



UNIVERSAL LOGISTICS STANDARDS
IN HUMANITARIAN RESPONSE_



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Notes about the final version (v1.01)

The ULS are based on an extensive review of existing guidance and standards. A first draft of the ULS was published in May 2020 and reviewed by experts and practitioners in regional consultations. In addition, comments were made via the online platform and then incorporated. As a result, the document was edited several times (V1.5 and V2) before the publication of the pilot version (V3.0) and a later updated version (draft V3.5) in early 2021.

The final version launched in April 2021 includes many improvements over previous versions. Among them, we can point to the information added to explain the format and use of the standards, a review of the cross-cutting themes, the addition of gender and diversity as a specific cross-cutting theme, a review of the elements linked with PARCEL standards, clearer references to the Core Humanitarian Standard (CHS) and a review of all indicators. The ULS handbook is a live

document. Comments on the ULS are welcome at any time, and can be sent, along with enquiries, to **info@ul-standards.org**. All comments received will be addressed in the revision of the ULS, which will be undertaken no later than December 2023. For more information about the Universal Logistics Standards in Humanitarian Response, as well as related resources and other documents under development, please visit www.ul-standards.org.

Introduction

INTRODUCTION

What are the Universal Logistics Standards (ULS)?

The Universal Logistics Standards (ULS) draw together best practice in humanitarian supply chain management and logistics. They are intended for use by organisations, staff and volunteers as guidance in order to improve the quality of disaster preparedness and humanitarian response.

The ULS draw on the experience and knowledge of key actors from across the humanitarian logistics sector; they provide a set of quality and accountability standards based on a commonly agreed approach. These standards can be aspired to globally, to support the integration of operations into the wider aid system. They also provide an easy reference to support training, capacity strengthening and other initiatives, and show how to effectively assess and monitor the performance of activities.

The ULS have been (and will continue to be) developed, approved and maintained by means of a collaborative and consensus-driven process. The standards were first put together by the Technical Advisory Group¹ (TAG), a team of professionals and organisations covering a wide range of humanitarian supply chain and logistics elements and important cross-cutting topics.

Who should use the ULS?

The ULS can be used by anyone who is involved in disaster preparedness and humanitarian response. Logistics and procurement teams, irrespective of size, will benefit from using the ULS to translate existing principles and technical standards into applicable and measurable good practice.

The ULS have been designed to be particularly useful for those working at a local and national level. A number of other stakeholders can also benefit from the standards: donors, international humanitarian organisations, UN agencies, academics, civil society, private sector companies and training service providers.

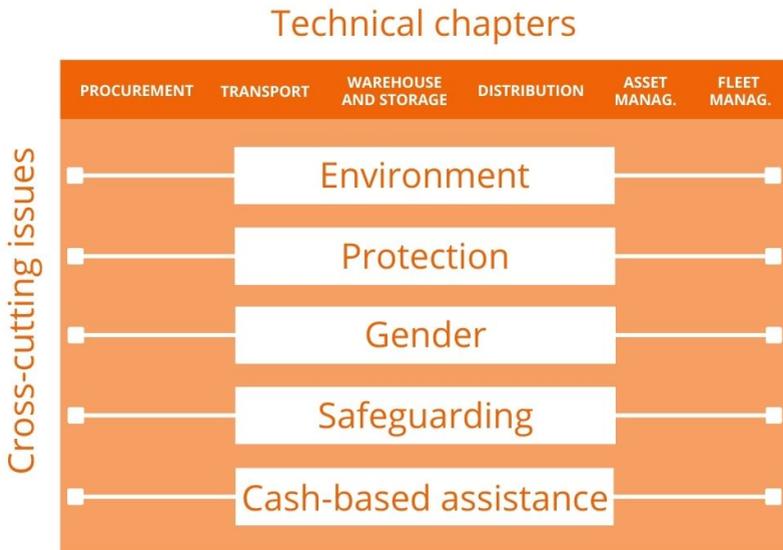
Scope and approach

The ULS are not intended to be a detailed technical manual. The ULS synthesise several technical areas and diverse cross-cutting themes. Each chapter is structured under minimum standards that are general and qualitative in nature, stating the minimum to be achieved in any crisis.

¹ See <http://ul-standards.org/Experts.html>

Each standard provides key actions that outline practical steps to achieve the standard. Key indicators help to measure whether or not the standard has been attained. These are suggestions and may not be applicable in all contexts. Standards are complemented by guidance notes that provide additional information to assist with contextualisation and to inform the reader of good practices, which in turn can be used to develop policies and training materials. Standards can also be used to support advocacy with donors and local authorities.

The content and layout of the ULS are designed to complement the Sphere Handbook. The Humanitarian Charter, the Protection Principles and the Core Humanitarian Standard, as foundation chapters of the Sphere Handbook, are integrated throughout the six technical chapters of the ULS.



The ULS were developed through an ongoing collaborative process that included regional consultations and open comments via an online platform, through which those engaged in humanitarian action, volunteers, academics and others were invited to provide their comments and feedback to improve the standards. A pilot version of the ULS was tested at field level and in other appropriate settings prior to the finalisation of this project.

What cross-cutting issues should be considered when using the standards?

Below are the key cross-cutting issues that were purposely integrated throughout the handbook and which should be considered in humanitarian logistics and supply chain management.

Protection

The Sphere Handbook states that all humanitarian actors should prioritise protection and build it into all activities through four Principles:

1. Enhance the safety, dignity and rights of people, and avoid exposing them to harm.
2. Ensure people's access to assistance according to need and without discrimination.
3. Assist people to recover from the physical and psychological effects of threatened or actual violence, coercion or deliberate deprivation.
4. Help people claim their rights.

It has been challenging for the logistics sector to identify measurable protection risks and corresponding mitigating measures. Criteria should be established to assess the protection element of each intervention. Actors must always keep protection in mind when planning and executing logistics operations, with the objective of preventing, mitigating or responding to identified risks.

Key to the successful protection of personnel and affected communities along the humanitarian supply chain and in logistics operations is a multi-sectoral approach. Liaising with other sectors is essential, as are specialist training in different languages as required; technical support; open communication; monitoring; and evaluation. Working locally with those who need goods and services (and ensuring a gender balance) results in more positive protection outcomes. To avoid any negative impact, particularly for women and children, logistics personnel must ensure that assistance is provided in a safe, dignified and appropriate manner. The ULS therefore include appropriate guidance to help mitigate potential protection challenges.

For further information, see IASC Policy on Protection in Humanitarian Action.

Safeguarding

Safeguarding relates to ensuring protection from sexual exploitation and abuse (PSEA), sexual harassment, and child exploitation and abuse, whether in physical or digital spaces. Safeguarding issues have become a major concern within humanitarian supply chains and logistics operations, and cases of abuse can affect both personnel and the people that they aim to assist.

Humanitarian actors and their partners often rely on external providers and contractors to undertake specific functions and services including the construction of facilities; transportation; and the delivery or distribution of goods, cash and vouchers. Many outsourced functions involve regular, sometimes unsupervised, contact with humanitarian staff, partners and communities (including children, young people, and other vulnerable adults). This carries with it a risk that such contact could result in the exploitation and abuse of vulnerable people by those in positions of power.

To minimise the risks of exploitation and abuse it is important that organisations and external providers are aware of and adopt safeguarding best practice. They should also ensure that staff are trained on safeguarding policies and codes of conduct relevant to the organisations they are supporting.

Compliance with internal policies and procedures, external laws and regulations, and humanitarian standards on safeguarding is everyone's responsibility. Anyone involved in humanitarian work should immediately report safeguarding concerns through the appropriate reporting channels provided by the organisation in question and/or through designated PSEA networks. There are references to PSEA in ULS chapters where appropriate.

For further information, see Inter-Agency Standing Committee's Six Core Principles Relating to PSEA.

Environmental impact

Much of the environmental impact of the humanitarian sector can be attributed to logistics, such as through carbon (and other) emissions linked to the transport of goods and personnel, the manufacturing of relief items, and waste generated through their packaging. Impact can occur long before a response and long after it (the impacts caused by suppliers, the impact of crop production, and so on). Logistics and the supply chain (procurement, transport, storage and delivery of humanitarian supplies) therefore present multiple and crucial possibilities for making humanitarian action more environmentally friendly.

Although a growing concern within the humanitarian community is the need for more environmentally friendly logistics, little guidance exists on how to reduce the environmental impact of supply chains and local humanitarian logistics activities, such as by recycling waste. The development of the ULS aims to tackle this problem by setting out clear actions and guidance on topics such as procurement, sourcing, CO₂ reductions for transport, environmentally friendly packaging materials or dealing responsibly with waste.

For further information, see Mainstreaming Environment into Humanitarian Action, UNEP Resource Centre; EHA Connect – Connecting Environment and Humanitarian Action; Scoping review on environmental footprint of humanitarian assistance-Groupe URD.

Cash-based assistance (CBA)

Cash- and market-based assistance is complementing or replacing in-kind assistance in many contexts. The role of the typical humanitarian transport and logistics function is therefore changing in relation to programme support, with supply chain teams challenged to become more 'market-aware' to avoid destabilising local economies and to enable crisis-affected communities to seek greater choice of assistance.

Provision of assistance to affected populations can take the traditional form of in-kind goods or else be cash- and voucher-based assistance. There can potentially be two pipelines: commodities and cash. There is now a point in the planning and modality selection where a decision must be made as to whether either or both of these modalities should be selected. Logisticians must be involved early in planning processes to support programme design choices. The ULS incorporate suitable references to support this requirement and recognise that logisticians should be as competent and confident about delivering cash at scale as they currently are at delivering goods.

Cash- and market-based assistance in particular can present high risks for safeguarding and protection, and it is important that these risks are identified and mitigated through thorough and documented risk assessment processes to ensure safe programming.

For further information, see CaLP Glossary.

Gender and diversity Women and girls are negatively and disproportionately impacted by disasters and conflict. People also experience increased risk based on intersecting systems of oppression and discrimination, including race, age, disability, sexual orientation, gender identity, nationality, class, ethnicity and religion. While humanitarian actors strive for gender equality, humanitarian logistics has traditionally been a male-dominated field, and there continues to be an absence of female staff in certain roles, particularly among drivers and warehouse staff. This results in a masculine (often heteronormative) bias in the design of processes, supply chain infrastructure and layout.

Humanitarian logistics operations are high-risk environments for sexual harassment, abuse and fraud, which are more likely where there are male-dominated power dynamics and isolated workspaces. Women, girls, transgender and gender-nonconforming people in teams and the affected community encounter additional obstacles to those encountered by their male counterparts because of social, economic, cultural and/or legal discrimination, both explicit and implicit. Gender blindness in logistics operations is harmful as it reinforces existing gender relations and does not address the unequal situation faced by women and persons with diverse sexual orientation, gender identity, gender expression and sex characteristics (SOGIESC). This leads to discrimination,

whether intended or not. All logistics functions need to be gender-aware to recognise the difference and respond to the different needs and challenges faced by women and persons of different SOGIESC.

Overall, it is critical to ensure a safe and inclusive environment for everyone regardless of SOGIESC, age, ethnicity and social background. This means zero tolerance of harassment, bullying and abuse. Activities and work should be designed with consideration to the different needs of all concerned, including staff and volunteers (for example consideration for family and caring responsibilities in the scheduling of activities, and late working).

Procurement

1. Procurement

Chapter introduction

Humanitarian operations receive a significant allocation of resources to procure goods and services fast. This is a critical area of liability for any organisation, so procurement methods must be transparent, accountable, safe and in accordance with financial, international and donor regulations. Where feasible, procurement practices should take into account environmental, ethical and sustainable criteria and should support sourcing from local markets.

While organisations may receive in-kind donations, which need specific attention in terms of quality assurance, transportation, storage and others issues, procurement is usually the main way of obtaining goods and services.

Procurement generally covers all stages from planning, identifying, selecting and receiving to paying for the required goods and services. This process, also referred to as 'procure-to-pay', is central to successful purchasing:



Source: Based on Monczka, R.M., Handfield, R.B., Giunipero, L.C. and Patterson, J.L. (2016) Purchasing & Supply Chain Management. 6th edition. Boston: Cengage Learning

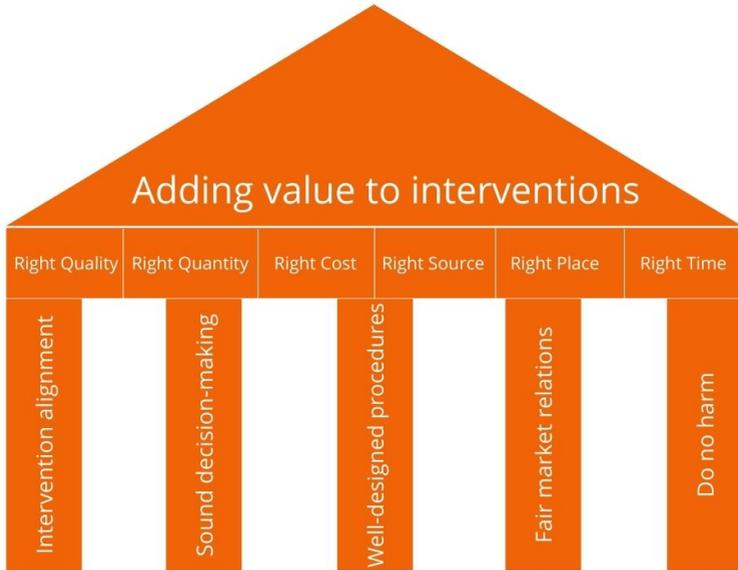
Supply and logistics should be well planned, with intervention and procurement operations carefully coordinated. This is key to ensuring that organisations add value to the goods and services they procure by adapting procurement to local (or international) contexts and enabling interventions to be responsive.

In order to ensure this 'added value', procurement activities should aim to achieve best value for money (BVM) or an appropriate balance between all the monetary and non-monetary needs of an intervention. This means balancing a number of requirements, of which the following can be regarded as the six 'rights':

1. at the **right** price;
2. from the **right** sources;
3. in the **right** quantity;
4. of the **right** quality and condition;
5. delivered to the **right** location;
6. at the **right** time.

The procurement goal is not to purchase the cheapest or the best quality all the time but to take careful account of the intervention requirements when making decisions. The procurement function must sustain its value to interventions based on best value for money, and it must use appropriate tools to interact with markets. These tools can be understood as the pillars that will enable best value for money, thus adding value to the interventions themselves:

This chapter introduces standards based on each of the pillars above to:



1. align procurement plans with intervention requirements;
2. coordinate decision-making processes that justify a best value for money (BVM) approach;
3. design good procedures to use, from ordering to paying for goods and services;
4. ensure that fair, transparent relationships with suppliers are created;
5. minimise the impact on the environment, communities and markets.

The standards use concepts and terms that need to be understood in the context of procurement.

Those responsible for procurement should particularly strive to ensure best use of funds and donations. They should also make use of lessons learned from successes and failures to modify and adapt the procurement methods used to obtain items and services. This fosters accountability and good management, with any knowledge gained helping to better meet the needs of people affected

by crisis. See Core Humanitarian Standard (CHS), particularly Commitments 6, 7 and 9.

The following glossary explores some of these concepts and terms.

Glossary

- **Agility:** the ability to rapidly change tasks, processes and plans in order to adapt to new contexts and new requirements
- **Best value for money:** the best available arrangement fulfilling monetary and non-monetary requirements that an organisation can get from its potential suppliers. This does not mean accepting the lowest offer but rather balancing aspects such as quality and availability according to needs
- **Conflict of interest:** a situation in which a person's loyalties or interests are, might be, or might be perceived to be, in conflict with those of their organisation. As a result, the participation of the individual in the decision-making process becomes unreliable
- **Efficiency:** how well an organisation achieves its goals when considering the resources it has to do so
- **Fairness:** the objective and equal treatment of suppliers taking part in a procurement procedure, and impartial decision-making
- **Proportionality:** the capacity of procedures for procuring goods and services to evolve in complexity according to the expected value or risks relating to a specific order. The higher the expected value or risk, the greater the effort to reach an appropriate solution for the intervention need
- **Responsiveness:** the ability of an organisation to process the procurement of required goods and services quickly and properly
- **Segregation of duties:** the clearly defined nature of roles and responsibilities in the procurement process, with authority for decision-making being overseen based on checks and balances
- **Supplier:** the stakeholder responsible for providing the goods and services requested by the organisation. 'Vendor', 'seller', 'service provider' and 'contractor' are also terms that may be used to refer to the same stakeholder; in this chapter all these will be covered by the term 'supplier'
- **Transparency:** a situation in which all rules and requirements in a procurement process are clearly defined, and all participants (such as suppliers) have equal access to this information
- **Whistleblowing:** the act of disclosing information to the public or to some higher authority about wrongdoing, which could be in the form of fraud, corruption, sexual harassment, etc

Procurement standard 1.1:

Procurement planning supports the timely delivery of goods and services.

Key actions

- 1 Assess the goods and services (including cash transfers) needed in terms of type, quality, quantity and date required.
- 2 Define the specification of goods and services based on market (local/international) availability and context using understandable, clear descriptions. Involve people requiring assistance in the specification of goods and services. Consider whether procurement activities could cause market disruption.
- 3 Evaluate and plan (between teams and with partners) the appropriate procurement method according to context, donor or organisation rules. In terms of localisation and equitable procurement methods, where possible, seek to procure from local businesses, in particular those owned by women.
- 4 Identify, evaluate and prioritise sources of eligible goods, services and works to ensure quick delivery, best value for money, alignment with intervention needs and market availability. Product specifications should consider the different and specific local needs of men, women and persons of diverse sexual orientation, gender identity, gender expression and sex characteristics.
- 5 Consider risks and context limitations related to quality, and any possible negative impacts caused by the implementation of activities.

Key indicators

1. Percentage of interventions with updated procurement plans
2. Percentage variation between the information provided in the budget and in the procurement plan
3. Frequency of orders by item category
4. Percentage of interventions with adapted and flexible procurement plans that reflect the diverse needs, preferences and priorities of affected people. (Modify indicator(s) if complaints or negative feedback are received.)

Guidance notes

- a. Teams should collaborate proactively to define procurement priorities, prioritising requirements according to their impact.

- b. Managers should ensure that budgets are aligned with procurement plans to (realistically) predict financial needs. This process is successful only if all stakeholders are involved (programme, finance and logistics/procurement).
- c. To assist with effective planning, communicate to all stakeholders the expected procurement lead times for all key goods and services (from order initiation to delivery) and include the time needed to identify potential suppliers, assess available options, order and receive the supplies/services required.
- d. Teams should engage with one another to discuss and communicate ways of working, with procurement tasks and responsibilities fairly divided and due consideration given to organisation priorities and available resources (for instance, the procurement workforce and cash flow).
- e. When it is impossible to deliver a request using the organisation's standard procedures, identify alternatives. If changes are required to the organisation's internal or donor procurement procedures, plan to request a derogation (waiver) in advance, with due consideration given to the time required for approval.
- f. Consider and keep a record of risks that may impact the delivery of goods or services (for example, seasonal weather, insecurity, poor infrastructure and transport limitations).
- g. Some types of goods and services, such as medical equipment, medicines and food, may require special verification, due diligence and pre-qualification of sources to avoid the procurement of supplies or services that do not meet required standards, are at risk of forgery or adulteration and that may harm the people using them.
- h. Procurement plans should be updated throughout the project cycle to take account of market reality and changing needs. Delays in supply are often due to poor procurement planning.
- i. Consider how local markets operate and suppliers' ability to access and respond to administrative procedures such as tenders and requests for quotations – in particular, female suppliers – to ensure no one is excluded unintentionally from access to opportunities.

Procurement standard 1.2:

Procurement decisions add value to interventions through best value for money (BVM).

Key actions

- 1 Allow time at the start of an intervention for an assessment of procurement needs, ensuring that all people can participate meaningfully in decision-making.
- 2 Develop and maintain criteria for selecting suppliers. These should take into consideration priorities relating to quality, availability and cost for the specific supply/service, with a preference for localisation and equitable procurement methods.
- 3 Adapt eligibility and selection criteria to ensure that local businesses or cooperatives are not prevented or discouraged from bidding. For example, consider limiting the contract size/type, and review evaluation criteria as well as the scale and complexity of bid documentation (including financial evidence requirements) to ensure that women and diversity-led businesses are not unintentionally excluded and discriminated against.
- 4 Analyse and mitigate, where possible, potential risks and threats to timely delivery. Assess supplier capacity by reviewing stock availability, business liquidity and past performance. Plan for alternative solutions when considered necessary.
- 5 Record the reasoning for each procurement decision, and make sure that it is justified by clear criteria.
- 6 Compare offers based on a combination of price, quality, availability and technical capacity as a way to select the best all-round option for the intervention needs.
- 7 Technically assess, with the original requester, the quality and conformity to specification of offers from suppliers.

Key indicators

1. Percentage of orders where the total time between placing an order and final (complete) delivery is in line with original expectations
2. Percentage variation of prices offered and historical/indexed prices
3. Supplier capacity assessments provide information on the supplier's capacity to deliver according to the intervention needs
4. Percentage of orders supplied with quality issues reported
5. Percentage of orders where procurement criteria include equity and environmental considerations

Guidance notes

- a. Formalise all procedures as guidance for procurement activities, and set controls for compliance verification. Establish and communicate the expected time to complete purchases.
- b. If there are frequent requests for a particular supply or service, this may be an opportunity for optimisation: by consolidating orders to obtain discounts; or by creating long-term agreements with available suppliers to reduce procurement team processing time and workload.
- c. When considering best value for money (see introduction), it is important to gather market knowledge to identify potential risks, such as the possibility for supplies or services to become limited or for prices to escalate due to variations in demand or availability. Organisations may share information and requirements with other humanitarian actors to ensure that risks do not result from competition and overlap within the response.
- d. As suppliers' performance directly contributes to the delivery and success of interventions, it is important to measure, analyse and manage compliance with their contractual obligations.
- e. Whenever possible, ensure that suppliers comply with recognised ethical procurement principles.
- f. Offers provided by suppliers usually have a validity period. When this expires, and before making any commitment to purchase, ask suppliers to re-quote with a new validity period.
- g. Specifications for goods and services ordered should be detailed enough to clearly express needs while not limiting potential suppliers' ability to quote.
- h. For high-value or complex orders, or particular requirements such as for cash and voucher programmes, ensure the use of appropriate contract terms and conditions.
- i. It is good practice to regularly check and update prices via market surveys and consultations with suppliers.

Procurement standard 1.3:

The procurement process is designed to be responsive and proportional while ensuring a transparent and efficient use of resources.

Key actions

- 1 Design procurement procedures and the documentation required for the different methods of supplier selection. Ensure these are appropriate to the market, local customs and commonly accepted practices. Consider

adapting the process and the documentation that is required to encourage and support applications from local women-led businesses. This will help increase supplier participation and collaboration.

- 2 Incorporate mechanisms to allow flexible procurement strategies in situations of emergency, and define the rules and conditions for the application of these mechanisms (for example, waivers/derogation and simplified procedures).
- 3 Define and document value thresholds for the selection of procurement methods (such as when the organisation can negotiate directly with a supplier and when it must launch an open, competitive procedure such as a tender). The levels of the thresholds are based on the context and should take into consideration monetary values, frequency of transactions, lead time to process the procurement, supplier reliability and the organisation's risk tolerance.
- 4 Consider a progressive increase in the complexity and requirements of the procurement process based on the risks of the procurement in terms of value, technicality and impact on the intervention. This includes predefining authorisation roles and responsibilities for the different stages in the procurement process, ensuring appropriate engagement of senior staff in the way these are defined and applied.
- 5 Put in place mechanisms to ensure that procurement procedures are used appropriately and in proportion to the size of the intervention. When not detrimental to the timely delivery or quality of goods or services, consider limiting a contract size and type to enable women-led smaller businesses and microbusinesses to apply.

Key indicators

1. Procurement procedures fulfil operational requirements, provide for equitable procurement and adapt to allow the selection of different types of supplier depending on the context; they also allow for a progressive increase in complexity and requirements based on the risks of the procurement
2. Percentage of orders processed based on waivers/derogation
3. Percentage of procurements with records showing procurement processes have been followed
4. Percentage of orders fully delivered in compliance with the predefined terms and conditions

Guidance notes

- a. Consider negotiating the use of flexible contracting tools such as long-term agreements (LTAs) – also known as ‘framework agreements’ or ‘blanket purchase agreements’ – for frequently purchased goods and services. Once in place, such agreements can contribute to reducing future lead times as they eliminate the need to obtain quotations, maintaining fixed prices for their duration.
- b. The type of procurement procedures used may depend upon whether the intervention is to support an emergency operation or a regular activity. In an emergency, certain standard procedures may need to be adjusted to ensure a rapid delivery of goods and services. Whenever adjustments to standard procedures are necessary, it is important to document and justify the changes using a waiver/derogation as discussed in standard 1.1.
- c. Consider how the financial thresholds used by the organisation are aligned with other stakeholders, in particular with donors who may require specific procedures in different situations. Additionally, for cash and voucher programmes, consider the percentage of financial service fees charged compared with the total transfer value.
- d. There should be zero tolerance of fraud, corruption and other forms of misconduct. To support this, there should be a policy in place prohibiting retaliation against anyone reporting suspect activity in good faith (a whistleblower). Compliance with internal policies and procedures, external laws and regulations, and humanitarian standards must be an essential part of the procurement cycle.
- e. Make formal channels available to deal with conflicts of interest as well as complaints and other concerns related to the procurement process. Brief staff about their purpose and use. Document any declared conflict of interest or any complaints and concerns raised.
- f. When sourcing internationally, procurement staff should have a good understanding of Incoterms® (international commercial terms). Goods to be imported must be eligible for import under the national customs authority – in terms of specification and country of origin. For more details, refer to the ULS Transport Chapter.

Procurement standard 1.4:

Supplier relationships are transparent and built on fair competition.

Key actions

- 1 Ensure equal opportunities for all potential suppliers by providing them with the same information, free of charge and in the same time frame, and by allowing enough time for them to provide offers. Ensure that opportunities are advertised in media and spaces that are accessible to women. Check that all suppliers being considered are legitimate and comply with all legal and statutory requirements.
- 2 Prepare procurement solicitation documents to share, clearly defining the required items, specifications, quantities, units of measure, required delivery time, deadline for response to solicitation, etc. When advertising opportunities, actively encourage bids from local women-led businesses, cooperatives and collective bids. Allow enough time for suppliers to prepare offers, subject to type and nature of purchase.
- 3 Mitigate supplier selection bias by working proactively to prevent conflicts of interest, collusion, fraud, bribery or coercive practices. Clearly segregate staff duties and ensure that all those engaged in the procurement process are aware of what are considered corrupt practices, applying a policy of zero tolerance.
- 4 Evaluate supplier performance against the commercial agreement in place and perform regular reassessments, using benchmarking and market consultation. Ensure that any new supplier can be identified. Exclude from future solicitations those suppliers who are seen to pose a risk to fair and transparent procurement competition.
- 5 Before procurement decisions, assess any potential reasons that staff involved in the procurement decision may have – intentionally or unintentionally – to favour specific suppliers. Remove any possible conflict of interest from the decision-making process. Create mechanisms to identify conflicts of interest, such as an automatic requirement to declare any conflict of interest, and background verification of suppliers.

Key indicators

1. Percentage of procurements performed with an acceptable number of eligible offers
2. Percentage of invitations to bid where the supplier is unable to respond
3. The procurement procedures and functions provide for the actions needed to prevent and mitigate corrupt practices

4. Percentage of actions to prevent and mitigate corruption that have been implemented

Guidance notes

- a. Organise briefing sessions with potential suppliers to improve their capacity and ability to comply with administrative, technical and safeguarding issues.
- b. Consider market surveys, which offer the possibility of identifying, screening and registering new suppliers.
- c. Make sure methods used to invite suppliers to compete are efficient and respectful.
- d. Ensure confidentiality of any information about the competitive procurement process (other than where procedures require information to be made available). Specifically, no supplier should have access to sensitive information such as prices quoted by rivals or internal budget levels that could give them an unfair advantage.
- e. Put in place accessible ‘whistleblowing’ mechanisms and ensure that suppliers are informed and able to use them.
- f. Allow suppliers to improve or adjust their offers through the provision of additional information or rounds of negotiation whenever applicable. When this is allowed, ensure all eligible suppliers receive the same opportunity to improve or adjust their offers.
- g. If a conflict of interest is identified, even if only as a potential risk, assess the causes and mitigate or eliminate the impact of the conflict to ensure the fairness of the procurement procedure and the outcome of the decision.
- h. Interagency coordination and cooperation can reduce the potential for corruption by building a culture of sharing and cooperation through cross-agency training, resource allocations and shared lessons.

Procurement standard 1.5:

Procurement practices minimise harmful impact to the environment, communities and markets.

Key actions

- 1 Assess suppliers’ compliance with accepted working practices. For example, request evidence that they have no links of any kind with child labour, abuse or exploitation; sexual exploitation and abuse; human rights abuse; or unsustainable exploitation of natural resources.

- 2 Avoid suppliers who have links to actors taking part in conflicts or terrorist activities, or who have connections that might potentially impair humanitarian principles of neutrality and impartiality.
- 3 Ensure that procurement practices and organisational purchasing power do not negatively affect local businesses or else impact market prices or product availability. This includes ensuring that imported goods and services do not unnecessarily compete with locally available alternatives. Where feasible, conduct a market assessment prior to preparing product specifications.
- 4 Assess the effects of procurement and its outcomes on the environment, and implement the necessary measures to minimise negative impacts – not only those effects that are directly related to the goods and services being procured, but also the long-term impact on the community, environment and market.
- 5 Ensure the organisation has sustainable and ethical procurement policies that inform both decision makers and suppliers about conditions for engaging in procurement opportunities. Whenever the operational context allows, include sustainability criteria in the selection processes for goods and services.

Key indicators

1. Procurement impact assessments of communities, markets and the environment provide essential information about potential negative effects and recommended mitigation measures
2. Percentage of recommendations and mitigation measures outlined in the procurement impact assessment that have been addressed
3. Percentage variation in prices of relevant goods and services in the local market during an intervention
4. Percentage of supplier selection processes where protection and environmental criteria are considered

Guidance notes

- a. Mechanisms to minimise the potential negative impacts of procurement on affected communities, can include:
 - ensuring that the remaining shelf life of goods at the time of delivery is sufficient to cover the intended time frame for usage or consumption;
 - encouraging (or requiring) suppliers to employ vulnerable groups; ensure gender balance when implementing a contract; and ensure their employment policy incorporates relevant safeguarding practices;

- engaging people affected by crisis in planning so as to make assistance more effective (in achieving results); relevant (in meeting needs); appropriate (within the context and situation they are living in); and accountable (responsible towards affected communities and key stakeholders);
 - encouraging third parties to have in place relevant safeguarding policies and practices (including a code of conduct) in line with sector-wide standards, or else requiring them to subscribe to your organisation's safeguarding policies.
- b. To minimise potential negative impacts of procurement on local markets, consider:
- prioritising local procurement of goods and services, whenever possible and appropriate, to support the local economy;
 - assessing whether the quantity or type of supplies/services being purchased might influence market prices and availability, and whether organisational demand is generating shortages of goods or services for local communities;
 - including market analysis as a key component of response analysis in order to contribute to the design and implementation of appropriate interventions.
- c. Ways that potential negative impacts of procurement on the environment can be avoided include:
- providing specifications for goods or services that ensure that these do not place an undue burden on either local natural resources or the environment. Consider:
 - i. the nature and origin of materials and raw materials;
 - ii. any potential negative effects on water, air and soil;
 - iii. any disruption to life;
 - iv. any impact on noise; and
 - v. the natural environment, biodiversity and space.
 - establishing environmental criteria for goods and services that are commonly procured and that have a significant environmental impact (such as vehicles);
 - incorporating environmental indicators into market monitoring systems;
 - including (when procuring through competitive processes) selection criteria that favour bio-based products or products with lower life-cycle costs, lower CO₂ emissions or superior biodegradability;
 - organising briefing sessions with potential suppliers to encourage them to further improve their environmental performance;
 - planning delivery of goods and services to minimise any waste generated (for example, minimising packaging and avoiding inefficient use of transport);

- evaluating the life cycle of supplies and equipment, and planning for reuse, recycling or reverse logistics in order to minimise any need for disposal.

Note: Cash-based assistance

To calculate a contract value for cash assistance, particularly through a financial service provider (FSP) there are two options: (i) transfer value + service fees or (ii) service fees only. It is important to know how to determine the contract value as this will affect the authorisation thresholds and procurement process.

For example, a financial service where it costs €20,000 to transfer €1million to the affected population means that the 'purchase' is for a €20,000 service; this is the fee that is paid to the FSP. The €1million flows from the agency through the FSP to the affected population. However, there is a financial exposure risk of €1million; some agencies choose to address this risk by calculating the contract value as being the transfer value + service fees.

Transport

2. Transport

Transport is the movement of goods from Point A to Point B by the appropriate and relevant modes, for example, sea, road, air, rail.

For movements from factory to customs, retailer to warehouse, and ports to end delivery point, and so on, transport is a critical link in the humanitarian supply chain.

Whether the intervention is local or international, there are several transport-related factors that can have a positive impact on its costs, timelines and sustainability:

- a thorough understanding of the specific transportation needs and requirements together with a pertinent strategy and adapted plan;
- strong organisation and preparation together with clear roles and responsibilities;
- clear communication channels that ensure shipments of goods are properly set up in advance and proceed as smoothly as possible;
- knowledge and adherence to regulatory norms and laws, with special mention of customs clearance (considered a key element in the international transport process).

Then there is the use of Incoterms®, which are intended to clearly communicate the tasks, costs and risks associated with global or international transportation. Incoterms® rules govern certain responsibilities between the seller and the buyer under the contract of sale; they should not be confused with the allocation of responsibilities between the shipper, carrier and consignee under the contract of carriage. One of the most common misunderstandings related to the Incoterms® rules involves confusing the contract of sale with the contract of carriage.

Additionally, goods must be moved safely and under the correct conditions, not only to ensure their preservation and reduce losses but also to protect people and the environment.

The following standards provide guidance on the humanitarian industry's best practices and helps organisations establish clear, efficient and strong transport strategies and operations.

Transport should be managed in such a way that it limits, as far as possible, any negative impact on the environment. The transport function should help communities and people affected by crisis to access humanitarian assistance at the right time. See Core Humanitarian Standard (CHS), particularly Commitments 3 and 9.

Glossary

- **Cargo:** a partial or full load of goods to be transported
- **Carrier:** the party who transports the cargo; also referred to as the 'transporter'
- **Consignee:** the person or place that a shipment is transferred to. The 'ultimate consignee' is the final recipient of the goods, while an 'intermediate consignee' takes possession of the goods for a portion of the time that they are in transit
- **Consignor:** the person sending a shipment to be delivered, whether by land, sea or air. Also referred to as the 'shipper'
- **Customs broker:** an agent – in some countries empowered by a governmental customs agency – who assists importers and exporters in preparing documents for clearing goods through customs
- **Demurrage and detention charges:** 'demurrage' is the charge issued when the cargo exceeds the time allotted for sitting at the terminal. Detention refers to the fee charged for making truckers wait extra time when loading or unloading containers
- **Freight:** cargo that is being transported (the main difference between 'freight' and 'cargo' is that 'freight' is moving)
- **Freight forwarder:** a person, company or third-party logistics provider (3PL) that organises shipments for individuals or corporations to get goods from the manufacturer or producer to a market, customer or final point of distribution. Also referred to as a 'forwarder', 'forwarding agent', or 'non-vessel operating common carrier' (NVOCC)
- **Goods:** items, products or materials that are intended for transport
- **Humanitarian corridor:** temporary demilitarised zone intended to allow the safe transit of humanitarian aid
- **Importer of record:** the entity or individual who is responsible for all entry documents required by customs and for the product classification and payment of duties, as well as any other import obligations. Import documentation and processes vary by country
- **Incoterms®:** an agreement between the seller and the buyer, defining who arranges for the payment and handling of goods during transportation
- **Shipping:** originally meaning transport by sea, this can now refer to transport by land or air too
- **Supplies:** requested and necessary goods
- **Waybill (WB):** a non-negotiable document issued by a carrier when goods are transported. An air waybill (AWB) is issued when goods are sent by air, and this acts as delivery instructions, a contract of carriage, and a cargo receipt for air freight

Transport standard 2.1:

A transport strategy is clearly defined to best support relief operations.

Key actions

- 1 Assess the operational requirements, infrastructure and access difficulties, and determine what supplies need to be moved from origin to destination, and when these supplies should be available.
- 2 Elaborate a detailed plan for each step of the transport process and stage of the journey, matching operational requirements with organisational needs and capacity, and forecasting the time and costs involved. Assign resources accordingly.
- 3 Perform regular market and stakeholder assessments and evaluate what transport services are available along with other agencies' transport requirements and capacity. Consider private sector and local governmental bodies and other non-governmental organisations. Explore different networks and potential partnerships and alliances in order to make the best use of resources.
- 4 Collaborate with relevant stakeholders at all levels in the development of the transport plan, ensuring it fits in with an overall supply chain strategy.

Key indicators

1. The transport plan provides for the essential needs of the intervention and is agreed with the relevant stakeholders
2. Deviation in cost from the original transport budget
3. Percentage of transport movements whose lead times remain within the range of forecasted expectations

Guidance notes

- a. In order to conveniently assess operational requirements, evaluate available routing options and take into consideration technical, regulatory and administrative restrictions, as well as geographical, infrastructure and security constraints.
- b. To grant safe transport of humanitarian goods to areas with restricted access, humanitarian corridors may be established. In such cases transport may require special consideration for routing, time of operation, convoy regulation, visibility or permits.

- c. Identify cargoes that are subject to special restrictions or handling specifications, and adapt the plan accordingly. Additional resources or administrative paperwork could be required. Special cargoes include, among others, cold chain, dangerous goods, or equipment using lithium batteries.
- d. Consider the cost of import fees (applied on the value of goods and their transport costs), cargo insurance, equipment needed to track the cargo (tags, GPS trackers), and potential access charges.
- e. Ensure that there are adequate resources at the destination to carry out all the activities related to cargo reception: offloading, special cargo handling, tag reading, reporting, etc.
- f. Identify up front all the stakeholders (governmental, operational, coordination bodies, contractors, etc) involved.
- g. Useful information can be found on the Global Logistics Cluster's Logistics Capacity Assessments webpage LCA.

Transport standard 2.2:

Goods are delivered in the right time while optimising costs and the use of resources.

Key actions

- 1 Define Incoterms® and the roles and responsibilities of all parties involved in each phase of the transport process: customs broker, freight forwarder, importer of record, shipper, consignee, final distributor.
- 2 Organise the means of transport according to availability, the type of goods that are being shipped, the timing required for delivery, the load to be transported (dimensions and weight), the distance to be travelled, the cost per transported unit (ton and m³) and the related risks.
- 3 Anticipate, plan and consolidate cargo, minimising transport service costs and maximising vehicle payload and the number of loaded journeys.
- 4 Ensure that every step in the transport chain is selected to react to any associated transport risk.
- 5 Assess the convenience of sharing transport capacities with available humanitarian resources.
- 6 Consider diversifying service providers, subcontractors, transport methods, and in-country routes where possible, contributing to transport service sustainability and risk mitigation.

Key indicators

1. Percentage of transportations that arrive on or before the scheduled delivery date
2. Percentage deviation from the initial transport service quotes
3. Average loaded volume against total available capacity
4. Proportion of own transport operation versus subcontract operation

Guidance notes

- a. Incoterms® are a set of international rules, issued by the International Chamber of Commerce, for the interpretation of the chief terms of delivery used in foreign trade contracts. Incoterms® define the rights and obligations of the seller and the buyer with respect to:
 - the party responsible for packing, insurance, transport, handling, customs;
 - the party that pays for the above-mentioned activities;
 - the transfer of the risk (at which point and time the risk passes from seller to buyer).
 - The Incoterms® rules feature abbreviations for terms, like FOB ('free on board'), DAP ('delivered at place'), EXW ('ex works'), CIP ('carriage and insurance paid to'), which all have very precise meanings for the sale of goods around the world. Note that:
 - i. rules are normally embedded in a contract of sale (an agreement between the seller and the buyer);
 - ii. a contract of carriage is between the shipper and the carrier (or the carrier's agent);
 - iii. depending on the contract of sale and the chosen Incoterms® rule, the shipper may be either the seller or the buyer.
For further information see the International Chamber of Commerce website.
- b. For effective route planning and efficient use of resources, timely and appropriate knowledge of the distribution plan is required in advance.
- c. When deciding which means of transport to use, consider:
 - how urgently the goods are needed;
 - what types of goods are being shipped;
 - how large and heavy the shipment is;
 - what distances must be covered;
 - the cost (in consultation with the budget holder);
 - the environmental impact.
- d. Defining the roles and responsibilities of every stakeholder involved in the transport process is critical, especially for international transportation. Do not

wait until the goods have already been shipped; do so from the procurement stage.

- e. Check with local services providers, Logistics Cluster or other relevant stakeholders whether mutualising transport services would be beneficial.
- f. Whenever the transport is performed by a service provider, maintain an appropriate contract management structure, with regular updates on fees applied and evaluations of the service provided.
- g. Plan for customs clearance based on context/country, clearly establishing who does what. Ensure that shippers and consignees are aware of the plan.
- h. Adopt a sensible loading plan to increase efficiency when unloading/distributing.
- i. Define alternative/backup transport plans if required.

See the Logistics Cluster’s Logistics Operations Guide for further technical references relating to transport in humanitarian logistics.

Transport standard 2.3:

Transport is supported by clear communication channels, visibility into cargo movement and handover, and access to relevant information.

Key actions

- 1 Establish clear communication channels with each party involved in the transportation process, agreeing what information or reporting is required and the documentation that should be delivered for each step in the process.
- 2 Use a common language, common terminology and common templates to enable sharing of information and to facilitate opportunities to consolidate cargo or mutualise services.
- 3 Establish a monitoring mechanism, both procedural and physical, for obtaining and providing regular feedback about the cargo location and condition, in order to properly manage expectations and also adapt operations accordingly.

Key indicators

1. Communication and monitoring systems are available for every transport operation
2. Percentage of handover and shipment events with timely confirmation according to the nature of the cargo
3. Percentage of cargo delivered with accurate information on content, schedule, consignee, consignor and transporter

4. Percentage of shipments with functioning monitoring mechanisms allowing goods to be located whenever necessary
5. A mechanism to handle complaints raised by key stakeholders, staff or local communities is available

Guidance notes

- a. A communication and monitoring system for transportation should allow the flow of information between the stakeholders concerned, covering several elements:
 - custodian of the cargo (who);
 - identity of the cargo (what);
 - location of the cargo (where);
 - condition of the cargo (how).

In addition, this information should be accessible at any given moment to the incumbent parties.

This is key while goods are being transported, where accidents can happen, but also while goods are held in transit, where delays can severely affect the expected delivery time.

- b. Communication and monitoring in the transportation process rely heavily on documentation. This aspect is covered in standard 2.5.
- c. Monitoring efforts should be adapted to the value of the cargo and the complexity of the movement. 'Value' refers not only to the monetary value of the cargo but also to its end purpose value.
- d. Whatever decision is taken about monitoring the transportation process, make the required equipment available to comply with it, and ensure that the people involved have the capacity to achieve the tasks required. This could include means of communication, data loggers, position trackers.
- e. In order to monitor the condition of the cargo, data loggers can be used. Data loggers are suited when temperature, humidity or shocks need to be monitored to ensure the transported goods are kept under correct conditions. Very often a yes/no statement is sufficient to know if temperatures have remained within predefined thresholds, without knowing the detailed history.
- f. Consider the generic requirement (relating to all chapters) regarding recommendations for the implementation of a suitable complaints mechanism.

Transport standard 2.4:

Transport minimises financial and material losses and guarantees the preservation of transported goods.

Key actions

- 1 Carry out a risk analysis in relation to the shipment, identifying potential threats and cargo vulnerabilities and implementing the necessary actions to minimise risks.
- 2 Evaluate the need to insure the freight, and assess the options for doing this.
- 3 Ensure that the transport operations and conditions are not harmful for the cargo.
- 4 Monitor the movement and condition of the cargo, taking the required actions to minimise delays, damages or losses.
- 5 When receiving a consignment, check the quantity and the quality, and notify the transporter of any discrepancy.

Key indicators

1. An updated transport risk analysis is available, providing the essential information about the main risks affecting the cargo
2. Percentage of cargo lost or damaged during transport
3. Percentage of shipments suffering an undesired event affecting the transported goods; percentage of such events not contemplated in the risk analysis

Guidance notes

- a. Basic care to protect the cargo from damage includes:
 - ensuring the packaging is strong enough for transport and handling and that labelling indicates specific handling requirements;
 - segregating cargo by its nature and in line with compatibility in accordance with appropriate regulations; for example, not transporting food together with products that have strong odours (fuel or detergent, for instance).
- b. Basic care to protect the cargo from theft includes minimising opportunities to access the cargo and limiting information relating to its transportation. Isolated and poorly surveyed areas and load-offload activity are particularly vulnerable circumstances.
- c. In volatile situations or high-risk zones, insurance of cargo, transport operations and third parties should be considered. For international transportation, insurance is imperative. International transportation agreements define maximum liabilities for carriers that can be far below the real value of the goods.

- d. When receiving a consignment, use the documentation (delivery note, external order form or purchase order) to cross-check the quantities received. Inspect the cargo looking for damaged goods, strange smells and leakage, and check the state of packaging. Notify the transporter about any discrepancy or load damage.
- e. Identify risks and hazards and communicate these, along with a clear trip briefing, to the driver and any assistant. For example, provide advice on restricted areas for rest, overnight stays and parking; weather conditions; passenger restrictions; infrastructure hazards.

Transport standard 2.5:

Transportation complies with legal and regulatory requirements.

Key actions

- 1 Check import restrictions and requirements, and fulfil all opportune clearance actions.
- 2 Ensure that the appropriate transport documents are provided in time and are accurate.
- 3 Ensure that both the chosen transport mode and how the cargo is packaged, loaded and confined complies with national legislation and all regulatory frameworks.
- 4 Verify the identification of the carrier and registration of the vehicle. This is especially important for contracted transport.

Key indicators

1. All documentation required for specific transport operations is available
2. Percentage deviation from the expected time to clear goods from customs
3. Amount spent on demurrage charges, penalties and detention

Guidance notes

- a. Some commodities may not be permitted or may require special documentation (food, drugs, communications equipment, dangerous goods, for example). Classify your commodities, obtaining their (1) classification, (2) origin and (3) value.
The lack of classification for relief items may impact the efficiency of the customs clearance of humanitarian items by delaying the import of relief

items and creating additional financial burdens for donors of aid. The International Convention on the Harmonized Commodity Description and Coding System (namely, the HS Code) is used for the uniform classification of goods traded internationally all over the world and serves as the basis for customs tariffs.

For identifying market access conditions such as customs tariffs, regulatory requirements and preferential regimes applicable to particular products, visit the Market Access Map website at www.macmap.org.

'Customs' generally refers to the government service which is responsible for the administration of customs law and the collection of duties and taxes and which also has responsibility for the application of other laws and regulations relating to the import, export, movement or storage of goods.^{2,3}

Generally, customs clearance can begin once the shipping documents arrive. However, you can start a pre-clearance based on the documents, which could save time and reduce costs. Having the correct documentation in place before the consignment arrives enables faster clearances and lower costs.

The documents required vary from country to country, and requirements may change. Stay up to date on changing documentation and procedure requirements, including responsibilities and routing of cargo. To avoid unnecessary delays and costs, the procedure should be well documented. It is also important to have a clear understanding of handling costs and other fees.

- b. It is highly advisable to contract a clearing or forwarding agent to handle the complexities involved in receiving and clearing international consignments. If clearance action is not taken promptly, goods may be held in a 'bonded' warehouse and accrue charges.
- c. In some specific cases when a state of emergency has been declared, the local authorities may allow free access and simplified customs procedures for the import of relief items for a limited period of time.
- d. Documents that may be required for transport are the following:
 - **delivery note or waybill**
The delivery note is the fundamental tool for transportation. It defines the freight details and responsibilities. The delivery note is an internal document that has an official value; potential deductions on the final payment are based on the information on the delivery note.
 - **freight notice**
A freight notice is an internal email or fax that immediately informs the consignee of freight details (content, estimated time of departure and

2 Chin, K. 2017. *The Power of Procurement: How to Source from Women-Owned Businesses. UN Women*: <https://www.unwomen.org/en/digital-library/publications/2017/3/the-power-of-procurement>.

3 World Customs Organization

arrival, details on the documentation, and method of expedition of the documentation).

- **transport letter** (air waybill, bill of lading, rail consignment note, international consignment note)
 This is the transport document for goods with a legal value. The name will vary according to the transport mode. Only the consignee mentioned on the bill or an authorised representative can release the goods.
 - **invoice, pro forma**
 The invoice indicates the value of the goods. When no money was paid for the goods a pro forma has to be prepared. The value indicated will be the basis for custom declarations and insurance policies.
 - **cargo manifest**
 A cargo manifest mentions the type of goods, their origin and destination.
 - **packing list/packing**
 The packing list identifies the contents of each carton or parcel. The packing list facilitates delivery control.
 - **gift certificate**
 When the organisation is exempted from import taxes, a gift (or donation) certificate states that the goods are part of a non-profit effort.
 - **origin certificates, phytosanitary controls**
 Some items (drugs, food, etc) need additional documents for international transportation.
 - **pre-shipment inspection certificate**
 Depending on the destination, value and nature of goods, a certificate delivered by a private agency (bureau Veritas, Cotecna, Intertek...) may be required before shipment. This may involve an inspection of documents or a physical inspection.
 - **hazardous materials declaration**
 This document, normally with a red border, has to be included when the cargo contents require special care, handling or testing (for example, insecticides, laboratory reactants, purification products).
 - **tax exemption certificate**
 In some countries, general agreements have been established for 'exempt' organisations, which simplify the formalities of free entry. In other countries, each consignment needs separate certification.
- e. Drivers and operators of vehicles are responsible for using a vehicle on the road and for loads being safe and secure. Legislation will often state that drivers have full responsibility for the safety of their load while it is in transit, even if they did not load it personally. Even if, in some countries, the legislation is not implemented, respected or followed, every effort must be made to ensure that the organisation's drivers are following the legislation that has

been laid down. This can impact the maintenance of infrastructure and future access to communities.

- f. Special care must be taken when transporting dangerous goods. In such cases, provide a material safety data sheet (MSDS) specifying the UN number and class. In chapter 14 of an MSDS you will find the restrictions and packing instructions relating to the type of transport used. Note that some products cannot be transported together. It is up to the supplier (manufacturer of distributor) to provide the MSDS.
- g. Further reading about technical regulations concerning shipment by air, land and sea can be found on the following sites:
 - IATA, International Air Transport Association, www.iata.org
 - ICS, International Chamber of Shipping, www.ics-shipping.org
 - IRU, International Road Transport Union, www.iru.org
 - UIC, Worldwide Railway Organisation, www.uic.org
 - FIATA, International Federation of Freight Forwarders Associations, www.fiata.com
 - ICAO, International Civil Aviation Organization, www.icao.int
 - IMO, International Maritime Organization, www.imo.org

Transport Standard 2.6:

Transport minimises harm to people and the environment.

Key actions

- 1 Ensure that risks affecting personnel, communities and the environment are included in the risk analysis (standard 2.4). Implement the measures required to minimise such risks.
- 2 Assess the transportation in terms of its environmental impact and take into account environmental considerations when selecting options. Minimise any potential negative impacts of the transportation on the environment.
- 3 Organise briefing sessions and training for transporters to sensitise them to environmental and protection topics.
- 4 Plan for reverse logistics when required, contributing to properly dealing with hazardous materials, recycling of goods, obsolete equipment or unused commodities.

Key indicators

1. A transport risk analysis is available providing the essential information about the main risks posed to personnel, communities and the environment
2. Percentage of recommendations and mitigating measures outlined in the risk analysis that have been addressed
3. Percentage of carbon footprint reduction due to best practice transport operations
4. Percentage of round trips where reverse logistics contributed to minimising environmental burden
5. Percentage of transport service providers who attended a sensitisation session on environmental and protection topics
6. Number of events harming the population due to transport operations
7. An appropriate local community complaints mechanism is available

Guidance notes

- a. Basic safety requirements include respecting vehicle capacity, respecting driver hours, appropriate cargo confinement and handling, warnings about the presence of dangerous goods through labelling, and having basic safety equipment (emergency kit on hand and fire extinguisher).

When planning routes, consider avoiding spots of high vulnerability (such as near schools or heavily populated areas, weak or damaged infrastructure, difficult roads, etc). This is particularly important when transporting dangerous goods.

- b. Basic ways of minimising potential negative transport impacts on the environment can include:
 - using criteria based on environmental considerations when selecting the most appropriate transport means and planning routes: carbon footprint, the use of fossil fuels or the life cycle of the packaging;
 - considering waste management and recycling as selection criteria when planning and identifying packaging alternatives for transport;
 - training on low-emission driving practices.

In addition, some products may have to come back or go to another location to be reused or disposed of properly (when no recycling facility is available locally). Transportation and reverse logistics processes can contribute to recapturing the value of these items or reducing the environmental burden in crisis-affected places.

- c. The opportunity given by casual visits and the imbalance of power between transporters and the population we serve make the latter (and especially, but not only, women and girls) highly vulnerable to abusive practices such

as sexual exploitation and abuse. Basic considerations to minimise these practices can include:

- transparency and a clear exchange of information with the transport service providers;
- inclusion of specific terms in the transport contract, in line with sector-wide safeguarding principles;
- a zero-tolerance approach to all forms of exploitation and abuse, and a requirement to have relevant safeguarding policies and practices in place (including requiring suppliers to do everything in their power to prevent it from happening) and to rigorously address and report safeguarding concerns as they arise;
- sensitisation sessions on safeguarding requirements and power balances;
- accessible, safe and confidential complaint mechanisms;
- the inclusion of specific safeguarding risks in risk assessment and mitigation documents.

Warehouse and Storage

3. Warehouse & Storage

Warehouse management covers two main activities:

- the practices and processes aimed at selecting and maintaining a place to store goods; and
- the organisation and control of stock levels to ensure fast and cost-effective support to the intervention.

As part of the humanitarian supply chain network, there can be one or several warehouses (also referred to as storage facilities) with varying functions, characteristics and in different locations. These functions can include:

- **holding point:** goods in the storage facility serve as buffer to control the fluctuations of supply and demand; the holding point acts as an 'intermediate' between source and recipient
- **consolidation:** supplies from different origins converge at a single point, and the storage facility enables their consolidation;
- **kitting:** supplies are sorted into sets, with items grouped together in a specific manner to create kits according to intervention needs;
- **break-bulk and decoupling points:** large loads are divided into smaller, more manageable sizes;
- **contingency stocks:** goods are stored as part of a contingency plan to enable a rapid response in case of a future emergency intervention.

The choice, set-up and management of the warehouse and its stock will depend on its purpose, and the type and financial value of the items stored in it as well as the context of the intervention. In some circumstances, warehousing may not be required at all, and alternative solutions such as direct deliveries could be implemented.

The standards below provide guidance for designing, organising and running operations efficiently and safely in any warehouse or storage facility.

Coordination, preparedness and the pooling of resources are important components of humanitarian response. Good communication among stakeholders about stored materials and feedback on stock levels are important complementary elements. See Core Humanitarian Standard (CHS), particularly Commitments 2, 4, 6 and 9.

Glossary

- **Bin card:** a stock management document that contains the status of an individual item in the warehouse (and others with the same batch number or

same donor). It provides information about quantities on hand and the history of movements in and out. Unlike the stock card, the bin card stays on the stack it refers to

- **Bonded warehouse:** a particular type of warehouse where internationally imported cargo can stay and be handled without the payment of duties but under the supervision of customs. As long as the goods are in a bonded warehouse they have not formally been imported and therefore cannot be taken out of the warehouse to be used unless duties are paid. From a bonded warehouse, the goods can be re-exported (without the payment of export duty)
- **Cold chain:** all of the means used to ensure a temperature-controlled supply chain, from production, through transport, to storage and distribution
- **Facility management:** practices and processes aimed at selecting and maintaining premises to achieve a certain purpose (to store goods, in the case of a warehouse)
- **Inventory management/stock keeping/stock management:** organisation and control of stock levels to ensure fast and cost-effective support to the intervention
- **Packaging:** material used to wrap and protect the items (a bale of 10, a box of 5, a carton of 1, etc)
- **Physical inventory:** an actual count of the goods stocked
- **Stack:** a neatly organised pile of items
- **Stock:** items (relief items, supplies and equipment) held in the storage facility. Sometimes also referred to as 'inventory'
- **Stock card:** stock management document that contains the status of an item in the warehouse independent of batch numbers or donors. It provides information about quantities on hand and the history of movements in and out. Unlike the bin card, the stock card is maintained in a file
- **Stockout:** a situation in which an item is exhausted or out of stock
- **Third-party logistics (3PL) company/provider:** a commercial company used to outsource parts or all of the supply chain
- **Warehouse:** usually a permanent building for storing goods in. The term 'storage facility' encompasses the use of other structures that can serve the same purpose, such as 'mobile storage units' (large tents), shipping containers or even open land

Warehouse & storage standard 3.1:

Warehouse management supports as appropriate the organisation and purpose of the intervention.

Key actions

- 1 Define the purpose of the warehouse according to needs and context, and ensure it is an integral part of a global, regional or local supply chain strategy.
- 2 Compare, analyse and document the benefits of holding stock against the organisation's capacities, cost and risks of doing so.
- 3 Assess and study current and past warehousing operations of other agencies, private sector and local governmental bodies in terms of 'preparedness and response'. Consider what other agencies store and what the local market offers to ensure coherence and complementarity.
- 4 Regularly consult key stakeholders in order to adapt the warehouse plan to intervention requirements.

Key indicators

1. Clear warehouse specifications fulfilling operational requirements are available
2. An updated analysis of the risks, costs and benefits of holding stock is available
3. Percentage of stakeholders' requests satisfied through warehouse services
4. Percentage of stock fulfilling planned purposes

Guidance notes

- a. Align any decision to invest in a warehouse based on the nature of the intervention (temporary or long-term), the type of goods (food or non-food item) and market availability (public or private facility).
- b. When making storage plans, it is useful to consider:
 - the geographical coverage of the intervention – location for national and local offices, partners and affected communities, as well as distribution points;
 - the expected duration of the intervention and the schedule for goods delivery;
 - the nature of the goods – quantity and volume, critical items for operations, dangerous goods, products that are harmful if badly managed (drugs, food...);
 - the source of goods (international procurement, local procurement or donations) – reliability and lead times for delivery;
 - the flow of goods:

- i. short-term for goods in transit;
 - ii. long-term to accumulate working stock that can be used for long-range planning and distribution; or/and
 - iii. used as a contingency.
- c. When evaluating the benefits of holding stock against the cost and risks of doing so, consider the benefit of bulk purchasing and avoiding potential uncertainties like restrictions in access, late deliveries, stockouts or fluctuations in emergencies.
- d. To budget for operating a warehouse, consider costs for:
 - infrastructure (rental, purchasing...);
 - furniture and equipment;
 - packing material and supplies;
 - utilities (electricity, water...);
 - human resources (guards, manager, daily workers...);
 - maintenance (office materials, repairs, cleaning...).
- e. Certain costs (for example, security, rent) are fixed and will not decrease if the facility is underutilised.
- f. Consider risks such as the nature of the intervention, the environment and security situation, available resources and infrastructure, and local human resource capacity. For further considerations and actions in risk evaluation and management, refer to standard 3.5.
- g. Evaluate the pros and cons of owning and operating storage capacity compared with shared/public alternatives. The level of investment in warehousing is factored in based on the time frame and scope of programme activities.
- h. Consider the opportunity to involve the affected population in running a warehouse, as well as the benefits to the local economy of using an existing facility over establishing a new structure.
- i. Consult partner agencies and consider available options such as:
 - managing your own warehouse facilities;
 - outsourcing warehouse management to a third-party logistics provider (3PL), which could be a signatory to your code of conduct;
 - sharing a warehouse with other stakeholder(s).

Warehouse & storage standard 3.2:

The storage facility accomplishes its expected functions and contributes to the best use of resources.

Key actions

- 1 Assess available storage options against specific functions and requirements depending on the type of products to be stored.
- 2 Assess the location and size of the storage facility and its proximity to demand and supply points.
- 3 Confirm warehouse accessibility by the required means of transportation and its access to the labour and assets required for its operation.
- 4 Define the resources necessary to properly operate the warehouse based on expected intervention needs and stock management strategies.
- 5 Ensure the storage facility has the capacity to remain resilient to disruptive events (for example, floods, road deterioration, market day, etc).
- 6 Verify that the site is safe and secure and that it complies with all administrative and legal requirements. (See transport chapter, standard 2.5).

Key indicators

1. Criteria laying out the elements for adequate warehouse selection are available along with a definition of the resources required (workforce, equipment, etc)
2. Percentage of time where the warehouse operations are disrupted due to disturbances
3. Percentage of goods transiting through the warehouse respecting the expected time of receipt and dispatch
4. Level (or percentage) of compliance with site safety criteria (checklist/policies)

Guidance notes

- a. To evaluate available storage options, consider whether existing facilities include minimal conditions for storing goods (for example, ventilation, ceiling height, a level floor strong enough to sustain the load of expected goods).
- b. If no facility is available, consider whether temporary facilities can be used such as containers and mobile storage units.
- c. Evaluate the location of the storage facility and its accessibility: consider whether its proximity to delivery points (for example, last-mile storage) or supply points (for example, bulk storage) is in line with necessary transit times in order to ensure the timeliness of delivery.

- d. Assess whether vehicles can access and manoeuvre without difficulty and the potential for disruption due to seasonal weather: could the facility become isolated due to transport disruption? Is it located in an area prone to flooding, for example?
- e. If potential disturbances are unavoidable, it is of key importance to plan for enough contingency stocks. Alternative solutions like decentralisation could also be considered.
- f. Check what exists in the local market, building on existing benchmark and feasibility studies (see standard 3.1 above), and complete a selection process to ensure a fair and transparent decision in accordance with good procurement practices (see procurement chapter).
- g. When assessing the site location, take into consideration the potential negative impact it will have on the surrounding neighbourhood (additional traffic, noise or security threats, etc).
- h. Ensure the facility is located and designed taking into consideration local laws and regulations.
- i. The process will vary depending on the strategy chosen:
 - renting and running operations internally involves selecting premises and, separately, procuring equipment and materials following a thorough investigation of available options;
 - external warehouse management involves selecting a service provider, which in turn potentially supports the local economy.
- j. Ensure the space available is sufficient to cover expected needs, includes a safety buffer (extra space), and that it is aligned with the stock strategy (for example, continuous replenishment, prepositioning of stocks, push and pull management).
- k. Ensure that the necessary workforce (labour) and equipment are available in the local market and that access to these is continuous and reliable.
- l. Ensure that the warehouse has been licensed by the relevant authorities for the type of commodities stored. For example, consider dangerous goods, fresh food and pharmaceuticals among others.

Warehouse & storage standard 3.3:

The storage facility layout is designed to maximise space utilisation with the minimum necessary handling effort in order to provide a safe, accessible, responsive and reliable management of goods^d.

^d From David Mulcahy - Warehouse Distribution & Operations Handbook

Key actions

- 1 Plan the warehouse layout and the material handling requirements, based on its expected functions. Consider accessibility for persons with disabilities (mobility, vision or hearing).
- 2 Define a clear and logical layout focusing on maximising space utilisation and minimising handling effort based on the characteristics of goods (for example, weight and size) and stock turnover.
- 3 Ensure the layout is designed with due consideration for staff safety, taking into consideration ergonomic requirements and interaction with warehouse handling equipment.
- 4 Determine and make available the best storage solution: shelving, pallets, racking.

Key indicators

1. A layout plan of the storage facility provides key information on the use of space
2. Percentage of warehouse space which is currently occupied
3. Percentage of goods stored and physically separated depending on their type and nature
4. Percentage of staff trained in health and safety procedures and in the use of equipment

Guidance notes

- a. When planning the warehouse layout, consider:
 - separated workspace areas (for administration, kitting, control, picking and packing);
 - reception and dispatch areas;
 - circulation and access areas (for reception of goods, personal entrance, aisles);
 - storage areas;
 - a dedicated space for damaged goods and materials to be disposed of.
- b. Consider and plan for the different needs of all those working in the warehouse. There should be at least one toilet suitable for each gender and there should also be access to water to meet basic sanitary and hygiene standards.

- c. A space occupation ratio should not be lower than 75 per cent (underutilised storage space) nor higher than 90 per cent (overutilised storage space) to allow efficient operation and in safe conditions.
- d. Allocate storage areas to ensure access to different supplies, and use a clear addressing/labelling system. Organise and identify goods within their storage zone (per family, alphabetically, per item type, per packaging type, etc). The storage facility layout should take into consideration how often items are used or handled, positioning the most critical ones closer to processing areas to reduce handling effort.
- e. Identify specific product categories and check whether special requirements must be followed. If required and feasible, products should be stored in separate zones or buildings (for example, food, non-food, dangerous goods, items of high financial value, or items requiring cold chain) and segregated by category, project or donor.
- f. Consider different strategies in assigning space following a layout based on needs and flows or with a strict assignment of areas according to codes and nature of goods (static distribution).
- g. Maximise available space by using shelves or stacks.
- h. Clearly identify stock and enable independent access to different goods without the need to handle other items.
- i. Separate damaged and expired goods from usable commodities and dispose of them as appropriate according to the category.
- j. The operational layout should take into consideration personnel movements and ensure cargo handling is ergonomically appropriate. The placement of shelves, pallets and the height of any stacks should follow health and safety rules. Also ensure that whenever machinery is used it is properly protected to minimise collisions and accidents.
- k. When determining the best storage solution (shelving, pallets, racking), consider that:
 - all products should be stored in such a way that they are easily accessible and there is enough ventilation/insulation;
 - they should also be stored safely and securely to prevent material loss, damage and personal injury;
 - storage conditions must be adequate for the product categories, following manufacturer recommendations on the packaging;
 - goods should not be placed directly on the floor or against the walls: use shelves, pallets, crosspieces (or plastic sheeting, but only temporarily). Shelves/pallets should be placed at a distance of 50cm from walls (for maintenance access, cleaning, air circulation). In case of limited space, the required minimum is 30cm. The space between rows of shelves or pallets must be at least 1m.

For further technical guidance on optimising warehouse operations, consult the Logistics Cluster Logistics Operations Guide on 'Warehousing and Physical Stock Management'

Warehouse & storage standard 3.4:

Warehouse processes ensure traceability and transparency while supporting planning and forecasting through accurate and up-to-date documentation.

Key actions

- 1 Identify all goods kept in the storage facility based on critical characteristics including type, volume, ownership, expected usage, and specification.
- 2 Ensure that all stock movements and warehouse activities are planned, tracked and documented.
- 3 Maintain accurate and updated stock level information and make it available to all staff for activity planning and other logistics processes.
- 4 Periodically confirm the accuracy of activity records by running physical inventories of goods and reconciling stock documentation.
- 5 Ensure all movements of goods are performed by appropriate authorised staff, segregating duties to ensure compliance and accuracy of stock records while minimising losses and human error.
- 6 Provide training to warehouse staff and partners to support safe, efficient operations and respect for your code of conduct.

Key indicators

1. Percentage of stored goods with properly documented records
2. Percentage of stock movements (receipt and dispatch) with available, accurate records
3. Discrepancies between physical inventory and stock records
4. Percentage of staff trained on required warehouse management skills

Guidance notes

- a. The following main activities of warehouse management should be documented:
 - planning;

- receiving;
 - maintaining;
 - repacking;
 - dispatching;
 - stock management;
 - reverse logistics.
- b. Define which stock rotation method is appropriate to the context and the stored goods. The most commonly used are first in, first out (FIFO); first expired, first out (FEFO); or last in, first out (LIFO).
- c. Manage and review stock to minimise obsolescence and wastage. Where stock is either obsolete or requiring disposal, take appropriate action (with due consideration to authorisation roles, disposal method, specific donor requirements or documentation needed).
- d. Only allow the requisitioning or removal of goods from the warehouse with written authorisation. A written record of dispatch (a waybill, for example) should be generated and signed, and a copy should accompany the goods to their end destination.
- e. Record all stock movements using digital or physically traceable documentation (such as bin cards or stock cards), and include details of the transfer (who is delivering and receiving the item), item specification, quantities and date. If using both systems (physical and digital), ideally, update these simultaneously. Identify which will be the 'master' file (according to accessibility and reliability) and perform regular cross-checks.
- f. Identify, store and record goods based on key characteristics, such as:
- type;
 - volume;
 - programme ownership/funding;
 - expiry dates (for medical supplies, food, chemicals...);
 - key differentiators such as grades (of tarpaulin, etc) and packaging.
- g. Ensure records for all stock transactions are consolidated, accurate and up to date, reflecting net balance of stock available. Share stock balance widely with relevant stakeholders to guide activity planning, and anticipate and address shortages and stockouts.
- h. In order to ensure the reliability and accuracy of records, carry out inventories of stored goods and periodically count them. In case of discrepancies, records should be reconciled with an appropriate and transparent register of adjustments. Discrepancies can be analysed either as absolute numbers, percentage, financial value, or frequency in time.
- i. All tasks should be performed by appropriate and authorised staff. Consider the use of multiple persons to confirm and cross-check movements in order to mitigate human error and increase the reliability of records.

- j. If managing unsolicited in-kind donations, define specific working processes for receiving, recording, organising and dispatching.

Warehouse & storage standard 3.5:

Management processes and storage conditions preserve stored items by minimising losses and deterioration.

Key actions

- 1 Perform a warehouse risk assessment to determine likely hazards that stocks may be exposed to (such as fire, floods, looting, etc); put in place and maintain the necessary physical and procedural mitigation measures, including contingency plans.
- 2 Monitor and control storage conditions (humidity, temperature, pests and vectors) on a regular basis to minimise the deterioration of stored goods.
- 3 Perform regular inspections and maintenance of the storage facility and its equipment.
- 4 Ensure regular ventilation and cleaning in order to guarantee that the storage conditions are healthy and safe.

Key indicators

1. An updated risk analysis is available providing essential information about the key risks affecting stocks
2. Percentage of mitigating measures outlined in the risk analysis that have been addressed
3. Value of damaged, expired or lost goods
4. Frequency and intensity of variances in temperature and humidity from recommended thresholds

Guidance notes

- a. Supplies, particularly food stocks, need to be protected from sun, rain, humidity and extreme temperatures. Therefore, avoid the use of exposed, uncovered storage areas when possible.
- b. Humidity levels should remain below 70 per cent, and the temperature inside the warehouse should be maintained at between 0 and 30 degrees (Celsius).
- c. Use basic physical and procedural measures to mitigate the typical risks related to storage:

- Good ventilation will reduce humidity and temperature levels.
 - Treat the storage area against pests as necessary.
 - i. Keep the area around your warehouse clear of rubbish to avoid attracting rodents.
 - ii. On a regular basis, check the base and the top of each stack and also under the pallets for insects, cobwebs, cocoons and droppings.
 - iii. Set traps for rodents.
 - iv. Apply an appropriate method to control insects: spray the warehouse, treat the surrounding areas, fumigate.
 - Do not store fertilisers, pesticides or cement in a warehouse where items for human consumption are located.
 - For fire safety:
 - i. Ensure equipment (fire extinguishers and sand buckets) is in place, maintained and accessible, inside and outside.
 - ii. Do not permit smoking, cooking or open flames of any kind in the warehouse facilities.
 - iii. Keep flammable materials in a dedicated storage area far away from other stored materials.
 - iv. Keep a security plan and safety rules in the warehouse and train staff on it.
 - Physical protection against theft could include:
 - i. fences, walls, barbed wire, lighting, padlocks or grilles on windows;
 - ii. physical separation of 'office' space (where visitors pass through) from storage space.
 - Procedural barriers against theft could include:
 - i. keeping gates, doors and windows locked outside operating hours;
 - ii. employing security guards with clear tasks and responsibilities;
 - iii. limiting access to the facilities to authorised persons only.
 - Make available and maintain the required equipment and furniture to operate in the warehouse safely and efficiently (for example, signage, lighting, fire detection system, gates, first aid kits).
- d. The regular inspection and maintenance of the storage facility and the equipment may include:
- regularly sweeping and cleaning the storage area: sweep once a week, clean once a month and clean thoroughly (taking all goods out) every quarter;
 - performing regular inspections of possible leaks in the roof, cracks in the walls and bumps and holes in the floors and repairing when necessary;
 - maintaining the equipment in good working condition.
- e. To guarantee that the working environment is healthy and safe, consider the following rules:

- Height of stacks: Do not exceed a height of three metres. Do not store above one metre per square metre.
 - Mark dangerous goods in accordance with international regulations.
 - Appropriate signage must be visible indicating potential hazards in the store and the location of safety equipment such as fire extinguishers.
 - Always handle heavy goods with appropriate protective measures and equipment.
 - Always store heavy goods on the floor or at the bottom level of a pallet.
 - Never stand or be lifted on the forks of a forklift truck.
 - Ensure equipment is used only by authorised personnel.
 - Ensure first aid kits are available.
- f. For further guidance on the storage of medical products and cold chain, consult the following links:
 Guidelines, 5 November 2013, on Good Distribution Practice of Medicinal Products for Human Use (Text with EEA relevance) (2013/C 343/01):
 Logistics Cluster, cold chain; - WHO resource for cold chain.

Warehouse & storage standard 3.6:

Warehouse management minimises impact on the environment while supporting people and communities.

Key actions

- 1 Assess and consider any potential environmental impact when designing or updating the warehouse layout and management processes.
- 2 Regularly train staff (including casual labour) to correctly handle goods, manage specific product categories, and use and maintain safely equipment. Also train them on understanding the environmental impact of warehouse operations.
- 3 Make sure that the warehouse does not increase the exposure of any neighbouring communities to human or environmental threats.

Key indicators

1. Recommendations on how to minimise the human and environmental impact of warehouse management and processes are available
2. Percentage of waste that is reused, repurposed or recycled
3. Percentage of energy, material and equipment coming from sustainable sources

Guidance notes

- a. When choosing the warehouse and designing its layout, consider factors such as:
 - distance to the main sources of commodities and to delivery points, in order to minimise distances driven and fuel consumed;
 - orientation and insulation: avoid direct sunlight and keep heating low;
 - though typically located on the fringes of communities – closer to airports and seaports or major trucking thoroughfares – warehouses can have a major effect on a community.⁵
- b. Engage regularly with communities regarding warehouse operations and any potential impact on the local ecosystem. This could be facilitated by the recruitment of permanent or casual workers from the community.
- c. Make sure you comply with local and national waste management regulations. Avoid incineration and increase recycling of cardboard, cartons and wood from pallets. Reuse materials (pallets, cardboard, packaging) when possible. Keep pallet stacks tidy to reduce spoilage.
- d. Replace typical incandescent and fluorescent bulbs with more efficient models like LED lights. Connect lighting to a motion-sensor system that will turn lights off automatically in unoccupied spaces.
Install sustainable lighting systems and energy-efficient cooling solutions when needed and possible.
- e. Paint the outside of the warehouse in white to repel heat and save cooling system consumption. Install UV-blocking skylights to reduce heat. If appropriate to the context and the nature of the stored goods, water-cooled chillers can be used instead of air-cooled chillers to reduce electricity demand.
- f. When choosing equipment, storage solutions or other items to be used in the warehouse, consider their environmental impact across the whole of their total life cycle (lifespan, number of uses, manufacturing carbon footprint, wastage and destruction costs).

⁵ www.agility.com

Distribution

4. Distribution

Distribution refers to the 'handover' of assistance to the final user or recipient. Dispatch or transport of goods to the distribution point is addressed in the Transport chapter.

Traditionally, 'distributions' refers to donations of physical goods. However, with the scaling up of cash and voucher assistance (CVA), there is a need to consider the most appropriate form of assistance. This has implications for distribution activity planning as well, and the human resources required.

Distribution must take into account the following:

- As the final step in meeting end-user needs, this is the last link in the supply chain, where goods have the highest value.
- Risks associated with loss and lack of security tend to be high.
- Communication can be sporadic, and monitoring very difficult; an implementing agency sometimes has less direct control.
- Many stakeholders are involved where a lot of activities are running simultaneously.
- Recipients are extremely vulnerable and there is an imbalance of power between those delivering and those receiving.
- There is a need for a high level of coordination, efficiency and timeliness.
- The safety and protection of all people involved is essential along with monitoring to enable process adjustments.

Actors involved in logistics should ensure that communities and people affected by crisis can participate in the distribution design and implementation, and that the process is safe and transparent. Complaints mechanisms should be understandable and accessible to all stakeholders. Fundamental to the process is encouraging and supporting communities and people affected by crisis to provide feedback on their level of satisfaction with a distribution and whether it corresponds to their needs. Monitoring and learning are key to achieving optimal results and to enabling any corrective action in a timely manner. See Core Humanitarian Standard (CHS), particularly Commitments 1, 2, 4, 5 and 7.

Note that this chapter is complementary to Sphere Standard 6.3: Targeting, distribution and delivery: food assistance targeting and distribution is responsive, timely, transparent.

Glossary

- **Cash and voucher assistance (CVA):** any programme where recipients receive cash transfers or vouchers for goods or services directly. In the context of

humanitarian assistance, the term refers to the provision of cash transfers or vouchers to individuals, households or community recipients; not to governments or other state actors. This excludes remittances and microfinance in humanitarian interventions (even if microfinance and money transfer institutions are used for the actual delivery of cash). Use the terms 'cash' or 'cash assistance' when referring specifically to transfers of only cash (don't use 'cash' or 'cash assistance' to mean 'cash and voucher assistance'). While there are other names for this, 'cash and voucher assistance' is the recommended term

- **Dispatch:** activities to release goods from the warehouse or supplier and send them to the distribution point, including transportation. This is separate from the distribution process, which is the documented handover of assistance to the end user
- **Distribution modality:** method used to distribute the assistance to the affected population. There are two main modalities: 'in kind' and 'in cash'
- **Distribution site/distribution point:** physical location where the delivery takes place
- **Financial services provider (FSP):** an entity that provides financial services, which may include e-transfer services. Depending on the context, financial services providers may include e-voucher companies, financial institutions (such as banks and microfinance institutions) or mobile network operators (MNOs). Many entities, beyond those that offer humanitarian cash transfers or voucher services, count as FSPs (for example, investment funds, insurance companies, accountancy firms); however, within cash transfer programming literature, 'FSP' generally refers to those providing transfer services.
- **In-kind assistance:** a distribution modality, traditionally used by humanitarian agencies, where the assistance is provided in the form of commodities: food or non-food items.
- **Reconciliation:** the practice of comparing records between the distribution site and the source. All the figures referred to below should round up:
 - amounts dispatched from the source and received at the distribution point
 - amount or numbers distributed
 - balance left after distribution/showing as a return from distribution
 - balance recorded at source following receipt of returns
 - any registered losses

Distribution standard 4.1:

The distribution is collaboratively designed and planned to best serve the population in need; it is adapted to the operational environment, and to the type and nature of the assistance that will be distributed.

Key actions

- 1 Clearly define the distribution details (what is to be delivered, to whom, where and when).
- 2 Evaluate the logistics requirements, viability and risks in the local context for the different distribution modalities (cash, vouchers, goods), as well as the logistics capacities of all stakeholders, the available infrastructure and the accessible resources.
- 3 Integrate the distribution plan within the broader context and overall humanitarian response, ensuring that it is part of general supply planning, while ensuring that there is no negative impact on the local community.
- 4 Ensure relevant, internal and external, gender-diverse representatives of stakeholders are consulted during the design and planning of the distribution. These should include, for example, experts in food security and livelihoods, nutrition, supply chain, finance, safeguarding and security; members of the affected population and the host community; other agencies; gift-in-kind donors; suppliers; local government authorities; and others as appropriate.
- 5 Design the delivery network detailing how goods will reach recipients, and agreeing on the number and location of distribution sites. This decision will involve weighing up the limitations, costs and environmental impact of the transport system as well as minimising the distance that the affected community must travel; it may also involve compromise. Make the process inclusive. Women, girls, boys, men, gender non-binary people and persons with disabilities should all take part in the design process to ensure there is local knowledge of risks, preferences, barriers etc.
- 6 Adapt the means for recipient identification and registration according to local norms and contexts, and to the distribution process itself. Include a plan for dealing with eligible but unregistered potential recipients and any no-shows.

Key indicators

1. The distribution plan provides the essential information for the logistics implementation and has been agreed with relevant stakeholders, including the affected population
2. Percentage of distribution sites reporting shortages of goods
3. Deviations in time and cost from the original distribution plan

Guidance notes

- a. Always assess the logistics implications, viability and risks of any distribution activity. Consider factors such as:
 - the scope and urgency of the intervention;
 - whether the population is in an open or a closed setting: that is to say, a camp setting (closed) or rural community (open);
 - the type and nature of goods to be delivered;
 - the equipment and supplies needed to deliver or distribute the goods (for example, scales, cold chain);
 - handover modalities, including risks of abuse or exploitation occurring during the distribution;
 - supply chain capacity (internal or external) to deliver the goods;
 - the impact on local markets;
 - mobility capacity for teams and resources;
 - access and expected attendance for the different sites, as well as the distance from recipient communities to distribution sites;
 - other embedded or overlapping activities (nutritional screening, sensitisation...);
 - security, safeguarding and corruption risks for the implementing agency and for the affected communities.

- b. The preferences of the affected communities, their choices, dignity and empowerment, and the appropriateness of the distributed items are important drivers during the design and planning activities. Consider at-risk or oppressed groups within the community and whether it may be necessary to conduct different types of distribution for different sections of the community.

- c. Consider from the start the use of cash and voucher assistance (CVA) to meet the assistance objectives where cash is both appropriate and feasible. Be prepared to justify the decision on which modality to apply.
 The distribution can optimise the most appropriate combination of modalities. There may be a transition from goods to cash as cash feasibility and market assessment information becomes available. A phased approach can be defined as reducing the provision of in-kind goods to allow a transition to cash where feasible and appropriate.
 In CVA, some distribution activities such as disbursement, top-ups and reconciliation will be conducted by financial service providers or vendors redeeming vouchers. These still need to be coordinated, validated and managed by the agency to ensure recipients are receiving their assistance on time, in full and that any issues they encounter are resolved swiftly.

Typical distribution activities, where agency staff or volunteers register, validate and physically hand over the assistance items, are applicable when providing:

- commodities;
 - cash in envelopes; or
 - items to facilitate access to CVA (that is, paper or electronic vouchers, an ATM card or a SIM card).
- d. Specify how items will be handed over to targeted populations, considering all prerequisites and post-requisites. Avoid overwhelming limited capacity on both sides: deliverer and recipient. Give particular consideration to whether recipients can physically carry/transport the items received. Where appropriate consider lower-value and more frequent transfers or else issue vouchers in small denominations that are redeemable more regularly.
- e. If the circumstances require the recipients to use transport, take into account providing the transport service or a compensation fee. Consider in your design the redistribution or return of items not delivered.
- f. The distribution plan should detail the type and volume of supplies to be distributed, giving information about staffing requirements and location. It should serve as the main justification for related expenditure (for example, transport, warehousing).
- g. The distribution plan should consider reverse logistics for the retrieval of excess goods that have not been distributed and of damaged goods and waste products.
- h. The distribution plan should work at different levels.
- The country plan will show the total requirements for the country. The country may be divided into product destinations (whether provincial, regional or areas that particular offices of your organisation are responsible for).
 - A more detailed plan may take into consideration one province and split it into various 'extended delivery points' (EDPs). EDPs are where your organisation actually physically hands over supplies to a counterpart (an NGO, an individual, or even the affected communities themselves).
 - At the final level the plan is drawn up by the organisation on the ground that is facilitating distribution. This lists the names of the targeted populations, or schools, or health posts that the items are destined for. This list reconciles the planned quantities with real targeted populations, so that for each province, there is a plan one level down.
 - For the delivery network design and resources allocation, consider key elements such as:
 - i. the number of distribution sites;
 - ii. the geographical area to cover;

- iii. who is delivering the goods at the distribution site, and how those delivering the goods are being supervised (by the organisation, directly by the supplier);
 - iv. at what point handover should occur;
 - v. the resources and security that are available at the dispatch point, on the road and at the distribution sites (transport, personnel, storage);
 - vi. what the role of the humanitarian organisation is in the distribution;
 - vii. kitting and packaging (bulk goods that need to be separated into distribution-ready packages);
 - viii. how to mitigate risks of exploitation and abuse occurring during the distribution (for example by distributing in teams, having gender balance in teams, not going to private locations, appropriate supervision, and so on).
- Agree on delivery schedules and the set of articles to be delivered. Any change should be negotiated and agreed with all pertinent stakeholders, avoiding any disadvantage to the people receiving goods, who should be kept informed in a timely manner.
- i. If the population receiving assistance at a particular location is very large, consider multiple distribution sites or points within the site to avoid long queues and waiting times. Determine the resources according to the number of people to be served and the time that this will take.

Distribution standard 4.2:

The distribution sites are located and set up to achieve the best performance, offering adequate space and access to the distribution services.

Key actions

- 1) Involve stakeholders, ensuring that diverse groups of women, girls, boys, men, gender non-binary people and persons with disabilities within the affected population take part in the site selection and set-up.
- 2) Locate the distribution sites in suitable, accessible and safe places for the affected population, staff, service providers and goods, considering also the distance that people must travel and the routes they will need to take.
- 3) Organise the distribution site in such a way that there is a clear and logical layout providing accessibility, adequate safety measures and sufficient staffing, space, equipment and furniture for all the activities required.

Key indicators

1. A distribution site plan provides essential information on the site layout and use of space
2. Average time that a person is waiting from the beginning of the distribution to receiving assistance
3. Percentage of sites which report problems with safe access for recipients and other stakeholders
4. Percentage of sites which report problems with distribution related to the location and organisation of the site

Guidance notes

- a. To ensure that the distribution sites are suitable, accessible, safe places, consider the following factors:
 - The affected population, staff and service providers should agree it is a secure location.
 - Local transport and a road system need to be available; consider whether access for vehicles carrying goods is likely to be blocked.
 - Affected communities should have access to shade, water and latrines when they are queuing.
 - There should be an evacuation route for staff in case of security problems.
 - The location should be flat, free of mud/dust, and have enough space.
 - The location should be far from sensitive sites like army bases, political party offices, police stations, as appropriate for the context.
- b. When designing the layout of the distribution site, consider incorporating the following spaces:
 - a registration area, where affected communities report and are checked against names on a list (this will facilitate accounting for supplies issued out);
 - a distribution zone, which should be adjacent to the registration site but with controlled access, so that only registered people line up for distribution – this may well require a substantial crowd control element as well as barriers (make use of ropes, trucks, available walls, insides of buildings);
 - a safe workspace area for the reception of goods, storage, packing or repacking;
 - waste collection points, allowing for the separation of recyclable and compostable materials where possible.
- c. Establish differentiated paths for the flows of goods and people, favouring steady movements and avoiding potential congestion. Ensure the site has good visibility and that the different areas of it are clearly signed.

- d. Make sure you do not neglect the quality of the site organisation: pathways marked with straight parallel lines, upright posts and taut tape all contribute to creating an impression of good organisation, inspiring confidence.
- e. Ensure adequate representation of female staff within the distribution teams.
- f. Ensure that people of diverse gender identity and expression are able to safely access distributions. Consult with these groups to identify and address concerns.
- g. Foster sensitive thinking in relation to safeguarding and protection by ensuring a clear exchange of information between distribution staff and by assisting affected communities in communicating their concerns. Basic considerations could include:
 - separate areas for vulnerable or priority groups (such as pregnant women, people living with disabilities) that include shaded seating areas, latrines, water points;
 - separate distribution times for different groups to enable safe access to distributions without fear of discrimination;
 - providing opportunities for the affected population – especially those in the most vulnerable or priority groups – to share their complaints in a safe manner;
 - setting up a complaints mechanism to help identify both safeguarding and protection concerns; communicating procedures to partners to help build on strengths to find solutions;
 - holding separate consultations with at-risk groups to ensure their participation in decision-making. Separate consultations with women’s groups, for example, help ensure their opinions are heard, whereas in mixed gender groups women can be intimidated and not willing to speak out;
 - gender balance among staff, as well as transparency in distribution operations, to help prevent sexual exploitation and abuse.
- h. Create a map of the site including the areas and flows noted in the points above.

Distribution standard 4.3:

People receive the distributed assistance in an effective, accurate, safe and transparent manner.

Key actions

- 1 Coordinate with all stakeholders to ensure that all prerequisites are in place and goods are delivered on time.

- 2 Spend time in advance to streamline and verify your targeted population list, where possible/applicable.
- 3 Define clear responsibilities and accountability mechanisms among the different participating agencies, service providers and community groups. Ensure segregation of duties between a) teams identifying both needs and affected communities; b) teams distributing the goods; and c) those carrying out verification. Avoid one person or team participating in more than one of those duties.
- 4 Make sure that the distribution team and all other stakeholders such as financial services providers (FSPs) or community representatives are aware of the tasks that they are expected to fulfil so they perform them correctly and safely. Adjust their duties to their capacities. Set up staff to act as coordinators to ensure that all tasks are covered and performed properly and that any event or incident will be reported.
- 5 Establish communication and reporting mechanisms to communicate with other team members and key stakeholders and to collect complaints, identify uncovered needs, find out about targeting issues, quality and so on. Ensure that complaints are managed by someone without any conflict of interest.

Key indicators

1. Percentage of items that are delivered to recipient in good condition and in an appropriate manner
2. Percentage of deviation between distribution records and quantity of items consumed
3. Percentage of unregistered recipients
4. Percentage of recipients not showing up
5. Percentage of sites with staffing shortages

Guidance notes

- a. Make sure you have the necessary permits to carry out the distribution and that all relevant stakeholders have been consulted, including local authorities.
- b. Actual or perceived (or rumoured) shortages of goods can cause stress to participants, perhaps even sparking security incidents. Work with programmes to ensure that distribution plans are matched to realistic delivery schedules.
- c. Test the appropriateness of the distribution sites in advance, so that on the day of the distribution everyone is familiar with the plan and their role within

- the distribution chain. Pilot small-scale distributions initially, and address and resolve any issues before scaling up.
- d. Ensure the community knows in advance of the distribution what the criteria for assistance eligibility are; have in place a mechanism for complaints or for feedback on the criteria for inclusion on the distribution list.
 - e. In all distribution sites display clear information related to:
 - entitlements;
 - codes of conduct and complaints mechanisms;
 - data privacy.
 - f. Ensure that enquiries are directed to designated staff, not to distributors. Tension will occur when people arrive who are not on the list; or if the list has been poorly compiled; or when there is a delay in the smooth flow of people through the distribution site. It is recommended that there should be a separate area for resolving enquiries and complaints.
 - g. Consider using additional third-party agents from the community for issues with identification and verification of identity. Such agents may also assist with gathering feedback from the community about the distribution activity.
 - h. Make sure that distribution staff/volunteers are clearly visible and identified as such using branded clothing — hats, T-shirts, jackets, etc.
 - i. Prevent unauthorised access and the possible formation of large crowds as well as the looting of the goods.

Distribution standard 4.4:

The performance and impact of the distribution are monitored to achieve optimal results and to enable any corrections in a timely manner.

Key actions

- 1 Ensure that the delivery of assistance is recorded accurately.
- 2 Develop an information system that provides sufficient, accurate and up-to-date information to enable effective assistance delivery.
- 3 Provide the means and train the people for data to be correctly collected, monitored and shared.
- 4 Monitor distribution activities during distribution and also the impact of the distribution on the population in need (after distribution).
- 5 Perform reconciliation at the end of every distribution, consistently and in a timely manner, documenting, sharing and filing the results.

- 6 Regularly analyse data and provide feedback on quality, efficiency and impact to improve planning for the next distribution cycle. Consider supply tracking, distribution performance monitoring and also end user monitoring.
- 7 Determine whether assistance should continue, be amended or be stopped or if the distribution planning should be reviewed.

Key indicators

1. The distribution monitoring system provides the essential information on the distribution process
2. Percentage of reconciliation records with no discrepancy at the end of each distribution day
3. Frequency of distribution reports produced and shared
4. Percentage of relevant staff and volunteers trained on data collection means and methods

Guidance notes

- a. An information system is key for the monitoring of distribution performance and results. Ensure that the team understands how to feed into it and its importance and purpose.
- b. Use standardised reporting and monitoring templates across distribution sites, to keep records of each distribution:
 - a register of people receiving full entitlement at the distribution;
 - the number of goods/kits distributed;
 - notes on the progress of the distribution (duration, difficulties, incidents);
 - information which could be useful for possible future distributions (names of local representatives and volunteers who participated, location of the distribution, and so on).
- c. Accurately record the reception of goods by the distribution team, and the delivery of goods to the recipient (what, where, when and to whom).
- d. Document the reconciliation process with clarity about authorisation levels and frequency. Maintain segregation of duties. Train staff involved in the reconciliation process on the procedures. Resolve discrepancies swiftly, and incorporate any preventive action identified into the delivery mechanism standard operating procedures (SOPs) to prevent recurrences.
- e. Establish clear reporting channels so that feedback reaches the relevant people/stakeholders.
- f. Where there is cash and voucher assistance (CVA), monitor the following:
 - agent liquidity to optimise the number of households who can access cash;

- vendor commodity quality and availability to optimise the number of households redeeming vouchers;
- infrastructure (for example, ATM network, mobile network coverage and/or reliability of mobile network) that contributes to the delivery of cash and voucher assistance;
- fraudulent activities such as voucher copying, ID copying.

Distribution standard 4.5:

The distribution is safe, secure and grants protection and dignity to people affected by crisis, as well as workers and volunteers.

Key actions

- 1 Undertake safety, security, safeguarding and corruption risk assessments to integrate specific prevention and mitigation strategies in all distribution phases, with special emphasis on risks to vulnerable groups and individuals.
- 2 Put in place feedback and complaints mechanisms which are appropriate, safe, confidential, known and accessible to the targeted population and other stakeholders (suppliers, partner agencies).
- 3 Establish the necessary measures to ensure that the distribution is used only for humanitarian purposes.
- 4 Collect and manage data without exposing affected communities or any stakeholder.
- 5 Ensure that affected communities understand why they have been selected, what this entitles them to, how they were identified during the distribution, the purpose and use of the assistance or the items delivered to them and the data management policies. Clear communication with affected communities leads to less confusion and reduces anxiety.
- 6 Engage with relevant communities and groups to ensure their viewpoints, both positive and negative, are taken into account. This reduces risks, enables appropriate services, improves intervention quality and establishes accountability.
- 7 Establish anti-corruption and safeguarding policies and procedures, including a staff code of conduct. Ensure all staff are trained on the policies.

Key indicators

1. An appropriate complaints and feedback mechanism is available
2. Number of complaints recorded as a percentage of total respondents
3. Percentage of complaints addressed
4. Percentage of distribution events reporting safety and security incidents
5. Percentage of staff trained in anti-corruption and safeguarding policy and procedures

Guidance notes

- a. Identify and incorporate measures to mitigate vulnerabilities of affected communities, considering special needs and factors such as time/distance to distribution points; long waiting times under harsh climate conditions; lack of water; lack of sanitary facilities; heavy weights and large volumes (difficult to handle and transport); economic value of the distributed goods; potential threats in the surrounding area. Avoid the affected communities being targeted.
- b. Complaints/feedback mechanisms are a cornerstone in the collection of information critical to the distribution. Affected communities should be involved in the design of the feedback and complaints mechanisms and suggest the most appropriate and preferred format. Complaints mechanisms should be comprehensive but also have 'severity thresholds' (so complaints about open/ripped packaging will be separate from ones about sexual favours being requested, and so on). Senior management should ensure that all complaints are followed up.
- c. All staff and volunteers involved in the distribution should be aware of security risks, safeguarding policies, and risk reduction measures and how they relate to their specific role.
- d. Brief and debrief workers, volunteers, affected communities and contractors on key topics such as key humanitarian principles, safeguarding, corruption, protection, security. Ensure that all contractors engaged in the distribution understand humanitarian principles and your code of conduct and uphold them. Provide advanced capacity-building training to financial services providers and suppliers to avoid their failing to meet their contractual obligations.
- e. Avoid external actors taking advantage of crowd gatherings for other purposes such as political targeting, threats, disseminating political messages, advertising, driving affected communities far away from where they live, forcing identification out of them for other purposes, promoting bad habits.

- f. Engagement with local groups is fundamental to building an effective response programme and to understanding safety concerns that affected communities may have. Good community engagement (ensuring a gender balance during discussions) reduces risks, enables appropriate services, improves intervention quality and establishes accountability.
- g. When using vouchers, decide on the type; whether they are retained after delivery; the material from which they are made (plastics, paper); the risks and controls that must be taken in their production; assurances, and so on. Tickets or vouchers should be numbered to prevent copying.
- h. To protect communities and other stakeholders, ensure any data collected is a) only the minimum necessary data to establish identity and confirm eligibility; b) stored and transmitted securely; and c) anonymised wherever possible.

Distribution standard 4.6:

The distribution is organised and carried out in such a way to minimise environmental impact.

Key actions

- 1 Assess past interventions in terms of environmental impact to evaluate potential future consequences, and use lessons learnt to minimise impact, where possible.
- 2 Incorporate environmental considerations into the distribution design and planning, including reverse logistics where the community does not have the resources to deal with the waste in an environmentally friendly way.
- 3 Define environmental impact indicators to track the environmental performance of your distribution activities. Establish how this monitoring will be done and what resources you can allocate.
- 4 Assess contractor contributions to the total environmental impact. Whenever possible, encourage and support contractors to minimise their environmental impact, such as by optimising packaging or using more environmentally friendly materials.
- 5 Make sure you comply with local and national environmental regulations, particularly any related to waste management.

Key indicators

1. An updated environmental impact review for the distribution is available
2. Percentage of waste on the site that is reused, repurposed or recycled
3. Percentage of distribution sites that are restored to similar or better environmental conditions than before use
4. Percentage of energy, paper, and other utilities/resources consumption that is reduced during subsequent distribution rounds

Guidance notes

- a. Whenever possible and feasible, being environmentally aware leads to actual savings over the life cycle of an intervention and can create opportunities to raise awareness of the value and importance of recycling.
- b. To evaluate performance, consider monitoring three main areas: Social (direct impact on affected communities), Economic (financial costs) and Environmental (use and impact on natural resources). You may measure elements such as wastage, kilometres driven, water, electricity or fuel consumed (whether per person assisted or per kit/item distributed) per budget/spend.
- c. When designing the distribution, minimise polluting factors such as:
 - kilometres driven and fuel consumed while keeping a sensible distribution plan;
 - wastage in packaging and other distribution materials not destined for final targeted population consumption (fences, banners, notes, visibility materials and so on). Whenever possible, the packaging should itself be a distributed item (for example, pot, blanket, plastic sheeting);
 - the use of pollutants. If absolutely necessary, then ensure proper disposal. Pay special attention to medical and other hazardous waste (for example, chlorine). Follow WHO waste management guidelines for medical waste.
- d. Whenever possible, set up a waste collection system, separating items into recyclables, general waste, and waste which can be composted. Consider waste from items such as water bottles and food that might be created by people queuing.
- e. Integrate post-distribution cleaning/rehabilitation activities that leave the distribution sites in similar or better conditions than before.
- f. When choosing items to be distributed or to be used during a distribution, consider their environmental impact across all of their total life cycle (lifespan, number of uses, manufacturing carbon footprint, wastage and destruction costs).
- g. Evaluate the sustainability of the use of local resources versus national or imported resources.

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- h. Consider what other agencies are doing in the area and the potential advantages of consolidating efforts to benefit from economies of scale and pooling of services both in terms of economic efficiency and of reducing carbon footprint.
 - i. Ensure proper loading of vehicles – overloading damages the trucks and the road infrastructure. This leads to possible environmental impacts (excessive fuel and tyre consumption, damage to tarmac, etc).

Asset Management

5. Asset Management

Asset management in humanitarian aid refers to the combination of practices to control, reconcile and manage physical assets, which are essential to the provision of assistance. The aim should be to ensure the required level of service in the most cost-effective manner. This embraces the management of the whole life cycle of assets from acquisition, operation, maintenance and repair to replacement and decommissioning or disposal.

The scale-up of cash and voucher assistance (CVA), and particularly the increase in the use of electronic systems for registration and assistance (provided as digital cash and vouchers), potentially increases the type and quantity of physical assets (such as smartphones and tablets) to be managed. If systems need internet connectivity and cannot work offline, additional telecommunications equipment might be required.

This chapter covers asset management standards for:

1. management;
2. selection;
3. performance;
4. compliance;
5. environmental impact.

Those involved in logistics should ensure that they are accountable to both donors and affected communities, and should be able to demonstrate that resources have been used wisely, efficiently and to good effect. Assets used in a humanitarian response should be managed in a way that helps to strengthen local capacities and minimise any potential negative effects on users, the community and the environment. See Core Humanitarian Standard (CHS), particularly Commitments 3 and 9.

Glossary:

- **Asset:** physical item of equipment that meets organisational thresholds in terms of purchase value and expected lifespan. Organisations may have additional requirements for formally defining an asset
- **Asset category:** group of asset types with similar attributes. 'Asset lifespan' is the targeted period of time in which an asset can provide satisfactory performance, if properly operated and maintained
- **Asset condition assessment:** process of continuous or periodic inspection, evaluation, measurement and interpretation of data to indicate the condition of a specific asset and to determine its performance and whether there is a need for any preventive or remedial action, and to estimate residual lifespan

- **Asset disposal plan:** plan that documents the timing of, and the costs associated with, the disposal of assets. It typically forms part of an ‘asset management plan’
- **Asset identification label:** adhesive tag affixed to an asset; the tag generally includes a unique number or code, allowing the correct identification of each asset and easy location on the ‘asset register’
- **Asset life cycle:** term encompassing all the different phases of physical asset management during asset lifespan, from acquisition to disposal
- **Asset management:** combination of managerial and financial practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner
- **Asset management plan (AMP):** plan developed for the management of one or more asset categories with a view to operating, maintaining and renewing assets
- **Asset management system (AMS):** combination of policies, procedures and resources used by organisations to set internal standards for physical, financial and strategic management of assets. An AMS generally defines clear roles and responsibilities and establishes standard operating procedures and reporting practices within the area of asset management
- **Asset register:** physical and/or digital database containing asset-related information. The register generally includes a list of assets with information used to physically locate and identify them. It is also used for reporting purposes.
- **Total cost of ownership:** combination of all costs incurred during the life cycle of an asset, from acquisition to disposal

Asset management standard 5.1:

An asset management system is in place appropriate to the scope and purpose of the organisation or intervention.

Key actions

- 1 Ensure an asset management policy and procedures are in place for the organisation.
- 2 Determine a financial threshold to recognise and record an ‘asset’, ensuring alignment with organisational and/or donor requirements.
- 3 Plan for the disposal or transfer of assets, particularly for when an intervention is due to close.

- 4 Maintain an asset register that contains the most up-to-date and complete information. Ensure that new assets received are added to the register.
- 5 Each asset should have attached to it an asset identification label with a unique identification code. This can be used as the main way to identify it in the asset register.

Key indicators

1. A clear set of procedures and definitions for asset management is available
2. An asset register exists that contains key data such as model and serial numbers, which are essential for traceability and theft prevention
3. Percentage of asset types that have a recognised lifespan
4. Percentage of assets that have been allocated without an asset identification label and unique code

Guidance notes

- a. Adopt a proportional approach to the level of tracking required for different types of assets, focusing on their value, critical impact on operations, and any other relevant distinguishing criteria: you may create internal subcategories (for example, fixed/non-fixed assets) that require different levels of tracking and reporting to ensure more control is allocated to the most critical subcategories.
- b. Organisations should establish levels of accountability and guidelines on the usage or operation of the asset.
- c. To increase accountability and simplify monitoring, it is preferable to assign an asset to a single user where possible and appropriate. Ensure that there is a record of responsibility for each asset (for example, the name of the person to whom a particular laptop is assigned).
- d. As a minimum, an asset register should contain information on the following: asset model, unique identifier assigned to each asset, owner or custodian, serial number (if appropriate), purchase value, purchase date, origin of funds used for purchasing asset, location and last inspection date.
- e. Digital asset tracking systems can increase the quality of tracking by allowing more visibility and control through reliable data collection. Usage of such a system reduces the workload on asset tracking once the system is up and running. Adoption of such a system is nevertheless a complex process, and it is economically viable only for a significant volume of assets to be tracked.
- f. Asset categories are internally defined by organisations; frequently used categories include, for example, information and communication technologies (ICT), water and sanitation, vehicles, accommodation, office equipment, power generation, etc.

- g. A group of equipment components could be considered as a single asset, where appropriate, to simplify tracking. For example, a desktop could be grouped together to include a central processing unit (CPU), monitor, and keyboard.
- h. Assets can be depreciated within financial accounts. In some cases, donors permit this practice and will recognise certain costs.
- i. Product manufacturer user and maintenance manuals should be easily available to staff for reference, and training should also be provided if required.
- j. Inventories and physical reviews of asset condition and location should be completed regularly: once a year at the very least for the entire asset register. However, the frequency of asset monitoring activities should be proportional to the asset value and/or its level of importance.

Asset management standard 5.2:

Assets are selected based on suitability for the local context and intervention need.

Key actions

- 1 Assess the category or type of asset(s) needed to best achieve planned activities, taking into consideration the operational environment.
- 2 Establish a set of criteria and requirements to guide asset selection (aligned with donor regulations) and mitigate risks related to acquiring, operating or disposing of assets.
- 3 Determine (during intervention design and planning) budget requirements to manage assets throughout their life cycle, including not only purchasing cost but also costs to operate, maintain and dispose of them.
- 4 For short-term interventions, and based on operational needs, assess whether renting or sharing an asset is more cost-effective and sustainable than full ownership.

Key indicators

1. Criteria for asset selection are developed and appropriate to the utilisation context
2. Intervention budget contains all costs related to acquiring, operating, maintaining and disposing of the relevant assets
3. The total cost of ownership of an asset or assets is in line with budgeted figures (also applicable to standard 5.3)

Guidance notes

- a. Ensure asset needs are identified at the earliest time and included in project proposals and procurement plans, ensuring that only assets that are most suited to the intervention are selected.
- b. Asset selection is an ongoing process that should be continuously monitored and assessed to ensure appropriateness. Consider user capacity, ensuring that the type of assets used by the organisation does not generate discrimination among staff. Focus on health, safety, security and environmental impact linked to acquisition, usage and disposal of assets. Mitigate risk as much as possible when selecting assets. Basic criteria to select the most suitable assets could include:
 - purchase cost and/or total cost of ownership;
 - usage (intensive or occasional);
 - market availability (not only of the asset but of consumables: spare parts, quality of repair services, etc);
 - technical requirements;
 - regulatory framework and other administrative constraints;
 - the economic and environmental impact of asset acquisition, usage and disposal throughout the projected lifespan;
 - any safety, health or security risk that a specific asset may bring for the users or the organisation.
- c. Consider whether asset standardisation is appropriate as this will improve management efficiency and procurement may be cheaper. For example, ensuring all computers have the same specifications simplifies their maintenance. Operating the same vehicle model simplifies spare parts acquisition and inventory management, reducing costs.
- d. Procure assets in compliance with the ULS procurement standards.
- e. Note that if an asset is purchased with donor funds, the donor will usually maintain ownership of the asset throughout the project cycle.
- f. Asset usage (such as of a vehicle) can put staff in a position of power compared to the local population. This issue should be monitored to mitigate any potential abuse. Having a complaints mechanism in place is recommended.

Asset management standard 5.3:

Good asset performance is achieved by optimising operation and maintenance throughout its life cycle.

Key actions

- 1 Budget adequately for purchase, transport, installation, running and disposal costs throughout the expected lifespan of each asset.
- 2 Train users on how to safely operate the assets allocated to them, and brief them on how assets should be maintained or repaired.
- 3 Factor in maintenance time and costs when planning for asset availability. Consider alternatives for the time that the asset will be out of service or unavailable.
- 4 Ensure that assets are properly secured at all times, as is feasible given the operating context.
- 5 Monitor running costs to identify when an asset becomes uneconomical to use or repair.

Key indicators

1. Organisation has defined threshold levels for lost, stolen or broken assets, which are regularly monitored
2. Percentage of staff that has been trained compared with total staff using or managing assets
3. Percentage of assets that reach their lifespan target in useful condition
4. Percentage of time that an asset is available for use, as opposed to time when it is unavailable because it is being maintained or repaired
5. Percentage deviation from scheduled maintenance plan and estimated repair budget

Guidance notes

- a. Monitor regularly whether assets are being used as planned, and arrange any corrective initiative that may be required. For example, assets that are overused would most probably not meet the targeted lifespan or would incur higher running costs.
- b. When acquiring an asset, clarify users' requirements and locations as well as the asset's estimated operating lifespan and its maintenance and replacement needs. Assess suitable options for maintaining or repairing assets, and when this task is outsourced, ensure that quality standards and manufacturer guidelines are respected by the service provider.
- c. Preventive maintenance is essential to ensure good equipment performance, reduce unexpected downtime and minimise repair costs. Maintenance is

- usually set based on usage parameters (mileage, operating hours, age, etc) according to manufacturer specifications. Take into consideration the environment: dust, humidity, extreme temperatures, etc.
- d. Depending on the type of asset, specific tracking standards can be applied in order to monitor usage, consumption and performance. For example, a logbook-based tracking system.
 - e. Users should adhere to handover procedures and checklists when transferring an asset from one to another.
 - f. An asset is considered as damaged beyond economic repair when it cannot be repaired or the cost of this would exceed the residual value of the asset.
 - g. Document the method for safely and effectively disposing of an asset. Donors owning the asset should be notified as per specific donor regulations. Note that accumulating unusable assets poses risks and increases the burden of asset management.
 - h. There are different ways of transferring ownership of an asset. Most common are:
 - selling;
 - donating;
 - destruction/disposal.

Asset transfer procedures should clarify and document the approval process to be followed. This should consider the potential ownership by a third party (donor). A loan is not considered a transfer of ownership but must also be documented for accountability and traceability purposes.

- i. Assets must be disposed of responsibly and in a controlled way, and the document trail included in the asset archive.
- j. When transferring an asset to a partner, ensure that the recipient has the capacity and incentives to properly use, manage, maintain and finally dispose of the asset.

Asset management standard 5.4:

Assets are managed in accordance with legal and regulatory requirements, and asset management adheres to the organisation's and stakeholders' policies and procedures.

Key actions

- 1 Understand and monitor local legal and regulatory requirements that apply to assets that your organisation will manage.
- 2 Make sure that all assets comply with any technical specifications that are approved for use in the country of operation.

- 3 Register and maintain licences and insurance for all relevant assets (vehicles and equipment, etc) in accordance with the applicable national/international standards.
- 4 Keep records of adherence to other stakeholders' (donor and partner) policies and procedures throughout the lifespan of the asset. Comply with any technical specifications or standards that are stipulated (as a minimum).
- 5 Establish internal control mechanisms within the organisation to ensure that asset policies and procedures are adopted and adhered to.

Key indicators

1. Asset management policy is established according to national and international finance standards and sector best practice
2. Percentage of assets having a complete file that includes the full asset history from acquisition to disposal (as applicable)
3. Percentage of assets that have licences and registration documents that are up to date and securely filed

Guidance notes

- a. Regulatory requirements apply particularly to those assets that can cause harm to people or the environment (for example, vehicles need to comply with safety and environmental requirements).
- b. Sensitive items such as telecommunications equipment (satellite phones, radio transceivers or antennas) should also be managed in close compliance with local regulations.
- c. Management should run spot checks on the asset register to assess tracking quality, and it should perform regular reviews of adherence to asset management procedures.
- d. Donors often require evidence that an asset has been used for the intended intervention, including detailed history of running, maintenance and repair costs.
- e. If an asset is transferred to a different country, export regulations must be followed. This often affects communications and IT equipment. In some instances, the asset transfer will require an export or re-export licence.
- f. When disposing of assets - subject to regulations, licences and registration - ensure that transfers of ownership comply with legal, regulatory or tax liability. For example, if donating a vehicle, make sure that a transfer of ownership is legally recognised before physical handover.
- g. Transfer of ownership, both when donating an asset and when accepting a donation, must be managed transparently and duly documented.

- h. Asset disposal processes may involve a significant risk of bad practice. It is important that managerial oversight targets the most high-risk, high-volume and high-value asset disposal processes.

Asset management standard 5.5:

Asset management limits any potential adverse impact on the environment, the asset users and the communities served.

Key actions

- 1 Consider environmental criteria, such as sustainability, when selecting an asset. Look for alternatives that use sustainable materials, less packaging, less transportation, require fewer consumables, are more energy-efficient (for example, solar panels versus a generator) and can be safely disposed of locally.
- 2 Respect local environmental standards and legislation. If these are unavailable or unclear, use assets according to the most relevant internationally accepted standards.
- 3 Provide adequate training to staff on environmental impact and hazards related to asset utilisation and disposal.
- 4 Ensure that the choice of a particular type of asset is not generating or reinforcing any discrimination among staff or towards communities.

Key indicators

1. Percentage of assets disposed of that meet organisational safety and environmental standards
2. Percentage of assets that can be locally maintained, repaired and safely disposed of
3. Number of environmental best practice briefing sessions, sensitisation events, and trainings provided to staff involved in asset management

Guidance notes

- a. Assess the type of waste that assets are likely to produce during operation (for example, chemical or gas emissions) and plan for disposal of such waste responsibly. Assess local capacity to safely process hazardous materials, and avoid assets that cannot safely be processed via local waste management. If it is critical to use an asset whose components cannot be safely reprocessed

- locally, consider reverse logistics options to safeguard the local environment, re-exporting to places where safe processing is available.
- b. Where practical and feasible, define impact indicators to track the environmental performance of assets. Establish how monitoring will take place and what resources will be available for it.
 - c. Track usage and monitor the power consumption of all relevant assets in order to identify and correct any environmentally damaging practices (for example, air conditioners that are running although nobody is using the room, idling vehicles etc).
 - d. Ensure that internal and subcontracted maintenance and repair activities control hazardous material and waste properly (to a high standard) to avoid contamination of the environment or danger and health risks to people carrying out the work (for example, when disposing of waste engine oil).
 - e. When selecting assets, minimise the environmental impact of packaging and transport as far as possible in operational contexts. In some circumstances, reconditioned items might represent a greener choice than acquiring new products; however, there are also risks associated with this, and organisations should make informed decisions.
 - f. When donating an asset to a partner organisation, conduct briefings on using it in an environmentally efficient and responsible way, with a special focus on its disposal.
 - g. If local environmental standards do not exist or are deemed inadequate for avoiding social or environmental damage, adopt the highest possible standards to ensure that the 'do no harm' principle is the main decision-making factor concerning asset operation and disposal methods. This is particularly critical for all assets containing electronic or chemical components.
 - h. Assess risks linked with asset usage to the health, safety and security of staff and communities, and identify mitigation measures to reduce the impact and likelihood of issues.
For example, vehicles with bull bars are much more dangerous to pedestrians in case of collision; removing the bull bars would significantly reduce the detrimental impact in case of road accidents in urban environments.

Fleet Management

6. Fleet Management

This chapter addresses fleet management as a core activity supporting the essential movement of personnel and authorised passengers as part of an organisation's activities. Fleet management allows an organisation that relies on vehicles for the delivery of its interventions to manage the risks associated with vehicle investment, improve efficiency and effectiveness, reduce overall transport and personnel costs, comply with relevant legislation, and assure its duty of care.

Fleet management aims to:

- optimise fleet-related costs;
- increase safety and security of passengers, pedestrians and other road users;
- enable activities that depend on the transport of personnel (field visits, for example);
- reduce environmental impact.

Fleet management covers:

- fleet planning and vehicle or transport service selection;
- vehicle management (including maintenance; fuel management; insurance; and fleet performance monitoring);
- driver management;
- safety and security management relating to staff movements and fleet (including accident management and incident reporting);
- compliance and regulations;
- environmental impact.

Among the Commitments of the Core Humanitarian Standard (CHS), actors involved in managing vehicle fleets should particularly ensure that all staff are supported to do their job effectively, and that they are treated fairly and equitably. They must also limit the risks that fleet operations pose to staff, communities and the environment. See Core Humanitarian Standard, particularly Commitments 3, 8 and 9.

(Due to the complexity of these areas, air, sea and river transport is not covered in this chapter).

Glossary

- **CO₂ emissions:** carbon dioxide released in the exhaust gases of vehicles. It is measured in g/km

- **Disposal policy:** an organisational document which sets out how an organisation can dispose of vehicles it no longer requires⁶
- **Driver handbook:** a handbook containing all the information needed by drivers to operate vehicles safely and efficiently
- **Driver records:** physical or digital records with administrative and performance information about current and former drivers of the organisation. These records include driving licence details, training undertaken, accident history, entitlement to drive specific vehicle types, last checks and checks due, etc
- **Fit for purpose:** (of a vehicle) designed specifically for the role in which it is to be used
- **Fleet asset register:** physical or digital records with details of all vehicles in the fleet; these include type of vehicle, registration number, date of entry to the fleet and planned replacement date
- **Fleet maintenance records:** physical or digital records with details of safety inspections, routine maintenance, vehicle defect reports and repairs to vehicles
- **Fleet manager:** the person responsible for the full fleet management life cycle described in this guide. If there is no fleet manager, responsibilities for the fleet are allocated to others within the organisation
- **Fuel consumption:** measurement of the fuel consumed over a given distance. To calculate this, divide the kilometres travelled by the amount of fuel used
- **In-house maintenance facilities:** workshop facilities owned and operated by an organisation. Advantages of having these include improved flexibility and availability of expertise on specific types of vehicles. Disadvantages include equipment and staff overheads and a requirement to update skills to keep up with technological advances
- **Insurance policy:** a contract between a party at risk and an insurer. The insurer agrees to bear all or part of the specified risks in exchange for a payment known as an insurance 'premium'. Some organisations may choose to 'self-insure' by setting aside funds which will be used in the event of an accident
- **Personal use:** usage of a vehicle for a purpose that is not business-related. The rules on private use should be included in the driver handbook. In contrast, 'business use' means use of the vehicle to perform some aspect of a job required by an employer
- **Replacement policy:** an organisational document which sets out when and how an organisation can replace any of its vehicles that are reaching the end of their lifespan. Can be related to time and/or mileage
- **Residual value:** predicted value of a vehicle when it reaches the end of its life

⁶ 'Sources' are typically producers, suppliers and shops, but could include stock that is already owned.

- **Road traffic crash**⁷: a collision or incident involving at least one road vehicle in motion, on a public road or a private road to which the public has right of access. The term covers collisions between road vehicles; between road vehicles and pedestrians; between road vehicles and animals or fixed obstacles; and involving just one road vehicle. It also covers collisions between road and rail vehicles. Multi-vehicle collisions are counted as only one road traffic crash provided that any successive collisions happen within a very short time period
- **Vehicle leasing**: long-term rental with certain obligations on the lessor to ensure that the vehicle is properly operated and kept in good condition. Before deciding to lease a vehicle, the 'whole-life cost' should be calculated and compared to other procurement options. If leasing is the cheapest option, whole-life costing can then be used to identify the optimum lease period and supplier
- **Vehicle tracker**: a device attached to a vehicle to allow the geographical position of the vehicle to be monitored using satellite technology. Systems allow a journey history to be recorded. Some systems include communications for security purposes
- **Vehicle utilisation**: measurement of the actual time the vehicle is in use as a proportion of the time the vehicle is available for use
- **Whole-life costings**: estimations of the complete cost of a product from procurement to disposal. When purchasing vehicles, organisations should consider the 'whole life cost' of procurement/tendering; lease cost or depreciation; maintenance; fuel/mileage; taxation; insurance; disposal value. Procurement decisions should also include non-financial factors such as the availability of support and other quality issues. Whole-life costing also helps to identify the optimum replacement time

Fleet management standard 6.1:

The management and selection of vehicles is planned and optimised to meet operational needs.

Key actions

- 1 In conjunction with all stakeholders, identify transport needs and continuously monitor these needs in order to optimise the use of fleet resources.
- 2 Assess the operating environment, taking into consideration road conditions, security, journey times, seasonal weather changes and hazards.

⁷ World report on road traffic injury prevention, WHO, 2004 (<https://www.who.int/publications/i/item/world-report-on-road-traffic-injury-prevention>)

- 3 Assess local transport options, taking into consideration the appropriate costs and relative risks for both people and goods.
- 4 Based on the duration of the operation and associated funding, determine the most appropriate vehicle acquisition method, which could be renting, leasing or purchasing.
- 5 Select vehicle type(s), giving consideration to both transport needs and the operational environment.

Key indicators

1. Clear specifications exist for any vehicles that are required
2. A fleet management plan is available
3. Vehicle acquisition procedures are in line with donor regulations and purchasing policy
4. Actual costs are in line with budget

Guidance notes

- a. To select the most appropriate **vehicle type**, consider the following:
 - For urban use and on good roads a saloon car, minibus or van can be used.
 - In most cases a two-wheel-drive vehicle will be suitable, but for very rough or off-road conditions a four-wheel drive vehicle (a pick-up or hard-top) may be necessary.⁸
 - The choice of engine type should depend on factors such as fuel availability (petrol, diesel or biofuel), fuel economy and environmental impact (combustion engine, hybrid or electric).
 - The type of vehicle chosen should also depend on the availability of spare parts and authorised repair services.
- b. Fleet needs should be developed alongside operational needs. When preparing a fleet plan, consider the number of journeys that need to be made each day, their frequency and duration, the number of passengers and the possibility of consolidating passenger transport. Consider both short-term and long-term needs.
- c. Budget for the insurance, maintenance, purchase or replacement of vehicles, and include details in funding proposals to donors. Be aware that inadequate maintenance or the use of old vehicles can result in higher operating costs.

⁸ Additional vehicle equipment and accessories could include SatNav, HF/VHF radio, GPS tracker (black box technology), recovery kit/winch, extra spare wheel, extra fuel tank and/or jerry cans to expand vehicle reach where fuel is not readily available.

- d. Donor regulations can restrict the type or origin of vehicles that they will fund.
- e. Some UN organisations may be willing to loan vehicles to an organisation for the duration of an award, or for an agreed period, to support operational requirements.
- f. Consider the potential use of taxis and private hire services. Keep track of the use of such services as they may be more efficient than renting vehicles. Keep records of past and present transport contracts and service providers.
- g. When renting vehicles, choose a company that has the capacity to deliver a reliable, trustworthy service; ask to see its safety and security policy, its current insurance policy and supporting references if possible. Consider the type and age of vehicles operated, the environmental policy, service guarantee, operational flexibility and price.
 - Verify that drivers of rented vehicles have the correct licences and training. Also check whether any support services are provided by a third party. Test any new drivers before including them in the team, and if taking them on, train them on organisational procedures, with an emphasis on road safety.
 - Determine what backup options are available if the service provider ceases operating or if the rental service provided is not acceptable.
 - Perform a thorough mechanical assessment of the vehicle(s) to be rented before entering into a contract.
- h. Regularly assess the quality and efficiency of internal and outsourced fleet services and the performance of drivers provided.

Fleet management standard 6.2:

All vehicles are managed cost-effectively.

Key actions

- 1 Establish procedures for effective vehicle and transport service management.
- 2 Plan vehicle usage on a daily, weekly and monthly basis to ensure the most efficient use.
- 3 Ensure there are daily vehicle checks. These should include checks of tyre pressures, oil/brake/clutch fluid levels, water and fuel levels, spare-wheel pressure, tools, first aid kit, tyre jack and other accessories, as applicable.
- 4 Schedule routine maintenance in line with manufacturer recommendations.
- 5 Record and regularly monitor fuel consumption and mileage for each vehicle.

- 6 Record vehicle trips in a logbook. Regularly cross-check logbook entries with original trip plans.
- 7 Record vehicle costs for fuel, tyres, maintenance, repair and miscellaneous expenses. Consider using an electronic vehicle management system if budget allows.
- 8 Ensure that subcontracted transport services are meeting the organisational standards for vehicles and drivers.
- 9 Review supplier performance (maintenance, fuel, rental vehicles) on a regular basis.

Key indicators

1. Fleet management procedures are available
2. Vehicle fuel consumption is in line with the average for the specific vehicle model
3. Total vehicle cost per kilometre is in line with the fleet average for each vehicle category
4. Percentage of time (per month) that a vehicle is available for use against a set target
5. Percentage of time (per month) that a vehicle is used
6. Budget is sufficient to operate and maintain vehicles

Guidance notes

- a. Clarify as a minimum the roles and responsibilities of managers, drivers and users concerning movement planning, requests and approvals. Consider rotating destinations and passengers between vehicles and drivers, avoiding the same vehicle and driver regularly following the same routine.
- b. Plan journey times and routes to optimise journeys, mileage and duration. Raise awareness about the need to reduce mileage and journey duration and the benefits of doing so. Consider whether the journey is required or if it can be shared with other team members.
- c. Keep a monthly record of the cost per kilometre of each vehicle. This is the total of all costs associated with each vehicle (excluding driver costs) divided by the number of kilometres travelled.
- d. Fuel usage can account for up to 30 per cent of fleet operating costs so controlling fuel use is vital. Fuel efficiency should be a major factor in vehicle selection and management. Organisations can reduce fuel usage by improving journey planning, modifying driver behaviour through training, and introducing fuel management systems to monitor the use of fuel.

- e. The timely replacement of a vehicle is a process that requires the ability to predict vehicle life cycles based on costs, utilisation, safety and asset age. It is preferable to sell and replace vehicles before they become expensive to maintain and when their maximum resale value can be achieved.
- f. By managing the entire vehicle lifecycle, an organisation can reduce the total cost of ownership (TCO) of vehicles. The total cost of ownership can be expressed as capital cost + operating costs – disposal revenue. For more information, see Fleet Forum’s Knowledge Platform.

Fleet management standard 6.3:

Drivers are managed to ensure the correct, safe operation of vehicles.

Key actions

- 1 Ensure that all drivers have appropriate experience and valid driving licences for any vehicle(s) they operate.
- 2 Train all drivers on road safety and fuel-efficient vehicle operation such as eco-driving.
- 3 Consider annual medical checks for all drivers, which will include hearing and eyesight tests.
- 4 Ensure that all drivers have the necessary training to carry out preventative maintenance checks.
- 5 Ensure that all drivers receive training on workplace safeguarding policies, including code of conduct provisions (as applicable). Since the organisation’s vehicles go everywhere, consider attaching simple safeguarding reporting and messaging/contact details on the inside or outside of vehicles.
- 6 Actively encourage female drivers to apply for fleet and transport positions.
- 7 Ensure the organisation’s driver standards are maintained when using drivers from rental companies.
- 8 Ensure that all drivers and vehicle users have all the information they need to operate vehicles safely and efficiently.

Key indicators

1. An annual training plan is in place

2. Percentage of drivers tested and trained annually against requirements
3. Percentage of female drivers recruited
4. Driver schedules are available
5. A complaints mechanism for both passengers and local communities is available

Guidance notes

- a. Brief drivers on security protocols and safeguarding requirements for the different situations they may face.
- b. Consider whether female applicants, who may not meet minimum experience requirements, can receive training. Additional training should also include security, communications and self-defence training.
- c. Brief drivers and transport providers on humanitarian principles, procedures and the code of conduct expected of them.
- d. Ensure that there is segregation of roles between the driver and the person assigned to fleet management.
- e. Ensure that drivers and passengers are familiar with the vehicle they are travelling in, the equipment used and the route and security protocols for that trip.
- f. Document driver performance, and provide clear performance objectives.
- g. Consider the generic requirement (given in all chapters making recommendations) for the implementation of a suitable complaints mechanism.

Fleet management standard 6.4:

Vehicles are operated safely and securely.

Key actions

- 1 Clearly define roles and responsibilities for the safety of vehicle users, drivers and outsourced personnel transport services.
- 2 Establish trip approval and security protocols, where appropriate.
- 3 Establish incident and crash reporting procedures.
- 4 Empower staff to refuse to travel in unsafe vehicles or with drivers who exhibit poor driving or otherwise behave unacceptably. There should be zero tolerance for harassment and sexual exploitation and abuse (HSEA).
- 5 Ensure that essential equipment is always available in each vehicle (for example, working seat belts, first aid kit, fire extinguisher, spare tyre with jack, basic tools, warning triangle).

- 6 Ensure that motorcycle riders have access to and use the correct protective clothing, helmet, gloves and appropriate footwear.

Key indicators

1. There are records of training and briefing sessions
2. Incident reports (including any protection or safeguarding issues) and crash reports are available
3. Number of incidents of all kinds and crashes, whether at fault or not at fault
4. If available, number of speed-related events from vehicle tracking system
5. A complaints mechanism is available for both passengers and local communities

Guidance notes

- a. Ensure that drivers and vehicle users are aware of, and comply with, approved safety and security procedures. Make them aware that there will be no tolerance of harassment and sexual exploitation (HSEA) by anyone in the vehicle, and that reporting protocols will be followed.
- b. Keep records of 'informed consent' by drivers and users.
- c. In addition to including a first aid kit in each vehicle, make post-exposure prophylaxis (PEP) kits available (in case of incidents of sexual and gender-based violence).
- d. Where feasible, vehicles can be tracked using the latest 'black-box' tracking technology to determine location and movement.
- e. Ensure driver rules and procedures cover the following as a minimum: speed limits (urban, rural, on highways), driving hour limits, the mandatory use of passenger safety equipment (seat belts, child car seats, disability equipment), correct securing of luggage. Prohibit the carrying of hazardous substances or equipment without permission.
- f. Keep records of training and briefing sessions.
- g. Consider the generic requirement (given in all chapters making recommendations) for the implementation of a suitable complaints mechanism.

Fleet management standard 6.5:

All vehicles are operated in compliance with host country regulations and stakeholder policies and procedures (donors and partners).

Key actions

- 1 Ensure all relevant personnel and drivers are aware of local vehicle laws and regulations.

- 2 Ensure that all vehicles are registered with the appropriate local authority and, where mandated by law, have records of annual safety and environmental impact inspections.
- 3 Ensure that all vehicles have (as a minimum) valid third-party liability insurance.
- 4 Ensure that all drivers have a valid driving licence.
- 5 Ensure that vehicles contain any required documentation, such as confirmation of registration and insurance. (Keep a copy of the original documents on file.)
- 6 Comply with any local authority speed limits and traffic laws.
- 7 Track due dates for registration and insurance renewals.

Key indicators

1. The required vehicle and driver documentation is available along with details of their respective renewal periods
2. Level of insurance coverage
3. Number of insurance claims per reporting period
4. Number of speed-related incidents from vehicle tracking systems (if available)

Guidance notes

- a. Be aware that some national driving licences may not be accepted in other countries.
- b. Third-party insurance coverage provides financial relief for victims of damage that the organisation may cause to others in an accident caused by its driver/vehicle. It does not provide full coverage to the vehicle owners themselves.
- c. In some countries local insurance may be insufficient to protect the organisation from liability. Purchase additional cover to supplement local third-party liability coverage as required.
- d. Include cover for driver and passengers in third-party liability insurance.

Fleet management standard 6.6:

The environmental impact of vehicle operations is minimised.

Key actions

- 1 Ensure that vehicle types used are appropriate for the trip and task requirements. For example, do not use a large truck when a smaller urban passenger vehicle, or even a motorcycle, may be more suitable.
- 2 Use newer, more fuel-efficient hybrid or electric vehicles if feasible.
- 3 Replace two-stroke engine motorbikes with four-stroke engine motorbikes if motorbikes are a fleet vehicle.
- 4 Maximise vehicle utilisation (but don't overload), and avoid unnecessary trips.
- 5 Organise briefing and training sessions with drivers to improve their understanding of how to improve their eco-driving skills.
- 6 Report fuel consumption data for each of the fleet vehicle classes (and even by driver if possible).
- 7 Environmental considerations should be a criterion when selecting the make-up of the fleet vehicle classes.

Key indicators

1. Fuel consumption per kilometre (see above)
2. Existence of policies that include environmental criteria for vehicle selection
3. Vehicle utilisation records are available
4. Records of driver training and briefing sessions; the number of people trained and briefed

Guidance notes

- a. Implement initiatives such as creating a waste management guidance manual for minimising environmental impact; it should include the safe disposal and recycling of used oil, car batteries, etc.
- b. Where possible, ensure that the fleet has one standard vehicle make and type. Vehicle standardisation is important as, in the long term, this will help to optimise operations, maintenance, and reduce waste (as well as costs).
- c. Consider using environmental indicators as a factor in determining vehicle end of life.
- d. Refer to the Asset Management chapter for further guidance on whole of life management and disposal of assets.