

# International Committee of the Red Cross



ICRC



ICRC

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# ICRC—Mandate & Mission

*The International Committee of the Red Cross is an independent, neutral and impartial organization ensuring humanitarian protection and assistance for victims of armed conflict and other situations of violence. It takes action in response to emergencies and at the same time promotes respect for international humanitarian law and its implementation in national law.*

*ICRC's mandate is to provide neutral and independent assistance and protection to victims of armed conflicts and other situations of violence*

*More information, pls refer to ICRC Website*  
[WWW.ICRC.org](http://WWW.ICRC.org)



# ICRC – History

## ICRC - History

1859



Battle of Solferino

Memory of Solferino



1862

1863



International Committee  
of the Red Cross

First Geneva Convention



1864

Present



CICR



International Federation  
of Red Cross and Red Crescent Societies

190 National Societies



# ICRC Presence:

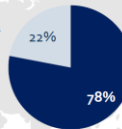
## OVERVIEW



## PRESENCE

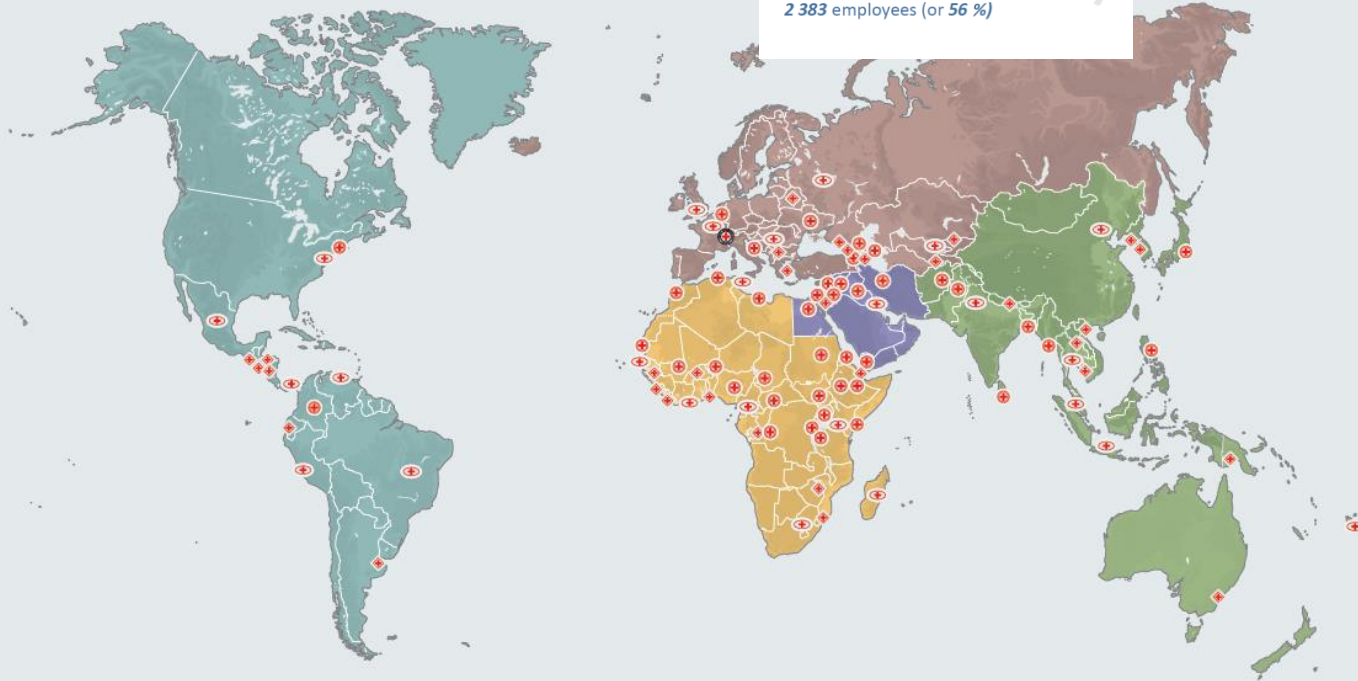
In 2019, the ICRC was present in more than **100 countries**, with over **18,800 staff members** working around the world.

ICRC employees  
Logistics



Fleet is the largest LOG unit with **2 383 employees** (or **56 %**)

- ICRC headquarters
- ICRC delegation
- ICRC regional delegation
- ICRC mission



# ACTIVITIES

• PROTECTION • ASSISTANCE • PREVENTION • COOPERATION • PROTECTION • ASSISTANCE • PREVENTION • COOPERATION



• PROTECTING CIVILIANS



• VISITING DETAINEES



• REESTABLISHING FAMILY LINKS



• ECONOMIC SECURITY



• WATER and HABITAT



• HEALTH

• PROTECTION • ASSISTANCE • PREVENTION • COOPERATION • PROTECTION • ASSISTANCE • PREVENTION • COOPERATION



• ARMS CARRIERS



• AUTHORITIES



• CIVIL SOCIETY



• CAPACITY BUILDING



• ASSISTANCE



• TRACING



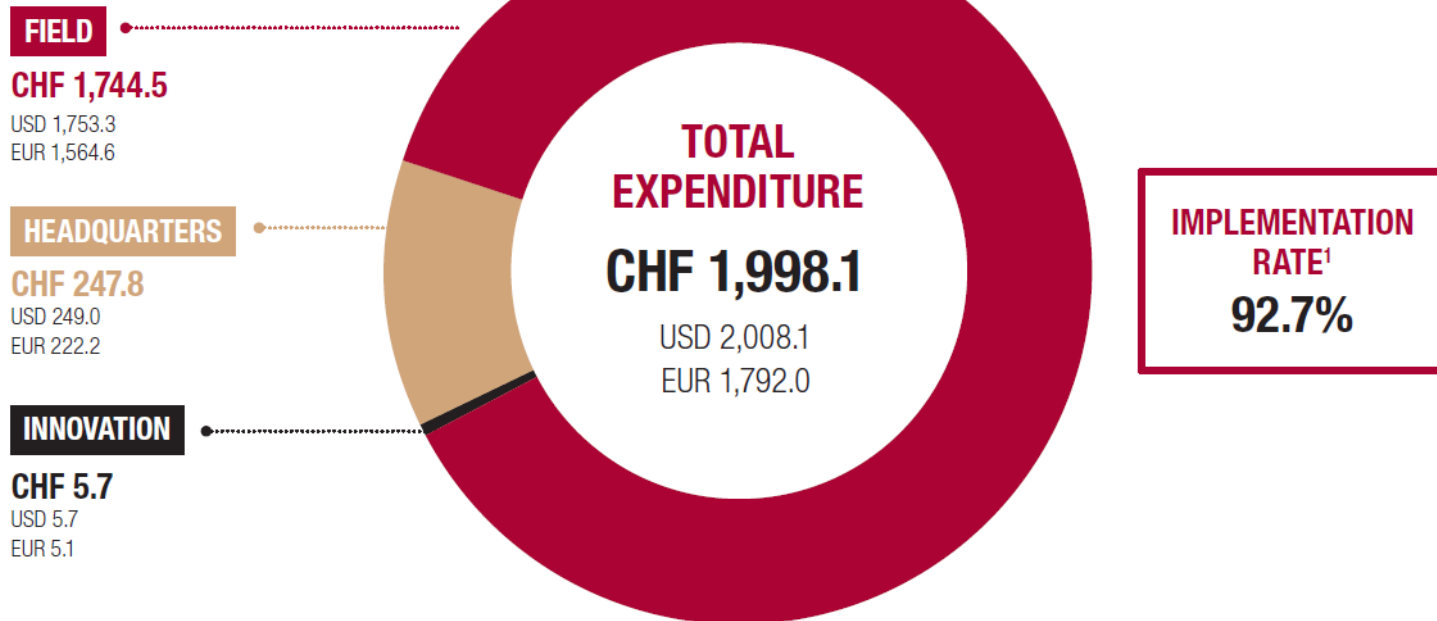
# ICRC budget in 2019:

ICRC ANNUAL REPORT 2019 - TRENDS AND FIGURES

## OVERVIEW

### EXPENDITURE AND IMPLEMENTATION RATE

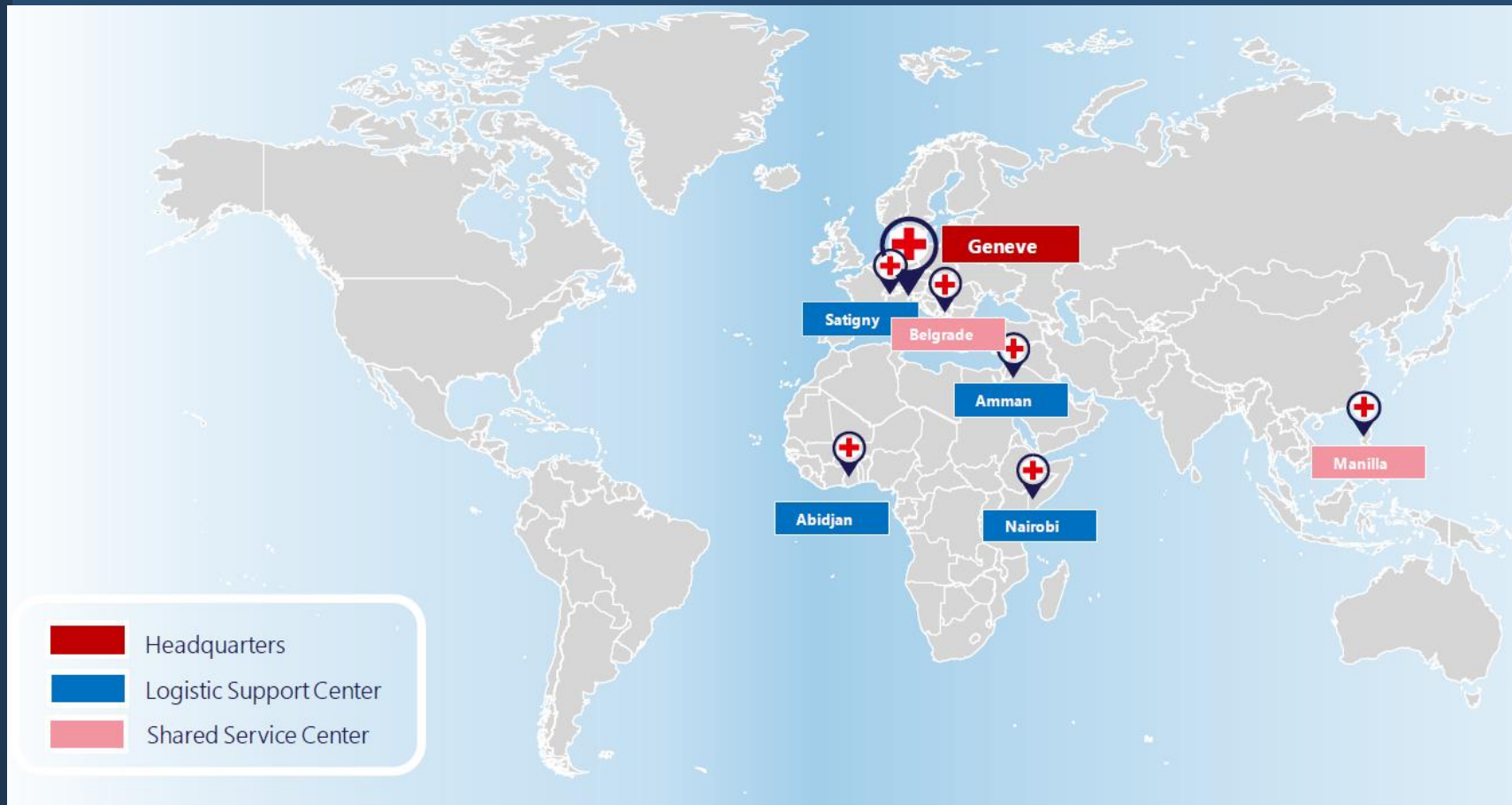
(In millions)



# ICRC - Key Operations

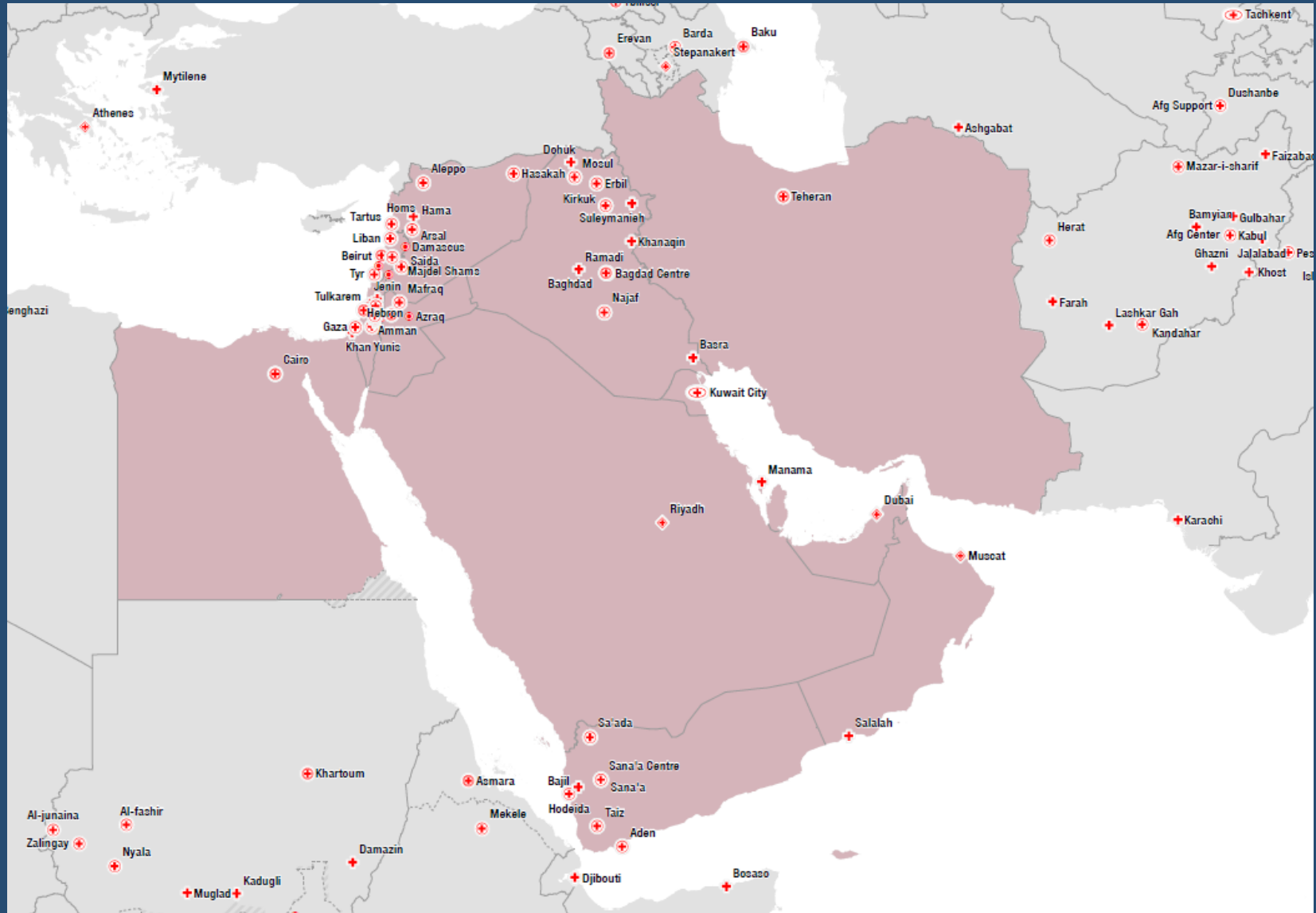


# ICRC - Global Supply and Support Network





# ICRC – NAME REGION



# ICRC in Iran

- ▶ Since 1977
- ▶ Mission in TEH
- ▶ Logistics base in MSA, ORU (closed 2004) & KER (closed 2012)



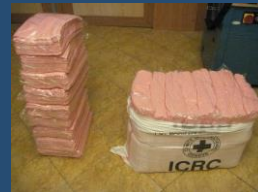
# Logistics activities in TEH:

1. Procurement
2. Warehousing
3. Transport
4. Fleet
5. Air operations & air cargo
6. Statistics and Reporting



# Procurement

- ▶ Water & Sanitation
- ▶ Housing (IRCS)
- ▶ Electrical
- ▶ Food
- ▶ Agricultural
- ▶ Orthopaedic
- ▶ Sanitary
- ▶ Hygienic
- ▶ Publication
- ▶ PPE items
- ▶ Forensic items
- ▶ Services: Transport



# Main clients (from 2015 to 2020)

- ▶ Iraq
- ▶ Syria
- ▶ African countries
- ▶ Afghanistan
- ▶ Armenia & Azerbaijan



# Logistics – *Mission & Objectives*

The **mission** of the Logistics Division is to provide professional support for the ICRC's diverse and complex activities, developing **timely, cost-efficient** and specifically tailored **supply chain solutions**, while securing quality, compliance and accountability and maintaining high ethical standards.



# WHAT LOGISTICS STANDS FOR IN ICRC

## **1. Procure direct/indirect commodities/services to ICRC operations (Supply Chain Management):**

- Needs definition (+ standards)
- Order management
- Procurement and quality management
- Warehouse management (inventory + infrastructure)
- Transport & customs (Impex)
- Delivery to the field (last mile)-
- Reporting: Data and BI, mcompliance

## **2. Provide and maintain safe transport means for passengers and cargo (air, sea and road).**



# Logistics - Scope



Logistics is a sequence of interconnected steps aimed to manage the flow of goods and services necessary for the ICRC humanitarian activities.



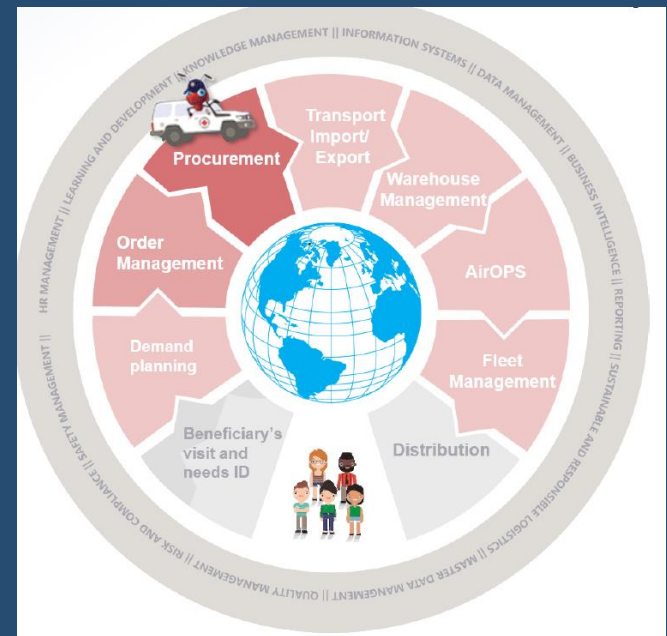


# Procurement:

Procurement of goods and services aims to achieve the best possible value for money.

*Considering the complexity of its contexts of operation, the diversity of its portfolio and the response to emergencies, the ICRC has adopted a procurement model, mixing public and private standards, to ensure operational efficiency, while securing fair competition.*

Core values of ICRC procurement are **transparency**, integrity, **beneficiary/customer orientation**, **compliance**, **ethics**, and **environmental responsibility**.



# Doing business with the ICRC

## FUNDAMENTAL PRINCIPLES FOR DOING BUSINESS WITH THE ICRC

### Internal Code of Conduct for Procurement

Throughout its procurement process, the ICRC places great emphasis on procurement ethics. Therefore, all ICRC procurement staff is bound by the internal Code of Conduct for Procurement. **A zero tolerance** policy has been deployed for any breach identified in the ICRC purchasing units.

### **Turnover Policy**

Due to the unpredictability of long-term needs and requirements with relation to volumes, the ICRC shall not become a major or exclusive partner of any one supplier. Hence, as a policy, **the ICRC's share in suppliers' annual turnover should not exceed 30%** in order to reduce risks for suppliers. In case of excess of this threshold, relevant measures should be taken, whenever possible, to reduce the supplier dependency. Such measures include but are not limited to: advising the supplier to develop business with other organisations, progressive reduction of ICRC procured value through the development of alternative sources, follow up of the financial health of highly dependent suppliers.



# Doing business with the ICRC

## ICRC LONG-TERM RELATIONSHIP STRATEGY

### Long Term or Frame agreements for strategic items

The ICRC concludes Frame agreements with suppliers for strategic items to be supplied any time throughout the year to fulfill urgent needs. The suppliers maintain stocks ready to ship at their premises under this frame agreement. These are high turnover items, such as a large majority of Essential Household Items (EHI), which constantly on request and are covered by the frame agreements.

**All manufacturers or suppliers participating in tenders must guarantee access to their production lines.**

#### **Article 20 GCP: Human rights, Working and Employment Conditions**

*"By virtue of the Universal Declaration of Human Rights, and ILO's Fundamental Conventions and Declaration on Fundamental Principles and Rights at Work, the Seller must respect the following:*

- Freedom of association & collective bargaining (C. 87 and 98)
- Prohibition on the use of forced labour (C. 29 and 105)
- Prohibition on the use of child labour (C. 138 and 182)
- Elimination of all forms of discrimination (C. 100 and 111)
- National laws regarding working time, occupational health and safety and labour rights.

*The application of these principles shall be based on the laws of the country in which the items are produced. For countries in which the legal framework is less protective than ILO fundamental conventions, ICRC should promote the application of the latter.*

*Should those laws fail to be observed by the Seller and/or its suppliers, the Buyer may make recommendations. If these recommendations are not followed, the Buyer shall be entitled to suspend or cancel the contract. Already rendered Services that cannot be returned, or goods and services that the Buyer keeps, must be paid but no compensation for the cancellation of the contract will be due."*

## General Conditions on Purchasing

The General Conditions on Purchasing (GCP) are subject to the acceptance by and signature of the supplier.

Acceptance of the ICRC Purchase Order entails waiving by the seller/ supplier of their General Sales Conditions.

Social and environmental compliance orientations, such as human rights, working and employment conditions or environmental concerns are integrated in the GCP, and developed in:

*Article 20: Human rights and Working and employment conditions.*

*Article 23: Environmental protection.*

#### **Article 23 GCP: Environmental Protection**

"The Seller's environmental policy shall commit to limit its environmental footprint, by reducing, whenever applicable, the consumption of natural resources (raw materials, energy and water) and emissions to air, water and ground, including waste. Environmental protection shall be taken into consideration in the complete production process and distribution chain, from the raw materials production to the point of sale, and is not limited to own activities and suppliers: local, regional and global environmental concerns shall be considered.

Whenever possible, the Buyer shall seek to procure goods and services that lessen the burden on the environment."



# Doing business with the ICRC

## Compliance with specifications

Emergency items specifications, based on international standards, are available online.

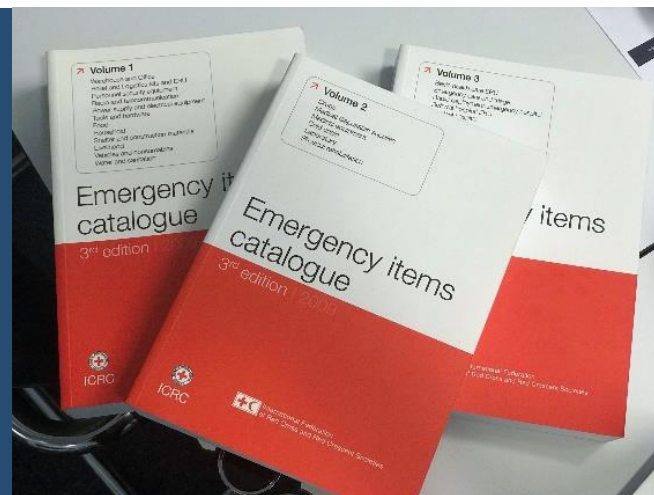
<http://procurement.ifrc.org/catalogue/>

Goods delivered to the field must comply with the right quality standards to fulfill beneficiaries' needs. The catalogue includes three volumes dedicated to:

Volume 1: Relief, food, shelter, household, water and sanitation

Volume 2: Drugs, medical equipment and renewable items

Volume 3: Medical, surgical & nutrition specific kits



# Doing business with the ICRC

## ICRC ACTIVE SOURCING POLICY

### ICRC Sourcing strategy

The ICRC buyers/ purchasing teams conduct sourcing campaigns and visits to manufacturing plants throughout the year, to identify potential suppliers able to fulfill the needs in terms of quality, quantity, price and service with timely delivery respecting social and environmental requirements.

### Supplier assessment

When working with traders, their sources are assessed and manufacturing plants audited for strategic items. The factory assessment comprises a visit to the production areas, storage and raw material facilities, review of working conditions, personal protection equipment provided, production capacity and quality management systems, financial performance of the supplier, ability to meet the ICRC specifications and their compliance to social and environmental principles.

Thus, the pre-selection of suppliers is based on their ability to meet ICRC specifications, production capacity as well as their financial strength and social and environmental compliance.

## Quality, Social and Environmental audits

Before signing any Frame agreement, the ICRC mandates third party auditors for Quality, Social and Environment audits. These audits focus on fundamental requirements related to three topics:

Social compliance: Child labour; Forced/ bonded labour; Health & safety; Compensation & working hours; Hardship working conditions

### Production Performance and Quality Management

Environmental Performance:  
Environmental accountability& impact

## Key setups for Quality Control

Quality Control in ICRC warehouses comes in addition to the tests conducted by testing laboratories or inspection companies. Based on a process approach, the control is undertaken with the appropriate setup which includes documentation, equipment and adequate training of the controllers (or those undertaking the quality control checks).



# Doing business with the ICRC

## ICRC ETHICAL PROCUREMENT POLICY

### ICRC Position on Ethical Procurement:

The latest 2020 strategic objectives for procurement include the extension of Ethical Procurement Policy: major suppliers are currently being assessed.

Presently, quality, social and environmental audits are mostly covering manufacturers of EHI's in developing and leading competitive countries. For each audit, an ICRC member is present to witness the third party audit and validate the final outcomes.

#### **The social aspects of the audit specifically investigate:**

- employee working environment
- wages, benefits and work hours
- subcontracting, child labour
- environmental health and safety

The reports and final documents are open to the Red Cross and Red Crescent (RCRC) procurement units. Frame agreements are also extended to the RCRC Movement.

Within the framework of its Sustainable Development programme, most commonly defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs," the ICRC has a moral duty to take into consideration future generations when designing and implementing its procurement action.

**Important note: all ICRC members involved in procurement are bound by the ICRC Code of Ethics in Procurement. Any breach should be reported to: <https://icrc.integrityplatform.org>**



# Doing business with the ICRC – *Main steps of the procurement process*



Thanks for your kind attention

Any questions?



ICRC