Progress Report on
Performance with Regard to Procurement
2011/12

Report Prepared for Joint Annual Review (JAR)
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Government of Nepal (GoN)
Ministry of Health and Population (MoHP)
Ramshah Path, Kathmandu, Nepal

EXECUTIVE SUMMARY

The procurement of goods has improved for the second year running. However, there were some obstacles that prevented LMD from completing the programme.

The number of Multi-Annual Contracts let has been increased but there is room for further improvement.

The Consolidated Annual Procurement Plan for FY 2011/12 was not agreed until April 2012. There is considerable room for improvement and planning for next year will be brought forward to Jan. 2013.

The continuing wish to encourage the participation of international bidders has not been realised. A further attempt will be made during 2012-2013.

Procurement and Contract management functions have been separated both operationally and physically.

A template for goods' acceptance has been developed and taken into use.

A detailed Master Plan (Architectural Design) has been developed this year for Central Warehouses (Teku and Pathalaiya) as well as the Regional Medical Stores. These will be constructed under the direct supervision of the Logistics Management Division.

A consensus forecast meeting for health commodities for the coming five years was successfully conducted.

A technical specification data bank for medical equipment and 70 pharmaceutical items is almost complete and will be uploaded on LMD's website.

So far, progress of 57% procurement has been achieved for an estimated total value of NPR 2,563,449,548.

Considerable progress was made improving systems for infrastructure planning and management. This has supported an improved quality of health care services. Construction is more evidence-based and the timeliness of planning and the completion of construction work have been enhanced. This year, a large number of completed infrastructures have been handed over. The number of underperforming projects has decreased by half. Standard bidding procedures and documents are now being used.

The implementation of standard integrated designs has already resulted in significant cost savings and improved service provisions, and these benefits are expected further to increase in the future. This has been clearly judged by the recent VfM assessments. The continuation of e-bidding for Civil Works has continued to facilitate more efficient and transparent tendering and has also largely contributed to the reduction of construction costs as shown by the VfM study.

The Health Infrastructure Information System (HIIS) updating and upgrading work has been completed, and can now regularly produce the updated procurement plan and progress reports. HIIS can also provide information on the overall situation of health infrastructure in Nepal and the total repair and maintenance cost required to be invested. This is now planned to become web based.

Priorities for the immediate future are:

1. Completion of the web based HIIS and decentralisation of the system to the districts;
2. Capacity building of government officials both from DUDBC and DHO on the use of HIIS;
3. Training of DUDBC and DHO staff members on use of standard designs and guidelines.

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1 INTRODUCTION

1.1 Background

Procurement — Concerning Issues of procurement, this report represents an updating of the progress that has been made since the last report in January 2012.

Infrastructure — In the context of substantial shortages of appropriate (and quality) infrastructure, good management of the existing and new physical assets is a priority for the MoHP in order to create an enabling and safe environment for the provision of quality services and to ensure the retention of human resources. The GoN is working towards institutionalising evidence-based planning of construction, operation and maintenance of health infrastructure and to ensure effective management with efficient utilisation of resources that promotes equitable distribution and access to health care at all levels of health facility. Appropriate and clear policies, strategies, plans, standards and guidelines are being developed, combined with enhancement of the skills of implementers to enable them to take new developments forward effectively.

1.2 Objectives

Procurement —The objective of this annual account is to provide an update of the procurement issues that have been overcome and to report upon lessons learned and challenges to further improvement.

Infrastructure — The following objectives have been identified for work in this area:

- To support evidence-based infrastructure planning and maintenance through strengthening, institutionalising and supporting decentralisation of the Health Infrastructure Information System (HIIS).
- To develop the capacity of technicians working at the Department of Urban Development and Building Construction (DUDBC) and its district offices to adopt standard designs of health facilities, and to develop standard protocols to increase quality, accountability and transparency in the construction process.

2 PROGRESS AND ACHIEVEMENTS

2.1 Procurement

A Draft Consolidated Annual Procurement Plan was organised through a meeting of all Divisions within DoHS at which their requirements were pooled. A consolidated plan was initially submitted to the World Bank in November 2011 but the NOL was not received until April 2012. Thus, it took five months to obtain the Bank's approval. This was mainly due to the requirement by the Bank to reorganise the procurement to consolidate similar items and to bundle like items. Therefore, it was decided that the following programme should be adopted for the Consolidated Annual Procurement Plan for the FY 2013/14: start in January 2013, bundle similar items and consolidate identical commodities more efficiently. This should shorten the time for an NOL from the Bank and improve the efficiency of the procurement process.

The aim of attracting international bidders to participate in procurements has not been successful. Next year, a further concerted effort will be made to persuade a wider audience to bid. This may be achieved by a further increase in multi-annual procurements (giving rise to further economies of scale).

The Director and Deputy Director attended a week's training course on Leadership and Management in Development.

More formal training for LMD staff has not been possible due to the burden of on-going procurement.

Capacity Building for the Procurement Officers was conducted on a day-by-day and as necessary basis.

LMD/EDPs monthly meetings have been re-introduced, although only on a desultory basis due to the non-availability of participants.

Thrice-weekly staff meetings of LMD were introduced, but due to pressure of work they have been temporarily suspended.

2.2 Procurement of Goods

There has been a considerable amount of delay in getting the approval of the Consolidated Annual Procurement Plan. This has affected and delayed the procurement process.

A total of 11 contracts were let during this 2011-2012. These include:

- EPI vaccine, other vaccines, safety box and syringes
- Tablets, topical usage medicines and surgical goods
- Fortified flour
- Medical equipment for birthing centres, CEONC sites, BEONC sites and FP
- Refrigeration goods, durable goods, Instrumentation and laboratory diagnostics
- Male condoms
- Insecticides
- IUCD, lubricant gel, and condoms
- Printing Materials
- Office Accessories
- Consultant Service for CB-NCP Training and CB-NCP follow up after training.

The following were unsuccessful or have not yet been completed:

- Procurement of medical and non-medical equipment for district health project (KfW, Germany funded) is under evaluation.
- Procurement of oral usage medicines/Topical applications/Injectables/ Supporting supplies/Anti-Malarial drugs/Anti Kala-Azar/Drugs/Rehabilitation goods for Leprosy related complications and STD drugs (for 3 years) have not been procured due to the NOL not being received from the WB.
- Procurement of pre- and post-shipment Inspections and Lab testing services for goods was not achieved. A Request for Proposals was floated, two bidders presented proposals but, following analysis, both were adjudged to be non-responsive. This activity is planned under the next procurement cycle.
- Procurement of Contraceptive Implants (for 3 years) was not achieved due to the non-availability of budget.

Procurement planned for 2012-2013:

- EPI Vaccines, Other Vaccines, Syringes and Safety Boxes
- Medical and Non-Medical Equipment
- Fortified Flour
- Male Condoms
- IUCD and Lubricant Gel and Condoms
- Medical Equipment for Birthing Centres, CEONC, BEONC
- Refrigeration Goods/Cold Chain Equipment
- Insecticides
- Printing Materials
- Office Accessories
- Consulting services for CB NCP training/follow up

It should be noted that all commodities that were not procured this year have been included in next Financial Year's (2012-13) Consolidated Annual Procurement Plan and this action has been approved by the World Bank.

2.3 Procurement of Services

- This year's service contract of Biomedical Engineers was completed.
- The service contract for support to web-based LMIS in 75 districts could not be completed because the full budget was not released.
- Service contract for distribution and transportation of health commodities from district to health facilities (in two districts) could not be completed because the full budget was not released.
- There was a budget to initiate construction of a central warehouse; however it could not be used due to approval of only a partial budget.

2.4 Infrastructure

Progress has been made in many areas.

2.4.1 Improved Timeliness of New Project Planning

Although site selections were achieved on time using questionnaires developed from the field for the needs assessment, no new sites have been planned during this fiscal year 2012/13 (2069/70) due to the non-availability of budget. During the regional review meetings, Management Division discussed new requirements with representatives from the districts and oriented them on the requirements for developing new infrastructures, such as land type, size, catchment areas etc.

Improvements in the planning process have been observed. A proper planning calendar has been introduced and has been taken into use, which will expedite the survey and estimation process and the preparation of procurement plans. It supports the use of more realistic figures in the procurement plan. Due to the uncertainty of budget for new projects, greater focus this year has instead been accorded to the completion and handover of on-going constructions.

2.4.2 Increased Monitoring and Supervision Visits

Frequent visits have been made to different non-performing project sites to resolve delay issues. A joint monitoring team was formed for this purpose including officials from Management Division, Architects/Engineers from DUDBC, the Infrastructure Adviser from NHSSP and local officials from concerned districts and regions both from DUDBC and the health sector. Details of the sites visited, issues and progress are given below.

1. Darvang, Myagdi: A planned Basic Essential Obstetric Care (BEOC) and Dr Quarters site was located one kilometre away from the main Primary Health Care Centre (PHCC) building (Out- and In-patient Departments). This would have created a major problem in service provision. The problems that would result if the support services were located away from the main building were explained to the community, the service providers and the district technical people. After a long interaction the team was able to convince everyone to keep all the services together in one site. At that time, the team also visited Baglung Zonal Hospital and the District Health Office (DHO) building which was recently handed over, suggesting to the contractor and DUDBC officials several areas for alterations.
2. A visit was made to the long-disputed Surkhet site under construction. After interaction with all the stakeholders, necessary instructions required for timely completion of the project were given to the Division Office. Actions required from the central level were also recommended. The contractor was made to pay a fine for each day delayed. Due to the intervention the work was expedited and now is in the process of handover.
3. A visit was made to several sites under construction in Kaski, namely Sardi Khola, Tallakot, Sisuwa, and Bhedabari. Problems were observed in sanitary layouts, and the monitoring team suggested necessary improvements. Otherwise in general the construction work was found to be satisfactory
4. A visit was made to Palpa District. During the visit Madanpokhara Health Post (HP), Kusum Khola HP, Chhahara Birthing Centre, Argali, and the proposed site for a PHCC at Ridi were visited. Necessary improvements, particularly the lack of light and ventilation in inner rooms were made after the visit.

5. A visit was made to the Chautara site in Kavre to obtain on hand information on delays in construction and issues under investigation by the Commission for Investigation of Abuse of Authority (CIAA). The case has now been cleared after some necessary actions were taken. Similarly in Shyampati in Kavre the team revised the layout of the health post building to save an existing building in good condition from demolition that the District Division Office had planned to demolish to construct a new one.
6. A visit was made to Chandranigahpur to resolve an issue of hospital construction in place of an existing PHCC. The existing land size was observed to be insufficient for a hospital, and this was technically explained to the community and users. Now the community has agreed to initiate the case but only after they are able to add additional land to the existing site. Already a large investment has been made for different types of infrastructure (such as quarters, an OPD block, a BEOC building, stores, an in-patient block and others). Since all of these are good buildings and can be used as part of the proposed hospital, an additional area is needed on the existing site. The community was under the impression that they could accept scattered buildings in different sites across a public street, which is totally impractical for service provision. Such designs cannot be functional.
7. Similar visits were also made to several other districts and sites and necessary improvements were suggested. These were mainly sites in Kavre, Parsa, Hetaunda and Rupandehi.

2.4.3 Improvement in Bidding Procedures and Accelerating Progress

Use of standard bidding documents has been initiated by DUDBC both for National Competitive Biddings (NCB) and International Competitive Bidding (ICB). Although there is still room for improvement, a major step forward by DUDBC has been observed. For the first time since the last fiscal year, DUDBC has initiated ICB in line with the Joint Finance Agreement of 18 August 2010 between GoN and the International Development Association (IDA). The number of NCBs and ICBs that were initiated through standard bidding documents and their status are given in Table 1.

Table 1: Number of NCBs and ICBs initiated

SN	Type of Bidding	2011/12	2012/13
1	NCB with Standard format	182	2
2	ICB with standard format	1	2

The latest procurement plan and progress report of all the on-going projects to date has been completed. The procurement plan and the progress report are annexed. This procurement report has been updated and remarks have been added to explain the reasons for each change in the completion date or change in price. This updated procurement plan gives a fair idea on the existing progress, and is able to identify the area of interventions. It has been observed that in the past contract extensions and delays by contractors without any authentic justification or notice were very common, taking advantage of the law and order situation (frequent bandhs, transport strikes, risk situation in Tarai). This has been seriously taken up by the central office of DUDBC and now actions against inauthentic delays have been initiated in the form of public notices in the newspapers, fining contractors for delays, and reminders of consequences to head contractors. These actions have increased the completion rate and handover rates. In 2011/12 nineteen contractors have been penalised for delays.

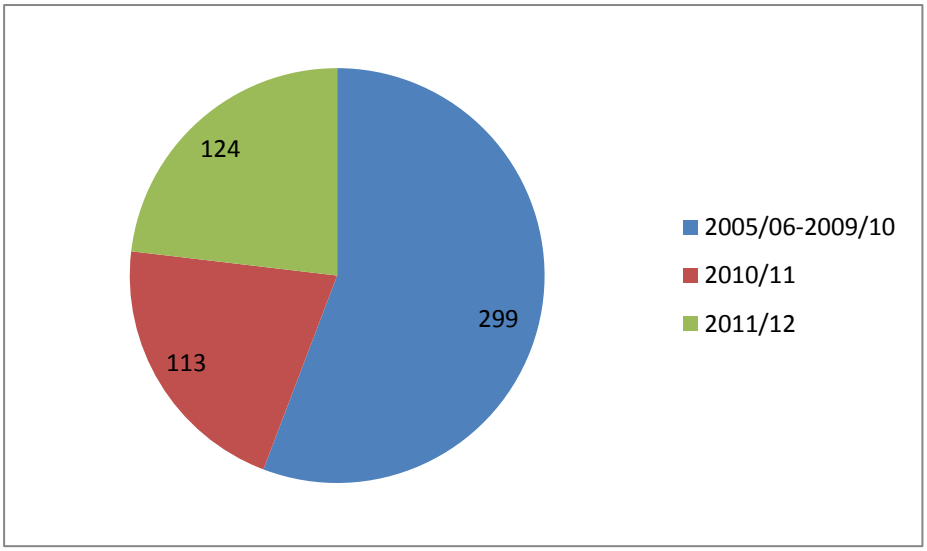
The total numbers of on-going (continuing from previous years) projects and projects newly added each year for three years are presented in Table 2 below.

Table 2: On-going projects added each year

SN	Progress	Unit	2008/09	2009/10	10/11	11/12	12/13	Remarks
1	On-going	Number	547	636	501	561	609	Out of 609, 66 have been completed and are ready for handover
2	New	Number	98	155	173	172	None	No new projects
	Total		**645**	**791**	**674**	**733**	**609**	**543 to be completed**

The ratio of handover in the past and at present is presented in Figure 1. The total contracted cost for the on-going construction is about NPR 14,247,211,000 (USD 162 million based on exchange rate USD 1 = NPR 87.8). The total payment made in the contracted amount to date is NPR 6,782,388,891 (USD 77 million based on exchange rate USD 1 = NPR 87.8) and the remaining to be paid is NPR 7,464,822,000 (USD 85 million based on exchange rate USD 1 = NPR 87.8).

Figure 1: Completion and Handover in different Fiscal Years



A total of 543 construction projects are yet to be completed; of these, 11 are Ayurveda related constructions and the rest are regular health facilities. Table 3 below shows the numbers for each type of on-going facility construction.

Table 3: Numbers of Different Types of On-going Construction Projects

SN	Type of Facilities	Nos	Budget Head
1	Ayurveda	11	70-4-756
3	BEOC/CEOC	25	70-4-858
5	Quarter buildings	47	70-4-858
6	Health posts	296	70-4-858
7	Hospital buildings	18	70-4-858
8	Hospital new block construction	6	70-4-858
9	Hospital expansion and repair and maintenance	1	70-4-858
10	Birthing centres	47	70-4-858
12	District store buildings	19	70-4-858
14	PHCC buildings	56	70-4-858
15	District Public Health offices/DHOs	21	70-4-858
	Total	**543**	

2.4.4 Progress Towards Reducing Construction, Management and Maintenance Costs

A recent assessment made to determine the Value for Money VfM of Technical Assistance (TA) provided by NHSSP to the Nepal Health Sector has shown that the introduction of e-bidding in 2011/12 has cost NPR 7,705,473 (USD 87,762 based on exchange rate USD 1 = NPR 87.8) to date and has reduced the average price of new contracts by 12%. This is in line with international experience. It has saved MoHP NPR 456 million (USD 5,193,622 based on exchange rate 1USD = NPR 87.8) in the first year alone. If annual savings were to remain at the same real level for 15 years, their present value would amount to NPR 4,670,723,787 (USD 53,197,310 based on exchange rate USD 1 = NPR 87.8). Under these assumptions, the estimated rate of return would be 560%.

Similarly the assessment made to determine the VfM from Integrated Design has shown that the introduction of integrated designs for new health facilities since 2010/11 has cost NPR 4,344,344 (USD 49,605 based on exchange rate USD 1 = NPR 87.8) in long-term TA and, where used, has reduced the average construction cost per square metre by an estimated 16%. Applied to all new buildings in 2011/12, this could amount to a saving to MoHP's construction budget of NPR 400 million (USD 4,555,809 based on exchange rate USD 1 = NPR 87.8). If annual savings were to remain at the same real level for 15 years, their present value would amount to NPR 3,640,463,212 (USD 41,463,212 based on exchange rate USD 1 = NPR 87.8). Under these assumptions, the estimated rate of return on the investment would be 1,300%. Land costs are not included but the land area used has decreased by one-third.

2.4.5 Health Infrastructure Information System (HIIS)

The Health Infrastructure Information System has been updated and can provide a list of all types of facilities including the building status. Repair and maintenance costs for each facility in Nepal can be calculated building wise by using the software. The updated HIIS is designed to have the procurement

plans and progress reports directly updated from the districts. The updated HIIS also includes drawings and photos of most of the health infrastructure in Nepal and was recently very useful in assessing facilities for selecting buildings to be retrofitted.

According to the latest information on HIIS the total number of different types of facilities in Nepal is as provided in Table 4 below. The list also provides the number of facilities as per standard design.

Details of the repair and maintenance costs of different types of facilities in NPR are given below in Table 5. This information has been obtained from HIIS. In this calculation the cost of some old buildings which need repair and maintenance has also been added.

Table 4: Total number of different types of Government Health Facilities in Nepal

SN	Health Institution Type	Total Health Institution Count	With Integrated Design	CEOC in District Hospital	BEOC in DH/PHCC	BU in DH/PHCC/HP	Remarks
1	Central Hospital	5					Retrofitting Assessment on-going for these buildings
2	Zonal Hospital	11		1			Retrofitting Assessment on-going for these buildings
3	Regional Hospital	3		1			Retrofitting Assessment on-going for these buildings
4	Sub Regional Hospital	2		1			Retrofitting Assessment on-going for these buildings
5	District Hospital	60	17	22	5		16 hospital buildings need CEOC construction or hospital reconstruction to become standard Functional Hospitals in terms of Infrastructure Standard Design
6	15 Bed Government Hospital (as per Cabinet Decision of 2065/04/29)	9					No functional criteria have been defined for these hospitals.
7	Specialised Hospital	17					
8	District Health Office (DHO)	56					27 DHO buildings have yet to be constructed as per the Standard Design
9	District Public Health Office (DPHO)	19					All DPHOs as per Standard Design except for Jumla District
10	Primary Health Care Centre (Including Health Centre)	207	86		38	18	65 PHCCs still do not meet the standards defined by the Standard Design.
11	Health Post	1198	300			134	764 Health Posts still do not meet the standards defined by the Standard Design.
12	Sub Health Post	2627					
13	Central Medical Store	2					Both need urgent upgrading
14	Regional Medical Store	6					All need urgent upgrading
15	District Medical Store	72					All stores are new constructions as per USAID design, but some need expansion and some additional support services. Some are also located at a distance from the DHO. Three need to be built (Manang, Mustang and Kathmandu).
	Total	**4294**	**403**	**25**	**43**	**152**	

Table 5: Repair & Maintenance Costs by Health Institution Type

	Total		Minor Repair and Maintenance		Major Repair and Maintenance		Reconstruction		Preventive Maintenance	
Health Institution Type	Building Count	RM Cost	Building Count	RM Cost	Count	RM Cost	Building Count	Cost	Count	RM Cost
15-Bed Government Hospital	20	4,732,945.50	9	1,157,190.00	3	2,596,031.25	0		8	979,724.25
Ayurveda Aushadhalaya (Clinic)	87	52,119,569.06	36	6,810,560.42	24	43,766,012.00	11		16	1,542,996.64
Central Ayurveda Hospital	4	3,309,526.24	0	0	2	1,769,593.84	0		2	1,539,932.40
Central Hospital	20	30,694,419.62	6	7,124,768.97	3	2,261,267.75	2		9	21,308,382.90
Central Level Offices, Divisions, Centres	10	19,738,422.52	4	5,416,030.72	1	7,769,888.00	0		5	6,552,503.80
Central/Regional Medical Store	22	7,288,133.45	4	462,840.00	1	5,245,453.00	1		16	1,579,840.45
Central/Regional Public Health Laboratory	6	26,616,548.39	3	25,891,207.69	0	0	0		3	725,340.70
Community Hospital	9	4,064,010.75	5	480,012.75	0	0	0		4	3,583,998.00
Departments under MOH	2	2,841,524.00	0	0	0	0	0		2	2,841,524.00
District Ayurveda Health Centre	10	2,924,252.24	2	277,807.04	2	1,683,204.00	0		6	963,241.20
District Health Office (DHO)	49	48,086,494.68	17	3,309,274.72	10	36,787,632.46	5		17	7,989,587.50
District Hospital	685	211,271,239.69	314	67,815,212.77	120	123,857,245.11	71		180	19,598,781.81
District Public Health Office (DPHO)	23	14,114,491.64	11	4,177,551.04	0	0	2		10	9,936,940.60
Government Zonal Hospital	87	354,728,756.55	34	14,690,987.63	24	333,167,822.72	10		19	6,869,946.21
Health Centre	7	294,586.20	0	0	1	151,447.00	5		1	143,139.20
Health Education Information	1	1,036,025.88	1	1,036,025.88	0	0	0		0	0

	Total		Minor Repair and Maintenance		Major Repair and Maintenance		Reconstruction		Preventive Maintenance	
Health Institution Type	Building Count	RM Cost	Building Count	RM Cost	Count	RM Cost	Building Count	Cost	Count	RM Cost
& Communication Centre										
Health Post	646	264,161,036.77	286	38,079,343.74	159	215,145,125.13	69		132	10,936,567.90
Homeopathic/Unani	4	3,847,641.59	3	2,544,336.59	1	1,303,305.00	0		0	0
Ministry (MoHP)	3	3,517,875.40	0	0	0	0	0		3	3,517,875.40
Other Ayurvedic Related Health Institutions	12	4,624,864.30	0	0	1	573,730.00	3		8	4,051,134.30
Other Health related Government Institutions	4	6,624,738.46	2	5,975,310.00	1	276,575.06	0		1	372,853.40
Primary Health Care Centre	278	185,213,218.85	132	23,953,956.45	43	152,250,207.41	22		81	9,009,054.99
Regional Directorate of Health Services	7	5,545,616.74	3	186,440.24	3	5,359,176.50	1		0	0
Regional Health Training Centre	17	9,972,098.97	12	2,348,978.97	4	7,132,000.00	0		1	491,120.00
Regional Hospital	37	31,923,377.59	14	6,564,217.84	12	24,763,186.84	2		9	595,972.90
Regional Training Centre	9	3,620,116.50	9	3,620,116.50	0	0	0		0	0
Research Centre / Laboratory	3	0	0	0	0	0	0		3	0
Specialised Hospital	45	38,314,984.69	6	2,986,057.02	14	21,010,249.74	4		21	14,318,677.92
Sub Health Post	11	6,282,777.19	4	3,663,143.19	0	0	3		4	2,619,634.00
Sub Regional Hospital	30	2,053,978.52	13	748,198.71	10	1,305,779.81	6		1	0
Total:	**2148**	**1,349,563,271.96**	**930**	**229,319,568.87**	**439**	**988,174,932.63**	**217**		**562**	**132,068,770.47**

3 MAJOR CHALLENGES

3.1 Procurement

1. Budget was not approved and sanctioned for the service contract of web-based LMIS in 75 districts or for the service contract of distribution and transportation of health commodities from districts to health facilities.
2. District level procurement is a major concern. LMD is conducting procurement training to the District Officers, Accountants and Storekeepers to improve their efficiency.
3. It has been learned that due to the varied nature of goods being procured, the procurement cannot be accomplished with only one or two specialists or experts. There should be provision to hire experts as required while also training the existing staff.

3.2 Infrastructure

1. Haphazard planning of infrastructure by MoHP based on ad-hoc decisions.
2. Too many divisions and sections inside the MoHP are making decisions on infrastructure and planning on their own, without any internal coordination. The communication gap is leading to duplication in many areas. To bring all these divisions and sections under one management is very important if duplication is to be avoided, if proper reporting and documentation is to be established and if the planning procedure is to be made more efficient.
3. Direct grant budgets to Zonal and higher level facilities for construction work and construction directly implemented through District Health Offices (DHOs) and facilities under the DHO need to be included in the regular reporting system as prescribed in the Joint Finance Agreement. At present there is no procurement plan or progress reporting for these types of construction.

4 LESSONS LEARNED

4.1 Procurement

1. The consolidated annual procurement planning process needs to start earlier for the next cycle to allow enough time for proper consideration rather than making mistakes and having to carry out untimely corrections.
2. A longer time is required to obtain approval of the integrated procurement plan from the World Bank.
3. For procurement, for goods or services under World Bank Guidelines, it has become clear that one or more of the unsuccessful bidders may go to court/PPMO/National Vigilance Committee to stall the process. This causes delay and requires considerable effort by the purchaser to proceed. This practice should be a teaching / learning process for the supplier and purchaser.
4. Widening the competition has been very difficult. Six international well-respected suppliers were contacted and asked why they were not bidding. All replied that they are unable to compete on price with national suppliers and those from the sub-continent, and that their commodities were invariably of superior quality (and therefore more expensive) than those on offer.

4.2 Infrastructure

1. Strict monitoring and supervision, better coordination and cooperation between MoHP and DUDBC and a tighter reporting system and follow up can increase completion and handover rates and expedite the construction work.
2. Regular supervision from the centre and districts to the sites helps in improving the quality of work and helps in rectifying errors on time (without additional costs).
3. A computerised and systemised database can help in rational planning and reporting both financial and physical progress, and also can help to trace irregularities.

5 THE WAY FORWARD

5.1 Procurement

- With full cooperation from the External Development Partners, LMD would definitely be able to achieve its objectives. However, the extent and scope of assistance and partnership needs to be reassessed and discussed.
- The effective supervision and monitoring of district level procurement by DoHS needs to be increased.
- The service procurement for distribution and transportation of health commodities from the districts to health facilities must be started in order to strengthen the supply of health commodities to the people.
- There is a need to develop trust among ourselves.

5.2 Infrastructure

Priorities for the immediate future are:

- Make HIIS web based/Google based and conduct capacity building of DUDBC and MoHP staff on its use. Decentralise the HIIS system to the district level and initiate direct updating of the physical and financial progress of infrastructure from the districts using HIIS.
- Add a standard equipment list for each room in the standard designs in HIIS.
- Train district staff members both from DHO and DUDBC on collection of information and regular updating of the HIIS.
- Build capacity of DUDBC staff members in the centre and in the districts, including DHO staff, in planning health infrastructure, including training staff members to use the standard designs and guidelines.