AusAID Humanitarian Logistics Framework

15 December 2011
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## Acronyms

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<tr>
<td>ADF</td>
<td>Australian Defence Force</td>
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<tr>
<td>AusAID</td>
<td>Australian Agency for International Development</td>
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<td>HA/DR</td>
<td>Humanitarian Assistance/Disaster Relief</td>
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<td>HER</td>
<td>Humanitarian and Emergency Response Section</td>
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<td>HPA</td>
<td>Humanitarian Partnership Agreement</td>
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<td>LTA</td>
<td>Long Term Agreement</td>
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<td>MSU</td>
<td>Mobile Storage Unit</td>
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<td>NDMO</td>
<td>National Disaster Management Organisation</td>
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<td>NGO</td>
<td>Non-Government Organisation</td>
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<td>NZ</td>
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<td>PNG</td>
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<td>RedR</td>
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<td>AusAID Rapid Response Team</td>
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<td>SOPs</td>
<td>Standard Operating Procedures</td>
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<td>UNHRD</td>
<td>United Nations Humanitarian Response Depot</td>
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<td>World Food Programme</td>
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Executive Summary

Introduction

In September/October 2011, a team commissioned by the Australian Agency for International Development (AusAID) undertook a comprehensive review of AusAID’s existing humanitarian logistics arrangements and designed a new Humanitarian Logistics Framework to support AusAID’s humanitarian needs for the next four to six years. The purpose of this report is to outline the proposed new Framework and implementation arrangements.

Humanitarian Logistics Framework

The Goal of the Humanitarian Logistics Framework is:

To save lives, alleviate suffering and enhance human dignity during and in the aftermath of conflict, natural disasters and other humanitarian crises, as well as to strengthen preparedness for the occurrence of such situations.

The Purpose is:

To facilitate timely, effective and flexible delivery of Australian humanitarian assistance through the provision of appropriate high quality humanitarian supply chain logistics support.

The anticipated Outcomes are:

- Increased Australian capacity to respond effectively to humanitarian emergencies, including natural disasters in the Asia-Pacific region and further afield.
- Improved supply chain logistics coordination and staging area capability for emergency responses in the Pacific.
- Increased capacity of selected Pacific disaster management organisations to store and distribute relief supplies and equipment.

The proposed Framework relies on strengthened partnerships, including:

- continuous improvement in collaboration, operational inter-operability and communications between AusAID and the Australian Defence Force (ADF);
- closer supply chain coordination with United Nations (UN) and other international organisations, Non-Government Organisations (NGOs) and other donors; and
• close partnership under a Humanitarian Logistics Period Offer with a commercial provider of high-quality, multi-faceted, flexible and responsive humanitarian logistics solutions.

The following five Framework components are designed to contribute to the achievement of the Outcomes listed above:

1. **Procurement of Emergency Relief Supplies and Equipment**

Procurement services under the Period Offer will be enhanced with dedicated logistics support staffing resources to provide high-level specialist procurement advice, better market access and enhanced pipeline reporting. United Nations Humanitarian Response Depot (UNHRD) Network membership will provide access to the UN supply chain system, increasing the range of off-the-shelf and specialised items and services available, and offering potential value-for-money benefits.

2. **Storage and Handling of Pre-positioned Supplies and Equipment**

The network of AusAID emergency warehouses managed by the Period Offer services provider will continue, with enhanced inventory control and reporting, and establishment of standby staging area arrangements in Brisbane. UNHRD Network membership will provide capacity to strategically pre-position AusAID supplies at Subang, Malaysia and other depots, potential access to common stocks for loans/borrowings and access to staging area facilities. Mobile Storage Units (MSUs) will be provided to selected disaster management organisations in the Pacific to strengthen their capacity to store and manage the distribution of relief supplies and equipment in an emergency response.

3. **Humanitarian Freight and Transport Logistics**

Freight and transport logistics will continue to be available through the Period Offer services provider. UNHRD Network membership will provide the option of access to secondary transportation of AusAID supplies and equipment from UNHRD depots to designated destinations on a fee-for-service basis. Enhanced communications and attention to technical inter-operability issues between AusAID, its commercial provider and the ADF will improve the efficiency and effectiveness of utilisation of ADF logistics capability.

4. **Deployment Support**

With dedicated logistics support staffing, the Period Offer service provider will be expected to provide enhanced and flexible support for AusAID and other Australian Government personnel deployed in emergency responses.

5. **Specialist Logistics Personnel and Expertise**

The Period Offer service provider will be required to have access to a range of specialist logistics personnel able to deploy at short notice to support AusAID
emergency responses operations and those of AusAID’s partners. Other sources of specialist logistics expertise are Registered Engineers for Disaster Relief (RedR) Australia, the UNHRD Network, and Australian humanitarian NGOs.

Implementation Arrangements

Period Offer services will be delivered under a detailed Scope of Services (refer Annex A) with dedicated logistics support services staffing.

UNHRD services will be provided via a Technical Agreement with the World Food Programme (WFP) to be negotiated under the Australia WFP Strategic Partnership Agreement.

Collaboration between AusAID, the Period Offer service provider and the ADF will be based on regular, structured consultations, clear communications protocols, and agreed and practised SOPs.

AusAID’s Humanitarian Response Section (HER) will be responsible for overall management and coordination of AusAID humanitarian supply chain logistics activities under the Framework. HER will also manage the Period Offer and a global warehousing Services Order for standard warehousing services at all AusAID warehouses, and manage Brisbane and Sydney warehouses operations. Jakarta and Port Moresby Posts will manage the operations of their in-country warehouse facilities, including tasking the Period Offer service provider. HER will manage supplies procurement for the Brisbane and Sydney warehouses and, if required, support Jakarta and Port Moresby Posts’ procurement for the Indonesia and Papua New Guinea (PNG) facilities.

Performance Management and Evaluation

At the Framework level, performance management and evaluation mechanisms will include: periodic coordination meetings, periodic tests of joint protocols, procedures and response mechanisms, an annual high-level meeting, a rapid mid-term review and a final evaluation review.

At the Period Offer level, mechanisms will include: ongoing and analytical task specific reporting by service provider, annual rapid review of services provider performance against Key Performance Indicators, independent evaluations of selected, significant service provider responses, rapid mid-term and final reviews conducted as components of Framework reviews.

Framework Outcomes, Key Result Areas, and Verifiable Indicators are detailed in the Performance Management Framework at Annex B.
Risk Management

A Risk Management Matrix is at Annex C. Responsibility for managing risks will lie with AusAID, AusAID’s Period Offer service provider, the ADF as one of AusAID’s humanitarian logistics partners, and other implementing partners.
1. Introduction

With the Australian Agency for International Development’s (AusAID’s) current standing contract (or period offer) for humanitarian logistics and warehousing services expiring in July 2012, AusAID commissioned a team to review its existing logistics arrangements. The existing framework comprises a network of emergency warehouses, pre-positioned stocks of relief supplies, a standing contract for provision of logistics support services, and a partnership with the Australian Defence Force (ADF) for access to military logistics capacity and assets to deliver emergency relief assistance.

The team was also tasked to design a new strategic and operational Humanitarian Logistics Framework (the Framework) to meet AusAID’s humanitarian supply chain logistics needs for the next four to six years. The Framework includes implementation arrangements for all components, including a Scope of Services for a new Humanitarian Logistics Period Offer. The Scope of Services will be the key document for a public tender process to be launched in early 2012.

The findings of the review are detailed in a separate report. The purpose of this report is to outline the proposed Humanitarian Logistics Framework and implementation arrangements.

2. Strategic Context

The Australian Government’s new aid policy – ‘An Effective Aid Program for Australia: Making a real difference – Delivering real results’, has identified enhanced disaster preparedness and delivery of faster, more effective responses to humanitarian crises as one of five core strategic goals of the Australian aid program. Given the increased frequency and impact of natural disasters in recent decades and the Government’s decision to double the overall aid program budget by 2015, it can be expected that humanitarian assistance will increase further in the next few years.

To support this strategic goal and the likely increased demands on Australia’s ability to deliver rapid and effective humanitarian response in partner countries, including delivery of timely and appropriate relief supplies and logistic support to Australian responses, it is now critical that we upgrade existing humanitarian supply chain logistics systems and partnerships. AusAID’s new Humanitarian Logistics Framework must have the necessary agility, depth and reach to be able to respond to more frequent disasters, to simultaneous disasters, and, if required, to disasters beyond the Asia-Pacific region. To be effective, the new Framework must be accompanied by new and improved contractual arrangements (including a new Scope of Services for provision of Humanitarian Logistics services); build on existing Australian-based strategic partnerships; and be closely integrated and harmonised with the international supply chain logistics network.
It is important that AusAID determine a clear ‘capability target’ for the Framework, both a quantitative target in terms of the number of people it wishes to be able to respond to with the provision of appropriate relief supplies in a given timeframe, and a qualitative target in terms of the type and priority of supplies provided.

3. **Humanitarian Logistics Framework**

3.1 **Goal**

The Goal of the Humanitarian Logistics Framework is:

> To save lives, alleviate suffering and enhance human dignity during and in the aftermath of conflict, natural disasters and other humanitarian crises, as well as to strengthen preparedness for the occurrence of such situations.

3.2 **Purpose**

The Purpose is:

> To facilitate timely, effective and flexible delivery of Australian humanitarian assistance through the provision of high quality humanitarian supply chain logistics support.

3.3 **Outcomes**

The anticipated Outcomes are:

- Increased Australian capacity to respond effectively to humanitarian emergencies, including natural disasters in the Asia-Pacific region and further afield.

- Improved supply chain logistics coordination and staging area capability for emergency responses in the Pacific.

- Increased capacity of selected Pacific disaster management organisations to store and distribute relief supplies and equipment.

3.4 **Principles and Partnerships**

The Humanitarian Logistics Framework is underpinned by the following principles:

- clear rationale;

- harmonised approach with key partners;

- improved speed, reach and flexibility of response;
• increased range of delivery options;
• cost-effectiveness;
• strengthened preparedness;
• improved accountability and measurement of results; and
• continuous learning and improvement.

The Framework represents stronger and better harmonised partnerships at the strategic and operational level.

The Humanitarian Logistics Framework does not fit the model of a program or activity with clearly defined components, activities and defined deliverables. Rather, it is an integrated set of arrangements and partnerships assembled to provide flexible and responsive logistics support for the delivery of in-kind emergency relief assistance, primarily on an ad hoc basis. These include:

• a new commercial contract, the Humanitarian Logistics Period Offer, which it is proposed will include a small ongoing core service component, but most services will be delivered in response to unpredictable and ad hoc tasking by AusAID;
• a formal services agreement with the World Food Programme (WFP) for ad hoc services should AusAID agree to join the United Nations Humanitarian Response Depot (UNHRD) Network;
• an existing high-level Strategic Partnership Agreement between AusAID and the Australian Defence Force (ADF) (which currently does not include a framework and protocols for collaboration on HA/DR) under which ADF, as AusAID’s key whole-of-government partner, provides logistics support for emergency responses; and
• limited partnerships (currently based on letters rather than formal agreements) with Australian Non-Government Organisations (NGOs), Australian and Papua New Guinea (PNG) Red Cross and other international organisations for allocation of storage space in the Brisbane and Lae warehouses.

The cornerstone of the Framework will be the new commercial Period Offer contract (including a substantially upgraded Scope of Services) for the provision of high-quality, fast and flexible humanitarian supply chain logistics solutions and expertise to AusAID. The commercial provider must also ‘add value’ to the framework by maintaining close relationships as directed by AusAID with the main humanitarian logistics partners. This will require improved communications, collaboration and inter-operability between AusAID, its commercial supply chain logistics provider, and the ADF. It will
also require closer supply chain coordination with key UN humanitarian agencies, international organisations, NGOs and key bilateral partners in order to extend Australia’s global humanitarian reach, operational flexibility and speed of response.

Joining the UNHRD Network would enhance the global reach, flexibility, responsiveness and harmonisation with other donors of AusAID’s humanitarian supply chain capability. The global Network comprises five depots located within international airports and near ports facilities at Brindisi, Panama City, Accra, Dubai, and Subang in Malaysia. The Network is managed by the World Food Programme (WFP) and offers strategic stockpiling of emergency relief supplies and equipment, regional staging area and other logistics support services to its 41 network users including UN agencies, governmental, non-governmental, and international organisations. Access to the Subang depot in Kuala Lumpur offers particular advantages to AusAID as a strategic staging area for the Asia region and the Middle East.

3.5 Framework Components

The five proposed Components of the Humanitarian Logistics Framework are inter-connected and are designed to contribute to the achievement of the Outcomes listed at Section 3.3 above. All Components except Deployment Support have a range of optional delivery mechanisms available through the various Framework partnerships. Implementation and management arrangements for the Framework and its Components are detailed at Section 3.6 below. Linkages between Components, implementation and management arrangements and outcomes are detailed in the Performance Management Framework at Annex B.

3.5.1 Procurement of Emergency Relief Supplies and Equipment

Procurement Mechanisms

The Framework provides two mechanisms for the procurement of relief supplies and equipment through the Humanitarian Logistics Period Offer and the UNHRD Network. Subject to value-for-money and other considerations, there may be advantage in utilising the Period Offer services provider in some circumstances to source and arrange procurement on AusAID’s behalf of particular items or to access services through the UNHRD Network. This choice of providers broadens AusAID’s options, increases the range of off-the-shelf and specialised items and services available, increase the range of potential suppliers, and facilitates value-for-money comparisons.

Humanitarian Logistics Period Offer:

Procurement services available through the Humanitarian Logistics Period Offer service provider include:

- sourcing of supplies and equipment for pre-positioning in AusAID’s warehouses facilities or elsewhere;
• ad hoc sourcing of supplies and equipment for deployment in an emergency response;

• post-response replenishment of supplies and equipment drawn down from stocks;

• local procurement in disaster-affected countries;

• complex procurement tasks such as developing specifications, sourcing and assembling relief supplies and equipment items as ‘kits’, for example family hygiene kits or field deployment kits for AusAID officers;

• specialist procurement advice on relief supplies and equipment; and

• access to service provider’s Long Term Agreements (LTAs) to provide continuity of supply.

UNHRD Network:

Those procurement services listed above are also available through the UNHRD Network on a fee-for-service basis (Specific Services). As a Network user, AusAID will have access to the entire UN supply chain system through UN LTAs and to potential value-for-money benefits and quicker supply lead-times from significant economies of scale and market leverage. UNHRD can provide technical assistance and training of local staff in installation and maintenance of supplies and equipment.

Procurement Strategy and Methodology

Procurement strategy under the Framework will be informed by an emergency relief capability target to be determined by AusAID. Quantifying a goal for the provision of emergency relief supplies in terms of capability to respond - say to a defined number of families, with priority items in target sectors, and within a given timeframe - will provide a clear rationale and baseline to guide decisions on stock composition, stock holdings, and replenishment; and inform storage and logistics arrangements.

A ‘relief item selection methodology’ will be developed in consultation with technical and sectoral experts for the guidance of AusAID and its commercial service provider. The methodology will ensure that cross-cutting issues such as Do No Harm principles, gender, protection, disability and environment, relevant AusAID policies and international benchmarks are taken into account in all procurement exercises. The methodology will be promulgated in AusAID emergency response SOPs and training.
Procurement under the Framework will be guided by Good Humanitarian Donorship principles and humanitarian supply chain best practices that will be applied as follows:

- only appropriate immediate relief items in identified priority sectors will be stocked and the range of items in each sector will be limited to a small, standard range of critical items;

- quantities stocked will align with AusAID’s defined capability target for provision of relief items in priority sectors, and there will be a clear connection between quantities of complementary items, e.g. water containers and purification tablets;

- all relief items stocked will meet international humanitarian benchmarks and guidelines, and be harmonised with those of other agencies to facilitate potential access to loans and borrowings between donors of common stocks of relief supplies and equipment; and

- a standard stores profile will apply to stockholdings at AusAID’s warehouses where practical and appropriate, with any exceptions such as specialised equipment or niche items tailored for local conditions or cultural requirements to be determined on a case-by-case basis.

3.5.2 Storage and Handling of Pre-positioned Emergency Relief Supplies and Equipment

Pre-positioned Storage Mechanisms

The Framework provides two flexible mechanisms for storage of pre-positioned AusAID supplies and equipment through the Humanitarian Logistics Period Offer and the UNHRD Network.

Humanitarian Logistics Period Offer:

Warehousing and storage-related services required through the Period Offer service provider include:

- management of AusAID’s emergency warehouses and other storage facilities;

- inbound operations (receipt, unloading, racking of stores) and outbound operations (loading and dispatch of stores);

- inventory control and reporting;

- insurance of stores;

- security;
• regular stock maintenance;
• packing and palletising in accordance with AusAID directions and transport requirements;
• replacement of component parts that have reached their use-by date;
• warehousing services for AusAID’s warehouse partners at the Brisbane and Lae facilities, and at other locations if required;
• activation and mobilisation of common pipeline staging area arrangements in Brisbane if required; and
• in-country storage if required.

As the primary commercial air hub for the Pacific, Brisbane is ideally located to establish a standby ‘common pipeline’ staging area for channelling large quantities of multilateral and bilateral aid by strategic airlift into disaster zones in the Pacific. If requested by AusAID, the service provider will establish standby arrangements in coordination with AusAID and AusAID’s operational partners that will enable it to:

• secure at short notice, and on a short-term rental basis, suitable vacant, un-racked commercial warehouse space within ready reach of Brisbane airport, Royal Australian Air Force Base Amberley, and port facilities;
• mobilise resources necessary to operate a common pipeline staging area including warehouse equipment, vehicles, storemen, work crews and other personnel; and
• coordinate and manage the receipt, storage and dispatch of supplies and equipment at the direction of AusAID and AusAID’s operational partners.

UNHRD Network:

The UNHRD Network provides a range of warehousing and storage-related Standard Services at its five regional Depots at no cost to users. These services include storage, receipt and handling, facilitation of loans and borrowings between users of common stocks of supplies and equipment, customs processing, and stock and activity reporting. UNHRD provides additional Specific Services to users on a fee-for-service basis, including insurance and stock maintenance. UNHRD provides staging area facilities to users at all Depots.
**Provision of Mobile Storage Units to Pacific Disaster Management Organisations**

The Framework includes provision (on a priority needs basis) of a limited quantity of operational support equipment in the form of Mobile Storage Units (MSUs) to selected disaster management organisations in Pacific island countries, e.g. National Disaster Management Organisations (NDMOs) and national Red Cross societies. The provision of MSUs is intended as a targeted disaster preparedness and capacity building initiative where infrastructure in remote locations may be inadequate to cope with an influx of relief supplies to be stored, coordinated and distributed in a response. The MSUs would be handed over to, and become the responsibility of, the receiving organisation on delivery.

Subject to a needs assessment and design process, indicative contents of an ‘MSU package’ might include a standard 320 square metre MSU in kit form, generator, lighting and small pre-fabricated shed/office – effectively a distribution centre in a kit. The equipment would be provided with training for personnel in the installation and use of MSUs. MSUs have a long life and offer the potential to provide a semi-permanent storage solution where this is required. Subject to local requirements, conditions and transport logistics capacity, the MSUs could be stored by the organisation at a central location ready for deployment in a response or pre-positioned in kit or ‘built’ form.

Possible implementation options for the provision of MSUs include, but are not limited to: (i) funding an organisation such as WFP to implement an MSU package (comprising needs assessment, design and supply and training) on AusAID’s behalf; or (ii) contracting AusAID’s Period Offer service provider, possibly in tandem with technical input from a third party with appropriate sectoral/regional expertise.

### 3.5.3 Humanitarian Freight and Transport Logistics

**Freight and Transport Logistics Mechanisms**

The Framework provides for three freight and transport logistics options.

**Humanitarian Logistics Period Offer:**

Freight and transport logistics services available through the Period Offer service provider include:

- transportation of supplies and equipment in Australia as required, e.g. between AusAID’s warehouses and ADF bases or commercial transport hubs;

- transportation of supplies and equipment from Australia or other locations by commercial services to port of entry in the affected country, by various options including freight forwarding by air, sea, and road, and chartered aircraft or vessels;
- preparation of clearance documentation required by Australian and partner government authorities;

- in-country receipt of cargo, identification and provision of temporary secure storage if required, and transportation to extended and/or final delivery and handover points; and

- specialist advice to AusAID on transport logistics including identification of appropriate options, operational risks and constraints.

**UNHRD Network:**

UNHRD can facilitate secondary transportation of users’ supplies and equipment from UNHRD depots to designated destinations on a fee-for-service basis (Specific Services). UNHRD can also arrange to accompany cargo to the field on a fee-for-service basis.

**ADF logistics capability:**

ADF can provide significant, flexible and targeted logistics support in a whole-of-government emergency response, on a case-by-case basis. ADF capabilities include strategic airlift and access to other air and sea assets for transportation of supplies, equipment and personnel to the affected country, as well as forward movement to extended and/or final delivery and handover points.

Activation of ADF capability in a whole-of-government emergency response is decided at Ministerial level. Decisions on the deployment of ADF capabilities will depend on strategic considerations as well as ADF operational requirements. The geographical reach will depend on asset capacity and availability.

### 3.5.4 Deployment Support

**Deployment Support Mechanism**

Under the Framework, the primary mechanism for logistics support for deployments of Australian Government personnel in an emergency response will be through the Humanitarian Logistics Period Offer.

**Humanitarian Logistics Period Offer:**

The Period Offer service provider will provide support for AusAID and other Australian Government personnel deployed in emergency responses as follows:

- provision of advice to inform AusAID deployment planning;
• provision of specialist security advice and risk assessments (through a third party) if requested;

• facilitate travel of personnel to the affected country, and in-country support, e.g. accommodation, transport, food, communications, medical and security;

• uplift and return of equipment belonging to state-based emergency services personnel deployed in an emergency response, including cleaning of equipment where necessary and obtaining customs and quarantine clearances; and

• for longer-term deployments, provision of specialist infrastructure personnel to establish shelter and work infrastructure for the duration of the deployment.

3.5.5 Specialist Logistics Personnel and Expertise

Specialist Logistics Personnel and Expertise Mechanisms

The Framework provides four mechanisms for access to specialist logistics personnel and expertise.

Humanitarian Logistics Period Offer:

Specialist logistics personnel and expertise are available through the Period Offer service provider for:

• specialist advice to AusAID;

• deployment to provide operational logistics support to AusAID emergency responses; and

• deployment to provide operational logistics support to partner government agencies and AusAID’s humanitarian partners.

UNHRD Network:

Specialist logistics personnel are available to UNHRD users on a fee-for-service basis (Specific Services).

Other mechanisms:

Registered Engineers for Disaster Relief (RedR Australia) maintains a register of specialist logistics personnel with humanitarian logistics expertise and experience available for deployment at short notice in emergency responses. Under its Partnership Agreement with RedR, AusAID is able to access registered logistics personnel for deployments.
Another potential source of specialist logistics personnel and technical advice are Australian humanitarian NGOs that have in-house logistics expertise.

3.6 Framework Implementation Arrangements

3.6.1 Humanitarian Logistics Period Offer

Under the Framework, the Humanitarian Logistics Period Offer includes a detailed Scope of Services covering the following range of services to be provided by AusAID’s commercial logistics provider:

- procurement of emergency relief supplies and equipment;
- storage and handling of pre-positioned emergency relief supplies and equipment;
- international transport and freight logistics for humanitarian relief supplies and equipment, including in-country receipt and clearance, storage and transportation;
- logistics support for AusAID and other Australian Government personnel deployed in emergency responses; and
- provision of specialist logistics personnel and expertise.

Under the Period Offer, the commercial logistics provider will provide dedicated logistics support services staffing to manage and implement AusAID’s requirements.

The requirement for dedicated logistics support services staffing, 24/7 contact ability, and greater flexibility and continuity of support warrants consideration of a Period Offer payment structure that includes a fixed monthly management fee to cover ongoing core staffing and administrative costs. Ad hoc tasking, such as procurement or logistics support in a response would be contracted under standalone Services Orders under the Period Offer and attract a fee for service for inputs provided and services delivered over and above ongoing core staffing and services.

3.6.2 UNHRD Technical Agreement

Under the Framework, it is recommended that AusAID join the UNHRD Network to gain access to an additional provider of logistics services to the Period Offer, and to potential value-for-money and efficiency and effectiveness benefits on occasion.

The instrument for formalising a partnership between AusAID and UNHRD is the Technical Agreement between The United Nations World Food Programme and AusAID for the provision of services of the Humanitarian Response Depot (HRD) Network. The Technical Agreement sets out:
• Standard Services provided at no cost to users (storage, receipt and handling, facilitation of common stocks loans/borrowings, customs processing, stock and activity reporting etc.);

• Specific Services provided on a fee-for-service basis (secondary transportation of supplies, procurement, technical assistance, insurance of supplies stored etc.); and

• terms and conditions of the arrangement.

The Technical Agreement would sit under the umbrella of the Strategic Partnership Agreement between AusAID and the WFP.

WFP would issue a pro forma invoice for the estimated cost of each Specific Service under the Technical Agreement, and AusAID’s acceptance of the estimate will constitute agreement to proceed. Except in the case of insurance, payment for Specific Services will be made against a debit note issued by WFP on completion of the Service.

3.6.3 Coordination meetings with ADF and agreed protocols

Under the Framework, the ADF provides a further option to support international transport and freight logistics for relief supplies and equipment, and transport logistics for Australian Government deployees.

The AusAID-ADF Strategic Partnership Agreement provides the overall framework for collaboration between AusAID and the ADF in a whole-of-government emergency response.

Under the Framework, the mechanisms of the working relationship between AusAID, its commercial logistics services provider and the ADF, include regular structured consultations, clear communications protocols, and mutually agreed and regularly practised Standard Operating Procedures (SOPs).

3.6.4 AusAID Humanitarian Logistics Framework management arrangements

Under the Framework, the AusAID Humanitarian and Emergency Response Section (HER) will continue to have responsibility for the overall management and coordination of AusAID humanitarian supply chain logistics activities.

HER will retain primary responsibility for managing and coordinating ongoing and operational relationships with AusAID’s logistics partners including the commercial logistics provider (through the Period Offer), the ADF, Australian NGO partners, the Australian Red Cross, other donors, UNHRD and other international logistics partners, and other stakeholders.
HER will have default responsibility for planning, mobilising and managing (in close consultation with Desks and Posts) logistics support for responses to rapid onset emergencies, and on a case-by-case basis will also take responsibility for slow onset emergency responses. HER will always take the primary operational liaison role with ADF via the Joint Command centre at Headquarters Joint Operations Command. Unless otherwise agreed in the initial planning of a response, HER will normally take the lead on tasking of the Period Offer logistics services provider in the emergency phase of a response. Exceptions where Desk or Post is assigned the lead with HER support will be determined and agreed on a case-by-case basis. Examples may include: (i) small, straightforward responses within the capacity of Posts/Desks to manage; or (ii) certain Indonesia and Papua New Guinea (PNG) responses - Jakarta and Port Moresby being large Posts with strong in-house response expertise and capacity and existing relationships with the commercial services provider.

In-country monitoring, reporting and evaluation of the logistics aspects of responses are important and HER will seek involvement of Posts to support these functions where they have the necessary capacity.

Under the Framework, Period Offer contract management and tasking responsibilities will remain similar to current arrangements and are outlined as follows:

- HER will continue to manage the overall Period Offer;

- HER will continue to fund and manage a global warehousing Services Order under the Period Offer that covers standard warehousing services at all AusAID warehouses;

- HER will manage all contractual aspects of the global warehousing Services Order for all warehouses, and will have operational management responsibilities for the Brisbane and Sydney warehouses;

- Jakarta and Port Moresby Posts will have day-to-day management and operational responsibilities for their in-country warehouse facilities, including liaison with warehouse partners (Lae) and communication and liaison with, and operational tasking of, the commercial services provider;

- while standard warehousing services for the Indonesia and PNG facilities will be covered by the HER-managed Services Order, other specific tasking of the Period Offer service provider by Jakarta and Port Moresby Posts related to in-country relief stores, such as procurement or replenishment of supplies, in-country delivery, and management of Post deployment equipment will continue to be funded and tasked under separate ad hoc Services Orders, usually managed by the Post (subject to scale of activity and operational and resource considerations); and
HER will continue to manage all supplies procurement, under the Period Offer (or through other mechanisms) for the Brisbane and Sydney warehouses. If required, HER will assist Jakarta and Port Moresby Posts with procurement for the Indonesia and PNG facilities.

However, the new more dynamic and flexible Framework will demand a higher level of engagement, coordination, liaison, monitoring, evaluation and general rigour on AusAID’s part. Ongoing management of the Framework, particularly if the humanitarian assistance program grows, will be more resource intensive than the current arrangements. HER will continue to require a dedicated full-time Logistics Officer plus make provision for additional administrative and back-up support when required to manage the Framework. The Logistics Officer will:

- be the HER humanitarian logistics thematic focal point;
- be the primary day-to-day and operational point of contact for the Period Offer service provider;
- monitor warehouse stocks and manage procurement of relief supplies and equipment for Brisbane and Sydney warehouse;
- manage complex procurement such as research and development of deployment equipment kits;
- as a response team member, manage the delivery of supply chain logistics support in a response;
- work closely in a response with the HER Emergencies Manager responsible for operational liaison with the ADF and other whole-of-government partners;
- be the primary day-to-day and operational logistics point of contact for other partners, e.g. UNHRD (if AusAID joins the Network), Australian NGO warehouse partners;
- be the focal point for Desks and Posts on humanitarian logistics issues, including provision of advice and support on accessing and managing supply chain logistics services under the Period Offer;
- be responsible for managing Framework partner preparedness and coordination mechanisms (including periodic tests of joint protocols, procedures and response mechanisms), evaluation and lessons learnt exercises;
- develop humanitarian supply chain logistics procedures for inclusion in AusAID SOPs for Emergency Response; and
• support incorporation in HER’s training curriculum and delivery of targeted logistics training for HER, Rapid Response Team (RRT) and Desk/Post staff.

The ongoing high logistics workload in HER and unpredictable spikes of intense activity in a response require the availability of trained HER and RRT ‘surge capacity’ or back-up staff for the Logistics Officer. These back-up staff should be appropriately trained and, if possible, have on-the-job experience to enable them to be mobilised as additional or relief logistics management resources in a response, potentially including deployment to Post or the field in a logistics support/management role.

3.7 AusAID Policies and Cross-cutting Issues

3.7.1 AusAID Humanitarian Action Policy

The Framework aligns with the principles, outcomes and goal of AusAID’s DRAFT Humanitarian Action Policy (2011) in the following ways:

• it will assist partner governments in preparing for and responding to disasters;

• it will protect the dignity, safety and rights of affected populations;

• it will provide appropriate and cost-effective relief supplies that meet international standards;

• it will provide relief supplies and assistance in coordination with partner governments and international stakeholders and supply chains;

• it will provide support for deployment of standby emergency response personnel such as AusAID team leaders and medical and search and rescue teams;

• it will ensure that where military capacity and assets are used to implement an Australian response, such use conforms with international humanitarian law and humanitarian principles; and

• it will reflect a strong commitment to accountability, efficiency and effectiveness in implementing humanitarian action, including through supporting the evaluation of humanitarian responses and the contribution of humanitarian logistics to effective outcomes.

3.7.2 AusAID Disaster Risk Reduction Policy

The Framework aims to support the principles, approaches and outcomes of the AusAID Disaster Risk Reduction (DRR) Policy – ‘Investing in a Safer Future: A Disaster Risk Reduction policy for the Australian aid program’. The Framework includes a discrete activity that directly supports the preparedness
and response capacities of partner countries – the provision and training in the installation and use of operational support equipment to selected NDMOs, national Red Cross, and other disaster response organisations in the Pacific.

3.7.3 Protection, Gender and Disability

The Framework aligns with the following AusAID policies relevant to protection, gender and disability:

- DRAFT Humanitarian Action Policy (2011);
- ‘Gender equality in Australia’s aid program – why and how’; and

The provision of inappropriate or unsafe relief items can cause harm, for example in the recent Pakistan floods response, where women and girls in purdah had to stay under tarpaulins in scorching conditions and were unable to access basic medical or other services. Shelter kits that are too small for families or provided in insufficient numbers can result in overcrowding and increased potential for instances of violence. Water containers that are too big and heavy for women and girls and people with disabilities to carry mean they cannot use them. Under the Framework, the range of AusAID relief items will be rationalised to core items addressing priority needs and procurement procedures will ensure that relief supplies and equipment are appropriate and meet the needs of priority beneficiaries.

The development of a ‘relief item selection methodology’ (refer Section 3.5.1) will establish procedures to ensure that Do No Harm principles; gender, protection, and disability considerations; as well as Sphere, Protection Cluster and other relevant international benchmarks are taken into account in all relief item procurement undertaken by AusAID and its Period Offer service provider.

The establishment of ad hoc distribution points without appropriate infrastructure and organisation can pose protection problems such as inequitable distribution of supplies, or potential for sexual or other exploitation of women, girls and vulnerable groups such as people with disabilities. Under the Framework, provision of MSUs (together with appropriate training) for use as distribution centres by selected disaster management organisations in the Pacific will help to address this protection issue.

Under the Framework, the Period Offer service provider will be required to ensure that relevant personnel are aware of, and where necessary are trained in the implementation of, international humanitarian standards and AusAID policies related to protection, gender and disability.
3.7.4 Environment and Climate Change

To ensure that the potential environmental impact of relief items procured under the Framework is minimised, the ‘relief item selection methodology’ (refer Section 3.5.1) will ensure that relevant international standards on materials, design and packaging are factored into procurement decisions. AusAID’s service provider will be required to comply with environmental guidelines in all aspects of delivery of supply chain logistics services to AusAID. AusAID’s operational partners in a response, such as UN and international agencies and NGOs all have their own compliance requirements with regard to minimising impact on the environment. Activities under the Framework do not have a significant link to climate change issues.

3.7.5 Anti-corruption

Corruption often emerges during an emergency response as people take advantage of the need for rapid delivery at the expense of close monitoring and accountability. AusAID’s service provider will be required to comply with Commonwealth Procurement Guidelines and AusAID’s anti-corruption policy ‘Tackling Corruption for Growth and Development’. AusAID’s international operational partners in a response all have their own anti-corruption compliance requirements.

3.8 Sustainability

Humanitarian supply chains are complex and dynamic and inherently very difficult to sustain without ongoing donor funding, strong partnerships and proactive coordination efforts. The Framework is founded on the principles of partnership and coordination and integrates a range of logistics support elements, stakeholders, shared mechanisms and more rigorous procedures to strengthen and harmonise both AusAID’s global humanitarian logistics capacity and the international supply chain to the Pacific.

3.9 Performance Management and Evaluation

3.9.1 Performance Management Approach

AusAID will be responsible for coordinating the implementation of performance management and evaluation through mechanisms at both the Framework and Period Offer level as detailed at Sections 3.9.2 and 3.9.3 below.

It is challenging to design a detailed Performance Management Framework for what is, effectively, a collection of ‘ready-response’ mechanisms. Baseline data is hard to come by and verifiable indicators are difficult to define and quantify. A suggested Performance Management Framework is set out at Annex B.

3.9.2 Framework level performance management and evaluation mechanisms
Subject to AusAID’s requirements and resources, the following range of performance management and evaluation mechanisms are proposed for the Framework.

- Periodic coordination meetings (or video/teleconferences) at the operational level of AusAID, ADF, AusAID’s commercial service provider, and where appropriate, other partner agencies, to monitor preparedness, inter-operability and debrief on recent disasters.

- Periodic tests of joint protocols, procedures and response mechanisms involving AusAID, ADF, AusAID’s service provider and other parties where appropriate.

- A brief annual meeting (video/teleconference if appropriate) between AusAID, ADF and service provider senior management to review inter-operability and preparedness and agree priorities for the next twelve months.

- Requirement for analytical reporting and option of independent evaluation of significant activities implemented, or services delivered, by parties other than AusAID’s Period Offer services provider, e.g. procurement or other services provided by UNHRD.

- Rapid mid-term review (at the mid-point of the four-year Period Offer) to determine if the Framework continue to meet AusAID’s strategic and operational needs and if refinements or changes are required.

- Final review to evaluate the Framework and make recommendations for a successor Framework, to take place 12 months prior to the expiry of the Period Offer, i.e. at the end of year three, or at a later date if AusAID exercises its option to extend the term of the four-year Period Offer by up to another two years.

3.9.3 Period Offer performance management and evaluation mechanisms

The following range of performance management and evaluation mechanisms are proposed for the Period Offer.

- Ongoing/baseline reporting by service provider in accordance with specifications in the Scope of Services, including stock reports and procurement status report.

- Analytical task specific reporting by service provider in accordance with specifications in the Scope of Services, including outline of services delivered, achievement of Key Performance Indicators (KPIs), constraints and issues, and lessons learnt.
• Independent rapid evaluations of commercial provider logistics operations. These will be commissioned at AusAID’s direction at the conclusion of selected, significant responses only and will not be routine. Evaluations will link to any broader AusAID evaluations of the response, involve consultations with relevant stakeholders, examine services delivered against AusAID tasking and Key Performance Indicators, and identify strengths, weaknesses and lessons learnt.

• Rapid mid-term review of Period Offer to determine if refinements or changes are required, to be conducted as a component of the mid-term Framework review.

• Final review of the Period Offer to inform the design of a successor Period Offer, to be conducted as a component of the final Framework review.

3.10 Risk Management

Poor risk management of supply chain logistics could have potentially major consequences for emergency relief operations. The Framework’s reliance on a network of strategic and operational partnerships requires proactive risk management by AusAID in association with its logistics service provider, the ADF as one of AusAID’s humanitarian logistics partners, and other implementing partners. Many of the risks are joint or inter-linked risks that will require close collaboration by partners to manage, e.g. risk of slow mobilisation of logistics in a response that involves use of both commercial and ADF air assets will require joint management by ADF and AusAID’s logistics service provider. AusAID will adapt risk management strategies as necessary over the life of the Framework to meet changes in the operating environment. Evaluation of risks and risk management arrangements will be incorporated into Framework performance management mechanisms (refer Section 3.9 above), including:

• Periodic coordination meetings.

• Annual meeting between AusAID, ADF and service provider senior management.

• Independent rapid evaluations of commercial provider logistics operations at the conclusion of selected responses.

• Broader AusAID evaluations of responses.

• Rapid mid-term review of Framework.

• Final review of Framework.

Key risks to the Framework and proposed management responses are detailed in Risk Management Matrix at Annex C.
Annex A: Draft Period Offer Scope of Services

Humanitarian Logistics Period Offer
Scope of Services

1. Background

Strengthening disaster preparedness and delivering timely emergency assistance to humanitarian crises is a key strategic objective of the Australian aid program. In the context of increasing frequency and escalating economic and social costs of natural disasters, the Australian Government is committed to scaling up humanitarian assistance. Effective and flexible humanitarian logistics mechanisms, including strategic pre-positioning of relief supplies and standing arrangements for ready access to air, sea and land transport, procurement and emergency response team deployment support services are critical to the achievement of this objective.

1.1 AusAID has reviewed its humanitarian supply chain logistics arrangements and designed an enhanced strategic and operational logistics and procurement framework to meet medium-term humanitarian needs. The new integrated Humanitarian Logistics Framework demands improved collaboration and operational interoperability between AusAID and the Australian Defence Force (ADF) – one of AusAID’s logistics partners in Australian humanitarian responses. It demands closer supply chain coordination with United Nations humanitarian agencies, international organisations, Non-Government Organisations (NGOs) and key bilateral partners in order to extend Australia’s global humanitarian reach, operational flexibility and speed of response. A cornerstone of the Humanitarian Logistics Framework is a partnership with a commercial provider of high-quality, multi-faceted, flexible and responsive humanitarian supply chain logistics solutions and expertise. While providing core supply chain services to AusAID, the commercial provider must also ‘add value’ to the integrated framework as a whole by maintaining close relationships as directed by AusAID with the operational logistics elements of the ADF and AusAID’s other humanitarian logistics partners.

1.2 AusAID requires the Contractor to provide humanitarian logistics services in accordance with this Period Offer Scope of Services.

2. Objective

To facilitate timely, effective and flexible delivery of Australian humanitarian assistance through the provision of appropriate high quality humanitarian supply chain logistics support.
3. **Services**

3.1 The Contractor shall undertake the Services outlined below under Components 1 to 6. The Services shall be delivered in accordance with Key Performance Indicators specified at clause 6 of this Schedule. All tasking under this Period Offer will be contracted through Services Orders.

3.2 At AusAID’s direction, the Contractor may be tasked under Services Orders to provide logistics and procurement support services in accordance with the Services outlined in this Schedule to partner governments and to other entities or organisations nominated by AusAID.

**Component 1: Procurement, Storage and Handling of Emergency Relief Supplies and Equipment**

**Procurement of Supplies and Equipment**

3.3 At AusAID’s direction, the Contractor shall procure emergency relief supplies and equipment. Equipment may include operational support items (for example mobile storage units) needed to support and facilitate distribution of supplies and other forms of emergency response. Procurement may include:

(a) sourcing of supplies and equipment for pre-positioning as a preparedness measure in AusAID’s warehouses facilities or elsewhere;

(b) ad hoc sourcing of supplies and equipment for deployment in an emergency response;

(c) post-response replenishment of supplies and equipment drawn down from stocks; and

(d) sourcing and assembly of relief supplies and equipment items as ‘kits’, for example family hygiene kits or field deployment kits for AusAID officers.

3.4 The Contractor shall undertake procurement in accordance with Commonwealth Procurement Guidelines. Where practicable, the Contractor will establish and utilise long-term supply agreements and period offers to ensure ready and timely access and continuity of supply. The Contractor may be required to undertake local procurement in disaster-affected countries. AusAID may direct the Contractor to source supplies and equipment through the procurement mechanisms or networks of AusAID’s humanitarian partners.
3.5 The Contractor shall manage and maintain stock holdings and stock levels in AusAID’s warehouse and storage facilities in accordance with AusAID directions, and shall replenish stocks in a timely manner.

3.6 As directed by AusAID, the Contractor shall establish, maintain, and regularly communicate to AusAID:

(a) up-to-date data on primary and back-up sources of emergency relief supplies and equipment stocked by AusAID, and, as requested by AusAID on other supplies and equipment; and

(b) up-to-date specifications on current international standards and specifications for emergency relief supplies and equipment stocked by AusAID, and for any other supplies and equipment at AusAID’s request.

3.7 The Contractor shall maintain regular contact with existing and potential suppliers, as well as AusAID’s humanitarian partners as identified at Section 4 Implementation Arrangements below and other entities as directed by AusAID, in order to maintain currency of information on suppliers and products as required at clause 3.6 above.

3.8 The Contractor shall provide specialist procurement advice to AusAID on emergency relief supplies and equipment issues including product specifications, product options, product comparisons, and research and development of supply items, for example family kits of relief items or field deployment kits for AusAID emergency response officers.

**Warehousing and Storage of Supplies and Equipment**

3.9 The Contractor shall manage AusAID’s warehousing and container storage facilities for the storage of pre-positioned emergency relief supplies and equipment. Warehouse facilities are currently located in Sydney, Brisbane, Jakarta and Lae, and storage containers are located in Port Moresby.

3.10 The Contractor shall provide warehousing and storage-related services including:

(a) inbound operations (receipt, unloading, racking of stores) and outbound operations (loading and dispatch of stores);

(b) inventory control and reporting (as per Section 5 below);

(c) insurance of stores;

(d) security;

(e) regular stock maintenance;
3.11 The Contractor shall implement all stock movements on a first-in/first-out basis.

3.12 As requested by AusAID, the Contractor shall provide warehousing services for AusAID’s warehouse partners at the Brisbane and Lae facilities, and at other locations if required. These partners have separate space allocations within the warehouse or share space with AusAID’s own designated space. AusAID will cover the cost of standard warehousing services only for its warehouse partners.

3.13 The Contractor shall provide specialist warehousing services advice to AusAID on storage solutions to meet AusAID’s operational objectives.

**Transportation of Supplies and Equipment from Storage**

3.14 The Contractor shall arrange and coordinate the transportation of supplies and equipment between: (i) AusAID’s warehouses or other locations as required; and (ii) according to operational requirements, Australian Defence Force (ADF) bases or commercial transport hubs.

**Component 2: International Transportation of Relief Supplies and Equipment**

3.15 At AusAID’s direction, the Contractor shall arrange the movement and transport of emergency relief supplies and equipment from Australia or other locations by commercial services to the port of entry in the affected country. Depending on the nature and scale of the operation, international transportation services may include:

(a) freight forwarding and delivery by air, sea, and/or road, including clearance of cargo;

(b) chartering and handling of dedicated aircraft/vessels; and

(c) preparation of appropriate documentation in accordance with the requirements of Australian and host government authorities.

3.16 The Contractor shall provide specialist advice to AusAID on transport logistics solutions to meet AusAID’s operational objectives, including identification of appropriate options, operational risks and constraints.
Component 3: In-Country Receipt and Clearance, Storage and Transportation of Relief Supplies and Equipment

3.17 At AusAID’s direction, the Contractor shall arrange in-country receipt, clearances, and handover of supplies and equipment to the local government or other designated authority in the affected country.

3.18 Depending on the nature, scale and logistics requirements and constraints of the response operation, the Contractor may be required to undertake additional in-country logistics support services at AusAID’s direction. These services may include:

(a) identification and establishment of suitable secure storage facilities; and

(b) transportation to extended and or final delivery and handover points.

3.19 Provision of in-country logistics support services to the point of final delivery and handover may involve the Contractor’s local agents and/or personnel deployed from the Contractor’s head office. It will require working closely with, and potentially providing support for, counterpart organisations and other stakeholders.

Component 4: Logistics Support for AusAID and other Australian Government Personnel Deployed in Emergency Responses

3.20 At the request of AusAID, the Contractor shall provide logistics support for AusAID and Australian Government personnel deployed to the field in an emergency response. Based on AusAID’s operational requirements, such assistance may include, but is not limited to:

(a) Provision of advice to inform AusAID’s planning of the deployment.

(b) Provision of specialist security advice and risk assessments (through a third party) if specifically requested. AusAID would normally assume responsibility for arranging specialist security services and advice.

(c) Facilitating the provision of transport to the affected country, in-country accommodation and support (transport, food, communications and security) for the team to operate effectively. For longer term deployments, this may require the provision of specialist infrastructure personnel to facilitate the establishment of longer term infrastructure. This may include the establishment of new facilities or refurbishment of existing infrastructure to a safe and habitable standard and the maintenance of infrastructure for the duration of the emergency deployment.

3.21 In certain circumstances, equipment deployed from Australia in an emergency response may be returned to Australia at the conclusion of
the assignment, for example Urban Search and Rescue USAR) equipment belonging to state-based emergency services personnel deployed in an emergency response. At the request of AusAID or its operational partners, the Contractor shall facilitate the uplift and return of the equipment to Australia including cleaning of equipment where necessary and obtaining all necessary certifications and documentation to ensure compliance with Australian Customs and quarantine requirements.

Component 5: Provision of Specialist Logistics Personnel

3.22 At the request of AusAID, the Contractor shall provide specialist logistics expertise and personnel to support humanitarian operations. Such expertise may include supply chain and logistics experts and personnel to provide operational support to partner government agencies and humanitarian partners.

3.23 The Contractor shall ensure that, where required by AusAID, specialist logistics personnel have current Australian Government security clearances at an appropriate level as advised by AusAID.

3.24 The Contractor shall ensure that specialist logistics personnel are aware of, and where necessary are trained in the implementation of, Sphere and other relevant international humanitarian standards, as well as AusAID policies related to protection, gender, disability, and the environment.

Component 6: Additional Humanitarian Logistics and Procurement Support Services

3.25 In addition to the Services outlined at Components 1 to 5 above, AusAID may from time to time request the Contractor to undertake other humanitarian and logistics support services not specified in Components 1 to 5.

4. Implementation Arrangements

Dedicated Logistics Support Management Team

4.1 The Contractor will appoint a dedicated Logistics Support Manager to manage and coordinate delivery of all services under this Period Offer. The Logistics Support Manager will:

(a) be AusAID’s primary operational point of contact;

(b) be contactable on a 24/7 basis;

(c) be supported by appropriately qualified technical and administrative support staff, with surge capacity available during peak operational periods;
(d) provide advice to AusAID logistics and procurement support options during emergency responses;

(e) manage and monitor implementation of all logistics and procurement support activities;

(f) maintain close relationships and contact with AusAID’s nominated operational partners, including the ADF;

(g) ensure accurate and up-to-date information is made available to AusAID on all aspects of services including the status of warehouse stocks, procurement, delivery of supplies and equipment; and

(h) be responsible for the production and submission to AusAID of timely and accurate reporting.

4.2 The Contractor will ensure that the Logistics Manager and support team have current Australian Government security clearances at an appropriate level as advised by AusAID.

4.3 The Contractor shall ensure that the Logistics Support Manager and support team are aware of, and where necessary are trained in the implementation of, Sphere and other relevant international humanitarian standards, as well as AusAID policies related to protection, gender, disability, and the environment.

**Interface with AusAID’s Operational Partners**

4.4 As directed by AusAID, the Contractor shall establish and maintain linkages with AusAID’s operational partners including the ADF; the United Nations World Food Programme (WFP); and; United Nations Humanitarian Response Depot (UNHRD) Network. Additional partners may be identified and communicated by AusAID.

4.5 The Contractor shall work closely with the ADF to maintain operational readiness for collaboration and response in the event of an emergency. The Contractor will liaise closely with the ADF during a response. The Contractor may also be required to participate in simulation exercises convened by the ADF to test preparedness.

4.6 As directed by AusAID, the Contractor shall work closely with and provide support to Urban Search and Rescue (USAR) teams and Australian Medical Assistance Teams (AUSMAT) deployed in emergency responses.

4.7 As directed by AusAID, the Contractor shall maintain and communicate to AusAID current information on key stock holdings of emergency relief supplies and equipment in regions of interest to AusAID.
AusAID’s Humanitarian Logistics Governance Arrangements

4.8 AusAID’s governance arrangements for the Humanitarian Logistics Framework and this Period Offer are detailed at Schedule A attached to this Scope of Services.

Tasking Processes in an Emergency Response

4.9 Tasking processes that will apply when the Contractor is tasked by AusAID to provide logistics support services in an emergency response are detailed at Schedule B attached to this Scope of Services.

5. Reporting, Information Management and Planning

Ongoing Reporting and Information Management

5.1 The Contractor shall provide ongoing reporting and information management services reporting to AusAID in accordance with specifications to be agreed in writing by AusAID and the Contractor.

(a) A Consolidated AusAID Stock Report that provides accurate and up-to-date information on the types, specifications and quantities of AusAID-owned relief supplies and equipment in stock at each warehouse or other storage location, and cumulatively. The Stock Report must be available on-line for access by HER and other AusAID stakeholders to be advised by AusAID. The Stock Report format and content will be developed in consultation with, and agreed by, AusAID.

(b) A Consolidated AusAID Procurement Status Report that provides accurate and up-to-date information on the status of procurement of relief supplies and equipment for AusAID. The report will include information on each item, quantity, request date, order placement, supplier and estimated lead times. The Procurement Status Report must be available on-line for access by HER and other AusAID stakeholders to be advised by AusAID. The Procurement Status Report format and content will be developed in consultation with, and agreed by, AusAID.

(c) A Consolidated AusAID Expenditure Database that records, maintains and reports accurate and up-to-date cumulative and financial year expenditure data on logistics support services by cost item. The Database must be available on-line for access by HER. The Database format and content will be developed in consultation with, and agreed by, AusAID.
(d) An AusAID Warehouse Facility Report that provides accurate and up-to-date information for each warehouse on location and address, floor-plan, racking configuration, capacity by number of pallet spaces, AusAID and warehouse partner pallet space allocations and configurations. The Warehouse Report should include relevant facility and operational information for each warehouse, e.g. office space, communications access and facilities, security arrangements and standard operating hours etc. etc. The Warehouse Report must be available on-line for access by HER. The Warehouse Report format and content will be developed in consultation with, and agreed by, AusAID.

5.2 On an exception reporting basis, the Contractor shall inform AusAID in writing of any significant operational issues arising from AusAID’s warehouse partner arrangements at Brisbane and Lae.

**Task Reporting**

5.2 The Contractor shall provide reporting to AusAID for each task implemented via a Services Order issued under the Period Offer. Detailed reporting requirements will be specified in the tasking Service Order. Task-specific reporting will normally include a summary of services and delivered, performance against Key Performance Indicators and Performance Benchmarks detailed at clause 6.1 below, issues and constraints, lessons learnt, and expenditure.

5.3 Where tasking involves delivery of supplies and equipment, the Contractor shall maintain cargo receipt records as evidence of delivery, and, if requested, provide receipt records to AusAID.

**Business Continuity Contingency Plan**

5.5 Within 60 days of commencement of the Period Offer, the Contractor shall develop and submit for AusAID’s approval a Business Continuity Contingency Plan for maintaining the continuity of services identified in this Scope of Services. The Plan will focus on strategies for maintaining continuity of logistics support service capacity and operations, particularly access to warehousing, warehousing services, and supplies in the event that access to these services is threatened.

6. **Monitoring and Evaluation**

**Key Performance Indicators and Performance Benchmarks**

6.1 The Contractor’s performance will be assessed by AusAID against the Key Performance Indicators and Performance Benchmarks detailed in the table below.
<table>
<thead>
<tr>
<th>Key Performance Indicator</th>
<th>Performance Benchmark</th>
<th>Means of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Timeliness/Responsiveness</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Response time from AusAID tasking of procurement or replenishment to arrival of stocks at warehouse or other specified delivery point <em>(Component 1)</em></td>
<td>Supplies received at warehouse or other specified delivery point within agreed time frame</td>
<td>Contractor reporting</td>
</tr>
<tr>
<td>Response time from AusAID tasking to dispatch and delivery of relief supplies in-country (where the Contractor is responsible for international transport) <em>(Components 2&amp;3)</em></td>
<td>Dispatch and delivery in-country are achieved within agreed timeframes</td>
<td>Contractor reporting</td>
</tr>
<tr>
<td>Response time from AusAID tasking to arrival of the Contractor’s logistics support team in-country <em>(Component 4)</em></td>
<td>Support team established in-country within agreed timeframe</td>
<td>Contractor reporting</td>
</tr>
<tr>
<td>Response time from AusAID tasking to provision of specialist logistics personnel/expertise <em>(Component 5)</em></td>
<td>Specialist logistics personnel/expertise provided within agreed timeframe</td>
<td>Contractor reporting</td>
</tr>
<tr>
<td>Response time to AusAID request for operational information</td>
<td>Requested information provided to AusAID within agreed timeframe</td>
<td>Contractor reporting</td>
</tr>
<tr>
<td>Responsiveness to unforeseen AusAID requests and accommodation of changes at short notice</td>
<td>Unforeseen requests and changes implemented within agreed timeframe and with minimum disruption to activities</td>
<td>Contractor reporting</td>
</tr>
</tbody>
</table>

| **Value for Money** | | |
| Cost and quality of procured items compared with cost and quality of benchmarked items. Benchmark to be provided by service provider at time of providing costing *(Component 1)* | No more than 15% variation between prices obtained and benchmarks for comparable purchases | Benchmarking of comparative procurement by leading humanitarian agencies | |
| Cost of freight *(Components 2&3)* | Freight charges are in line with prevailing market rates for comparable shipments/transport. | Evidence provided by the Contractor that they have obtained competitive quotations for freight | |

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### Accuracy/Transparency

<table>
<thead>
<tr>
<th>Description</th>
<th>Detail</th>
<th>Stocktake/Audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock at hand reflects purchases less stocks distributed <em>(Component 1)</em></td>
<td>Physical stocktake matches stock records <em>(100%)</em></td>
<td></td>
</tr>
<tr>
<td>Items despatched are received by nominated persons <em>(Components 2&amp;3)</em></td>
<td>All supplies and equipment delivered and handed over to nominated receiver</td>
<td>Delivery documentation Independent evaluation</td>
</tr>
</tbody>
</table>

### Quality

<table>
<thead>
<tr>
<th>Description</th>
<th>Detail</th>
<th>Contractor procurement reporting Independent evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplies and equipment meet international humanitarian standards and other benchmarks as specified by AusAID <em>(Component 1)</em></td>
<td>All supplies and equipment procured are compliant with standards and benchmarks specified by AusAID</td>
<td></td>
</tr>
</tbody>
</table>

6.2 Where appropriate, benchmarking will be used to assess the performance of the Contractor. Benchmarks for procurement of supplies and equipment may include, but will be not limited to, costs of comparable items available through procurement mechanisms of United Nations and other international agencies. Benchmarks for services, e.g. freight, may include, but will be not limited to, prevailing market rates for comparable services. Where required by AusAID, the Contractor will provide evidence that they have obtained competitive quotations for goods and services provided.

6.2 The Contractor will be required to report variations from performance benchmarks listed in the above table in task reporting (refer sub-clause 5.2 Task Reporting).

### Independent Evaluation

6.3 If requested by AusAID, the Contractor shall commission an Independent Evaluation of logistics support services provided by the Contractor in a response operation. Independent Evaluations will link with any broader AusAID evaluations of the response, involve consultations with relevant stakeholders, examine services delivered against AusAID tasking and Key Performance Indicators, and identify strengths, weaknesses and lessons learnt.

6.4 The Contractor shall develop draft Terms of Reference and nominate an appropriate person or persons to undertake the Independent Evaluation. Both Terms of Reference and the person or persons nominated to undertake the Independent Evaluation will be subject to AusAID approval.
Mid-term and Final Reviews

6.5 The Contractor shall facilitate, and participate in as required, mid-term and final reviews of the Period Offer undertaken by AusAID.
AusAID Governance Arrangements for the Humanitarian Logistics Framework and the Humanitarian Logistics Period Offer

Under the Humanitarian Logistics Framework, the AusAID Humanitarian and Emergency Response Section (HER) has responsibility for the overall management and coordination of AusAID humanitarian supply chain logistics activities.

HER has primary responsibility for managing and coordinating ongoing and operational relationships with AusAID’s logistics partners including the Period Offer Contractor, the Australian Defence Force (ADF), Australian NGO partners, the Australian Red Cross, other donors, the United Nations Humanitarian Response Depot (UNHRD) Network and other international logistics partners, and other stakeholders.

HER has default responsibility for planning, mobilising and managing (in close consultation with AusAID Desks and Posts) logistics support for responses to rapid onset emergencies, and on a case-by-case basis will also take responsibility for slow onset emergency responses. HER will always take the primary operational liaison role with ADF. Unless otherwise agreed and specified in the initial planning phase of a response, HER will normally take the lead on tasking of the Period Offer Contractor in the emergency phase of a response. Exceptions where Desks or Posts are assigned the lead with HER support will be determined and agreed on a case-by-case basis. Examples may include: (i) small, straightforward responses within the capacity of Posts and/or Desks to manage; or (ii) certain Indonesia and Papua New Guinea (PNG) responses - Jakarta and Port Moresby being large Posts with strong in-house response expertise and capacity and existing relationships with the Period Offer Contractor.

In-country monitoring, reporting and evaluation of the logistics aspects of responses are important and HER will seek involvement of Posts to support these functions where they have the necessary capacity.

Under the Framework, Period Offer contract management and tasking responsibilities are as follows:

- HER will manage the overall Period Offer;
- HER will fund and manage a global warehousing Services Order under the Period Offer that covers standard warehousing services at all AusAID warehouses;
- HER will manage all contractual aspects of the global warehousing Services Order for all warehouses, and will have operational management responsibilities for the Brisbane and Sydney warehouses;
• Jakarta and Port Moresby Posts will have day-to-day management and operational responsibilities for their in-country warehouse facilities, including liaison with warehouse partners (Lae) and communication and liaison with, and operational tasking of, the Period Offer Contractor;

• while standard warehousing services for the Indonesia and PNG facilities will be covered by the HER-managed Services Order, other specific tasking of the service provider by Jakarta and Port Moresby Posts related to in-country relief stores, such as procurement or replenishment of supplies, in-country delivery, and management of Post deployment equipment will continue to be funded and tasked under separate ad hoc Services Orders, usually managed by the Post (subject to scale of activity and operational and resource considerations); and

• HER will manage all supplies procurement, under the Period Offer (or through other mechanisms) for the Brisbane and Sydney warehouses. If required, HER will assist Jakarta and Port Moresby Posts with procurement for the Indonesia and PNG facilities.

HER resources for management of the Humanitarian Logistics Framework, including the Period Offer, comprise a dedicated full-time Logistics Officer and additional administrative and back-up support when required. The Logistics Officer will:

• be the HER humanitarian logistics thematic focal point;

• be the primary day-to-day and operational point of contact for the Period Offer Contractor;

• monitor warehouse stocks and manage procurement of relief supplies and equipment for Brisbane and Sydney warehouse;

• manage complex procurement such as research and development of deployment equipment kits;

• as a response team member, manage the delivery of supply chain logistics support in a response;

• work closely in a response with the HER Emergencies Manager responsible for operational liaison with the ADF and other whole-of-government partners;

• be the primary day-to-day and operational logistics point of contact for other partners, e.g. UNHRD (if AusAID joins the Network), and Australian NGO warehouse partners;
- be the focal point for Desks and Posts on humanitarian logistics issues, including provision of advice and support on accessing and managing supply chain logistics services under the Period Offer;

- be responsible for managing Framework partner preparedness and coordination mechanisms (including simulation exercises), evaluation and lessons learnt exercises;

- develop humanitarian supply chain logistics procedures for inclusion in AusAID SOPs for Emergency Response; and

- support incorporation in HER’s training curriculum and delivery of targeted logistics training for HER, Rapid Response Team (RRT) and Desk/Post staff.

The ongoing high logistics workload in HER and unpredictable spikes of intense activity in a response require the availability of trained HER and RRT ‘surge capacity’ or back-up staff for the Logistics Officer. These back-up staff should be appropriately trained and, if possible, have on-the-job experience to enable them to be mobilised as additional or relief logistics management resources in a response, potentially including deployment to Post or the field in a logistics support/management role.
Emergency Response Tasking Process under the Humanitarian Logistics Period Offer

The following outlines an indicative process and steps for AusAID tasking of the Contractor to provide logistics support services in an emergency response.

Alert phase

On receipt of an alert of a natural disaster or other emergency with a potentially significant impact that may require Australian Government assistance in the form of relief supplies and equipment and/or personnel deployments, AusAID (normally HER) will contact the Period Offer Contractor’s Logistics Support Manager or nominated 24/7 point of contact by telephone.

At this point AusAID will:

- provide the Contractor with available details of the event, advise that the situation is being monitored, and that an Australian Government response is possible;

- request that the Contractor place key logistics support services staff on standby; and

- confirm the AusAID activity manager and point(s) of contact for communication during the alert/potential response (depending on operational requirements, this could include points of contact in HER, at Posts, and/or at Desks).

At this point AusAID may:

- request the Contractor to explore and advise availability of charter and commercial freight options for the transport of relief supplies and equipment to the affected area. Information requested by AusAID may include lead-times, cargo capacity, operational constraints if any, and cost estimates.

Monitoring and development of a response course of action

Pending whole-of-government consultations, development of a course of action and a decision on an Australian Government in-kind response, AusAID will monitor developments to identify known or likely priority relief needs and explore response options. Development of response options will be informed by:
• on-line data on AusAID relief supplies stocks and procurement available on the Contractor’s website; and

• information provided by the Contractor on charter and commercial freight options.

At the earliest opportunity, AusAID will provide the Contractor with indicative details of types and quantities of relief items to be shipped, as well as indicative details of other services, e.g. in-country logistics services including deployment support for Australian Government personnel, to enable the Contractor to scope and cost potential services.

Depending on identified priority relief item needs, availability of particular supplies in AusAID’s warehouses, and logistics considerations, AusAID may request the Contractor to explore options for, and provide advice on, rapid procurement and dispatch of additional relief items sourced in Australia, in-country, or elsewhere. Information requested may include lead-times for supply and delivery, product options, operational constraints if any, and cost estimates.

Depending on the scale and geographic location of the emergency, AusAID may make early contact with the Australian Defence Force (ADF) through the AusAID Liaison Officer to determine options/availability of ADF assets to transport relief supplies, equipment and personnel.

**Formal tasking of the Contractor**

If a decision is made to provide Australian Government assistance in the form of relief supplies and equipment and/or personnel deployments, AusAID will contact the Contractor immediately to authorise the Contractor to commence mobilisation of required logistics support services.

At this point AusAID will:

• confirm the details and required timeframes of the logistics support services required, e.g. provision (and replenishment) of specified items and quantities of supplies and equipment from AusAID stores; additional procurement of supplies and equipment; commercial freight or charter services to transport supplies and equipment; delivery to ADF where required for onward shipment of relief items on ADF aircraft; in-country logistics support, including deployment support; or provision of specialist logistics personnel or expertise;

• confirm the funding envelope available for logistics support services for the response in order to enable the Contractor to develop an initial costing for the services; and
• if the services involve delivery of supplies and equipment to, or other coordination with the ADF, AusAID will confirm ADF operational point of contact details.

AusAID will then provide a confirmation email to the Contractor detailing the tasking. This email will be the formal record of tasking and authorisation to the Contractor to commence delivery of logistics support services in advance of AusAID issuing of a Services Order.

At the earliest opportunity, AusAID will prepare and forward to the Contractor for detailed costing and clearance a draft Services Order. Following final costing and clearance by the Contractor, the Services Order will be submitted to AusAID Procurement and Agreement Services for internal clearance, then ratified and issued to the Contractor.
## Annex B: Performance Management Framework

<table>
<thead>
<tr>
<th>Outcomes</th>
<th>Key Result Areas</th>
<th>Verifiable Indicators</th>
<th>Means of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased Australian capacity to respond effectively to humanitarian</td>
<td>Component 3.5.1 • AusAID establishes capability target and rationalises relief supplies and equipment stocks</td>
<td>Component 3.5.1 • Timeliness and value for money of procurement and replenishment of supplies</td>
<td>• Stock and procurement reports&lt;br&gt;• Response task reports&lt;br&gt;• Lessons learned workshop/reports&lt;br&gt;• Feedback from RRT, Posts, operational partners and in-country stakeholders&lt;br&gt;• Independent evaluation&lt;br&gt;• Mid-term and final reviews</td>
</tr>
<tr>
<td>emergencies, including natural disasters in the Asia-Pacific region and</td>
<td>• Integration with international supply chain logistics network strengthened through AusAID joining UNHRD</td>
<td>Component 3.5.2 • Adequacy of quantities and appropriateness of relief items supplied in a response</td>
<td></td>
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<tr>
<td>further afield</td>
<td>Component 3.5.3 • AusAID-ADF coordination and inter-operability strengthened</td>
<td>Component 3.5.3 • Level and success of periodic tests of joint protocols, procedures and response mechanisms</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Periodic tests of joint protocols, procedures and response mechanisms conducted</td>
<td>Component 3.5.3 • Timeliness of dispatch and delivery of supplies in a response</td>
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<tr>
<td></td>
<td>Component 3.5.4 • Service provider establishes strengthened deployment support mechanisms</td>
<td>Component 3.5.4 • Timeliness and appropriateness of deployment support for USAR, AUSMAT etc</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Component 3.5.5 • Service provider establishes mechanisms/register for appropriate specialist logistics personnel and expertise</td>
<td>Component 3.5.5 • Timeliness and appropriateness of specialist logistics personnel deployed</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Upgraded Period Offer Scope of Services and service provider dedicated staffing in place</td>
<td>• Speed of mobilisation and scale-up of service provider staff resources in a response</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Relevant AusAID HER, Post and RRT staff trained in logistics management and SOPs upgraded</td>
<td>• Service provider performance against Key Performance Indicators</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Timeliness and quality of service provider data management and reporting</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Timeliness and appropriateness of RRT personnel deployed in logistics support role</td>
<td></td>
</tr>
<tr>
<td>Outcomes</td>
<td>Key Result Areas</td>
<td>Verifiable Indicators</td>
<td>Means of Verification</td>
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<tr>
<td>Improved supply chain logistics coordination and staging area capability for emergency responses in the Pacific</td>
<td><strong>Component 3.5.2</strong>&lt;br&gt;- Brisbane staging area arrangements including mobilisation SOPs and protocols developed in consultation with operational partners, whole-of-government partners, and AusAID service provider&lt;br&gt;- Contractual arrangement ratified with services provider&lt;br&gt;- Staging area arrangement formalised with UNHRD and other operational partners as appropriate&lt;br&gt;- Periodic tests of joint protocols, procedures and response mechanisms conducted</td>
<td><strong>Component 3.5.2</strong>&lt;br&gt;- Level of success of periodic tests of joint protocols, procedures and response mechanisms&lt;br&gt;- Timeliness and quality of logistics operation staged through Brisbane</td>
<td>• Reports of periodic tests of joint protocols, procedures and response mechanisms&lt;br&gt;• Lessons learned workshop/reports&lt;br&gt;• Feedback from RRT, Posts, operational partners and in-country stakeholders&lt;br&gt;• Independent evaluation&lt;br&gt;• Mid-term and final reviews</td>
</tr>
<tr>
<td>Increased capacity of selected Pacific disaster management organisations to store and distribute relief supplies and equipment</td>
<td><strong>Component 3.5.2</strong>&lt;br&gt;- MSU implementing partner identified and funded&lt;br&gt;- All MSUs specified, procured, delivered and handed over to selected agencies by implementing partner&lt;br&gt;- All agencies trained by implementing partner and competent in installation and use</td>
<td><strong>Component 3.5.2</strong>&lt;br&gt;- Level of satisfaction of agencies with MSUs and training&lt;br&gt;- Timeliness and quality of relevant logistics component of target agency responses</td>
<td>• Completion report by implementing partner&lt;br&gt;• Feedback from Posts and key in-country stakeholders&lt;br&gt;• Independent evaluation&lt;br&gt;• Mid-term and final reviews</td>
</tr>
</tbody>
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Annex C: Risk Management Matrix

<table>
<thead>
<tr>
<th>L</th>
<th>Likelihood</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>Consequences</td>
<td>almost certain</td>
<td>likely</td>
<td>possible</td>
<td>unlikely</td>
<td>rare</td>
</tr>
<tr>
<td>R</td>
<td>Risk Level</td>
<td>major</td>
<td>moderate</td>
<td>minor</td>
<td>negligible</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>extreme</td>
<td>high</td>
<td>medium</td>
<td>low</td>
<td></td>
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</tbody>
</table>

Outcomes:

- Increased Australian capacity to respond effectively to humanitarian emergencies, including natural disasters in the Asia-Pacific region and further afield
- Improved supply chain logistics coordination and staging area capability for emergency responses in the Pacific
- Increased capacity of selected Pacific disaster management organisations to store and distribute relief supplies and equipment
<table>
<thead>
<tr>
<th>Risk event</th>
<th>Source of Risk</th>
<th>Impact</th>
<th>L</th>
<th>C</th>
<th>R</th>
<th>Risk Treatment</th>
<th>Responsible</th>
</tr>
</thead>
</table>
| 1. Failure of AusAID to properly manage implementation of logistics preparedness and response activities | Competing workload priorities and staffing pressures in HER or at relevant Posts | Lack of strategic oversight and appropriate resourcing may lead to compromised logistics outcomes and responses | 3 | 4 | 3 | ▪ Identify and train HER/Post/Desk/Rapid Response Team officers in logistics management roles with back-up resources to cover peak periods and staffing absences  
  ▪ Management systems and SOPs for logistics operations and management developed, updated as necessary, and followed  
  ▪ Review management and resourcing arrangements periodically and at peak times and adjust as necessary | HER  
  ▪ Key Posts and Desks                                                  |
| 2. Failure of commercial services provider to properly manage implementation of logistics support to AusAID | Competing workload priorities, staffing pressures                             | Response may be compromised                                             | 2 | 4 | 3 | ▪ Services provider to ensure redundancy for key positions, surge capacity for key tasking and report any constraints to AusAID  
  ▪ Management systems and SOPs for logistics operations and management developed, updated as necessary, and followed  
  ▪ AusAID to monitor, including through Services Order contractor performance assessments | Commercial services provider  
  ▪ AusAID                                                                  |
<table>
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</table>
| 3. Slow mobilisation of logistics in support of a response                 | Inadequate information on need and constraints, stocks, procurement or transport options Communications breakdowns Delays in decision making | Delay may compromise effectiveness of response                         | 3 | 4 | 2 | - Service provider maintains up-to-date stock information; readiness to provide procurement and transport options; and capacity to uplift and deploy at short notice  
  - Close monitoring and reporting by Post on impact, needs and in-country logistics constraints  
  - Timely recommendations on supply chain solutions fed into whole-of-government decision-making process  
  - Timely alerts, updates and tasking to service provider, ADF and other operational partners | AusAID, Commercial services provider, ADF                                     |
| 4. Insufficient stocks of a priority relief item to meet needs in a response, and replenishment or new procurement not possible in timeframe | Poor planning Demand for item exceeds supply in large-scale response           | Response may be compromised if priority needs not adequately met       | 3 | 4 | 3 | - Service provider ensures optimal replenishment mechanisms and supplier options in place  
  - As alternative to commercial provider supply chain, membership of UNHRD network provides access to supply chain network for access to storage and procurement services, as well as potential access to common stocks loans/borrowings | AusAID, Commercial services provider                                       |
<table>
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</table>
| 5. Transport logistics not available for shipment and delivery of relief supplies and equipment or transport of personnel | Poor planning Demand for transport exceeds supply Remote location or inadequate airport/port infrastructure | Response may be compromised if priority needs cannot be delivered | 3 | 4 | 3 | ▪ Service provider maintains network and database of commercial and other transport logistics providers  
▪ As alternative to commercial provider supply chain, membership of UNHRD network provides access to UN transport logistics network  
▪ Early AusAID engagement in a response with ADF on availability of ADF assets | ▪ AusAID  
▪ Commercial services provider |
| 6. Commercial services provider unable to provide requested specialist supply chain personnel, expertise or advice | Poor planning Demand for specialist expertise exceeds supply | Response or other activity may be compromised if specialist expertise not available | 2 | 3 | 2 | ▪ Service provider maintains network, standing arrangements and database for access to specialist supply chain logistics expertise  
▪ As alternative to commercial provider supply chain, membership of UNHRD provides access to UN supply chain logistics expertise  
▪ Maintain RedR contract and relationships with Humanitarian Partnership NGOs and Australian Red Cross as alternative sources of supply chain logistics expertise | ▪ AusAID  
▪ Commercial services provider |
<table>
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</table>
| 7. Inter-operability and coordination problems between ADF and AusAID’s commercial services provider | Breakdown of communications protocols, staff turnover, competing priorities | Response operations may be compromised leading to delays or failure in delivery of supplies and equipment | 3 | 4 | 3   | ▪ Established and up-to-date tripartite communications trees in place and maintained up-to-date  
  ▪ AusAID liaison officers facilitate AusAID-ADF sharing of information, particularly on technical constraints and operational issues  
  ▪ Jointly agreed operational protocols developed, implemented and followed  
  ▪ Regular contact and coordination meetings between AusAID, commercial services provider and ADF  
  ▪ Regular interchange between commercial services provider and ADF, including visits to AusAID warehouses and ADF bases  
  ▪ Periodic tests of joint protocols, procedures and response mechanisms | AusAID  
  Commercial services provider  
  ADF |
<table>
<thead>
<tr>
<th>Risk event</th>
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</tr>
</thead>
</table>
| 8. UNHRD Network unable to provide services to AusAID | Reduction in donor funding to WFP for UNHRD operations Demand for user services exceeds supply | AusAID logistics options and global reach may be compromised | 3 | 4 | 2 | ▪ AusAID monitors UNHRD service provision, maintains alternative service mechanisms, and develops additional options if required  
▪ WFP provides early advice to AusAID of any operational constraints affecting, or having the potential to affect, UNHRD service delivery to AusAID | AusAID  
WFP |
| 9. Inappropriate relief item procured | Failure by AusAID or its implementing partners to implement and apply procedures and guidelines for procurement of appropriate relief items | Response and AusAID reputation may be compromised | 3 | 4 | 2 | ▪ Procedures developed, implemented, and monitored by AusAID and its partners to ensure that all relief items procured are appropriate and meet international benchmarks and guidelines | AusAID  
Commercial services provider  
WFP/UNHRD |
| 10. Ineffective management and use in responses of operational support equipment, i.e. pre-positioned Mobile Storage Units, by Pacific disaster management agencies | Pacific disaster management agencies have limited resources and capacity | Capacity of selected Pacific agencies will not be improved and responses their potentially comprised | 3 | 3 | 3 | ▪ Needs/capacity assessment undertaken to inform selection of agencies to be provided with equipment  
▪ Letter of agreement between AusAID and partner government or non-government agency before equipment provided  
▪ Training provided by AusAID operational partner to organisations in equipment use and management | HER and relevant Posts  
AusAID operational partner responsible for development, specification, distribution and training |
<table>
<thead>
<tr>
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</table>
| 11. Commercial services provider does not provide timely, accurate and up-to-date reporting on procurement, stocks, transport, or delivery of supplies and equipment | Services provider information management systems ineffective, under-resourced or overloaded | Integrity of decision-making and effectiveness of response potentially compromised | 3 | 4 | 2 | ▪ Information management systems and SOPs developed, updated as necessary, and implemented with adequate resources to meet peak needs  
▪ AusAID to monitor, including through Services Order contractor performance assessments | ▪ Commercial services provider  
▪ AusAID |