



## **LOGISTIC CLUSTER MEETING PROPOSAL FOR MARKET PLACE SESSION**

### **ACF FIELD SCM SOFTWARE AND OPPORTUNITY FOR A NGO PLATFORM**

#### **Proposed by Action contre la Faim**

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#### **Proposition for a market place session**

Since 3 years, ACF has been leading a project to develop a Field Supply Chain Management Information System. The first features are rolled-out in the field with significant results and positive feedbacks. In parallel, ACF has shown the software with several NGOs, the Global Log cluster cell and some donors.

The project detail is presented on the next pages.

ACF proposes to present this project and share information about the opportunities opened by this tool in terms of mutualization and standardization.

The intervention would address the following issues:

1. Link project presentation, objectives and achievements
2. Software demo
3. Discussion about the possibilities of use by other humanitarian players

## Project overview

### 1. Introduction : LINK Project launch

In 2011, ACF initiated a study to implement an IS solution to manage its field supply chain. Considering the increase in activity volumes, the management with Excel kit log no longer allowed to cover the needs in terms of daily management, data consolidation for monitoring and reporting both internally and externally.

The study of existing solutions didn't allow identifying a suited tool:

- Supply Chain Software or ERP are very far from the humanitarian way of working and require significant development of specifics and/or process adjustments;
- Ad hoc solutions developed by NGOs, as example MSF (Unifield) or OXFAM (Helios), propose interesting options but doesn't match with ACF priorities in terms of procedure (no validation workflow or document archiving) or field constraints (no offline mode).

Consequently, ACF decided at the end of 2014 to develop its own solution by investing 1M euros for 3 years to realize the conception of a Supply Chain management software and its roll out in the field.

### 2. Main priorities and objectives

The software is designed to address some of the main challenges of the humanitarian SCM:

- **Compliance with procedure:** data tracking from request to delivery, Log/Finance coherence, electronical validation workflow, document management, anti-fraud set up
- **Matching with field constraints:** easily deployable at base level with a real time shared view with coordination and HQ, possibility to work offline with regular synchronization, intuitive interfaces to ease user auto-training, responsive support, flexible parameters

The base level is both the area where the most part of the logistic activity is done and where the conditions are the most difficult to deploy an IS tool (infra, users, flexibility needs...). Consequently, the roll-out in countries at base level is both the main challenge to tackle and a prerequisite to catch data and documents.

Once data are properly collected in the field, the application will be able to ensure to generate reliable reporting at each level, internally for activity monitoring and logistic strategy and externally for donors and auditors.

The development is phased in **3 functional lots**:

- Lot #1 : Catalogue and procurement request
- Lot #2 : Purchase procedure
- Lot #3 : Stock and reporting

This phasing allows a progressive features roll-out in countries without waiting the full tool and distributes the effort of change management all along the project.

In terms of roll-out, the objective is to cover 80% of mission purchases (in financial volume).

### 3. LINK project achievements

#### **Software development**

The lots #1 and #2 are fully developed, including in particular the following features:

- Mission settings (organization, financial parameters, positions and roles...)
- User management and rights securing according to profile (electronical signature)
- Bridge with financial IS (SAGA in the field and Agresso ERP at HQ level)
- Catalogue
- Procurement request preparation and transmission to logistics
- Transmission of request from a site to another one, including HQPR to HQ supply centers
- Purchase dossier preparation, including the upload of all required documents
- Integrated validation workflow by all required positions (logistics, finance, technical expert...)
- Framework agreement management
- Supplier purchase order validation and editing
- Automatic control of non-over expenditure
- Offline mode deployment on local server
- Data and documents synchronization for offline bases

The lot #3 has been started in September 2017. It will be partially developed at the end of 2017 (reception, expedition, IKD and asset follow-up, dashboard per profile). ACF is currently working on action plan and research funding to pursue the development of the tool in 2018, including in particular the stock management module, a specific mode for emergency context and advanced reporting.

#### **Deployment in countries**

After a 4 month pilot, the first lot has been progressively rolled-out in countries.

Today, the lot #1 is deployed in all ACF-FR and ACF-US missions (31 countries + 1 regional office), including **18 countries** fully rolled-out at coordination and bases level. The remaining countries use the tool only at capital level.

This represents **90 sites** in the field and more than **700 users**. Among these sites, 12 are not able to work online and has equipped with a local server, regularly synchronized with the central data base.

After one year of use by missions, more than **40 000 procurement request lines** has been prepared and sent to logistics department in LINK.

This successful deployment has been relied on customized methodology and supports (videos and documents) promoting a progressive ownership by users in the field and mission empowerment.

The roll-out of Lot #2 will start in September 2017 by developing new type of supports (i.e. webinars) to enforce the mission autonomy in Link deployment and focus HQ support on major issues.

#### **Focus on a major achievement: the humanitarian supply chain catalogue**

A major feature developed in the lot #1 is the “Humanitarian Supply Chain Catalogue”. This Catalogue is fully designed to meet the humanitarian project needs and respond to both objectives:

- Help requesters in their procurement request preparation: select the right item, fill properly its specification, packaging and price and send complete requests to Logistics
- Standardize the data in order to ensure a proper and efficient logistic process, track the items managed at all supply chain steps and capitalize on purchase history

To ensure the standardization of references, ACF has designed a unique central catalogue shared with all missions. To be usable in various humanitarian contexts, the catalogue articulates several concepts:

- **1500 generic items** constitute the basis of the catalogue
- **1000 specific items** complete these generic with particular products (recommended products, high technical specifications, humanitarian or ACF standards, drugs, kit...)
- Logistics and technical advisors intervene in the item sheet writing
- Missions have the possibility to customize item sheets with **local information**
- Display of **price history** in a country or stock status
- Navigation and order in “**Amazon like**” way

After 1 year of use by missions, more than 40 000 purchase requests have been entered from the Catalogue, covering various domains both logistics and technical programs. This significant return of experience validates the relevance of the Catalogue to meet the humanitarian specific needs.

#### 4. Opportunities for an inter-NGO SCM platform

From the beginning of the project, ACF has been sharing information about the tool progress. Several demo has been done to humanitarian players (NGOs, Global Log cluster cell, donors, foundations) and the tool has been made available to several NGOs for testing.

After having experimented the software, several organizations study the possibility to use it:

- Medair and Handicap International and Solidarités Internationales for their missions;
- Global Log cluster cell sees in the Catalogue a possibility to standardize its service offer and ease the support request management.

A use by several organizations could open opportunity of cost mutualization, in particular for data hosting, technical maintenance and development of advanced features. Moreover, the catalogue open broader possibilities for references standardization that could be shared within the humanitarian sector and facilitate interactions and resource sharing.

Consequently, ACF is currently working on 2 axes:

- Complete the financing plan to finish the development of the tool and ensure the supply chain coverage including stock, delivery and project reporting. The tool finalization is a pre-requisite to prepare the opening to other organizations;
- Launch a feasibility study to find the partnership model(s) suited with our specific context and estimate its/their costs and prepare the next steps.