Shipping and transport update
Agenda

• Airfreight market updates
• Emergency and rapid response new set up (ICG, etc)
• VAR digitalization project
• Other UNICEF operational initiatives
• Shipping and transport figures
• Q&A
Airfreight market updates

Global international air cargo capacity has recovered, and the global capacity increased by 2% compared to pre-COVID levels.

Exceptions: Sudan, Niger, Yemen, DPRK, Eritrea, Afghanistan, Syria, Somalia

Source: Xeneta
New set up for emergency-critical shipments

The new set up for emergency / critical orders is in place. It only contains 2 types of orders which are systematically flagged to forwarders and linked to a priority product with carriers.

- **Emergency orders**
  - Rapid Response 72h
  - Emergency by air 14 days
  - Emergency by SEA 60-90 days

- **Critical Orders**
  - Health Emergency (Cholera, Yellow Fever, Meningitis, Ebola, Measles-Rubella and Polio outbreak)

- **Standard orders**

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**Freight Forwarders**

- **Emergency**
- **Health emergency**
- **Standard**

**Transport Options**

- **AIR**
  - Critical (2-8°C) or Express (GC)
  - Keep cool (2-8°C)
  - General Cargo

- **SEA**
  - Critical
  - UNICEF
VAR digitalization project

Our objective is to digitalize the VAR and make it a lean process

Go from a manual and cumbersome process…

1. Create interface between data warehouse and eVAR for automated creation

2. Align all stakeholders on the best fit-for-purpose form and adapt current eVAR accordingly

3. Align on review process with all stakeholders and implement it

4. Create report to give visibility of VAR output to all stakeholders. Revise KPI responsibilities

… To a simplified automated process focusing on exceptions

Included in shipping docs, not pre-filled

Manual creation based on files received from FF

Paper VAR

mVAR (Android)

Manual check if fields are filled without mistakes and looking for issues for EACH VAR and archive paper VAR in pdf on SharePoint

Automated creation based on information available in Vision

Simplified eVAR (web version)

ONLY VAR with issues are reviewed by SD and acted upon, the rest is automatically archived
• **August:** Training held for pilot users

• **Mid-September:** Start of pilot (13 countries)

• **September-November:** Onboarding and training of the other countries

• **Beginning 2024:** All countries are using the new digital platform
Other operational initiatives

• **Review of supplier SOP:** harmonize processes across suppliers, address operational under-performance and reoccurring challenges, include UNICEF in a tri-partite agreements

  1. Copy of Purchase Order sent by SD to Supplier & Forwarder
  2. PO Acknowledgement sent by Supplier - within 5 working days
  3. Supplier confirms goods readiness to FF - not less than 14 calendar days prior to delivery date
  4. Supplier sends shipping docs to FF – at least 8 calendar days prior to shipment ETA
  5. FF send pre-advice – 7 calendar days prior to shipment ETA
  6. Goods received by FF – agreed delivery date
  7. Shipment execution and arrival

• **Standardize Emergency order process:** engage with countries to define standard requirements for emergency orders, review performance after new set up
Shipping and Logistics – 2023 Q1 & Q2 Summary

- **1297** Purchase Orders
- **26** Suppliers
- **1 B** Value transported
- **1621** Shipments
- **97** Receiving Countries
- **10** Charters
Questions and Discussion