



Standard Project Report 2015

World Food Programme in Ukraine (UA)

Logistics Cluster Support to the Humanitarian Response in Ukraine

Reporting period: 1 January - 31 December 2015

Project Information	
Project Number	200821
Project Category	Single Country Special Operation
Overall Planned Beneficiaries	N/A
Planned Beneficiaries in 2015	N/A
Total Beneficiaries in 2015	N/A

Key Project Dates	
Project Approval Date	March 10, 2015
Planned Start Date	March 01, 2015
Actual Start Date	April 14, 2015
Project End Date	June 30, 2016
Financial Closure Date	N/A

Approved budget in USD	
Food and Related Costs	N/A
Capacity Dev.t and Augmentation	2,109,956
Direct Support Costs	825,124
Cash-Based Transfers and Related Costs	N/A
Indirect Support Costs	205,456
Total	3,140,536

Commodities	Metric Tonnes
Planned Commodities in 2015	0
Actual Commodities 2015	0
Total Approved Commodities	N/A

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COUNTRY OVERVIEW



Country Background

Ukraine is a lower middle income country with a population of 45.6 million, ranked 81st of 188 countries in the 2015 Human Development Index. With regards to the Millennium Development Goals (MDGs), Ukraine has managed to achieve certain progress in reducing absolute poverty, ensuring access to primary and secondary education, improving maternal health and reducing child mortality. Despite the progress achieved, poverty persists: education quality causes discontent in society; the scale of HIV and AIDS and Tuberculosis spread has grown substantially; and environmental problems have become acute. Ukraine has a GII value of 0.286, ranking it 57 out of 155 countries in the 2014 index. No progress in gender disparity reduction has been achieved and a significant income gender gap remains.

As a food surplus nation, food availability is not a concern in most of the country. Ukraine has a strong agricultural sector and is one of the world's largest grain exporters. Its diversified economy includes a large industrial sector producing heavy duty and aerospace equipment. However, underdeveloped infrastructure and transportation have hampered economic growth in recent years. In addition, recent political and economic constraints continue to threaten food security in affected areas. The Ukrainian economy is currently undergoing a crisis with the decline of Gross Domestic Product (GDP) growth rates, decrease of foreign investments, increase of government debt, and the significant devaluation of its national currency.

It is against this background that unrest in Ukraine began in late 2013, when civil protests brought about the dismissal of the former leadership. In April 2014, tensions escalated with non-state armed groups in the Donetsk and Luhansk regions (collectively called the Donbas) of eastern Ukraine. Fighting between the Ukrainian authorities

and anti-government entities in the eastern part of the country has affected an estimated five million people in the conflict areas.

Social services in the conflict areas are severely weakened and the much needed rehabilitation of infrastructure, human capacity and economic, social and legal resources remain unaddressed. The government does not have the capacity to carry the burden of hundreds of thousands of displaced people: families, children, those with special needs and specific vulnerabilities. The service delivery and economic stability of residential communities hosting displaced people is severely strained and is leading to additional tensions.

Consumer prices are growing at a faster pace than household income, limiting a family's purchasing power and general access to food. Food prices are increasing at a time when household incomes are impacted by substantial unemployment and a reliance on savings. Resulting economic constraints continue to threaten food security at household level in conflict-affected areas.

Although food insecurity is highest in non-government controlled areas and across the contact line, it is of increasing concern in areas of high concentration of internally displaced people (IDP) as coping strategies among both the IDP population and the host communities are exhausted. Since the onset of emergency, the cost of living has significantly increased across Ukraine: the food basket cost was 41.7 percent higher in July 2015, compared with July 2014. In non-government controlled areas, this situation was further compounded by a ban on commercial supplies of food and medicine and restricted humanitarian access.

Summary Of WFP Assistance

Under the current Emergency Operation (EMOP 200765) launched in November 2014, WFP provided food assistance to IDPs, returnees and residents in the conflict-affected eastern Ukraine, providing standardized monthly food entitlements and cash-based transfers. Beneficiaries receiving the cash-based transfer using the voucher modality were entitled to receive 450 UAH per month (approximately USD 20). Recipients of the food parcels received pasta, fortified wheat flour, beans, canned meat and fish, sugar, iodized salt and fortified vegetable oil. Over 350,000 individuals among the most vulnerable IDPs, returnees and resident population received WFP food assistance, either in-kind or through cash-based transfers.

The operation covered two oblasts affected by the conflict: Donetsk and Luhansk. The use of either the voucher or in-kind modality of assistance depended upon the context specific needs, considering the degree to which an area was affected by the conflict. To identify the most suitable form of assistance, WFP determined three context specific challenges: 1) areas of active conflict where residents were trapped, 2) areas recently re-taken by the government with fluid population movement, and 3) areas controlled by the government receiving IDPs. WFP provided support to 7,000 people in orphanages, hospitals and other institutions in government controlled areas.

The Logistics Cluster aimed to coordinate overall humanitarian logistics activities in order to facilitate the delivery of life saving humanitarian assistance to affected populations in eastern Ukraine. The humanitarian logistics operation faced a number of challenges, which resulted in severe gaps which impeded the timely delivery of life saving relief items. The primary gap identified was limited or no access to affected populations, as damaged infrastructure, ongoing conflict and a volatile security situation restricted humanitarian staff movement and the transportation of cargo.

The Special Operation through the Logistics Cluster assisted all humanitarian agencies and cooperating partners (CPs) with coordination and information management which focused on the identification of logistics bottlenecks and provision of a forum for humanitarian actors to address challenges. Regular well-attended coordination meetings were conducted in Kiev and at field level in Donetsk. The Logistics Cluster provided 96 percent of the transport and storage services to partners involved in the humanitarian response, in addition to facilitating and processing complex government paperwork requirements.

The Logistics Cluster provided in-depth information management services, which contributed to improved efficiency for the logistics response to the operation. Roads and access points to the non-government controlled areas were continuously assessed and monitored, with the results presented in a road access constraints map.

WFP coordinated closely with major humanitarian actors and worked with local authorities in both government and non-government controlled areas. Local authorities provided beneficiary lists and advised on geographical coverage to avoid duplication. WFP coordinated with the State Emergency Services (SES) of Ukraine, the Ministry of Social Policy, United Nations agencies and the International Committee of the Red Cross (ICRC). Moreover, WFP fostered collaboration at the provincial-municipal level, which further eased the work of CPs.

Beneficiaries	Male	Female	Total
Children (under 5 years)	9,595	9,085	18,680
Children (5-18 years)	17,703	17,896	35,599
Adults (18 years plus)	112,375	174,455	286,830
Total number of beneficiaries in 2015	139,673	201,436	341,109

Distribution (mt)						
Project Type	Cereals	Oil	Pulses	Mix	Other	Total
Single Country EMOP	0	0	0	0	4,803	4,803
Total Food Distributed in 2015	0	0	0	0	4,803	4,803

OPERATIONAL SPR

Operational Objectives and Relevance

The Logistics Cluster in Ukraine aimed to: 1) implement coordination and information management activities to enhance the predictability, timeliness and efficiency of the humanitarian logistics response; 2) consolidate feedback from humanitarian actors in the logistics sector concerning critical constraints, and ensure that advocacy efforts at the Humanitarian Country Team (HCT) level reflected these issues; 3) implement limited transport and storage services to assist humanitarian logistics actors in overcoming operational limitations.

All Logistics Cluster activities were focused on working with partners in the humanitarian logistics community to: identify critical limitations on logistics operations (gaps in available logistics capacities or bottlenecks restricting the ability of humanitarian actors to quickly and effectively deliver aid); provide a forum for humanitarian actors to discuss means to address these challenges; implement agreed upon solutions where possible; and collectively advocate for action at the HCT and political level where necessary to overcome specific issues.

The Logistics Cluster, in close cooperation with the HCT and UN OCHA sought to communicate the constraints to both the government and local authorities, to implement required processes and overcome logistical bottlenecks, to improve efficiency of humanitarian access.

Storage for stakeholders was managed by the Logistics Cluster on both sides of the contact line, in Dnipropetrovsk for the consolidation of cargo, before being forwarded to the common warehouse in Donetsk.

Results

Story Worth Telling

The conflict in Eastern Ukraine led to the internal displacement of millions of people. Displacement and prolonged conflict exacerbated the needs of already impoverished communities, under-budgeted state hospitals and schools.

Despite the vast humanitarian presence, delivery of aid was not an easy task. Humanitarian actors were denied access to the most vulnerable people who stayed in the East, not being able to leave the non-government controlled area. When access was granted, the onset of winter in Ukraine resulted in extremely harsh road conditions, with snow and ice challenging the movements of the humanitarian convoy. The Logistics Cluster staff took measures, such as vehicle preparation, snow clearance and storage adaptation to mitigate against the negative effects of the below freezing temperatures.

WFP humanitarian convoy trucks were stuck in isolated areas halfway to their destination due to heavy snowfalls or ongoing and erratic exchanges of fire and shelling at night in locations along the contact line. The Logistic Cluster team together with truck drivers had to find a way to clear the road to move before dark or find a local shelter for the night.

With the onset of winter, nights became longer and United Nations personnel were not authorized to travel after dark. On one occasion, a convoy of 34 WFP trucks were stuck at a check-point, as new procedures had been introduced but not communicated with the humanitarian community. Despite frost and safety concerns, the WFP Logistics Cluster professionally dealt with checkpoints' commanders, managed to process necessary documentation and cross the contact line in time. The Logistics Cluster was responsible for facilitating all humanitarian deliveries across the contact line, with the last convoy in 2015 crossing the contact line on 28 December.

Outputs

The humanitarian logistics operation in Ukraine faced a number of challenges in 2015, resulting in severe logistics gaps which restricted the ability of humanitarian actors to quickly and effectively deliver aid. The overall gaps identified included: limited or no access to affected populations, damaged infrastructure, and an ongoing conflict and a volatile security situation.

Overall the number of agencies and organizations using coordination and logistics services was lower than expected. Many humanitarian organizations in Ukraine were denied access to deliver or to distribute humanitarian aid in the non-government controlled areas of Luhansk and Donetsk. Therefore, the Logistics Cluster could only

facilitate the delivery of cargo for a limited number of organizations who were eligible to operate in the Eastern conflict area.

The Logistics Cluster assisted humanitarian agencies and partners working in Ukraine by: Establishing a coordination forum; Providing administrative support to address key challenges; Implementing information management activities to share knowledge, experience, and expertise; Acting as a channel for advocacy at the HCT and political level; and Implementing and managing common logistics service to overcome specific operational challenges.

Regular, well-attended coordination meetings were conducted in Kiev and at the field level in Donetsk; the number of meetings held exceeded initial expectations to accommodate demand from partners and meet the needs of a highly dynamic context. Through these meetings the Logistics Cluster consolidated experience and information concerning operational limitations and constraints in Ukraine and provided: updated details on cargo transport procedures; information on the status of access and infrastructure; information on the availability of, and the process to access the logistics services made available through the Cluster.

Logistics Cluster staff provided critical administrative support to partners for completing, processing, and registering all paperwork required to obtain permission and arrange the movement of humanitarian cargo into eastern Ukraine. To ensure this support was consistently available and was effective, Logistics Cluster staff engaged in a continuous process to review, update, and consolidate the latest procedural and documentary requirements from national and local authorities concerning the movement of humanitarian cargo. Regularly updated procedures and paperwork, reflecting these constantly changing statutory requirements, were shared with partners throughout the year. Direct support to meet these requirements was consistently available from Logistics Cluster staff.

The Logistics Cluster staff produced more information management products than planned as a result of the volatile and constantly changing environment. The products produced and shared included bulletins, guidance documents, and other logistical information. Roads and access points to the non-government controlled areas were continuously assessed and monitored, the results of which were presented in an Access Constraints Map made publicly available. Additionally, the Logistics Cluster, in cooperation with the humanitarian community, assessed the viability of alternative transport options, such as use of the rail system or port transportation.

The Logistics Cluster further worked with partners to identify critical limitations and constraints on logistics operations that could not be mitigated through sharing information and experience, or implementation of services. These issues were then highlighted and raised, in close cooperation with OCHA and the HCT, to both government and non-government authorities.

Finally, the Logistics Cluster facilitated the implementation of limited transport and storage services in eastern Ukraine to meet operational constraints and challenges where appropriate. Overall, more cargo was dispatched than had originally been planned, as deliveries were increased to meet urgent needs for construction materials, medicine and WASH items toward the end of the year. However, while the quantity of cargo stored and transported exceeded expectations, and the percentage of requests completed was concurrent with Logistics Cluster standards and experience from other operations, the Logistics Cluster was not able to complete all requests made by partners. Intermittent constraints imposed by local authorities in non-government controlled areas, and legal limitations imposed on WFP (covering a three-month period from July to October) severely restricted access for almost all humanitarian convoys and resulted in operational delays for the entire humanitarian community in Ukraine.

Specifically related to the implementation of temporary storage services, the Logistics Cluster had initially planned to make storage space available in Dnipropetrovsk (to consolidate cargo prior to delivery), and in Donetsk and Luhansk (for cargo consolidation prior to distribution). However, as no requests from humanitarian actors were received asking for storage of cargo in Luhansk, only two of the three planned warehouses were established, one in Dnipropetrovsk and one in Donetsk.

Concerning the implementation of transport services, the Logistics Cluster had initially planned to make transport available through a dedicated fleet of trucks. However, this was ultimately unnecessary as a transport company was identified and contracted that was capable of providing trucks as needed to meet the demands for each convoy arranged. As a result, rather than having a fixed number of trucks available for the duration of the project, the sum of all trucks used from each convoy has been reported.

Output	Unit	Planned	Actual	% Actual vs. Planned
SO1: Special Operation (Cluster)				
Cubic meters of cargo transported	m3	3,305	4,823	145.9

Output	Unit	Planned	Actual	% Actual vs. Planned
Number of agencies and organizations using coordination and logistics services	agency/organization	30	24	80.0
Number of cluster coordination meetings conducted	instance	24	32	133.3
Number of information management products produced and shared, including bulletins, maps, guidance documents, and other logistics information	item	57	64	112.3
Number of mobile storage tents/units made available	unit	3	2	66.7
Number of trucks made available	truck	10	144	1,440.0
Percentage of logistics service requests fulfilled	%	85	73	85.9
Quantity (mt) of cargo transported	Mt	1,947	2,862	147.0

Outcomes

The Logistics Cluster operation resulted in tangible outcomes and performance gains for the humanitarian logistics community in Ukraine. The practical structure of the Logistics Cluster operation was sensible, flexible and proved to be suitably sized to meet the needs of the overall humanitarian intervention. The structure consisted of the main coordination team based in the capital, a cargo consolidation base close to the contact line in the city of Dnipropetrovsk, and two field locations within the area of operation at the final delivery points in Donetsk and Luhansk.

A primary outcome of the Logistics Cluster's activities in Ukraine has been to bring a measure of stability, and therefore improve the overall predictability of the humanitarian logistics response. By establishing a reliable coordination forum of known competencies and capacities, the humanitarian community has been given access to a dedicated venue for collaboratively addressing new limitations and challenges in their logistics operations (meetings have been consistently attended throughout the year). By establishing and maintaining clear communications tools and information sharing mechanisms, responding organizations have had improved access to regular and coherent flows of information to support the logistics side of their operations (all consolidated information and updates have been shared online). In particular, the work of the Logistics Cluster to consistently monitor changes in the requirements for registration and movement of humanitarian cargo has mitigated the potential impact of these changes at an operational level. While it is outside the scope of any humanitarian organization, or group of organizations, to permanently fix such procedures the Logistics Cluster has been able to ensure that humanitarian organizations would have reliable access to the current procedures.

A second key outcome of the Logistics Cluster's activities in Ukraine has been its work to improve access through provision of services and administrative support. These have included accompanying trucks, coordination and provision of escorts through checkpoints, and assistance in processing customs. A flexible approach has been applied in terms of consolidated transport services, including delivery to some locations outside the scope of the Concept of Operation in order to meet specific needs for access. Similarly, with unclear storage needs, the Logistics Cluster has alternately conducted assessments, indirectly supported storage solutions, and maintained common warehousing in Donetsk, in spite of low usage, to ensure whenever possible that options remained available to address the changing needs of partners in a highly variable context.

Finally, the Logistics Cluster worked closely with the government, and in particular with the Ministry of Social Policy, to prepare simplified customs and clearance procedures, resulting in largely improved delivery times.

Sustainability, Capacity Development and Handover

Should the access situation improve considerably, the Logistics Cluster will share a list of logistics service providers with the ukrainian humanitarian actors providing assistance, allowing them to organise the delivery of humanitarian aid.

When humanitarian actors begin transporting cargo from the government controlled areas to the non-government controlled areas independently of the Logistics Cluster, support will continue to be provided to the convoys, by accompanying the trucks during their initial journeys until they have sufficient knowledge of the process and capacity to deliver services totally independent of the Cluster. As the Logistics Cluster is intended as a temporary coordination mechanism, the ultimate aim of this project is to phase out Logistics Cluster activities as the emergency phase ends. WFP will facilitate the scaling-down and exit strategy of the Logistics Cluster as soon as the operational situation normalizes to the point where extraordinary inter-agency structures and services are no longer required. It is expected, as the security situation stabilizes and more commercial transport and storage options become viable, that those organizations currently utilizing Logistics Cluster services will be able to put into place their own warehousing and transport options, with WFP continuing to support with the paperwork during the transition phase. As required, WFP could provide logistics services on either a partial or full cost-recovery basis.

Management

Partnerships

The Logistics Cluster, since its activation in April, has consistently worked with partners (NGOs and United Nations) in the humanitarian logistics community. Overall coordination and liaison has involved 12 national NGOs, 23 international NGOs, 10 UN agencies, and with the Red Cross and Red Crescent Movement; and of these, 24 organizations have used logistics services made available through the Logistics Cluster.

The Logistics Cluster has led regular coordination meetings, attended by humanitarian logistics staff, with the purpose of defining the logistics response strategy and outlining the operational activities in response to the common logistics needs identified by the meeting participants. The Logistics Cluster staff worked consistently to ensure that all participants in the coordination meetings could have a voice in strategic decision taking and operational planning.

Information gathering and sharing with all partners was facilitated by the Logistics Cluster's participation in inter-agency, security and coordination meetings; in addition, liaison with government and military counterparts allowed for sharing information obtained within the humanitarian logistics community. The Logistics Cluster further arranged and participated in inter-agency meetings at field level with humanitarian agencies and with local governmental institutions.

In addition to its partnerships within the humanitarian logistics community, the Logistics Cluster also productively engaged in discussions with the Ministry of Social Policy (to facilitate movement of humanitarian cargo), liaised with the Fiscal Service (in support of the same objectives), worked with humanitarian Civil-Military Coordination (CIMIC) structures, and in the course of escorting convoys of humanitarian cargo, has had regular interactions at checkpoints with military staff in the field. In addition, in the non-government controlled field locations, the Logistics Cluster, in close collaboration with OCHA and other humanitarian actors, developed essential partnerships with local authorities. These partnerships have been essential to the effectiveness of humanitarian convoys escorted by Logistics Cluster staff, allowing cargo delivery to be implemented in the most efficient manner feasible.

The Logistics Cluster has worked with partners, in order to pass on knowledge, experience, and information on available logistics services in Ukraine.

Lessons Learned

The Logistics Cluster operation in Ukraine has worked to identify and address logistics gaps and bottlenecks, developing and implementing appropriate response mechanisms from the outset, based the experience of our staff and on lessons learned from previous cluster operations. The Logistics Cluster has anticipated and reacted to factors that could have affected operational activities, such as, harsh winter conditions and changing regulations and bureaucratic requirements (heavy paperwork required for humanitarian cargo registration and complicated procedures for transportation initiated by check-point and military personnel).

At the beginning of operations, trucks were regularly stopped by military personnel on the service routes, and by the Fiscal Service at the checkpoints. In response, the Logistics Cluster established a cooperation mechanism, which included notifying CIMIC regarding upcoming convoys. Military personnel, being made aware of the convoy in advance, no longer stopped trucks on their way to assembly points. It was further agreed with the Fiscal Service that an email would be issued sharing the details of the cargo to be transported, dates, route of the convoys and contacts of the Logistics Cluster personnel accompanying the convoy to facilitate proper notification of Fiscal Service representatives at check-points and the central office, enabling all concerned to identify and solve issues before the convoy was on the move. To support this action, before every convoy the Logistics Cluster issued a letter to OCHA, who in turn notified the office of the Vice Prime Minister of the updated itinerary for upcoming inter-agency humanitarian convoys and the composition of the cargo to be transported. These pre-convoy notification mechanisms proved very effective, allowing humanitarian convoys faster and easier passage.

At the onset of winter, after several delays for convoy movement caused by low temperatures, bad road conditions, ice and snow, the Logistics Cluster established an internal response mechanism for proper reaction. This included the preparation of trucks and armoured vehicles accompanying the convoys, and contact of the Emergency Services in cases of snowstorms and heavy snowdrifts for clarification of safe road access.

During the course of the operation, the Logistics Cluster noted that there were periods where fuel availability in Luhansk was limited and fuel deliveries were interrupted. In response, the Logistics Cluster purchased jerry-cans for distribution among the humanitarian community to hold diesel and gasoline fuel reserves if required. WFP will continue to maintain a contingency stock of fuel in case of future fuel shortages.

For humanitarian actors to be kept up-to-date on the recent and evolving developments, the Logistics Cluster developed a consistent and well-run information management function. This function shared logistics updates on the dedicated website and through the production of a stakeholder email list. However, it was limited in scope and efficiency of information delivery. To address this, the Logistics Cluster staff introduced a dedicated Skype group for the humanitarian logistics community; enabling information exchange in a more efficient manner than could be achieved using email or document sharing through the website. In a fast changing environment, this improved method of communication was well received by the humanitarian community.