

6.2 BRC's global stock pre-positioning

6.2.1 The IFRC's OLPSM offer and system

The IFRC manages warehouses globally to pre-position emergency response stocks in all regions of the world (see Section 2.2.7). The IFRC's stock pre-positioning strategy takes several variables into consideration, including turnover (see Section 6.2.2 for more details on this) and usage.

The stocks pre-positioned in the IFRC's global warehouses are held through various mechanisms:

- Federation-owned stocks (FOS): items belonging to IFRC, stored in IFRC-managed warehouses
- Vendor-consignment inventory (VCI): items owned by suppliers but stored in IFRC-managed warehouse
- Supplier-reserved stocks (SRS): items stored at suppliers' facilities, reserved for IFRC purchases
- Partner National Societies' stocks (PNS): items owned by PNS, stored in IFRC-managed warehouses.

Through the **global logistics service** (GLS) agreement, IFRC offer to hold stock for other National Societies in those warehouses. Each warehouse is managed by the OLPSM and operates following their own standard operating procedure. Copies of each OLPSM's standard operating procedure are available to stock-holding PNSs upon request.

This stock is owned by the PNS but managed by the IFRC staff in the region. The GLS defines the terms and conditions of this relationship; there are costs associated with the storage, handling and shipping of PNS-owned stocks. In return, the IFRC offer stock management services, such as stock rotation, quality control at reception, consignment preparation and freight services. The OLPSMs share monthly stock reports and annual stocktake reports with stock-holding PNSs and participate in their stock strategy upon request.

6.2.2 BRC stocks in IFRC's OLPSMs

The BRC hold stock in four of the IFRC's regional warehouses, corresponding to the areas of focus defined in the BRC international strategy and to the countries where the BRC maintains ongoing partnerships:

Warehouse location	Region
Harare, Zimbabwe	East and Southern Africa
Panama City, Panama	Americas and OSBs
Kuala Lumpur, Malaysia	Asia
Dubai, UAE	MENA-MED

The variety of items BRC pre-positions in each warehouse varies, but they are mostly non-food items (NFIs) and follow the IFRC standard product catalogue specifications. The mix of items in stock in each location varies based on regional context, overall stock targets and BRC budgetary constraints, on the IFRC's access to stocks in the region and on stock-holding PNSs and the resources available to manage stocks.

The type and quantity of items that the BRC pre-positions in each location is agreed with the emergencies team and the regional teams on an annual basis through the stock strategy review process (6.2.3). The list of items in stock at the time of writing is as below (pending review) – note that it may change as strategic and operational priorities evolve:

Item Description	IFRC item code (see online catalogue for details on varieties)	Kuala Lumpur	Dubai	Harare	Panama City
Blanket (cotton)	HSHEBLANCLT1	X			
Blanket (high thermal)	HSHEBLANPHT1				
Blanket (low thermal)	HSHEBLANPLT1				X
Blanket (medium thermal)	HSHEBLANPMT1	X	X	X	
Body bag	WSANBODBUSH				
Plastic bucket	HCONBUCKP14		X		X
Chlorine tablets	WASDCHLA0002T				
Cleaning kit	KRELCLEA01				
Hygiene kit	KADMLIFE08F	X	X		X
Jerry can (10L)	XLABBOTL10PT	X	X		X
Jerry can (20L)	HCONJCANP20			X	
Kitchen Set A	KRELCOOSETA	X	X		X
Mosquito net (large)	HSHEMNETRL	X	X	X	X
Plastic sleeping mat	HSHEMATTPLA1		X		
Shelter toolkit	KRELSHEK01	X			
Solar lamp	EELELAPOFAM1				
Tarpaulins	HSHETARPW406	X	X	X	X
Tent (family)	HSHETENTF16C	X			
Tent (multipurpose)	HSHETENTM45				
Tent (warehouse, Rubb Hall)	HSHETENTW2RS	X	X		X
WatSan Kit 5	KWATNEACK05				

Note: Items that BRC does not have in stock anywhere have been included in the list as they may be available from pre-positioned stocks owned by other PNSs or by the IFRC.

The quantities held in stock in each location are agreed on an annual basis, with suggestions made by the logistics officer for global emergencies, based on several variables:

Variable	Rationale
Annual stock turnover	Rate at which stock is issued and replaced.

	This should be more than one, or the set stock target is too high and stock will sit in warehouses for too long before it is used, running the risk of becoming damaged or obsolete.
The IFRC's stock strategy and access to other forms of ownership (VCI, SRS, FOS) and other PNS's stock strategies where possible	The BRC will try to bridge gaps between the IFRC's global stock strategy and other partners' ability to pre-position stocks.
Replenishment lead times	The quantities held in stock will depend on lead times to source more of the same: if the lead time is longer than the time it takes for stocks to be depleted, then stock levels will be higher. If the market is able to supply replenishment items quickly, then small quantities can be held in stock.
Historical demand for stock	Items in higher demand will be stocked in larger quantities

6.2.3 BRC stock ownership, strategy and review

The stock that BRC pre-positions in IFRC's OLPSCM Units belongs to the BRC's emergencies team and is managed by the international logistics team. The logistics officer (Emergencies) has direct relationships with the warehouse team in each OLPSCM and regular meetings are held between BRC and IFRC staff to report on stock status and stock movements. Based on information reviewed between both parties, BRC's logistics team regularly reports directly to the International directorate on performance against stock targets, through the weekly logistics status report and the international directorate's quarterly reports (international dashboard report).

Every year, the logistics team suggests reviews to the BRC's stock offer in view of the data (6.2.2). The emergencies team is free to accept or refuse the proposed changes, based on their understanding of BRC's future responses and on regional priorities.

It is important to understand the segregation between ownership and management of stock: logistics must seek approval from emergencies every time a stock movement is considered. For more details on budgeting for pre-positioned stock, see Section 6.3.2.

In 2020, the BRC's current stock strategy and targets were as below:

Item Description	KL	Dubai	Panama	Zim
Blanket Cotton	10,000			
Blanket Light Thermal			1,500	
Blanket Medium Thermal	20,000	15,000		3,500
Plastic Bucket		3,000	2,500	
Family Tent	500			
Hygiene Kit	2,000	1,000	750	
Jerry Can 10L	8,000	4,000	1,500	
Jerry Can 20L				3,500
Kitchen Set A	6,000	3,000	750	
Kitchen Set B	-			
Mosquito Net- Large	11,000	5,000	1,500	3,000
Plastic Mat (sleeping mat)		13,000		
Shelter toolkit	4,000			
Tarps	25,000	6,000	1,500	3,500
WH tent	2	1	1	
Watsan Kit 5		-		
Rapid Latrines		-		
BBowl & ptrap				
Squat plates		-		

Note: The logistics team share the updated stock levels with the entire international directorate on a weekly basis in the [logistics status report](#). Current stock levels and latest stock movements are listed on the first pages of the report.

Note: Where the OLPSCM's storage capacity becomes insufficient, there is an option to store items in one of the UN Humanitarian Response Depot (UNHRD) warehouses. [UNHRD](#) maintains a network of strategically located hubs for pre-positioning relief items and humanitarian support equipment. It can provide storage free of charge in Ghana, Italy, UAE, Malaysia, Spain and Panama. It is also possible to source certain items from the UNHRD network. For more details, liaise with the UK-based logistics team.

