

Workshop on humanitarian logistics

February 15, 2010

Summary

Background for the workshop

The Nordic countries are large donors and contributors in both disaster relief operations and continuous development support, with Denmark, Finland, Norway and Sweden amongst the top ten humanitarian donors within the OECD/DAC countries¹. In recent years increasing attention has been given to humanitarian logistics, both immediate disaster relief and continuous support for developing regions. Studies show that up to 95% of resources and time is lost waiting for goods to arrive at their destination at warehouses, customs, etc.² and the potential for improvement is therefore immense and can, in contrast to business driven logistics, be measured in saved lives.

The Capital city of Denmark is the sixth largest UN community in the world and houses offices for several UN divisions: UNOPS, UNDP, WHO, UNICEF and WFP. Consequently a large amount of logistic services and relief supplies are procured in Denmark by the different organizations. UNICEF alone bought for 136 million US \$ in Denmark in 2008 (UNICEF's Supply Annual Report 2008). Plans are under way to consolidate these organizations in a new "UN city" in the harbor area "Marmormøllen" in Copenhagen. The UN city will have 30.000 meters of office space that will be ready for the first units to move in by 2012. The Danish Ministry of Foreign Affairs will rent the buildings from the Copenhagen City & Port Development (By & Havn) and make the offices space available free of charge for the UN.

Even though the hard infrastructure for a future UN City hence is covered by the Danish State, there is need for establishing a more "soft" infrastructure, which unite the main stakeholders within humanitarian logistics such as humanitarian organization, researchers, education institutions, authorities and businesses in order to gather and disseminate knowledge as well as promote innovation. There are a large number of major players in Copenhagen within humanitarian, emergency and development logistics, including universities, humanitarian organizations (besides the UN organizations other organizations such as Danish Red Cross, DanChurchAid and Danish Refugee Council also operate from Copenhagen), logistics providers and suppliers of relief goods. However, the full potential for collaboration and synergy between these stakeholders is not fully met.

On February 15, 2010, a workshop was held by Øresund Logistics under the headline "humanitarian logistics". The purpose was to gather all the major stakeholders within humanitarian logistics in the Øresund region for a discussion on the needs and potential for establishment of a cooperation platform which gathers and shares knowledge and experiences within humanitarian logistics. The participants counted organizations, industry as well as knowledge institutions, and the following thematic areas were identified and discussed at the workshop as interesting or necessary areas for future cooperation:

¹ Humanitarian Response Index 2008.

² R.Tomasini and L. Van Wassenhove: Humanitarian Logistics, 2009

The following topics were discussed at the workshop:

Network for innovation and knowledge sharing

There was a general consensus among the participants in the workshop on the great potential in establishing cooperation networks between universities, companies and organizations in order to increase knowledge sharing and to boost innovation. A common knowledge sharing platform where exchange of experiences and working methods is possible is very much wanted. It was suggested to make this an “open innovation” forum where the partners meet and work together on different issues. The platform could also host network activities such as seminars and courses with guest lecturers from the different partners or from the international humanitarian community. Finally it was underlined that the knowledge sharing platform or innovation forum must be neutral in order for the different partners to meet and engage freely in the discussions and in the development of cross-disciplinary solutions and methods within humanitarian logistics.

Humanitarian logistics management

A lot of knowledge on integration of information and visibility into supply chains, sustainable supply chains, sourcing and outsourcing, risk assessment and handling, resource planning and flexibility management already exist in knowledge institutions and companies in the Øresund region. There could be great benefits for the humanitarian organizations to draw on the knowledge from businesses and knowledge institutions to optimize the logistics operations. For instance it was mentioned at the workshop, that the private sector is much better at outsourcing than the organizations are. There is therefore a great potential in an exchange of knowledge on logistics management in connection with the special circumstances of humanitarian logistics and for providing interaction between researchers, humanitarian organizations and industry.

There is, furthermore, a great need for establishing capacity within preparedness for disaster operations – especially emergency logistics. This includes analyzing and assessing the operations, planning and carrying them out, as well as evaluating and learning from experiences. It is important to develop better management tools as well as to ensure training of the involved staff. It is also important to incorporate end-user requirements into operations and to consider the challenges of “the last mile” in the supply chain. Getting the goods out to the end-user is an important problem to solve. The in-country part of the operation is often the weakest link. In this context it is important to understand the differences between the various organizations. For instance while UNICEF handles the goods to the local authorities, Red Cross handles it to the National Red Cross organization. By sharing experiences between organizations and companies the challenges on the in-country part could be addressed explicitly.

Also better training was asked for at the workshop, so that the dispatched people are better prepared and qualified to handle the tasks in emergency/disaster situation.

Logistic hub

The benefits from consolidating goods were discussed by the participants at the workshop. Joint procurement and joint storage on location could enable a faster response from the agencies. It was suggested to further discuss the idea of consolidating cargo among the organizations to save money on freight.

Information system/"common language"

Access to information is an essential part of running efficient operations and addressing the needs of the final users. A need for better information sharing tools was expressed at the workshop. A tool like www.oneresponse.info that gathers and segments information was mentioned, but it was also noted that this particular website contains too much superfluous information to be really efficient. The different operators in humanitarian operations must find a "common language" or some common tools that everyone can use to share information and to ensure better coordination between the operators. A tool of this kind should have a function that allowed it to be continuously updated with the latest information gathered – for instance with maps of a disaster area that shows the location of temporary refugee camps, areas where further excavation is needed etc.

Innovative packaging and ICT:

Deliveries of goods for humanitarian use have a much more demanding supply chain than regular deliveries. Smart packages with IT applications together with innovative materials and packaging designs can play a very important role for securing that the right goods are presented to the final destination in a proper way. New innovative solutions together with existing business cases will be important input to the process of developing new packages. There are good possibilities for establishing cooperation networks between universities, companies and organizations in order to boost innovation within packaging for humanitarian logistics.