# Assessing the downstream supply chain and building resilience in response to the COVID-19 pandemic.



## Context

In response to the COVID-19 health pandemic, health supply chains are being challenged to deliver more products to a larger number of beneficiaries under increasingly limited conditions.

UNICEF recommends initiating a dialogue with the Government to quickly diagnose the supply chain, identify risks, and prioritize actions to respond and strengthen the national health system for sustainability.

This guideline is complementary to the summary guidance document 'Strengthening Public Supply Chains in the COVID-19 context and beyond' as additional direction for implementing Recommendation (9). Taken together, the package of rapid guidance documents serves to support governments in identifying and responding to immediate and growing COVID-19 related medical needs.

### Recommendations

The following actions address acute needs in the context of the pandemic while strengthening supply chain resiliency for the medium and long-term.

- Assess the current in-country logistics capabilities to support the temporary surge in supplies or maintain operations in response to reduced capacities.
- 1.1. In consideration of the surge of products to diagnose and treat COVID-19, incorporate increases in procurement volumes, shipment volumes and transport frequencies to highlight storage capacity needs and identify operational funding needs and human resource requirements.
- 1.2. Highlight supply chain risks by categorizing commodities and in-country transport lanes according to Risk (Low to High) and Impact (Low to High) to prioritize action against the High Risk and High Impact commodity flows.
- 1.3. Based on the above, itemize the gaps in the supply chain and create a high-level response plan to include all actions to be implemented from the following recommendations.

- **2. Identify alternative supply chain designs** that could protect product and service delivery performance and mitigate effects of disruptions.
- 2.1. Based on the prioritized gaps highlighted in Recommendation 1.3, swiftly analyse the existing supply chain network to <u>assess alternative product</u> <u>flows</u>, such as bypassing inventory holding points, changing safety stock levels based on product variability, pre-positioning stocks, or integrating multiple products into fewer shipments.
- 2.2. Where there is lack of infrastructure or people, consider the use of <u>Unmanned Aerial Systems</u> (commonly known as drones) for last-mile delivery if enabling conditions exist (see other UNICEF guidance).
- 2.3. Prioritize actions that have the best value for effort by estimating their impact on performance (Low to High) versus their difficulty to be implemented (Low to High). Move forward on High Impact Low Effort actions and maintain all High Impact options for consideration in Recommendation 5.
- 2.4. Estimate the resource needs to implement any of the above changes and highlight remaining gaps in the supply chain to potentially be addressed in the following recommendations.
- **3.** Landscape in-country service providers who may have capacity to augment public health supply chains, e.g., in storage or transport.
- 3.1. Review existing internal and external market surveys compiled by the Logistics Cluster, World Food Programme (WFP) and other UN agencies, donors and international/local NGO's.
- 3.2. Review existing long-term or contractual arrangements for the procurement of logistics services that exist at global, regional, or country levels while prioritising local and regional sourcing;

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- 3.3. Gather market intelligence from contacts in local industries, such as trade organisations, pharmaceutical companies, agricultural companies, as well as contacts in governmental bodies, such as the defence ministry.
- 4. Establish a contracting and operational monitoring plan for new service providers:
- 4.1. Depending on the number of available service providers, complexity of needs, and urgency of contracting, post a Request for Quote (RFQ), Invitation to Bid (ITB), or Request for Proposal (RFP). Consider a Single Source soliciation only in the most urgent cases with few service providers.
- 4.2. Incorporate monitoring clauses in the Service Contract summarizing schedule, cost, and quality requirements. Outline a resolution process that stipulates problem definition, evidentiary facts, impacts, and the role of third parties in legal disputes.
- 4.3. For situations where no service providers are available, review the legal collaboration agreements in the UNDAF (United Nations Development Assistance Framework) to identify any UN-operated partnerships to fulfill supply chain needs.
- Bolster the resiliency and shock-absorption capacity of the supply chain to prepare for future disruptions.
- 5.1. Based on the risk assessment in Recommendation 1, build on the analysis to incorporate additional risks, such as natural disasters, regional strife or global shortages of supply.
- 5.2. Couple the wider risk analysis above together with the system design alternatives recorded in Recommendation 2.3 to outline improvements that address both mitigation and response.
- 5.3. Incorporate the above proposals into an Enterprise Risk Management framework for periodic review and continuous updates.

# contacts for support in UNICEF

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