUALITY ASSURANCE/ QUALITY CONTROL	Un-Satisfactory	88.2%	94.4%	93.8%	92.2%
	Satisfactory		5.6%	6.3%	3.9%
	Good	11.8%			3.9%
Total		100.0%	100.0%	100.0%	100.0%

Appendix B. Situational Analysis Tool (Procurement)

Pakistan Procurement Data Collection Checklist

I. General Information					
Completed By:		Date:			
Title:	Phone:	E-mail:			
Signature:					
II. Organization Information					
Organization Name:		Address:			
City/Town:		Province and District:			
Point of Contact: Name and Title:	Phone:	E-mail:			
Number of Staff Allocated	Number of Staff Available:	Number of Staff Required:			
Value of Annual Procurement:	Items Procured (type and number of SKUs):				
Requirement			Yes	No	N/A
III. Concept Development and Acquisition Planning					
1. Is a written procedure published and referred to by staff to develop the concept and plan the acquisition?					
2. Does the Procurement Officer conduct an acquisition concept-plan meeting?					
3. As part of the plan, is an Acquisition Team established for the procurement? Specify composition.					
4. For larger and longer term contracts, is a Procurement Officer's Representative appointed?					
5. Is market research for the requirement performed by both the requiring activity and the Acquisition Team?					
6. In the early stages of planning, does the market research include discussions with potential contractors?					
7. Does the procurement section maintain and utilize a master list of reputable healthcare contractors and procurement linkages from which to solicit information and coordinate during the planning process?					
8. During the market research phase of planning, is there active coordination between the Procurement Officer, the Requiring Activity's Representative and the Contract Specialist?					

Requirement	Yes	No	N/A
9. While the Acquisition Plan is being developed, is past performance information considered and discussed?			
10. Do price increase restrictions impact the ability to procure?			
11. While the Acquisition Plan is being developed, is the option of sole source or small business considered with final rationale documented in the plan?			
12. While the Acquisition Plan is being developed, does this team document its deliberation and rationale best procurement approach for the acquisition (e.g. local, regional, international, open or restricted/limited vendor, sole source, small business, etc.)? Obtain copies of two previous large value procurements (1 active and 1 closed).			
13. While the Acquisition Plan is being developed, is the team required to fulfill specified government special programs' goals? Obtain a copy?			
14. Is all information and data collected summarized in the Acquisition Plan?			
15. Is an Acquisition Plan finalized with milestone events and referred to during entire acquisition process?			
16. Is there a current published Procurement Procedure, and does it incorporate the latest government guidelines and Public Sector Procurement practices?			
17. Are procurement plans and documents maintained securely within the facility?			
18. Are procurement functions performed using an automated procurement system?			
19. Are Products and Vendors identified from the National Essential Medicines List, Master Product and Vendor lists always considered in each market research?			
Comments:			
IV. Performance Work Statement			
1. Does the Procurement Officer require a Performance Work Statement (PWS)/ guidelines/list of deliverables to be written for new contract procurements? Specify policy if by a threshold and note the amount.			
2. Does the Procurement Officer require a written justification on any requirements where competition is limited?			
3. Is there a standardized format used for the development of the PWS?			
4. Does the Procurement Officer have flexibility to deviate from the PWS format?			
5. Does the Requiring Activity's Representative participate in the development of the PWS?			
6. Do the Procurement Officer and Requiring Activity's Representative review the PWS for content?			
7. Is the PWS maintained throughout the entire procurement process? Obtain a copy.			

Requirement	Yes	No	N/A
Comments:			
V. Quality Assurance Surveillance Plan			
1. Is a Quality Assurance Surveillance Plan (QASP) prepared for each acquisition? If determined by a threshold, specify the amount.			
2. Does the QASP specify how, where, when and how often the contractor's services or product will be evaluated?			
3. Is a standard format utilized in writing the QASP?			
4. Is the Contracting Specialist permitted to deviate from the QASP format?			
5. Do the Procurement Officer and Technical Representative review the QASP for content?			
6. Is the QASP maintained throughout the entire procurement process? Obtain a copy.			
7. How long does the quality assurance process require? ____ Is this time monitored?			
Comments:			
VI. Independent Government Estimate			
1. Is an Independent Government Estimate (IGE) prepared for each acquisition?			
2. Is there a standard approach for developing an IGE? Document the approach in comments section.			
3. Does the Requesting Activity provide the cost estimates to the Procurement Officer?			
4. Does the Procurement Team review cost estimates provided and validate with other official source information as part of the final IGE development?			

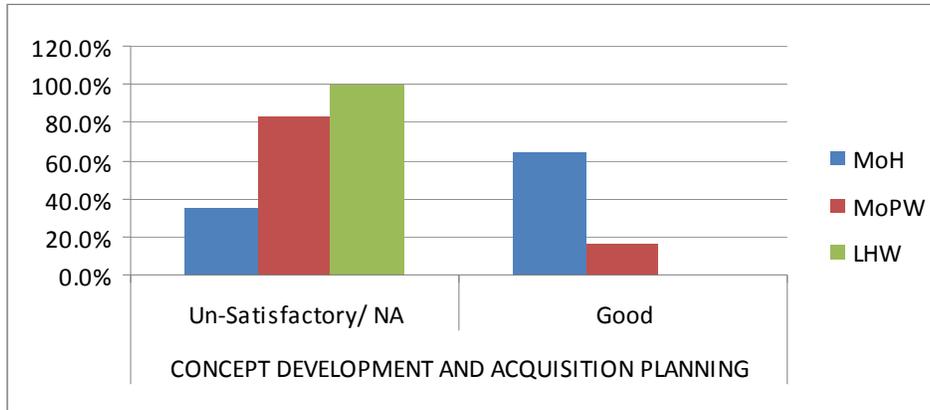
Requirement	Yes	No	N/A
5. Is the IGE always controlled as the internal Government Estimate and therefore, used as the basis for determining price reasonableness on future contractors' proposals?			
6. Do the Procurement Officer and Technical Representative review the IGE and supporting documentation for content, validity and reasonableness?			
7. Is the IGE, supporting documentation and the Government's Estimated Cost known only by the Procurement Officer, Technical Representative and the Contracting Specialist?			
8. Are the IGE and Government's Estimated Cost maintained secure at all times by the Contracting Specialist and only brought out for use in the evaluation process?			
9. Are the IGE and Government's Estimated Cost maintained throughout the procurement process?			
Comments:			
VII. Evaluation Factors			
1. Does the Requesting Activity prepare a list of factors or criteria that can be used in evaluating contractor's proposals?			
2. Is the Requesting Activity educated on the 'best value continuum' and the 'lowest price-technically acceptable' prior to final determination of the evaluation factors to be considered?			
3. Are the Requesting Activity and Evaluation Panel informed that past performance and price are mandatory evaluation factors?			
4. Are these factors reviewed by the Procurement Officer and Technical Representative prior to the formal solicitation – Request for Proposals or Tenders?			
5. Are the evaluation factors or criteria included in the formal solicitation – Request for Proposals (RFP) or Tenders?			
6. Are factors and any sub factors included in the RFP/Tender prioritized and weighted?			
7. Does the Procurement Officer appoint the Evaluation Panel members in writing?			
8. Are the evaluation factors or criteria and all supporting documentation maintained throughout the procurement process?			
9. Does the Procurement Officer meet with the Acquisition Team to discuss and review the final Acquisition Plan, Purchase Request and Funding before rendering approval to proceed with the solicitation?			

Requirement	Yes	No	N/A
Comments:			
VIII. Solicitation Process			
1. Does Organization conduct procurements using a standardized solicitation process?			
2. Is the 'Intent to Solicit' notice advertised in multiple media formats?			
3. Is the Public informed of where to look for all government solicitations?			
4. Is there a standard period for solicitation advertising to the Public?			
5. Prior to the formal solicitation, does the Procurement Officer and key members of the Acquisition Team conduct a Pre-Proposal Conference?			
6. Does the Requesting Activity participate throughout the solicitation process and provide Pre-Award Technical Advice to the Procurement Officer?			
7. Are Technical Evaluations formal and do they include the Evaluation Panel and Contracting Specialist, at a minimum.			
8. As part of the Evaluation Panel process, are all fully qualified proposals-vendors offered to participate in Oral Presentations and Negotiations with the Procurement Officer?			
9. After Oral Presentations and Negotiations, is there a closed full review and discussion involving the Evaluation Team and Contracting Officer?			
10. Is the full acquisition process reviewed and found 'administratively and legally sufficient' by Admin and Contract Law Attorneys prior to the announcement of the award?			
11. Are all final participating vendors informed in writing of the award decision?			
12. Is there a specified period in the award decision document for appeals, and is the appeal process described in detail?			
13. Is the final notice of contract award only made known to the public after the appeal deadline date as passed with no appeals received Procurement office?			
14. Does the organization utilize standard and universally accepted appeal procedures?			
15. Is all documentation from the Solicitation Process maintained throughout the procurement process?			
16. Is the complete record of the Acquisition and subsequent Contract maintained for a prescribed period of time in historical files? Specify the timeframe_____.			

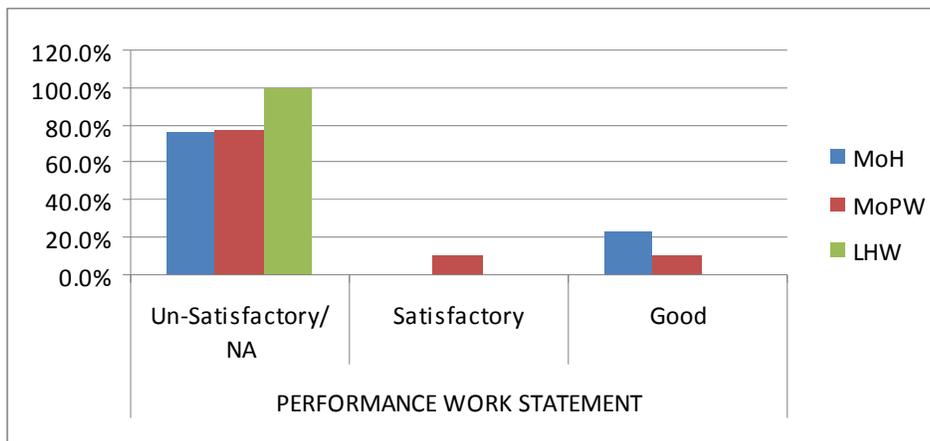
Requirement	Yes	No	N/A
Comments:			
IX. Micro Procurement Procedures			
1. Does the organization's Procurement Strategy and Plan include program controls and procedures for the acquiring medical material and services without awarding a formal contract? Describe.			
2. If allowed, is that program formalized by the government and authorities as part of the Procurement Officer's Authority?			
3. Is there a specified procurement threshold established for 'micro procurements'?			
4. Are 'micro procurements' executed in a decentralized manor by agents under the Procurement Officer's Authority?			
5. Are all 'micro procurement' agents required to conduct market research and document more than one price comparison with actual vendor quotes before awarding the procurement?			
6. Are 'micro procurement' agents required to record their rationale (e.g. price, quantity, delivery time, etc.) for their award decisions?			
7. Are each agents 'micro procurement' files reviewed and audited on a scheduled basis?			
8. Are there any documented instances where 'micro procurement' has occurred without documenting more than one price quote?			
9. Are Products and Vendors listed in the National Essential Medicines List and Master Vendor and Products List considered as one of the price quotes in award determination?			
Comments:			

Requirement	Yes	No	N/A
X. Stakeholder Networking and Linkages			
1. Is there a formal marketing plan to educate shareholders, the public and interested vendors on the organization's mission, performance and future procurement successes and challenges?			
2. Is the media and internet utilized to educate all interested segments of the public?			
3. Does the organization schedule an 'open house' tour and briefings to key stakeholders and interested vendors?			
4. Are annual performance reviews of the organization's operation offered to principal officials in the government (e.g. Minister of Health, Minister of Finance, etc.)			
5. Does the organization have an institutional membership with Health Associations, Supply Chain Member Groups to promote networking, education advancement and market awareness?			
6. Are members of the staff educated and encouraged to seek membership with educational and professional accreditation organizations which support the advancement of supply chain management?			
Comments:			
XI. Staff Education and Certification			
1. Is there an annual plan outlining education & training requirements and schedules (number of staff, hours per member, etc.)?			
2. Are mandatory skill, education levels and/or years of experience in contracting and acquisition included as requirements for employment?			
3. Is contract and acquisition certification required and documented by position within the procurement organization document?			
4. Are contracting and acquisition training hours specified and required annually for all staff directly involved in representing the government's procurement requirements? Specify.			
5. Are all staff members encouraged to participate in annual education and training?			

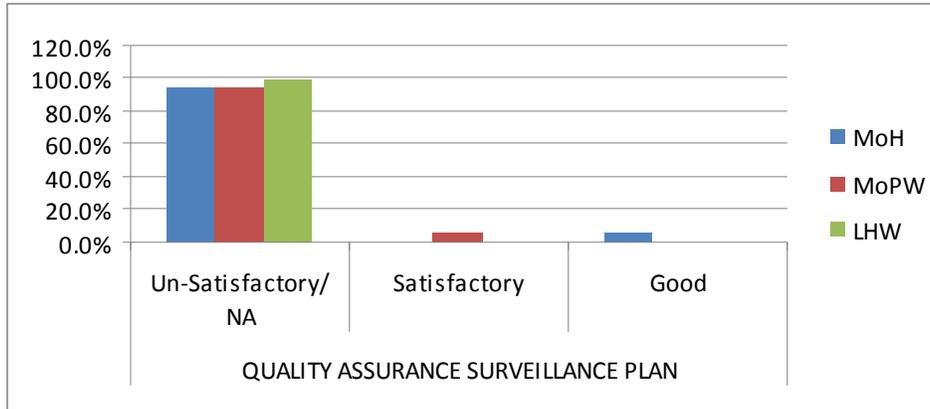
Requirement	Yes	No	N/A
Comments:			
XII. Product Forecasting			
1. Is there a standard process and policy for forecasting requirements?			
2. Is forecast accuracy measured and monitored? What is the forecast accuracy?			
3. Is the forecast demand based? Historical based? Statistical? Other?			
4. What forecast horizons are used (short-term, mid-term, long-term)? Specify time frames.			
5. Does the forecast account for demographic changes (population size, age, etc.)?			
6. Is there a designated person or organization responsible for conducting forecasting? Specify.			
7. How often is forecasting conducted?			
8. Does the forecast account for unusual events (emergencies, seasonality, etc.)?			
9. Is the forecast adjusted before use in procurement?			
Comments:			
Additional Comments			



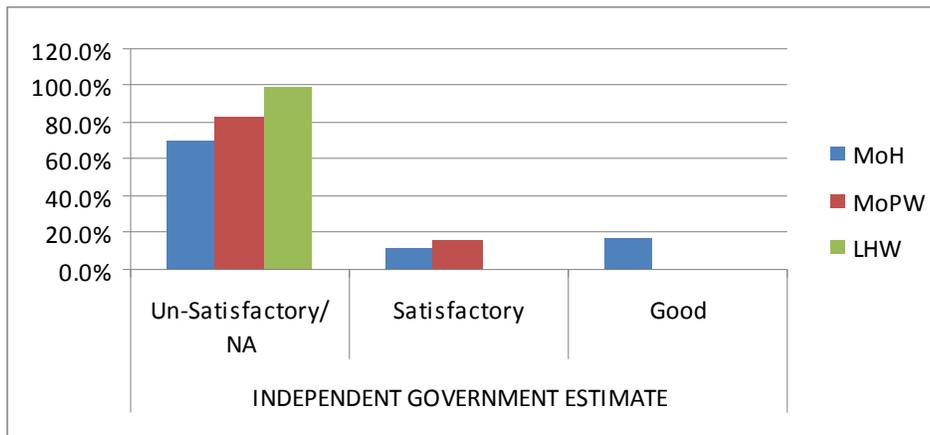
B01 "Facility Name (Department)" * PC_Sec_C CONCEPT DEVELOPMENT AND ACQUISITION PLANNING Crosstabulation					
% within B01 "Facility Name (Department)"		CONCEPT DEVELOPMENT AND ACQUISITION PLANNING			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	35.3%	64.7%	0.0%	100.0%
	MoPW	83.3%	16.7%	0.0%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		72.5%	27.5%	0.0%	100.0%



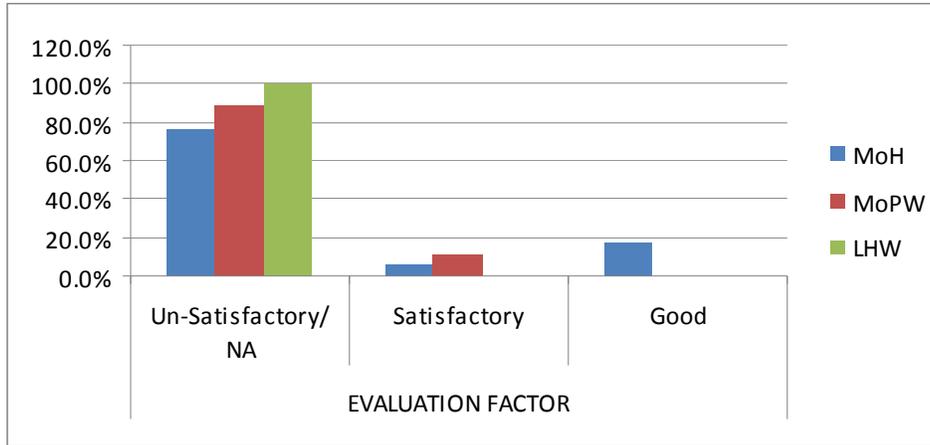
B01 "Facility Name (Department)" * PC_Sec_D PERFORMANCE WORK STATEMENT Crosstabulation					
% within B01 "Facility Name (Department)"		PERFORMANCE WORK STATEMENT			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	76.5%	0.0%	23.5%	100.0%
	MoPW	77.8%	11.1%	11.1%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		84.3%	3.9%	11.8%	100.0%



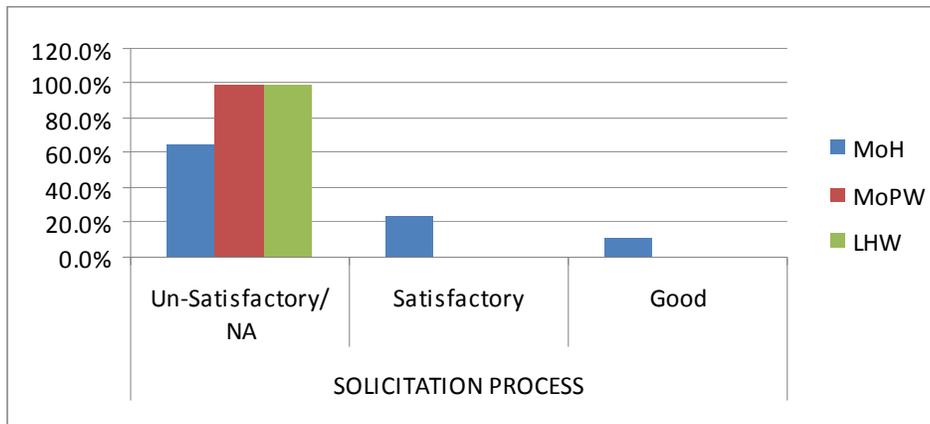
B01 "Facility Name (Department)" * PC_Sec_E QUALITY ASSURANCE SURVEILLANCE PLAN Crosstabulation					
% within B01 "Facility Name (Department)"		QUALITY ASSURANCE SURVEILLANCE PLAN			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	94.1%	0.0%	5.9%	100.0%
	MoPW	94.4%	5.6%	0.0%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		96.1%	2.0%	2.0%	100.0%



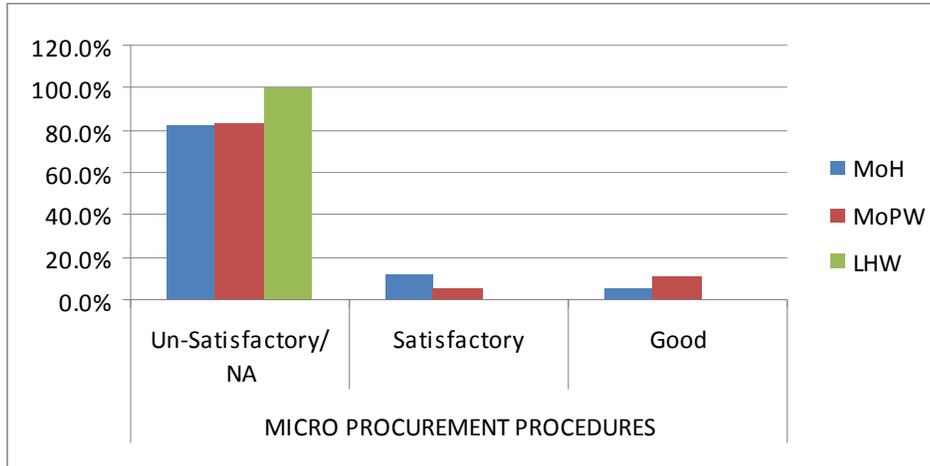
B01 "Facility Name (Department)" * PC_Sec_F INDEPENDENT GOVERNMENT ESTIMATE Crosstabulation					
% within B01 "Facility Name (Department)"		INDEPENDENT GOVERNMENT ESTIMATE			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	70.6%	11.8%	17.6%	100.0%
	MoPW	83.3%	16.7%	0.0%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		84.3%	9.8%	5.9%	100.0%



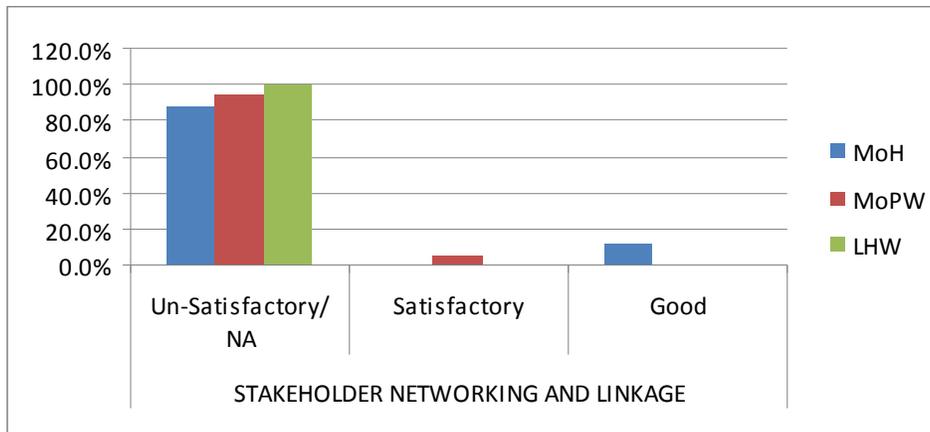
B01 "Facility Name (Department)" * PC_Sec_G EVALUATION FACTOR Crosstabulation					
% within B01 "Facility Name (Department)"		EVALUATION FACTOR			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	76.5%	5.9%	17.6%	100.0%
	MoPW	88.9%	11.1%	0.0%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		88.2%	5.9%	5.9%	100.0%



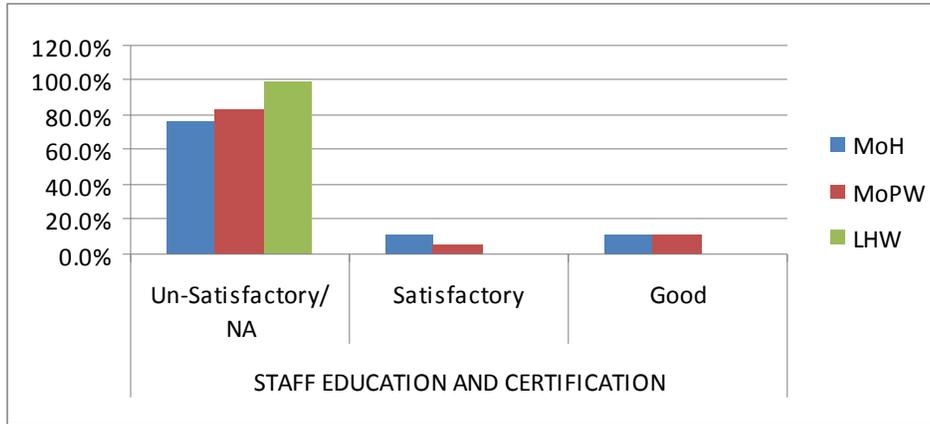
B01 "Facility Name (Department)" * PC_Sec_H SOLICITATION PROCESS Crosstabulation					
% within B01 "Facility Name (Department)"		SOLICITATION PROCESS			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	64.7%	23.5%	11.8%	100.0%
	MoPW	100.0%	0.0%	0.0%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		88.2%	7.8%	3.9%	100.0%



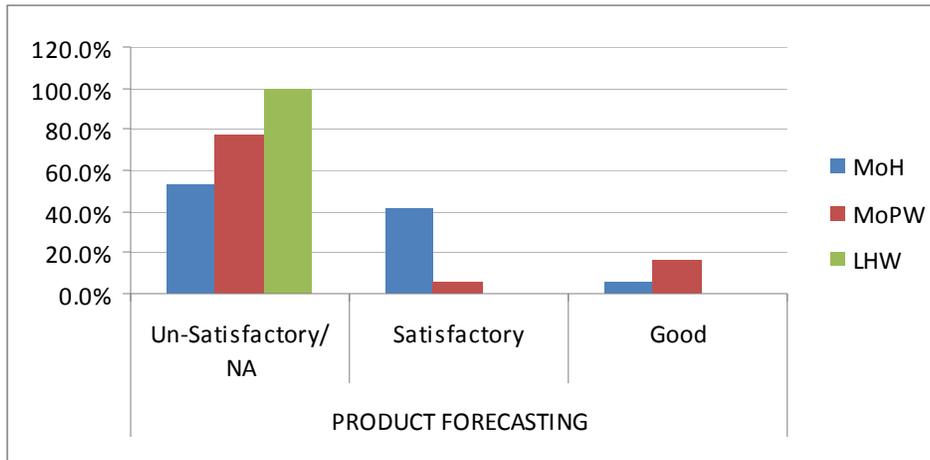
B01 "Facility Name (Department)" * PC_Sec_I MICRO PROCUREMENT PROCEDURES Crosstabulation					
% within B01 "Facility Name (Department)"		MICRO PROCUREMENT PROCEDURES			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	82.4%	11.8%	5.9%	100.0%
	MoPW	83.3%	5.6%	11.1%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		88.2%	5.9%	5.9%	100.0%



B01 "Facility Name (Department)" * PC_Sec_J STAKEHOLDER NETWORKING AND LINKAGE Crosstabulation					
% within B01 "Facility Name (Department)"		STAKEHOLDER NETWORKING AND LINKAGE			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	88.2%	0.0%	11.8%	100.0%
	MoPW	94.4%	5.6%	0.0%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		94.1%	2.0%	3.9%	100.0%



B01 "Facility Name (Department)" * PC_Sec_K STAFF EDUCATION AND CERTIFICATION Crosstabulation					
% within B01 "Facility Name (Department)"		STAFF EDUCATION AND CERTIFICATION			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	76.5%	11.8%	11.8%	100.0%
	MoPW	83.3%	5.6%	11.1%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		86.3%	5.9%	7.8%	100.0%



% within B01 "Facility Name (Department)"					
		PRODUCT FORECASTING			Total
		Un-Satisfactory/ NA	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	52.9%	41.2%	5.9%	100.0%
	MoPW	77.8%	5.6%	16.7%	100.0%
	LHW	100.0%	0.0%	0.0%	100.0%
Total		76.5%	15.7%	7.8%	100.0%

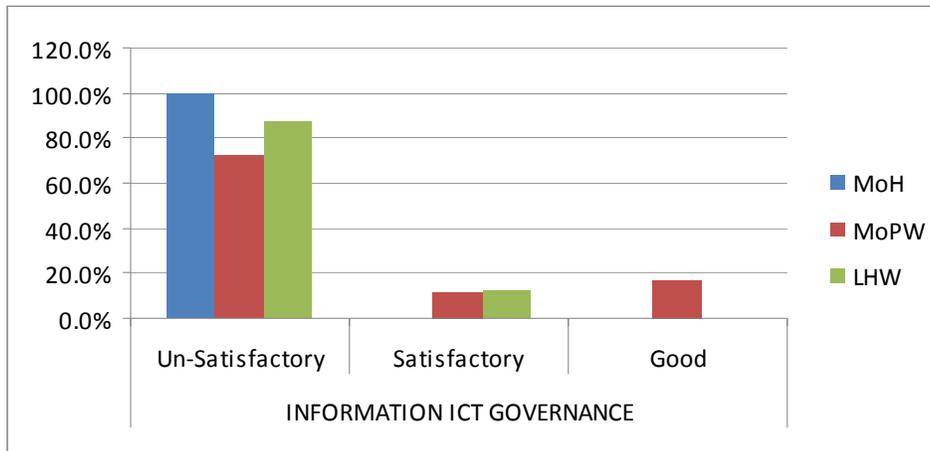
Appendix C. Situational Analysis Tool (ICT)

Information, Communication and Technology (ICT) Data Collection Checklist

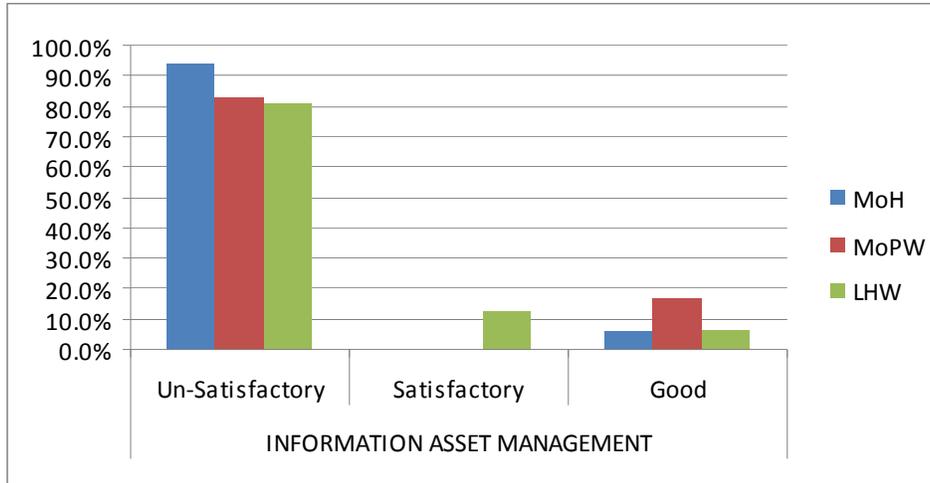
I. General Information			
Completed By:		Date:	
Title:	Phone:	E-mail:	
Signature:			
II. Facility Information			
Facility Name:		Address:	
City/Town:		Region and Zip Code:	
Point of Contact Name:	Phone:	E-mail:	
Number of Staff Allocated:	Number of Staff Available:	Number of Staff Required:	
Software Systems Managed:	System Users:		
Requirement	Yes	No	N/A
III. Information ICT Governance			
1. Is an internal ICT governance body in place to oversee, coordinate and provide policy to improve information management and security implementation within the organization?			
2. Are there information management and security policies published?			
3. Is there an active commitment to information management and data security (confidentiality, integrity and availability of data (CIA)) within the governance body and leadership of the organization?			
4. Is there an authorization process established in policy for the review and procurement of information assets?			
5. Does current governance and policy include the use of internal and independent information program and system reviews?			
6. Does the governance body review and approve recommended changes to the ICT portfolio before solutions are implemented?			
7. Does current information and security policy(s) include the description of hardware and software configuration management processes for use by the organization?			
8. Does the governance body review and approve all functional and technical changes to the organization's information and communication systems?			

Requirement	Yes	No	N/A
11. Is it evident that staff members understand rules on acceptable use of information, assets, e-mail, mobile devices, and limits?			
12. Is there a classification system in place which establishes levels of protection for information assets, and how information is to be handled and secured at each level?			
13. Is there evidence of information asset labeling and with active procedures to ensure its security?			
Comments:			
V. Physical and Environmental Security			
1. Does the Information Management Plan include policy standards to ensure the organizations security of all information assets?			
2. Does the organization use physical barriers to prevent unauthorized access to the organization's information and premises?			
3. Are walls used to protect areas that contain the organization's information and information processing center?			
4. Are manned reception desks used to protect areas that contain the organization's information and information processing center? If card controlled, specify.			
5. Is an access log used and maintained which record all persons entering the organization's information processing center?			
6. Are security perimeters defined and are they evident through effective procedures and alert methods?			
7. Are high security locks used on exterior doors of information storage and the information processing center?			
8. Are physical security barriers and perimeters free from physical openings and weaknesses?			
9. Are physical barriers in place to prevent contamination from external environmental sources?			
10. Is ventilation and climate control sufficient to protect the organization's information and information processing center?			
11. Are policy and procedures in place to manage third-party support service personnel requiring access to restricted areas in the organization, including information storage and the information processing center?			
12. Are effective security controls specified in all third-party service contracts for the organization?			

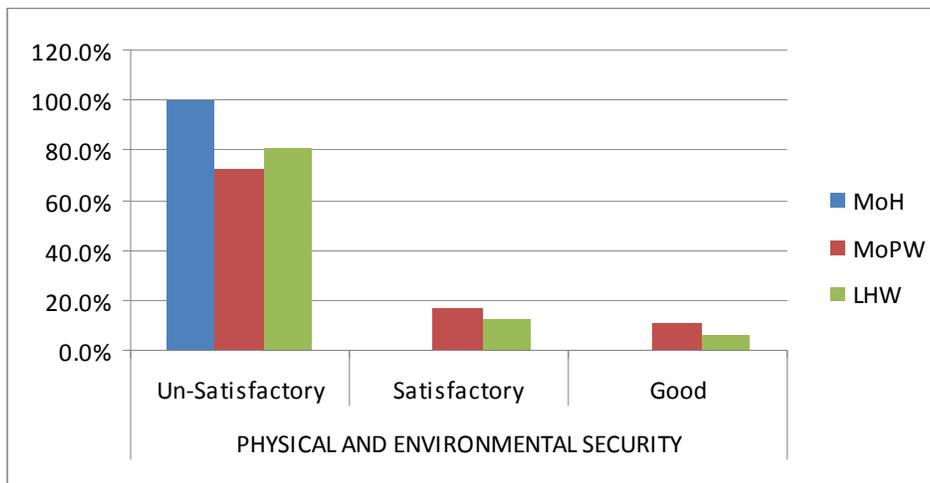
Requirement	Yes	No	N/A
13. Does the organization's physical security controls comply with all relevant health and safety regulations and standards?			
14. Are sufficient controls and agreements in place to limit the release and use of the organization's information to external parties?			
15. Does the organization have sufficient and effective LAN connection of high-speed internet capability?			
16. Are there instances in the past where assets or information was lost or compromised? Obtain copies and comments.			
17. Are all functional and technical hardware and software changes sufficiently tested and documented before implementation or procurement?			
Comments:			



B01 "Facility Name (Department)" * IC_Sec_C INFORMATION ICT GOVERNANCE Crosstabulation					
% within B01 "Facility Name (Department)"		INFORMATION ICT GOVERNANCE			Total
		Un-Satisfactory	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	100.0%	0.0%	0.0%	100.0%
	MoPW	72.2%	11.1%	16.7%	100.0%
	LHW	87.5%	12.5%	0.0%	100.0%
Total		86.3%	7.8%	5.9%	100.0%



B01 "Facility Name (Department)" * IC_Sec_D INFORMATION ASSET MANAGEMENT Crosstabulation					
% within B01 "Facility Name (Department)"		INFORMATION ASSET MANAGEMENT			Total
		Un-Satisfactory	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	94.1%	0.0%	5.9%	100.0%
	MoPW	83.3%	0.0%	16.7%	100.0%
	LHW	81.3%	12.5%	6.3%	100.0%
Total		86.3%	3.9%	9.8%	100.0%



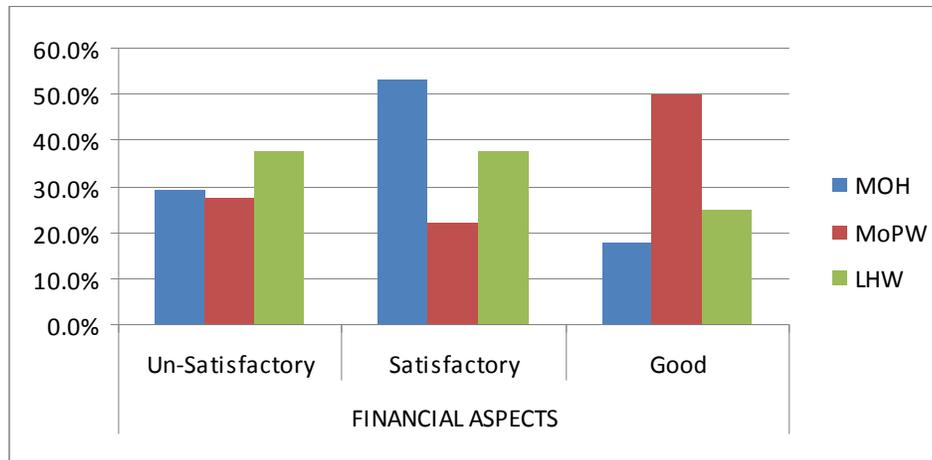
B01 "Facility Name (Department)" * IC_Sec_E PHYSICAL AND ENVIRONMENTAL SECURITY Crosstabulation					
% within B01 "Facility Name (Department)"		PHYSICAL AND ENVIRONMENTAL SECURITY			Total
		Un-Satisfactory	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	100.0%	0.0%	0.0%	100.0%
	MoPW	72.2%	16.7%	11.1%	100.0%
	LHW	81.3%	12.5%	6.3%	100.0%
Total		84.3%	9.8%	5.9%	100.0%

Appendix D. Situational Analysis Tool (Finance and Governance)

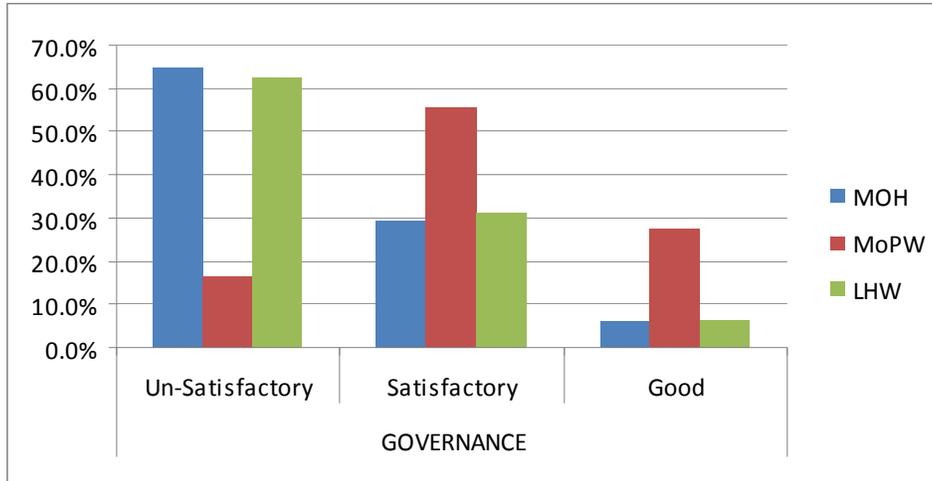
Governance Data Collection Checklist

Section I: General Information					
Department or Organization :		Date:			
Title of Person Interviewed:	Phone:	E-mail:			
Completed By:					
Title:		Phone:	E-mail:		
Signature:					
Requirement			Yes	No	NA
Section II: Governance					
1. Does the current organizational structure facilitate and support the activities required to meet stated missions, goals and objectives?					
2. Does the organization have a strategic plan (for example, annual development plan, 5-year plan, 10-year plan, etc.) that clearly delineates the vision, mission, and objectives?					
3. Is the strategic plan current and available to all employees and are they familiar with the contents of the plan?					
4. Are the roles and responsibilities of management and employees clearly defined, documented, and understood?					
5. Does the organization have the appropriate number of personnel and skill sets to perform its mission?					
6. Does the organization have a structured employee training program?					
7. Do employees receive training that is current, documented and available for review?					
8. Does the organization have written procedures for the procurement, inventory, receipt, storage, and issue of product?					
9. Does the organization have established performance standards or metrics that measure the effectiveness of the operation? Obtain a copy.					
10. Does the organization monitor these metrics and take corrective actions when required?					
11. Does the organization have in place a comprehensive program designed to develop and operate a viable commercial service for the procurement and sale of pharmaceuticals drugs and other medical supplies, as appropriate?					

Requirement	Yes	No	NA
Section III: Financial aspects			
1. Are there policies, procedures, and processes in place that provide tools to provide oversight of all financial aspects of organization procurement and logistics operations?			
2. Do the above policies, procedures, and processes address cash flow and projections of future costs?			
3. Are the above policies, procedures, and processes properly followed?			
4. Do financial accounting procedures and processes, guidelines and SOPs include order and invoice processing?			
5. Is current budget and funding adequate to meet the organization's requirements?			
6. Are there plans and mechanisms in place to address long-term investment and capitalization projects?			
Additional Comments			



B01 "Facility Name (Department)" * GF_Sec_D FINANCIAL ASPECTS Crosstabulation					
% within B01 "Facility Name (Department)"		FINANCIAL ASPECTS			Total
		Un-Satisfactory	Satisfactory	Good	
B01 "Facility Name (Department)"	MOH	29.4%	52.9%	17.6%	100.0%
	MoPW	27.8%	22.2%	50.0%	100.0%
	LHW	37.5%	37.5%	25.0%	100.0%
Total		31.4%	37.3%	31.4%	100.0%



B01 "Facility Name (Department)" * GF_Sec_C GOVERNANCE Crosstabulation					
% within B01 "Facility Name (Department)"		GOVERNANCE			Total
		Un-Satisfactory	Satisfactory	Good	
B01 "Facility Name (Department)"	MOH	64.7%	29.4%	5.9%	100.0%
	MoPW	16.7%	55.6%	27.8%	100.0%
	LHW	62.5%	31.3%	6.3%	100.0%
Total		47.1%	39.2%	13.7%	100.0%

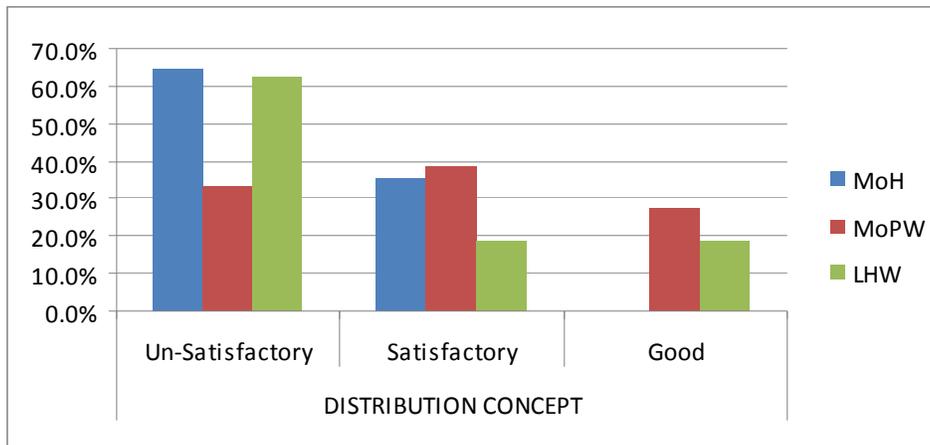
Appendix E. Situational Analysis Tool (Distribution)

Distribution Data Collection Checklist

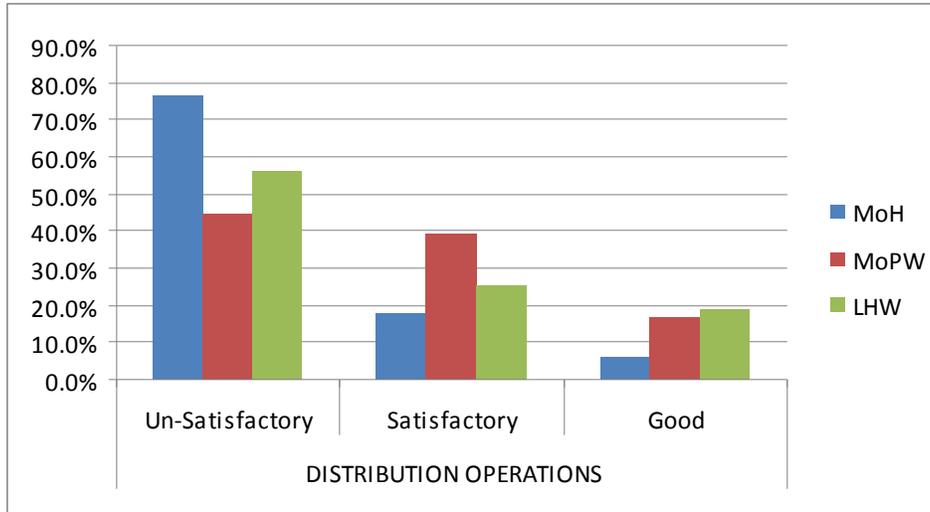
I. General Information					
Completed By:		Date:			
Title:	Phone:	E-mail:			
Signature:					
II. Facility Information					
Facility Name:		Address:			
City/Town:		Region and Zip Code:			
Facility Point of Contact:	Phone:	E-mail:			
Requirement			Yes	No	N/A
III. Distribution Concept					
1. Does a distribution strategy and plan exist for the MoPW/MoH/DoH? Obtain a copy?					
2. Does the current strategy and plan specify distribution objectives, goals, and metrics, including time frames for customer delivery?					
3. Are distribution related performance metric/objectives included in MoPW/MoH/DoH performance reviews? Obtain a copy.					
4. Does MoPW/MoH/DoH's Strategic Plan direct and specify revision of the existing distribution strategy?					
5. Does MoPW/MoH/DoH's distribution currently operate with a detailed routing and zoning scheme?					
6. Do current internal and external transport fleets operate with established routes and driving time goals?					
7. Does the distribution plan specify how distribution zones and primary routes are determined?					
8. Are distance and cost identified as essential criteria in the determination of zones and routes?					
9. Does MoPW/MoH/DoH senior management verify all zones and routes to ensure best value for service?					
10. Do current contracts for outsourced transport support specify expectations for security, care in transport and delivery time goals for medical material?					
11. Does the current distribution-transportation contract and performance work statement specify how costs for delivery and services will be determined and adjudicated?					

Requirement	Yes	No	N/A
12. Does the current distribution strategy and plan include the requirement to incorporate medical material into mixed loads in order to distribute parallel commodities?			
13. Is cold chain management of medical material mandated in the current distribution strategy – plan and/or daily practice?			
14. Is there a requirement for both internal and external fleets to maintain both refrigerated and freezer capable vehicles?			
15. Does the current annual MoPW/MoH/DoH budget have sufficient funds to effectively manage and meet expectations for the distribution of medical material?			
16. Is the function of distribution for the MoPW/MoH/DoH operation currently programmed and budgeted as a distinct accounting line?			
17. Are current internal and external fleet distribution operations in accordance with written policy, procedures and routinely audited?			
18. Does the existing distribution strategy, plan and programmatic support improved in transit visibility (ITV) or radio frequency identification (RFID) technologies? If yes, specify.			
Comments:			
VI. Distribution Operations			
1. Does MoPW/MoH/DoH currently have daily management control over both internal and external fleets?			
2. Are assigned transports maintained and in good operating condition?			
3. Are all drivers and assistant drivers licensed and included in MoPW/MoH/DoH's training programs?			
4. Are drivers trained and evaluated on their knowledge of proper security, care in transport and delivery time goals for medical material?			
5. Do all drivers receive an orientation to their assigned customers and are customers informed of any changes in driver assignments prior to the first delivery?			
6. Are all refrigerated and freezer capable transports checked for temperature hold before loaded with medical material?			
7. Are all drivers required to maintain a daily driving records and does management audit and maintain records?			
8. Are all internal and external transports equipped with required safety devices, including vehicle placard mounts and placard for transporting HAZMAT?			
9. Are drivers and transports periodically audited enroute to their assigned customer destination (s)			
10. Is there record of failed delivery of medical material at customer destination (s)?			

Requirement	Yes	No	N/A
11. Is there record of any missing, damaged, expired or out-of-temperature range medical material after delivery at customer destination (s)?			
12. Customs Clearance questions for inbound shipments?			
13. Tracking of delivery to promised date for procured items?			
14.			
15.			
16.			
17.			
Comments:			



B01 "Facility Name (Department)" * DC_Sec_C DISTRIBUTION CONCEPT Crosstabulation					
% within B01 "Facility Name (Department)"					
		DISTRIBUTION CONCEPT			Total
		Un-Satisfactory	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	64.7%	35.3%	0.0%	100.0%
	MoPW	33.3%	38.9%	27.8%	100.0%
	LHW	62.5%	18.8%	18.8%	100.0%
Total		52.9%	31.4%	15.7%	100.0%



B01 "Facility Name (Department)" * DC_Sec_D DISTRIBUTION OPERATIONS Crosstabulation					
% within B01 "Facility Name (Department)"		DISTRIBUTION OPERATIONS			Total
		Un-Satisfactory	Satisfactory	Good	
B01 "Facility Name (Department)"	MoH	76.5%	17.6%	5.9%	100.0%
	MoPW	44.4%	38.9%	16.7%	100.0%
	LHW	56.3%	25.0%	18.8%	100.0%
Total		58.8%	27.5%	13.7%	100.0%

Appendix F. Meeting with Provincial and District Level Managers

Meetings with the Key Provincial/District Managers of MoPW, MoH/DoH and LHWs' Program

a) Mr. Noor Nawaz Khan, Director General DoPW NWFP:

- 1) DoPW NWFP has delegated its procurement for EDs to DoH (MMC), which according to him is good experience and has lessen the burden of DoPW NWFP.
- 2) Transperancy is observed at the utmost.
- 3) Purpose built warehouses.
- 4) According to DoPW NWFP the CPR is 33 percent.
- 5) The problem of storage facilities can be resolved by constructing stores at divisional levels.
- 6) Dedicated posts of logistics officer/s may be introduced, since there is no gazetted post of store manager/logistics officer at DoPW NWFP.

b) Doctor Inamullah Khan, Provincial Program Coordinator, LHW program NWFP:

- 1) He emphasized on the issue that purpose built stores are the prime need for efficient logistics management of commodities.
- 2) Training to FLCF staff is also needed on logistics management.
- 3) Tangible support like pallets, racks and exhaust fans etc, for warehouses and stores would also be needed.
- 4) Man-power is quite in-sufficient for the commodities handling of more than 12000 LHWs by one Logistics Officer and one Store-Keeper.

c) Doctor Ejaz Ahmed, Director Administration, DoH NWFP:

- 1) Training on Logistics Management to District Coordinators and Account Supervisors of NP for FP & PHC, was imparted about four years back but most of those staff have either left the program or have (due to non-availability of required resources could not practice the learnt logistics management) now forgotten the learning.
- 2) DoH staff, dealing store management has never gone under any logistics management training program.

- 3) DoH would always welcome if TACMIL Health Project develops a logistics teaching manual for its staff and imparts training for its staff, dealing store management.

d) Meeting with Executive District Officer Health, District Swabi:

- 1) Annual Budget from provincial government; for the procurement of drugs, medicines and other commodities is released by District Nazim on quarterly basis.
- 2) District purchase committee (consists of followings) undertakes the procurement process:
 - (a) EDOH
 - (b) Deputy EDOH
 - (c) HMIS Coordinator
 - (d) EPI Coordinator
- 3) EDOH has no authority of making any changes in drug list once approved by the Provincial Procurement Committee i.e., MCC.
- 4) EDOH office Swabi receives its drugs/medicines quota on 6-monthly basis from authorized dealers.
- 5) District Drug Inspector picks the samples for laboratory analysis at his own convenience.
- 6) According to Store-Keeper, neither the sample collection by Drug Inspector is done from all the batches received from manufacturer /dealer nor, the samples are sealed in presence of store-keeper.

e) Doctor Abdul Ghaffar Kiyani, Incharge MSD and Mr. Mubeen Store

- 1) Incharge/Pharmacist, MSD, Balochistan.
- 2) After the devolution plan, MSD Balochistan is dealing with only pre-qualification of firms for 3 years time and also procures drugs/medicines and equipments for major hospitals (4) of Quetta District.
- 3) Co-Opted procurement Committee consists of 18 members that includes specialists from each department like, Cardiac, Gyanae, Eye, Pediatrics etc.
- 4) To ensure the transparency in procurement Govt. of Balochistan has appointed a Professor from Pharmacy deptt. Of University of Balochistan and acts as a key member in procurement committee and is responsible to report to High Court of Balochistan.
- 5) The Procurement process takes about 3 to 4 months.
- 6) Secretary Health heads the procurement committee.

- 7) 6 weeks time is kept for any addition/deletion in drug list, if suggested, by any district or from any health institution of Balochistan.
- 8) A problem is always noticed here that the districts while making their in-puts into drug list, use Brand names of the drug instead of Generic name.
- 9) After the Supply /Work Order, received by the firms and copies by the EDOHs, the EDOHs approach the pre-qualified firms for their required drug/medicines according to the budget released to them.
- 10) The Pharmacist Mr. Mubeen though quite dedicated towards his duties, did not have any formal training on Logistics Management.
- 11) Due to the construction of Fly-Over/Over-head bridge about 30 percent of stores of MSD were demolished which created number of problems for MSD Quetta, Balochistan.
- 12) Doctor Kiyani said that they would welcome if, the store incharge and store-keepers of MSD Balochistan are given training on Logistics Management and if the automated inventory management is introduced at MSD Balochistan.

f) Mr. Abdus Subhan Memon, Secretary Population Welfare Department, Sindh:

- 1) Since, Mr. Subhan had recently joined the assignment as Secretary Population Welfare Department, Sindh but, in a short span of time he had quite a good command over the on-going activities and issues regarding population welfare department, Sindh.
- 2) Mr. Subhan strongly favored the opinion of having need/clientage based procurement instead of going for every drug/medicines procurement every year.
- 3) He informed that every FWW before final appointment has to go through an extensive training program for 24 months, at Regional Training Institute District Population Welfare (DPW).
- 4) In the year 2007–2008, 34 out of 45 drugs/items were purchased.
- 5) He said that after quite a long time recently they could manage and advertise the vacancies for store keepers and about 60 vacancies were advertised in the newspapers and the process for appointments is going on.
- 6) He suggested that if a fully dedicated post of store-officer (preferably grade 16/17) is sanctioned by the government, would help over-come the shortage of man-power issue at provincial warehouse and only than the knitty-gritty of store management can be resolved in an efficient manner.