

Revised Plan 2011



International Federation
of Red Cross and Red Crescent Societies

Logistics

Executive summary

The logistics department has developed Logistics 2015, its latest 5 year plan that will focus its activities on supporting the successful achievement of Strategy 2020. The details of this plan and the revision of activities for 2011 are contained in this document.

- The role of the secretariat's global logistics department (GLD) is to ensure that the International Federation of Red Cross and Red Crescent Societies (Federation) has competent, efficient and effective logistics capacity to carry out its humanitarian assistance activities and achieve its goals.
- The Federation has produced Strategy 2020 which has a set of strategic objectives designed to ensure the organisation remains relevant and effective in the future.
- Logistics 2015 will support strategy 2020 by focusing on the three objectives linked to the enabling activities; (i) to support the development and measurement of National Society logistics capacity, (ii) to increase the Federations logistics capacity to deliver logistics services for preparedness and operational activities (iii) to provide some logistics services to pre-selected agencies.
- The development of the current logistics capacity and services to deliver the objectives will be managed through the implementation of six discrete projects, outlined with their objectives below.
 - Management and communication
 - Logistics HR development
 - Sustainable funding
 - Legal
 - Operational systems
 - Assets and Infrastructure
- Projects will be led by the GLD, or National Society experts where applicable, and will be implemented by teams comprised of its own resources, National Society members and external expertise where required.
- With the implementation of Logistics 2015, the GLD will be able to ensure that the Federation has competent, efficient and effective logistics capacity to carry out its humanitarian assistance activities and achieve the goals outlined in Strategy 2020.
- The total 2011 budget for the projects is CHF 4,865,239 ([Click here to go directly to the summary budget of the plan](#)).

Context

The role of the GLD is to ensure that the International Federation of Red Cross and Red Crescent Societies has competent, efficient and effective logistics capacity to carry out its humanitarian assistance activities and achieve its goals.

For the last 5 years the work of the GLD has centred on the three aims of the Federation Strategy 2010: helping National Societies to become more responsive and focused, to have well-functioning National Societies, and for all elements of the organisation to work together effectively.

To support the achievement of these goals the GLD has coordinated the establishment of a permanent network of logistics locations in Panama, Dubai, Kuala Lumpur and Las Palmas, manned by logistics specialists. These locations have two main functions (i) to support National Society logistics departments to develop their logistics competence and (ii) to coordinate and manage the pre-positioning and delivery of relief items and equipment in support of disaster response. Today about 80% of the logistics costs are recovered from service users making this network sustainable.

On average each year the GLD carries out 10 training workshops for Federation logisticians globally, and maintains around 15 technical manuals and catalogues for general use. It also manages the sourcing and transport of some 56,000 tonnes of relief items and equipment in support of some 850,000 disaster affected families, spending around CHF 150 million and utilising 190,000 m3 of warehousing. In addition, it supports National Societies to carry out around double this volume in their own operations.

The proximity of the logistics offices and relief items to areas affected by disasters, and the stability of network means that quality of assistance delivered is better (helping National Societies to function well), faster with more relevant assistance (more response and focused) and cheaper (consolidating National Society resources for more effective response). Studies show that, on average, a National Society responding to a disaster would have had to wait 18 days to get supplies and can now expect the same goods in 5 days through the GLD. Therefore, relief items for up to 80% of families identified for assistance can be available in the first 8 weeks. In addition, the cost of delivering these items has been reduced by 75% of the 2001 cost.

It is widely reported that the profile and effects of disasters is changing and number of people affected is increasing. Humanitarian activities in risk reduction, preparedness and provision of assistance will also have to be adapted at all levels if they are to remain effective. The Federation has produced Strategy 2020 which has a set of strategic objectives designed to ensure the organisation remains relevant and effective in the future. The main emphasis is 'to do more, do better and reach further' with 3 strategic goals (i) save lives, protect livelihoods, and strengthen recovery from disasters and crises, (ii) enable healthy and safe living and (iii) promote social inclusion and a culture of non-violence and peace.

Concurrently over the last 12 months the GLD has sought information from donors, commercial entities, military groups and other humanitarian agencies externally. Information has been collected and analysed from numerous meetings, surveys and through a number of research papers. Around \$20bn is spent on delivering humanitarian aid each year with logistics activities accounting for 60 – 80%. The results of the research reflect the importance of this spend and suggest there will be 3 main external forces impacting on humanitarian logistics activities in the near future. These are:

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- Donors will consolidate their funding of logistics to create efficiencies and inculcate coordination – there will only be two or three main supply chains that all actors will have access to by default in the future, possibly operated by the donors themselves
- Governments will increase the use of military and civil protection logistics assets for both operational reasons and to access funding for their upkeep
- Commercial companies will continue to enter the market attracted by the PR aspects, large margins for customised services and to spread their business risk.

In response to the changing internal and external environment the GLD has produced **Logistics 2015**, the next strategic plan, that describes what logistics will do over the next 5 years to ensure that the Federation continues to have access to competent, efficient and effective logistics capacity to meet its planned goals in the future. It is designed to be the basis for annual work plans and budgets and will be reviewed and adjusted on annual basis. This revised plan brings the previously published plan (2010/2011) in line with this strategy.

Priorities and current work with partners

The vision statement for Logistics 2015 is:

The Federation will be a global leader in managing logistics services that supply assistance to people affected by disasters. These services will be able to deliver a sophisticated mix of traditional relief items, and new methods of assistance like cash distribution. The National Societies logistics departments will have developed the appropriate sustainable logistics capacity they need to carry out activities in support of their National role. The departments will be operated by trained logisticians whose competency and development is planned, measured and tracked.

The logisticians will have access to technical manuals, training and appropriate information systems to manage and carry out their work. They will also have the knowledge and ability to augment their capacity by accessing a permanent and extensive global network of logistics experts and resources operated by the GLD when there is an operational need. All activities and services will be funded by cost recovery. A measurement system will be in place so that National Societies can record and report on their activities and its impact. These reports will be consolidated to give a global picture of the Federations logistics capacity and performance thus meeting the aims of enabling activities in Strategy 2020.

This vision will be achieved by the GLD focusing on three strategic objectives.

Objective One: to support the development and measurement of National Society logistics capacity, to help build strong National Societies and articulate the global capacity and effectiveness of the Federation logistics

Objective Two: to increase the Federations logistics capacity to deliver logistics services for preparedness and operational activities, connecting National Society assets where possible, and make this self-sustaining through promoting the effective functioning of the Federation

Objective Three: to provide agreed logistics services to pre-selected agencies to help ensure the sustainability and relevance of the supply chain and thus help protect the Federations ability to maintain its neutrality and voice in humanitarian diplomacy

The priority of actions to meet the strategic objectives has been described in a number of goals and targets. These are outlined as per the respective objective in the tables below.

Goals for Objective 1

ser	goal	2015 target
1	Provision of expert(s) to support National Societies to review, plan and build logistics capacity for their role	Creation of assessment tool and test in 2011, then 5 experts per zone to assess and support 20 National Societies per year from 2015
2	Production of a Federation wide delivery plan and targets for activities	Competency framework complete in 2011, then 2 reviews and reports per year. Supported with operational delivery plan and budget.
3	Provision of best in class standard operating procedures and information systems for National Societies operations	Review of 2 technical manuals and one section of the catalogue every year from 2011. Review of systems for National Societies in 2011, deployment in 2012
4	Production of a Federation wide monthly	Monthly report on actual activities every month

report to monitor how far targets have been met and impact of services	initiated in July 2011
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Goals for Objective 2

ser	goal	2015 target
1	Provision of basic training courses on IFRC standards and software, and a track-able competency data base	Federation logistics HR strategy & track system developed in 2011. Roll out 2012. 5 basic, 2 advanced and 4 technical trainings per year from Jul 2011. Ability to recover cost on services provided
2	Provision best in class standard operating procedures and software for asset deployment in global operations	Complete review of all systems in 2011. Architecture and new systems, including cost recovery roll out July 2011 to Dec 2012
3	Provision of logistics specialists to support National Societies work with global tools	HR roster of 10 senior and 30 co-ordinator level specialists operational by end 2011
4	Operation of a global pre-positioning plan for resources required in disaster response	Resources and systems in 5 locations each with NFI stock of relief items for 30,000 families and 20 vehicles. Minimum of 50 local locations each with relief items for 1,000 families. Supporting fleet and air assets. Cost recovery mechanism in place. Starts July 2011, complete July 2012.
5	Delivery of global services in support of response operations for both assisting and support National Societies	Resources and systems in place to source procure and manage delivery of relief items for 1 million families, fleet of c800 vehicles and associated air assets each year globally on a cost recovery basis. Starts July 2011, complete July 2012.

Goals for Objective 3

ser	goal	2015 target
1	Delivery of selected global logistics services in support of external actors operations	Resources and systems in place to source procure and manage delivery of relief items for 300,000 families, including pre-positioning of relief items for 25,000 families globally on a cost recovery basis. Start July 2011, complete July 2012.

Secretariat supported programmes in 2011

Logistics

a) The purpose and components of the programme

The development of the current logistics capacity and services to deliver the goals set out in the Logistics 2015 business plan will be managed through a set of six discrete projects; outlined with their objectives below.

A. Management and communication; To ensure a management and communication platform capable of supporting and measuring delivery of activities, and ensuring business continuity. This will be in place by January 2011 and sustainable until June 2012.

B. Logistics HR Development; to generate a logistics HR strategy and options on how the logistics function should profile, identify, develop and train logisticians in the future and support NS to do the same by February 2012.

C. Sustainable funding; to develop the most optimal automated financial management system for managing budgets, income and expenses, invoicing and reporting pertaining to the global logistics service operations and provision to internal and external service requesters by September 2011.

D. Legal; The legal department, supported by relevant logistics personnel will (i) establish the legal framework for the Federation logistics global service delivery complying to principles and values (ii) develop a plan to establish how logistics will operate in 40 prioritised countries by June 2011.

E. Operational systems; to ensure information systems to manage the delivery and measure the impact of logistics services in support of strategy 2015, by assessing current capabilities, and then designing, planning and implementing logistics systems that fill the identified gaps. To be completed by June 2012.

F. Assets and Infrastructure; Define and set up the required infrastructure, including locations, organization and assets in 5 zones to provide adequate logistics services to internal and external partners by April 2012.

b) Potential risks and challenges

There are three main challenges for the success of the programme. These are:

(i) **Acceptance of Logistics 2015:** It is likely that the Federation will only accept the initiative and start to use it if it is pro-actively promoted by the whole of the SMT throughout their sphere of influence. This requires the SMT to be fully aware of the how and why logistics will operate in the future.

(ii) **Secure volumes of work:** The promotion of the idea should be underpinned with a directive on compliance for use of logistics services for all Secretariat led operations. This will allow the service cost to be assessed and adjusted, and expose National Societies to the services. At the point they can see delivery they will start to utilise these logistics services, much in the same way vehicle rental programme was installed.

(iii) **Long term sustainability:** whilst the objective is to provide services as close to cost neutral as possible, it may take some time to generate the volumes required. This has two implications. In the first place the initiative must be given time to succeed and should be seen as a three to five year project. The development will of course be tracked, but the success should only be judged in terms of a long term solution. Secondly, the GLD should have access to funds that underwrite the development in case of low volume troughs in demand.

Role of the secretariat

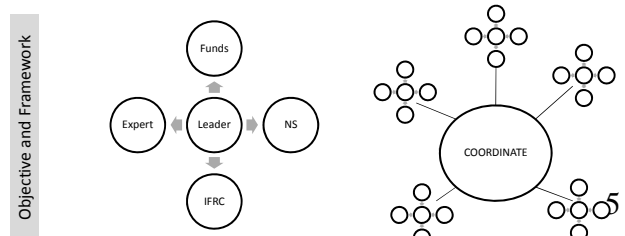
This section outlines how the secretariat will support the National Society to implement the programmes described in the previous section. The secretariat's budget for its support role is CHF 4,865,239 (USD 4,777,310 or EUR 3,751,100).

a) Technical programme support

The diagram opposite explains how the projects will be operated and shows the role of the GLD.

In essence, the GLD will lead all of the development projects. Expertise will also be provided for project teams from the global logistics

Specification —————> Single project —————> Multi-projects



team, to compliment the other members from National Societies and external expert.

The table below shows the funding required per project.

Project	<i>chf</i>	<i>usd</i>	<i>eur</i>
Management and communication	520,785	510,624	401,525
Logistics HR Development	707,160	693,362	545,220
Sustainable funding	745,500	730,954	574,781
Legal	319,500	313,266	246,335
Operational systems	1,060,740	1,040,043	817,831
Assets and Infrastructure	886,080	868,791	683,168
Catalogue	152,615	149,637	117,666
Development of RLU's	472,860	463,634	364,575
Total	4,865,240	4,770,310	3,751,100

Note: This includes two additional activities, funding for on-going development projects in RLU's and the standard items catalogue; also a perennial activity.

b) Partnership development and coordination

Internally partnership development and coordination will be through the inclusion of National Societies in the project. This will be realised by (i) the use of National Society experts in the project planning and implementation itself and (ii) by connecting existing National Society assets and resources to extend the global network.

Externally communication of plans will continue with donors, the logistics cluster, and other agencies to ensure that duplication is minimised. In addition, a mechanism will be put in place to ensure that appropriate agencies have access to use pre-determined logistics services

c) Representation and advocacy

Representation and advocacy is supported in two ways. Indirectly, by ensuring the Federation has strong well-functioning logistics capacity, the GLD will help maintain the overall role as a significant humanitarian player, and therefore enhance the Federation's capability to influence.

Directly, the GLD is engaged in two important research initiatives. These focus on looking at the best way to operate logistics of preparedness and response activities for the whole of humanitarian response. The outputs will not only guide the Federation logistics to make sure its work is applicable and optimised, but also allow other players to do the same, thereby improving the effectiveness of response and impact on the people being assisted.

Promoting gender equity and diversity

The rationale for integrating a gender perspective in the activities of the International Federation lies in the Red Cross and Red Crescent mandate - to prevent and alleviate human suffering without discrimination. The International Federation's focus is on gender, rather than women. Gender equality ensures that there is no sex-based discrimination in the allocation of resources or benefits or in access to services. The goal of the International Federation is to ensure that all Red Cross and Red Crescent programmes are non-discriminatory and benefit men and women equally, according to their needs and with the equal participation of men and women at all levels within the National Societies and the International Federation's secretariat.

Recognizing that often in disasters it is women, children and minority groups that are most severely affected, all programme guidance will ensure that gender is incorporated as part of the analysis of the disaster impact, the assessment and the subsequent programming.

The individual plans of each sector elaborate on the specific gender-related actions in their respective areas. The International Federation will continue to ensure compliance with agreed standards and guidelines on gender and will prioritise consideration of gender and diversity as key components in any new guidelines and best practice frameworks.

Quality, accountability and learning

The secretariat is committed to compliance with the Federation-wide performance and accountability framework and to deliver on its accountability principles, which include explicit standard setting, open monitoring and reporting, transparent information sharing, meaningful beneficiary participation, effective and efficient use of resources, and systems for learning and responding to concerns and complaints. These will all be used to improve programme quality, performance and learning. The International Federation will use various tools such as systematic evaluation, peer review and objective lesson learning exercises to ensure the quality of secretariat services according to globally accepted DM standards and to assess the impact of those activities on the lives of disaster affected populations.

The Federation-wide reporting system is another element which will aim to reliably monitor and report on key data from National Societies to show the performance and improve the accountability of the International Federation. Specific activities will also be subject to their own review and structured feedback mechanisms, or to independent reviews or evaluations when required. National Societies are highlighting the lessons learned from their work in reports and incorporating learning into their planning, training and capacity building.

Our actions are guided at all times by our Fundamental Principles of humanity, impartiality, neutrality, independence, voluntary service, unity and universality. The International Federation also works according to our “Code of Conduct”, agreed with eight major disaster response agencies in 1994 and used to monitor behaviour and standards in relief delivery. The International Federation also adheres to the disaster relief “Sphere Standards”, which also identifies minimum standards in disaster assistance in the five key sectors of water supply and sanitation, nutrition, food aid, shelter and health services. The International Federation is supporting the revision of the “Sphere Standards” to develop improved mechanisms to ensure good practice and accountability in the delivery of assistance. The “Code of Conduct” and the “Sphere Standards” hosted programme will be managed by the Disaster Services department. The secretariat also promotes the use of the Disaster Relief Emergency Fund (DREF) to cover the costs of monitoring and evaluating DREF funded relief operations and to measure beneficiary satisfaction.

How we work	
<p>The IFRC’s vision is to:</p> <p>Inspire, encourage, facilitate and promote at all times all forms of humanitarian activities by National Societies, with a view to preventing and alleviating human suffering, and thereby contributing to the maintenance and promotion of human dignity and peace in the world.</p>	<p>The IFRC’s work is guided by Strategy 2020 which puts forward three strategic aims:</p> <ol style="list-style-type: none"> 1. Save lives, protect livelihoods, and strengthen recovery from disaster and crises. 2. Enable healthy and safe living. 3. Promote social inclusion and a culture of non-violence and peace.
Contact information	
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