



More money alone will not help stock outs

Twaweza & Overseas Development Institute



Stock-outs problem is well acknowledged...

- MOHSW Mid-term Review of the Health Sector Strategic Plan III (2009-2015): “the general picture indicates continued low availability of essential medicines, with no clear trend towards improvement over the past few years”

...In spite substantial reforms & high-level commitments

Key questions of the study

1. Why are there persistent drug stock outs and under provision of essential medicines in health facilities, despite on-going reform efforts?
2. What can be done to address the problem, particularly for civil society or demand-side initiatives?

The Political Economy Approach

- In-depth analysis of the various factors that influence the **behaviors** and **incentives** of key individuals and institutions involved at different stages in the supply chain
- Focus on issues of governance, transparency and accountability
- Not looking at technical components of the medical supply chain

Methodology

- Step 1: Identify the problem (key questions)
- Step 2: Map features (political, economic, demographic, etc.) most relevant to stock-outs; literature review
- Step 3: Identify & interview stakeholders
 - 87 open-ended interviews at central level and in 4 districts
- Step 4: Distil key issues, and suggest a range of practical strategies

Findings: Five key reasons stock-outs persist

- 1. Political incentives** – visible reform efforts & quick results are preferred by politicians (and voters)
 - “A dispensary in every village, a health centre in every ward and a hospital in every district”

Findings: Five key reasons stock-outs persist

- 2. Resource shortages** – financial, human – are real, though more funding will not solve problems of transparency & coordination
- Budget for medicines & supplies: TZS 80 billion vs. estimated need of TZS 198 billion
 - On the other hand: no transparency on MSD cash flows & amount of working capital
 - MSD system & facilities in an “opaque cycle”

Findings: Five key reasons stock-outs persist

- 3. Data on medicine orders, deliveries and consumption** are unreliable, not widely accessible, and under-used
 - MSD inaccurate forecasting
 - Few facilities keep good patient records
 - “General culture where data and information are something that needs to be collated and passed on, rather than utilized”
 - Medicines prone to stock-outs are pricey and fast-moving

Findings: Five key reasons stock-outs persist

- 4. Poor oversight & unclear accountability** – unclear mandates & reporting lines, particularly at district level, contribute to potential leakages of drugs
- Shifting the responsibility: central level blames down the chain; local-level blames up
 - Culture of not reporting: civil servant jobs are kept regardless of performance
 - 3 overlapping sets of actors at district health administration: elected representatives, civil service officials, and central government representatives

Findings: Five key reasons stock-outs persist

- 5. Citizens' voices & influence remain low, even though citizens are aware of stock-outs and perceive it as a problem**
- Public expectations are around “visible” resources (ambulances, construction),
 - Political engagement tends to be personalized and reactive – e.g., purchasing medicines for individual constituents
 - Health facility committees lack information and cannot challenge the system

...and yet there are positive examples

- Research also found instances of pro-active government and civil society
 - Iramba's improved monitoring by DMO
 - Wajibika's "satellite" approach
 - PADI's community score-cards

Four Ideas for Collaboration

1. Independent verification of facility-level data
2. Greater transparency of data at facility level
3. Fostering positive deviance
4. Public dialogue & greater engagement

→ A coalition for getting things done ←