



Evaluation of Humanitarian Logistics within EU Civil Protection and Humanitarian Action, 2013-2017

Final Report



**Final Report - Evaluation of Humanitarian Logistics within EU
Civil Protection and Humanitarian Action, 2013-2017**

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List of acronyms

ACAS	Airborne Collision Avoidance System
ACF	Action Against Hunger/Action Contre la Faim
AOC	Air Operators Certificate
ASF	Aviations Sans Frontières
CAA	Civil Aviation Authority
CADRI	Capacity for Disaster Reduction Initiative
CaLP	Cash Learning Partnership
CAR	Central African Republic
CBP	Cash Based Programming
CBT	Cash Based Transfer
CDD	Civil Defence Directorate
CDEMA	Caribbean Disaster Emergency Management Agency
CECIS	Common Emergency Communication and Information System
CEHA	Comprehensive Evaluation of EU Humanitarian Aid, 2012–2016
CHL	Certificate in Humanitarian Logistics
CHMP	Centrale Humanitaire Medico-Pharmaceutique
CHS	Core Humanitarian Standards
CP	Civil Protection
CRRF	Comprehensive Refugee Response Framework
CTP	Cash Transfer Programme
DAC	Development Assistance Committee
DEMA	Danish Emergency Management Agency
DEVCO	Development and Cooperation – Europe Aid
DFID	UK Department for International Development
DG	Directorate-General
DG ECHO	Directorate-General for European Civil Protection and Humanitarian Aid Operations
DO	Desk Officer
DP	Disaster Preparedness
DRC	Democratic Republic of Congo
DRC	Danish Refugee Council
DRR	Disaster Risk Reduction
EC	European Commission
EDF	European Development Fund
EF	ECHO Flight
EQ	Evaluation Question
ERC	Enhanced Response Capacity
ERCC	Emergency Response Coordination Centre

ESUPS	Emergency Supplies Prepositioning Strategies
EU	European Union
EUD	EU Delegation
EVA	ECHO Visual Analytics
FAFA	Financial and Administrative Framework Agreement
FAO	Food and Agriculture Organization
FFP	Food For Peace Programme (USAID)
FichOp	Fiche Opérationnelle (DG ECHO tool for aid projects follow-up)
FPA	Framework Partnership Agreement
GARD	Get Airports Ready for Disaster
GLC	Global Logistics Cluster
HA	Humanitarian Aid
HIP	DG ECHO Humanitarian Implementation Plan
HPC	Humanitarian Procurement Centre
HPPP	humanitarian private sector partnerships platform
HRD	Humanitarian Response Depot
HQ	Headquarters
IAF	Integrated Assessment Framework
IASC	Inter-Agency Standing Committee
ICRC	International Committee of the Red Cross
ICT	Information and Communications Technology
IDRL	International Disaster Response Law
IFRC / FICR	International Federation of the Red Cross and Red Crescent Societies
IHP	International Humanitarian Partnership
IMPACCT	Importation and Customs Clearance Together
INGO	International Non-Governmental Organisation
IOM	International Organization for Migration
IP	Implementing Partners
IRC	International Rescue Committee
ISG	Inter-service Steering Group
K&N	Kuehne and Nagel
KEMSA	Kenya Medical Supplies Agency
KII	Key Informant Interview
KPI	Key Performance Indicator
LAC	Latin America and the Caribbean
LC	Logistics Cluster
LET	Logistics Emergency Team
LOG	Logistics Operational Guide (Global Logistics Cluster)
LRT	Logistics Response Training

LWG	Logistics Working Group
MAF	Mission Aviation Fellowship
MAM	Moderate Acute Malnutrition
MICIC	Migration Intervention in Countries In Crisis
MS	Member States
MSB	Myndigheten För Samhällsskydd och Beredskap/Swedish Civil Contingencies Agency
MSF	Médecins sans Frontières
NEAR	Neighbourhood and Enlargement Region
NFI	Non-Food Items
NGO	Non-Governmental Organisation
NOHA	Network on Humanitarian Action
NRC	Norwegian Refugee Council
ODI	Overseas Development Institute
OECD DAC	Organisation for Economic Cooperation and Development, Development Assistance Committee
OFDA	(USAID) Office of Foreign Disaster Assistance
PA	Programme Assistant
PARCEL	Partners for Enhanced Response Capacity in Logistics
PRM	US State Department, Bureau of Population, Refugees and Migration
PS	Participating States
RCRC	Red Cross Red Crescent Movement
REDLAC	Risk Emergency Disaster Working Group for Latin America and the Caribbean
RO	Regional Office (DG ECHO)
SAG	Strategic Advisory Group (cluster)
SCI	Save the Children International
SF	Single Form (DG ECHO)
SIPRI	Stockholm International Peace Research Institute
STC	Save the Children
TA	Technical Assistant
THW	Germany Federal Agency for Technical Relief
ToR	Terms of Reference
UAE	United Arab Emirates
UCPM	Union Civil Protection Mechanism
UNDP	United Nations Development Programme
UNDSS	United Nations Department for Safety and Security
UNFPA	United Nations Population Fund
UNHAS	United Nations Humanitarian Air Service
UNHCR	United Nations High Commissioner for Refugees
UNHRD	UN Humanitarian Response Depot

UNICEF	United Nations Children's Fund
UNISDR	United Nations International Strategy for Disaster Reduction
UNJLC	United Nations Joint Logistics Centre
UNOCHA	United Nations Office for the Coordination of Humanitarian Affairs
UNOPS	United Nations Office for Project Services
USA	United States of America
USAID	United States Agency for International Development
VfM	Value for Money
WASH	Water, Sanitation and Hygiene
WCO	World Customs Organisation
WFP	World Food Programme
WHS	World Humanitarian Summit
WHO	World Health Organization

Abstract

This report presents the results of the *Evaluation of Humanitarian Logistics within EU Civil Protection and Humanitarian Action, 2013–17*. The scope of the evaluation covers DG ECHO investments in humanitarian air services, in initiatives to improve systems for humanitarian logistics, and funding to the logistics elements of DG ECHO projects. The evaluation took a broad definition of logistics, in line with the supply chain management approach increasingly adopted by humanitarian organisations.

The evaluation finds that DG ECHO investments in the period 2008–13 in logistics hubs, logistics training and support to the development of the Global Logistics Cluster all had lasting benefits, and that support to air services remains highly relevant. Given that a substantial proportion of DG ECHO funding is spent on humanitarian logistics, the evaluation recommends that DG ECHO develop a humanitarian logistics policy and that the organisation gives greater attention to logistics within partnership agreements, as well as in its crisis assessment and planning tools. The report documents the key challenges facing humanitarian logistics and proposes actions for DG ECHO's consideration of how the organisation can exercise further leadership in the realm of logistics, working collaboratively with other humanitarian actors to achieve efficiencies and improve results for beneficiaries of humanitarian action.

Executive summary

Introduction

The evaluation of *Humanitarian Logistics in the European Commission's Civil Protection and Humanitarian Aid Operations, 2013–17* was commissioned by DG ECHO (the client) and undertaken by an evaluation team from Landell Mills between March and October 2018, according to the Terms of Reference provided by DG ECHO. The evaluation was undertaken against the European Commission's standard evaluation criteria of Relevance, Coherence and Connectedness, Effectiveness, Efficiency and EU Added Value. The evaluation report was prepared to be strategic and forward looking.

Purpose

The purpose of the evaluation was to provide an external, independent, thematic evaluation of humanitarian logistics activities funded by DG ECHO during the period 2013–17. The objectives included raising awareness concerning humanitarian logistics with DG ECHO and its partners, identifying points for action, and supporting future management of activities in the area, in accordance with DG ECHO's mandate.

Scope

The evaluation covered the period from 2013–17 and reviewed DG ECHO's investments in humanitarian air services, its past investments in strengthening international systems for humanitarian logistics, and also its funding to logistics within its partner projects, which accounts for the bulk of its spending on logistics in the evaluation period.

Methodology

A considerable body of DG ECHO and other documentation was reviewed and more than 200 interviews were conducted, including over 50 ECHO staff at country, regional and headquarters (HQ) levels, and a range of other stakeholders. Four field visits were undertaken to Bangladesh, Kenya, Jordan, and Panama/Haiti, covering a variety of emergency contexts. Online surveys for DG ECHO staff and partners collected more than 130 and 420 responses, respectively. The results of a workshop at DG ECHO HQ to debate the draft findings and recommendations were used to inform the final evaluation report.

Definition

The following definition was adopted for humanitarian logistics for the evaluation: 'Humanitarian logistics refers to the processes and systems involved in mobilising people, resources, skills and knowledge to help vulnerable people affected by natural disasters and complex emergencies'. This is broader than the concept of 'transport and logistics' currently used by DG ECHO. Humanitarian logistics is taken here to cover procurement, transport, tracking and tracing, customs clearance, local transportation, warehousing and last mile delivery. The definition was chosen to reflect a general shift among humanitarian organisations towards an integrated paradigm of supply chain management.

Findings and conclusions

DG ECHO investments in humanitarian logistics

DG ECHO's earlier investments in the Humanitarian Response Depots, the International Federation of the Red Cross (IFRC) Regional Response Hubs, and in the development of the network of humanitarian procurement centres (HPCs) have all had lasting benefits. Demand for these services continues, and most partners assign a moderately high importance to them, although some partners choose not to use them. DG ECHO could usefully track the performance of these common services more systematically. DG ECHO's past investments in the Global Logistics Cluster helped to establish it as a key coordination mechanism for humanitarian logistics.

Funding to major partners

Over the evaluation period, the top five partners by total contract value accounted for 54% of all DG ECHO project funding (€4.7 of €8.7 billion) and it is likely that these five partners alone used at least €2 billion of their DG ECHO funding in support of their logistics operations. Given the scale of these investments, there is a strong case for DG ECHO increasing its oversight of these logistics components and engaging partners in review of their supply chain strategy, at least for the largest investments.

Logistics costs within DG ECHO project information systems

The costs of the logistics components of DG ECHO projects cannot be accurately assessed because DG ECHO's information systems do not allow logistics costs to be readily seen or aggregated across projects. The evaluation team's data analysis, interviews and survey results point to some 35% to 40% of project costs going into procuring, transporting, storing and delivering DG ECHO-funded humanitarian supplies. For some projects, these costs may reach 80% and for others they may be as low as 10%. Other third-party studies put the logistics percentages across the projects studied at over 60%.

Humanitarian air services

ECHO Flight is the only humanitarian operation directly implemented by DG ECHO. All other humanitarian air service operations are implemented through humanitarian partners (UN agencies, INGOs, Red Cross/Red Crescent family). Over the period 2013–17, ECHO Flight supported over 300 humanitarian projects in Africa. It remains an important tool in enabling humanitarian workers to reach inaccessible locations and for their prompt medical and security evacuation in time of need. It also provides DG ECHO with visibility. UN Humanitarian Air Services (UNHAS), funded by DG ECHO, are also clearly relevant in the majority of countries where they operate. In 2017, the proportion of UNHAS expenditure financed by DG ECHO ranged from 8% to 17% in those countries where donor funding was provided. Humanitarian air services, which normally operate in daylight hours only and with weather and other constraints, tend to have lower aircraft utilisation than commercial air services. They also generally operate to remote and often unsafe areas and, as such, command a risk premium. As a result, the cost of all humanitarian air services tends to be more expensive than those in the commercial sector.

Civil protection support to humanitarian response

During the period covered by the evaluation, there have been notable deployments of civil protection assets by Members States to provide transport in support of humanitarian response, in

particular in response to emergencies caused by Typhoon Haiyan, the West Africa Ebola virus outbreak, and recent hurricanes in the Caribbean. There have also been important limitations to the Union Civil Protection Mechanism's (UCPM) further engagement in humanitarian response beyond Europe, not least because the UCPM is first and foremost aimed at coordinated civil protection within Europe. UCPM deployments for humanitarian response are short-term, always at the discretion of the national authority and therefore not always predictable. Broadening the membership of the informal International Humanitarian Partnership may provide a route for increased Member State contributions to logistics in humanitarian response outside Europe.

Benefits from increased attention to humanitarian logistics

While DG ECHO is seen by partners as a highly engaged and constructive partner, staff and partners agree that DG ECHO attention to logistics within projects is ad hoc. By mapping out logistics challenges in its crisis-specific Integrated Assessment Framework (IAF) and inviting proposals within the Humanitarian Implementation Plan (HIP), DG ECHO could provide partners with greater incentives to bring forward proposals to overcome logistics challenges. Significant benefits for beneficiaries could accrue from such efforts. Given that funding shortages are likely to persist in humanitarian response, achieving efficiencies in logistics is vital. Informants to the evaluation consider that there is significant scope for cost savings in logistics.

DG ECHO logistics policy

A DG ECHO policy statement that provides clarity on its approach to logistics, its level of ambition for its engagement in humanitarian logistics, what it requires of partners, and how it intends to contribute to the strengthening of logistics systems across the humanitarian sector, would benefit both staff and partners. The development and implementation of a policy for logistics will require additional logistics expertise and capacity in the organisation. Among other elements, the policy would expect partners to work together on joint logistics efforts.

Cash based programming

DG ECHO is one of the leading advocates of multi-purpose cash transfers in humanitarian programmes, the use of which has grown significantly in the past five years. All stakeholders agree that cash transfers are not a panacea for all emergency contexts. They also recognise the need to understand the supply chains and logistics that underpin local market performance, thus enabling effective cash transfers. Emergency response needs to be able to shift between the different modalities – in-kind to cash and cash to in-kind, or a combination of the two – as emergency peaks come and go. As part of Disaster Risk Reduction (DRR), reducing vulnerability requires a joined-up approach to cash-based social protection, on the one hand, and rapid response mechanisms and prepositioning of emergency stocks on the other.

Logistics skills and standards

There are opportunities for DG ECHO to support the professionalisation of humanitarian logistics through ongoing training and professional certification initiatives, ideally in coordination with other donors. There is no agreed set of standards for the management of humanitarian logistics so far but the development of a set of standards for logistics, with accompanying performance indicators, would be achievable with relatively modest donor support.

DG ECHO partner framework agreements

DG ECHO has agreed 4-year partnerships with more than 200 UN, Red Cross Red Crescent and non-governmental organisation (NGO) partners. The Framework Partnership Agreement with

NGOs has recently been reviewed and a new format will be introduced in 2020. This provides an opportunity for increasing the oversight of partner logistics by requiring partners to specify their logistics strategy and demonstrate capability and improvement plans for the period of the partnership, with an initial focus on the top ten partners by value that account for roughly 70% of DG ECHO spending.

Joint efforts to address logistics challenges

The evaluation found a high level of agreement between DG ECHO partners and staff concerning the main challenges facing humanitarian logistics that are degrading the humanitarian assistance beneficiaries receive. DG ECHO has a shared responsibility with other members of the humanitarian community to make sure the effect of such challenges is minimised. Currently there is a gap in the international humanitarian system, in that there is no collective effort that consistently addresses the negative impacts of, for example, customs delays, restricted access, and poor-quality supplies on humanitarian outcomes. Partners would like DG ECHO to exert influence with governments to address obstacles to humanitarian logistics that are outside the partners' control, especially related to compliance with international standards on the importation of humanitarian goods, building on existing international efforts. This would require DG ECHO to work closely with EU Delegations, whose role it is to represent the EU to governments.

Strategic coordination of humanitarian logistics

Currently, no humanitarian organisation has the mandate for the strategic coordination of logistics, meaning supporting governments and humanitarian actors to map and solve logistics problems together. This is outside the mandate of the Logistics Cluster, although the cluster does provide valuable capacity assessments that would support the functioning of an independent strategic logistics coordination. The Grand Bargain commitment to efficiency and 'collective outcomes' cannot be met without such a function.

Humanitarian logistics in emergency preparedness

Rapid and effective humanitarian response is critically dependent on logistics capacity being in place before emergencies happen. Even the best-developed national emergency management systems can be overwhelmed by a major natural disaster or mass population movement, so standby humanitarian logistics capacity of international partners is needed wherever there is a risk of major emergencies. Emergency preparedness is proven to generate a positive return on investment, much of which comes from building logistics capacity in advance. ECHO could usefully factor logistics capacity development into its support to disaster preparedness more consistently, including within the Integrated Assessment Framework and the Humanitarian Implementation Plan.

DG ECHO-DEVCO cooperation on humanitarian logistics

The evaluation found examples of cooperation between DG ECHO and DG DEVCO on logistics aspects, both within and outside the Joint Humanitarian Development Framework. Several of the agencies interviewed noted the need for greater synergy between DG DEVCO and DG ECHO, including the need for them to work together deliberately to combine short- and long-term programmes that, when combined, can build national response capacity.

Donor coordination in support of humanitarian logistics

It is still rare for donors to agree a strategic approach to humanitarian logistics that requires collective action by partners on logistics. Working together, donors could lead the development of

a strategic coordination function at both global and crisis levels. There may be technical and political challenges to agreeing joint logistics approaches and there may be resistance to change from humanitarian agencies. A common approach by donors will be more effective in achieving consistency of approach and addressing challenges than acting alone.

Recommendations

The evaluation provides two sets of strategic recommendations, the first relating to DG ECHO partnership and project systems, and civil protection, and the second to potential actions by DG ECHO to help strengthen the global and local humanitarian logistics sector. It is not anticipated that DG ECHO will adopt the second set of recommendations in their entirety but will select priority elements for implementation.

Recommendations for action by DG ECHO within its own projects and in cooperation with the European Commission and Member States

1. Develop a policy on humanitarian logistics and increase attention to logistics in DG ECHO planning and partnerships

It is recommended that DG ECHO:

- Generate a policy document for humanitarian logistics.
- Consider logistics consistently within DG ECHO planning and partnerships processes, in particular in the Integrated Assessment Framework and the Humanitarian Implementation Plan.
- Require partners entering into new or renewed framework agreements to demonstrate that they have an effective strategy for the improvement, monitoring and management of their humanitarian logistics.

2. Strengthen EU Members States' contribution to Humanitarian Aid

It is recommended that DG ECHO:

- Enter into dialogue with International Humanitarian Partnership to see how both the membership and services offered could be extended so that Member States can increase their contribution to humanitarian response.
- Consider the feasibility of covering all relevant transport costs provided by UCPM Participating States to humanitarian response outside the EU, including the costs of moving the assets to and from the theatre of operation and the operating costs while in the theatre of operation.

3. Reinforce the HPC network and application of the HPC Charter

It is recommended that DG ECHO:

- Take greater leadership of the HPC network, ensuring HPC members and DG ECHO itself conform fully to their designated roles in the HPC Charter, and that HPC clients respect the mandate of the HPCs.

Recommendations for DG ECHO contribution to the wider humanitarian logistics sector

4. Improve humanitarian logistics at the country/crisis level

It is proposed that DG ECHO:

- Convene (or support another institution to convene) key partners at country level to make a strategic assessment of current logistics capacities and challenges, and to plan for

improvements of humanitarian logistics, building on the logistics cluster's Logistics Capacity Assessment, in concert with other donors and agencies.

- Request partners to work together wherever possible to improve impact and efficiency through, for example, joint ventures in procurement, transport, storage and delivery of goods, including the provision of common services, and/or pooling of assets.
- Lobby governments (through EU Delegations) to adhere to international standards on the importation of humanitarian goods, and to reduce customs delays, taxation, and cross-border challenges.
- Promote and invest in the development of logistics capacity as part of emergency preparedness, in countries at risk of emergencies, marrying short-term funding to prepositioning of stock, early warning systems, and rapid response mechanisms, with longer-term development funding to logistics capacity development.

5. Strengthen humanitarian logistics systems

It is proposed that DG ECHO:

- Support the development of one agreed set of standards and key performance indicators for humanitarian logistics, building on existing initiatives, perhaps as a Companion Guide to the Sphere Standards on humanitarian logistics (or humanitarian supply chain management).
- Continue its support to the logistics cluster, as the primary forum of humanitarian logistics coordination at the country and global levels, in terms of advice and targeted finance to address key gaps in the international logistics systems, as agreed within the Strategic Advisory Group.
- Seek common cause with other donors concerned to enhance humanitarian logistics, in particular with United States Agency for International Development (USAID) and the UK Department for International Development (DFID), and develop a joint programme of action with them, to accelerate or expand the reach of these recommendations, or a subset on which a consensus can be achieved.
- Invest in further research on the feasibility of collective action in humanitarian logistics, specifically the potential for extending common pipelines for emergency relief supplies, joint procurement, joint prepositioning, and joint capacity development of local organisations.
- Continue to fund the training of humanitarian logisticians, including for local government and NGOs in countries of operation, during and between emergencies, and support the development of humanitarian logistics as a profession, including through certification programmes.

Operational recommendations

Increase capacity in line with the proposed DG ECHO logistics policy

It is recommended that DG ECHO:

- Recruit a minimum of three additional senior logistics advisors with the requisite skills to:
 - a. Work with partners on logistics aspects of partnerships and selected projects;
 - b. Generate logistics policy and guidance; and interact with other humanitarian donors and external logistics initiatives;
 - c. Support country offices in assessing logistics aspects of projects and to provide country logistics analysis and support partnerships (directly or with regional logistics coordinators).
- Provide its technical advisors with a general orientation on DG ECHO's policy and approach to logistics (once agreed), including how to call on logistics expertise in their partnership and project oversight.

Improve DG ECHO oversight of humanitarian air services

In summary, it is recommended that DG ECHO:

- In relation to ECHO Flight, ensure that, at the contract tendering stage, the proposed number of aircraft, flight hours and budget is appropriate for the forecasted number of passengers and cargo expected to use the service. This may require an analysis of potential humanitarian relief locations, the potential scale of relief by EU (and non-EU) humanitarian aid organisations, etc.
- Ensure that, once the budget is set, there are regular reviews of the flight schedule, the passenger/cargo traffic by sector flown and by priority category, the aircraft load factors and aircraft utilisation. This could take the form of a quarterly management report showing the latest quarterly figures and historical trends since the commencement of the contract. Any changes to the flight schedules should be made in consultation with EU Flight users.
- Improve the Key Performance Indicators for assessing the cost-efficiency of UNHAS operations.
- Require a passenger satisfaction questionnaire to be completed on board ECHO Flight.
- Consider instituting a process for sharing of information on ECHO Flight safety and security incidents with other humanitarian aviation providers.
- In the case of UNHAS and other humanitarian air services funded by DG ECHO, ensure that there is a balanced approach to information provided on the e-Single form used for the funding application process.

1. Introduction

This report has been prepared as the final deliverable of 'The Evaluation of Humanitarian Logistics in the European Commission's Civil Protection and Humanitarian Aid Operations, 2013–17'. The report has been prepared in accordance with the original Terms of Reference (ToR) for the evaluation (included as Annex 28) and with the Inception Report, which included some amendments to the evaluation focus, scope and evaluation questions, as agreed with the Inter-service Steering Group (ISG) for the evaluation. The report draws on the interim products of the evaluation, the Efficiency Desk Report and the Desk and Field Report.

The evaluation has collected and analysed a substantial amount of quantitative and qualitative data. In order to make the report as readily accessible as possible, much of the evaluation detail is provided in a series of annexes. Annexes include:

- Annex 1 – Documents consulted
- Annex 2 – List of interviewees
- Annex 3 – Country field reports
- Annex 4 – Efficiency case study
- Annex 5 – Evaluation framework
- Annex 6 – Key informant interview questions
- Annex 7 – Staff survey summary results
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- Annex 9 – Key DG ECHO documents
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- Annex 20 – USAID/OFDA logistics requirements
- Annex 21 – DG ECHO procedures for partner eligibility and suitability assessment
- Annex 22 – Keyword search for evidence of logistics considerations
- Annex 23 – Analysis of logistics costs in selected DG ECHO projects
- Annex 24 – Humanitarian logistics training and certification
- Annex 25 – Private sector engagement in logistics
- Annex 26 – Key Performance Indicators for humanitarian supply chains project
- Annex 27 – Report on DG ECHO-funded humanitarian air services
- Annex 28 – ECHO Flight cost analysis - 2017
- Annex 29 – Evaluation Terms of Reference
- Annex 30 – Executive Summary (French language)

1.1. Purpose and objectives

According to the ToR, the purpose of the evaluation was to provide an external, independent, thematic evaluation of the transport and logistics activities funded by the European Commission's Civil Protection and Humanitarian Aid Operations Directorate-General, for the period of 2013–17. The ToR set three evaluation objectives within the purpose statement, as follows:

- Further raise awareness about the subject to DG ECHO and its partners;
- Identify points for action; and
- Support the future management of activities in the area, in accordance with DG ECHO's mandate.

1.2. Rationale

As mentioned in the ToR, humanitarian logistics plays a vital role in the provision of humanitarian assistance in both disasters and complex emergencies. An efficient and effective supply chain is important to ensure that the right assistance reaches the right people at the right time. Given the high costs of humanitarian logistics, improvements in terms of cost and efficiency can result in significant savings, and potentially enhance programme delivery. Ideally, therefore, humanitarian logistics should be carefully integrated from the onset in the design of each operation and tailored to its specific needs. How well DG ECHO understands the extent to which partners do so is within the purview of this evaluation.

As stated in the ToR, humanitarian logistics 'constitutes a major cost driver that should be closely managed to make sure that the transport and logistics components of each funded operation are as efficient and cost-effective as possible'.¹

The evaluation objective to help build wider interest within DG ECHO around logistics follows from the relative lack of attention that humanitarian logistics has received in recent years within DG ECHO compared with other policy priorities, such as cash based programming and education in emergencies.

1.3. Variations in evaluation scope

The evaluation has been carried out in accordance with the ToR, with some changes in emphasis:

1.3.1. Extended evaluation period

The evaluation has reviewed the investments made by DG ECHO in logistics over the evaluation period 2013–17 and as far back as 2008. Some of DG ECHO's most important investments in humanitarian logistics systems predated 2013. Equally, given that this is a strategic evaluation, in both HQ and the field the evaluation team has necessarily discussed programmes and events in 2018, and possible future developments.

1.3.2. Partner logistics

During the inception phase, the evaluation team agreed with the ISG that the evaluation should not only review DG ECHO's strategy and performance with regard to its direct investments in

¹ Terms of Reference, p. 4.

logistics, and the potential for civil protection contributions to humanitarian aid (HA),² but also review how DG ECHO manages its dealings with partners and their logistics strategy and spending, in greater depth than the ToR called for. This was in response to the inception phase revealing a lack of agreement in DG ECHO concerning the extent to which partners' management of logistics should be a priority, and given the significant portion of the humanitarian aid budget that goes to partner logistics.

1.3.3. Humanitarian logistics defined

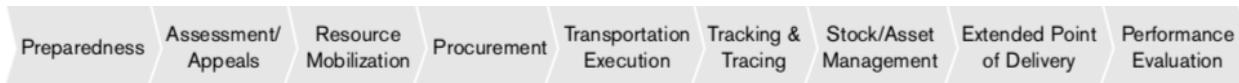
The evaluation has taken the following definition for humanitarian logistics: 'Humanitarian logistics refers to the processes and systems involved in mobilising people, resources, skills and knowledge to help vulnerable people affected by natural disasters and complex emergencies.'³

Box 1. What does humanitarian logistics include?

- Prepositioning of emergency stocks
- Purchasing of relief items
- Transport (international and local)
- Tracking and tracing of relief goods
- Customs clearance
- Warehousing

Humanitarian logistics encompasses a range of activities, including: preparedness, procurement, transport, tracking and tracing, customs clearance, local transportation, warehousing, and last mile delivery.

Figure 1: Humanitarian logistics activities



Increasingly, humanitarian organisations are focused on supply chain management encompassing the functions in Figure 1 and Box 1. This is a broader view of logistics than the 'transport and logistics' concept currently used by DG ECHO (see also 3.2.1 below). The whole supply chain needs to work seamlessly to achieve the best performance, which is why all these functions now tend to come under common management.⁴ For this reason, the evaluation has considered procurement within its scope, including in considering logistics costs. DG ECHO has regarded procurement as a separate function from logistics.⁵

1.3.4. Evaluation criteria

In accordance with the ToR, the evaluation results are organised around the European Union (EU) Better Regulation Evaluation Criteria of relevance, coherence, effectiveness, efficiency, and EU added value. According to the Better Regulation Guidelines on Evaluation, an evaluation must cover the following aspects in order to meet these criteria, as shown in Table 1.⁶

² As instructed by the ToR.

³ Fritz Institute, Enabling Disaster Response www.fritzinstitute.org/pdfs/whitepaper/enablingdisasterresponse.pdf.

⁴ Terminology differs between organisations. ICRC and UNICEF both use 'Supply' as the title for the equivalent of the humanitarian supply chain function.

⁵ Supply Chain Management should be seen to be seamless from the perspective of beneficiary (needs) to the supply of goods and services (procurement, delivery and distribution), not as a specific function. The absence of a harmonised supply chain reduces effectiveness because elements are spread across different functions or sectors (as is the case within DG ECHO). The issue is not what can be improved within the function of supply chain management and logistics, but how it should be managed differently through continuous improvement. This includes not just how to manage the in-kind delivery of assistance (or logistical support for DG ECHO field offices), but also the need to better understand how market supply chains function in different contexts so that the right decisions can be made regarding choices between cash-based or in-kind aid, or a combination of both.

⁶ <https://ec.europa.eu/info/sites/info/files/better-regulation-guidelines-evaluation-fitness-checks.pdf> pp 59-63.

Table 1: Evaluation criteria

Criterion	What the evaluation must cover
Relevance	How well the objectives of the EU intervention being evaluated (still) match the (current) needs and problems.
Coherence	How well the intervention works: i) internally and ii) with other EU interventions.
Effectiveness	Analysis of the progress made towards achieving the objectives of the intervention, looking for evidence of why, whether or how these changes are linked to the EU intervention.
Efficiency	The costs and benefits of the EU intervention as they accrue to different stakeholders, identifying what factors are driving these costs/benefits and how these factors relate to the EU intervention.
EU added value	The added value of EU interventions over and above that of interventions initiated at regional or national levels by both public authorities and the private sector.

1.3.5. Evaluation assessment against the Evaluation Framework

During the inception phase, the evaluation team agreed an Evaluation Framework with the ISG, organised by the five evaluation criteria and including the evaluation questions, sub-questions, judgement criteria, indicators and data sources. The Evaluation Framework is included as Annex 5. The report provides a summary evaluation assessment in Section 7, with confidence levels for the degree to which the evaluation team has been able to address each question.

2. Evaluation methodology

The evaluation has taken a mixed methods approach, combining qualitative inputs from interviews with a wide range of stakeholders, desk review, field visits, case studies, and online surveys, with an analysis of financial data on logistics.

2.1. Evaluation stakeholders

The evaluation team identified groups of stakeholders for inclusion in the evaluation, as detailed in Table 2.

Table 2: Evaluation stakeholders

Stakeholder type	Engagement
DG ECHO	More than 50 DG ECHO staff members have been interviewed at all levels of the organisation. This includes staff in country and regional offices and all HQ Directorates responsible for humanitarian aid and civil protection. Regional Logistics Coordinators have been important informants for the evaluation, who have acted as members of the ISG and helped to facilitate field visits.
Civil protection	Three civil protection organisations from Participating States (PS) were interviewed: DEMA (Denmark), THW (Germany and MSB (Sweden).
Logistics coordination	The evaluation team has interviewed the leadership of the Global Logistics Cluster and country-level logistics clusters during field visits, where present.
Humanitarian air services	The evaluation team has interviewed the DG ECHO staff managing ECHO Flight (EF), ECHO Flight users in Nairobi, and the management of the UN Humanitarian Air Service in World Food Programme (WFP) Rome. The evaluation has also benefited from interviews with ECHO Flight users in Goma, Democratic Republic of Congo (DRC), conducted in May 2018 by consultants from ICF as part of a separate evaluation, 'EU Humanitarian Intervention in the African Great Lakes Region'.
Humanitarian agencies	Interviews at field and HQ level have included a wide range of humanitarian organisations concerning their own humanitarian logistics and on strategic and operational coordination of logistics in the crises concerned. These included United Nations agencies, the International Committee of the Red Cross (ICRC) and the International Federation of the Red Cross (IFRC), INGOs, and, in a few cases, government and inter-governmental bodies. For the field visits, advice was sought from DG ECHO offices on how to prioritise key informants.
DG ECHO peer donors	DFID and USAID/Office of Foreign Disaster Assistance (OFDA) take a strong interest in logistics and provide humanitarian funding at similar levels to DG ECHO. On advice from the ISG, they were taken as reference donors for the evaluation and have been interviewed in most

	field visits. EU Delegations were interviewed about joint working with DG ECHO.
Private sector	A number of private sector organisations have been interviewed, including during field visits.

Just over 200 individuals were engaged in semi-structured one-on-one key informant and small group interviews. A complete list of interviewees is included as Annex 2 and the interview protocols for the semi-structured interviews can be found in Annex 6.

2.2. Data collection methods

2.2.1. Document review

The evaluation team assembled and reviewed a substantial set of documentation from DG ECHO and other sources relevant to the evaluation, including: evaluations, policy documents, guidelines, annual reports, financial reports, and research studies. The DG ECHO Evaluation Sector assembled and made available a comprehensive set of documents at the outset and DG ECHO staff have been generous in locating additional documentation requested by the evaluation team. A complete list of documents consulted is included in Annex 1.

2.2.2. Online surveys

Two online surveys were conducted during the evaluation, one for all DG ECHO staff and a second for DG ECHO framework partners that had received DG ECHO funding during the evaluation period. Both surveys were anonymous and were open for a full month. Selected survey results are integrated into the report. A summary of the staff survey results is included as Annex 7, and the partner survey results are presented in Annex 8. There were 132 responses to the staff survey, making a response rate of 15%.⁷⁸ The partners survey was circulated to 175 DG ECHO framework partner focal points and, with World Food Programme (WFP) assistance, via the Global Logistics Cluster (GLC) email list. The partner survey received 428 responses, including 250 from logistics, supply chain and procurement specialists (58% of respondents).⁹

2.3. Field visits

Four country visits (including one with a sub-regional focus) were carried out as follows:

1. **Bangladesh**, with a focus on the Rohingya refugee crisis.¹⁰
2. **Haiti and Panama**, relating to the humanitarian logistics components of the response to recent hurricane disasters, including the deployment of EU Member State civil protection assets.
3. **Jordan**, relating to the humanitarian logistics components of the response to the ongoing Syria sub-regional crisis, including the implications for logistics of cash based programming. The evaluation team was also able to interview members of the DG ECHO Yemen team based in Amman.

⁷ DG ECHO HQ reports that DG ECHO has 448 personnel in HQ and 412 at regional and country level, or 860 in total.

⁸ Technical Advisers (26%) and HR, finance admin secretarial (27%) were the groups with the highest numbers of respondents. Staff respondents were well spread across geographical regions, and well balanced between regional/country office (44%) and HQ (49%).

⁹ Respondents located in field, sub and country office together comprised 58% of responses; regional office 9% and headquarters 3%.

¹⁰ For budgetary reasons, a planned visit to Bangkok, as proposed in the Inception Phase, was not possible.

Kenya, for East Africa/Horn of Africa, with a focus on the various approaches taken by DG ECHO and its partners to humanitarian logistics in difficult operating environments in Ethiopia, Somalia, and South Sudan, plus Kenya.

A synthesis of the reports from the four field visits, followed by the individual visit reports, comprises Annex 3.

2.4. Case studies

The evaluation includes two thematic case study reports:

1. How DG ECHO assesses the **efficiency of partner logistics** in Bangladesh (see Section 4.2 below and the Efficiency Case Study in Annex 4).
2. **Humanitarian air transport services** in East Africa (summarised in Section 6, with the full report included as Annex 27).

2.5. Data analysis

The evaluation team was granted access to individual projects' records, including annexes, within the HOPE database.¹¹ The DG ECHO Evaluation Sector also provided a download of all project data from 2013–17 from the DG ECHO Visual Analytics (EVA) reporting system. Comprehensive data was provided on ECHO Flight and some data was shared by WFP in the UN Humanitarian Air Service (UNHAS). A range of quantitative analysis tools and methods were employed to generate the various data tables included in the report and its annexes.

2.6. Consultation strategy

In the last two years, a series of major evaluations have been undertaken by DG ECHO, including the recently completed 'Comprehensive Evaluation of the European Union (EU)'s Humanitarian Aid, 2012–16'. The evaluation team was informed in the inception phase that there might be a general 'evaluation fatigue' among DG ECHO staff. The team therefore set out from the start to engage the staff and directors as fully as possible. In addition to interviews with DG ECHO staff, there was a good response to the all-staff survey. The draft version of this report was presented to a workshop of 20 staff and directors at DG ECHO HQ in October 2018 and the results of the discussion were used to inform the final version of this report.

2.7. Evaluation oversight and management

The evaluation was overseen by an Inter-service Steering Group (ISG), comprising, initially, representatives of units A1, A3 and D4 (HQ and Nairobi). Following discussion between Landell Mills and DG ECHO, the membership of the ISG was expanded to include representatives of geographic units to broaden the engagement and ownership of the evaluation. The evaluation was co-managed by the evaluation sector of DG ECHO (A3) and the unit responsible for the evaluation subject (A1).¹²

¹¹ HOPE is the online database used by ECHO staff (including Field Experts and desks) to appraise the Documents submitted by the UN Agencies and to monitor the Action.

¹² The DG ECHO project co-manager from A3 maintained regular contact with the evaluation team leader and the project manager from Landell Mills throughout the evaluation. The co-managers agreed the design of the surveys and addressed any practical challenges arising during the course of the evaluation.

2.8. Evaluation limitations

The evaluation was subject to a number of limitations:

- **Country visits.** DG ECHO country and regional offices were very supportive in arranging meetings with key stakeholders. This support was only partially available in some cases.
- **Lack of data.** The ISG was keen that the evaluation should attempt to determine the level of logistics costs within partner projects. However, DG ECHO databases do not capture data in a manner that enables analysis of logistics costs within or across projects. The evaluation team attempted to close this data gap by analysing a number of samples of project data, as described in Section 4.4 below, with partial success. The lack of free text search of project records limited the identification of logistics components of projects. In addition, DG ECHO does not collect performance data from UN Humanitarian Response Depots or Humanitarian Procurement Centres (other than for financial compliance, in the latter case), which has reduced the scope for assessment of these common services.
- **Perceived relevance.** In some of the interviews, especially at HQ, DG ECHO staff did not see the relevance of the evaluation to their role and were not sure why they were being interviewed. In part, this may have been due to the relatively narrow concept of humanitarian logistics prevailing in DG ECHO. In addition, some do not see the logistics function to be important for DG ECHO as a donor, beyond DG ECHO's direct investments in logistics.
- **Limits of competence.** While the ISG expressed interest in the evaluation making recommendations on the optimal internal coordination arrangements for humanitarian logistics in DG ECHO, the evaluation team is not competent to comment on structural solutions.

2.9. Evaluation standards and ethics

The evaluation has followed the European Commission's modified form of the OECD DAC criteria and was conducted according to the principles of confidentiality and impartiality.

2.10. Validity of the evaluation results

For most of the evaluation questions, the results of this evaluation are well supported by evidence. Section 7 sets out evaluation results by evaluation criteria with a confidence rating for how well the evaluation has been able to address each evaluation question. As the table shows, confidence levels are high or quite high for the majority of questions.

The evaluation methodology proved successful, with results from different evaluation tools producing consistent results. A representative sample of all of the stakeholder groups the evaluation aimed to reach were interviewed, while the two online surveys significantly extended the reach of the evaluation beyond the interviews. There was a high degree of congruity between the views of DG ECHO staff and the staff of DG ECHO partners. The evaluation was not able to test the attitude of the public either in Europe or in countries of operation to EU humanitarian aid, as the methodology did not include public opinion surveys. In the few areas where evaluation evidence was inadequate, the evaluation team has avoided drawing any firm conclusions and recorded lower confidence levels for the associated questions.

The depth of data collection and analysis provided a sound basis for the evaluation's conclusions and recommendations and, overall, the evaluation report provides a solid basis on which DG ECHO can make policy decisions for the future regarding its engagement in humanitarian logistics.

3. Evaluation context

3.1. Internal DG ECHO context

3.1.1. Key DG ECHO documents

The evaluation has taken account of the most relevant DG ECHO documents that provide the legal and policy backdrop to the European Commission's Civil Protection and Humanitarian Aid, including:

- **Humanitarian Aid Regulation:** Article 2(c) of the Humanitarian Aid Regulation 1257/96 includes the following specific objective for EU humanitarian assistance: '*To help finance the transport of aid and efforts to ensure that it is accessible to those for whom it is intended, by all logistical means available, and by protecting humanitarian goods and personnel, but excluding operations with defence implications.*'
- **Civil protection:** Article 3 of Decision No 1313/2013/EU on a Union Civil Protection Mechanism (UCPM) states that the UCPM shall support, complement and facilitate coordination of Member States' (MS) action in order to facilitate rapid and efficient response in the event of disasters or imminent disasters.
- **DG ECHO strategic plan:** Under DG ECHO's current strategic plan for 2016–20, DG ECHO has two specific objectives, which are accompanied by result indicators, as follows: Objective (1) people and countries in need are provided with adequate and effective humanitarian and civil protection assistance; and (2) people and communities at risk of disasters are resilient.
- **Financial regulation:** The European Commission has revised its approach to the controls exercised over funding to projects to move away from detailed assessments of project budgets to greater reliance on *ex ante* and *ex post* assessments of intended and actual results.
- **Thematic policies:** DG ECHO has developed a series of thematic policy documents¹³ that guide its funding and interaction with partners. There is no DG ECHO policy for Logistics and the evaluation ToR asked the evaluators to consider whether there should be.
- **Procurement policy:** The Charter for Humanitarian Procurement Centres (HPCs)¹⁴ has been DG ECHO's policy on humanitarian procurement. It has defined the common standards of safe, transparent, efficient and ethical procurement and sound financial management shared by the European Commission and those HPCs recognised by DG ECHO.^{15,16} When implementing a programme, the partner or its implementing partners must

¹³ These are: N°1: Food Assistance: From Food Aid to Food Assistance N°2: Water, Sanitation and Hygiene: Meeting the challenge of rapidly increasing humanitarian needs in WASH N°3: Cash and Vouchers: Increasing efficiency and effectiveness across all sectors N°4: Nutrition: Addressing Undernutrition in Emergencies N°5: Disaster Risk Reduction: Increasing resilience by reducing disaster risk in humanitarian action N°6: Gender: Different Needs, Adapted Assistance.

¹⁴ http://dgecho-partners-helpdesk.eu/_media/actions_implementation/procurement_in_humanitarian_aid/hpc_charter_en.pdf

¹⁵ http://dgecho-partners-helpdesk.eu/_media/actions_implementation/procurement_in_humanitarian_aid/2017_09_08_hpc_register.pdf

¹⁶ DG ECHO considers the procurement of supplies and services as an essential function in the achievement of its objectives for humanitarian aid and crucial to the effectiveness and speed of response to major humanitarian programmes. All partners must adhere to strict procurement standards and guidelines: http://dgecho-partners-helpdesk.eu/actions_implementation/procurement_in_humanitarian_aid/start

award a procurement contract to purchase services, goods and works, or in exceptional cases property,^{17,18} in accordance with prescribed procedures.

For more on Key DG ECHO documents, see Annex 9.

3.1.2. Emergency management policy

Section 4.4 of the 2017 DG ECHO Emergency Management Policy¹⁹ covers transport and logistics. The section represents the nearest approximation to a policy statement on humanitarian logistics available in DG ECHO. It is formulated as a set of proposals, rather than as policy, and states that: 'in order to become a driving force in humanitarian logistics, DG ECHO needs to invest in logistics and, secondly, to make greater use of the existing capacity of professional logistics staff both in the field and headquarters. There is the potential also to derive greater visibility for the EU through a more active engagement in logistics' (page 8).

Section 4.4, reproduced in full as Annex 10, proposes that:

- Transport and logistics capacities should be further developed, including through the GLC and common services;
- Prepositioning should be strengthened, and the possibility of DG ECHO procuring its own supplies should be explored;
- Humanitarian air services should be maintained according to need;
- Greater use should be made of logistics experts in DG ECHO's Field Network for logistics assessment, monitoring and evaluation;
- Logistics training to ERCC staff, notably Duty Officers, should be strengthened;
- DG ECHO should consider if it wishes to expand its thematic guidance on transport and logistics (as for other DG ECHO sectors: food, protection, gender, cash, and water sanitation and hygiene – WASH).

And states that:

- The added value of UN Humanitarian Response Depots will be examined;
- A strategic review of support to humanitarian air will be undertaken.

Some of the operational aspects of these proposals have advanced; for example, the greater engagement of regional logistics coordinators in support of civil protection teams. Other more strategic proposals are yet to be implemented, pending the results of this evaluation.²⁰

3.1.3. DG ECHO humanitarian aid investments 2013–17

Total DG ECHO project funding was €8.7 billion over the evaluation period, according to figures generated from the ECHO Visual Analytics (EVA) reporting system.

¹⁷ When managing contracts, the partner is free to apply its own procurement procedures but, regardless of the value of the procurement contract or of the percentage of funding, must ensure that procedures comply with (among others): Humanitarian principles; Eligibility conditions of costs for procurement contracts; Mandatory principles and minimum procedural standards for procurement; Rules to procure from a Humanitarian Procurement Centre; Rules on Derogations and Exceptions.

¹⁸ Annex 3 of the DG ECHO Humanitarian Guidelines document provides partners with instructions on procurement planning, procedures and risk management. http://ec.europa.eu/echo/files/partners/humanitarian_aid/Procurement_Guidelines_en.pdf

¹⁹ DG ECHO, Proposal for an improved Operational Emergency Management Policy, 2017.

²⁰ In 2013, a series of proposals for the strengthening of transport and logistics in DG ECHO were made in papers compiled by the then head of logistics (Mosselmans), some of which were approved by the then Director-General. Most of these proposals were not implemented.

Over the 5-year period, the WFP was by far the largest recipient of DG ECHO funding at €2.3 billion.²¹ Other major partners include United Nations High Commissioner for Refugees (UNHCR) and United Nations Children's Fund (UNICEF), receiving €0.8 and €0.6 billion, respectively. The Red Cross Red Crescent Movement (RCRC) received almost €0.6 billion. Ten international NGOs (INGOs) received over €100 million each during the evaluation period, with the Save the Children network receiving €321 million, followed by the Danish Refugee Council, Norwegian Refugee Council, Oxfam, Action Contre la Faim, and International Rescue Committee, each of which received over €200 million.²²

Over the evaluation period, DG ECHO invested €229 million (some 3% of total DG ECHO project funding) in 355 projects in the sector 'Support to Operations', divided into subsectors (logistics, capacity development, security, etc.). South Sudan received the most funding in this sector, €32.4 million. WFP was the largest recipient of funding from Support to Operations, receiving €130 million or 84% of a total €155 million to United Nations agencies, and 57% of the total funding to this sector.

A key feature of DG ECHO's portfolio is the concentration of funding towards a few partners. Over the evaluation period, the top five partners by total contract value accounted for 54% of all DG ECHO funding (€4.7 of 8.7 billion). These were WFP, UNHCR, UNICEF, ICRC, and Save the Children.²³ All these organisations make significant investments in humanitarian logistics. The proportion going to logistics cannot be accurately calculated (see Section 4.4 for further details) but it can be conservatively estimated that these five organisations alone spent €2 billion (which would represent 42% of their DG ECHO funding) or more in support of their logistics operations.²⁴ For more on the profile of DG ECHO funding, see Annex 11.

3.1.4. DG ECHO's major investments in humanitarian logistics capacity

DG ECHO has recognised the importance of logistics since the creation of ECHO Flight in 1994. Although the majority of these investments took place prior to the current evaluation period, DG ECHO's principal investments in humanitarian logistics capacity were:

- Support to WFP and IFRC logistics capacity building (WFP received €17 million 2007–11 and IFRC €15 million 2005–11).²⁵
- IFRC regional logistics units (RLUs) were set up in 2006 in Beirut, Budapest, Kuala Lumpur, Nairobi, and Panama with funding of €23 million in 2006 and 2011.²⁶ IFRC also received funding of €3 million in 2011 to enhance the Federation's logistics capacity through 'Enhancing humanitarian logistics capacity for effective response to disasters and crisis'.²⁷
- The establishment in 2007 of six regional United Nations Humanitarian Response Depots (UNHRD) in Ghana, Italy, Malaysia, Panama, Spain and United Arab Emirates (UAE), for

²¹ This includes funding to WFP provision of common services benefiting other humanitarian organisations (UN Humanitarian Air Services (UNHAS), UNHRD, Logistics Cluster, Emergency Telecommunications Cluster) and the development of the global logistics cluster and support to country-level logistics clusters.

²² Over the evaluation period, DG ECHO invested more than €1 billion in three sectors: food security and livelihoods (the highest at €2.4 billion), multi-purpose cash transfer, and health. Humanitarian logistics will have formed part of project expenditure across all sectors. DG ECHO does not hold the data required to analyse the proportion of project spend but the evaluation provides some estimates (see Annex 23). Food security and livelihoods are likely to have used at least half of the funds provided within the supply chain, that is, at least €1.2 billion over the evaluation period in that sector alone.

²³ All Save the Children family members combined.

²⁴ For the top 10 partner organisations, the percentage of total funding was 69%, while for the top 20 it was 83% over the evaluation period. 8.3% of all funding went to the 125 organisations that received the least funding.

²⁵ Draft outline of DG ECHO Approach to Logistics, 3 July 2013 (DG ECHO/HM/LLZ/SB).

²⁶ DG ECHO/THM/BUD/2007/01000 & DG ECHO/ERC/BUD/2011/01000.

²⁷ Project number DG ECHO/ERC/BUD/2011/01006.

the prepositioning of relief supplies closer to disaster areas; improved warehouse tracking systems and efficiency in supply chain management, with funding of €4.3 million.²⁸

DG ECHO major direct investments in humanitarian logistics capacity are discussed in Section 5 below, with further details of smaller investments under €1 million in Annex 15.

3.1.5. DG ECHO civil protection engagement in humanitarian response

DG ECHO's mandate covers both humanitarian aid and civil protection. During the evaluation period, DG ECHO has been working to improve the understanding and coordination between civil protection and humanitarian aid.

The Union Civil Protection Mechanism (UCPM), established in 2001, aims to strengthen the cooperation between the Union and its Participating States (PS) (the Member States and six non-EU countries)²⁹ and to facilitate coordination in the field of civil protection in order to improve the effectiveness of systems for preventing, preparing for and responding to disasters. The Voluntary Pool³⁰ consists of a pool of pre-committed civil protection response capacities of the Member States, and includes technical modules, other response capacities and experts.³¹

The UCPM's primary purpose is to coordinate response to government requests for support in responding to disasters and major industrial accidents within Europe.³² However, the UCPM can also be used in response to humanitarian emergencies outside Europe. In this case, it seeks to exploit the presence of DG ECHO field network experts, while the EU Delegation in the affected country has an obligation to provide logistical support to the EU civil protection teams.

In terms of humanitarian logistics, the most important contribution from the UCPM comes in the form of the transport of humanitarian goods, for which DG ECHO may co-finance between 55% and 85% of the eligible costs. During the evaluation period, the humanitarian interventions in which the largest numbers of PS took part were the response to the 2013 Typhoon Haiyan in the Philippines, the 2014–15 Ebola virus outbreak in West Africa, and the 2015 Nepal earthquake. Other responses included to disasters caused by Caribbean hurricanes Matthew, Irma and Maria in 2016–17. For these, PS provided military and civilian assets to transport humanitarian supplies. According to records provided by DG ECHO, in all, Participating States responded to crises in 27 countries and co-financed transportation of assets and teams to 25 countries, receiving co-financing payments from DG ECHO totalling some €24.7 million between 2013–17.³³ Table 3 below shows the emergency responses supported, by year (see Annex 14 for more details).³⁴

²⁸ Project number DG ECHO/THM/BUD/2007/01006 in 2007. Unbranded relief items, initially donated by DG ECHO to UNHRD, are still held in Dubai and Las Palmas. While these stocks are regarded as being under the ownership of WFP/UNHRD, they are still tagged as 'DG ECHO stock'.

²⁹ The Mechanism currently includes all 28 EU Member States in addition to Iceland, Montenegro, Norway, Serbia, the former Yugoslav Republic of Macedonia and Turkey.

³⁰ https://ec.europa.eu/echo/what-we-do/civil-protection/european-emergency-response-capacity_en

³¹ There are currently 90 accredited modules of 17 different types (for example shelter, medical, evacuation) within the Voluntary Pool. The Modules comprise specialised teams and capacity offered by EU Member States. The capacity of the modules is tested and certified. The ERCC plans to upgrade its current expert roster to create a voluntary pool of experts. The required profiles have been identified (including logistics). The experts will be certified to guarantee quality. Once in the pool, they have to be available in 6–12 hours after request and MS have to ensure rotation, so someone is available in the response time agreed.

³² The UCPM foresees cooperation between PS in the form of pooling and sharing resources during emergencies through the joint use of transport assets (i.e. flights, boats, trucks).

³³ In 297 payments.

³⁴ The ERCC may also support humanitarian operations by providing satellite data and maps from its Copernicus Emergency Management Service (for example, for Yemen).

Table 3: Emergencies outside Europe where UCPM transport received co-financing

Year	Emergency supported
2017	Refugees in Bangladesh, forest fires in Chile, conflict in Iraq, tropical cyclone in Haiti
2016	Floods in Albania, forest fires in Israel, yellow fever in Democratic Republic of Congo, floods in Sri Lanka, earthquake in Ecuador, tropical cyclone in Fiji
2015	Floods in Myanmar, floods in Malawi, earthquake in Nepal, conflict in Yemen floods in Albania, conflict in Ukraine, conflict in Iraq
2014/15	Epidemics in Guinea/Liberia/Sierra Leone (Ebola)
2014	Volcano in Cape Verde, floods in Bosnia and Herzegovina, floods in Serbia, sleet in Slovenia, conflict in South Sudan
2013	Forest fires in Bosnia and Herzegovina, Typhoon Haiyan in Philippines

DG ECHO manages the Emergency Response Coordination Centre (ERCC), which ensures a coordinated and quick response to disasters, as well as early warning, analysis and information exchange systems.^{35,36} For example, in the 2014–15 Ebola virus outbreak, the ERCC provided a platform for task force meetings where Member States, international organisations and other partners could coordinate their response. DG ECHO made 122 transport co-financing payments related to the Ebola outbreak, 40% of all such payments in the evaluation period. Since 2014, the ERCC has coordinated the Union Civil Protection Mechanism response to over 100 emergencies both within Europe and worldwide.

3.1.6. EU added value

It is important for DG ECHO, along with other European Commission bodies, to demonstrate its added value over and above the actions of individual EU Member States. In humanitarian aid, DG ECHO considers that it adds value in various ways, including:

- **Forgotten crises:** The EU places particular emphasis on supporting the victims of forgotten crises. DG ECHO has a target of spending at least 15% of the humanitarian aid budget on forgotten crises.³⁷ These crises are often chronic and in hard-to-reach locations with poor security.
- **Air services:** DG ECHO invests more in humanitarian air services than other humanitarian donors, thus addressing the need for access to difficult contexts.³⁸
- **DG ECHO aims to fill gaps and provokes others to act:** Interviews with DG ECHO HQ staff pointed to a part of DG ECHO's added value lying in its ability to influence the international humanitarian system to act by filling, or offering to fill, gaps in humanitarian logistics services.³⁹

³⁵ The ERCC uses the Common Emergency Communication and Information System (CECIS), an online application used for real-time exchange of information and communications with civil protection authorities in PS.

³⁶ ERCC key operational roles include: acting as a Commission and EU crisis monitoring and coordination platform; operating as a communication hub between Participating States, the affected state and the deployed field experts; developing and disseminating information products; and facilitating cooperation between civil protection and humanitarian aid operations.

³⁷ Commission Management Plan for 2018 Civil Protection and Humanitarian Aid, p. 14.

³⁸ In 2016, DG ECHO invested €20.97 million to the UN Humanitarian Air Service (UNHAS) via the Logistics Cluster, and €14 million to the ECHO Flight service for sub-Saharan Africa.

³⁹ Two examples were cited: Yemen, where DG ECHO negotiated with concerned states to provide logistics, causing the UN to react; and CAR, where, in the absence of action by the UN, DG ECHO set up an air bridge from Doula to Bangui and the UN subsequently responded.

3.1.7. Changes in DG ECHO management of partner projects

Internally, DG ECHO's approach to managing its partnerships has evolved in recent years to demand less detail from partners in their project applications. DG ECHO now targets its resources towards partners' achievements of high-level project results, rather than focusing on the detail of partner outputs. In parallel, and pulling in the opposite direction, there are demands that DG ECHO should ensure value for money by paying more attention to the detail of partner projects. Following a recommendation of the European Court of Auditors report on the European Commission's humanitarian aid to the Africa Great Lakes region,⁴⁰ the DG ECHO FichOp Guidelines were adopted to assess project costs for their 'reasonableness'. (See also Section 4.2 below)

Earlier in 2018, DG ECHO completed the Comprehensive Evaluation of EU Humanitarian Aid 2012–16 (CEHA).⁴¹ A sub-recommendation of Recommendation 5 of the CEHA⁴² states that: 'DG ECHO should integrate the assessment of value for money of humanitarian aid actions in its management and monitoring systems'. DG ECHO management responded to the evaluation by suggesting the development of a checklist to help assess value for money of the action. The extent of any changes DG ECHO management will implement to management and monitoring systems called for by the CEHA is not yet known. However, any future changes to the 'control environment' within DG ECHO will have important implications for DG ECHO's oversight of partner logistics, because it will determine whether DG ECHO staff are required to collect and analyse cost and other data, including for logistics. (The relevant sections of the CEHA and other DG ECHO evaluations are included in Annex 12).

3.1.8. Review of the Framework Partnership Agreement (FPA)

DG ECHO is in the final stages of reviewing the 4-year FPA agreement for NGO partners. (The parallel agreement for UN agencies, the Financial and Administrative Framework Agreement or FAFA, is not under review). The FPA review is due for completion by December 2018, with implementation from 1 January 2020. The review is considering options for performance-based financing,⁴³ including payment by achievement of results against agreed indicators, perhaps with pre-agreed unit costs, lump sums and/or flat rates for goods and services.

The FPA review is also considering the potential for DG ECHO to enhance its strategic and long-term planning with key targeted NGOs to allow greater flexibility in financing and more multi-annual resources. The details of such an approach have yet to be developed. There is potential for DG ECHO to incorporate logistics into such partnerships, and to include KPIs for logistics, perhaps informed by the work of the Key Performance Indicators for Humanitarian Supply Chains project (discussed in Annex 26).

3.2. External environment

3.2.1. Paradigm shift – from logistics to supply chain

The challenges presented by the humanitarian response to the 2004 Indian Ocean earthquake led to a strengthened approach to humanitarian coordination, from which the Cluster Approach

⁴⁰ 'Did the Commission effectively manage the Humanitarian aid provided to populations affected by conflicts in the African Great Lakes Region?' European Court of Auditors, 2016. See specifically Recommendation 2, page 31: 'The Commission should pay more attention to the proposed project costs and these should in all cases be assessed for their reasonableness.'

⁴¹ European Commission, *Comprehensive Evaluation of the EU Humanitarian Aid, 2012–16 Final Report*, 2018.

⁴² CEHA pp. 166-7.

⁴³ FPA Review 2018-2019 Consultation Paper: performance-based financing, Brussels, 26 June 2018.

emerged as part of the Humanitarian Reform of 2005. The term ‘humanitarian logistics’ started to be used more widely.

In 2005, the Fritz Institute released an influential report, ‘*From logistics to supply chain management: the path forward in the humanitarian sector*’.⁴⁴ The five strategies recommended by the report have set the agenda for the humanitarian logistics community since. They are:

- Creating a professional logistics community to enable humanitarian logisticians to share knowledge;
- Standardised training and certification to build a pool of logistics professionals;
- Metrics and performance measurement to demonstrate and improve the effectiveness of the humanitarian supply chains;
- Communicating the strategic importance of logistics to create awareness of the contribution that logistics makes and to obtain funding and resources;
- Developing flexible technology solutions.

3.2.2. Cash and market-based programming

The use of cash based transfers (CBT) in humanitarian response has increased significantly over the evaluation period, as confirmed by the partner survey, where 56% of respondents rated their organisation’s adoption of CBT as ‘moderate’ or ‘significant’. The European Commission is a leading advocate of the use of cash based assistance for humanitarian response and it is a policy priority for DG ECHO. Cash based projects have grown to represent 25% and 36% of DG ECHO total spending in 2016 and 2017 respectively.⁴⁵ The use of CBTs has expanded in all the countries visited. The growth of cash based humanitarian programming has significant implications for humanitarian logistics, although these are not yet well understood. There may be a need for new sets of relationships between supply chain managers and, among others, financial services companies. One 2018 study, ‘*Cash based response in relief: the impact for humanitarian logistics*’,⁴⁶ states that, although the supply chain for cash based relief is shorter,

It could be argued that preparation and planning the strategic alignment of a cash based supply chain belongs in the field of legal, financial or technical professionals; however, it may be worth considering that supply chain managers are best positioned to effectively coordinate these fields while ensuring that collaboration is driven by the humanitarian objectives of any project.^{47,48}

While the use of CBT is growing strongly, commodity-based humanitarian response to crises will continue to be required for crises under circumstances where:

- Rapid response for emergencies where national systems are temporarily unable to cope and markets are disrupted;
- Long-term conflicts result in infrastructure being destroyed and systems and markets being degraded;
- Preparedness capacity is required to cope with the risk of major new emergency events.

⁴⁴ Anisya S. Thomas and Laura Rock Kopczak, Fritz Institute, 2005, p. 7.

⁴⁵ Based on figures provided in email correspondence from DG ECHO Evaluation Unit, 16 October 2018.

⁴⁶ *Journal of Humanitarian Logistics and Supply Chain Management*, ‘Cash-based response in relief: the impact for humanitarian logistics’, Graham Heaslip, Gyöngyi Kovács, Ira Haavisto, January 2018.

⁴⁷ Ibid, page 97.

⁴⁸ Further, implementing cash programs will require: ‘a fundamental change in the skill set of humanitarian logisticians, who are used to identifying needs and providing commodities, and thus maintaining control over the provision of assistance... humanitarian legislations need to be able to assess its (cash) applicability and set up different delivery mechanisms while at the same time being able to deliver the traditional way if a cash-based response is not deemed feasible’, ibid., page 103.

Once the initial response phase has passed, logistics teams have increasingly taken on a hybrid cash transfer/procurement role whereby they support programmes through the contracting of financial service providers, the implementation of technical cash transfer tools⁴⁹ and the procurement, delivery and distribution of in-kind products. This has been the case, for example, with WFP Somalia where, after the initial emergency drought response operations in 2016, the country logistics team supported the establishment of market assessments and cash transfer services.⁵⁰

In the future, the most effective humanitarian logisticians will be those able to go beyond their technical mandate to serve as a bridge between disaster preparedness and response, procurement and final distribution, and between headquarters (including for donors such as DG ECHO) and field programmes.⁵¹

3.2.3. World Humanitarian Summit and the Grand Bargain

The European Commission is a signatory to the Grand Bargain agreed at the May 2016 World Humanitarian Summit (WHS). Donors and implementing agencies have committed to a package of actions to increase the efficiency of humanitarian action. According to the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)'s briefing paper *New Way of Working*,⁵² the increasing scale, cost and duration of humanitarian emergencies has given rise to a 'new urgency to the long-standing discussion around better connectivity between humanitarian and development efforts'. The WHS 'identified the need to strengthen the humanitarian-development nexus and to overcome long-standing attitudinal, institutional, and funding obstacles'. 'It is this notion of "collective outcomes" that has been placed at the centre of the commitment to the New Way of Working, summarised in the Commitment to Action signed by the Secretary-General and 8 UN Principals at the WHS, and endorsed by the World Bank and IOM'.

Through the Grand Bargain, DG ECHO's Director-General is encouraging the organisation to rethink its working methods. DG ECHO is actively promoting the Grand Bargain and has a multi-year, multi-country Grand Bargain pilot initiative with the ICRC.⁵³

The evaluation ToR note that the Grand Bargain discussions recognised the need to improve the efficiency and cost-effectiveness of programme delivery, including in humanitarian logistics.⁵⁴ Of particular potential relevance to the evaluation is Grand Bargain Workstream 4 – 'Reduce duplication and management costs with periodic functional reviews', co-led by UNHCR and Japan. According to the Inter-Agency Standing Committee (IASC) website,⁵⁵ suggested areas for its initial focus included: transportation/travel; vehicles and fleet management; insurance;

⁴⁹ Cash transfer tools include WFP's SCOPE, ACF's Kit for Autonomous Cash transfer in Humanitarian Emergencies (KACHE) and World Vision's Last Mile Mobile Solutions (LMMS).

⁵⁰ For each local market where a cash transfer programme was to be implemented a 'Trade Logistics Capacity Assessment' was undertaken, including an analysis and considerations of market demand, supply sources and delivery routes, challenges and risks. Once the minimum expenditure basket (MEB) had been calculated and agreed, contracts were managed by logistics.

⁵¹ Kogan Page: Humanitarian Logistics, Meeting the Challenge of Preparing for and Responding to Disasters (3rd edition).

⁵² *New Way of Working*, OCHA, 2017, (p. 3-4).

⁵³ Whereby all funding to ICRC in the Middle East is in one contract.

⁵⁴ Reducing the cost of delivering assistance with technology and innovation; reinforcing donor coordination, including between humanitarian and development donors; harmonising partnership agreements and sharing partner assessments; maximising efficiency in the supply chain for commonly required goods and services; improving the standardisation of these goods to improve the effectiveness of the response; reducing large logistics expenses by using local resources and further localising the aid response along with new response models, such as cash transfers that depends on private sector supply to local markets rather than humanitarian organisation supply chains; encouraging common logistics services as much as reasonably possible to avoid duplication, competition and enhance overall response coordination; developing sets of commonly accepted key performance indicators (KPIs) tailored to the humanitarian logistics and transport activities to measure the effectiveness of the supply chain and allow logistics management decisions to be made on the basis of solid data.

⁵⁵ <https://interagencystandingcommittee.org/reduce-duplication-and-management-costs-periodic-functional-reviews>.

shipment tracking systems; inter-agency/common procurement pipelines (non-food items, shelter, WASH, and food).⁵⁶

The evaluation team heard of examples at HQ and in-country regarding common procurement of services, such as vehicles, security and other services among UN agencies. In specific situations, notably South Sudan, there has been progress in the development of common pipelines by sector.

Interviews at both HQ and field level indicated the need for greater progress to be made on key aspects of the Grand Bargain, including localisation, multi-year funding and simplified reporting. Donors and implementing agencies seem to be waiting for the ‘other side’ to make good on their side of the bargain.

DFID has concluded that, among other strategies, the UK should: ‘Bring together humanitarian and development funding to support education, jobs, health and social protection’.⁵⁷ Some donors are better placed to combine humanitarian and development sources than others. While the UK and Denmark do not have rigid divisions between humanitarian and development funding, other Member States may have different policies that limit their flexibility in blending funding from different sources.

The key background paper on logistics for the World Humanitarian Summit, *Delivering in a Moving World*,⁵⁸ identified investment areas where there was potential to significantly improve the quality of a (logistics-heavy) response and reduce its cost and duration:

- Investment in **strengthening the local response** in natural disaster-prone countries through investment in national supply chain infrastructure and in the capacity of national and local actors to respond, from government through to populations at risk;
- Investment in **understanding and strengthening local market supply chains**, and in ensuring that providers of cash and commodities make rapid, well-informed decisions as to which modality is appropriate as market conditions evolve;
- Investment in a **network of alternative supply chains in insecure environments** (e.g. Syria and Yemen), both in agency capability, to switch swiftly between them as access changes on the ground, and in work at the political level with governments, to promote open and protected supply corridors;
- Investment in **long-term collaborations between humanitarian actors and the private sector** in anticipation of circumstances such as those of the Ebola outbreak, recognising the interdependencies between them and aiming to provide better planned and prepared responses;
- Investment in **coordination, collaboration and shared services** in circumstances where multiple actors are deployed, or will be in the event of a crisis, with the aim of preparing and rationalising common supply chains.

3.2.4. NGO logistics

In all countries visited, NGOs reported that they have various supply chain management initiatives under way, including global supply chain studies, value for money (VfM) studies, development of KPIs, and enterprise risk planning initiatives to improve data management and

⁵⁶ Other GB workstreams potentially relevant to the evaluation include: Workstream 2 – Local actors (localisation), led by IFRC and Switzerland with the Good Humanitarian Donorship initiative, and Workstream 10 – Humanitarian-Development nexus, led by UNDP and Denmark.

⁵⁷ DFID: Saving lives, building resilience, reforming the system: the UK Government’s Humanitarian Reform Policy, September 2017.

⁵⁸ *Delivering in a Moving World...looking to our supply chains to meet the increasing scale, cost and complexity of humanitarian needs*, Sara Guerrero-Garcia (Kuehne Logistics University), Jean-Baptiste Lamarche (ACF), Rebecca Vince (Plan International), Stephen Cahill (WFP) and Maria Besiou (Kuehne Logistics University), May 2016.

provide donors with the information they demand (although DG ECHO data demands are very light). While NGOs value logistics coordination meetings for information exchange and planning purposes, in field visits the evaluators found no instances of NGOs coordinating purchasing, warehousing, delivery or combined use of assets, nor were other cases reported via the surveys.

3.2.5. Private sector engagement in logistics

DG ECHO's strategic plan commits the European Commission to work more closely with the private sector in realising its goals for disaster risk reduction. As aid budgets fall short of humanitarian needs, operational capacity within humanitarian organisations is also reducing. This trend has meant that the delivery of humanitarian aid is increasingly being undertaken by the private sector.

In recent years, the aid system has begun to recognise that some aspects of the private sector could be regarded as a part of the humanitarian logistics community of practice. The Get Airports Ready for Disaster programme (GARD),⁵⁹ a partnership between Deutsche Post DHL, United Nations Development Programme (UNDP) and UNOCHA has assisted 29 airports to prepare for natural disasters.⁶⁰ Other companies have been encouraged to join the H2H (humanitarian to humanitarian) initiative,⁶¹ which aims to connect organisations for the sustainable delivery of humanitarian assistance.

The Logistics Emergency Teams (LET) comprises four global logistics and transportation companies: UPS, A.P. Moeller Maersk, Agility and DP World. Started through the World Economic Forum in 2005, the LET partnership acts as a key resource to the GLC⁶² and has provided support to humanitarian organisations during responses to large-scale crises such as the Haiti and Nepal earthquake responses (in 2010 and 2014). The LET provides essential information to national Logistics Capacity Assessments. The LET has been active in three out of four countries visited for the evaluation (not Jordan).

Under DG ECHO's Operational Transport and Logistics Platform, Kuehne & Nagel holds a 4-year renewable framework contract, initially awarded in 2008, for the transport and storage of relief goods for different actors. The resource is under-utilised⁶³ because Member States prefer to work with their own brokers rather than use the framework contract, amongst other reasons.

Through contracting of services, the private sector provides the great majority of logistical support to humanitarian operations. Yet, despite the examples noted here, the strategic, intentional engagement of the private sector in humanitarian logistics is limited, and there is significant potential to harness private sector skills and capacity.

For more detail on private sector engagement, see Annexes 3 and 25.

3.2.6. Humanitarian skills development

Many organisations interviewed during the evaluation team's field visits confirmed that finding trained, competent, logistics staff for immediate deployment to humanitarian emergency

⁵⁹ The programme is implemented by the Geneva hub of UNDP's Climate Change and DRR Team (interviewed by the evaluation team in June 2018).

⁶⁰ The GARD project is also a good example, within UNDP, of a 'linking relief, rehabilitation and development' (LRRD) initiative.

⁶¹ Using funding from DANIDA, the H2H secretariat was established to support a network providing products and services to other humanitarian organisations. An H2H humanitarian logistics and security channel has been established <https://www.h2hworks.org/channels/1474>

⁶² LET Annual Report 2017.

⁶³ In a recent case, the use of the K&N contract was contemplated for transport of emergency kits to Ethiopia but it could not be activated for the simple reason that the word 'Transport' did not appear in the 2018 HIP for Ethiopia.

operations is a constant challenge. Humanitarian organisations are providing more logistics training and capacity-building resources for supply chain, and logistics functions are being extended to support the implementation and delivery of cash transfer programmes (CTP). This is a potential area for further donor investment. For more detail of logistics training and certification options, see Annex 24.

3.2.7. Humanitarian logistics standards

There is a wide range of standards and guidelines on humanitarian logistics available, but no single set of common standards has been endorsed by the humanitarian community. Of the guidelines currently available, the Logistics Operational Guide (LOG),⁶⁴ which is hosted by the Global Logistics Cluster, is the best recognised. Representatives from a wide range of humanitarian organisations developed the tool, which covers best practices, templates, guidelines and standard operating procedures for logisticians operating in the field.

All humanitarian actors recognise the Sphere Standards and use them for their programmes and grants. To date, the Sphere Project⁶⁵ Handbook has not referenced humanitarian logistics or supply chain management. However, the 2018 version includes an annex entitled 'Delivering assistance through markets', developed jointly by the humanitarian logistics and cash programming communities of practice.

Key informants have expressed support to the suggestion (made by Sphere) to develop a Sphere Standards '*Humanitarian Logistics and Supply Chain Companion Guide*'. DG ECHO could consider supporting the creation of the Companion Guide that could become a reference document for a wide range of actors globally. As DG ECHO already requires its partners to conform to Sphere Standards, this would then de facto encompass humanitarian logistics, and thereby become part of DG ECHO's due diligence in assessing partners for framework agreements.

For more detail on Humanitarian Policies, Standards and Guidelines, see Annex 19.

3.2.8. Logistics and emergency preparedness

Resilience and DRR (including emergency preparedness) are embedded in the DG ECHO Humanitarian Implementation Plans (HIPs). Unit C1 coordinates the allocation of some €50 million between HIPs on the basis of proposals from operational units. The DG ECHO Management Plan for 2018 commits DG ECHO to mainstream DRR into 50% of all humanitarian operations and recognises the needs to work with DG DEVCO on recovery strategies.

'Disaster risk reduction/preparedness' is treated as a sector by DG ECHO, in which €291 million was invested during the evaluation period, or 3.3% of total spending. There are examples of DG ECHO prioritising logistics for preparedness.⁶⁶ However, despite its fundamental importance to preparedness, DG ECHO's thematic policy on DRR does not cover the development of national and local logistics capacity.

The Global Logistics Cluster Preparedness project launched in 2016 aims to help strengthen national supply chain resiliency and emergency preparedness, focusing on supply chain mapping, supply chain capacity gap identification and analysis, and subsequently supply chain

⁶⁴ <http://dlca.logcluster.org/display/LOG/Logistics+Operational+Guide+%28LOG%29+Home>

⁶⁵ <http://www.sphereproject.org>

⁶⁶ For example, in Madagascar the DG ECHO Integrated Assessment Framework highlights shortcomings in humanitarian logistics capacity and the Humanitarian Implementation plan identified logistics as an area for potential funding.

risk mitigation. The project has six pilot countries.⁶⁷ DG ECHO is not funding this initiative but could helpfully do so (Germany and USA are the main donors). A parallel initiative is the DFID-funded Disasters Emergency Preparedness Programme, a £40 million humanitarian capacity development programme being implemented in 10 countries at high risk of emergencies.

Various studies have demonstrated a positive return on investment from preparedness, both financially and in terms of speed of response. A prime opportunity for the improvement of efficiency in logistics is to have the right stockpile of relief goods available in sufficient quantity, so that time and expenses are minimised in responding to an emergency event. DG ECHO's commitment to increased efficiency and effectiveness in the Grand Bargain could be advanced by acting to strengthen humanitarian logistics capacity and prepositioning (see Annex 18 for more details and references).

⁶⁷ Haiti, Madagascar, Nigeria, Indonesia, Myanmar and Bangladesh.

4. Findings on logistics within DG ECHO partner projects

4.1. DG ECHO partnerships

DG ECHO funds partners under:

- Framework Partnership Agreement (FPA) for NGOs (currently 213 agreements in place)
- Financial and Administrative Framework Agreement (FAFA) for UN agencies (18 agreements)
- Framework Partnership Agreement for IFRC and ICRC, modelled on the FAFA
- Member States Specialised Agencies (MSSAs)

NGOs are accredited as eligible and suitable for DG ECHO project funding under their FPA by means of a questionnaire, while UN agencies and ICRC/IFRC undergo a 'pillars assessment'. DG ECHO processes for partner selection are discussed in greater detail in Annex 21.

4.2. DG ECHO scrutiny of logistics in projects

4.2.1. Efficiency in DG ECHO-funded projects

A primary test of logistics is how well it helps to translate inputs into outputs, making efficiency one of the most important evaluation criteria for humanitarian logistics. The evaluation has analysed how and whether DG ECHO understands and addresses the efficiency of partner logistics by reviewing DG ECHO guidelines, project documentation, especially Single Forms (SF) and 'dashboards' generated by geographic desks, and by incorporating relevant questions into key informant interviews (KII) at HQ and in the field.

4.2.2. Scrutiny of DG ECHO-funded projects

DG ECHO partners with an FPA or FAFA make project submissions on the Single Form, in line with guidance in the Single Form Guidelines.⁶⁸ DG ECHO desk officers and technical assistants (DO/TA) assess project proposals using an internal form: The *Fiche Opérationnelle*, guided by the FichOp Guidelines.⁶⁹ Partners are assessed on their procurement policies when the framework agreement is drawn up but are not routinely required to provide procurement plans or demonstrate their logistics capacity with project applications because it is not a standard part of the project assessment process.

At the Final Report stage, project costs are assessed for eligibility, which includes criteria of economy and efficiency. Finance officers are well equipped to assess eligibility of costs but less

⁶⁸ DG ECHO Single Form Guidelines, Updated 27/11/2017.

⁶⁹ FichOp Guidelines, Version 4, 15/08/2017.

well placed to judge economical and efficiency because they do not have the operational knowledge of desk officers and technical assistants.

Project assessments are initially made on a spreadsheet 'Dashboard' onto which basic details of all the projects applying for funding under a call for proposals are summarised. Against each proposal, DG ECHO officers make narrative comments. Projects approved for funding are formally recorded on the FichOp. The main factors used in decision-making on project funding are illustrated in Box 2. Many of the DG ECHO experts making project assessments do not have a logistics background. DG ECHO's logistics experts are occasionally called in to advise at either the proposal or monitoring stage, but this is usually when the project concerned has logistics services or coordination as its primary purpose.

The dashboards show examples of DG ECHO staff questioning costs and value for money of projects, which implicitly includes the in-built logistics costs. This is not the norm, however, and in most cases, logistics costs, capacity and strategy are not discussed with partners. DG ECHO staff use their prior knowledge of the context and of the partners to assess whether proposed project costs are 'reasonable', even though DG ECHO has not set down a methodology for assessing reasonable cost and staff interviewed did not find the assessment of reasonable cost to be meaningful.

For further details on DG ECHO scrutiny of DG ECHO logistics projects, see Annexes 21 and 22 and the efficiency case study in Annex 4.

4.2.3. Peer donors' assessment of project logistics

The evaluation has compared the logistics components of reference donors project application guidelines with those of DG ECHO.

4.2.4. UK Department for International Development (DFID)

DFID's requirements regarding logistics are set out in Annex A of its Humanitarian Response Funding Guidelines for NGOs,⁷⁰ which requires partners to disclose how they will procure goods/equipment and the rationale for the chosen method, be it internationally, regionally, in a neighbouring country, in-country, nationally or locally. It also asks if cash or vouchers will be used.⁷¹ Annex B asks how the organisation is linked at an operational level to the relevant international/national coordination structures and what efforts at coordination have been made in transport, procurement and logistics. Annex C provides budget guidance, including a heading for transport of materials, broken down into international shipping, port handling and truck rental.⁷² DFID's guidelines aim to establish basic facts about partner operations and probe the reasons for partner procurement and logistics choices, providing some assurance that logistics has been

Box 2. The Bangladesh case study identified the factors that DG ECHO used to assess project applications, including:

- Alignment of the partner's proposal with the HIP and with DG ECHO's strategic priorities.
- Quality in terms of relevance to needs, geographical scope and beneficiary selection, gender analysis, and the logic of how inputs lead to results.
- Past performance, and technical expertise of the partner.
- Use of cash rather than commodities wherever possible.
- Continuity and consistency with existing programmes between partners.
- Overall size of the budget in relation to the expected results.
- Balance of projects to make up that year's portfolio for the country/emergency.

⁷⁰ Humanitarian Response Funding Guidelines for NGOs, DFID, 2015. Not applicable to UN agencies.

⁷¹ Humanitarian Response Funding Guidelines for NGOs, p. 18.

⁷² Warehousing and onward distribution and the partner's own logistics staffing and overheads are not included in this budget category.

thought through by the partner but falling short of a full analysis of partner logistics capabilities. DFID asks partners for a VfM justification, with the partner free to decide how to respond.

4.2.5. USAID

USAID Office of Foreign Disaster Assistance policy on humanitarian action⁷³ includes response logistics within 'Strategic Goal 1 – Excel in Provision of Assistance' and outlines response deployment policy and procedures. The Field Operations Guide includes logistics and transport chapters. USAID regards 'Logistics Support and Relief Commodities' as a sector in its own right. The grant application guidelines from the Office for Disaster Assistance and the Office of Food for Peace Programme (FFP) can be summarised as follows:

- USAID/OFDA's proposal *Guidelines Logistics Requirements*⁷⁴ require the following from NGO partners receiving funds of more than US\$50,000: procurement plan, procurement policy for the country of operation, transport plan, storage plan, warehouse management policy, fleet vehicles details, fleet management plan and management policy.⁷⁵ The Logistics Support page of the guidelines states that USAID/OFDA supports shared supply chain solutions to avoid tensions, wasted resources or duplication of efforts (for more on the detail of logistics required by OFDA, see Annex 20).
- The USAID/FFP Annual Program Statement for International Emergency Food Assistance⁷⁶ proposal requirements include a Concept Paper⁷⁷ detailing: 'Market Appropriateness' and Feasibility (covering major operational constraints) for the response modality.⁷⁸ The guidelines call for comparison between purchased food assistance and provision of in-kind US commodities. The budget⁷⁹ must be broken down by food voucher activities, cash transfer activities, commodity procurement, transport, shipping and handling costs, and project activity costs.

4.2.6. Comparison of DG ECHO/DFID/USAID requirements

Regarding logistics, both DFID and USAID are more demanding of partners than DG ECHO, especially USAID. Both DFID and USAID require specification of NGO logistics capacity, choices and strategy to be specified. Some DG ECHO interviewees were concerned that DG ECHO's demands on partners regarding logistics have become too light, while others considered that DG ECHO has no capacity to examine additional documentation on project logistics, even if partners provided it, and that it was, in any case, not relevant for DG ECHO as a donor to request such information.

⁷³ https://www.usaid.gov/sites/default/files/documents/1866/Humanitarian%20Policy%20Framework_digital.pdf

⁷⁴ USAID/OFDA Proposal Guidelines, May 2018, V.2. Section VII Supporting Documentation, p. 79.

⁷⁵ With mandatory sector indicators, including: Average percentage of line items procured and available to humanitarian organisation, weight and volume of commodities stored, total number of flights/trips provided, number of people transported, weight and volume of commodities transported.

⁷⁶ USAID/FFP Annual Program Statement for International Emergency Food Assistance, December 2016.

⁷⁷ USAID/FFP Annual Program Statement for International Emergency Food Assistance, Section IV, Sub-section A. Concept Paper (d) Modality Rationale, pp. 15-16.

⁷⁸ Specifically: availability of rapid response options such as prepositioned commodities or pre-negotiated cash transfer or voucher response mechanisms, physical access including roads and availability of fuel, availability and quality of warehousing, staffing and security among others.

⁷⁹ USAID/FFP Annual Program Statement for International Emergency Food Assistance, Section IV, Sub-section C. Application. Technical Documentation 7. Cost Application, p. 33.

4.3. Logistics costs within partner projects

4.3.1. Aspiration to understand costs

The Inter-service Steering Group expressed a strong interest in using this evaluation to understand how far it is possible to analyse logistics costs within partner projects. At the same time, the ISG made it clear that DG ECHO data systems do not hold the relevant cost data. The evaluation has been partially successful in providing some analysis of project costs related to logistics.

4.3.2. Partner logistics costs data held by DG ECHO

The Single Form (SF) is the basis of all assessment by DG ECHO and updates from partners. The SF shows the total cost associated with each project result, as keyed in manually by the partner. Total costs are broken down into direct costs and indirect costs but total or breakdown of logistics costs are not shown on the SF. Key informants consulted on the subject did not find the 'Direct Support Costs' figure on the SF to be very useful. Crucially, the detailed project budgets provided by partners are not copied across into the SF, which means that DG ECHO's project data analysis tool, EVA, which draws on the SF, cannot analyse costs within or across projects for logistics or other cost types.

Partners are required to provide budgets showing all costs allocated against results. Budgets come in various formats, as determined by the partner, and are annexed to the Single Form. These budgets often show cost headings for transport, warehousing, etc. The headings are relatively consistent across partner budgets. In most cases, it is not possible to identify full logistics costs in the budget annex because, in most cases, they show only the budget requested from ECHO, not the whole budget. Whether the partner is requesting a larger or smaller proportion of the logistics costs from other sources is unknown.

4.3.3. Analysis of logistics costs in selected DG ECHO projects

With the aim of providing DG ECHO with some analysis of logistics costs, three sample sets of DG ECHO-funded projects were investigated, using DG ECHO's HOPE project database SFs and annexes. Annex 23 details the DG ECHO projects sampled and the associated calculations:

1. A selection of 20 ongoing projects from Bangladesh from 2016–18, representative of the diversity of partners and proportion of funding allotted to the country as a percentage of total ongoing project funding. (This data set was also used within the efficiency case study of Bangladesh.)
2. A global selection of 22 projects⁸⁰ from the period 2013–15, taken from the set previously analysed in the 2016 Overseas Development Institute (ODI) report *From Grand Bargain to beneficiary: an analysis of funding flows through the humanitarian system*,⁸¹ originally commissioned by DG ECHO Unit C1, and drawing on project records from five DG ECHO partners (Action Contre la Faim, Save the Children, UNHCR, UNICEF, and WFP).⁸²
3. A sample of six major WFP projects from 2014.

⁸⁰ From the original 28 projects analysed by ODI, 6 were WFP projects with 15% or less of the total project funding coming from DG ECHO. Therefore, these were excluded because the DG ECHO portion will not have a representative portion of logistics costs. Of the remainder, 18 projects have 80% DG ECHO funding. The evaluators have therefore assumed that by using projects with majority DG ECHO funding the logistics portion of the costs will be representative.

⁸¹ From Grand Bargain to beneficiary: an analysis of funding flows through the humanitarian system, ODI, May 2017.

⁸² ODI's agreement was sought before the data was used.

Logistics costs were then grouped as far as possible under the four broad headings shown in Table 4.

Table 4: Budget costs items grouped by cost headings

Logistics component	Budget costs included
Procurement	Food and nutrition supplies, WASH-related materials and equipment, shelter equipment, general project equipment, DRR supplies, project-specific construction.
Transportation	National and International flights, national and international freight, local travel, domestic personal transport, costs of (transport) goods.
Fleet management	Car/vehicle rental and running, other running costs.
Distribution	Warehouse rental and running costs, local distribution, warehouse equipment.

Office costs and miscellaneous costs were excluded. These probably included some logistics costs and so this may have resulted in logistics costs being understated.

The Bangladesh projects showed a wide range of percentage logistics costs, from less than 1% to 63%. The largest cost was generally for procurement, with a wide variation between sectors, and an average of 22%. For the 22 projects included in the ODI analysis, percentage costs varied still more widely, from 0% to 92%, with an average of 30%. These percentages are very likely an underestimate, as the average percentages of total costs for transportation, fleet management, and distribution are in low single figures, which is impossibly small. The six WFP projects, which show the whole budget, showed a range of logistics costs from 22% to 70%, with an average of 39%.

For future specification of logistics costs in projects, it is proposed that the following simple categorisation could be adopted:

1. Assets (depreciated value of equipment and vehicles used for humanitarian logistics operations).
2. Fuel (vehicles and generators).
3. Procurement (of humanitarian programme supplies/equipment and services internationally and locally).
4. Rent (of vehicles, storage, office and other facilities related to humanitarian programmes).
5. Local transport and handling (for distribution of humanitarian supplies).

4.3.4. Other studies on logistics costs

The 2017 ACF research paper, *Supply chain expenditure and preparedness investment opportunities in the humanitarian context*⁸³ provides one of the few published analyses of humanitarian supply chain costs. Taking a broader view of supply chain expenses than used in the analysis of DG ECHO projects above,⁸⁴ the report found that, across six ACF operations,

⁸³ Undertaken jointly by ACF France, Kuehne Logistics University and HELP Logistics.

⁸⁴ Supply chain expenditure categories include: personnel with supply chain function, IT systems, commodities (procurement), cash programs, equipment such as generators, warehouse rent or MSU, transport, distribution, supply chain overhead allocation, etc

supply chain expenditures ranged from 62% to 79%, with an average of 69%.⁸⁵ The May 2016 report *Delivering in a Moving World*,⁸⁶ prepared for the World Humanitarian Summit, stated that: 'The Humanitarian Supply Chain represents between 60 to 80% of humanitarian expenditures'. Recently completed studies by HELP Logistics and Kuehne Logistics University looked at 23 emergency operations from 2005 to 2018⁸⁷ across five organisations and found that, regardless of the type of emergency disaster (i.e. natural, complex, etc.), all organisations showed that 60% to 80% of emergency expenditure⁸⁸ was in supply chain and logistics. These studies also found that the oft-quoted UNDP estimate from 2012 that \$1 invested prior to a disaster would save \$7 afterwards was true when investing in supply chain preparedness.^{89,90}

4.3.5. Survey estimates of humanitarian logistics costs

Both DG ECHO staff and partners were asked in their respective surveys to estimate the percentage of humanitarian funding taken up by humanitarian logistics (including procurement, storage, transport, and distribution). The two sets of results are plotted together in Figure 2 below. A significant spread of estimates was seen in both surveys.⁹¹ The average estimate, weighted according to frequency in each range, was 36% according to staff and 38% according to partners, with a relative high level of 'don't knows'. In our discussions with DG ECHO partners at country level, their own estimates of logistics costs averaged 30% to 35% (and ranged from 20% to 60%). These figures cannot be regarded as having any level of precision.

4.3.6. Conclusion on logistics costs percentages

The evaluation was not able to provide an accurate analysis of logistics costs. Between the two surveys and analysis of HOPE⁹² data, logistics costs seem to average 35% to 40%, with the data analysed and the survey results showing a very wide variation between projects. The few external studies available, for example those highlighted in 4.3.4 above, are based on more rigorous analysis, and tend to give higher average percentages for logistics costs, in the range of 60% to 80% of total costs. The likely explanation is that these studies take a broader supply chain view (as per Figure 2), than that used to analyse data from DG ECHO or as conceived by interviewees. The evaluation cannot provide a comprehensive accurate analysis of logistics costs within DG ECHO projects. However, their order of magnitude makes them a significant part of the project cost base.

⁸⁵ Armed conflicts (CAR) had the highest percentage (79%), followed by medical emergencies (cholera and ebola) 63-71% and, natural disasters 62-71% (page 6).

⁸⁶ By Kuehne Logistics University, ACF, Plan International, WFP.

⁸⁷ The combined total operations expenditure for the studied emergencies was €250 million. Of this, €188 million or 75% was spent in supply chain and logistics.

⁸⁸ Supply chain expenditure categories include: personnel with supply chain function, IT systems, commodities (procurement), cash programs, equipment such as generators, warehouse rent or MSU, transport, distribution, supply chain overhead allocation, etc.

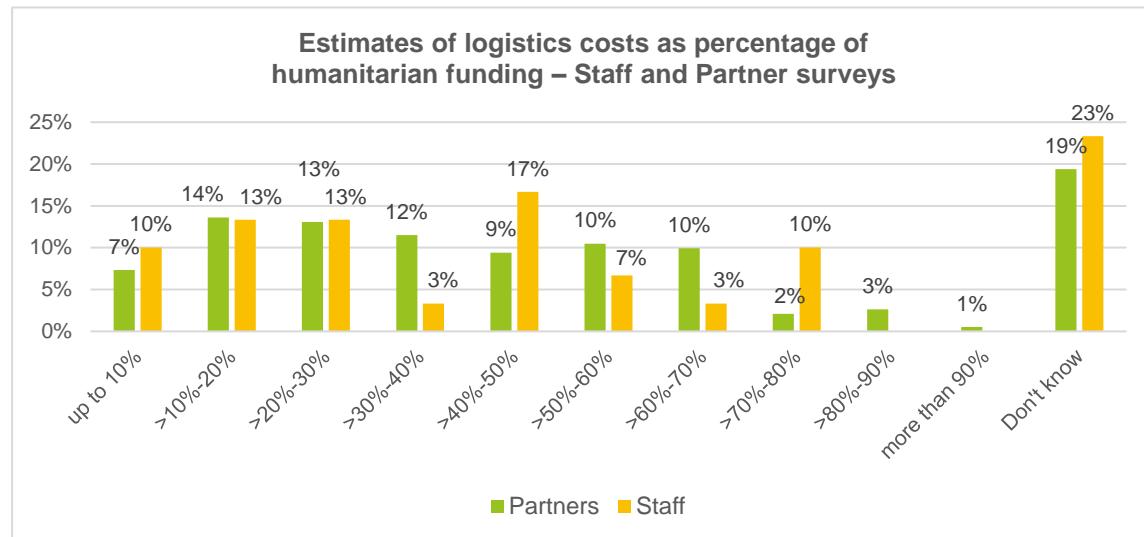
⁸⁹ Three disaster scenarios were analysed: Haiti Earthquake, Nepal Earthquake and Philippines Typhoon

⁹⁰ Email correspondence of 24 September 2018 with the Managing Director, HELP Logistics AG.

⁹¹ Commentary accompanying the question indicates that not all respondents were clear as the costs they were including here, although the question stated that the estimate should cover procurement, storage, transport, and distribution.

⁹² HOPE is the online database used by ECHO staff (including Field Experts and desks) to appraise the Documents submitted by the UN Agencies and to monitor the Action.

Figure 2: Estimates of logistics costs as percentage of humanitarian funding- staff and partner surveys



4.4. Humanitarian-development nexus

The evaluation found various points of action at the humanitarian-development nexus, including DG ECHO-DEVCO cooperation:

- A **joint DG ECHO-DEVCO post-Matthew strategy for Haiti**⁹³ that committed €30 million from the European Development Fund (EDF) for food assistance, livelihoods, education, shelter, WASH and infrastructure improvements. (Haiti is also a pilot country for the humanitarian-development nexus collaboration between DG ECHO and DEVCO).
- The **EU Delegation/DEVCO in Haiti has supported** the Caribbean Disaster Emergency Management Agency (**CDEMA**) through United Nations International Strategy for Disaster Reduction (UNISDR), while DG ECHO funds capacity development through WFP.
- In Jordan, DG NEAR (Neighbourhood and Enlargement Region) is working with the government on a chemical, biological, radiological and nuclear disaster preparedness project, for which the partner is the Civil Defence Directorate (CDD). It is also working with the CDD on a **twinning programme for civil defence** with French Cipol.⁹⁴
- **For social protection in Yemen**, DG NEAR/DG ECHO agreed that DG ECHO would provide funding for three months in support of a limited form of the social protection and DG NEAR would provide funding for another 12 months.
- DG ECHO is funding capacity development in the **Bangladesh Ministry of Disaster Management**.
- The **Joint Humanitarian Development Framework** has been applied in some countries.

⁹³ Devco.g.1.dir (2016)7118758.

⁹⁴ The consulting and service company of the French Ministry of the Interior.

5. DG ECHO direct investments in humanitarian logistics

5.1. Global Logistics Cluster

The key mechanism for the coordination of logistics of humanitarian agencies is the Global Logistics Cluster (GLC). Some actors do not take full part in the GLC: notably the Red Cross Red Cross Movement, which often sits as observer. Others, such as Médecins sans Frontières (MSF), may not participate at all. Nevertheless, the effective functioning of the GLC centrally and of the country-level logistics clusters (or equivalent non-cluster coordination mechanisms) is a key determinant in ensuring that international humanitarian actors cooperate effectively on logistics. DG ECHO partners see the logistics cluster as one of the better performing clusters.

Respondents to both the partner and DG ECHO staff survey rated its performance as 'Good'.⁹⁵ The GLC was evaluated in 2012;⁹⁶ another evaluation is probably due.⁹⁷

WFP⁹⁸ was designated by the IASC as Cluster Lead Agency for the GLC and the Emergency Telecommunications Cluster. These are the two 'service' clusters in the IASC-led cluster system.⁹⁹ The Cluster is a community of partners working to overcome logistics constraints, share operational information, and share best practices and solutions.¹⁰⁰ In some cases, it also provides common services.

From 2009, DG ECHO played an active role in support of the GLC, including funding of €12.8 million (2009–11), via WFP,¹⁰¹ under 'Enhanced Logistics Response, including Logistics Cluster and trainings'.¹⁰² According to the GLC, DG ECHO investment peaked at US\$14 million in 2014 and then declined to US\$5 million by 2017. Via WFP, DG ECHO funds some of the country-level logistics clusters to provide support and services useful for all cluster members.

On occasion, DG ECHO field experts have played an influential role in the strategy adopted by the cluster, particularly in South Sudan, Syria and Yemen, promoting coordinated and even collective action.

⁹⁵ Out of Very poor, Poor, Good, Very Good. Other forms of logistics coordination, themselves often support by the GLC, were also rated Good.

⁹⁶ WFP / UNICEF / Government of Netherlands, Joint Evaluation of the Global Logistics Cluster. The Konterra Group, 2012. WFP/EB.2/2012/6-B.

⁹⁷ The 2012 GLC evaluation found that logistics cluster operations led to better logistics approaches, enhancing programme delivery and thereby the effect of humanitarian operations on affected populations, and provided value to participating organisations. Coordination mechanisms allowed rapid gap assessment and the establishment of logistics services when other actors most needed information and predictable support. As the cluster mandate does not include the collection of cluster members' financial information, it cannot provide an analysis of the logistics costs of its members.

⁹⁸ WFP supply chain was valued at US\$3.5 billion in 2017 – <http://www1.wfp.org/supply-chain>.

⁹⁹ Globally, Cluster Leads are responsible for strengthening system-wide preparedness and coordinating technical capacity to respond to humanitarian emergencies in their respective sector. They also act as a provider of last resort in their respective sector. Source: UNOCHA – *What is the Cluster Approach*, 2012.

¹⁰⁰ According to the WFP Executive Board paper 'Update on WFP's role in the collective humanitarian response', June 2018, 'The cluster operated in 13 countries, coordinated 105 humanitarian convoys, facilitated the delivery of 70,000 mt of relief supplies, provided common storage for 286,100 m³ of humanitarian cargo and supported the distribution of over 1.4 million litres of fuel. It supported 512 organisations and trained over 1,000 people in the field, building national response capacity. Local NGOs became the biggest user group, representing 42% of all organisations supported by the cluster.'

¹⁰¹ The GLC is not a legal entity. Any funding to support the GLC at HQ, or to support county level clusters, has gone via WFP.

¹⁰² DG ECHO/THM/BUD/2009/01002 – total of €4.830.000 in 2009; DG ECHO/THM/BUD/2010/01005 – total of €1.930.000 in 2010;

DG ECHO/ERC/BUD/2011/01005 – total of €6.000.000 in 2011.

At country or crisis level, the logistics cluster may be activated by the UN Emergency Relief Coordinator to respond to a major humanitarian crisis or natural disaster. Our field visits confirmed that, where present, the logistics cluster plays an important function, and where not present its absence is felt. In practice, there is a wide variety of logistics arrangements. Where governments refuse to accept the activation of the cluster system (increasingly common), another coordination structure may be activated to provide similar functions to the logistics cluster, as in the current Rohingya crisis response in Bangladesh.¹⁰³ Tailor-made logistics coordination mechanisms are increasingly led or co-led by government.

Logistics clusters, in common with all other clusters, are intended to have a limited life. In practice, in chronic emergencies, the coordination function provided by the cluster may still be required several years after its establishment. As more emergencies have become chronic, logistics coordinators are needed in several emergencies at once, which can stretch the GLC's capacity.

In light of partners' long-standing interest in cluster governance, and to achieve greater engagement and balance the influence of WFP over the GLC, a global Strategic Advisory Group¹⁰⁴ (SAG) was created in November 2016. The overall objective of the SAG is to promote and drive the implementation of cluster strategy, ensuring that the decisions taken, and pursuant actions, represent the diversity of the cluster partners. DG ECHO is a member of the SAG but is perhaps not as influential as it was when it was making a more significant contribution to cluster finances. DG ECHO could play a stronger role in the GLC if it has a more clearly articulated agenda for the future of humanitarian logistics coordination.

The GLC's 2016–18 strategy¹⁰⁵ is currently under review. The strategy has four goals:

1. Strengthen logistics preparedness of national actors
2. Network and engage with diverse stakeholders
3. Enhance the logistics cluster operational capacity
4. Learn and drive best practices

The strategy recognises that overcoming specific challenges sometimes requires the provision of common logistics services, implemented by capable and willing humanitarian organisations for the benefit of all humanitarian actors. If no effective solution is identified, WFP in its IASC-assigned role as the Cluster Lead Agency and Provider of Last Resort provides common logistics services to meet the needs of the humanitarian community. Germany and USAID/OFDA are the main funders of the GLC strategy.

An evaluation of WFP's performance in its lead role in the GLC is beyond the scope of this evaluation. The impression gained, however, is that WFP is performing quite well or well in this function in various locations. Despite the best intentions of individual logistics cluster coordinators, the risk of WFP not being impartial in its management of the logistics cluster was raised as a concern by some informants.¹⁰⁶

During the evaluation period, WFP has been the main provider of common humanitarian logistics services and the main recipient of DG ECHO's direct investments in humanitarian logistics. WFP has the lead for the Global Logistics Cluster, UNHRD network and for the UN Humanitarian Air

¹⁰³ Bangladesh has a Logistics Cluster based in Dhaka, chaired by WFP and co-chaired by the Ministry of Disaster Management (and sometimes by the Army). In Cox's Bazar, there is a Logistics Sector (not cluster), led by WFP.

¹⁰⁴ <https://logcluster.org/strategic-advisory-group>

¹⁰⁵ https://logcluster.org/sites/default/files/lc_strategy_2016_2018_1.pdf

¹⁰⁶ This is not peculiar to WFP. There is an inherent tension in the Cluster Lead Agency role between providing a neutral coordination function that serves all cluster members impartially, the lead agency tending to be the dominant partner in the cluster, and the expectation that the lead agency steps into fill gaps not met by others as 'provider of last resort'.

Services. Many of the investments described below were made through the Enhanced Response Capacity (ERC) funding. The ERC funding to logistics systems development has since switched to other priority areas. (In 2018, total ERC funding is just €3.5 million.)

The reduction in funding to logistics was probably hastened by the mid-term evaluation of the ERC which concluded that: 'The objectives of some of the seven identified needs [for ERC funding] have been fulfilled to a significant extent (e.g. Logistics)' and the 'list of identified needs... still includes issues (such as Logistics) which have now been adequately funded'.¹⁰⁷ At that point, objectives set for the ERC were met. However, there is still a clear need to promote and finance the improvement of systems for humanitarian logistics.

5.2. Logistics 'hubs'

5.2.1. UN Humanitarian Response Depots

From 2007 on, six regional Humanitarian Response Depots (UNHRD) were established in Italy, UAE, Ghana, Panama, Malaysia and Spain for the prepositioning of relief supplies closer to disaster areas, with improved warehouse tracking systems and efficiency in supply chain management, supported by €4.3 million in DG ECHO funding.¹⁰⁸ Unbranded relief items, initially donated by DG ECHO to UNHRD, are still held in Dubai (UAE) and Las Palmas (Spain).

The number of aid organisations prepositioning relief supplies in these depots has grown considerably during the evaluation period. UNHRD now stores relief supplies and equipment for 87 members, including UN agencies, donors and NGOs. This UN common service has been in operation for over 15 years, during which time there has been a steady demand for its services (see Table 5 below). The type of inventory used has generally been limited to basic relief items, such as tarpaulins,¹⁰⁹ which is appropriate. However, the wide range of goods held in the Humanitarian Response Depot (HRD) facilities highlights the importance of continuous stock rationalisation to ensure the most efficient use of storage space.

Table 5: UNHRD utilisation (2014 to 2017)

Year	No of shipments managed	Countries supported	Members served	Cargo dispatched (MT)	Value of cargo (US\$ million)
2017	575	95	36	7,200	\$45 M
2016	515	90	33	6,306	\$42 M
2015	625	108	73	7,845	\$53 M
2014	713	104	37	6,363	\$50 M

Source: UNHRD Annual Reports

Further detail of DG ECHO-funded stocks held in UNHRD depots is included as Annex 16.

As a common service, it is unfortunate that the UNHRD had not, some years ago, been tasked to manage and coordinate strategic stockpiling information and standards globally. UNHRD continues to report simply on stock deployments. However, the network remains a valuable and important capability and source of relief goods that can be deployed within hours of a disaster. Users interviewed cited, in particular, the UNHRD loan mechanism that enables agencies to

¹⁰⁷ DG ECHO, 2014, Mid-Term Evaluation of ERC Funding – Final Report, pp. 9 and 60.

¹⁰⁸ 'Strengthening Humanitarian Logistic Capacities – The Establishment of the Humanitarian Response Depot (HRD) Network, WFP Special Operation 10522 and prepositioning of other relief items'. Project number DG ECHO/THM/BUD/2007/01006 in 2007.

¹⁰⁹ Based on interviews with several UNHRD user organisations.

borrow and pay back goods at different facilities as being extremely useful. DG ECHO's donation of unbranded goods in 2013 has helped to enable this loan function.

The Emergency Supplies Prepositioning Strategy (ESUPS), initiated in 2016, tracks warehouse locations, supply lead times during response operations, and applicability to recovery programmes. This USAID-funded project is managed by the German NGO Welthungerhilfe and supported by an OCHA-led inter-agency working group. ESUPS aims to help overcome challenges associated with access to data on global stockpiles of emergency supplies, and to coordinate prepositioning strategies, but this is still a challenge. As tracked by OCHA, in January 2017 there were 52 major stockpile holders (NGOs, government and UN agencies) of emergency supplies located in 47 cities across 29 countries.¹¹⁰

5.2.2. IFRC regional logistics units

From 2006, DG ECHO supported the set-up¹¹¹ of IFRC regional logistics units (RLUs) in Panama, Kuala Lumpur, Nairobi, Beirut and Budapest, with funding of €23 million (2007 to 2011)¹¹² for the prepositioning of relief supplies closer to disaster areas, and response to a major disaster within 72 hours. The hubs include warehousing for the storage of relief items and equipment. In some respects, this capacity is a duplication of the inventory held by UNHRD¹¹³ partners and further highlights the need for a more strategic and better-connected approach to relief item stockpiling. The evaluation team visited the new UNHRD and IFRC hubs in Panama City that are now housed adjacent to each other; similar situations of duplication exist in Dubai and Kuala Lumpur. While noting the possible inefficiencies in maintaining separate stock, there is a drive from the RCRC and some NGOs to maintain a separate humanitarian supply chain from the UN.

5.3. Humanitarian procurement centres

To ease procedural burdens for partners when procuring goods and services, DG ECHO introduced the innovative concept of humanitarian procurement centres (HPCs), which was enshrined under the Humanitarian Procurement Centres Charter.¹¹⁴ This permits partners to award supply contracts to HPCs on the basis of a single offer, regardless the value. At the end of 2017, 12 non-profit organisations had been registered by DG ECHO as HPCs, offering specialised procurement of a wide range of humanitarian supplies¹¹⁵ and services from a number of locations globally (see Annex 17).

Under Article 5 of the Charter, when using the services of an HPC, a humanitarian organisation should not request tenders or offers from several HPCs solely for price comparison purposes but should monitor the timeliness and quality of supplies or services provided. Article 15 'Duty of Faithful Cooperation and Information' notes that HPCs should commit to engage in a regular exchange of information with DG ECHO and, where appropriate, with other DG ECHO partners.

¹¹⁰ UNOCHA: Who Has What Where, Emergency Supplies Prepositioning Strategies (ESUPS, 2017).

¹¹¹ Support provided through the project 'Supporting the humanitarian reform through thematic funding in favour of UN and Red Cross movement organisations'.

¹¹² DG ECHO/THM/BUD/2007/01000 & DG ECHO/ERC/BUD/2011/01000.

¹¹³ The business models used by IFRC logistics hubs and UNHRD differ but both charge service fees for handling products.

¹¹⁴ The HPC Charter defines common standards of transparent, efficient and ethical procurement and sound financial management shared by the Commission and those HPCs recognised by DG ECHO. The latest version of the Charter dates from 2014.

¹¹⁵ Entities registered as HPCs can supply pharmaceuticals, vehicles, emergency non-food items, food, WASH supplies and other goods. An HPC may either be an independent entity or a specialised supply or procurement department of a non-governmental organisation or an international organisation, provided that it has the appropriate levels of specialisation and discretion in procurement decisions.

Based on interviews with six HPCs, as well as with DG ECHO staff, it was apparent that the original spirit of the HPC model has been challenged. For example, while humanitarian organisations can procure products on single bid basis, many DG ECHO partners continue to exercise unnecessarily complex procurement procedures and often use HPCs simply as a source for price comparisons, which wastes significant time and resources.

HPCs are pre-assessed for their quality of services and supplies. While they can stock specialised equipment and medicines, and can engage in stockpiling and prepositioning, they are not mentioned in the Emergency Management Policy (2017), although the proposed policy recognises the importance of procurement.¹¹⁶

Interviews with DG ECHO field experts revealed differences of approach regarding partners' use of HPCs. Some stated that partners must use the HPC (in locations where it is available), while others tell partners that is expected or advised but not obligatory. DG ECHO could helpfully clarify the messaging to partners on this point.

Drawing on the HPC audit reports available, data has been compiled for the years 2013–15 but not beyond (hence the limited date range for the data tabulated in Annex 17). Meaningful comparisons between centres were difficult to make due to variances in report periods and data sets. Because HPCs do not capture information on the donor behind the procuring organisations' projects, they cannot readily determine the volume of procurement transactions related to DG ECHO-funded projects.

The evaluation team found that there has been limited communication between DG ECHO, its partners and HPCs (particularly with reference to Articles 5 and 15 mentioned above). There is certainly scope for DG ECHO to further promote the use of HPCs and to share data and analysis that would help to enhance procurement practice and standards, to restart HPCs communicating as a network and to organise HPC meetings (the last was held in 2016).

At field level, DG ECHO promotes the use of HPCs but is not advancing the development of the HPC as a model. Beyond auditing, DG ECHO needs to clarify responsibilities for operational oversight¹¹⁷ of HPCs. Clearer reporting and better visibility over HPC operating data would support DG ECHO, the HPC network and wider humanitarian community to make better use of the system. DG ECHO could influence other donors to encourage their partners to buy from HPCs, which would benefit the sustainability and quality of HPCs and so add to the efficiency, speed and impact of emergency preparedness and response.

5.4. Logistics common services

During emergency operations, various donors, often through the logistics cluster, have collaborated with the larger aid organisations to provide common services. Notably, the International Organization for Migration (IOM) has managed common shelter and non-food item (NFI) pipelines in South Sudan, the Syria crisis, Haiti and Bangladesh. UNICEF, as the Cluster lead for WASH, has also provided a significant proportion of the core WASH pipeline functions in emergencies on behalf of cluster partners.

Field interviews indicated that there is a growing trend towards the delivery of in-kind assistance through common pipelines in protracted crises with challenging operating environments. Donors¹¹⁸ regard this approach as both an effective and efficient means of channelling funds to

¹¹⁶ Section 4.4 (page 9) of the proposal notes that there is 'a vision of continuing to work with partners to improve response time, foster professionalism in the supply chain and improve procurement processes'.

¹¹⁷ Policy and legal oversight for HPCs is provided through DG ECHO Directorate D1 and audits undertaken by D3.

¹¹⁸ DG ECHO has often funded common Shelter / NFI and WASH pipelines.

emergency operations. Agencies that specialise in certain sectors can be recognised as common pipeline managers and are therefore best placed to maximise impact and ensure that the risk of duplication of supplies and related programme activities are reduced.

UN common logistics services were cited as being of critical importance to the delivery of humanitarian assistance in contexts such as South Sudan and Somalia. The involvement of experienced humanitarian logisticians is regarded as essential to ensure that cluster and common pipeline objectives are met (globally and locally). Atlas Logistique,¹¹⁹ which acts as a provider of common services to NGOs, has developed significant experience in tackling local humanitarian logistics challenges, mainly related to transport and storage.¹²⁰

The cluster system is not activated for all emergencies where it could be beneficial, such as medium scale emergencies or where governments refuse its establishment, as for example in the 2011 floods in Thailand. According to the GLC, logistics teams are deployed equally whether the cluster is formally activated or not (this does not fully tally with some of our field interviews), which reinforces the point that operational logistics coordination functions are needed, whatever title the coordination function is assigned.

¹¹⁹ A brand within the NGO Humanity and Inclusion.

¹²⁰ Some actions require almost immediate logistics support that may not be possible with formal or informal activations of the cluster. For example, SAR (Search and Rescue) logistics support and coordination must be activated within hours of a disaster occurring. In 2018 Atlas Logistique entered into a partnership with UNDAC to provide specialised logistics support and facility management for SAR teams.

6. DG ECHO funding to Humanitarian Air Services

This section represents a short summary of the full report on Humanitarian Air Services, which can be found in Annex 27.

6.1. Background

Expenditure on air transport represents a significant component of DG ECHO's funding for the period 2013–17. In 2017, DG ECHO contributed €38.6 million towards the funding of its own humanitarian air service, ECHO Flight and other humanitarian air services, including UNHAS (the United Nations Humanitarian Air Service) and other air services operated by the WFP Aviation, by ICRC and by Mission Aviation Fellowship (MAF) in conjunction with PACTEC.¹²¹ This represented approximately 0.9% of DG ECHO's overall budget for the year.

DG ECHO's funding to humanitarian air services has been broadly consistent across the evaluation period, averaging €35.8m per year. This reflects the ongoing, long-term nature of many humanitarian aid operations during the period, particularly in sub-Saharan Africa. The proportion of funding spent on air services varies with the operating context. In 2017, some 13.3% of DG ECHO's overall country budget in DR Congo was spent on ECHO Flight, compared with just 3.3% for South Sudan (UNHAS and ad hoc flights under the WFP Aviation Log Cluster). In Turkey and Greece, which received the highest overall DG ECHO funding, there was no direct funding of humanitarian air services, reflecting the availability of safe and reliable commercial air services. In some instances where humanitarian air services could be valuable, such as Iraq and Syria, they would be too dangerous to provide.

An evaluation of the ECHO Flight programme and DG ECHO's contributions to UNHAS operations were last evaluated in 2010.¹²² This evaluation concluded that:

- On priority passenger procedure: Strict passenger prioritisation had been received positively by EU-funded actors,¹²³ but was perceived as 'limiting ECHO Flight's engagement with the humanitarian community at large';¹²⁴ the 'priority given to NGOs, especially EU-funded organisations, and the emphasis on locations in which they are working are greatly appreciated by users'.¹²⁵
- On cost-effectiveness: ECHO Flight service was seen to be 'somewhat more cost-efficient than UNHAS'.¹²⁶
- On professionalism and quality: 'ECHO Flight is widely appreciated and respected as evident from interviews, a survey and documentation'.¹²⁷ The use of the private sector was seen to have no issues in terms of service, professionalism, or task completion: 'EF is almost

¹²¹ PACTEC is known solely by its acronym (see www.pactec.com)

¹²² Evaluation on the Provision of Air Transport in Support of Humanitarian Operations Final Report, DG ECHO, 2010.

¹²³ Page 5 European Commission, DG ECHO, Evaluation on the Provision of Air Transport in Support of *Humanitarian Operations Final Report*, 2010. Available at: http://ec.europa.eu/echo/files/evaluation/2010/Air_Transport_Evaluation.pdf.

¹²⁴ Ibid, page 5.

¹²⁵ Ibid, page 12.

¹²⁶ Ibid, page 5.

¹²⁷ Ibid, page 11.

entirely run through a private company. No anomalies, malpractice or complications were noted during the evaluation.¹²⁸

6.2. ECHO Flight

ECHO Flight, managed and funded by DG ECHO, is the only humanitarian operation directly implemented by DG ECHO. It ensures humanitarian access to areas that could not otherwise be reached and remains an important tool in terms of visibility and leverage over other humanitarian air service operators. ECHO Flight provides humanitarian air services in DR Congo, Kenya, Uganda and Mali. In 2014, it also operated in Chad. ECHO Flight records show that it carried an annual average of some 26,000 passengers and 278,000 kg of relief supplies¹²⁹ over the period 2013–17 and directly supported over 300 humanitarian projects in Africa, many of which are funded by the EU.

The primary objective and mandate of DG ECHO-funded air services is to support EU-funded humanitarian relief projects located in areas not served by commercial airlines or which cannot be accessed quickly or securely by road. ECHO Flight is free for all users. In 2016, 73% of passengers and 87% of cargo transported related to EU-funded projects. Staff and relief supplies for these projects are given Priority 1 status on the flights, while other NGO staff can use the service on a space available basis. Although UNHAS is present in countries where ECHO Flight operates, there is very little overlap in the routes served and/or the flight timings. As such, ECHO Flight can be regarded as coherent with UNHAS. There is also some limited collaboration with UNHAS on aviation safety and security.

The contract for ECHO Flight has been held by DAC Aviation since 2006 and currently involves the chartering of six aircraft (two DH Dash-8s and four Cessna Caravans). It is valid for a 4-year period – the most recent contracts cover the period March 2014 to May 2018 and May 2018 to February 2022. The contract is administered through an international tender. While, in theory, this is open to all tenderers, in practice all bids must be from (or include) an air charter operator with a Kenyan Air Operators Certificate (AOC). While this may have restricted the number of bidders, the tender process appears to provide the best value in the circumstances. In the most recent tender, DAC Aviation scored the highest marks for both technical capability and for price. In 2017, the contract price was approximately €13.8 million, of which €11.2 million related to direct aircraft costs and €2.6 million (18.8%) to base costs.¹³⁰ The aircraft costs cover the fees paid for both scheduled and ad hoc flights. A similar price is charged in 2018 under the new contract, which also includes two dedicated back-up aircraft in Nairobi.

In parallel with the new ECHO Flight contract, there are further back-up framework agreements with other air charter operators in Africa that could be utilised if required in emergency situations or if additional capacity is required for other reasons. While these back-up contracts provide an extra level of flexibility, the evaluators note that these are all for fixed wing aircraft. The evaluators would recommend that these are extended to include helicopters, which are often more appropriate in short-term emergency situations and should perhaps be extended to countries outside Africa.

ECHO Flight is highly relevant to the success of many EU-funded (and non-EU-funded) humanitarian aid projects in the countries where it operates. Many projects are located in remote regions with limited road access, which may be exacerbated by poor weather or security issues.

¹²⁸ Page 14 European Commission, DG ECHO, *Evaluation on the Provision of Air Transport in Support of Humanitarian Operations Final Report*, 2010. Available at: http://ec.europa.eu/echo/files/evaluation/2010/Air_Transport_Evaluation.pdf.

¹²⁹ Total passengers and cargo ticketed (i.e. excludes double-counting of onward connecting flights).

¹³⁰ A detailed breakdown is given in Annex 27.

As a result, access by air is essential for NGO staff working on these projects and any supporting supplies. This applies both to those working in the field on a long-term basis, who typically will require visits to a head or regional office or holiday breaks, and for NGO staff visiting projects in the field for management or monitoring purposes.

ECHO Flight aircraft are available for occasional ad hoc flights outside the regular flight schedules (e.g. for special EU missions or other international agencies). Under the current contract, two additional aircraft (a DH Dash-8 and a Cessna Caravan) are on standby in Nairobi in the event of technical issues in the field or for any ad hoc missions.

In overall terms, ECHO Flight service is flexible and can be adjusted to suit user demands, thereby maximising its overall impact and effectiveness. The level of dispatch reliability is good – in 2017, some 88.2% of scheduled flights were operated. Although some aspects of the service need to be improved (particularly the flight booking system), user surveys and evaluation interviews show the level of user satisfaction with ECHO Flight to be high.

In terms of unit operating cost, humanitarian aid flights are more expensive than traditional air charter flights. In common with other humanitarian air services, the daily utilisation of ECHO Flight aircraft is relatively low and the aircraft fuel costs and operational overheads are high. This is compounded by the relatively high costs of the flight crew despite comparatively low aircraft utilisation. Owing to a lack of available data,¹³¹ it is not possible to directly calculate the average unit cost (e.g. in terms of total cost per passenger-kilometre). The evaluators have, however, made estimates of the average aircraft operating costs per passenger for each aircraft deployed (i.e. ECHO 1-6) in 2017 and, in the case of DR Congo, the evaluators have benchmarked the figures against those provided by WFP Aviation for UNHAS operations in this country.

Our analysis suggests that, on an average 'per passenger' basis, ECHO Flight Dash-8 operations are less expensive (€321.89 per ticketed passenger) than those by Cessna Caravan (€536.38 per ticketed passenger). For certain flights, however, particularly those by the Cessna Caravan aircraft, the passenger capacity is reduced due to runway length restrictions, which may increase these average cost figures. There are significant differences in these figures by flight number. ECHO Flight Dash-8 operations range from an average aircraft operating cost of €246.06 per passenger (in Kenya) to €479.45 per passenger (in DR Congo), while Cessna Caravan costs range between an average of €455.70 per passenger (ECHO 5 in Mali) to €662.75 per passenger (ECHO 6 also in Mali).

Comparison of ECHO Flight average 'per passenger' operating costs against UNHAS suggest that ECHO Flight costs were 7-10% higher than those for UNHAS in DR Congo in 2017 – with a greater differential for Dash-8 rather than Cessna Caravan operations. However, it should be pointed out that the average 'per passenger' aircraft operating costs of the Dash-8 ECHO 2 service in Kenya were significantly lower than those for the Dash-8 ECHO 1 service in DR Congo, due in part to the higher load factors on this service. Unfortunately, it is not possible to draw comparisons against UNHAS' Kenyan operations as the relevant data is combined with that for Somalia. There are a number of caveats to this analysis so caution is required in drawing conclusions from these figures, except perhaps noting that the 'turnkey' (i.e. total cost-inclusive)

¹³¹ Although total base costs are available for the ECHO Flight, there is no data available on any additional overhead costs (e.g. those for EU staff in Nairobi, Goma and Brussels). Similarly data for base and overhead costs have not been provided by UNHAS. In order to provide some type of cost benchmarking analysis, the evaluators have compared the average aircraft operating cost per passenger. While the main components of these operating costs are similar between ECHO Flight and UNHAS, there are some minor differences (eg the UNHAS figures exclude airport, ATC and any other surcharges, although both include fuel). It should also be noted that the nature of ECHO Flight and UNHAS are different in that ECHO Flight is an inclusive 'turnkey' operation in which the operator, DAC Aviation, is responsible for the purchasing of aircraft fuel and the payment of additional charges whereas, in the case of UNHAS, these items are contracted directly by WFP Aviation. The 'turnkey' nature of ECHO Flight will tend to increase aircraft hourly fee rates charged as the operator will wish to cover any possible increases in the fuel price and other surcharges over the contract period.

nature of the ECHO Flight may impact the comparative aircraft operating cost. Furthermore, data on base and overhead costs for UNHAS is not available to give a full picture of the total cost of the service.

Given the turnkey nature of ECHO Flight and the exclusion of certain costs in the UNHAS figures, we believe that ECHO Flight and UNHAS' average unit operating costs are broadly similar, although the Cessna Caravan operations appear to be rather more expensive in DR Congo and in the other countries benchmarked. A further factor is that aviation fuel prices fell significantly in 2017, which is likely to have benefited UNHAS rather than ECHO Flight, as there is no adjustment for this in the contract price. Whilst aviation fuel prices can go up as well as down, it could be advantageous for DG ECHO to pay for fuel directly rather than through the main ECHO Flight contract, although it is recognised that this may be difficult from an administrative standpoint.

It might be argued that ECHO Flight would not be required if DG ECHO were to provide additional funding to UNHAS so that their route network could be expanded to include all areas where EU-funded projects are based. It could also be suggested that ECHO Flight is restrictive as it prioritises EU-funded humanitarian projects, rather than development projects or those funded through other donors. However, due to the unpredictable nature of its overall donor funding structure, it is possible that there would be no guarantee that UNHAS would provide these additional services, even if further funding was provided by DG ECHO. If ECHO Flight were to be transferred to UNHAS, all users including those working on EU-funded humanitarian aid projects would need to pay a fee, which would be unpopular. Furthermore, ECHO Flight in its current format can also be used for special EU missions and provides visibility to EU humanitarian aid as a whole. This might not be possible if the service was transferred to UNHAS.

6.3. UNHAS

In common with ECHO Flight, UNHAS operates by chartering dedicated aircraft from a specialist air charter operator. However, unlike ECHO Flight, it operates a common service for all humanitarian aid workers and charges a fee for all users. The extent of the services offered in terms of the aircraft deployed, the range of destinations served and the flight schedule is dependent on the level of funding available. UNHAS experiences funding shortfalls in several of the countries where it operates.¹³² Funds are often donated only at the last minute to operate some level of service, with the balance of funding obtained from cost recovery. The level of cost recovery (i.e. fee payable by users) is typically US\$100-500, dependent on the level of donor funding.

DG ECHO currently funds UNHAS in 11 of the 14 countries in which it operates. The proportion of the total budget funded by DG ECHO varies by country. In 2017, for example, this ranged between 8% in Central African Republic to 33% in Yemen.

UNHAS humanitarian air services funded by DG ECHO are clearly relevant in the majority of countries where they operate – although in some e.g. DR Congo and Sudan alternative commercial air services exist.¹³³ It might also be argued that DG ECHO funding to UNHAS could be less relevant in Mali, where ECHO Flight also operates, although UNHAS provides links

¹³²In South Sudan, for example, in October 2017, UNHAS was quoted as saying that it needed \$1.5 million to continue otherwise it would close operations by December. See 'UN May suspend flights due to funding shortage', Eye Radio Network, 5 October 2017.

¹³³In both countries, all airlines are banned from operating in the EU and might therefore be regarded as unsafe for use by humanitarian staff. Some airlines in Sudan have, however, be approved for use by UNDSS.

between the main hub while ECHO Flight concentrates on services to the remote regions. As such, there is good coordination with UNHAS to ensure that there is minimal overlap of services.

UNHAS generally seems able to respond to user needs, which can change rapidly, with coordination led by OCHA in most countries. The user satisfaction rates are mostly acceptable – although the effectiveness of UNHAS' operations can be limited by the lack of security clearances, poor airfield infrastructure and fuel shortages. Due to the wide disparity in the operating costs of the different fixed wing aircraft and helicopters and in the sector lengths flown, it is difficult to get an overall picture as to whether UNHAS services are cost-efficient, although the DG ECHO monitoring reports and user surveys carried out suggest that, in most cases, the resources deployed (i.e. the number/type of aircraft and the hours flown), meet user requirements. In some countries where DG ECHO has provided funding, however, the predicted number of beneficiaries and traffic levels are not met, for a variety of reasons.¹³⁴ The funding applications as shown in the e-Single Form generally tend to emphasise the positive points rather than provide a balanced critique of the proposed services. The data available, particularly on unit costs for the different aircraft types used, is patchy and not comprehensive. A fuller set of data held by DG ECHO would allow it to benchmark other services against ECHO Flight and inform the assessment of future funding applications. DG ECHO does not appear to have any policy guidelines as to the proportion or level of funding given to UNHAS in each country and each application is assessed on its own merits.

6.4. Other air services funded by DG ECHO

DG ECHO also funds special aviation operations (e.g. air drops of relief supplies) directly with WFP Aviation and through the Logistics Cluster. In 2017, such operations were undertaken in South Sudan. A further funding contribution was given to Mission Aviation Fellowship (MAF)/PACTEC which operated humanitarian air services to remote locations in Afghanistan over the period 2013–17. In this instance, however, the unit cost per passenger flown was comparatively high due to the small aircraft size deployed and low passenger load factors. Some funding, primarily for the chartering of air transport of specialist equipment and emergency teams, was also made available to EU Member States under the Union Civil Protection Mechanism (UCPM). In 2017, the total UCPM expenditure on transport amounted to some €1.6 million for emergencies in the EU and €5.3 million for those outside the EU. There is insufficient data to assess whether the individually funded items represent good value for money.

¹³⁴ These include discontinuation of humanitarian projects in the country or a lack of funding from other donors. An example is the funding given to UNHAS operations in Chad in 2017.

7. Summary assessment against the evaluation criteria

A central requirement of the evaluation is an assessment of DG ECHO activities and investments in humanitarian logistics against the evaluation criteria, the evaluation questions and sub-questions in the modified Evaluation Framework (see Annex 5). This is provided in Table 6 below. Supporting detail behind the assessments appears in the relevant descriptive and analytical sections of the report. The right-hand column shows a score for 'confidence level' between 1 and 5.¹³⁵ In part, these scores reflect the evaluation limitations discussed in Section 2.8. The confidence levels are high or moderately high for the majority of the answers given.

Table 6: Evaluation assessment against the evaluation criteria, questions and sub-questions

Confidence level in validity of assessment: 1=Low, 5=High	
RELEVANCE	
<p>1. How well were DG ECHO's humanitarian logistics activities funded, designed and tailored to the needs of its partners?</p> <p><i>To what extent do DG ECHO partners consider DG ECHO's humanitarian logistics activities an added value to their humanitarian response(s) and to beneficiaries?</i></p> <ul style="list-style-type: none"> • DG ECHO partners recognise the important and distinctive contribution DG ECHO makes by providing ECHO Flight and funding other humanitarian air services that allow them to access hard-to-reach areas where beneficiaries would otherwise not receive the humanitarian assistance provided by DG ECHO-funded, and other projects. The air transport supported by DG ECHO provides the standby capacity for security and medical evacuations that gives assurance to workers who would not otherwise be deployed to high-risk situations. It also supports the Rest and Recuperation rotational system for aid workers in hardship locations. • Common services provided by the logistics cluster in some emergencies, and by UNHRD and HPCs, are also appreciated and continue to be used, although most of DG ECHO's financial investment in these latter services predates the current evaluation period. 	4
<p>2. How well has DG ECHO adjusted its humanitarian logistics approach, activities and funding to (i) changing humanitarian needs, (ii) recent policy developments in humanitarian aid and civil protection?</p> <p><i>What key policy developments have taken place in humanitarian aid that DG ECHO needed to, or should have responded to regarding humanitarian logistics?</i></p> <ul style="list-style-type: none"> • There have been no significant developments in DG ECHO policy regarding humanitarian logistics over the evaluation period other than the logistics section of the 2017 Emergency Management Policy, which is relevant. One year on, there is some 	5

¹³⁵ The confidence level reflects the degree to which the evaluation has been able to reach a clear, evidence-based opinion regarding the evaluation question and sub-question. For Level 5, there is a high degree of certainty concerning the judgement. Reasons may include: the judgement can be made from documentation alone; there is a high degree of consensus among different types of stakeholders; members of the evaluation team have prior knowledge of the situation under discussion. Less certain judgements, Level 3-4, occur when, for example: some relevant data is missing, some key informants could not be interviewed, there is some disagreement between stakeholders in the same location or in different locations, a general judgement has to be made based on limited practical examples. The lowest confidence scores, Level 2 and 1, occur when, for example, the evaluation yielded only limited information, because relevant documents cannot be found, or where stakeholders provided no useful information in response to the relevant interview questions.

Confidence level in validity of assessment: 1=Low, 5=High	
greater engagement of logisticians in sudden-onset emergencies and of aviation TAs in monitoring UNHAS. Otherwise the strategic elements of the policy need to be operationalised.	
<ul style="list-style-type: none"> There are important policy shifts in the external environment that could have been applied to humanitarian logistics, but which DG ECHO has yet to implement, including logistics aspects highlighted in the World Humanitarian Summit and that now fall under Grand Bargain Workstream 4. DG ECHO's policy on disaster risk reduction, which is consistent with the Sendai Framework on DRR, barely references logistics, despite it being at the core of preparedness for emergency response. The Grand Bargain commitment to localisation is advancing slowly in DG ECHO and elsewhere. There are some examples of DG ECHO funding partners to strengthen emergency response and preparedness capacity with national authorities. There have been some important developments in training and professionalisation in humanitarian logistics. DG ECHO has provided some financial support to logistics training, although now decreased. DG ECHO has had some limited involvement in developments in professionalisation or standard setting for humanitarian logistics over the evaluation period. 	
<i>How did DG ECHO adjust its approach to humanitarian logistics in response to its promotion and financial support to cash based programming?</i>	
<ul style="list-style-type: none"> DG ECHO has been a leader in the promotion of cash based programming, which has been adopted more widely by DG ECHO partners over the evaluation period, sometimes with field level technical support from DG ECHO. DG ECHO and its partners are aware at a general level that they need to be able to change from a response based on logistics provided by humanitarian agencies to cash based response, as markets stabilise and the cash programming standard operating procedures (SOPs) agreed between agencies and partnerships with financial institutions and telecoms companies are put in place. There is also awareness that the process may need to be reversed in case of a major new emergency or other deterioration in the operating context. However, there is not yet a conscious recognition in DG ECHO of the need for logistics and logisticians to be engaged in both cash and commodity-based modes of operation and for them to be planned together. 	5
<i>To what extent has DG ECHO's Emergency Management Policy covered humanitarian logistics?</i>	
<ul style="list-style-type: none"> The Emergency Management Policy includes an ambitious set of proposals for DG ECHO humanitarian logistics, including development of logistics capacities, including through the GLC and common services, prepositioning, maintenance of humanitarian air services, greater use of DG ECHO logistics experts for logistics assessment, monitoring and evaluation. Some of these proposals were made in other forms in 2013 by the unit covering logistics at the time. The Emergency Management Policy proposals on logistics are largely congruent with the findings and recommendations of this evaluation. 	5
<p>3. To what extent has DG ECHO taken a strategic approach to humanitarian logistics activities and funding decisions to maximise DG ECHO's relevance for humanitarian logistics in international humanitarian aid?</p> <p><i>To what extent does DG ECHO have a strategic overview of developments in the logistics market (capacity, suppliers, technology)?</i></p> <ul style="list-style-type: none"> Along with other donors, DG ECHO does not maintain a strategic overview of humanitarian logistics that can drive solutions to logistics challenges, either at global or country level. 	
40	

Confidence level in validity of assessment: 1=Low, 5=High	
• At country level, DG ECHO supports market assessments and the GLC provides Logistics Capacity Assessments.	
<i>What, if any, strategy has DG ECHO employed to select its humanitarian logistics investments and the levels of funding to each investment? How strategic have DG ECHO humanitarian logistics investments been?</i>	
<ul style="list-style-type: none"> Logistics rarely receives explicit attention in the Integrated Assessment Frameworks that provide DG ECHO's strategic assessment of each humanitarian crisis situation, or in the Humanitarian Implementation Plan (HIP) that sets out DG ECHO's annual programming priorities for each country or sub-region. Therefore, there is no humanitarian logistics strategy built into DG ECHO's key documents for describing challenges, setting priorities or assigning funding envelopes. DG ECHO does invest in logistics where it sees that by doing so it will allow the delivery of humanitarian assistance to be maintained, normally in difficult operating environments, where there are important capacity gaps, and sometimes where no other major donor is ready to do so. These investments are strategic in that they allow humanitarian assistance in hard-to-reach locations to continue. DG ECHO has made an important and strategic choice to continue its investments in humanitarian air services at a more or less constant level of funding over the evaluation period. The UN Humanitarian Air Service run by WFP is often underfunded. 	5
<i>To what extent were partners engaged in the development of DG ECHO strategy towards the development of global humanitarian logistics capabilities such as GLC and HRDs?</i>	
<ul style="list-style-type: none"> DG ECHO has no agreed policy for the development of humanitarian logistics capacity at national level or globally. As the development of a global policy or strategy for logistics has not been a priority, partners have not been involved. Partners are engaged by the GLC in strategy development. During the evaluation period, DG ECHO has not been engaged in strategy development for the Humanitarian Response Depots. In the past, partners have been convened to discuss the workings of the Humanitarian Procurement Centres. This last took place in 2016. DG ECHO does not seem to have anyone in post with the responsibility to provide oversight of the performance of HPCs or strategy for the HPC network. 	5
<i>To what extent has DG ECHO developed a strategic overview of logistics needs, gap identification and capacity at emergency or country level?</i>	
<ul style="list-style-type: none"> The GLC provides country Logistics Capacity Assessments in many crises: a standardised tool that provides information on the logistics infrastructure and services in a given country, related to the needs of emergency humanitarian logistics. WFP now also conducts country Retail Logistics Capacity Assessments to determine baselines/requirements for local market supply chains with respect to the viability of cash programmes. DG ECHO is not directly involved in these assessments. 	4
<i>To what extent has DG ECHO contributed to models/practice for increased efficiency in humanitarian logistics as part of meeting its commitments to the Grand Bargain?</i>	
<ul style="list-style-type: none"> There appears to be little progress in the relevant workstream established for the implementation of the Grand Bargain (workstream 4, co-chaired by Japan and UNHCR). 	4

Confidence level in validity of assessment: 1=Low, 5=High	
• DG ECHO has made some contribution to the sharing of good practice in humanitarian logistics, through its financial support to Network on Humanitarian Action (NOHA).	
<i>To what extent has DG ECHO considered and promoted, where relevant, recent innovations in humanitarian logistics?</i>	
<ul style="list-style-type: none"> Recently, DG ECHO has considered the importance of common innovations using technology to support market-based interventions. Otherwise, the evaluation did not hear of DG ECHO tracking or promoting innovations in humanitarian logistics. DG ECHO has promoted the adoption of cash based programming that requires different forms of logistics based on the private sector response driven by beneficiary demand through local markets. DG ECHO has contributed to the processes for market assessments. 	4
COHERENCE AND COMPLEMENTARITY	
<p>4. To what extent are the different activities of DG ECHO's humanitarian logistics portfolio coherent and complementary to each other, including between humanitarian action and civil protection?</p> <p><i>To what extent were DG ECHO's policy, guidance and standards for humanitarian logistics applied to 1) DG ECHO field network, and 2) partners?</i></p>	
<ul style="list-style-type: none"> DG ECHO has a procurement policy to which all partners must adhere. Otherwise, DG ECHO has no policy guidance or standards for logistics to govern its approach or oversight of partner logistics. 	5
<i>How well has DG ECHO ensured coherence, synergies and complementarity in transport and logistics between civil protection and humanitarian aid operations?</i>	
<ul style="list-style-type: none"> These were well coordinated by the ERCC, although the ERCC's role is constrained by the voluntary nature of civil protection (CP) deployments and by bilateral government-government dealings that have sometimes bypassed the UCPM coordination procedures. The coordinated agreement of several states to place medical and relief supplies for the Ebola virus outbreak into the Dutch naval vessel Karel Doorman bound West Africa was a notable success. For a number of reasons outside the immediate control of the ERCC, the use of UCPM assets for logistics is likely to remain limited and ad hoc. There is a limit to the extent to which DG ECHO can ensure coherence between civil protection and humanitarian aid in relation to logistics. (See also 3.1.5). Coherence has sometimes been achieved between UN response coordination systems and EU civil protection responses outside Europe, through UN Development Assistance Committee, and occasionally by assigning a logistics TA to support the CP teams deployed and link them to the humanitarian aid system. In the countries visited, DG ECHO did not seem well engaged in emerging partnerships between host government and EU Member States civil protection agencies, although a network of Civil Protection Focal Point in EU Delegations has been established in third countries at risk of natural disaster to ensure they are informed about potential support through the UCPM. 	4

Confidence level in validity of assessment: 1=Low, 5=High	
5. To what extent does DG ECHO's policy and practice for humanitarian logistics complement or differ from that of other donors?	
<i>With regard to preparedness? With regard to capacity development?</i>	
<ul style="list-style-type: none"> • DG ECHO's HIP for Disaster Preparedness (DP) assigns €50 million per year to DP actions across DG ECHO's global project portfolio. (DFID, by comparison, has a 4-year £40 million DFID Disasters Emergency Preparedness Programme – rather than a DP 'pot' – implemented by STC and World Vision.) • DG ECHO's policy on DRR, including for preparedness, is consistent with other donors. DG ECHO sees that can have maximum added value in DRR and resilience through preparedness for response and early action. • While preparedness for response depends heavily on logistics, DG ECHO's policy on DRR makes does not cover logistics, nor does DG ECHO's 2017 paper <i>DG ECHO support to Disaster Preparedness and Resilience</i>. 	3
<i>How well has DG ECHO coordinated its funding to humanitarian logistics with other donors at emergency/country level and international level?</i>	
<ul style="list-style-type: none"> • While DG ECHO often coordinates its response with other donors with regards to the overall response strategy coordinated by the UN or by the government, this does not generally include logistics (South Sudan is an exception). 	4
<i>How well has DG ECHO coordinated its support to logistics with local and national authorities?</i>	
<ul style="list-style-type: none"> • In countries where DG ECHO relies largely on DP funding, there is some collaboration with governments on the strengthening of National Disaster Management authorities, or their equivalent. These plans tend to focus on early warning as the connection to early response, including the developments of emergency response, triggers. • For countries where the emphasis is on ongoing response, apart from Ethiopia, the evaluation did not locate cases of DG ECHO coordinating its support to logistics with governments. 	4
<i>How coherent are DG ECHO's humanitarian logistics actions with those of the United Nations, Red Cross Red Crescent and NGOs?</i>	
<ul style="list-style-type: none"> • Overall, DG ECHO's direct logistics investments can be said to be coherent with those of other parts of the international humanitarian system. • DG ECHO has made important investments in the development of the Global Logistics Cluster (GLC) in partnership with WFP, and continues to invest in the UN Humanitarian Service, again in coordination with WFP. DG ECHO has also invested in the past IFRC regional logistics hubs but is has no partnership with the RCRC Movement over logistics. • Examples of coordination between the UCPM participating state civil protection deployments and the UN Disaster Assessment and Coordination On-Site Operations Coordination Centre are described in the 2016 Court of Auditors special report on the UCPM. 	4

Confidence level in validity of assessment: 1=Low, 5=High	
EFFECTIVENESS	
6. To what extent have DG ECHO's humanitarian logistics activities contributed to DG ECHO's overall objective to save lives, alleviate suffering and maintain and protect human dignity in terms of rapid and efficient response in the event of disasters and complex emergencies (including preparedness)?	
<i>To what extent have DG ECHO's thematic and ERC investments had a positive impact on the effectiveness of humanitarian response?</i>	
<ul style="list-style-type: none"> • DG ECHO humanitarian logistics investments supported the establishment of the GLC and the UN Humanitarian Response Depots (UNHRDs); for the latter, DG ECHO also funded a revolving stock of emergency relief items (still managed by WFP/HRD and located in Dubai and Las Palmas). • The capacity and capability supported (together with peer donors) has enabled the humanitarian logistics domain to evolve positively as a sector and, as a common service, this is widely seen as having had a positive impact on the ability of the humanitarian community to respond effectively to global emergencies. • ERC funding (€4.3 million) was used to improve UNHRD warehouse tracking systems and efficiency in supply chain management to support emergency response operations. 	4
<i>To what extent have Humanitarian Response Depots been used, and by whom?</i>	
<ul style="list-style-type: none"> • At the end of 2017, 87 organisations (UN, NGO and government) held a technical agreement with WFP for use of the UNHRD Network. Their inventory of emergency items is stored in six regional warehouses in Italy, UAE, Ghana, Panama, Malaysia and Spain. • The UNHRD common service has been in operation for over 15 years and there has been a steady demand for its services. Inventory tends to be limited to basic relief items, which is appropriate. IFRC standards are used by HRD as a default. • HRD has not acted as coordinator of prepositioning of humanitarian supplies as it could. HRD does not question the supplies stored by its members. 	5
<i>To what extent is the prepositioning of stocks in UNHRDs considered by DG ECHO partners to have improved their response time, relevance, efficiency or effectiveness?</i>	
<ul style="list-style-type: none"> • UNHRD, as a common service, is seen to have positively impacted on the ability of the humanitarian community to respond effectively to global emergencies. At the same time, some organisations interviewed do not use the HRD. • Partners value the HRD facility of inter-agency 'loans' of supplies held at different depots to be valuable, and better enabling them to respond rapidly. • Ideally, prepositioned goods are placed in optimal forward locations but there is currently no model for optimising the location of temporary logistics hubs. 	4
<i>To what extent are Humanitarian Procurement Centres (HPCs) being used and by whom?</i>	
<ul style="list-style-type: none"> • Based on interviews with six (of the twelve) HPCs, utilisation of HPCs is principally by NGOs. Some, such as MSF, support only projects within their organisational family. • Anecdotal evidence suggests that broader utilisation has been variable, but due to a lack of operational data it was not possible to conduct an accurate assessment. The majority of those interviewed felt that this issue should be addressed both with partners and with 	4

Confidence level in validity of assessment: 1=Low, 5=High	
other institutional donors in order to find a better alignment of procurement terms, and jointly make more effective use of HPCs as a common service.	
<ul style="list-style-type: none"> We found that there has been limited communication between DG ECHO, its partners and HPCs, and opportunities have been missed to better promote the use of HPCs and to share data and analysis that would help to enhance procurement practice and standards for humanitarian response. HPCs are not communicating as a network and the last meeting organised by DG ECHO was in 2016. 	
<p><i>To what extent do partners consider HPCs have improved the response time, relevance, efficiency or effectiveness of their humanitarian response?</i></p>	
<ul style="list-style-type: none"> While humanitarian organisations can procure products on a single bid basis, many DG ECHO partners continue to exercise unnecessarily complex procurement procedures and often use HPCs simply as a source for price comparisons, which wastes significant time and resources. The DG ECHO Proposal for an Improved Operational Emergency Management Policy (June 2017) does not state any linkage to HPC operations. Key informants reported that DG ECHO appears to be passive when it comes to promoting the HPC model among agencies. Although the evaluation team reviewed data captured through HPC audit reports, meaningful comparisons between centres to determine effectiveness and efficiency were difficult to make due to variances in report periods and data sets. DG ECHO could influence other donors to encourage their partners to buy from HPCs, which would benefit the sustainability, quality and effectiveness (i.e. in terms of speed) of HPC services and therefore humanitarian programmes. 	5
<p><i>How effective has DG ECHO-funded logistics training been?</i></p>	
<ul style="list-style-type: none"> The objective of the logistics response training (LRT) is to enhance the capacity of deployed staff and of the wider humanitarian community to increase the efficiency of humanitarian logistics operations. Typically, three LRT are conducted each year (depending on the funding availability). A determination of DG ECHO-funded logistics training effectiveness was difficult to make but the evaluation team found that the LRT, the development of which was funded by DG ECHO through the GLC, has evolved into a well-regarded and valuable programme for which there is growing demand. The GLC operates through various actors so a common and comprehensive training programme is critical to ensure interoperability among organisations. 	3
<p><i>To what extent has DG ECHO's joint initiatives with DEVCO (humanitarian-development nexus, resilience) included the strengthening of the local response capacity, supply chain and markets?</i></p>	
<ul style="list-style-type: none"> We found various points of action at the DG ECHO/DEVCO cooperation at the humanitarian-development nexus, including DG ECHO/DG DEVCO: post hurricane Mathew strategy for Haiti, DG ECHO/DG NEAR joint support to social protection in Yemen, and DG ECHO Bangladesh funding to capacity development in the Ministry of Disaster Management. Otherwise, DG ECHO/ DG DEVCO planning of humanitarian-development initiatives is not strong and several agencies noted the need to encourage more synergy between DG DEVCO and DG ECHO. 	4

Confidence level in validity of assessment: 1=Low, 5=High	
• National capacity to respond to emergencies (including logistics capacity) has tended not to feature in DG ECHO/ DG DEVCO cooperation.	
7. To what extent have DG ECHO humanitarian logistics activities had a positive impact on the protection of the goods and staff of DG ECHO and its partners?	
<p><i>How well have partners analysed the security aspects of transport? To what extent have partners demonstrated rational choices in the use of unmarked vs marked vehicles, versus the use of helicopters in insecure environments?</i></p>	
• Beyond a general understanding of the UN and other organisations security arrangements, this was not covered consistently in our field discussions. The evaluation team is not in a position to comment on choices made in the use of secure transport.	1
<i>To what extent have DG ECHO humanitarian logistics activities and investments enabled humanitarian responses in difficult, and/or insecure environments?</i>	
• DG ECHO investments in ECHO Flight and UNHAS have played a vital role in enabling DG ECHO partners to operate in difficult and insecure environments, as they provide a relatively safe and fast means of access and include the capacity for security and medical evacuations.	5
<i>To what extent are the relatively high transport costs in insecure contexts (e.g. South Sudan and Somalia) justified in terms of improved access, speed or security?</i>	
• The transport costs for South Sudan are certainly high. The evaluation has not been able to undertake a detailed analysis of these costs or to compare them to alternative solutions. All humanitarian organisations accept that there are and will continue to be high costs of operating in Somalia and South Sudan. The move to cash based programming in Somalia is probably reducing costs overall, but no quantitative cost comparison between transfer modalities is available.	3
<i>What were the major factors influencing the effectiveness of DG ECHO's humanitarian logistics investments?</i>	
• The principal factor in the success of these functions has been the recognition among humanitarian organisations of the value of coordinated and collective action via the IASC and various NGO initiatives. This provided the environment for DG ECHO to make strategic investments in the GLC, UNHRDs, HRDs and other common services that enable agencies to operate in complex humanitarian environments (such as South Sudan, Somalia and Yemen).	4
8. To what extent has the deployment of Civil Protection assets by EU Member States, coordinated by DG ECHO, contributed to the effectiveness of humanitarian programming beyond Europe? (with respect to logistics)	
<i>Which CP logistics deployments have taken place outside Europe and to what extent have they been co-funded?</i>	
• Logistics support from civil protection has come largely in the form of the provision of transport by ships and aircraft of humanitarian goods and equipment from Europe to emergency locations, or within those locations. Total co-financing was €24.7 million. The ratio of co-financing costs to total transport costs for the PS is unknown.	4

Confidence level in validity of assessment: 1=Low, 5=High	
<i>How have CP/HA coordination arrangements developed over the evaluation period?</i>	
<ul style="list-style-type: none"> • DG ECHO is aware of the differences in objectives, ways of working and culture between civil protection and humanitarian response and, during the evaluation period, it has taken steps to provide briefings and workshops where CP and HA professionals can learn how the two sides of the house can work together more closely. • Many more CP modules have been certified to allow for a more predictable engagement of civil protection teams in humanitarian response, beyond Europe. • CP/HA coordination is limited by several factors (see 8.8 below). 	3
<i>What are the perceived benefits and disadvantages of CP deployments?</i>	
<ul style="list-style-type: none"> • The additional capacity provided by PS can be critically important and advantageous, as shown by the deployment of Dutch navy vessels in Ebola and during the Caribbean hurricanes 2016–18, where logistics support on a scale not otherwise possible was provided. • Not all informants are convinced of the added value of CP deployments given the additional effort required to coordinate and support their field deployment. However, DG ECHO staff understand the political importance of UCPM as a demonstration of government to government support. 	3
EFFICIENCY	
9. To what extent are DG ECHO-funded humanitarian logistics services efficient and cost-effective?	
<i>To what extent are DG ECHO-funded air services managed efficiently?</i>	
<ul style="list-style-type: none"> • Humanitarian air services in Africa, where the bulk of the investment goes, are inherently inefficient compared with commercial services. Contracts for ECHO Flight are let through competitive tender to ensure best value is achieved. DG ECHO monitoring of the optimisation of aircraft utilisation and flight schedules could be strengthened, including through greater use of KPIs from UNHAS operations (such as hourly costs, load factors, cost per passenger-km). 	4
<i>To what extent are UNHRDs managed efficiently?</i>	
<ul style="list-style-type: none"> • Procedures and systems used by UNHRDs are the responsibility of WFP management. DG ECHO and other donors have limited visibility over the efficiency of UNHRD management but through user meetings and engagement, UNHRD depot managers (and WFP) can be held accountable for the efficiency of these services. The data provided by UNHRDs does not allow the efficiency or effectiveness of the UNHRD's services to be assessed. At the same time, we did not hear concerns about UNHRD efficiency expressed by stakeholders. 	2
<i>To what extent are HPCs managed efficiently?</i>	
<ul style="list-style-type: none"> • Procurement procedures and systems of internal financial control are the responsibility of the management of the HPC. DG ECHO audits HPCs to ensure compliance with procedures and the HPC Charter (fair pricing methodology and policy on overheads and mark-ups). These audits do not cover efficiency. As such, the evaluation has not been able to assess the efficiency of HPCs. 	2

Confidence level in validity of assessment: 1=Low, 5=High	
10. How well has DG ECHO allocated funds to different investment strategies in humanitarian logistics?	
<i>To what extent does DG ECHO monitor its own humanitarian logistics investments? To what extent does it have the information to do so? To what extent does it have the incentive to do so?</i>	
<ul style="list-style-type: none"> At the beginning of the evaluation period, DG ECHO offered well-regarded intellectual leadership backed by financial investment to influence the direction and performance of the humanitarian logistics sector, such as via the Emergency Response Capacity budget, which has since reduced significantly. Through ERC funded projects, DG ECHO was able to monitor investments effectively. Since funding priorities moved away from logistics systems development, DG ECHO has not gathered the information needed to assess the legacy of these investments. The ERC 'seed funding' that kick-started various logistics initiatives represented a small part of the overall humanitarian aid budget but afforded DG ECHO considerable influence over the development of logistics coordination and systems. With reduced investment in logistics capacity development, DG ECHO's influence in the domain of humanitarian logistics has almost certainly reduced. 	4
11. Specifically, how well has DG ECHO allocated funds to air services?	
<ul style="list-style-type: none"> DG ECHO provides a significant contribution to the humanitarian response of its and other humanitarian partners through its continued funding to air services. In relation to ECHO Flight, contracts have been let on a competitive basis with the winning bid scoring highest both technically and in terms of cost. 	4
12. What has DG ECHO done, and how well, to ensure that its partners organise humanitarian logistics activities in an efficient and cost-effective way?	
<i>To what extent are DG ECHO partners' procurement, humanitarian logistics (i) strategy and (ii) costs visible to and understood by DG ECHO, in partners' project proposals or otherwise?</i>	
<ul style="list-style-type: none"> With the exception of logistics-based projects falling under the DG ECHO sector 'Support to Operations', DG ECHO pays attention to partners' logistics strategy and costs on an ad hoc basis only. Partners and DG ECHO confirmed that logistics is seldom discussed between them, and the evaluation team found limited evidence of logistics being considered when projects submissions are being assessed by DG ECHO field and HQ, except for those projects targeting logistics capacity under the sector 'support to operations'. 	5
<i>To what extent does DG ECHO monitor the humanitarian logistics activities within DG ECHO-funded partner actions?</i>	
<ul style="list-style-type: none"> DG ECHO monitors in the general sense of the necessity of logistics to allow for on-time delivery of results. DG ECHO could do more to understand the logistics challenges giving rise to delays and other shortfalls in project performance. 	5
<i>What incentives, if any, does DG ECHO have to ensure partner's humanitarian logistics is efficient?</i>	
<ul style="list-style-type: none"> DG ECHO puts considerable effort into assessing the relevance and potential for success of the projects it funds but ensuring that partner's logistics is efficient is not strongly incentivised in DG ECHO. Partners are not generally required to share data regarding the performance of their humanitarian logistics activities as, based on DG 	4

Confidence level in validity of assessment: 1=Low, 5=High	
<p>ECHO's policies and practice, there is no incentive to scrutinise partner humanitarian logistics and there is limited capacity within DG ECHO to conduct such scrutiny.</p> <ul style="list-style-type: none"> • DG ECHO requires or encourages partners (depending on the DG ECHO office concerned) to make use of the network of HPCs, which, it is assumed, leads to efficiencies in procurement, although how far efficiencies are in fact achieved by HPCs has not been assessed. • DG ECHO tends to exert downward pressure on partner budgets, expecting partners to achieve the same with fewer resources. Whether this makes their logistics arrangements more efficient is unknown, but it is unlikely that cost cutting per se will produce efficiencies. • DG ECHO has contributed to logistics training through the GLC and NOHA, which should indirectly contribute to more efficient logistics. 	
<p><i>To what extent does DG ECHO make judgements of partner humanitarian logistics efficiency and of the contribution humanitarian logistics makes to overall effectiveness? Are these judgements used to promote better humanitarian logistics practices?</i></p>	
<ul style="list-style-type: none"> • There have been occasions when DG ECHO TAs made judgements on the efficiency and effectiveness of logistics. For example, in South Sudan DG ECHO interventions improved the air service scheduling of UNHAS flights. However, the evaluation team found few contexts where DG ECHO regularly considered the effectiveness and efficiency of partner humanitarian logistics activities or promoted the improvement of practices. 	4
<p><i>To what extent does DG ECHO exercise influence over the GLC and country-level logistics clusters?</i></p>	
<ul style="list-style-type: none"> • Prior to 2015, DG ECHO's influence over the GLC was considerable because it provided the greatest level of institutional funding and representatives attended all GLC meetings. Due to the perceived value of the GLC, inter-agency attendance grew significantly. Since then, DG ECHO's influence and engagement has declined. • At country level, many logistics cluster deployments receive DG ECHO funding either directly or indirectly as part of humanitarian programme activities. As members of cluster coordination groups, DG ECHO TAs can exercise influence over cluster operations. 	5
<p>13. To what extent has DG ECHO influenced the greater engagement of the private sector to contribute to humanitarian logistics at national and international level?</p> <p><i>How well has DG ECHO sought greater efficiencies through the engagement (or promotion of engagement) with private sector?</i></p>	
<ul style="list-style-type: none"> • The Charter for Humanitarian Procurement Centres (HPCs) has been DG ECHO's best-recognised intervention to promote greater engagement, efficiency and quality from the private sector in the area of humanitarian procurement. However, there is no evident connection to other private sector humanitarian initiatives coordinated by OCHA or ISDR. 	5
<p><i>To what extent does DG ECHO use private sector humanitarian logistics framework agreements (FAs)?</i></p>	
<ul style="list-style-type: none"> • DG ECHO has continued to contract out the provision of ECHO Flight but in 2017 also agreed four Framework Agreements with other service providers, should additional air transport capacity be needed at short notice capacity. 	4

Confidence level in validity of assessment: 1=Low, 5=High	
<ul style="list-style-type: none"> The only other humanitarian logistics framework agreement held by DG ECHO is with Kuehne & Nagel (a 4-year renewable framework contract, initially awarded in 2008) for the transport and storage of relief goods. The contract is in support of the UCPM but the resource was only used a small number of times during the evaluation period because PS prefer to use their own brokers. 	
EU ADDED VALUE	
<p>14. What is the specific Added Value of DG ECHO's activities in humanitarian logistics, and how well is it achieved?</p> <p><i>What actions to improve humanitarian logistics has DG ECHO taken that EU Member States or other states, have not, or could not?</i></p>	
<ul style="list-style-type: none"> From 2006 to 2015, capacity-building investments totalled over €19 million, making the Logistics sector the second biggest recipient of DG ECHO ERC funding, after Coordination. DG ECHO took an active role in the GLC. The GLC regarded the ERCC as the link to better coordination with UCPM offers. Until 2015, the DG ECHO Enhanced Response Capacity budget supported the GLC through WFP. 	5
<p><i>To what extent has DG ECHO used its financial resources to intentionally shift the performance of the broader humanitarian logistics sector over the evaluation period?</i></p>	
<ul style="list-style-type: none"> DG ECHO made significant investments in the GLC and UNHRD up to 2014, intended to kick start improved systems for humanitarian logistics. Most DG ECHO partners and staff consider that the GLC is performing well. Otherwise the evaluation did not hear of intentional initiatives to improve the performance of the logistics sector more broadly. 	5
<p><i>To what extent has DG ECHO made specific humanitarian logistics investments for forgotten or other crises that other donors have not been able/ready to do?</i></p>	
<ul style="list-style-type: none"> The main investment made for forgotten crises has been via funding for DG ECHO to support humanitarian operations in Eastern DR Congo. Further investment has been made for Logistics Common Services provided through WFP and the Logistics Cluster in South Sudan. 	5
15. To what extent has DG ECHO used its position as a leading humanitarian ('reference') donor to influence humanitarian logistics in the humanitarian sector?	
<p><i>In relation to the GLC? In relation to academic research/ humanitarian forums (EU Joint Research Centre, ALNAP, NOHA)? In relation to the WHS and Grand Bargain?</i></p>	
<ul style="list-style-type: none"> In relation to the GLC, DG ECHO's influence as a donor to the capacity development of humanitarian logistics systems declined from 2013 onwards. The transport and logistics portfolio was first transferred to unit C4 in 2010, with no dedicated budget, and transferred to B1 at the end of 2014 (September). The first strategy paper on Transport and Logistics was written in 2013 by the unit then responsible for humanitarian logistics. DG ECHO's influence in the area of research has mainly been confined to the Network on Humanitarian Action (NOHA). A study of the EC's cooperation with NOHA, 2017, noted that the University of Groningen received the highest amount of funding in 2013 and 2014, and second highest in 2015 and 2016, including funds for their Logistics 	5

Confidence level in validity of assessment: 1=Low, 5=High		
school, simulation exercise, 'blackboard' and publications. Within NOHA, the Advanced Summer School in Humanitarian Supply Chain Management & Logistics delivered at the University of Gadjah Mada in Indonesia was also supported.	2	
<ul style="list-style-type: none"> At the WHS, the Grand Bargain discussion, influenced by DG ECHO, recognised the need to improve the efficiency and cost-effectiveness of programme delivery, including through: maximising efficiency in the supply chain for commonly required goods and services; reducing large logistics expenses by using local resources and further localising aid responses along with new response models, such as cash transfers that depends on private sector supply to local markets rather than humanitarian organisation supply chains; encouraging common logistics services to avoid duplication, and competition and to enhance overall response coordination; and developing sets of commonly accepted KPIs tailored to the humanitarian logistics and transport activities. DG ECHO could usefully redouble its effort to help advance areas of the Grand Bargain that are advancing slowly, including aspects related to efficiency of humanitarian logistics. 	4	
<p><i>How have DG ECHO's humanitarian logistics investments raised the profile of the EU's visibility as a humanitarian actor?</i></p>		
<ul style="list-style-type: none"> At the beginning of the evaluation period, DG ECHO offered intellectual leadership backed by financial investment – that was well regarded within the humanitarian aid community – to influence the direction and performance of the humanitarian logistics sector. The investments made certainly helped to raise DG ECHO's profile, but key informants expressed the need for fresh momentum in DG ECHO engagement the humanitarian logistics sector beyond its funding for ECHO Flight, UNHAS and the Logistics Cluster. The sub-question: 'Extent of general public awareness of ECHO Flight within countries of operation and globally?' was not addressed (and should perhaps not have been retained) because the methodology did not include any survey of public sentiment. 	4	1
<p><i>To what extent has DG ECHO supported the development of new initiatives in the use of air and other transport services for the delivery of humanitarian aid?</i></p>		
<ul style="list-style-type: none"> The evaluation found little evidence of new initiatives related to air or other forms of transport. 	3	
<p><i>To what extent has DG ECHO humanitarian logistics and civil protection interventions raised the EU's profile?</i></p>		
<ul style="list-style-type: none"> The evaluation did not include a survey of public sentiment concerning Member States (MS) contributions to humanitarian aid through deployment of logistics assets. However, the deployment of Dutch naval vessels for Ebola and the Caribbean responses was viewed by informants as a high-profile, successful logistics intervention, with significant positive media coverage. 	2	

8. Future DG ECHO engagement in humanitarian logistics

8.1. Taking a strategic approach

As noted under the discussion of evaluation scope above, the ISG requested that the evaluation should contribute to a vision for a strategic approach by DG ECHO to humanitarian logistics. Effective humanitarian response is heavily dependent on effective logistics. (As our interviews with DG ECHO staff make clear; ‘the best partners are those with the best logistics’). DG ECHO is not engaging systematically in logistics across its project portfolio and achieving a shared understanding of the importance of good logistics may not by itself be sufficient motivation for DG ECHO to increase its effort in this domain, especially given the current trend away from a focus on operational aspects of projects. Several other components need to fall into place. Taking a strategic approach therefore depends on understanding how change might be achieved.

8.2. DG ECHO as a donor in humanitarian logistics

In cash based programming, DG ECHO has been a, or even the, leading and ‘reference donor’,¹³⁶ providing intellectual leadership and backing up its policy position with financial investment to influence the direction of the humanitarian sector and the uptake of cash as a means of humanitarian assistance. ECHO has not occupied the same position with regard to logistics but it was considered an important donor to logistics capacity development because of the seed funding provided to the various initiatives described above in Section 5, via the Enhanced Response Capacity (and its forerunner).¹³⁷ These relatively small investments were productive and afforded DG ECHO considerable influence over the development of logistics coordination and systems, influence that has since reduced. The evaluation gives the opportunity for DG ECHO to reconsider the extent to which it might increase its influence and impact in the domain of humanitarian logistics.

8.3. Making change possible

New initiatives on humanitarian logistics by DG ECHO require the following elements to be in place:

- A cogent business case for DG ECHO increasing its effort to improve the efficiency and effectiveness of humanitarian logistics can be readily assembled using the analysis provided by this evaluation and other reports consulted here. As the great majority of DG ECHO’s humanitarian funding is disbursed through partners, any business case for DG ECHO interventions regarding logistics depends on (1) new ways of working with partners, and (2) further initiatives by DG ECHO at a meta-level (i.e. over and above individual partner projects) to improve their collective impact.
- The current discourse between humanitarian agencies and donors includes frequent references to ‘shared’, ‘common’, ‘collective’ in relation to organisations working together to

¹³⁶ According to the DG ECHO Strategic Plan for 2016–2020, ‘The European Union confirms its role as a Global Actor being the world’s leading donor in humanitarian assistance and consistently being at the forefront of humanitarian crises and disaster response.’ (p. 7).

¹³⁷ According to the GLC Coordinator, DG ECHO funding to the GLC had reduced to €5 million by 2017, one third of the investment of three years ago (during the Ebola crisis response). The GLC’s global preparedness proposals are not being adequately supported.

increase efficiency in humanitarian response. This should provide a sufficiently favourable environment among DG ECHO stakeholders for them to invest time, energy and financial resources into logistics initiatives in concert with ECHO. At the same time, simple inertia, the fact that collective models are hard to agree, and resistance from stakeholders to actions that might reduce their impact, financial resources, power, or compromise their institutional mandates can frustrate collective initiatives on greater efficiency.

- Further joint action on logistics will depend on agreed standards and performance indicators, and professional skills development to support their implementation. This is achievable given the foundation provided by the several initiatives discussed in Section 3.2 above.
- Change requires a sufficiently receptive internal environment in DG ECHO and more widely within the European Commission, to support new initiatives on logistics. The evaluation provides the opportunity to bring issues identified here to the attention of the European Commission as part of its setting future priorities.
- While not a precondition for change, DG ECHO will be far more effective when it joins forces with other donors to maximise the benefits of any actions in support of better logistics. DFID¹³⁸ and USAID should have an interest.

8.4. Prioritising challenges in humanitarian logistics

In considering possible forward strategies, DG ECHO needs to reach a shared understanding about the principal obstacles to effective humanitarian logistics and what actions it might constructively take to mitigate them. The Inception Report provided a generic list of challenges to effective humanitarian logistics, and their underlying causes, as shown in Table 7:

Table 7: Challenges in humanitarian logistics (from the Inception Report)

Challenge	Causes
Insufficient supply	<ul style="list-style-type: none"> • Supply chain disrupted by damage/insecurity • Insufficient funding limits supply • Inadequate or poorly coordinated logistics capacity to deliver (government, agency, private sector)
Poor quality/inappropriate supplies	<ul style="list-style-type: none"> • Some agencies do not follow agreed standards/specifications for procurement, products or services • Goods deteriorating in storage • Risks from wrong/expired medicines • Limited/no choice of relief goods for affected population • Donation of goods that are irrelevant to affected population
Poor value/high costs	<ul style="list-style-type: none"> • Humanitarian agencies fail to benchmark/spot exploitation (e.g. price fixing by suppliers) • Humanitarian agencies not capturing/analysing operating data for decision-making • Insecure environment means higher security costs • Goods stuck in port/customs/high taxes or customs tariffs (or lack of waiver for tax/tariffs) • Governments not adhering to globally agreed customs regulations (Kyoto protocols) on exemptions for the import of relief items • Lack of innovation on new products or means of response

¹³⁸ Forming common cause with DFID should not be difficult. It seems that they are already addressing the issue of procurement, at least: 'In October 2016, DFID hosted Chief Procurement Officers from nine of the largest agencies, who agreed to work together to drive efficiency savings in new areas like freight and logistics, building on lessons learned from the health sector' (Raising the standard: the Multilateral Development Review, DFID, 2016, p. 31).

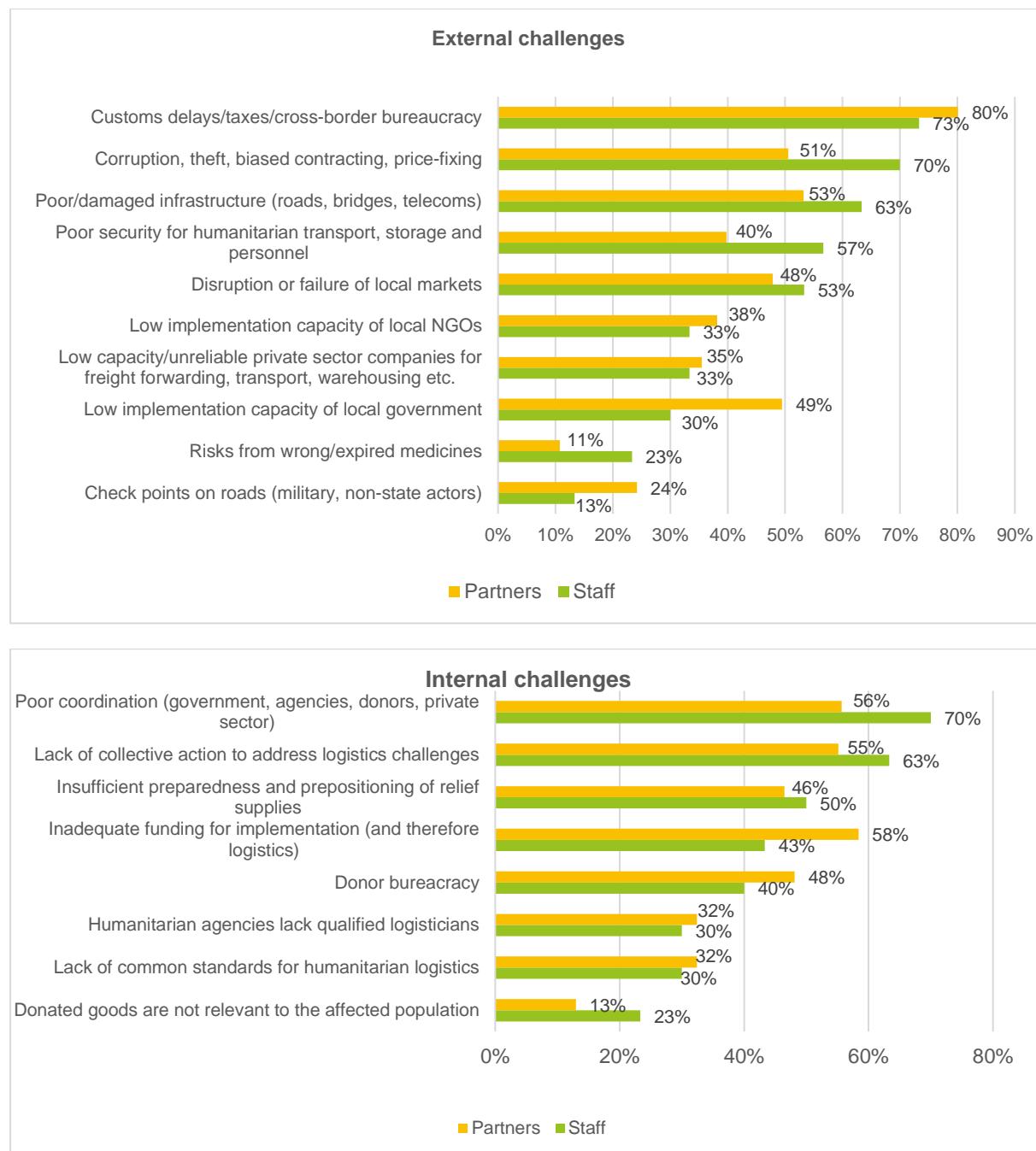
Challenge	Causes
Inefficiency – waste	<ul style="list-style-type: none"> • Diversion of goods (corruption) • Goods expiring in stock • Goods-in-kind causes congestion/bottlenecks • Some locations over-supplied, others under supplied • Resale of donated goods on open market
Inefficiency – gaps, duplication	<ul style="list-style-type: none"> • Inadequate mapping of needs • Poor management of logistics by humanitarian agencies – Ineffective / inadequate collaboration with the private sector • Poor strategic coordination of humanitarian logistics activities (no logistics advisor assigned to support the UN humanitarian coordinator) • Insecure working environment for suppliers/transporters/aid workers • Lack of strategic coordination between donors and disaster-affected governments
Inefficiency – slow/delayed response	<ul style="list-style-type: none"> • Inadequate prepositioning and preparedness at global, regional and national levels • Too few standby agreements with suppliers and freight forwarders • Limited engagement by the aid sector (including donors) with the private sector, at international and national levels, regarding preparedness activities and knowledge sharing • Lack of urgency on behalf of donor and affected governments/agencies • Poorly coordinated rapid needs assessments • Bureaucracy within humanitarian agencies and donors
Restricted access	<ul style="list-style-type: none"> • Poor infrastructure • Low-risk security regime of humanitarian organisations limits the reach of humanitarian workers • Insecurity limits movement • Seasonal factors, especially flooding
Lack of equity	<ul style="list-style-type: none"> • Lack of adequate needs assessments • Gender and age disaggregation lacking • Needs of vulnerable groups not well taken into account

This comprehensive list of challenges still holds true following our interviews, surveys and field visits, with some additions, for example limitations from the lack of logistics expertise, and some challenges from civil-military coordination.

However, the table provides no prioritisation of challenges for DG ECHO to focus on. The evaluation field visits and survey results have provided a clear set of the key challenges, both external and internal to international humanitarian response systems. Staff and partner survey results show a high level of convergence in ranking a pre-set list of challenges (the list itself being based on Table 7). The results are shown in Figure 3 below.

The rankings by DG ECHO partners and staff are convergent for both external and internal challenges, giving a high level of confidence for DG ECHO that the highest ranked challenges are those needing most attention. (Partners ranked the challenge of underfunding more highly than DG ECHO staff, while staff ranked poor coordination more highly than partners).

Figure 3: Survey rankings of external and internal challenges limiting efficient and effective humanitarian logistics



Box 3: Initiatives on customs, taxation and cross-border movement of humanitarian supplies

The survey results are consistent with feedback from country-based partners, who raised customs bureaucracy, import and other taxes, and cross-border movement of goods as the number one external source of delays and inefficiencies. Many key informants reported challenges with national customs regulations and bureaucracy. In 2007, the Red Cross Red Crescent Movement adopted 'Guidelines for the domestic facilitation and regulation of international disaster relief and initial recovery assistance', also known as the IDRL Guidelines. The IDRL guidelines provide recommendations as to how states can strengthen their own laws, rules and procedures to avoid regulatory problems in disasters – particularly related to customs regulations.

In the ten years since the adoption of the IDRL guidelines, around 30 countries have incorporated these standards into their national laws and procedures. Nevertheless, research indicates that regulatory problems continue to burden international operations. Stakeholders have therefore suggested that methods should be explored to accelerate progress, including the possibility of further strengthening regional and global legal frameworks for international disaster cooperation.

To that end, in 2010 the Office for the Coordination of Humanitarian Affairs (OCHA) and the World Customs Organisation (WCO) established the IMPACCT (Importation and Customs Clearance Together) project to support customs facilitation measures. In 2011, the WCO submitted a 'Resolution on the role of Customs during relief operations in the case of natural disasters' for approval by Member States. This sought to encourage effective border procedures, such as the inclusion of recommendations from the Revised Kyoto Convention. In 2016, a Customs Administration capacity building project was launched that focused on West African countries affected by the Ebola crisis. The C-RED Project (Customs for Relief of Epidemic Diseases) objective was to provide support through analysis of existing legal frameworks and procedures, identification of bottlenecks for the importation of humanitarian aid, the establishment of internationally recognised procedures and training for key actors.

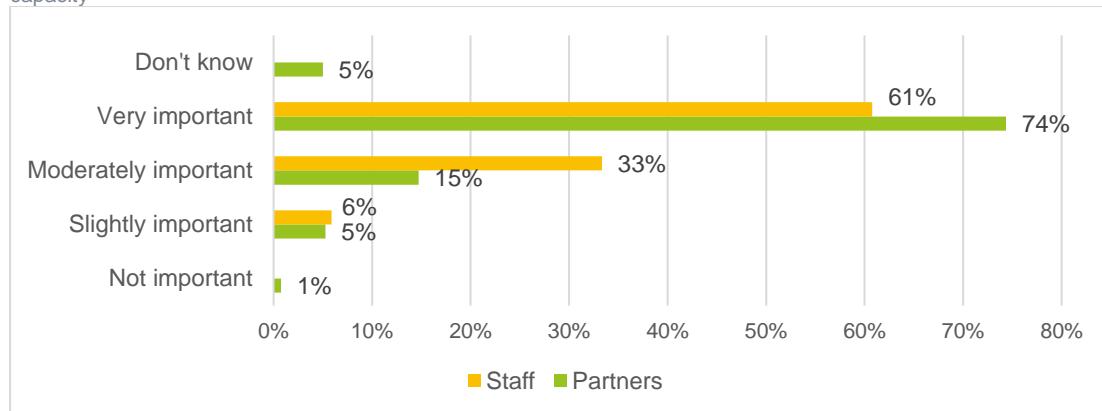
8.5. Understanding contrasting views on logistics in DG ECHO

We found that DG ECHO informants held varied views on whether DG ECHO should invest further effort into understanding partner logistics strategy, standards, or costs. Some DG ECHO interviewees, across all levels, consider that it should, others do not. Views are strongly held. There are practical reasons for staff to be unwilling to take on greater responsibilities for the oversight of logistics. First, geographic desks and field experts feel hard pressed in managing the existing project management processes and do not relish the prospect of additional demands. Second, many technical staff do not have the skills to understand logistics needs and challenges, as staff acknowledged and partners observed.

8.6. DG ECHO attention to humanitarian logistics

Using the surveys, the evaluation has sought to understand the views of DG ECHO staff and partners concerning the level of effort that DG ECHO should give to partners' humanitarian logistics. Respondents were asked what level of attention DG ECHO should be giving, with the results are shown in Figure 4 below:

Figure 4: How important is it that DG ECHO pays (greater) attention to the efficiency and effectiveness of its partners' logistics capacity



There was strong support from both staff and partners for the principle that DG ECHO ‘pays attention’ to partner logistics,¹³⁹ although the accompanying comments show this was for a variety of reasons. For partners, ‘attention’ can mean simply DG ECHO assigning proper levels of funding to logistics, but partners also commented that:

- Strong logistics are important/vital aspect to programmes’ success
- Knock-on effects caused by supply and logistical delays can have significant impacts on projects
- Logistics/supply chain effectiveness is important to ensure cost-effectiveness
- Supply chains and logistics make up a large portion of project budgets

The level of importance assigned by DG ECHO staff is notable,¹⁴⁰ given that some DG ECHO informants at both HQ and field level consider that partner logistics is not DG ECHO’s business. In the staff survey, respondents were asked the extent to which they agreed with 12 statements. (See Annex 7 for details). The three statements with the strongest endorsement (>75% agreement) were as follows:

- ‘Without more operational data from partners, DG ECHO cannot understand or work with partners to improve their logistics’ (79%)
- ‘Better donor coordination of funding to humanitarian logistics would result in significantly more efficient and effective response’ (77%)
- ‘DG ECHO needs a better overview of humanitarian logistics at country and regional level’ (76%)

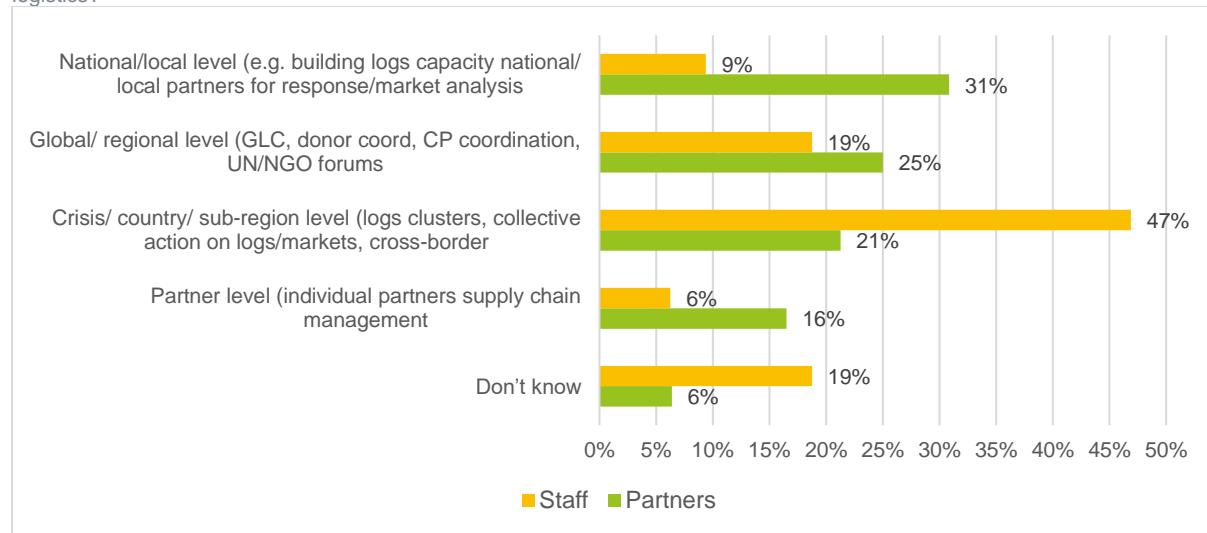
8.7. Levels of DG ECHO intervention

In the surveys, DG ECHO staff and partner surveys were asked at which level(s) DG ECHO could exert the most influence over humanitarian logistics. The results are shown in Figure 5 below, ranked in descending order of partner responses:

¹³⁹ There was a slight difference of wording between the surveys. In the staff survey, ‘pay greater attention’, in the partner survey, ‘pay attention’.

¹⁴⁰ Remembering that staff interested in logistics were probably more likely to respond to the survey than those without.

Figure 5: At which level could DG ECHO exert the greatest influence on the efficiency and effectiveness of humanitarian logistics?



Averaging across the two surveys, potential DG ECHO influence on humanitarian logistics is ranked highest for crisis level, and lowest for partner level. Unlike the questions on challenges, staff and partners provided contrasting rankings in their responses. Partners ranked DG ECHO's potential influence at crisis level below that at national and global/regional levels, while DG ECHO staff ranked the crisis level as the one where DG ECHO can have the greatest influence, by some margin.

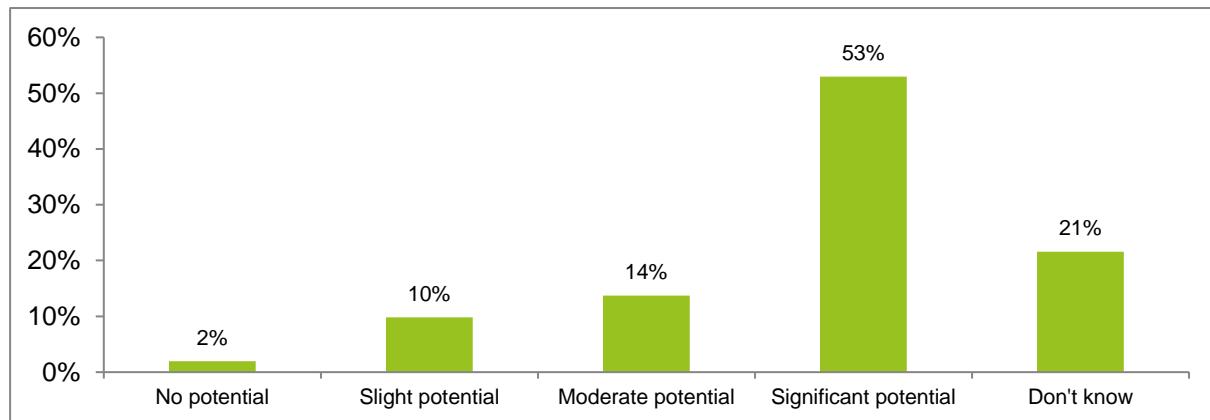
The contrasting scores for influence at national level may reflect DG ECHO partners' engagement in the 'humanitarian-development nexus', being active in the development of local NGOs and community and local government capacity, where field visits suggest DG ECHO has more limited involvement. Most humanitarian organisations (UN, NGOs and Red Cross Red Crescent) are active at the fluid boundary between humanitarian and development work through their engagement in resilience, risk reduction, and social protection. In practice, and in part because DG ECHO cannot fund local organisations, DG ECHO staff are more focused on delivering short-term humanitarian response through international partners.

8.8. Observations on civil protection

8.8.1. DG ECHO staff views on the potential of the UCPM for humanitarian aid

Respondents to both surveys were enthusiastic about the potential for civil protection to increase its contribution to humanitarian response, with over 50% seeing 'significant potential', as illustrated in Figure 6, below:

Figure 6: Staff Q11 – How much potential is there to expand the deployment of Union Civil Protection assets for humanitarian response outside the EU?



Accompanying comments indicated that, while the potential is high, the mechanism is not well known by field colleagues and affected country governments.

8.8.2. Limitations on the greater use of civil protection in humanitarian response

While field staff sense a push from within DG ECHO to enable better use of the UCPM outside Europe, interviews and survey results indicate that there are limitations restricting its use, including:

- The DG ECHO co-financing of transport provided by UCPM Participating States only covers the 'to and from' costs, not the costs of undertaking a humanitarian operation during the response, which can easily exceed the costs eligible for co-financing.
- CP deployments are always at the discretion of the national authority concerned; there are no guarantees of a response.¹⁴¹
- European governments have made some very significant logistics contributions through the UCPM but there are no UCPM modules dedicated to logistics.
- Efforts to develop a predictable UCPM response capacity for logistics have not succeeded so far.
- CP personnel and DG ECHO desks and TAs do not have the same culture, nor speak the same technical language (some DG ECHO staff are ex civil protection, which can help bridge the gap).
- CP deployments are only intended to last 2 weeks, maximum 4, at the immediate outset of a crisis, while emergency response often lasts much longer.
- CP deployments need support. Civil protection teams deployed into humanitarian settings need help to integrate their work with the rest of the humanitarian response mechanism.¹⁴²
- Where security is poor in the emergency context, MS may not be willing to deploy their CP teams.
- CP teams may include government personnel who are not replaced while they are away.

¹⁴¹ Unlike the humanitarian aid budget, where the Commission makes its own decisions on funding allocations, in the UCPM the Commission supports the Participating States, which determine the level of assistance to commit to any disaster response, if any, and how much of that will be provided through the UCPM. Modules and other civil protection assets are deployed on a voluntary basis.

¹⁴² According to the Court of Auditors Special Report on the Union Civil Protection Mechanism, 2016: 'In practice, the degree of integration in the UN system falls across a broad spectrum. There might be joint EU/UNDAC (UN Disaster Assessment and Coordination) assessment missions, or EUCP teams integrated into the UNDAC On-site Operations Coordination Centre (OSOCC).' P. 23. In some cases, Regional Logistics Coordinator have been deployed to assist the logistics of the CP modules and help them to become functional.

- The teams are also national responders and there may be demand at home at the same time as other countries need assistance.

Through regional seminars and the dissemination of fact sheets, efforts have been made to increase the understanding of DG ECHO field offices of how the UCPM works. There is a general consensus that this effort needs to be continued.

8.8.3. International humanitarian partnership (IHP)

The International Humanitarian Partnership (IHP) is an informal network of European disaster response authorities that aims to enhance emergency operational capacity and strengthen coordination and preparedness. Since 2013, 14 interventions have focused on the establishment of base camps for humanitarian agencies and improved information and communications technology, usually in support of the UN in sudden-onset disasters and complex emergencies, for example setting up field offices for the UN in the Rohingya response in Bangladesh. IHP members include three Member State Specialised Agencies that are part of the UCPM: DEMA (Denmark),¹⁴³ MSB (Sweden)¹⁴⁴ and THW (Germany),¹⁴⁵ which can receive funding directly from DG ECHO. (These three agencies were interviewed for the evaluation.) IHP members have been encouraged to join the UCPM Voluntary Pool but have so far declined to do so. While the membership of the IHP is currently much smaller than the UCPM, the advantage of the IHP is that it provides a more predictable standby capacity for some aspects of logistics support than the UCPM and the potential for longer-term deployments. There are presently seven members of the IHP; bringing more Member States Specialised Agencies into the IHP could provide Member States with another route for the application of their civil response capabilities to humanitarian response. The membership of the IHP is not at all under the control of DG ECHO but discussion with the leadership of IHP might lead to a broadening of membership and perhaps also the services on offer.

8.9. Where DG ECHO logisticians put their effort

The few logistics experts within DG ECHO's Field Network provide 'in-house' logistics assistance to ensure that DG ECHO's own emergency preparedness, procurement, vehicle, asset and inventory management are performed efficiently and securely.¹⁴⁶ Logistics experts report to Directorate A1 Emergency Response or D4 Field Network, or to both depending on the task in hand. D4 officers do not generally engage with partners concerning their logistics, although they may provide DG ECHO offices with advice on overall logistics for particularly challenging environments (e.g. Somalia, Syria, South Sudan, Yemen). According to their Terms of Reference, DG ECHO Regional Logistics Coordinators have three primary functions:

- DG ECHO country and regional office logistics (IT, vehicles, office set-up, equipment, evacuation plans)
- Advice concerning logistics aspects of DG ECHO-funded projects (coordination, consultation, assessment of logistics plans, monitoring)
- Advice on and support to European civil protection deployments

¹⁴³ <http://eu-modex.eu/w/RedCMS/dema/> Danish Emergency Management Agency

¹⁴⁴ www.msb.se/en/About-MSB, Swedish Civil Contingencies Agency.

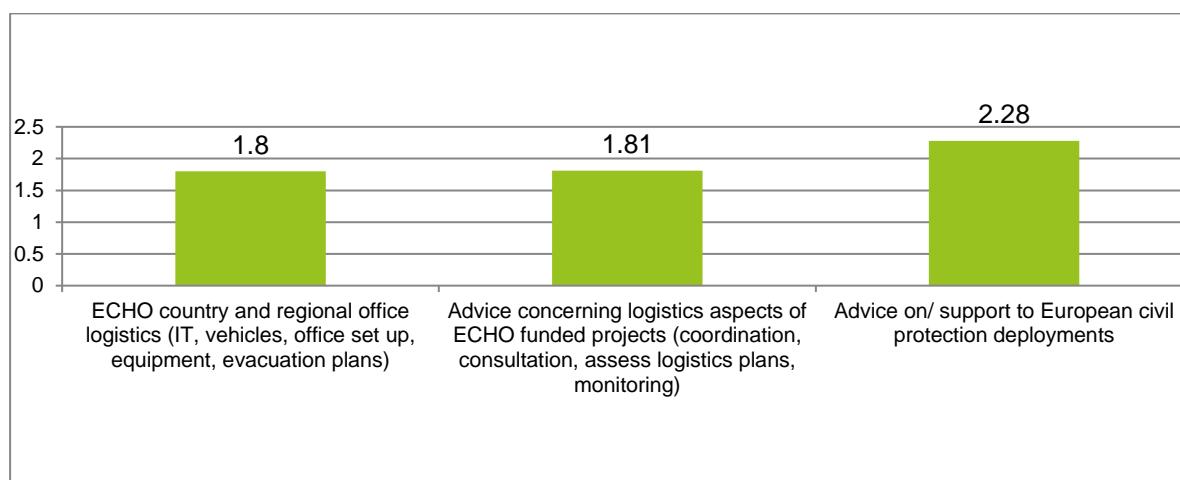
¹⁴⁵ www.thw.de/EN/Homepage/homepage_node.html, German Federal Agency for Technical Relief Bundesanstalt Technisches Hilfswerk (THW).

¹⁴⁶ Expatriate logistics experts only support the setup of DG ECHO offices in the most difficult locations, otherwise this role is performed by administrators.

According to the coordinators interviewed, support to DG ECHO offices predominates, taking up about 90% of their effort, depending on the staff member. Some coordinators are called on occasionally, perhaps once or twice a year to advise on logistics aspects of DG ECHO-funded projects, either at planning or field monitoring stage. Two logistics/aviation TAs from A1 follow UNHAS proposals and visit each UNHAS project once a year. Some DG ECHO logisticians are not called on to interact with partners. Some HQ and field-based DG ECHO staff consider that DG ECHO's current cohort of expert logisticians should be expanded, while others do not.¹⁴⁷ If DG ECHO wishes to take a more active role in contributing to the development of humanitarian logistics systems in future, it will need to increase its logistics capacity either slightly or more significantly depending on its future strategy for logistics, having considered the evaluation's recommendations.

DG ECHO staff survey respondents were asked to rank the perceived importance of the regional logistics coordinator's three main responsibilities, with the result shown in Figure 7 below. Staff ranked support to civil protection deployments slightly higher than the other two functions. The ranking of the three functions contrasts markedly with how the coordinators' time is used now.

Figure 7: According to their ToR, DG ECHO Regional Logistics Coordinators have various tasks. In your view, what should be the order of priority for their three main responsibilities?



Some partners interviewed consider that DG ECHO capacity in logistics is too low, which can mean that staff do not understand the implementation challenges partners face and may record that these simply as 'implementation delays' without meaningful engagement on how logistics challenges arise or can be tackled.

8.10. Potential for cost savings in humanitarian logistics

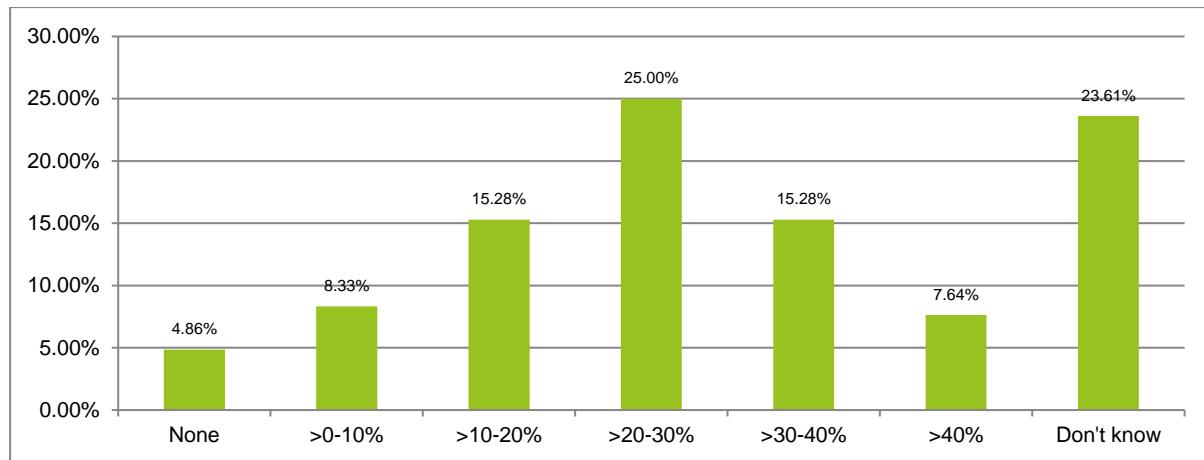
If there were substantial savings to be achieved through DG ECHO influencing improvements in humanitarian logistics, this would be a strong motivating factor for DG ECHO to take a more active role in its management. The evaluation has not undertaken any quantitative analysis of potential cost savings in DG ECHO-funded humanitarian logistics. To gather feedback from

¹⁴⁷ Current logistics technical advisor capacity in the Field Network includes: 2 expats for air transport and logistics in Nairobi, plus national programme assistants (1 in Nairobi and 1 in Goma) all reporting to A1; 1 expat in Managua, 'double-hatted' for logistics and security, reporting to A1; 1 expat in Nairobi, in addition to the 2 for air services, 1 expat in Dakar, 1 expat in Amman, reporting to D4 except when working on operational logistics, in which case they report to the operational unit.

In the 2017 hurricane season, the logistician from Amman was deployed on hurricane response, reporting to A1. Logisticians in Dakar and Nairobi have also been working for A1 regarding deployment of CP assets. In Asia, D4 has no expat logisticians but does have a national officer in Bangkok, focused on DG ECHO offices and one in Delhi tasked to provide more support on emergency response (this latter following a recent 'fitness check' of the field network).

partners about potential savings, the partner survey included a question on how much might be saved through collective action. The results are shown in Figure 8.

Figure 8: Partner survey Q23: If humanitarian organisations planned and pooled logistics resources together, what level of logistics cost savings might be achieved?



The results are not quantitative and are based solely on the respondents' estimates. The graph shows an even distribution of responses around the 20% to 30% range. This may give some idea of the savings that are theoretically possible if humanitarian logistics could be made more efficient by humanitarian organisations planning together and pooling logistics resources. Table 8 shows the potential savings from collective action on DG ECHO-funded logistics, assuming spending on humanitarian aid were to continue at the same level as 2013–17, i.e. €8.7 billion over 5 years, using potential ranges of percentages of total spending represented by logistics, versus potential savings levels.

Table 8: Potential cost savings over 5 years from efficiencies in ECHO-funded humanitarian logistics

		If logistics percentage of project budgets = 35%	
		Saving	
Percentage savings:	10%	€305m	
	25%	€761m	

Even at lower figures than those illustrated, the potential savings from logistics efficiencies could be very significant. DG ECHO could usefully undertake further research to establish more carefully the scale of potential savings. It is important that DG ECHO understands the savings that might be achieved, ideally in partnership with other donors. Engaging with partners to achieve such efficiencies would be a major addition to ECHO's contribution to realising the Grand Bargain.

Collective action is not just a matter of reducing costs. 68% of respondents to the staff survey considered that collective action on logistics would bring a 'moderate' (28%) or 'significant' (45%) improvement in overall programme performance (see Annex 8).

8.11. Partner expectations

In response to the survey question 'How could DG ECHO, or donors in general, best contribute to improving the efficiency and effectiveness of humanitarian logistics?' partners prioritised the following proposals for DG ECHO's consideration:

- Negotiate with government counterparts to ease the policies and procedures; negotiating easier and quicker import/export processes, administrative facilitation in obtaining visa and other travel documentations for humanitarian personnel.
- Make a procurement plan compulsory at the project conception level.
- Hire logistics staff in DG ECHO to support partners and to review procurement plans.
- Simplify rules and regulations and the standard procedures on process, so as to be more efficient, productive, systematic, logical and cost-effective.
- Agree and align with other donors on common standards and procedures.
- Give training on DG ECHO policies and procedures, especially to logistics staff.
- Build capacity of implementing partners on logistics and procurement.
- Fund prepositioning and CBT.
- Support the development of an information system for NGOs, covering donors, procurement, contracts and supply, and offer a platform for logistics where individuals can share knowledge, experiences and lessons learned (supporting and facilitating synergies).
- Help to check the quality of goods and best suppliers, and to validate national suppliers.

9. Conclusions

9.1. DG ECHO investments in humanitarian logistics have continuing benefits

DG ECHO's earlier investments in the Humanitarian Response Depots, the IFRC Regional Response Hubs, and in the development of the network of Humanitarian Procurement Centres have all had lasting benefits. Demand for these services continues and most partners assign a moderately high importance to them, while some partners choose not to use them. DG ECHO could usefully track the performance of these common services more systematically. DG ECHO's past investments in the Global Logistics Cluster helped to establish it as a key coordination mechanism for humanitarian logistics, which is perceived to be among the better performing IASC-mandated Clusters. With the tendency of partners to treat HPCs like any other supplier, the distinctive role of the HPCs is at risk of being lost.

9.2. A few partners receive the bulk of logistics resources

Over the evaluation period, the top five partners by total contract value accounted for 54% of all DG ECHO project funding (€4.7 billion of €8.7 billion). While it has not been possible to accurately establish the proportion of DG ECHO funds spent in the supply chain, it is likely that these five partners alone will have used at least €2 billion of their DG ECHO funding in support of their logistics operations. Given the scale of these investments, there is a strong case for DG ECHO increasing its oversight of these logistics components and engaging partners in review of their supply chain strategy, at least for the largest investments. The common pipelines in South Sudan provide a good example of ECHO partners working together to achieve efficiencies in the supply chain. However, such cases are few and there is considerable scope for DG ECHO to encourage such joint working in other protracted crises.

9.3. Partner logistics costs are not readily visible in DG ECHO information systems

The costs of the logistics components of DG ECHO projects cannot be accurately assessed because DG ECHO's internal database and reporting system¹⁴⁸ do not allow logistics costs to be readily seen or aggregated across projects. Budget details remain on budget annexes and are not imported into the HOPE database. Most partners only show budget details for the parts of the project budget to be funded by DG ECHO, which precludes an overview of value for money in logistics. These factors limit the degree to which DG ECHO can monitor or oversee logistics spending by partners.

Judging by the evaluation team's data analysis, interviews and survey results, some 35% to 40% of project costs go into procuring, transporting, storing and delivering DG ECHO-funded humanitarian goods. For some projects, these costs may reach 80% and others may be as low as 10%. Other third-party studies put the percentages across the projects studied at over 60%.

¹⁴⁸ HOPE and EVA respectively.

9.4. DG ECHO-funded humanitarian air services remain important

ECHO Flight, managed and funded by DG ECHO, is the only humanitarian operation directly implemented by DG ECHO. ECHO Flight carried an annual average of 26,000 passengers and 278,000 kg of relief supplies¹⁴⁹ over the period 2013–17 and supported over 300 humanitarian projects in Africa. It remains an important tool in enabling humanitarian workers to reach inaccessible locations and for their prompt medical and security evacuation in time of need. It also provides DG ECHO with visibility and leverage over other humanitarian air service operators. ECHO Flight is highly relevant to the success of many EU-funded (and non-EU-funded) humanitarian aid projects in the countries where it operates. While aircraft utilisation is relatively low and costs relatively high compared with commercial operations, this is to be anticipated to some extent given the nature of the services and the lack of alternatives. UNHAS' services, funded by DG ECHO, are also clearly relevant in the majority of countries where they operate.

Regarding the respective merits of ECHO Flight versus UNHAS, the evaluation is not in a position to conclude that one service should substitute for the other. As noted in 6.2 above, ECHO Flight provides some benefits UNHAS does not. In any event, DG ECHO is keen to maintain both ECHO Flight and support to UNHAS and evaluation team has no reason to suggest otherwise, especially as there is minimal overlap between the services.

9.5. Civil protection support to humanitarian response is important but limited

There have been notable deployments of civil protection assets to provide transport in support of humanitarian response, in particular in response to emergencies caused by Typhoon Haiyan, the West Africa Ebola virus outbreak, and recent hurricanes in the Caribbean. Civil protection and humanitarian aid personnel do not share a working culture or technical language. Further engagement would be facilitated by further increasing the mutual understanding between civil protection and humanitarian aid staff in DG ECHO.

While stakeholders expressed interest in the UCPM's further engagement in humanitarian response, there are important limitations to it doing so. Most importantly, as a matter of mandate, the UCPM is first and foremost for civil protection in Europe. In practice, because co-financing of transport costs only covers the 'to and from' costs, Member States are less willing to deploy transport assets than if all operating costs were covered. UCPM deployments are short-term and always at the discretion of the national authority and as a result, they can be unpredictable, in part because there are no UCPM modules dedicated to logistics.¹⁵⁰ EU Member States' contribution to logistics in humanitarian response could be better enhanced by engaging in alternative mechanisms that provide a predictable, reliable response beyond Europe than the UCPM, for example through the informal International Humanitarian Partnership.

9.6. Increased DG ECHO scrutiny of logistics would pay dividends

While DG ECHO is seen by partners as a highly engaged and constructive partner, staff and partners agree that DG ECHO specific attention to logistics within projects is ad hoc rather than

¹⁴⁹ Total passengers and cargo ticketed (i.e. excludes double-counting of onward connecting flights).

¹⁵⁰ Technical Assistance Support Team modules in the Voluntary Pool include logistics that support UCPM deployments but not the logistics of the humanitarian response more widely.

consistent. A majority of DG ECHO staff and partners consider that DG ECHO should give more attention to logistics. Some informants consider that DG ECHO should require procurement plans in project applications as standard, which is not currently the case.

The current Integrated Assessment Framework (IAF) and Humanitarian Implementation Plan (HIP) for Mozambique show how logistics can be factored into DG ECHO assessment and planning processes. This example shows how partners can be provided with greater incentives to bring forward proposals to overcome crisis-specific challenges to effective logistics that are holding back the effectiveness of their own projects or of the humanitarian effort in general.

Significant benefits for beneficiaries are likely to accrue when DG ECHO pays more attention to humanitarian logistics within and across DG ECHO-funded projects because of efficiency improvements in terms of higher quality, faster response that should result. The recent major investments by INGOs in their supply chain capacity and information systems show the importance they attach to realising these benefits. In all countries visited, agencies were experiencing funding shortages. Achieving efficiencies in logistics is all the more important given that the humanitarian budgets are likely to continue to fall below requirements. The return on investment of DG ECHO greater engagement in humanitarian logistics could be significant because of the vital function logistics play in the success of DG ECHO projects and given the large portion of DG ECHO's budget that logistics consumes

9.7. DG ECHO lacks a logistics policy

In 2013, the unit covering logistics at the time made proposals for the improvement of transport and logistics and, more recently, DG ECHO agreed a series of proposals on logistics in the 2017 Emergency Management Policy, some of them based on those from 2013. While some of the more operational elements of the policy are advancing, the strategic elements are not as yet, in part pending the results of this evaluation.

A DG ECHO policy statement that provides clarity on its approach to logistics, its level of ambition for its engagement in humanitarian logistics, what it requires of partners, and how it intends to contribute to the strengthening of logistics systems across the humanitarian sector, would benefit both staff and partners. However, the development and implementation of a policy for logistics will require additional expertise and capacity in the organisation. Currently, the majority of DG ECHO logisticians' efforts go into equipping, securing and connecting DG ECHO country and regional offices. It may be realistic for DG ECHO's current cadre of logisticians to review the logistics capacity of partners in a small number of the largest projects as an initial step but additional staff at HQ and field experts will also be needed if the proposals in this report are to be carried forward. (See Recommendations below for proposals on staffing.)

9.8. Cash based programming

DG ECHO has an active commitment to reinforce the use of multi-purpose cash transfers in humanitarian programmes. While significant progress has been made, all parties agree that cash transfers are not a panacea for all emergency contexts. They also recognise the need to understand the supply chains and logistics that underpins local market performance, thus enabling effective cash transfers. Emergency response needs to be able to shift between the different modalities – in-kind to cash and cash to in-kind, or a combination of the two – as emergency peaks come and go. DG ECHO should treat cash-based and commodity-based assistance as inter-related. As part of DRR, reducing vulnerability requires a joined-up approach to cash-based social protection, on one hand, and logistics response mechanisms and prepositioning of emergency stocks on the other.

9.9. DG ECHO has options for strengthening logistics skills and standards

There are ample opportunities for DG ECHO to support the professionalisation of humanitarian logistics by supporting existing initiatives, including various logistics training courses and routes to professional certification that are already available, ideally in coordination with other donors. There is no single agreed set of standards for the management of humanitarian logistics so far but the development of a set of standards for logistics, with accompanying performance indicators, would be achievable with relatively modest donor support.

9.10. Framework agreements could be used to strengthen humanitarian logistics

DG ECHO is about to conclude a review of its Framework Partnership Agreement with NGOs. DG ECHO's oversight of partner logistics could be strengthened by requiring partners to specify their logistics strategy and demonstrate capability and improvement plans for the period of the partnership. The same could be applied to UN and Red Cross Red Crescent Movement framework agreements. Framework partners could be required to show how they conform to a common set of standards for logistics (once agreed).

The new FPA is to be introduced at the start of 2020. It is not realistic to expect that a review of logistics in all frameworks would be feasible as they are converted to the new format in 2020. Instead attention could be focused most usefully on the ten frameworks that are likely to account for the highest logistics expenditure across the next four years. Given the concentration of funding to a small group of partners, this could have a positive impact on the efficiency and effectiveness of logistics underpinning projects covering perhaps 70% of DG ECHO's total budget.

9.11. DG ECHO could stimulate joint efforts to address logistics challenges

The evaluation found a high level of agreement between DG ECHO partners and staff concerning the main challenges facing humanitarian logistics, challenges that are certainly degrading the humanitarian assistance beneficiaries receive. DG ECHO alone is not responsible for the resolution of these challenges but has a shared responsibility with other members of the humanitarian community to make sure their effect is minimised. Currently there is a gap in the international humanitarian system, in that there is no collective effort that consistently addresses the negative impacts of, for example, customs delays, restricted access, and poor quality supplies on humanitarian outcomes.

Partners would like DG ECHO, working with EU Delegations, to exert influence with governments to address obstacles to humanitarian logistics that are outside the partners' control, especially related to compliance with international standards on the importation of humanitarian goods. Customs officials often do not understand the relevant regulations. (Partners often do not know that, within EU structures, this influence role lies with the EU Delegation, rather than DG ECHO.)

9.12. Strategic coordination of humanitarian logistics is missing

Very different logistics solutions are needed for different emergency contexts, for example in protracted crises in poor security environments versus rapid onset, relatively short-term

responses in contexts with high national response capacity. Humanitarian agencies, working together, need context-specific solutions to address logistics challenges. Currently, within the humanitarian community, no organisation has the mandate for, nor has taken the initiative to, adopting strategic coordination of logistics, supporting governments and humanitarian actors to identify and mapping logistics problems.¹⁵¹ Some assume that this is the job of the Logistics Cluster, but this is outside the cluster mandate and the reach of WFP. The cluster does provide assessment and information functions that would support a strategic logistics function, should DG ECHO or another actor decide to promote or enable this function. Several key stakeholders agreed that a strategic logistics function is needed and that it should be provided by an entity independent of the logistics cluster. OCHA and/or the office of the Resident/Humanitarian Coordinator might be the best options for a location for a strategic logistics coordination role.

Without a strategic coordination function, the Grand Bargain and the UN's New Way of Working commitment to the achievement of 'collective outcomes' cannot be met. The Grand Bargain commitment to reduce transaction costs is yet to make meaningful progress on logistics, even though there is significant potential for both efficiency improvements and cost savings.

9.13. Humanitarian logistics in preparedness deserves greater support

While DG ECHO challenges agencies to prepare for potential disasters and funds some agencies to include rapid response mechanisms in their proposals, there is a need for agencies to maintain a standing readiness for emergency response as part of a crisis wide response plan. Even the best-developed national emergency management systems can be overwhelmed by a major natural disaster or mass population movement, so standby humanitarian logistics capacity of international partners is needed wherever there is a risk of Level III emergencies. Emergency preparedness depends heavily on having logistics planning and assets in place for immediate deployment when a crisis begins. This means harnessing and building local capacity to respond, including the necessary human resources, early warning and response systems, physical assets and emergencies stocks. Studies show that €1 spent on preparedness saves at least €2 in response, and, by other estimates, €7 or more. A good proportion of that saving comes from building logistics capacity in advance.

9.14. DG ECHO-DEVCO cooperation on humanitarian logistics needs strengthening

The evaluation found examples of cooperation between DG ECHO and DG DEVCO with logistics aspects, both within and outside Joint Humanitarian Development Framework. At the same time, several of the agencies interviewed noted the need to encourage more synergy between DG DEVCO and DG ECHO. Leaving it to Heads of DG ECHO office or EU Delegations in-country to decide when and if they cooperate on the development of national capacity to respond to emergencies is not adequate. Greater DG ECHO/DG DEVCO cooperation on short- and long-

¹⁵¹ 'Strategic coordination' of humanitarian logistics meaning:

1. Mapping the assets and capacity of governments, humanitarian actors, local CSOs and the private sector;
2. Understanding the challenges to effective logistics including the country or regional supply chains needed to meet the needs of an actual or potential emergency;
3. Generating an action plan jointly agreed by donors and humanitarian actors, including DG ECHO partners, to address the challenges identified.

term programmes to increase emergency response capacity would represent a concrete expression of the humanitarian-development nexus.

9.15. Donors could achieve more by coordinating their support to logistics

It is still rare for donors to agree a strategic approach to humanitarian logistics to require collective action on logistics. Working together, donors could lead the development of a strategic coordination function at both global and crisis levels. There may be technical and political challenges to agreeing joint approaches to logistics and there may be resistance to change from humanitarian agencies. A common approach by donors will be more effective in overcoming challenges and achieving gains in the efficiency and effectiveness of humanitarian logistics than working alone. Donors could empower clusters or sector coordination groups, including for logistics, in order that a more common approach and shared utilisation of assets takes place. There is potential for donors to take a stronger hand in the promotion of common pipelines for cash, food, NFIs, and other sectors.

10. Recommendations

The evaluation's strategic recommendations fall into two categories. The first set (A) concerns DG ECHO partnership and project systems, and civil protection. These are within control of DG ECHO, or of DG ECHO working with other elements of the European Commission, and Member States. These recommendations are relatively definitive ('it is recommended that').

A second set of recommendations (B) focuses on potential actions by DG ECHO to help strengthen the global or local humanitarian logistics sector, intervening for the benefit of beneficiaries and the sector as a whole. These recommendations are more tentative ('it is proposed that').

A limited set of operational recommendations follows the five strategic recommendations.

The relevant findings and conclusions on which the recommendation is based follow each recommendation, *(in brackets)*.

A. Recommendations for action by DG ECHO within its own projects and in cooperation with the European Commission and Member States

Recommendation A1: Develop a policy on humanitarian logistics and increase attention to logistics in DG ECHO planning and partnerships

1. **Humanitarian Logistics Policy.** It is recommended that DG ECHO generates a policy document for humanitarian logistics that covers, among other points: that DG ECHO is broadening its understanding of transport and logistics to cover all aspects of the supply chain management including procurement (and may alternatively use 'humanitarian supply chain management' as the policy title); that DG ECHO will expect partners to specify their logistics strategy, capacity and budgets in partnership frameworks and project applications and particularly that partners demonstrate how they will work together to increase synergy and performance, and reduce costs through joint logistics ventures; that DG ECHO logisticians will interact directly with partners over the logistics components of the highest value and risk projects.¹⁵² Other areas of the policy to be included will depend on DG ECHO decisions on which aspects of Recommendations B to take forward (Ref 3.2.1, 9.7).
2. **Logistics within DG ECHO planning instruments.** It is recommended that logistics is considered consistently within DG ECHO planning and partnerships processes, in particular: (1) Integrated Assessment Framework (IAF). The IAF to include an assessment of the state of humanitarian logistics in the crisis concerned as part of its

¹⁵² The evaluation does not propose a detailed review of logistics components and costs in every partner project. Rather, the following approach is recommended as part of the proposed logistics policy:

- DG ECHO updates its partnership and project guidance to require partners to specify their logistics strategy, capacity and budgets (which would bring DG ECHO more in line with DFID and USAID project procedures).
- DG ECHO reviews in-depth the logistics strategy and costs in projects *selectively*, that is, in the largest or highest risk projects only.
- Detailed scrutiny of logistics strategy, costs and performance improvement plans takes place at the level of framework agreements (FPA and FAFA).
- DG ECHO makes it clear to partners that DG ECHO funding is granted on the *presumption* that partners demonstrate how they will work together to increase performance and reduce costs through joint logistics ventures, whenever possible. The onus would then be on partners to justify why they need their own unique supply chain in specific cases where circumstances demand.

analysis of the emergency context (*Ref Section 8 Relevance, 10.1.4*). (2) Humanitarian Implementation Plan (HIP). In response to logistics challenges identified in the IAF, allow and encourage partners to propose projects that respond to the humanitarian logistics challenges identified (9.10, 9.14).

3. **Partnership frameworks.** It is recommended that DG ECHO require partners entering into new or renewed framework agreements to demonstrate that they have an effective strategy for the improvement, monitoring and management of their humanitarian logistics. In time, the frameworks should incorporate partner obligations to meet standards and performance indicators for humanitarian logistics, with particular attention to DG ECHO's top ten partners by total project value (*Ref 9.2, 9.6*).
4. **Logistics in selected projects.** It is recommended that DG ECHO scrutinise the logistics strategies and budgets within a few projects per region per year, starting from 2019 chosen from proposals with the highest logistics costs and others where geographic desks or field experts have particular concerns about the capacity of partners to deliver the promised results. With increased logistics expertise this capacity this could be expanded. The following aspects could be reviewed (*Ref 8.6, 9.6*):
 - Logistics priorities, for example for supplies, transport, warehousing etc., that are aligned to beneficiary needs assessments;
 - Local market analysis that identifies the most effective way to meet priority needs such as in-kind assistance, service provision, cash based assistance or a mix of these;
 - Procurement plans that link to programme plans and budgets;
 - Scope to collaborate among organisations to provide common services;
 - Partners' expertise and capacity in logistics and supply chain management;
 - Risk assessments for the security of transport routes and warehouses etc.

Recommendation A2: Strengthen EU Member States' contribution to Humanitarian Aid

1. **International Humanitarian Partnership.** It is recommended that DG ECHO consider how greater use can be made of the IHP to contribute to humanitarian aid. While DG ECHO has no control over the IHP and its membership, DG ECHO can enter into dialogue with the leadership of IHP to see how both the membership and services on offer could be extended to increase the IHP's contribution to predictable, reliable, and longer-term engagement of Member States Specialised Agencies in humanitarian action outside Europe (*Ref 8.8, 9.5*).
2. **Eligible costs for Participating States provision of transport.** It is recommended that DG ECHO consider the feasibility of covering all relevant transport costs of transport provided by UCPM Participating States to humanitarian response outside Europe, covering both the costs of moving the assets to and from the theatre of operation and the operating costs while in the theatre of operation, with a view to increasing the probability of UCPM PS offering transport assets for humanitarian response (*Ref 8.8, 9.5*).

Recommendation A3: Reinforce the Humanitarian Procurement Centre network and application of the HPC Charter

1. Beyond its current role in auditing, it is recommended that DG ECHO take greater leadership of the HPC network, ensuring the HPC members and DG ECHO itself conform fully to their designated roles in the HPC Charter, and that HPC clients respect the

mandate of the HPCs. It is further recommended that DG ECHO revive the annual meeting of HPCs. Where possible, DG ECHO should encourage recognition of HPCs by other donors to make more effective use of them as a common service. The role of the HPCs should be covered in the recommended logistics policy, which would cover procurement as part of the supply chain management (Ref 5.3, 7.9, *Recommendation A1*).

B. Recommendations for DG ECHO contribution to the wider humanitarian logistics sector

This set of recommendations relates to increasing the effectiveness and efficiency of logistics in national systems and across the systems for humanitarian preparedness and response. It is proposed that DG ECHO take a view of which of the following actions will make the greatest contribution to the effectiveness of the humanitarian system as a whole. It is not anticipated that DG ECHO will adopt this second set of recommendations wholesale. For all of the recommendations in this category, their impact would be increased by working in concert with other donors and agencies (Ref 8.3, 9.11).

Recommendation B1: Improve humanitarian logistics at the country/crisis level

- 1. Convene key actors for strategic coordination of logistics.** It is proposed that DG ECHO convene (or support another institution to convene) key partners at country or regional level (depending on the crisis) to make a strategic assessment of current logistics capacities and challenges, and plan and implement improvements of humanitarian logistics, building on the logistics cluster (and WFP) Logistics Capacity Assessments. This should be in support of governments, as far as possible. It will require DG ECHO working in concert with other donors and agencies. DG ECHO may need to contract one or more support organisations (researchers, agencies or a combination) to provide the analytical and support capability. This independent function would work closely with the logistics cluster or other logistics coordination mechanism but would be separate from it (Ref 9.12, 9.15).
- 2. Request joint ventures in logistics wherever possible.** To increase efficiency in logistics and advance the Grand Bargain, it is proposed that DG ECHO incentivise partners to work together to improve impact and efficiency through, for example, joint ventures in procurement, transport, storage and delivery of goods, including the provision of common services, and/or pooling of assets. Incentives could include favourable review of funding applications including such joint ventures, or the establishment of a challenge fund accessible only to partners bidding together for the provision of common services or common pipelines. This would also cover contracting other agencies or private sector suppliers to provide logistics services for multiple agencies at once. Suggested common services could include: Local supplies prepositioning depots; procurement services that build upon the existing HPC network; non-food item and WASH pipelines; humanitarian air services (including methodologies that address the specific needs of NGO partners); logistics (and market) data analytics; mapping / imagery (including utilisation of the Copernicus satellite platform), and; national training and other services that support humanitarian logistics capacity development. (Ref 8.10, 9.7).
- 3. Influence affected governments to meet their obligations on importation of humanitarian goods.** Working closely with EU Delegations, it is proposed that DG ECHO lobby governments to adhere to international standards on the importation of humanitarian goods, to reduce customs delays, taxation, and cross-border challenges. Where appropriate, DG ECHO may consider financial support to capacity building for

customs and other authorities in countries in crisis and those at risk of crisis. Key partners for this would include the IFRC-led IDRL project and OCHA / WCO Global Customs project (Ref. Box 3, 9.13).

4. **Strengthen logistics components of emergency preparedness.** To help meet its commitments to DRR and the Grand Bargain, it is proposed that DG ECHO should promote, and invest in, the development of logistics capacity as part of emergency preparedness, in countries at risk of emergencies, including as far as possible in countries affected by conflict. This would require DG ECHO to intentionally marry its short-term funding to prepositioning of stock, early warning systems, and rapid response mechanisms, with longer-term development funding from bilateral donors and multi-lateral development banks supporting national development plans (Ref 8.10, 9.14).

Recommendation B2: Strengthen humanitarian logistics systems

1. **Standards and KPIs.** It is proposed that DG ECHO support the development of one agreed set of standards and KPIs for humanitarian logistics, building on existing initiatives, perhaps as a Companion Guide to the Sphere Standards on humanitarian logistics (or humanitarian supply chain management) (Ref 3.2.7, 9.7).
2. **Global Logistics Cluster.** It is proposed that DG ECHO continue its support to the GLC, as the primary forum of humanitarian logistics coordination at the country and global levels, in terms of (1) strategic advice, building on DG ECHO's policy for humanitarian logistics, including with reference to these recommendations, and (2) providing targeted finance to address key gaps in the international logistics systems, as agreed by the Strategic Advisory Group of the GLC, which may also overlap with these recommendations (Ref 5.1, 9.11, 9.12).
3. **Joint ventures with donors.** It is proposed that DG ECHO seek common cause with other donors concerned to enhance humanitarian logistics, and develop a joint programme of action with them, including USAID and DFID, to accelerate or expand the reach of these recommendations, or a subset on which a consensus can be achieved (Ref 4.3, 9.15).
4. **Research collective action on logistics.** In support of Recommendation B1.2, it is proposed that DG ECHO invest in further research on the feasibility of collective action in humanitarian logistics, specifically the potential for extending common pipelines for the supply of emergency relief supplies, joint procurement, joint prepositioning, and joint capacity development of local organisations. Such research should investigate both the advantages in terms of impact and efficiency costs savings, and any technical and political obstacles to be overcome (Ref 9.11, 9.12).
5. **Logistics Skills development.** It is proposed that DG ECHO continue to fund the training of humanitarian logisticians, including for local government and NGOs in countries of operation, during and between emergencies, and support the development of humanitarian logistics as a profession, including through certification programmes (Ref 3.2.6, 8.9, 9.9).

Operational recommendations

Recommendation O1: Increase capacity in line with the proposed DG ECHO logistics policy

1. **DG ECHO logistics specialists.** To provide momentum and support the implementation of these recommendations, it is recommended that DG ECHO should recruit additional logistics specialists. As a minimum, three new senior advisors with the requisite skills to:
 - a. Work with partners on logistics aspects of partnership frameworks and selected projects.
 - b. Generate logistics policy and guidance and interact with other donors and external logistics initiatives.
 - c. Provide support to country offices in assessing logistics aspects of projects and to provide country logistics analysis and support partnerships, (either directly with partners or in support of the current regional logistics coordinators) (Ref 8.9, 9.6, 9.15).
2. **Orientation for DG ECHO managers and technical experts.** For these recommendations to be implemented successfully, DG ECHO technical advisors would benefit from a general orientation on DG ECHO's policy and approach to logistics, including how TAs can call on logistics expertise when necessary in their project oversight, once devised.

Recommendation O2: Improve management of humanitarian air services

Annex 27, Section 10 includes recommendations specific to humanitarian air services.

In summary, it is recommended that DG ECHO should:

1. In relation to ECHO Flight, ensure that, at the contract tendering stage, the proposed number of aircraft, flight hours and budget is appropriate for forecasted number of passengers and cargo expected to use the service. This may require an analysis of potential humanitarian relief locations, the potential scale of relief by EU (and non-EU) humanitarian aid organisations etc.
2. Ensure that, once the budget is set, there are regular reviews of the flight schedule, the passenger/cargo traffic by sector flown and by priority category, the aircraft load factors and aircraft utilisation. This could take the form of a quarterly management report showing the latest quarterly figures and historical trends since the commencement of the contract. Any changes to the flight schedules should be made in consultation with EU Flight users.
3. Improve the Key Performance Indicators for assessing the cost-efficiency of UNHAS operations.
4. Require a passenger satisfaction questionnaire to be completed on board of ECHO Flight.
5. Consider instituting a process for sharing of information on ECHO Flight safety and security incidents with other humanitarian aviation providers.
6. In the case of UNHAS and other humanitarian air services funded by DG ECHO, ensure that there is a balanced approach to information provided on the e-Single form used for the funding application process

11. Proposed evaluation dissemination strategy

The process of disseminating the findings and recommendations of this evaluation began with the presentation of the draft evaluation report to an invited group of HQ staff at a workshop in October 2018, organised as part of the evaluation methodology. The Inter-service Steering Group (ISG) stated that the online surveys and workshop raised the profile of the evaluation, at least within DG ECHO HQ.

To help ensure that the findings of the evaluation are disseminated more widely within and beyond the organisation, it is proposed that DG ECHO:

1. Send the Executive Summary, or preferably a 2-page summary brief, to all DG ECHO staff, with 1-2 paragraphs detailing how DG ECHO intends to respond to the evaluation.
2. Present the summary report to the next ECHO Partners Conference.
3. Present the summary report to the next meeting of the Humanitarian Procurement Centres managers.
4. Present the evaluation report summary findings to the Global Logistics Cluster annual meeting.
5. Present the report to the most relevant humanitarian donor groups, for example, the Good Humanitarian Donorship and the Humanitarian Liaison Working Group.
6. Share the full report with relevant colleagues in USAID OFDA and DFID and engage with them to discuss possible joint action.
7. Request that the Humanitarian Logistics Association circulate the executive summary to its members.
8. Ensure that the report is posted, and where possible highlighted, on ALNAP and ReliefWeb web sites.

12. Intervention logic for DG ECHO humanitarian logistics

The preliminary intervention logic proposed in the Inception Report has been heavily revised to reflect the evaluation findings. Figure 9 below shows the relationship between the principal humanitarian logistics challenges identified (see Section 7.6), the recommended actions (see Section 10) and the intended outcomes and results that support the realisation of DG ECHO's two high-level objectives.

Figure 9: Intervention Logic for DG ECHO interventions in humanitarian logistics

