CREATING SUSTAINABLE HEALTH AND HUMANITARIAN SYSTEMS

The 2012 Conference on Health and Humanitarian Logistics

Conference Report

The 2012 Conference on Health and Humanitarian Logistics was hosted this year by the Kühne Logistics University in the Curio-Haus, Hamburg, from 21-23 March. The Conference was organized by The KLU-INSEAD Research Center on Humanitarian Logistics, Georgia Tech and the Humanitarian Logistics Association (HLA). The topic of the Conference was "Creating Sustainable Health and Humanitarian Systems" and featured next to the keynote, four panels, four workshops and two closing sessions on related sub-topics. The innovative approach of this Conference in which interactivity was the goal and wherein the diversity of the participants gave the opportunity to evolve in very interesting discussions, made this event a big success. We were very pleased with the large number of compliments from people thanking us for "the best humanitarian conference they ever attended", "a fantastic mix of high level humanitarians, business people and academics and great discussions", and "a perfect logistics organization". In this management report we will start with a brief overview of the data before we dive into the topics discussed in the keynote, panels and workshops during the Conference.

Data
The 2012 Conference on Health and Humanitarian Logistics brought together 145 participants from 33 countries covering all continents.

40% of them represented the following universities and institutes: Aix-Marseille University, BI Norwegian Business School, Bilkent University, BITS, Cankaya University, Cardiff University, Cranfield University, Annamalai University, Dublin Institute of Technology, FOM University of Applied Sciences, Fritz Institute, Georgia Tech, Hanken School of Economics, Hamburger Logistik Institut, Humanitarian Training Initiative, INSEAD, JSI Research & Training Institute, Koc University, Kühne Logistics University, London Business School, Lund University, Macqaurie Graduate School of Management, Middlesex University Business School, MIT (Zaragoza Logistics Center), National University of Ireland Maynooth, Ozyegin University, Plekhanov Russian University of Economics, Rensselaer Polytechnic Institute, Technische Universität Hamburg-Harburg, Universidad Andrès Bello, Universita della Svizzera Italiana, University of Münster, University of Rochester, University of the Thai Chamber of Commerce, WHU – Otto Beisheim School of Management, University of Michigan, Wu Vienna University of Economics and Business

23% of them represented the following non-governmental and UN organizations: ACAPS, CARE, Hope Medical City Sudan, Ict4peace, International Federation of Red Cross and Red Crescent Societies, Mercy Corps, NetHope, North Star Alliance, UNFAO, Oxfam GB, Partnership for Child Development, Plan International, PROMODEV, Red Cross Kenya, Riders for Health, Save the children, UNHCR, UNICEF, Valid Nutrition, World Food Programme, World Health Organization, World Vision, Youth For Public Transport (Y4PT)

17% of them represented the following private sector companies: CourierPlus Services Limited, Deutsche Post DHL, Engage IT Global, Ets. Obah - Okali et Sons, Everywhere, Fairline Transport Company, Humanitarian

Advisors, Kühne + Nagel International, International Organization for Migration, Losberger RDS, Lufthansa, Maximus Air, Nutriset, RTT Trans Africa, Senator International, ShelterBox International, TNT Express, UPS

8% of them represented the following governmental organizations and the military: European Commission, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Führungsakademie der Bundeswehr, JSI-USAID, Ministry of Foreign Affairs-Republic of Turkey, Norwegian Refugee Coucil

7% of them represented the following foundations: Airbus Corporate Foundation, Clinton Health Access Initiative, Kuehne Foundation, Stiftungslehrstuhl International Logistics Networks and Ser, U.S. Fund for UNICEF, UPS Foundation

Others (5%) represented amongst others: AircargoTV, Deutsche Logistik Zeitung, Humanitarian Logistics Association, The Periscope Newspaper, Nigeria

Content
The conference comprised a keynote, four plenary panels, four break out workshops and two closing plenary sessions to conclude and decide about the way forward. We provide a short overview of the key points of the keynote, panels and workshops.

Keynote speaker Ms Laura Thompson, Deputy Director General of the International Organization for Migration (IOM), argued that preparedness should be a priority. The cluster system that was developed after the Indian Ocean tsunami didn't prove to be good enough. IOM focuses on leadership, coordination, accountability and security. Logistics should be one of the focus points according to Ms Thompson. The incentives of people working in emergency response and development programmes are often not aligned. This is something that needs to change as well.

The panelists made observations on:

1. Sustainable Disaster Preparedness
   - Standardizing and prepositioning relief items are important steps to make the disaster preparations more sustainable
   - The transit from relief funds to development funds should evolve into a more smooth process
   - An increase in quality of humanitarian intervention is needed especially in poor countries where health organizations are understaffed and don't have the capacity to check the quality of the intervention
   - Involvement of the private sector:
     i. Via training (a mixture of theory and field experience)
     ii. Leadership (via training)
     iii. Local presence of the company in the country of operations is important
     iv. You need top management commitment to be successful (which is a challenge)
     v. The Care by Air initiative offers a sustainable solution to save on logistic costs by selling empty plane space at cost to humanitarian organizations
   - Predicting is an important tool in disaster preparedness
   - IFRC is moving to local solutions after a first time intervention
   - The Humanitarian Logistics Index (HLI) is a tool to estimate future logistics needs in disaster relief, i.e. demand forecasting, to improve the speed and quality of response by establishing a yearly global demand of disaster relief goods and logistics services
2. Sustainable Solutions for Information and Communication Technology
   - Governmental data is crucial in the preparedness phase
   - We need to decide who is accountable to collect and provide information
   - Need assessment is still a big problem
   - People in the field do not use collected data enough
   - There are three different sources for data collection:
     i. Primary Data
     ii. Secondary Data
     iii. Experience
   - Based on the above data you can do a situation analysis, an identification of possible future scenarios and a detection of information gaps or needs.
   - Key dimensions of situation analysis
     i. Most affected areas

   ii. Most affected groups

   iii. Priority interventions (food, shelter, health issues)

- The bottleneck is not the data collection, but the analysis! Reason for this:
  i. Difficult operations
  ii. Political issues increase complexity
  iii. Leaders do not define their needs accurately
  iv. Money is spent on data collection and not on the analysis
  v. Lack of communication leads to contradicting data
  vi. Lack of credibility of the data

3. Developing Sustainable Food Distribution Systems

- FOODSEC has been focussing on Early Warning Bulletins and monitoring the crops of the large producers in Europe (since they are the main exporters)
- Within emergency food security, livelihoods & programming there has been a shift towards market assessments, using a 'market mapping tool' in order to better design programs
- As a component of their 5 year supply and logistics strategy Oxfam GB described how they aim to make sure logistics is 'project centric' through a number of ways
  i. By using existing market knowledge
  ii. Market analysis & price monitoring
  iii. Trader selection
  iv. One market approach in country
  v. Supply planning and tracking
- Challenges in the RUSF supply chain, from the perspective of WFP:
  i. Maintaining quality above 35 degrees Celsius
  ii. Shelf life (6 months-2 years max.)
  iii. Packaging which doesn't allow for more than eight layers to be stacked
  iv. The cost; can we sustain high value products with funding constraints?
  v. Inadequate infrastructure to store and distribute the food in country
- Food security monitoring and crop forecasting have a huge impact on sustainability
- The Home Grown School Feeding project is dealing with the complex issue of cross sector collaboration
- You can't have a sustainable system without addressing the question of ownership, and you can't address the question of ownership without coming to the question of governance. It is essential to plan with governments and obtain their buy-in before the start of a project, not as an afterthought. Allow their feedback to be incorporated in the plan and they will be much more collaborative partners
- Donors should give unconditional money
- Involving logistics in the project design would help to incorporate costs from the beginning

4. Building Sustainable Primary Care and Health Delivery Systems

- Riders for Health can reach five times more communities (including isolated locations) with their choice for transportation (motors) and provide them with regular and predictable health care through reliable and cost effective transport solutions
- Partnering with governments is difficult
- There is a lack of capacity in supply chains due to the increase of illnesses as HIV, Malaria and TB which have a negative effect on the supply chain (especially in logistics)
- Sustainable systems need to have sufficient flexibility to be adaptable within a short period of time
- RTT Trans Africa saved millions of dollars in transportation costs through better forecasting, better planning and consolidation of shipments from air to sea and land
- Challenges RTT Trans Africa faces:
  i. Lack of understanding of end to end supply chains
  ii. Need for raise of awareness and professionalization of supply chains
  iii. Distrust of the Private Sector
  iv. Alignment of stakeholders is a duplication of effort
- The Polio Eradication Initiative (WHO) presented challenges for polio eradication and mentioned that in Nigeria, Pakistan and Afghanistan, where despite massive immunization routine campaigns polio persists. This is particularly true in areas of poor accessibility.

During the workshops the following observations were made on:

1. Humanitarian Supply Chain Communities of Practice
   - The global and regional blueprint for professionalization of the humanitarian profession is moving forward rapidly, although relief workers are still rather in the "south" while researchers are in the "north". A model for humanitarian professionalization:
     i. TIER 1: Recognized professionals (e.g. doctors, engineers)
     ii. TIER 2: Masters level / university training certification process
     iii. TIER 3: Field experienced Humanitarians, professional development training courses.
   - A system of "accountability, quality control, reporting, registration, certification & coordination" is inevitable
   - Idea: Create a passport for humanitarian professionals with "stamps" for courses, work experience etc.
   - Collaborations break down because of 1) No joint objectives, no unification; 2) Lack of communication and low transparency and 3) No aligned incentives
   - Organizational barriers have to be detected and understood in order to cooperate successfully
   - High level of internal competition: even the most sophisticated technology is not useful under a "cut-throat" environment
   - Barriers for professional organization / HLA / communities of practice:
     i. Academics extracting knowledge without giving anything back: "take and go" culture
     ii. Huge problems to get trustful information via internet
     iii. Lack of trust in collaborations
     iv. Threat of stealing and taking credit
     v. Competitive and "how you look" can be embarrassing
     vi. Level of transparency of data may not inform clients
   - Practical suggestions for professional organization / HLA / communities of practice include 1) Virtual community; 2) Job/Tender opportunities; 3) Incentivisation to get recognition, endorsement, certification; 4) Training opportunities; 5) Indentify common issues/themes; 6) Ability to interact and ask questions; 7) If you get a service, give something back; 8) Connect supply and demand and 9) Provide a "map" of information
   - We can create through collaboration: 1) Experience; 2) Training; 3) Practical Tools; 4) Information on emergencies, cross-sector; 5) Hands-on experience, practice of theory; 6) Management of increasing volumes of information (emails) and 7) Networks
   - Recommendations in creating professional organization / HLA / communities of practice:
     i. Get people to share
     ii. Facilitate knowledge transfer
        - Access
        - Quality of information
        - Technical tools
        - Practical, "how – to" videos
     iii. Encompass least experienced to most experienced
     iv. Define best practices and functional capacity
     v. Having fail safe mechanisms when technology does not work
     vi. Technical support
        - Blog, advice, recognizing critical mass and traffic are barriers
     vii. Define competencies for logisticians (problem: If you say you are a logistician, what can you exactly do?)
     viii. Implement strategies from pre-deployment to deployment to post-deployment
     ix. Define Organizational conduct in disaster and wide range of activities
     x. Develop guidelines/standards
     xi. Develop "LINKEDIN" directory
2. Logistics Partnerships
   - The UPS Foundation creates logistics assessments and helps humanitarians in warehousing for preparedness
   - The UPS Foundation engages in partnerships because of the corporate value
   - The UPS Foundation wins from partnering the following:
     i. They learn from the humanitarian sector
     ii. They improve leadership skills
     iii. Customers want to work with companies that are socially conscious

- IFRC needs less partnerships but more effective
- Partnerships are sometimes falling apart because of misalignment of expectations
- Partnerships have high transaction costs, so they need to be more efficient
- The value of the partnership should be measured.
- Challenges include: 1) the know-how of finding the right partner; 2) Partners should have integrity, independence, mutual trust, transparency; 3) Partnerships have to be reviewed often; 4) the process of the divorce also needs to be successful and 5) the distinction between partnership and commercial agreements is really difficult
- At the first weeks of the disaster, it is easier to use the partnerships with private companies and then later to start using also the ones with other humanitarian organizations
- Constant dialogue is needed to exchange the requirements between partners
- A mechanism to help actors work together could be: the logistics cluster, which is nowadays 1) not in all countries allowed by their governments and 2) not going to all crises
- We should think about a way of capturing the partnership experience in order to spread the learning to the other organisations and select innovative projects to work on
- Reliability of data is needed

3. Nutrition in Emergencies – The Ready-to-Use Therapeutic Food Supply Chain
   - RUTF is a hit product. Demand for a hit product is unpredictable. It can take off suddenly, if a new program adopts the product or it can drop suddenly, if another product is introduced. Because it is difficult to forecast demand for next year it is difficult for suppliers to decide how much capacity to put in place
   - Challenge 1: Nutriset mentioned that they are unsure what production capacity to put in place for 2013, as there is no visibility of program direction from WFP. WFP is concerned about a potential capacity shortage
   - Challenge 2: A second challenge is deciding on the role of local supply. While UNICEF, WFP, CHAI and MSF take somewhat different approaches in how they use local vs global suppliers, they share a commitment to support local supply. Going forward, there is a need to set clear objectives for local supply in two areas – commercial performance (availability, cost, quality) and development/contribution to sustainability (jobs, agriculture, knowledge transfer). There is a potential role for academia to help by collaborating with the stakeholders to understand demand and supply dynamics and help set a good strategy and approach.
   - Challenge 3: At a local level, import duties on inputs are a key challenge and a main reason why price is high. To create advocacy, we need to enlist partners to advocate with local governments
   - Challenge 4: In-Kind Donations might be beneficial to countries having difficulties attracting funding for RUTF purchases, but it can be detrimental to local suppliers. Perhaps a partnership of academics and NGOs could help with advocacy
   - Challenge 5: There is again (as in 2008) the potential for a capacity crisis (rapidly growing demand for RUSF), a threat to sustainability of local supply and the question of how to coordinate and set a procurement strategy and to set roles for local suppliers and global suppliers. Jan Komrska (UNICEF) said that the same approach that was taken in 2008 could be useful again to understand, quantify and act on these challenges
   - Challenge 6: Making in-country supply chain and logistics work remains a challenge

4. Information and Communication Technology for Logistics Decisions
   - Technology can enable data gathering and analysis to better describe supply and demand in a humanitarian response:
     i. Demand Side: gathering "unstructured" data directly from the affected population through social media, crowdsourcing, etc.; incorporating "structured" data from formal assessments of the affected population, baseline data, etc.
     ii. Supply Side: information systems to manage data within an organization's supply chain; technology for sharing data across organizations to enable coordination
   - There are enablers (such as: 1) How to be more sustainable; 2) investing time to build relevant systems; 3) project management online; 4) piloting to refine requirements; 5) interface design, etc.) and barriers (such as: 1) ICT departments; 2) Lack of training; 3) Connectivity; 4) appropriateness of data; 5) too much information, etc.) to roll out ICT solutions on a large scale
   - Key considerations to making ICT implementations impactful are:
     i. It needs to be sold to the users
     ii. Ask what people need

      iii. It needs to be completely clear what the problem is to be solved by the specific solution

      iv. The written policies and processes need to be in place prior to roll out

      v. It needs to be run on applications that work in the field – a collection of simple tools

      vi. Bandwidth optimisation

      vii. Clear notion of what you expect from the system

      viii. Monitoring the benefits expected from the system (financial and non-financial)

- In making logistics decisions; create a list and describe the information as clearly as possible
- To build analytical capacity in the humanitarian and health sectors that can turn data into valuable information, we need:
  - i. Specifications about what you want to get out of the data, what data can give you this information, what reports you need, engage all stakeholders
  - ii. Central data repository or server, analysis that gives required indicators to make decisions
- Full summarizing document of workshop 4 accessible via http://goo.gl/ip7By

During the concluding sessions on Friday, experts from the field shared their opinions about the conference and the future of sustainable health and humanitarian systems. A couple of ideas for the future of the conference were:

- Focus on only one subject (health, logistics, etc.) next time
- There could be more discussion on the "last mile", and a little less on "tarmac"
- Some said there was too big a focus on emergencies in the supply chain discussions. It's important to think about regular programs too; a lot of them have very ad hoc supply chains

Ideas for the future of sustainable health and humanitarian systems:

- More coordination in research is needed
- Academics are needed to help logisticians to manage the complexity in the field
- There's too big a focus on relief programmes at the moment, one needs to find a good balance between emergency and development programmes
- Donors need to discuss with international humanitarian organizations about how they can help best
- International humanitarian organizations need to find a way to build sustainable relationships with governments to be allowed to help in case of development and emergencies
- International humanitarian organizations need to know their market (prices, supply chain dynamics, etc.)
- A holistic approach to sustainable health systems is needed. To establish this, it's important that all partners communicate together
- It's important to put logistics on the agenda of the senior management, could we do this by bringing them to these kinds of conferences?
- It's important to work together sufficiently; share lessons learnt, information, etc. There is room for better coordination in each sector (international humanitarian organizations, academia, private sector, donors) and between the sectors. This however will be difficult in the competitive world we're living in. Could HLA play a role here?