



Addressing Public Health Procurement Bottlenecks: Lessons from the Field



Addressing procurement bottlenecks can help ensure that health commodities are available at service delivery points like this hospital in Ethiopia when they are needed.

Procurement bottlenecks can result in stockouts and shortages of essential supplies. This brief describes successful approaches used in the field to address procurement bottlenecks.

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Effective procurement is a critical component of a strong supply chain. Bottlenecks in the procurement process can result in supply chain failures, such as stockouts and shortages of essential commodities. However, successful approaches have been applied by practitioners to address short-term and long-term problems that create bottlenecks in the procurement process.

This brief is intended for public health practitioners and other concerned parties who may be impacted by bottlenecks in the first mile of public health medicine supply chains. Drawn from a collection of 14 short case studies from various developing countries, this brief summarizes key elements of successful strategies that practitioners have used to address such issues, and synthesizes lessons learned that may help those in other countries solve their own first-mile procurement bottlenecks.

Common first-mile procurement bottlenecks result from issues and activities that occur both inside and outside the purchasing office's control. This situation points to the importance of considering the people, issues, and factors outside of the procurement office when diagnosing bottlenecks in the procurement cycle, as well as the technical capacity, staffing levels, and management in the procurement office itself.

The case studies revealed that simple and short-term solutions are often the most feasible for procurement practitioners to use to address immediate problems. Long-term undertakings, such as reform and restructuring, require high-level government commitment.

In addition, knowledge of the procurement system and leveraging resources that increase transparency and awareness of the bottleneck, including reliable information, media, and communications, were proven to be effective tools. Actions to address procurement bottlenecks were most effective when led by a champion to spearhead efforts for resolution.

Types of Bottlenecks Frequently Encountered

The procurement bottlenecks cited in the short case studies include those related to actors in the procurement process, both inside and outside the procurement office, and to the process itself (see table 1). Actors influencing the procurement process most frequently impacted reliable access to funds, limited the transparency of processes, and created blockages in the process. Most of these were short-term bottlenecks that could be addressed and resolved immediately by the practitioner or other concerned stakeholders. It is perhaps surprising that bottlenecks directly caused by staffing and technical capacity of actors in the procurement process were cited no more frequently than other common issues underlying procurement bottlenecks.

Half of the short case studies cited the procurement process itself as the source of the bottleneck. Complex and lengthy processes contributed to long lead times, lack of visibility, and an inefficient use of valuable and often limited resources. These were primarily longer-term issues requiring structural or policy changes to resolve them. External processes were also cited as influencing the procurement process—when outside agents were engaged to carry out specific activities, or when vendors of health products and services were dealt with directly. The processes and timelines of outside agents and vendors are often out of the control of the purchasing entity.

Table 1. Types of Bottlenecks Encountered, Their Source, and the Time Horizon of the Solution

Type of Bottleneck	Source of Bottleneck		Solution Time Horizon	
	Actors	Process	Short-term	Long-term
Access to Funds	x	x	x	x
Transparency/Corruption	x		x	x
Blockage in Process	x		x	
External Systems		x		x
Slow or Complex Process		x		x
Small Quantity Requirement		x		x
Quality of Goods	x			x

Approaches and Tools Used and Potential Hazards to Avoid

The case studies revealed measurable value in short-term coping mechanisms and immediate solutions to immediate problems—solutions the practitioner can reasonably use. These approaches typically included a few common critical elements: (1) a champion to monitor or shepherd the process; (2) access to accurate information; (3) use of media or communications, including press coverage; and (4) knowledge of government systems and processes.

Champions were the key players in the case studies—a person or group that monitored the problem at hand and pushed for a resolution. Champions included civil society groups and stakeholders in the procurement process. These champions gathered and interpreted information and, sometimes, referred it to others who might be in a better position to act. They also monitored funding and supply status and engaged in advocacy, often showing initiative and creativity.

In nearly all cases, having access to accurate information about the bottleneck provided champions a powerful tool to drive for resolution. It was used to measure and highlight the impact of the problem and its proposed solution, and to identify other potential issues. By leveraging a variety of media and communications, accurate information was also used to increase awareness of the bottleneck and advocate with stakeholders and the public.

In a similar vein, knowledge of the procurement environment—including systems, processes, and policies—played a role in nearly all of the case studies. In some cases, knowledge of procurement processes enabled concerned parties to identify delays or deviations from the normal process, and access to systems and processes facilitated monitoring of activities. In other cases, innovative, and sometimes simple, solutions were developed based on knowledge of the existing structures and policy environment.

However, key informants of the study also urged caution. Erroneously pursuing an intervention based on faulty information, misinterpreting evidence, or misunderstanding context can have significant negative consequences. Negative media coverage following a misstep can damage credibility and have a lasting adverse impact on all parties involved.

Summary of Key Lessons Learned

- Procurement bottlenecks can be resolved with action by practitioners, civil society, and others outside the procurement office. Stakeholders in the procurement process can play a critical role in identifying and resolving bottlenecks, while civil society can be a powerful advocate in helping to combat corruption and to unblock bottlenecks caused by government policy decisions and funding priorities.
- Actions taken to resolve bottlenecks can be most effective with a champion to spearhead such efforts and push for resolution.
- Reliable information and access to media and communications are essential tools for measuring the impact and increasing awareness of a bottleneck. They should be used whenever possible to support claims of a bottleneck, estimate the impact of its resolution, and influence positive outcomes.
- For short-term issues, employing resources that increase transparency may yield a strong, rapid response. Action taken by civil society groups, especially contraceptive security committees, and dissemination of accurate procurement-related information to the public, can be particularly effective in working through such bottlenecks.
- Innovations in processes that are compatible with the existing system may also be temporary solutions that can be implemented immediately.
- Long-term undertakings, including system reform and restructuring activities, are often used when restructuring procurement operations; however, they rely on ongoing commitment from high-level government personnel and development partners.
- Government reforms and restructuring can promote the use of more efficient procurement practices, including innovative procurement mechanisms that can make processes and pricing more efficient.
- For restructuring options, removing procurement operations from the constraints of civil service conditions can be an effective long-term solution for chronic inefficiency at the first mile.
- Using technology can help streamline processes and improve transparency.
- In general, a clear understanding of government systems and current policies can be instructive in devising viable solutions.

For More Information

The full report, *Addressing Procurement Bottlenecks: A Review of Procurement Bottlenecks in Public Sector Medicine Supply Chains and Practical Approaches Taken to Resolve Them*, which includes the case studies, can be found on the USAID | DELIVER PROJECT website here:

http://deliver.jsi.com/dlvr_content/resources/allpubs/policypapers/AddrProcBottl.pdf.

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USAID | DELIVER PROJECT

John Snow, Inc.

1616 Fort Myer Drive, 16th Floor

Arlington, VA 22209 USA

Phone: 703-528-7474

Fax: 703-528-7480

Email: askdeliver@jsi.com

Internet: deliver.jsi.com