INTER-AGENCY STANDING COMMITTEE

PRINCIPALS MEETING

Cluster Working Group on Logistics
Executive Summary and Table of Cost Estimates

12 December 2005
Hosted by OCHA
Palais des Nations, Geneva

Circulated 7 December 2005

I   Executive Summary

1.1   How to Improve Humanitarian Response in the Cluster Area

On 12 September 2005, the IASC endorsed the proposal to designate WFP as the Logistics Cluster lead agency, with primary managerial responsibility and accountability for logistics.

In the IASC Principals' meeting of 12 September 2005, Cluster Leads were divided into three categories according to their product delivery: service provision, relief and assistance to beneficiaries and broad range of cross-cutting issues. The Logistics Cluster Lead falls within the category of service provision, namely a service to UN and NGO entities.

It is acknowledged that any and all parties involved in responding to an emergency shall be free to identify and flag the issue of a supply chain problem possibly requiring lead cluster assistance, reporting the existence of any such problems to the Resident/Humanitarian Coordinator.

1.2   Capacities and Gaps

With a view to improving surge capacity, the Logistics Working Group identified areas where improvements were needed (sub-groups were formed to look at each issue), particularly to ensure better logistics preparedness and response, and to facilitate improved interagency interoperability through the pooling of resources.

1.3   Response in Selected Existing Emergencies

N/A

1.4 Cross-Cutting Issues

The Logistics Cluster has developed its workplan on the assumption that other sectors (shelter, water and sanitation, food, health) will manage their own logistics as part of an integrated supply chain approach in most circumstances. This assumption needs to be verified as it has obvious budgetary implications. The Cluster lead would provide inter-agency logistics services as a "last resort" when the size and magnitude of the logistics challenges require more robust inter-agency coordination and action. Requests from other agencies/cluster leads, vetted through the HC/CT, would be the basis of considering providing such "last resort" services.

1.5 Response Planning and Preparedness Measures

(a) Generic criteria for applying the Logistics Cluster concept have been developed and agreed. The Logistics Cluster Working Group shall agree on the protocol for requesting support of the Logistics Cluster Lead Agency and logistics common services (such as UNJLC and UNHAS).

(b) While the preparedness and contingency planning of the individual agencies is relatively strong, integration needs to be strengthened and logistics aspects included to ensure better inter-agency planning. The Logistics Cluster Working Group has identified actions needed for improved humanitarian contingency planning for both man made and natural disasters.

(c) The Humanitarian Response Network (HRN) initiative is based on existing inter-agency work to develop a global network of logistics facilities from which to launch emergency response operations. The overall aim is to provide significantly better integrated supplies information and coordination to both preparedness initiatives and responses to large-scale emergencies. In particular, NGOs without the capacity to build on-site warehouses would capitalise on this initiative.

(d) The Humanitarian Response Review (HRR) has recommended to "expand global mapping of relief stocks", through which agencies are to report on "quantity, values, geographical positioning, availability and access" of its stockpiles of relief goods. The Logistics Cluster has decided to use the Register of Emergency Stockpiles as a base for the stockpile mapping exercise, and agreed to collaborate on the up-dating of data and to include quantities of goods in stocks. The Cluster has also recommended to list in the Register the most frequently stocked items and to establish common NFI denominators for each sector. The respective Cluster Working Groups are to provide their inputs on the common NFI denominators. The preparedness for, and use of, integrated Cluster sector stockpiles will be coordinated by the Logistics Cluster.

(e) There exists a need for the UN agencies to assess and act instantly in large-scale emergencies. The Inter-Agency Logistics Response Team (LRT) concept is based on the need to improve coordinated response time. A fully self-sustaining LRT will be deployed within hours of any large-scale emergency and such team will have the expertise and training to ensure that they are able to act decisively. In essence, the LRT would initiate active logistics operations, thus setting the stage and giving the UN time to activate its machinery and bring the necessary resources to the operation. It is acknowledged that inter-agency staff in the LRT may be required to undertake activities for which their parent agencies are the Cluster lead, concurrent

to their logistics related activities. This will ensure streamlined and efficient use of the Cluster concept and assist in inter-operability between the Clusters themselves.

(f)   In order to ensure that the Logistics Cluster is prepared and able to meet any eventuality, the Lead Agency shall immediately establish a Support Cell. The rationale for such a Support Cell is that several actions need to be taken in advance of a large-scale emergency and inter-operability between the members of the Cluster needs to be established to facilitate a streamlined and efficient response. It is acknowledged that all staff members attached to the Support Cell will undertake tasks exclusively for the benefit of the inter-agency Logistics Cluster and for the interoperability of each other Cluster. The functions and terms of reference of such staff members will be determined by consensus of the Logistics Cluster Working Group.

(g)   The establishment of humanitarian logistics priorities is essential to improve the efficiency of humanitarian assistance. This is particularly true in the case of bottlenecks. When the concept of using common transport is applied, the Logistics Cluster recognises that procedures should be established to ensure correct and objective sharing of the available assets.

(h)   It is acknowledged that use of Military and Civil Defence Assets (MCDA) should be strictly in accordance with the prescribed guidelines. An awareness campaign is needed within the humanitarian community and with donors to recommend the correct use of MCDA. It is acknowledged by the Logistics Cluster that experts to manage MCDA air assets need to be deployed at the onset of a large-scale natural disaster.

(i)   The problem of airfield congestion during large-scale natural disasters is common. The consequent delays to arrival of rescue teams and relief commodities cause loss of life and a waste of resources. The Logistics Cluster recommends the establishment of a system and procedures to create a UN Air Management System at the onset of large-scale emergencies.

(j)   The UNJLC is considered to be an integral part of the Logistics Cluster and will continue to execute its well established and agreed function of coordination, information sharing, preparedness planning and cargo prioritisation as and when required. It is envisaged that UNJLC's particular expertise may be called upon by the Logistics Cluster, or other Cluster Leads, and with the approval of the IASC.

1.6   Plan for a Phased Introduction and Recommendations for 2006 Implementation

While certain actions can be taken before the end of 2005, the major efforts to comply with the recommendations of the Cluster should take place during the first semester 2006. Actions should be consolidated and practiced during the second half of 2006. A phased implementation of the recommendations of the Cluster is set out in the matrix attached to the Report.

1.7   Recommendations on Outstanding Cluster Specific Issues

The Logistics Cluster identified major gaps in the availability, readiness and skills of logistics experts at the onset of large-scale emergencies. The Cluster members agreed that logistics is mostly undervalued and under-resourced. Therefore it should be considered to augment logistics staff and introduce specific common training programmes to broaden the field of expertise and improve responsiveness. It is proposed to deploy an inter-agency Logistics Response Team (LRT) at the onset of large-scale emergencies. Mechanics and procedures for smooth integration of such teams in the existing on-site structures have to be developed. Additionally, the Logistics

Cluster recommends improvement in the availability of ICT and other equipment to support the logistics operations in the early deployment phase.

1.8 Budget and Fund-Raising

Improving humanitarian responsiveness is not possible without making the necessary investments in recruitment, training and procurement of necessary equipment. Additionally, the pre-positioning of vehicles will require important investments. Sufficient budgets should be made available to allow unimpeded and independent deployment of teams and equipment at the onset of large-scale emergencies.

II   Table of Cost Estimates

Explanatory Note on Logistics Cluster Funds Requirements

2.1   Summary

The cost estimates in the Logistics Cluster Funds Requirements are to support the Logistics Cluster for (1) preparedness and interoperability, namely capacity building; and (2) response, namely the deployment of trained and experienced inter-agency logistics experts at the onset of one large scale emergency.

The estimates include: recruitment of inter-agency staff for capacity building and preparedness measures, organisation of training sessions as an element of capacity building, participation in simulation exercises, deployment of inter-agency logistics experts at the immediate onset of a large-scale emergency (including travel and one month DSA), mobile storage tents and procurement of support equipment - including vehicles and pre-fabricated office/accommodation modules. The vehicles may also support other humanitarian actors during the early stages of an emergency. The amount does not cover the procurement of relief commodities, agencies operational support equipment and associated transport costs, which should be included in the Flash Appeal or CAP.

The estimation is based on capacity building during a period of one year and one deployment during the course of the year. IMPORTANT NOTE: Since funding requirements include one deployment only, items 12 to 16 will need to be replenished after each deployment (US$ 1,740,000).

The Logistics Cluster agrees that the funds requirements will be reviewed at the end of year one.

Modalities on allocation of the budget and prioritisation will be discussed within the Cluster in early 2006.

The following explanations are provided to facilitate understanding of the budget amounts for the inter-agency Logistics Response Team and for the Support Cell. The other budget line items, as detailed in Cost Estimates are self-explanatory.

2.2 Capacity Building/Response – Logistics Response Teams (LRT)

There exists a need for the UN agencies to act instantly in large-scale emergencies. The Inter-Agency Logistics Response Team (LRT) concept is based on the need to improve coordinated response time. A fully self-sustaining LRT will be deployed within hours of any large-scale emergency and such team will have the expertise and training to ensure that they are able to act decisively. In essence, the LRT would initiate active logistics operations on behalf of the humanitarian community, thus setting the stage and giving the UN time to activate its machinery and bring the necessary resources to the operation.

Each Agency will be represented on the LRT to ensure an integrated approach. It is acknowledged that inter-agency staff in the LRT may be required to undertake activities for which their parent agencies are the cluster leads, concurrent to their logistics related activities. This will ensure streamlined and efficient use of the Cluster concept and assist in inter-operability between the Clusters themselves. The size of the LRT will vary depending on the scale of the emergency and will be decided on a case-by-case basis.

The budgeted amount for the LRT is **US $3,300,000** – namely to cover the deployment of up to 22 inter-agency staff members at $150,000 each. This figure has been based on the experience of the Logistics Cluster in the Pakistan Earthquake response in which numerous logistics staff (i.e. – more than anticipated) in Islamabad are dedicated 100% to cluster issues (meetings, liaison [government, military], donor relations, reporting, information management, field coordination etc) as well as two staff in each sub-office who are replicating the Logistics Cluster by chairing meetings, coordinating non-food item storage and transportation, identifying common bottlenecks, advising solutions and providing feedback to the Islamabad level.

2.3 Cost of Lead Role

The Logistics Cluster Lead Agency is the agency of last resort but its role in meeting a logistics gap is not merely to act as a transporter. It must also provide a solution(s) to a significant part of the supply chain (excluding procurement) when requested.

In order to ensure that the Logistics Cluster is prepared and able to meet any eventuality, the Lead Agency shall immediately establish a Support Cell. The rationale for such a Support Cell is that several actions need to be taken in advance of a large-scale emergency and inter-operability between the members of the Cluster needs to be established to facilitate a streamlined and efficient response.

It is acknowledged that all staff members attached to the Support Cell will undertake tasks exclusively for the benefit of the inter-agency Logistics Cluster and for the interoperability of each other Cluster. The functions and terms of reference of such staff members will be determined by consensus of the Logistics Cluster Working Group.

In particular, it is envisaged that the Support Cell will be structured as follows:

(1) **6 Inter-Agency Emergency Preparedness and Response Logistics Officers in HQ**: To be based in an inter-agency cell in Rome for a one year period with a view to carrying out the following functions (inter alia).

(a) Coordinating and managing the Logistics Cluster including preparing for cluster meetings, IASC meetings and teleconferences etc.

(b) Developing criteria for applying the Logistics Cluster Concept and activating the Logistics Common Services.

(c) Developing Standard Operating Procedures and Terms of Reference for the Logistics Cluster.

(d) Developing templates for inter-agency Logistics Operational Plans and NFI Pipeline reporting.

(e) Integrating the Clusters – ensuring the linkage between the Logistics Cluster and each other Cluster. For example, it is envisaged that 2 of these Logistics Officers will act as the inter-face with other Cluster logistics-related activities (shelter, nutrition, water sanitation) under the umbrella of UNHCR and UNICEF.

(f) Information collation and dissemination within the Logistics Cluster through publications and web-site platform; and

(g) Assigning staff to look at: training, NFI denominators and stockpiles, pre-positioning of equipment for Logistics Cluster, logistics aspects in existing bilateral agreements and developing mechanisms to facilitate inter-agency exchange and procurement, interoperability of logistics services contracts, including long-term purchase agreements and support swapping, identification and management of appropriate private sector support and potential donor government support.

(2) **6 Inter-Agency Emergency Preparedness and Response Logistics Officers, one per region (West Africa, East Africa, Southern African, Middle East and Central Asia, Asia Pacific, Central and Latin America):** These field based staff will tasked by and report directly to the Logistics Cluster Working Group. Broadly speaking, these staff members will be dedicated 100% to inter-agency capacity building and preparedness. Such field based inter-agency logistics staff will be responsible to feed-back directly to the Support Cell in Rome so that Logistics Cluster members are kept abreast of developments/constraints within the Cluster. In particular, it is envisaged that such staff members will (inter alia):

(a) Lead in identification, establishment and expansion of regional stores and potential staging areas;

(b) Lead in inter-agency contingency planning (including the options for taking actions for anticipating requirements to deploy common warehouses and transport assets) and logistics capacity assessments in the region of operation; and

(c) Establish relationships/links between Agencies, NGOs, government counterparts, military etc and inform such entities of the Logistics Cluster concept and activities;

It is acknowledged that all Support Cell staff would be available as the first line response to any large scale emergency in which either WFP is the lead agency (i.e. – providing common logistics services upon request) or where the Logistics Cluster is activated by the IASC/HC.

The budget amount for the Support Cell is **USD$2,403,980** broken down as follows:
x3 P4 level staff members (at $149,400 each)
x8 P3 level staff members, 6 of which in field (at $116,820 each)
x1 P2 level staff member (at $98,700)
x1 Admin Assistant (at $63,540)

Non-staff costs (computers, travel, DSA, office supplies, communication equipment and consultants) of $843,500.

III Table of Cost Estimates

No.	Description of Actions	Details	Estimated Yearly Requirement in US$
	COST of LEAD ROLE		
1	Support Cell	6 Inter-Agency Emergency Preparedness and Response Logistics Officers in HQ; 1 Inter-Agency Emergency Preparedness and Response Logistics Officer in each region (6 in total); 1 administrative assistant in HQ; Equipment/travel/DSA for Support Cell staff**	2,403,980
	CAPACITY BUILDING		
	a. RECRUITMENT OF STAFF		
3	Update of the Stockpile programme in OCHA's Central Register i.e. inclusion of modules for mapping	One Consultant for analysis of current programme and recommendation of modifications (1 month)	15,000
4	Developing and maintaining relief Items stockpile databank (OCHA)	One database manager	110,000
5	Global mapping of commodities, including tracking of commodities during large scale emergencies - upstream and downstream (UNJLC).	One database manager	150,000
6	Logistics Response Team (LRT) WFP (6), UNICEF(2), UNHCR (2), WHO (2), IOM (2), UNHAS (4), UNJLC (2), UNOPS (2)	Dedicated staff for Logistics Response Team** and Establishment of Rosters	3,300,000
7	Training officers WFP Air (1), UNJLC (1)	Organising dedicated training for air experts and officers on LRT Roster.	300,000
8	Training officer (WFP)	Implementation of expertise exchange programme	150,000
	** It is acknowledged that inter-agency staff in the LRT may be required to undertake activities for which their parent agencies are the cluster leads, concurrent to their logistics functions in the LRT. This will ensure inter-operability within the Clusters themselves.		
	b. TRAINING SESSIONS		
9	Logistics training certification programme	Participation to logistics training programme (50 X 2000)	100,000

10	Organisation of LRT training, including participation into exercises (DFID, TRIPLEX)	Organisation of 3 training workshops in 2006 (88,000 x 3) and two exercises (2x 20,000)	304,000
11	Organisation of training of dedicated staff for de-congestion of airfields and managing MCDA air assets at the onset of large-scale emergencies	Organisation of 3 training workshops in 2006 (30,000 x 3)	90,000
	CORE FACILITY COSTS		
12	Fly away kits for LRT and staff for de-congestion of airports and management of air assets.	Fly away kits (6 x UNJLC;6 x WFP Air; 2 x 5 Agencies) 2 x HF Radios, office equipment, maps, 2 VHF bases, 2 VHF repeaters, VHF handset radios, 2 IMMARSATS	300,000
13	Pre-positioning of vehicles	10 FWD, MOSS compliant vehicles	400,000
14	Emergency Prefab Office + accommodation + gensets	10 Units each	360,000
15	Trust fund for activation of common logistics services, including the deployment of a Logistics Response Team (LRT) and chartering of one aircraft at the onset of large-scale emergencies.	LRT (11 x10,000) plus Aircraft	520,000
	GLOBAL STOCKPILE		
16	Prefabricated storage tents (HRN)	6 10x24 tents	160,000
	PREPAREDNESS & CONTINGENCY PLANNING		
17	Software for global mapping and tracking of commodities	Depending on type of software. Off the shelf programme estimated at 60,000	60,000
18	One contingency planning officer for pursuing the logistics aspects during the inter-agency contingency planning process	One P4 level contingency planning officer	180,000
19	Mapping of logistics data related to regions which are subject to inter-agency contingency planning	GIS Officer	150,000
TOTAL:			**US$ 9,052,980**

Prepared by Cluster Working Group on Logistics – December 2005