

Ecuador

REMOTE GAPS AND NEEDS EXERCISE REPORT

June 2020

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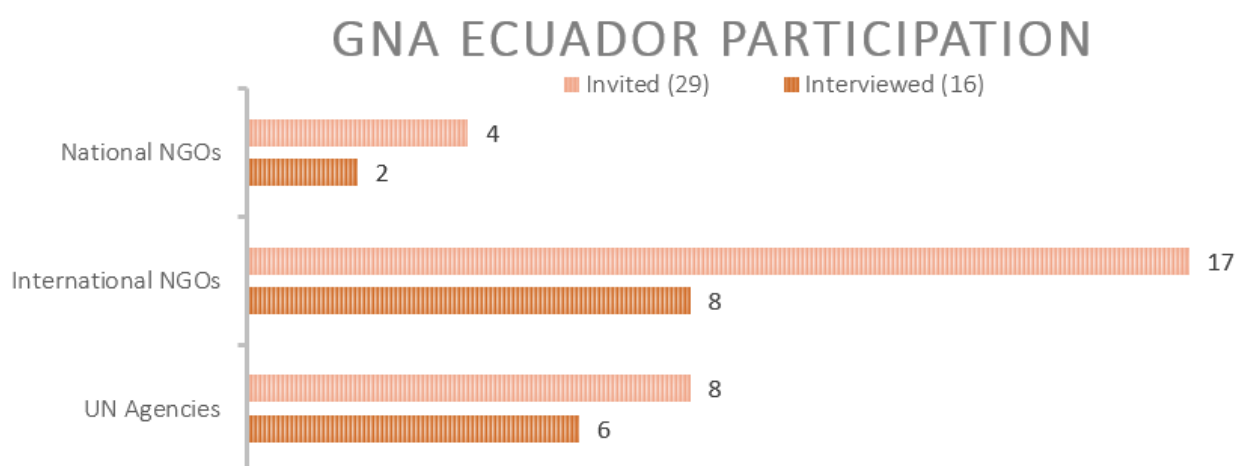
In the current context of COVID-19 pandemic, the Global Logistics Cluster performed a remote [Gaps and Needs Analysis](#) (GNA) for Ecuador to provide guidance on the most efficient logistics coordination mechanisms to address the current constraints faced by in-country responders. This initiative was the product of a decision between the Global Logistics Cluster, the WFP Regional Bureau of Panama and the WFP Ecuador Country Office following the strong impact of COVID-19 on humanitarian activities and upcoming operational needs. The detailed methodology of the GNA was shared in the Concept Note of the exercise¹.

Due to the exceptional international measures affecting movements of staff and the time constraint, the GNA was conducted remotely in 2 weeks (1-14 June 2020).

An email invitation² was sent to 29 humanitarian actors³: all 11 active members of the Logistics Working Group (LWG) and 17 actors identified in the [Humanitarian Response Plan](#) and facilitated through OCHA. A total of 17 expressions of interest were received and 16 online meetings were held in one-week timeframe.

Based on the feedback from the interviews, key information on [humanitarian activities in-country](#) and extended researches on the private sector capacities, the analysis formulates recommendations on the most adequate solutions to strengthen the humanitarian logistics response in Ecuador.

The exercise was conducted in Spanish, but the final analysis is produced in English to facilitate information sharing at national, regional and global levels. The key findings of the GNA will be translated to Spanish.



¹ Annex I

² Annex III

³ Annex II



1. BACKGROUND

1.1. HUMANITARIAN CONTEXT

The South American country of Ecuador witnessed strong economic growth during the first part of the 21st Century. Between 1990 and 2018, Ecuador's Human Development Index value increased of 18%, the country is now ranking 85 out of 189 countries. Crude oil profits rose and bolstered other industries of the economy. This growth has slowed, however as the global price of oil has fallen sharply, threatening socioeconomic stability of the country.

Ecuador's geography can be characterized by pacific coastal lowlands, the Andes mountains that run through the center of the country, and the amazon rainforest in the eastern part of the country. As a result, Ecuador is very vulnerable to natural disasters.

Ecuador is a seismic "hotspot"- subject to intense and continuous geological activity due to its proximity to several geological fault lines created by movements of the Nazca Oceanic and South American Continental tectonic plates. These fault lines leave the country particularly vulnerable to earthquakes, volcanic eruptions and even tsunamis when the epicentre is in the ocean. In 2016, a magnitude 7.8 earthquake struck north-western Ecuador, prompting an international humanitarian response. At least 676 people were killed, and 16,600 people injured.

In addition to seismic activity, Ecuador is vulnerable to extreme weather events and their consequences. Global climate change has substantially increased the frequency of the El Niño phenomenon. This recurring phenomenon has caused extremely cold temperatures in Carchi, Cotopaxi, Chimborazo, Cañar, and Azuay, and have resulted in a hotter climate in all other parts of Ecuador. El Niño can also dramatically affect rainfall. Floods affect the littoral region and landslides are common in Morona, Santiago, Loja, Napo, Santo Domingo de los Tsachilas, and Orellana El Oro, destroying homes and transport infrastructure.

Ecuador is also currently facing the regional Venezuelan Migration crisis. Socioeconomic hardships in Venezuela have prompted a mass migration out of the country and into the neighboring countries. According to the Ministry of Foreign Affairs and Human Mobility, between 5,000 and 8,000 people enter Ecuador every day from Colombia. Approximately 30% of the migrants remain in Ecuador, largely near the northern and southern borders of the country. The refugee presence has generated a humanitarian crisis.

In the region, the COVID-emergency has hit Ecuador particularly hard, as the number of deaths attributed to the disease is likely to surpass 4,000. The crisis is also likely to create a severe economic problem. Nearly half (46.7%) of the working population in Ecuador is employed in the informal sector of the economy, which accounts for 43.7% in urban and 77.5% in rural areas of the country. The confinement measures are expected to affect families in the informal sector, exacerbating the existing poverty and reducing access to basic necessities. The negative effects of the health and economic crisis are being felt across the country, but the peri-urban

areas, where many have pre-existing vulnerabilities, including human mobility and unstable economic activities, are expected to be the most devastated.

1.2. HUMANITARIAN OPERATIONAL RESPONSE

Ecuador has had a Humanitarian Country Team (HCT) since 2014, the leader of which is the Resident Coordinator. The HCT is attended by UN agencies, national and international humanitarian organisations, and donors. The HCT supported Ecuador in the April 16 earthquake, including in the activation and organisation of emergency clusters. The Logistics Cluster was active during the emergency until 30 May. The migrant crisis has increased the humanitarian presence in the country, particularly on the northern border; a wide variety of NGOs and UN agencies make up the humanitarian community.

For humanitarian logistics coordination, two parallel structures exist: one for the government agencies, and one for UN agencies and NGOs. The Ecuadorian Armed Forces lead the logistics sector of the “Centro de Operaciones de Emergencia” (COE) under the National Emergency and Risk Management Service (SNGRE). This mechanism manages the logistics of the government’s response to the epidemic. A Logistics Working Group, led by WFP, was activated in response to COVID-19 to support the logistics coordination of the UN agencies and the NGOs active in the country. Restrictions on the movement of people, market volatility and customs issues created challenges for many humanitarian organisations who do not possess robust logistics capacities. The working group was established to share critical logistics and procurement information and best practices. They meet on a bi-weekly basis.

Humanitarian and development organisations from all sectors have adjusted, and/or scaled-up their programmes and outreach in response to the pandemic given the new needs of the populations they serve. For many organisations, the preferred transfer modality used to meet the needs of their beneficiaries prior to the COVID-19 emergency included cash-based transfers or voucher distribution as opposed to in-kind donations. Some organisations have continued to use this modality during the pandemic, while others have turned to in-kind support in response to the changing and pressing needs.

1.3. EXISTING IN-COUNTRIES CAPACITIES

During the oil price boom between 2004 and 2014, Ecuador had a period of economic growth and poverty reduction. However, the drop of oil prices in 2014 impacted the economy. Reforms have been promoted to ensure fiscal sustainability, strengthen the fundamentals of the dollarization of the economy, boost private investment and guarantee social protection for the most vulnerable groups, in spite of the collapse of oil prices causing an economic contraction and increased poverty.

Air Transport

There are 21 national airports and 4 international airports in Ecuador (Quito, Guayaquil, Manta y Cuenca). Only 2 are receiving a significant amount of international flights (more than 10 airlines):

- 1) “Mariscal Sucre” (ICAO: SEQM) in Quito (Corporación Quiport S.A.)
- 2) “José Joaquín de Olmedo” (ICAO: SEGU) in Guayaquil (Terminal Aeroportuaria de Guayaquil S.A.)

Cargo flights movements in Ecuador are operated both through regular and ad-hoc flights. The number of cargo flights entering Ecuador is increasing at a rate of 1% per year while the number of cargo flights exiting the country is increasing at a rate of 3% per year.

Sea and River Transport

Ecuador takes advantage of its sea access to improve international transport. There are currently 7 commercial maritime ports and the 4 main ones are Guayaquil, Esmeraldas, and Manta y Bolívar. The Guayaquil port concentrates 70% of Ecuadorian border trade.

Between 2009 and 2018, the amount of cargo exiting the country via sea increased at a rate of 1.2% per year. The amount of cargo entering the country via sea increased at a rate of 4.4% per year.

Road Transport companies

The main cargo transport companies are affiliated with the National Federation of Heavy Transport of Ecuador (FENATRAPE). Ecuador has 4,432 cargo transport companies, between formal and informal. FENATRAPE reports that there is an oversupply of transport companies, and consequently freight rates have fallen in recent years. It is estimated that there is a fleet of 200,000 trucks, of which some 50,000 units are surplus; since it is estimated that only about 150,000 units are necessary.

Cold Chain

Large companies (food suppliers, hygiene supplies, cleaning, etc.) generally have their own fleet of cold chain vehicles.

Road Access

The road network has a total of 10,285 km; 67% in good condition and 33% in fair condition. The State Road Network (RVE) is made up of all primary and secondary roads. The set of primary and secondary roads are the main roads that register the greatest vehicular traffic, interconnecting the provincial capitals, canton capitals, the international border ports with or without customs and the large and medium centers of economic activity. The total length of the RVE is approximately 9,668.67 km.

- Primary Roads: Comprise roads that connect border crossings, ports, and province capitals forming a strategic mesh. Its traffic comes from the secondary roads (collecting roads). In total there are 12 primary roads in Ecuador with approximately 66% of the total length of the RVE.
- Secondary Roads: Secondary roads or collecting roads, have the function of collecting traffic from a rural or urban area to lead it to primary roads (arterial corridors). In total there are 43 secondary roads in Ecuador with approximately 33% of the total length of the RVE.

- Logistics Corridors: The Ministry of Transport and Public Works activated six Logistics Corridors to the city of Guayaquil, to guarantee the mobility of cargo vehicles that supply food products and medicines throughout the country: 1) Carchi - Guayas; 2) Sucumbios - Guayas; 3) Esmeralda - Guayas; 4) Huaquillas - Guayaquil; 5) Aloag - Guayaquil; 6) Guayaquil - Cuenca - Tundayme.

Storage Capacity

Each Ecuadorian government institution has a warehouse for their supplies, and they work independently of each other.

- The Ministry of Agriculture has warehouses in the country.
- The Ministry of Education has a central warehouse in Quito and 72 storage centers for school supplies.
- The Secretary of Risk Management (SGR) has warehouses throughout Ecuador to store humanitarian supplies destined for emergencies. Among the products that the SGR stores, there are different types of emergency kits, such as: food, hygiene, shelter and kitchen.
- The Ministry of Public Health (MSP) has indicated that the purchased medicines are distributed directly to the health centers by the suppliers according to the requirements and planning.

The other ministries have a central warehouse in each province, generally small stores for a minimum stock of items.

Customs

The National Customs Service of Ecuador (SENAE), with offices in: Cuenca, Esmeraldas, Guayaquil - Puerto Marítimo, Guayaquil - Air Cargo area, Huaquillas, Latacunga, Loja - Macará, Manta, Puerto Bolívar, Quito and Tulcán.

All natural or legal persons, Ecuadorian or foreign, residing in the country and who are registered as importers in the ECUAPASS system and approved by the SENAE, can import supplies in the country. The ECUAPASS computer system facilitates the foreign trade and customs control processes, saving time in the import and export procedures.

Customs Warehouses

The SENAE has 6 strategic warehouses in various places (Pichincha - Quito, Imbabura - Ibarra, Pichincha - Tabacundo, Guayas - Guayaquil, El Oro - Huaquillas and in Cotopaxi - Latacunga) and also rents several temporary warehouses. The SENAE works together with the Internal Tax Service (SRI) in the administration of confiscated supplies.

Private Sector

There are several private companies that are engaged in commercial storage services. The companies maintain a presence in several cities in the country, especially in Quito, Guayaquil and Manta. Several companies have partnered to cover larger extensions of territory with their current capabilities and offer broader services.

2. PARTNERS LOGISTICS CAPACITIES, GAPS AND BOTTLENECKS

The role of the Private Sector

Most organisations interviewed during this exercise have limited capacity in terms of logistics (transportation and storage) as the private sector is able to meet most of their needs. Suppliers can provide the production of kits, temporary storage, primary transportation and, often, secondary transportation. Identification and procurement of private service providers is relatively easy through online exchange platforms such as the LWG (WhatsApp Group) or individual research (LinkedIn).

Limited Storage Needs

Immediate distribution of relief goods by the partners means that temporary storage is not generally required. Where storage is needed at regional or local level the local or municipal authorities can often organize it.

National Coordination and Humanitarian Coordination

At national level, the authorities have shown a high degree of coordination within the COE. There may be a need to facilitate coordination between the LWG (UN agencies and NGOs) and state authorities involved in the response and/or a potential scale up. Additionally, as Ecuador is a very decentralised country, the linkage between national actors and regional governments is critical for an effective and wide-reaching response.

Adjusting to COVID-19

Most organisations have demonstrated remarkable resilience and capacity to respond to changing needs and circumstances created by the crisis. Many had to switch from Cash Based interventions to direct provision of food and Non-Food Items (NFIs), which has required the enhancement of coordination forums.

This new reality forced organisations to familiarise themselves with activities not required before, such as procurement, storage and transportation. This underlines the necessity of having a strong logistics humanitarian forum where ideas can be shared (list of suppliers, transportation strategies, etc).

The private sector and local markets have been able to respond to most of the needs. The market situation was tense at the beginning of the crisis but most interviewees have reported relatively stable prices, particularly for food. Temporary increases in price were noted at the beginning, mainly concerning Personal Protective Equipment (PPEs) and cleaning products.

Restrictions to international procurements, mostly due to the reduction of air transport, was a major factor impacting the response as most of the required PPE needed to be imported. Organisations involved in international procurement have generally been assisted by governmental entities, easing the importation procedures.

Security was mentioned as a potential issue due to the deteriorating economic situation with possibilities of social unrest in some parts of the country. Consequently, additional collaboration and cooperation between the agencies and organisations could be necessary, especially for the efficient transportation of relief goods.

3. RECOMMENDATIONS

It appears that humanitarian actors in Ecuador have been able to conduct their response activities relying on existing logistics capacities and to create relevant coordination mechanisms both at national and local levels despite the impact of COVID-19.

Considering the existing set-up, continuing to foster the link between humanitarian actors is key to ensure the humanitarian community is prepared to answer to increasing needs in a deteriorating situation. In such context, the Global Logistics Cluster recommends **strengthening existing mechanisms** through the following:

1. Logistics Working Group to enhance participation (network and connection among partners/actors) and information sharing through:
 - Advocacy efforts on Importation Procedures requirements in emergency context;
 - Mapping of available logistics capacity (both humanitarian and private sector);
 - Regular information sharing on national logistics service providers availability and prices through the Logistics Capacities Assessments Tool;
 - Consolidation of transport plans for potential grouping of transport/movement.
2. Logistics Working Group (represented by WFP and/or other relevant partners) to offer support to the Government of Ecuador in reinforcing the National Contingency Plan (NCP) through:
 - Enhance coordination between national coordination mechanisms and humanitarian actors through the Logistics Working Group;
 - Develop or enhance the logistics coordination mechanism at regional level with the relevant authorities;
 - Analysis of the existing NCP: the logistics aspects of the different scenarios and identify way of improvement/reinforcement if needed - technical support could be offered to regional and local governments;
 - Consider existing and/or develop private/public partnership on logistics aspect.
3. The Global Logistics Cluster will be on stand-by to offer support and guidance on adequate tools and mechanisms.

ANNEX I – GNA Concept Note



Regional Bureau Panama - Ecuador

Remote Gaps and Needs Analysis (GNA) Terms of Reference (TORs) Ecuador

Background

At the end of February, Brazil was the first nation in Latin America and the Caribbean region to report cases of COVID-19. Within the following weeks, countries across the continent closed their borders and enforced lockdowns. Three months later, COVID-19 cases continue rising in Latin America with more than 260,000 confirmed cases and more than 14,000 deaths.

Among the most affected countries, Ecuador has registered on 17 May over 30,000 cases and 2,700 deaths predominantly in the Guayas region.

The pandemic is affecting all walks of life. Some of the most-affected groups include the elderly, people living on the streets, indigenous communities, people living in poverty and those working in the informal economy, as well as refugees and migrants either residing in the country or in transit.

As part of the humanitarian response to the COVID-19, the [Humanitarian Country Team](#) was activated on 16 March and Ecuador has been included in the [Venezuela Regional Refugee and Migrant Response \(RMRP\)](#), part of the [Global Humanitarian Response Plan](#). The country currently hosts an estimated 363,000 refugees.

Prior to this new situation, most Latin American countries were already dealing with complex economic, social and political challenges.

Pandemic preparedness varies across the region and several countries are particularly vulnerable to a destructive outbreak. In most of the countries of Latin America, logistics working groups are generally well established and functional usually within the framework of the preparedness strategies for disaster management. In order to define the eventual support that the Global Logistics Cluster (GLC) could bring to these working groups a Gap and Needs Exercise is a prerequisite. It would help identify the logistics gaps, if any, in the context of a pandemic and either help to establish or reinforce the forum for a logistics working group or, if recognised as necessary, to substantiate a request to activate a Logistics Cluster.

Objective of the Gaps and Needs Analysis (GNA)

The general objective of the analysis is to assess existing and potential logistics gaps, constraints and needs in order to:

- Make sure that no essential gaps are missed, with regard to the core mandate of the Logistics Cluster.
- Check the adequacy of the already implemented mitigating activities to address the logistics gaps and needs.
- Support the identification of additional mitigating activities that should be implemented in order to improve the effectiveness and efficiency of the partners' logistics response (within the framework of the Logistics Cluster mandate).

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Assessment method

The assessment mission will focus on identifying existing and potential partners' logistics gaps and clarifying potential needs of the wider humanitarian logistics community existing within the respective government agencies, UN agencies, international and national NGOs, in the area of:

- Coordination: coordination mechanisms, strategic planning, standards and guidance, advocacy, etc.
- Operational information: monitoring and reporting, communications flow, logistics related information sharing mechanisms and products, etc.
- Access to logistics services within the core mandate of the Logistics Cluster with WFP as lead agency and provider of last resort through the cluster system: storage, transportation, other services and support when applicable.

The Global Logistics Cluster (GLC) support team will be tasked with the following:

- Desk review of key documents from the existing humanitarian logistics platforms
- Producing an inventory of the local market logistics capacity and/or available logistics services provided by humanitarian partners to support the humanitarian community (e.g.: WFP's Bilateral Service Provision (BSP))
- Interview with key stakeholders: remote call with partners located in the Country. Collection of partners' information regarding:
 - i. their Humanitarian Response Plan activity
 - ii. their operational supply chain/logistics strategy needs and challenges
 - iii. the logistics bottlenecks and gaps faced to implement their supply chain strategy
- Identify common logistics gaps and bottlenecks
- Provide common solutions - if possible - to address - if identified - common logistics gaps and bottlenecks

Expected results

- Identify existing and potential logistics gaps and bottlenecks in the area of logistics coordination, information sharing, logistics services and other support (where applicable...).
- Propose solutions to solve crucial operational gaps identified. This will also include the possible reorientation of the existing mitigating activities.
- Make recommendations regarding the relevance of maintaining or developing an active humanitarian logistics cluster/platform in the country.
- Make recommendations regarding the way forward for the Logistics Cluster or the existing humanitarian logistics platform strategy and activities in the country.

Team composition and start date

The Gaps and Needs Analysis (GNA) will be undertaken remotely by two Global Logistics Cluster staff and one staff from the Regional Bureau of Panama.

Reporting


The Gaps and Needs Analysis focal point from the GLC will produce a mission report summarising the key findings and recommendations from all actors consulted. The final draft will be sent to the WFP Country Office and the Global Logistics Cluster Team before being shared with the humanitarian community in-country.

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ANNEX II – Participant Contact List

	ASISTENTE REUNION LOGISTICA	ORGANIZACIÓN	ENTREVISTA
1	Maria Gabriela Romero	ACNUR	
	Andrea Enriquez	ACNUR	
	Matteo Paggani	ACNUR	
	Maria Isabel Osorio	ACNUR	si
2	Alberto Medina	ADRA	no
3	Vanessa Cáceres	FAO	si
4	Nelly Bustamante	Hebrew Immigrant Aid Society (HIAS)	no
5	Daniela Jimenez	OIM	si
6	Silvana Robalino	PLAN INTERNACIONAL	si
7	Marcela Garrido	PNUD	
	Patricia Álava	PNUD	no
8	Nancy Flores	UNFPA	no
9	David Flores	UNICEF	si
10	Luis Fernández	WFP	
	Eduardo Pazmiño	WFP	
	Katherine Calle	WFP	
	Priscilla Riquetti	WFP	si
11	Tania Ruiz	WORLD VISION	si
	PUNTOS FOCALES OCHA	ORGANIZACIÓN	ENTREVISTA
12	Leonor Fernandez	Child Fund	si
13	Paula Jacome	Alas de Colibri Foundation	no
14	Yubari Valero	AVSI Foundation	no
15	Alejandra Moncada	CARE	si
16	Blanca Sarango	COOPI - International Cooperation Foundation	no
17	Daniela Manzano	Diálogo Diverso	si
18	Santiago Andrade	Foundation of the Americas (FUDELA)	si
19		German Corporation for International Cooperation (GIZ)	no
20	Romina Cozzani	International Committee for the Development of People (CISP)	si
21	Jose Lopez	Jesuit Refugee Service (JRS)	si
22	Jimmy Medina	Kimirina	no
23	Ana Lucia Arellano	RIADIS	no
24	Lilia Granja	NRC	no
25	Gustavo Giler	PAHO/WHO	si
26	Tatiana Moreno	Red Cross Ecuador	si
27	Maria Antonia Gonzalez	RET International	si
28	Roberto Maestrelli	Scalabrini International Migration Network	no
29	Elizabeth Ponce	SOS Children's Villages	no

ANNEX III – Invitation Email

	To	
Send	Cc	
Subject Su participación - Logistics Cluster - Gaps and Needs Analysis		
<p>A: cada socio Bcc: PMA País, PMA Regional, OCHA, GLC</p> <p>Estimado XXX,</p> <p>Teniendo en cuenta la evolución de la situación en el país y dado el contexto actual de pandemia del COVID-19, el Cluster Logístico Global está organizando un ejercicio de análisis de necesidades y brechas en el sector logístico humanitario en Ecuador (Gaps and Needs Analysis exercise).</p> <p>El objetivo del ejercicio es evaluar las brechas, limitaciones y necesidades logísticas existentes o probables a las que los socios humanitarios se están enfrentando o a las que se podrían enfrentar.</p> <p>Los resultados de este ejercicio se utilizarán afin de encontrar las mejores herramientas para proporcionar coordinación, gestión de la información y, si es necesario, servicios logísticos que respondan a las necesidades comunes identificadas por los socios humanitarios en el país.</p> <p>Con este propósito, les pedimos una entrevista para que podamos entender la realidad operacional de su organización.</p> <p>Le entrevista no durará más de una hora y nuestras preguntas se focalizarán en los temas siguientes:</p> <ul style="list-style-type: none">• Actividades de su organización en el país (programas etc.)• Estrategia logística (para llevar a cabo sus actividades)• Dificultades existentes o potenciales para establecer su cadena de suministro <p>Si les interesa participar, les agradeceríamos contestar a este email antes del Jueves 28 de Mayo a las 19h00 (Ecuador Time) <u>sugiriendo una fecha de entrevista entre el 1 y el 5 de Junio</u> (preferiblemente por la mañana).</p> <p>Estamos a su disposición si necesitan más informaciones.</p>		