EUROPEAN
COMMISSION

Brussels, 27.5.2026
SWD(2026) 314 final

COMMISSION STAFF WORKING DOCUMENT

on Humanitarian Supply Chains

Accompanying the document

JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

Defending values, driving reform, delivering impact: the EU's humanitarian action in a shifting global order

{JOIN(2026) 25 final} - {SWD(2026) 312 final} - {SWD(2026) 313 final}

Introduction

Humanitarian supply chains are the **backbone of humanitarian assistance, accounting for a large part of humanitarian spending**. In the current context of reduced humanitarian funding, **more cost-effective supply chains will help to save more lives**. As highlighted in the Joint Communication *'Defending values, driving reform, delivering impact: the EU humanitarian action in a shifting global order'*, **a new model of humanitarian supply chains** is therefore necessary. The EU is committed to bringing forward this reform to make humanitarian supply chains **more efficient, effective, environmentally sustainable and resilient**.

Humanitarian supply chains ensure that communities in need have access to the right relief items, of the right quality, at the right time, in the right place and at the right cost. In operational terms, **humanitarian supply chains encompass the end-to-end system that sources, procures, transports, stores, and delivers relief goods and services to crisis-affected populations**. Their performance directly shapes the timeliness, scale, cost-effectiveness, relevance, and environmental footprint of humanitarian action.

Humanitarian supply chains form a complex, **multi-actor ecosystem** rather than a linear pipeline. They operate through **distinct streams** reflecting the market conditions relevant to delivering specific relief goods and services. Across these diverse supply chains there are, nevertheless, common structural features that define the current supply chain model.

The **operating environment of humanitarian supply chains has become increasingly complex and volatile**. Climate change-related and other natural disasters are growing in frequency and severity. Protracted conflicts and geopolitical tensions disrupt trade routes, markets, and regulatory regimes. Inflationary pressures affect transport and commodity markets. These dynamics are exposing structural fragilities within the current supply chain system. Amid soaring needs and diminishing funding, the existing supply chain model is no longer adequate.

Over time, **humanitarian organisations have developed largely parallel supply chains leading to fragmentation and unnecessary duplication**, thus constraining operational efficiency. This is reflected in uncoordinated procurement processes, incompatible digital systems, limited visibility over aggregate demand, as well as parallel warehousing and transport arrangements. Siloed and reactive approaches slow delivery, reduce efficiency and limit local actors' capacity to respond.

The **diversity of the humanitarian system** reflects differences in mandates, expertise and comparative advantages. This helps to ensure the coverage and resilience of the system. However, this plurality does not preclude alignment, interoperability and coordinated governance where collective efficiency can be achieved. Improving coherence means breaking down structural barriers. These include policy misalignment, operational fragmentation, insufficient collaboration and accountability mechanisms, rigid funding and compliance frameworks, as well as the limited visibility and comparability of data.

Humanitarian supply chains account for an estimated **60–80% of total humanitarian spending worldwide**, from procurement to final delivery ([1]). Optimising this expenditure leads to efficiency gains that unlock resources that can increase the impact of humanitarian aid for

[1] European Commission, Directorate-General for European Civil Protection and Humanitarian Aid Operations (ECHO) Thematic Policy Document: *Humanitarian Logistics Policy*, 2022 https://ec.europa.eu/echo/files/policies/sectoral/humanitarian_logistics_thematic_policy_document_en.pdf

affected populations. Humanitarian organisations have until now made valuable efforts to improve the functioning of supply chains. Well-designed initiatives to improve **cooperation** have, however, often struggled to reach critical mass or achieve systemic interoperability. Isolated gains do not substitute coordinated transformation. Without reform, financial and operational pressures are likely to continue to erode the capacity of the humanitarian aid system to respond effectively.

Reforming the supply chain model offers a significant opportunity to increase cost-effectiveness, security of supply, environmental sustainability and resilience. The transformation needed is not a technical adjustment but a **paradigm shift**: supply chain functions should be recognised as strategic enablers of humanitarian impact rather than as mere support services.

In this context, in December 2024, the European Commission launched the **Humanitarian Leadership Group on Supply Chain** (HLGSC), gathering donors, UN agencies, the Red Cross and Red Crescent Movement, non-governmental organisations (NGOs), private sector representatives and academia to advance a more strategic and collaborative approach to supply chains ([2]).

The discussions in the HLGSC resulted in increased recognition of the need to reform the humanitarian supply chain system, as reflected also in global processes such as the **Humanitarian Reset** and the **UN80** Initiative. Recognising supply chains as one of the strongest levers for value for money, these initiatives aim to move towards streamlined and harmonised humanitarian supply chains, common and shared services, joined-up data and flexible funding. Joined-up humanitarian procurement across - and beyond - the UN system has the potential for major cost savings as well as efficiency gains and should be pursued further. In particular, building on the **Humanitarian Compact**, the UN is advancing a joint initiative led by its Department of Operational Support, the World Food Programme, and UNICEF to establish a more integrated humanitarian supply chain system that is faster, more predictable, and closer to affected populations ([3]).

In line with the Joint Communication, this Staff Working Document further develops this new vision for the humanitarian supply chain model, including the key features and objectives of the reform process, as well as the EU's actions to support it.

The reform process presented in **this document reflects the outcome of the work done in the context of the HLGSC** on the basis of the shared recognition of the need for an urgent change. **Bringing this reform successfully forward is a collective endeavour and responsibility of the humanitarian stakeholders.**

1. A new vision for the supply chain model

There is a need to move from largely disconnected supply chains to a functionally integrated network that is capable of delivering greater impact. The **HLGSC,** launched by the European Commission, endorsed a vision for **a new working model** for humanitarian supply chains: a

[2] Humanitarian Leadership Group on Supply Chain: *Conclusions of the High-Level Conference on Supply Chain*, 10 December 2025; https://ec.europa.eu/echo/files/partners/high_level_conference_final_conclusions.pdf *Report on Thematic Workshops*, https://ec.europa.eu/echo/files/partners/report_on_the_outcome_of_the_supply_chain_thematic_workshop.pdf

[3] United Nations, UN80 Initiative - Shifting Paradigms: United to Deliver. Report of the Secretary-General, 2025 https://www.un.org/un80-initiative/sites/default/files/2025-09/UN80_WS3-1_250921_1238.pdf

collaborative and coherent network, multiplying impact through alignment, interoperability, and use of data, and maximising the use of joined-up platforms and coordinated operations.

The overarching goal of the new model is **a system that works better for people** - delivering assistance faster and more predictably, and in ways that strengthen local capacities and resilience, in line with the principles of humanity, impartiality, neutrality, and independence.

The main elements of **the new model developed by the HLGSC** and the measures for its implementation are explained below.

*1.1. **Overall architecture: a network model***

A **network architecture** would allow humanitarian organisations to remain autonomous while integrating selected supply chain functions where this generates measurable added value. Coordination would focus on core supply chain components such as procurement contracting (including framework and long-term agreements), transport contracting, market analysis, logistics arrangements, demand planning, data analysis and market intelligence.

The HLGSC concluded that reforming humanitarian supply chains should be a **whole-of-system process**. This means balancing the value of pluralism among humanitarian actors, regardless of their size, with the need for greater integration, while respecting diverse mandates, roles and capabilities, and the specific contexts of humanitarian operations. In such a collaborative network model, collective accountability is central to ensure that relief goods and services reach final beneficiaries in a safe manner.

*1.2. **Principles***

The new collaborative network model rests on three **interdependent principles**: alignment, interoperability and structured use of data.

- **Alignment** across policy frameworks, operational practices, digital standards and accountability mechanisms is a precondition for effective collaboration and enhanced collective accountability. Policy alignment reduces inconsistencies in procurement rules, environmental sustainability criteria and compliance requirements that currently limit coordinated planning. Harmonised approaches in areas such as product specifications and quality standards (where appropriate) and performance metrics enable the interchangeability of goods and aggregation of demand. The development of common key performance indicators (KPIs), common reporting taxonomies and mutually recognised procedures further enhances transparency and accountability. Greater alignment would contribute to the overall simplification efforts promoted by the European Commission.

- **Interoperability**, which is made possible by alignment, enables heterogeneous supply chains to function as a collaborative network at both strategic and operational levels. This reduces the need for uniform technological platforms, while facilitating them considerably in key instances. Functional connectivity is achieved through open and shared data standards, interfaces and agreed taxonomies. As a result, organisations can aggregate demand, improve forecasting, increase inventory visibility and coordinate transport planning.

- **Structured use of data,** notably shared metrics and harmonised datasets, enables performance benchmarking, improve visibility of stocks and bottlenecks (e.g. supplier

shortages or customs issues), and support predictive modelling and anticipatory action. Data becomes a strategic asset supporting evidence-based decision-making and resource optimisation at network level.

These principles reinforce one another: alignment facilitates interoperability; interoperability enables structured data exchange; and the structured use of data enhances decision-making.

This collaborative network approach also strengthens **resilience and security of supply**. It supports regional production capacity and supply chains, improved stockpiling strategies, the mapping of critical dependency, and coordinated risk management. Potential disruptions affecting one node can be planned for and mitigated notably through alternative supplies, and where applicable, through shared stocks or coordinated surge capacity. Coordinated demand reduces exposure to market volatility. A collective visibility enhances risk management and compliance oversight. Measures promoted by the EU to strengthen security of supply in the international humanitarian context are also compatible with the requirements of the EU internal market and the EU's strategic autonomy.

The need for humanitarian aid, which is particularly acute in **fragile contexts**, cannot be addressed without a functioning supply chain ([4]). Yet, supply chains can quickly be disrupted in fragile contexts, thus creating a vicious circle worsening the vulnerability of people in need, including by increasing the risks of diversion of aid in the procurement and delivery of relief items. A more efficient, effective, environmentally sustainable and resilient supply chain system can make a significant contribution to addressing the various aspects of fragility including by supporting the functioning of local markets and their ability to withstand shocks. Better preparedness of the supply chain, with greater focus on localisation, is key to strengthening resilience, including by ensuring proximity to needs and by empowering local actors.

1.3. Collaboration as the default way of working

Wherever possible, **collaboration** should become the **default** way of managing humanitarian supply chains. Collaboration may take several forms. These include mutualisation of resources and procurement functions, joint and interoperable contracting mechanisms, shared services, pooling of logistics assets such as warehousing and transport, and mutual recognition across supply and logistics systems. Moving from ad hoc cooperation to structured collaboration enables a greater scale of operations, reduces duplication and strengthens collective resilience.

The collaborative model is multi-actor by design. It brings together **humanitarian, development, private sector and academic actors, and the media** as strategic partners, at global, regional and national levels, through common efforts and collective accountability.

- **Humanitarian organisations** (UN, Red Cross and Red Crescent Movement, local and international non-governmental organisations) are the key operational actors in the system, in full respect of their specific nature, role and mandate. In a networked model, they can strengthen complementarity, thus increasing the cost-effectiveness of their operations.

- **Donors** have a critical role to play in reforming supply chains. Collaboration between donors should be strengthened to promote greater alignment as regards compliance and regulatory approaches, as well as funding priorities to support supply chain reform.

[4] Staff Working Document on An Integrated Approach to Fragility, *SWD (2026) 313*

Donors can reduce fragmentation and incentivise collective approaches through the alignment of compliance frameworks, the harmonisation of reporting requirements (where legally feasible), and by integrating supply chain considerations into funding instruments, including investments in strategic capacity and digital at both organisational and network levels.

- The **private sector** is a strategic partner beyond contract transactions and should be engaged in co-designing system-wide transformation, in full respect of humanitarian principles. The humanitarian supply chain uses private sector supply chains for a large proportion of its work. This engagement should go beyond funding. There is scope to expand the role that private philanthropy plays, notably in supporting the development of expertise, technological investments and systems.

- **Academia** contributes to evidence-gathering, benchmarking methodologies, predictive modelling, and independent performance assessments, thereby strengthening collective learning and accountability.

In line with the **people-centred and inclusive** humanitarian response advocated for in the Joint Communication, the inclusion of **affected communities** in the implementation of the new supply chain model would improve the way aid is planned, delivered and monitored, with a view to better addressing affected communities' diverse needs.

In this context, **the press, media and influencers** play a role in depicting humanitarian crises and prevent them from being forgotten. Information manipulation, including disinformation, is also part of the communication challenge which needs to be carefully analysed.

1.4. Enabling conditions

Making this vision a reality depends on several enabling conditions.

Supply chain considerations should be integrated into the **strategic and planning decision-making of humanitarian organisations,** and should be embedded in organisational planning, budgeting and governance processes, rather than being treated solely as support functions.

Professionalisation is essential to securing the highly skilled and adaptive workforce needed to advance the reform of humanitarian supply chains. Competency frameworks, sector-wide performance indicators, and the structured development of people's skills improve capacity and accountability.

Supply chain reform requires **flexible and inclusive funding models**, where supply chain costs, including those related to digitalisation and environmental sustainability, are recognised as essential programme expenses. Innovative and financially sustainable funding mechanisms should move towards greater predictability, and to multiannual structures that support long-term investment, and should be aligned with preparedness and localisation objectives. Greater resilience can be promoted by basing financing on forecasts, and by making the costs of preparing the humanitarian response eligible for funding. At the same time, duplication and administrative burdens can be reduced by harmonising compliance requirements across different donors. The operational expression of this vision lies in **joined-up approaches and coordinated platforms**. Humanitarian stakeholders operating within a collaborative network will be better positioned to deliver assistance more rapidly, predictably and efficiently, thus reaching more people with available resources.

International humanitarian law requires that parties to a conflict allow the unimpeded passage of humanitarian relief. However, in contexts where access constraints and attacks on

humanitarian actors are increasing, **humanitarian diplomacy** has a key role to play in ensuring that humanitarian supply chains can work effectively to bring assistance to people in need ([5]), for example by helping to enhance cooperation on emerging operational and administrative barriers, such as preventing entry of essential humanitarian items.

2. Transforming the humanitarian supply chain

Five core areas have been identified to transform the current model of humanitarian supply chains: **procurement, environmental sustainability, digitalisation, preparedness and localisation**. In line with the HLGSC work, reform should address all these aspects, as well as their interdependencies. This process will require concerted efforts from humanitarian stakeholders, according to their respective role and mandate. The EU has already been supporting this transformation across various areas, including through dialogue with humanitarian stakeholders and by means of financial assistance. The Commission has made EUR 35 million available so far to support strategic and joint approaches to humanitarian supply chains, especially common services, shared services, and joint procurement, focusing on initiatives that have the potential to increase cost-effectiveness and are scalable.

*2.1. **Procurement***

Procurement is the **largest financial component of humanitarian supply chains**. It therefore offers significant leverage to improve efficiency and financial management, as well as the impact of humanitarian programmes. In many contexts, however, procurement is predominantly focused on purchasing rather than shaping markets or contributing strategically to operation design.

Regulatory divergence and complex donor compliance frameworks can lead to duplicate assessments and repeated audits of suppliers. This increases administrative burdens and may slow down responses. Moreover, short-term funding cycles and compartmentalised planning may weaken long-term supplier engagement and limit investment in preparedness.

Repositioning supply chains as a strategic function within the governance of an organisation allows unlocking its full potential. **Procurement should be integrated into strategic and operational decision-making**, supported by appropriate performance indicators, including gender responsiveness and embedded in operation design from the outset.

System-wide cooperation - through mutual recognition, the structured exchange of information and greater alignment of compliance frameworks - can streamline processes and responses. Strategic category management, harmonised specifications and shared market intelligence enhance organisations' purchasing leverage and promote market stability. Joint frameworks and contract piggybacking reduce duplication of tenders and generate economies of scale ([6]). Initiatives on joint procurement between humanitarian organisations or joint procurement procedures play an important role. Standardised specifications for relief items can improve quality control and promote the interchangeability of items. They also provide an opportunity to embed environmental requirements in procurement because economies of scale can make more environmentally sustainable items cheaper.

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[5] Staff Working Document 'A strategic approach to EU Humanitarian Diplomacy'; SWD (2026) 312

[6] Contract 'piggybacking' allows an entity to use or rely on another entity's policies, procedures, system contracts, and related operational mechanisms for the implementation of activities, without further evaluation checks or approvals being required, to the greatest extent practicable.

Procurement reform is closely interconnected with environmental sustainability, digitalisation, preparedness and localisation. Its effectiveness depends on context-sensitive approaches that strengthen local markets while enabling collective efficiency. Local procurement is a key strategy for strengthening humanitarian supply chains. Sourcing goods and services locally or regionally can speed up delivery, reduce transport costs and emissions, and improve the relevance of the assistance provided to affected communities. It can also strengthen local markets and suppliers, thereby enhancing the economic recovery of affected communities, and building more resilient systems capable of responding to future crises.

The First Humanitarian Cooperative

The Humanitarian Logistics Cooperative, known as 'Hulo', was launched in 2021 by the logistics directors of nine leading humanitarian aid organisations. Hulo aims to enhance connections and solidarity between humanitarian logistics stakeholders and improve performance by pooling logistics and supply chain resources, notably joint procurement. Hulo has grown to 19 members ([7]) and is present in seven countries. It works with members and external participants – over 100 local and international organisations – to increase the impact of humanitarian aid. Since the beginning of 2023, the Commission has contributed to supporting Hulo with an amount of approximately EUR 8 900 000.

Hulo's joint procurement initiatives help all willing organisations to jointly identify the best approach towards a given market. By combining procurement expertise and purchasing power, Hulo's coordinated approach generates savings, increases the quality of procurement, and streamlines procurement processes for all participating organisations, in line with the 'coopetition' ([8]) model.

*2.2. **Environmental sustainability***

Environmental sustainability should be **integrated across humanitarian supply chains**, shifting from short-term cost minimisation to long-term value optimisation. As humanitarian actors operate at the frontline of environment and climate-related crises, minimising environmental harm avoids contributing to local pollution or resource depletion, and reduce greenhouse gas emissions, particularly in communities already highly vulnerable to environmental stress.

A substantial share of humanitarian emissions (estimates suggest up to 75%) is linked to supply chains. Within that, the majority of emissions can be attributed to procurement. Only when upstream emissions (Scope 3 emissions) are included in the calculation of a **carbon footprint** does the proportion of emissions coming from supply chains become apparent ([9]). Therefore,

[7] ACTED, Action contre la Faim / Action Against Hunger, Bioport, CARE International, Fleet Forum, French Red Cross, Handicap International / Humanity & Inclusion, International Federation of Red Cross and Red Crescent Societies, INTERSOS, International Rescue Committee, Médecins du Monde, Mercy Corps, Norwegian Refugee Council, Oxfam Intermón, Plan International, Première Urgence Internationale, Save the Children International, Solidarités International, Welthungerhilfe.

[8] 'Coopetition' is a model in which humanitarian actors cooperate in a supply chain by pooling resources to improve efficiency and reach, while remaining institutionally independent and competing for funding and visibility.

[9] Under the Greenhouse Gas Protocol, emissions are classified as Scope 1 (direct emissions from owned or controlled assets), Scope 2 (indirect emissions from purchased energy), and Scope 3 (all other value-chain emissions). In humanitarian supply chains, Scope 3 (including outsourced transport, procurement, and waste) typically represents the largest share of the carbon footprint and is therefore central to sustainable preparedness and response planning.

HLGSC called for measuring organisational-level emissions using standardised carbon accounting methodologies, in line with recognised international standards, including for Scope 1, 2 and 3 emissions.

Several barriers are hindering progress. These include inconsistent metrics, incentive structures that prioritise immediate purchase cost over lifecycle impact, insufficient planning, and limited alignment across institutions. Addressing these constraints requires clearer guidance on cost eligibility, alignment of financing, and sustained commitment from leaders.

Environmental considerations should be integrated across the entire lifecycle of goods and services, from sourcing and production to transport, warehousing, use and disposal. **Lifecycle assessments and green product specifications** should guide procurement decisions, enabling the selection of products and suppliers with a lower environmental impact. Engaging with suppliers, especially local suppliers, can contribute to promoting innovation and supporting more environmentally sustainable local procurement.

While most environmental impacts come from procurement, transport and logistics also offer significant opportunities for improvement. Modal optimisation – prioritising sea freight where feasible – together with **strengthening the pre-positioning** and **mutualisation of warehousing** and transport assets can reduce emissions while containing costs. **Sustainable energy solutions** for field operations and storage facilities further enhance both environmental performance and operational resilience. In addition, as regards the waste produced by humanitarian responses, recognising – as the EU does – that **sustainable waste management** is an eligible programme expenditure helps ensure that waste management is not sidelined in emergencies. In that context, particular attention needs to be paid to circular economy measures and **waste reduction at the source**, notably by reducing packaging and making it as sustainable as possible.

Environmental and social sustainability should not be viewed as competing with humanitarian effectiveness. Sustainable logistics and optimised supply chains can generate cost savings while lowering environmental and social impact. Moreover, environmentally sustainable procurement that stimulates local markets supports the localisation and resilience of affected communities, reducing dependence on long-distance transport.

Grounded in standardised measurement, lifecycle integration and operational optimisation, environmental reform strengthens both environmental performance and humanitarian impact.

Environmental sustainability in humanitarian supply chains: the WREC Coalition ([10])

The WREC Coalition works to reduce the environmental impact of humanitarian supply chains while strengthening their resilience, cost-effectiveness, and long-term sustainability. Since becoming operational in 2021, WREC has focused on practical, field-based approaches. Since 2022, the EU has supported WREC with total funding of EUR 2 160 000.

The coalition addresses the circular economy and reverse logistics, sustainable procurement, waste management, and decarbonisation. It convenes technical experts from partner

[10] WREC Coalition: Waste management and measuring, reverse logistics, environmentally sustainable procurement and transport, and circular economy. Coordinated by the Environmental Sustainability Team of the Global Logistics Cluster, the WREC Coalition brings together the Danish Refugee Council, the International Federation of Red Cross and Red Crescent Societies, Save the Children International, the World Food Programme, and a broader network of humanitarian, private sector and academic partners.

organisations and offers tailored advice, capacity-building and practical tools. Key achievements include mapping waste management and recycling infrastructure in 69 countries, launching a Lifecycle Assessment Resource Hub, and creating an Environmentally Sustainable Humanitarian Logistics online course. WREC plans to further expand training courses, strengthen the coordination of country-level logistics, update green procurement resources, publish a guide to circular warehousing, and promote collective waste and reverse logistics solutions.

*2.3. **Digitalisation***

Digital transformation is not an end in itself, but it is a powerful means to enhance the efficiency of EU humanitarian aid. It is a **structural enabler of reforming humanitarian supply chains** to cope with the challenges and seize the opportunities of the rapid developments in digitalisation and artificial intelligence (AI). It supports better visibility, analysis, connectivity and performance monitoring, thus directly enhancing efficiency, transparency and accountability. It also acts as a multiplier for cost-effectiveness by facilitating and streamlining better forecasting, procurement processes, use of inventory, decision-making and, ultimately, humanitarian responses – at both organisational and system levels. The advent of AI will generate even greater efficiency and cost-effectiveness, provided that the underlying ecosystem facilitates its adoption and use.

Despite the progress in many organisations, the current digital ecosystem remains fragmented. Siloed tools, inconsistent data standards and limited interoperability prevent the aggregation of information across organisations, constrain predictive planning and reduce visibility over stocks and transport capacity. Moreover, there is currently very limited sharing of information between organisations on digital transition at organisational and operational levels. This reform requires a transition from fragmented, proprietary tools to an **interoperable, accessible and inclusive digital ecosystem based on open, fit-for-purpose standards**. Shared frameworks should enable the structured exchange of data, informed decision-making and predictive tools that improve preparedness and operational planning. Interoperability - as functional connectivity across heterogeneous systems - remains the key objective. These measures would support the progressive establishment of an interoperable humanitarian digital ecosystem. This implies functional connectivity between funding systems, operational platforms and reporting tools.

In advancing digital transformation, due attention needs to be paid to the fact that information on humanitarian aid can be sensitive, as regards both relief items (e.g. stock inventory, warehousing, routing, delivery points) and beneficiaries. Data protection is, therefore, a critical issue. While digital systems improve efficiency, targeting, and transparency, they may also be at risk of security breaches and misuse for non-humanitarian purposes, including biases and disinformation. Data protection assessments and risk mitigation measures are important tools to address those risks. Personal data need to be processed in compliance with all the applicable data protection legislation. At the same time, moving towards greater interoperability between digital systems may be challenging due to differences between in data protection regulations. Digital governance frameworks, including clear standards for data structures, security protocols and performance metrics, are, therefore, essential. Cybersecurity safeguards should be embedded from the outset. To ensure inclusive access, digital tools should be adapted to local capacities and accompanied by appropriate data protection safeguards.

Digital infrastructure should be treated as a core operational capacity rather than a project-based overhead. It should be supported by sustained, multiannual investment. There is also a strong link between the private sector and digitalisation efforts. Digital transformation would benefit from a greater engagement with technology and digital service providers in designing innovative, user-centred solutions that respond to operational realities. In addition, where humanitarian actors rely on private sector systems and infrastructure, there is significant untapped potential to adapt off-the-shelf products and promote structured dialogues between users and providers to ensure these products are fit for purpose.

Pharmaceutical Information Management System (PIMS)

PIMS is the Pharmaceutical Information Management System of the International Medical Corps (IMC). The PIMS software was developed by the IMC to manage the last mile of the supply chain for pharmaceutical products in humanitarian contexts. This is an innovative digital tool that enables efficiency gains.

Since mid-2025, the Commission has provided funding of EUR 2 000 000 for PIMS, which is being used or is to be used across 600 locations operated by humanitarian partners in Ethiopia, Somalia, South Sudan and Sudan. IMC equips these partners with a digital infrastructure which helps strengthen coordination, reduce inefficiencies and improve the performance of the supply chain. PIMS allows partners to manage the entire supply chain from procurement planning to distribution to recipients.

*2.4. **Preparedness***

A strategic approach to **supply chain preparedness should become a system norm**, anchored in local capacities and supported by forecasting, scenario planning, structured pre-positioning and shared data. Preparedness at local level should be the overriding objective, with regional or global levels responding as necessary to needs and shocks that cannot be addressed locally. The supply chain represents a pragmatic entry point to support preparedness and localisation, enabling integration into local frameworks rather than setting up parallel systems. Local actors' participation in work to ensure the preparedness of humanitarian supply chains is key, because it allows access to data on assets in case of emergencies. The shift required is from a reactive international response to proactive, local, risk-informed models embedded within planning and governance frameworks.

Ensuring preparedness in supply chains is constrained by unclear definitions of roles across local, national and international actors, fragmented coordination and short-term financing. Preparedness activities are often insufficiently integrated within national, regional and local disaster management, logistics platforms and supply actors, sometimes within the same agencies. This limits the sustainability, efficiency and effectiveness of preparedness. Actors in the supply chain need to be integrated into preparedness planning to ensure that logistical constraints are integrated into and addressed by planning.

A coherent approach requires voluntary frameworks that clarify responsibilities, align risk analyses and enable the maturity of the system to be monitored over time. Integration with national as well as regional and local structures can guide coordinated investments in infrastructure, workforce development and supplier capacity, strengthening preparedness while reducing reliance on parallel international mechanisms.

ReliefEU stockpiles and the UNHRD

To be better prepared to respond to emergencies, and provide in-kind support to partners, the Commission has developed ReliefEU stockpiles in cooperation with the United Nations Humanitarian Response Depots (UNHRD). Since 2022, the Commission has provided EUR 37 500 000 in funding to support, via the UNHRD, the consolidation of its regional humanitarian stockpiles hosted in Brindisi, Dubai, Panama and Kuala Lumpur. Regional pre-positioning aims to provide rapid deployment of aid to affected areas as soon as there is an operational gap or an identified need.

The World Food Programme has been managing the United Nations Humanitarian Response Depots network since 2000 with the mandate to pre-position relief and survival items and provide rapid mobilisation services to countries affected by natural hazards or complex emergencies on behalf of the humanitarian community. The network is part of the World Food Programme's common services and service provision platforms and is central to the World Food Programme's emergency preparedness activities. The presence of over 30 partners holding their emergency stocks in the same United Nations Humanitarian Response Depots offers opportunities to coordinate procurement, joint dispatching, loan and borrow schemes, and overall for a more effective and efficient use of pre-positioned supplies when responding to emergencies.

Preparedness and localisation are mutually reinforcing. Preparedness strengthens national capacity to anticipate and decide on the scale of response, while localisation ensures that preparedness is anchored in local realities rather than operating externally. A coordinated transformation would contribute to ensuring that humanitarian supply chains are locally led, anticipatory and informed by data.

2.5. Localisation

Localisation of supply chains entails the **progressive transfer of authority, resources and decision-making to national and local actors**, with international support complementing and reinforcing national systems. Structural barriers - including limited access to funding, to data and governance processes, and to risk-transfer models - continue to constrain local leadership.

Advancing localisation demands clearer governance arrangements, co-designed systems, and inclusive financing and risk-sharing mechanisms that reinforce sustainability and autonomy, while maintaining interoperability. Reform priorities should include multiannual and forecast-based financing, alignment with national strategies, the leveraging of existing coordination platforms, and investment in interoperable, ethically governed data systems co-developed with national and local actors.

By strengthening local preparedness, the international humanitarian organisations will be able to move progressively to a role of complementary support. This approach aims to ensure that affected communities also play a role in making the supply chains more efficient, effective, sustainable and resilient. With a move to more localised supply chains, the focus should also be on building up the capacity of local suppliers to minimise the environmental footprint of their production processes and the items produced.

International Federation of Red Cross and Red Crescent Societies – Disaster Response Emergency Fund (DREF)

The Commission has supported the Disaster Response Emergency Fund, a fund dedicated to providing direct and flexible funding to Red Cross and Red Crescent national societies to support their responses to small and medium-sized disasters. Since 2019, the Commission has contributed EUR 65 000 000 to the Disaster Response Emergency Fund. In 2025, the Commission's contribution Disaster Response Emergency Fund was EUR 17 500 000, providing support to over 50 national societies.

The Commission's support enables locally led responses to complex and underfunded crises. This helps strengthen capacities and promotes **local leadership in supply chain management** for emergency responses. The DREF is a particularly powerful tool for localisation as 82% of all the funding allocated is directly transferred to and implemented by local actors.

3. Actions to advance the transformation of the humanitarian supply chain system

Implementing the reform of humanitarian supply chains requires connecting and leveraging existing structures and initiatives while fostering cross-sector collaboration, in a pragmatic and context-sensitive way.

In line with the Joint Communication, the European Commission will **drive this shift in the humanitarian supply chain system**, working closely with the EU Member States in a Team Europe approach. This will be done by strategically engaging with humanitarian stakeholders, integrating the new supply chain model into the Commission's funding operational priorities, fostering the knowledge and use of existing funding opportunities, strengthening implementation on the ground and closely coordinating with other donors.

3.1.Establishing a Humanitarian Supply Chain Charter

Building upon the work done in the context of the HLGSC, the Commission will launch a Humanitarian Supply Chain Charter. The Charter will serve as a **strategic, voluntary, multi-stakeholder framework** based on a shared vision to guide the supply chain reform process. It should consolidate the principles necessary to achieve alignment and interoperability within the supply chain system. It should define roles, responsibilities, and collaboration between the various stakeholders, and set clear objectives. It should aim to connect fragmented efforts, bridge preparedness and response, and strengthen collective efforts to build accountable, coherent, locally led, and resilient humanitarian supply chains.

Drawing on the participatory process developed by the HLGSC, the Charter should cover a range of actions across the main areas of supply chains, for example by:

- integrating **procurement** in operation design from the outset to improve efficiency, impact and financial management, notably through mutual recognition of procurement decisions, and joint procurement between humanitarian organisations;
- embedding **environmental sustainability**, notably by reducing greenhouse gas emissions, improving lifecycle assessments and green product specifications, and supporting, as appropriate, circular economy measures and responsible waste management;
- advancing **digitalisation** and the use of AI-tested tools, moving towards an interoperable ecosystem with governance frameworks, based on common, open standards, adapted to local capacities and accompanied by appropriate data protection safeguards.

- fostering **preparedness** as a norm based on a common framework, anchored in local capacities and actors' participation in planning, and supported by forecasting and pre-positioning while ensuring the uptake and scaling of innovative solutions;
- advancing **localisation** of supply chains, by promoting the progressive transfer of resources and decision-making from international humanitarian actors to local ones, while strengthening local markets.

The Charter would include commitments tailored to the roles and mandates of both humanitarian organisations and donors. The Charter would be open to signature by humanitarian stakeholders.

A **platform** supporting the Charter should act as a **technical secretariat and coordination hub** facilitating knowledge sharing, technical advice, collective monitoring and periodic reporting. The Commission will contribute to **supporting** the Charter and its platform.

3.2. Leveraging EU funding to promote a new supply chain model

The structural reform of humanitarian supply chains requires targeted adjustments not only at strategic level but also at operational and funding level. Planning and funding mechanisms should enable collaboration as the default way of working, strengthen preparedness and enhance overall efficiency, while preserving transparency, competition and compliance standards.

The Commission will integrate the new supply chain model into the way its humanitarian aid is planned, managed and funded. In particular, it will support the implementation of the new model by **allocating appropriate financial resources** and by **gradually setting funding conditions** for project selection, prioritising joined-up approaches, with a view to fostering more efficient, sustainable and collaborative supply chains. This will help humanitarian organisations operate in a more efficient way, unlocking resources to assist people in need.

The Commission will continue to provide **funding to support the work of the HLGSC**. It will also make targeted funding available for additional strategic supply chain initiatives that strengthen joint ways of working.

Funding conditions for project selection should be gradually set to **encourage collaboration on supply chain functions as a default way of working,** unless a justified exception applies. These **conditions should remain proportionate and context-sensitive**, ensuring they support rather than constrain operational delivery.

Prioritisation may include projects that propose **joint procurement between humanitarian organisations, delegated procurement arrangements, the sharing of transport fleets and storage, harmonised market assessments, and other collaborative practices** between partners. This would allow, for example, one organisation to lead procurement processes on behalf of others, reducing duplication of tenders and supplier assessments. Where appropriate, funding conditions could also address other features of the supply chains, such as encouraging the sharing of data and the use of standardised data formats, participation in shared logistics and information coordination platforms, compliance with interoperability standards, and engagement in mutual recognition frameworks.

3.3. Facilitating collaboration on procurement

The Commission will also work towards a **recognition framework for Humanitarian Procurement Centres** ([11]). This framework would establish clear eligibility criteria and minimum standards relating to governance, procurement integrity, transparency, financial controls, ethical sourcing, environmental performance, EU procurement principles, applicable financial rules and internationally accepted humanitarian standards. The framework would aim to foster mutual confidence between recognised procurement centres, humanitarian organisations and donors, by strengthening the reliability, complementarity and collective efficiency of existing capacities within a coherent networked model.

3.4. Fostering awareness of existing opportunities

It is important to ensure that humanitarian organisations are adequately informed of the funding opportunities available in relation to supply chains. Under the current rules, **supply chain costs may be recognised as operational costs** where they are demonstrated to be operationally critical to the implementation of the action. This may include **environmental and digitalisation costs,** as well as **investments in preparedness,** such as the pre-positioning of relief items or maintaining pre-constituted stocks.

3.5. Ensuring and supporting implementation in the field

The Commission will also support the operational implementation of the new humanitarian supply chain model through its substantial **field network**, beginning with **pilot countries**. Field staff will work with partners locally to ensure coordination and joint models, encouraging the use of existing collaborative mechanisms, and establishing ways of working and lessons learnt that can later be transferred to other countries and regions. This approach would help partners to explore joint procurement opportunities and share information on dedicated platforms. This will be supported by targeted training for Commission staff to give them a deeper understanding of the strategic bottlenecks and opportunities that can emerge in the field, enable them to gather evidence, and give them the tools to anticipate such issues, as well as to support coordination and collaboration of partners at an early stage.

3.6. Closer coordination with Member States and non-EU donors

The Commission will closely **coordinate with EU Member States and, where relevant, with non-EU donors** to promote synergies to reduce administrative complexities and align operational strategies and funding priorities.

3.6.1. *Promoting administrative simplification*

Enhanced donor coordination can reduce administrative complexity for partners by encouraging greater alignment on **compliance requirements**, **reporting formats** and **audit approaches**, while fully respecting the applicable legal frameworks. Structured dialogue on procurement and logistics policies may facilitate mutual recognition of standards, coordinated market engagement and improved predictability for suppliers.

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[11] Humanitarian procurement centres (HPCs) are non-profit organisations specialising in the procurement of supplies and services necessary for the delivery of humanitarian aid and related technical assistance, supply purchasing or logistics services. There is no contractual relationship between the Commission and an HPC. The recognition of an organisation as an HPC does not constitute an assurance with respect to the HPC's compliance with contractual obligations towards third parties.

The Commission allows partners to use simplified procurement procedures up to relatively high **thresholds,** below which **competitive procurement** procedures (such as open calls for tender) are not required. However, other donors set lower thresholds. Partners often adopt these lower thresholds as their standard practice to avoid the risk of non-compliance with rules of those donors, particularly in the context of actions funded by several donors. Aligning towards a more flexible approach would facilitate aggregation of demand and joint contracting, particularly in high-volume, standardised categories.

Administrative simplification can also be supported by allowing **digital copies of supporting documentation** and **digital validation signatures** as standard practice. This would streamline processes and reduce delays, particularly in remote or crisis-affected environments. Digital validation mechanisms should comply with recognised legal and cybersecurity standards.

3.6.2. Fostering operational synergies and alignment of funding priorities

Operational synergies with Member States should also be pursued, particularly for **pre-positioning of stocks**, contingency planning, data sharing and the use of common services. Building on the positive experience under ReliefEU, the Commission will continue to promote closer alignment of stockpiling strategies and regional hub investments, and to foster transport arrangements that can reduce duplication and optimise resource allocation. Pre-positioning of stocks should be coordinated through existing and recognised platforms to avoid parallel inventories and inefficient distribution of reserves.

Finally, the EU will promote **exchanges on funding priorities and financing approaches**, including multiannual approaches, expenditure on preparedness and forecast-based financing mechanisms. Greater convergence in these areas can strengthen system-wide resilience and provide incentives for collaborative supply chain models.

Conclusion

Humanitarian supply chains are key to the effectiveness of humanitarian action. By working together across organisations, sectors and geographical areas, the humanitarian community can transform supply chains from fragmented mechanisms into an integrated network that delivers greater value to all affected populations. This approach will advance reforms through closer collaboration and collective accountability, strengthening resilience and safeguarding humanitarian principles. It will also contribute to ensuring that humanitarian assistance is delivered in an inclusive, equitable and accessible manner. This will enhance the efficiency and effectiveness of aid delivery.
As a leading humanitarian actor, the EU will continue to promote an inclusive process of reform of the humanitarian supply chain system. The package of measures outlined above has as its strategic objective the creation of a collaborative, interoperable, preparedness-oriented and visible humanitarian supply chain network. The adjustments necessary to reach this goal will enable collective efficiency and resilience while safeguarding accountability.

Beyond the opportunities offered by these measures, a strategic approach to supply chains could pave the way for a new working model, rooted in genuine coordination between humanitarian partners, public and private donors, and local actors, and in cooperation with the private sector, academia and the media. Through collective efforts, an efficient humanitarian supply chain will prove indispensable to meeting the challenges of an increasingly complex world.