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# Presentation on “Mitigating commodity loss under PROSHAR”

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Hotel Westin, Dhaka  
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# Contents of Presentation

- Types of losses
- Causes of losses
- Prevention of losses
- Documenting and reporting of losses



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# Types of Losses

- Marine
- Internal
- Inland

## Internal Loss location:

- At Port
- At Warehouse
- At Food Distribution Point (FDP)
- During transportation



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# Major causes of Losses

- **Rough handling/spillage**
- **Water/rain-water**
- **Humidity/heat**
- **Prolonged storage**
- **Contamination**
- **Rodents and birds entering into warehouse**



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# Major causes of Losses

- **Theft/pilferage**
- **Infestation**
- **Fire incident**
- **Insufficient air ventilation of warehouse**
- **Unskilled warehouse staff**
- **Not having or following of manual/guideline**



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# Prevention/mitigating losses

## Loss mitigation places/points:

- At port
- At warehouse
- At Food Distribution Point (FDP)
- During transportation



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# Prevention/mitigating losses

## At port:

- Do not use hooks to move bags
- Reconstitute immediately
- Do not discharge commodities when it is raining
- Coordinate actions of all parties
- Constant monitoring by PROSHAR
- Avoid use of port warehouse



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# Prevention/mitigating losses

## At warehouse:

- Ensure storage facility is:
  - ✓ Free from leaks/holes in the roof, walls & floor
  - ✓ Free from any drainage problems
  - ✓ Ventilated sufficiently
- Ensure required storage space





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# Prevention/mitigating losses

## At warehouse:

- Ensure controlled access
  - ✓ Use of pliers & hollow lead for lock
  - ✓ Security guard 24/7
  - ✓ Designated warehouse staff have keys
  - ✓ Only program commodities are kept
  - ✓ Net (screen) & mesh gate in place to prevent entry of birds and rodents
  - ✓ Use of 'vehicle' & 'visitor' register



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# Prevention/mitigating losses

## At warehouse:

- Ensure proper stacking:
  - ✓ Use pallet
  - ✓ 1-meter gap surrounding the stacks and top
  - ✓ Stack not more than 25 layer for Bagged; no more than 8 layer for liquids
  - ✓ Create separate stack by :
    - Commodity type



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# Prevention/mitigating losses

## At warehouse:

- Ensure proper stacking:
  - ✓ Create separate stack:
    - By Bill of Lading
    - By BUBD (Best if used by date)
    - For reconstituted commodities
    - For commodity suspected &/or declared unfit for human consumption
    - Commodity received from a Swap



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# Prevention/mitigating losses

## At warehouse:

- Ensure control of insects & rodents:
  - ✓ Ensure 'Cleaning schedule' is followed
  - ✓ Inspect commodity using torchlight & magnifying glass
  - ✓ Use traps; use 'rat protector' at the gate
  - ✓ Fumigate as soon as infestation signs appear
  - ✓ Dispose unfit commodity ASAP
  - ✓ Utilize standard checklists for monitoring



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# Prevention/mitigating losses

## At warehouse:

- Ensure warehouse inspection-regular & ‘surprise’
- Ensure commodity inspection
- Ensure warehouse equipments/materials
- Maintain First In First Out (FIFO)
- Maintain Last In First Out (LIFO) (if needed for shorter BUBD or reconstituted commodities)



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# Prevention/mitigating losses

## At warehouse:

- Physical count - weekly spot check
- Physical count - 'surprise' spot check
- Use no hook & avoid throwing of bags
- Train staff in systems
- Assign staff during long holidays
- Orient labor group



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# Prevention/mitigating losses

## At warehouse:

- Use of calibrated weighing scale/scooping set
- Use of tray while measuring vegetable oil
- 10% weighing during dispatching/receiving
- Use of wooden ladder/empty clean barrel (drum) for stack building purpose
- Availability of 'fire extinguisher'; sand & water bucket with stand



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# Prevention/mitigating losses

## At warehouse:

- Document as soon as possible [Reconstitution Report (RR) & Loss & Adjustment Report (LAR)]
- Report on transaction based warehouse report
- Report monthly/quarterly/QWICR
- Validate & cross check documents like ledger, stack card, waybill, dispatch authorization, physical inventory counts and reconcile





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# Prevention/mitigating losses

## At FDP:

- Keep commodity in an organized manner
- Orient 'scooper'
- Use banner/festoon
- Ensure 'complaint/suggestion box'
- Monitor distribution process
- Distribute after identification of beneficiaries



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# Prevention/mitigating losses

## At FDP:

- Use of individual trays for 3 type of commodities
- Distribute to eligible beneficiaries based on muster rolls
- Validate & update master beneficiary list
- Randomly weigh commodities received by recipients as they exit the distribution area
- Practice thorough report writing in ‘register’



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# Prevention/mitigating losses

## At FDP:

- Use of tarpaulins beneath the commodities
- Ensure 'FDP layout' and distribution through 'queue'
- Ensure crowd control
- Ensure documents (waybill, ledger, etc.)



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# Prevention/mitigating losses

## During transportation:

- Truck inspection and checking of valid documents
- Preference is given for ‘covered van’
- Use of tarpaulins beneath the commodities
- Use of tarpaulins to cover from rain
- Keep constant communication with driver/transporter



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# Prevention/mitigating losses

## During transportation:

- Ensure transporter's representative in each truck
- Logistics map sharing with the transporter
- Keep authenticated representative identification at warehouse/FDP
- Advise the transporter for prior visit to destination
- Organize regular meeting with transporter



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# Prevention/mitigating losses

## During transportation:

- Monitor turn around time of truck each month
- Ensure availability of truck details before dispatch
- Charge transporter for loss



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# Thanks