Resource pooling within the humanitarian ecosystem:
Lessons learned from a case study of a cooperative-based initiative
The Center for Humanitarian Logistics and Regional Development (CHORD) is a joint venture of Kühne Logistics University (KLU) and HELP Logistics of the Kühne Foundation. CHORD aims to bring together the best of two worlds by combining top-class academic research and education with operational training and consulting excellence. As a thought-leading hub, CHORD is delivering innovative logistics and supply chain solutions validated by rigorous research methods to improve social and economic progress in developing countries. [www.the-klu.org/chord](http://www.the-klu.org/chord)

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Executive summary

Humanitarian crises create a precarious environment for those affected, requiring rapid and effective action. At the same time, limited funding and resources force humanitarian organizations to explore new ways of operating. The many organizations involved must therefore work together and coordinate their efforts in order to optimize the disaster response according to the assessed needs. Such coordination represents the cornerstone of an effective response, but it must be well-planned and efficiently executed to make the best possible use of scarce resources.

In the dynamic landscape of the humanitarian sector, coordination takes various forms of joint initiatives, ranging from common services to collaborative partnerships that enable multiple organizations to pool their available resources for improving their supply chains. Over the past two decades, some humanitarian organizations that have gained expertise in supply chain management have expanded into service provision, offering a range of common services in procurement, transport, and warehousing to other humanitarian organizations. In the meantime, different initiatives have also emerged to facilitate collaborative partnerships and alliances among organizations, enabling them to work with each other in pooling their resources together. Most of these initiatives aim to increase pooling informally through the voluntary participation of organizations in collaborative partnerships and alliances. Nevertheless, a recent initiative named hulo requires a commitment from organizations for formal engagement within a cooperative framework. Within this cooperative, hulo fosters alignment among member organizations, enabling them to capitalize on their collective economies of scale and combined bargaining power within the supply chain.

Resource pooling among organizations poses significant practical challenges, mainly due to the need for greater inter-organizational integration of supply chain activities. Thus, strategic alignment is essential among humanitarian organizations, donor agencies, and the private sector regarding resource pooling.

Main takeaway

Humanitarian organizations engage in a variety of joint initiatives, ranging from common services to resource pooling. However, organizations participating in pooling resources face critical barriers due to the need for greater inter-organizational integration of supply chain activities. Thus, strategic alignment is essential among humanitarian organizations, donor agencies, and the private sector regarding resource pooling.
and the private sector—within the humanitarian ecosystem on the trend towards resource pooling among humanitarian organizations. The insights presented in this report are based on a survey of 57 experts from entities involved in joint initiatives for supply chains. The survey results were then discussed by 14 supply chain professionals representing various organizations, donor agencies, and the private sector; and this report presents their opinions on the survey findings.

This report indicates that although humanitarian organizations have not consistently adopted resource pooling practices, they are more inclined to pool transportation and warehousing resources. Conversely, the pooling of procurement resources and administrative capacities, such as staff and office space, is markedly rarer. Correspondingly, several barriers have impeded the widespread adoption of resource pooling. These barriers include challenges to ensuring the feasibility of pooling resources among multiple organizations, compliance with donor requirements, the misalignment of internal protocols that hinder cross-organizational collaboration, fear of losing control over resources, a lack of trust, dependence on personal relationships, the lack of baseline data for impact measurement, and an emphasis on cost-efficiency as a sole benefit of resource pooling—all of which require time and a behavioral change to be resolved.

According to our research, a clearer definition of different roles of actors involved and their strategic focus and mandate is needed. Furthermore, the community has to gain a better understanding of the ecosystem behavior and mechanisms, and the impact of resource pooling. For example, donor agencies started to increasingly advocate for and support resource pooling. Subsequently, they may consider revising grant structures to offer funding mechanisms that are more flexible, reduce duplication and reward potential efficiency gains (e.g., by allowing organizations to re-invest cost savings to further strengthen their supply chain capacities). Humanitarian organizations and their joint initiatives on the other side have to identify their core competencies, sharpen their strategic focus, develop sustainable business models, and put more emphasis on how they can complement each other. Lastly, the private sector has to be better integrated not only through their Corporate Social Responsibility but also in commercial terms. Joint initiatives bear tremendous potential to engage with suppliers if multiple requests can be consolidated.

In conclusion, this report emphasizes the importance of strategic alignment among humanitarian organizations, donor agencies, and the private sector regarding resource pooling. However, it is important to note that coordination involves various types of joint efforts, including common services and resource pooling. For example, the cooperative framework offered by hulo is one, albeit new approach, among others that aims to facilitate the pooling of resources among humanitarian organizations. From this perspective, humanitarian organizations have a range of joint initiatives to engage with based on their needs assessment in order to improve their supply chains. Therefore, gaining a comprehensive understanding of these joint initiatives is crucial for discerning how each one addresses the distinct operational needs of humanitarian organizations. This understanding will also highlight the potential future risk of different joint initiatives duplicating their business models and competing as they expand. This report emphasizes that key actors in the humanitarian ecosystem must engage in regular dialogue and consultations to effectively support each joint initiative when it proves beneficial.
1: Introduction

1.1 | Evolution of joint initiatives

In today’s world, faced with many global challenges, the role of supply chains in humanitarian operations has become increasingly significant. Supply chains represent a substantial part—60% to 80%—of total humanitarian aid spending (Stumpf et al., 2022; Van Wassenhove, 2006). Given the interconnected nature of supply chains, it is impossible for any single organization to independently possess sufficient resources to address the affected population’s needs. As a result, effective and efficient relief hinges on coordination among diverse actors, including humanitarian organizations, donor agencies, and the private sector.

Coordination is defined by the level of alignment of supply chain activities among these actors (Adsanver et al., 2023). It is represented by a range of joint initiatives, each reflecting a different business and organizational model that specifies the relationship between the organizations involved. Joint initiatives span from transactional activities, like common services, to more collaborative partnerships, such as resource pooling. Generally, common services indicate a business-to-business relationship, but resource pooling occurs based on partnerships and alliances among humanitarian organizations (i.e., a business-with-business relationship). Furthermore, joint initiatives emerge from coordination platforms dedicated to offering a space for humanitarian organizations to share information voluntarily, which may in turn facilitate the implementation of collaborative partnerships/alliances or support the provision of common services. This variety indicates a growth of joint initiatives in the humanitarian sector. It should be recognized that certain entities serve solely as providers of common services. Others offer a platform that allows organizations to see each other’s resources, thereby encouraging them to pool resources when necessary. Yet, some entities simultaneously provide common services and facilitate collaborative partnerships and alliances for resource pooling. Consequently, categorizing entities into different types of joint initiatives is not straightforward in practice. This complexity will be further elucidated in the subsequent subsections.

1.1.1 | Common services

Humanitarian organizations often encounter limitations in their supply chain capacities due to a lack of resources or expertise. To overcome these limitations, they can coordinate with a service provider that offers consolidated or common supply chain solutions. Such a service provider is usually a large humanitarian organization, which has expertise in supply chain management (Schulz & Blecken, 2010; Vega & Roussat, 2019). In principle, common services are built on transactional relationships, with the provider offering services to humanitarian organizations either for free or at a cost recovery basis.

For instance, the potential to benefit from the economies of scale has increased the provision of common services for procurement activities (Schulz & Blecken, 2010; Vega & Roussat, 2019). UNICEF Procurement Services presents a prime example, with a platform that leverages UNICEF’s procurement expertise to meet the supply chain needs of humanitarian organizations (UNICEF, 2024). Similarly, Humanitarian Procurement Centers (HPCs), supported by the Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO), are non-profit entities that provide humanitarian organizations with technical support in the procurement of supplies and services (DG ECHO, 2024a; Schulz & Blecken, 2010). For instance, the International Federation of Red Cross and Red Crescent Societies’ (IFRC) Global Humanitarian Services, an HPC since 2005, offers technical procurement support to both the members of the International Red Cross and Red Crescent Movement and other humanitarian organizations (Schulz & Blecken, 2010).

Common services in procurement, transportation, and warehousing are provided by specialized providers that can deliver consolidated supply chain solutions to humanitarian organizations either for free or on a cost recovery basis.

The provision of common services for transportation and warehousing activities has also expanded notably. In the 1990s, Atlas Logistique and Bioport began offering common services in these areas.
Atlas Logistique deploys specialists to evaluate emergency logistics needs and mobilize local transport and storage suppliers to address them, while Biopart uses its network of forwarding agents and carriers to provide humanitarian organizations with optimal transportation services at fair prices (Biopart Logistique, 2024). Some common service providers focus on specific countries. For instance, the International Organization for Migration (IOM) oversees the Common Transport Services in South Sudan since 2011, supporting 80 organizations with free transport, supply storage, and distribution in remote locations (Najib, 2021). Première Urgence Internationale has provided free storage and cargo consolidation to 19 organizations in Nigeria (Première Urgence Internationale, 2017). Larger humanitarian organizations also increasingly offer common services. The IFRC’s Regional Logistics Units (RLUs) located in Dubai, Kuala Lumpur, and Panama support stock prepositioning and transport to remote areas for national societies and other humanitarian organizations (Schulz & Blecken, 2010). Similarly, the United Nations Humanitarian Response Depot (UNHRD) offers storage and transport services from its six global warehouses in Accra, Brindisi, Dubai, Panama City, Kuala Lumpur, and Las Palmas (Schulz & Blecken, 2010).

Furthermore, common services are available for the transport of humanitarian personnel. The United Nations Humanitarian Air Services (UNHAS) provides air transport for passengers and light cargo to crisis zones where commercial services are not available, with a fleet serving over 300 destinations (World Food Programme, 2024). The European Union Humanitarian Aid Flight (EU HAF), formerly ECHO Flight, also offers shared air travel services. In 2023, UNHAS implemented EU HAF services in Mali and the Democratic Republic of Congo (World Food Programme, 2024). Additionally, DG ECHO supports the EU Humanitarian Air Bridge (EU HAB), which is an initiative born out of the COVID-19 pandemic’s transport challenges to quickly transport staff and supplies when needed (DG ECHO, 2024b). Hulo provides EU HAB services to isolated regions and facilitates the coordination of shared flights for humanitarian organizations globally and locally (Hulo, 2024a).

Additionally, digital platforms support humanitarian operations by enhancing supply chain visibility and information flow. Trellyz’s Logistics Hub, for instance, operates a platform that links organizations that have essential supplies to those in need of suppliers and facilitates transportation arrangements (trellyz, 2023). The International Medical Corps’ Pharmaceutical Information Management System (PIMS) tracks pharmaceuticals from storage to last-mile delivery, ensuring transparency in the supply chain (International Medical Corps, 2023). Solvoz’s e-procurement platform offers an open-access knowledge base and a network of local and international suppliers for sourcing competitive bids (Solvoz, 2023). LINK, a software developed by Action contre la faim, Handicap International, and Solidarités International, is currently being upgraded by hulo as a digital solution for certain humanitarian supply chain activities such as catalog, order, purchasing, transport, and warehousing management (Hulo, 2024b).

1.1.2 | Coordination platforms

The 2004 Indian Ocean Tsunami caused one of the largest natural disasters in recorded history, killing at least 225,000 people across a dozen countries (Telford & Cosgrave, 2006). Those who survived faced acute shortages of relief supplies such as food, clean water, and medical care. The large involvement of the international humanitarian community, while proportionate to the scale of the disaster, also revealed a major shortcoming. This disaster underscored the urgent need for better information sharing and coordination among humanitarian organizations, leading to the establishment of the cluster system by the Standing Committee of Aid Agencies in 2005. The Global Logistics Cluster (GLC), one of the eleven clusters, can be activated as a coordination mechanism during major emergencies to support logistics decision-making through information management (LogCluster, 2024). It promotes voluntary information exchange via regular meetings and several digital platforms such as the Logistics Information Exchange (LogIE) platform, which facilitates the validation and presentation of logistics data (LogCluster, 2022).
Similarly, the Logistics Emergency Team (LET), a partnership among leading global transport companies including Agility, AP Moller-Maersk, DP World, and UPS, created the Emergency Dashboard Utility for Airfreight Resource and Delivery Options (EDUARDO) (Logistics Emergency Team, 2020). The EDUARDO platform assists humanitarian organizations by providing real-time information on available air cargo capacity for commercial flights to disaster response regions. Likewise, the STOCKHOLM platform is a digital coordination tool and a key component of the Emergency Supply Prepositioning Strategy (ESUPS) initiative, providing humanitarian organizations with a visual representation of pre-positioned relief items in a chosen region for preparedness planning in advance of emergencies (ESUPS, 2024).

1.1.3 | Resource pooling

Resource pooling entails the formation of collaborative partnerships and alliances among multiple humanitarian organizations at the same supply chain level. These organizations combine their resources and capacities to optimize benefits and mitigate risks collectively (DG ECHO, 2022; Parmaksiz et al., 2022). In practice, humanitarian organizations can collaborate to pool their resources when confronted with shared operational challenges in the field. For example, the Global Logistics Cluster often enables such ad hoc and short-term resource pooling during disaster responses. Likewise, voluntary consortia, supported by DG ECHO, involve humanitarian organizations joining forces through a Memorandum of Understanding (MoU) to respond to specific disasters. However, strategic partnerships and alliances for resource pooling have been rare and previously considered impractical in the humanitarian sector mainly because they necessitate dedicated collaborative processes to enable multiple humanitarian organizations to work together on their supply chain activities (Adsanver et al., 2023; Pedraza-Martinez et al., 2020). While there are informal mechanisms and short-term arrangements for resource pooling, formalized and institutionalized pooling often relies on cooperative structures.

In recent years, the COVID-19 pandemic has led to increased adoption of pooled procurement mechanisms. One example is the COVAX initiative that is led by organizations such as Gavi, the Vaccine Alliance, the World Health Organization (WHO), the United Nations International Children’s Emergency Fund (UNICEF), and the Coalition for Epidemic Preparedness Innovations. COVAX offered a global cooperative mechanism for pooling resources and distributing the risk in the procurement and distribution of vaccines and personal protective equipment in the fight against COVID-19 (Luna & Holzer, 2021; Parmaksiz et al., 2022). Likewise, the Strategic Fund for Essential Medicines and Supplies is a regional cooperation mechanism operated by the Pan American Health Organization (PAHO) for pooled procurement of essential medicines and strategic health supplies (PAHO, 2022).

Resource pooling constitutes a collaborative partnership or alliance where multiple humanitarian organizations combine their resources and capabilities to optimize benefits and reduce risks for everyone involved. Resource pooling has often been an informal practice among humanitarian organizations. Yet cooperative frameworks provide structured processes for organizations committed to long-term collaboration in pooling resources in their supply chain.

Within humanitarian operations, hulo has applied a cooperative framework to facilitate resource pooling. Originally established in 2014 as the Réseau Logistique Humanitaire, a consortium of nine humanitarian organizations, hulo was formally and legally constituted in 2021. It now comprises 14 organizations1, all committed to the principle of collaborative supply chain partnerships (Hulo, 2024c). As indicated by the increasing number of its member organizations, hulo is open and accessible to any organization willing to participate in the cooperative. It serves as a central, collectively owned and managed entity by its members, tasked with harmonizing their processes and capabilities (Réseau Logistique Humanitaire, 2019). In practical terms, hulo seeks to capitalize on the combined expertise and purchasing power of its member organizations. By pooling resources, hulo strives to consolidate procurement activities, minimize redundancies, and achieve cost efficiencies across supply chains.

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1.2 | Joint initiatives within the humanitarian ecosystem

Humanitarian organizations benefit from diverse joint initiatives, including common services, coordination platforms, and resource pooling. Common services usually adopt a business-to-business approach, with specialized providers catering to humanitarian organizations’ requirements. Conversely, resource pooling is characterized by partnerships and alliances, necessitating close collaboration among humanitarian organizations. However, classifying the entities that offer joint initiatives into distinct categories can be challenging. For example, the Global Logistics Cluster, as a coordination platform, grants access to a variety of common services through its partners and also facilitates the pooling of resources by multiple organizations to meet specific operational demands during emergencies. In a similar manner, hulo offers common services while also providing a cooperative framework that supports resource pooling among its member organizations and any other agencies that show willingness for a committed partnership. These common services include international joint transport through the EU HAB initiative, the Humanitarian Supply Chain Management software, LINK, and shared resources tool. Likewise, the STOCKHOLM platform, while mainly serving as a voluntary coordination tool, offers visibility into prepositioned stocks across organizations. This visibility can encourage humanitarian organizations in the same disaster area to pool their resources, such as relief stocks.

This report focuses specifically on resource pooling, as its implementation faces major challenges primarily due to the need for increased integration of supply chain activities across multiple humanitarian organizations. It begins by identifying the resources that can be pooled and then explores the barriers associated with such pooling. Additionally, using hulo as a case study, it investigates how actors such as donor agencies and the private sector influence resource pooling among humanitarian organizations. Especially, donor agencies are seen as playing a crucial role in facilitating joint initiatives, exemplified by DG ECHO’s 2022 Humanitarian Logistics Policy (DG ECHO, 2022). However, their distinct priorities and mandates may not always align seamlessly with efforts towards resource pooling (Maghsoudi et al., 2018). Finally, the conclusion section outlines future steps for resource pooling alongside potential risks linked to these endeavors.
2: Methodology

2.1 | Method design

Using a mixed-methods approach, we examined resource pooling from two perspectives. Initially, a survey, conducted from June to August 2023, garnered 57 responses from individuals across various humanitarian organizations, hierarchical levels, and regions, who were engaged in joint supply chain initiatives. These participants were solicited via humanitarian contact lists. The survey yielded quantitative data, providing insights into the prevailing trends and attitudes towards resource pooling, including the enablers, barriers, benefits, and risks associated with its implementation.

Following this, the survey results were shared with 14 supply chain leaders and experts during an online workshop in November 2023. This workshop enabled in-depth discussions among representatives from joint initiatives (e.g., facilitators of resource pooling and common service providers), donor agencies, the private sector, humanitarian organizations, and academia. Most participants held decision-making authority within their organizations and could therefore critically interpret the findings’ relevance and practicality. The combination of quantitative and qualitative methods increased the scope of explorative sense-making and allowed for a triangulation of data that validates and enriches the overall findings. This mixed-methods approach not only encapsulated the wide range of sectoral perspectives but also delved into the nuanced, qualitative insights, culminating in a robust understanding of resource pooling.

2.2 | Sample of respondents

2.2.1 | Survey

A large majority of survey participants (75%) were employed by NGOs or the IFRC, with the remainder working for private and humanitarian logistics service providers (16%), UN agencies (7%), and government agencies (2%). A significant portion of the respondents had expertise in operations and logistics (57%), while others were engaged in program management or procurement (11%, respectively). The rest (21%) included technical experts or individuals with experience in various humanitarian fields. The survey encompassed a balanced perspective of 53% of respondents from global levels (headquarters and regional offices) and 47% from national levels (country and field offices). Geographically, most respondents were based in Africa (56%) and Europe (40%), with a minor presence from the Americas (4%). Moreover, 44% of the respondents were part of organizations with more than 1000 employees, 32% were from organizations with 100-1000 employees, and the remaining 24% were from organizations with fewer than 100 staff members. Budget-wise, 43% of respondents indicated their organization’s budget exceeded $500 million, 32% reported it to be between $100-$500 million, and 25% stated it ranged from $10-$100 million. Notably, a substantial proportion of respondents (78%) reported an affiliation with hulo—either as a member of the cooperative or as a user of its common services.
2.2.2 | Workshop
The results of the survey were presented to a group of 14 experts in humanitarian operations during a half-day online workshop in November 2023. The workshop participants were organized into three groups to engage in thematic discussions across three rounds. Each 45-minute round allowed participants to interpret the survey findings, drawing on their own experiences and expertise. Following each round, a plenary session convened all groups to exchange the principal ideas and insights from their discussions. These focus-group and plenary sessions took place on an online platform. Moderators guided the participants through the survey’s detailed figures and findings displayed on a virtual Miro board, encouraging written input through virtual post-its during the group discussions. This facilitated the direct capture of ideas and fostered interactive engagement among the groups.

Table 1 - Composition of workshop participants

<table>
<thead>
<tr>
<th>Participants</th>
<th>Representation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant 1</td>
<td>Academia</td>
</tr>
<tr>
<td>Participant 2</td>
<td>Academia</td>
</tr>
<tr>
<td>Participant 3</td>
<td>Hulo representative</td>
</tr>
<tr>
<td>Participant 4</td>
<td>Hulo representative</td>
</tr>
<tr>
<td>Participant 5</td>
<td>Hulo representative</td>
</tr>
<tr>
<td>Participant 6</td>
<td>NGO representative</td>
</tr>
<tr>
<td>Participant 7</td>
<td>NGO representative</td>
</tr>
<tr>
<td>Participant 8</td>
<td>NGO representative</td>
</tr>
<tr>
<td>Participant 9</td>
<td>NGO representative</td>
</tr>
<tr>
<td>Participant 10</td>
<td>Humanitarian service provider</td>
</tr>
<tr>
<td>Participant 11</td>
<td>Commercial service provider</td>
</tr>
<tr>
<td>Participant 12</td>
<td>Commercial service provider</td>
</tr>
<tr>
<td>Participant 13</td>
<td>Donor</td>
</tr>
<tr>
<td>Participant 14</td>
<td>Donor</td>
</tr>
</tbody>
</table>

All discussions underwent analysis through a thematic coding approach by the authors. This technique facilitates the distillation of significant themes and categories from the content of the discussions, yielding insights into the participants’ viewpoints on resource pooling. Thematic coding is especially relevant in open discussions, wherein ideas and thoughts emerge spontaneously. Consequently, the emergent themes are inherently crafted by the participants, mirroring their comprehension and interpretation of resource pooling.
3: Types of pooled resources

Pooling transportation and warehousing resources within the supply chain is more common. In contrast, the pooling of procurement and administrative resources, including personnel and office spaces, has not gained the same level of adoption. This is primarily because such pooling cannot occur informally; it necessitates comprehensive inter-organizational agreements and frameworks. Regarding the pooling of supply chain information, there are two trends: Headquarters remain cautious, being mindful of legal and reputational risks, whereas field operations are more inclined to pool information informally, recognizing the tangible benefits of pooling data.

3.1 | Supply chain resources

Humanitarian organizations engage in the informal pooling of supply chain resources, particularly in transportation, warehousing, and occasionally procurement (CHORD, 2024). There is a growing trend of donor support, notably from entities such as DG ECHO, which have been providing grants for initiatives that facilitate the joint procurement of goods and services across multiple organizations.

“As logisticians, we’ve been sharing transport informally for decades. And I think with warehousing, there’s this kind of international side of sharing warehousing, but also, a local side. We’ve had multi-agency agreements with donors for a long time, where we implement projects together, which have involved some form of joint procurement, e.g., the kind of consortium models that we’ve had with ECHO.” – Participant 6

Highlight

A considerable portion of survey respondents—40% for warehousing and 43% for transportation—reported pooling of these resources consistently, whereas only 18% of respondents indicated that they did so for procurement activities. These observations are noteworthy as they challenge the previous assumption that pooling supply chain resources in field operations was impractical due to the reluctance of donors to permit the reallocation of resources (Pedraza-Martinez et al., 2020).

Figure 2 - Frequency of pooling supply chain resources

<table>
<thead>
<tr>
<th>Resource</th>
<th>Never or sometimes pooled</th>
<th>Consistently pooled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warehousing</td>
<td>57%</td>
<td>43%</td>
</tr>
<tr>
<td>Transportation</td>
<td>60%</td>
<td>40%</td>
</tr>
<tr>
<td>Procurement</td>
<td>82%</td>
<td>18%</td>
</tr>
</tbody>
</table>
3.2 | Administrative resources

Studies indicate that in the private sector, pooling human resources enhances engagement, time management, and the scalability of supply chain operations (Mangipudi et al., 2019). These advantages could potentially be replicated in the humanitarian sector. Nonetheless, humanitarian organizations often perceive the pooling of their personnel and office space as a high-risk endeavor. This is due to the difficulty in outlining the allocation of time and prioritization of tasks executed by pooled personnel and the utilization of office space during critical periods. Therefore, the establishment of mutually advantageous partnership agreements and frameworks is essential, along with the implementation of transparent communication and feedback processes among all parties engaged in resource pooling.

“[Pooling human resources] can be extremely challenging, and I think most would be reluctant at first because how do you split the time? How do you prioritize one emergency over the other? One need from another?” – Participant 10

“I think what is similar between office sharing and human resources is that it also entails a lot of regulation, a lot of frameworks. We should have a very clear partnership agreement for that.” – Participant 3

Highlight

Over 80% of survey respondents reported that their organization never or only sometimes engaged in pooling human resources with humanitarian partner organizations, and 75% indicated a similar lack of engagement in pooling office space. This suggests that the practice of pooling administrative resources among humanitarian organizations is highly challenging and uncommon.

Figure 3 - Frequency of pooling administrative resources

<table>
<thead>
<tr>
<th>Resource</th>
<th>Never or sometimes pooled</th>
<th>Consistently pooled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resources</td>
<td>86%</td>
<td>14%</td>
</tr>
<tr>
<td>Office Space</td>
<td>75%</td>
<td>25%</td>
</tr>
</tbody>
</table>

3.3 | Information resources

Information is a vital resource for humanitarian organizations, whether it is raw operational data, such as prices, or analytical products like needs assessment updates. However, organizations are likely to be cautious about pooling informational resources due to legal and reputational concerns. At times, there is a perception that information could reveal performance issues, potentially casting the organization in a negative light.

“There are legal challenges around information sharing. It’s the reputational concerns in terms of the organizations which also are too explicitly perceived as being tied to personal performance or organizational performance.”

– Participant 6
Interestingly, the perception of pooling information across multiple humanitarian organizations varies between upstream and downstream actors within supply chains. At the headquarters level, legal and reputational risks are perceived as more significant barriers. This is because legal teams are frequently involved to validate pooling procedures and standards essential for protecting personal data. These meticulous and time-consuming processes, however, result in a slower exchange of information between organizations.

In contrast, at the country level, information pooling tends to occur more informally, driven by personal relationships and goodwill among organizational representatives. Indeed, field personnel are often more aware of the importance of pooling information than their headquarters counterparts, as their daily operations rely on it.

“At the in-country level, they are not so much aware of the potential risks behind sharing information. I will share it with you more on a goodwill basis. You give me a phone call, and I can tell you whatever, just on my phone. If you start escalating more to the regional level or even headquarters, our legal teams are much more involved. Usually, this requires a proper use of data and especially data confidentiality. If we want to formally share information, we have to go through a process internally that many times is not really facilitating.” – Participant 8

“At the local level, people know each other much better, so they are much more transparent with the fact that they do not have the capacity, and they need some support, and they’re sharing information. They share a lot of information informally. At the global level, obviously, you’re representing your institution, and you cannot be transparent with your partners or potential partners.” – Participant 10

Highlight

At the global level, there is less enthusiasm for ad hoc pooling of supply chain information, largely due to regulatory requirements. Yet, when global respondents do participate in information pooling, they do so consistently. 39% of global respondents report regular information pooling with other organizations, a rate that exceeds the 18% observed at the country level. Conversely, 32% of respondents at the global level indicate they never share supply chain information with other organizations, compared to 17% at the country level. Additionally, there is a notable reluctance towards ad hoc information sharing among global respondents, with 29% doing so occasionally. In stark contrast, a significant 65% of country-level respondents engage in occasional information pooling with their partners.

Figure 4 - Frequency of pooling information with other organizations, split by global and in-country perspective

<table>
<thead>
<tr>
<th>GLOBAL PERSPECTIVE</th>
<th>IN-COUNTRY PERSPECTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>32%</td>
<td>17%</td>
</tr>
<tr>
<td>29%</td>
<td>65%</td>
</tr>
<tr>
<td>39%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Never pooled

Sometimes pooled

Consistently pooled
Resource pooling faces several barriers that impede its widespread adoption. These challenges include: ensuring the feasibility to meet quality standards and donor requirements across different organizations; adapting internal processes and attitudes to embrace resource pooling; risking the loss of control over resources and data; lacking mutual trust among humanitarian organizations; relying on personal relationships to advocate for resource pooling; lacking baseline data and effective monitoring and evaluation systems to measure impact; and focusing on efficiency that may neglect the comprehensive advantages of resource pooling.

4.1 | Ensuring feasibility

The primary barrier to resource pooling is establishing its feasibility. In theory, resource pooling promises numerous advantages to the organizations involved, such as cost savings and improved access to resources (Adsanver et al., 2023). For instance, by pooling procurement resources, the processes for procurement and purchasing are separated, which diminishes the potential for fraud, corruption, and abuse of authority. In the example of cooperative-based resource pooling, this separation can be achieved by having a joint entity manage procurement for multiple organizations, while each organization conducts its own purchasing activities.

Nonetheless, the challenge arises when multiple organizations, each with their own set of standards and requirements, plan to engage in pooled procurement, which may complicate compliance with the quality standards of each organization. Similarly, pooling human resources also poses challenges, raising practical concerns regarding staff contracts, allocation of tasks, resolution of conflicts, and methods for sharing costs.

“To me, that’s not a matter of ‘Is there an added value?’ For the team in pooling resources, the main question is ‘How feasible is it or not?’ Theoretically, it’s easy to understand that sharing staff between many organizations is going to be cheaper, it’s going to be easier to access the resources. But the main constraint would be: how can it be done? How can we deal with the contract of the staff? How can we share the cost? How does it work? So, to me, the main idea is to show that [resource pooling] is feasible, instead of whether it brings added value.” – Participant 7

“[Are other organizations’] procurement procedures strict enough and in compliance with [my organization’s] procedures, so that we can move ahead with them in joint procurement? Often the blocking is within our own agencies; it is not necessarily about ‘we can’t do it’. For big agencies our legal compliance and our global assurance get involved, and then it becomes a whole drama of how do we actually contract this.” – Participant 9
4.2 | Complying with donor requirements

Another key challenge is the inconsistency between donor policies and practices. Sometimes, there is a perceived gap between the actual needs of the affected population and donor requirements. Consequently, humanitarian organizations often face difficulties in deciding whether to pool their resources, as they must also modify their supply chains to be consistent with donor funding preferences.

“I would be very afraid because we don’t know yet how [donor requirements] are affecting the humanitarian ecosystem as a whole. My fear is that maybe we will not be serving the beneficiaries or the people in need as holistically as we need to, only because we try to do the things that the donors are going to support.” – Participant 1

“A decision you might have from a donor in one place is not necessarily a decision that you have globally. You have to renegotiate those things in each setting, in each region, in each country team.” – Participant 6

“When we have donors asking us to go into a country, to set up a logistical infrastructure, it’s a long process to convince local suppliers, to do all these processes, to gain new partners, users, and so forth. And then, at the end of the season, the donor says that logistics are not their priority anymore. A donor can say that they are for mutualization but when they decide where to put the funds and for what, it’s political. We know that very well, and we are very exposed to this lack of consistency.” – Participant 10

4.3 | Having misaligned internal procedures

Challenges to resource pooling may also arise from misaligned internal processes and a perception that the benefits or incentives for pooling resources are insufficient, necessitating organizations to implement changes in procedures and mindset to foster greater collaborative partnerships across organizations. Such transformations are time-intensive and must be established well before responding to a disaster.

“It’s a behavior change, and behavior changes are really hard. It goes beyond hulo. We can pool resources; hulo is [only] one way of doing it. Behavior changes or mindset changes take time.” – Participant 4

“In the field, the logisticians are the ones to create the benefit, but they are not the ones to benefit from [resource pooling]. Working with others on your supply chain is an extra burden on your existing activities. We see a reluctance from the logistic team to get involved.” – Participant 3

“Adapting internal procedures to facilitate resource pooling is much more problematic because our own procedures will dictate how we work and lay out separate procedures for working with different organizations. It will be very difficult to come up with one document that all organizations would sign, so we can facilitate better resourcing.” – Participant 9

“The constraints or the restriction would be the lead time, meaning the bigger the cooperative would be, the longer it will take you to have all programs from all organizations adjusted, harmonizing specification.” – Participant 7
4.4 | Losing control

Furthermore, the reluctance to relinquish control over resources, information, and data is a significant barrier to the adoption of resource pooling. While resource pooling necessitates transparency and ceding some level of operational control for collective, strategic supply chain decisions, humanitarian organizations, constrained by limited resources and donor requirements, tend to favor retaining greater control. This preference ultimately diminishes their propensity to engage in resource pooling.

“Something that works a little bit against [resource pooling] is this [sentiment] of trying to keep control of some of the assets in-house.” – Participant 8

“It’s ‘Why do I have to share my accounting data with you?’ [This] higher risk of losing control is a huge discretion we face in the field.” – Participant 5

4.5 | Lacking trust

Trust is a critical factor in the success of joint initiatives, particularly in resource pooling. Building and sustaining trust demands proof of the reliability and quality of the pooled supply chain and administrative resources. It also involves adapting to changes, such as frequent staff turnover and resistance to new methods of operation. In the example of cooperative-based resource pooling, a perceived loss of control can further erode trust as the cooperative expands. Although increased participation can amplify collective strength, it necessitates a careful alignment of procedures and practices, potentially curtailing the control of each organization. To bridge this trust gap, it is essential to show that resource pooling is both practical and beneficial, encouraging organizations to embrace the advantages of a cooperative.

“The critical point for these kinds of shared services is trust and how to build trust within an environment where the people are constantly changing. Trust is built by people’s previous experiences. But with the high turnover in the humanitarian sector, the people are constantly changing.” – Participant 8

“The [cooperative’s] size can also reduce trust. Because the more actors they are, they may feel [that] they don’t have so much power as [an] individual organization anymore and this may overthrow the trust.” – Participant 1

“The main challenge at first is to gain trust from all the others. I see this in my experience as [a common service provider] where we do just the shared services for transport and storage. In each area where we intervene, potential partners take [a lot of time] before they move on with using the services. I think it’s if you walk your talk, you gain trust. Trust is built on proof, and you need to prove you’re really able to deliver. One of the elements for building up trust is obviously very clearly defined MoUs, something that really clearly states what exactly the deal reassures.” – Participant 10
4.6 | Relying on personal relationships

Moreover, relying on personal relationships for resource pooling is unsustainable in the long term, particularly in settings with high personnel turnover. Although informal meetings and bilateral ties can foster resource pooling, they alone are not adequate for its effective implementation.

“In Burkina Faso [in 2023], they have created monthly meetings. They have ‘Drink with friends’ just after the meeting, where they invite the country directors and mix everyone – the national colleagues and the international ones. It is a place where the logistics coordinator of one NGO can meet the country director of another one. When we compared it with Central Africa, and why collaboration was not really working well there, we realized that [informal meetings] were one of the main differences. It’s quite qualitative, but it confirmed [that] it leads to building long-term relationships.” – Participant 5

4.7 | Lacking baseline data

Another significant barrier is the lack of baseline data to evaluate the extent to which resource pooling enhances humanitarian operations. Consequently, there is a pressing need to develop a robust monitoring and evaluation framework that can quantify the impact of resource pooling and affirm its worth to the humanitarian sector as a proof of concept.

“About measuring, the major problem is the baseline. We cannot measure how much is being saved by all the users. Basically, we don’t have a baseline about what they would have done without the platform, e.g., how many staff they would have to recruit because we are organizing their transport and storage. So, it’s nearly impossible to calculate how much is saved [in one operation] in terms of how many resources are shared. The users [of the shared resource platform] cannot tell exactly how many resources they would have needed in the absence of the platform, and this is where it’s so difficult to calculate the efficiency of mutualization.” – Participant 10

4.8 | Focusing on efficiency

Finally, an overemphasis on cost efficiency due to resource pooling may overshadow its wider advantages and overall impact. Resource pooling not only has the potential to ensure better quality of supplies but also to mitigate corruption (via joint procurement), both of which are vital objectives for humanitarian supply chains. Logisticians, therefore, focus beyond mere cost savings, aiming for value for money—securing the optimal balance of quality, cost, and quantity in procurement, while concurrently striving to minimize instances of fraud and corruption.

“Logisticians’ priority is not necessarily cost reduction, but it should be satisfying the program needs.” – Participant 12

“When we talk about resource pooling on the ground, everyone is talking about financial saving. But the practitioners realize that the cheaper is by far not the best in terms of corporate social responsibility for a lot of reasons. So, they select a higher quality and better supplier. We also realize with qualitative measures that there is a wider added value like [reducing] fraud and corruption that we cannot measure.” – Participant 5
5: A case study of cooperative-based resource pooling: The initiative *hulo*

Hulo introduces a cooperative framework for humanitarian organizations to work with each other for pooling resources. With its growing number of member organizations, hulo is open and accessible to any organization willing to participate in committed partnerships. It garnered top-level management support of member organizations and simultaneously fostered country-level relationships to validate the resource pooling concept. While donor agencies fund the implementation of its cooperative framework, hulo is still at an experimental stage, actively exploring various funding mechanisms for its growing range of activities. These include offering common services such as international transportation, IT systems, and a shared-resource marketplace. Expanding into the provision of common services, along with cooperative-based resource pooling, may support the sustainability of hulo’s organizational model. However, without effective strategic coordination within the humanitarian ecosystem, it can potentially create competition with other existing humanitarian common service providers.

5.1 | Cooperative framework

A cooperative framework is a governance model in which organizations jointly establish a central body to manage their committed partnerships and alliances. For example, hulo aligns the processes and capabilities of its member organizations, as well as any other agencies willing to join the cooperative, in order to form committed partnerships and pool their complementary resources. Specifically, hulo supports this pooling by providing essential expertise and tools, including memorandums of understanding (MoUs) and standard operating procedures (SOPs).

“*The cooperative model is quite interesting in terms of governance. It’s managed in terms of complementarity. We are sharing and are doing joint initiatives as long as it creates value. But if it is not creating more value than what it consumes, then collectively we jump out. It’s a freedom that all the cooperative members have. Flexibility within this cooperative model is very interesting. The difference is that now there is ownership from organizations, and they see [resource pooling] as a duty.*” – Participant 3

“*Hulo is more of a practical experiment and has a clear design, a clear MoU. It provides proof of concept, documentation, and develops SOPs. Because in the field, we are executants. If there is no SOP, we don’t know what to do. Hulo is here to support, to set up the framework, and we are designing the framework in order to provide feedback [on the cooperative structure].*” – Participant 5

**Highlight**

On average, only around half of the survey participants agreed that their organization followed SOPs for joint initiatives in their supply chains. A smaller percentage of global-level respondents (43%) reported having SOPs for joint initiatives compared to those at the country level (61%). This emphasizes the urgent need for entities that can streamline joint initiatives by defining and clarifying applicable SOPs, especially for resource pooling to account for integrated supply chain processes.

**Figure 5 - Level of agreement on the use of standard operating procedures (SOPs) in a cooperative**

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<thead>
<tr>
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<th>IN-COUNTRY PERSPECTIVE</th>
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Legend:
- Neutrality: Neutral opinion or disagreement
- Agreement: Agreement

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20
5.2 | Key success factors

Hulo has applied two key strategies to advocate for resource pooling and to gain its cooperative members. On a global scale, hulo ensures it secures support and commitment from top-level management in humanitarian organizations. By demonstrating the benefits of resource pooling, it encourages senior decision-makers to integrate collaborative partnerships and alliances into their strategic supply chain objectives. This underscores the importance of fostering a broad willingness extending beyond logistics and supply chain personnel for widespread adoption of resource pooling in the humanitarian ecosystem.

“Unfortunately, the head of logistics or the head of supply chain are not usually the ones who can change organizational matters on their own, if they are even involved in decision-making in the first place. The success of hulo is that they had the support of the CEOs. I think that [hulo] did that smartly in a way that they approached CEOs and then brought them into the discussion, and they endorsed it.” – Participant 13

At the country level, hulo emphasizes building relationships and facilitating open discussions about resource pooling. Hulo’s personnel advocate for and elaborate on the cooperative’s purpose and work, aiming to generate momentum among the field staff of its members and others that want to participate in hulo’s joint initiatives. Operationally, the success of resource pooling hinges on the active engagement and motivation of country-level logisticians and supply chain staff to collaborate with their counterparts in other humanitarian organizations on supply chain activities.

“The critical work was for people in the country to constantly explain what hulo is and create momentum between NGOs. It is absolutely critical to have [key staff on the ground]. [Hulo] is something that has never been done before. So, it’s a bit of a fail-forward. I think we have to try something to see if it works, and maybe course correct, and try something [new] until we find it. Hulo’s distinct contribution is offering a proof of concept for resource pooling in the humanitarian sector. By challenging the initial unfamiliarity across humanitarian actors, hulo uses the learning curve of applying the concept in practice to demonstrate and prove its value.” – Participant 4

5.3 | Continuity of the organizational model

Hulo operates with funding that is hosted by its members and has established itself as a partner with donor agencies, including DG ECHO, the French Crisis and Support Center, and USAID’s Bureau for Humanitarian Assistance, for implementing joint initiatives, especially cooperative-based resource pooling. While the support from donors is currently robust, hulo explores several funding mechanisms to foster its long-term operational continuity.

“It’s also not too bad to still be funded through donors directly and build that value that you’re providing – showing it. [However], in this financial model, I don’t see a very stable solution. And before this is solved, I would also be cautious about growing too fast because the risk is getting bigger.” – Participant 13

“We still have a big block, which is the business model. The whole idea of hulo is to be financially sustainable. Now, we work on grants, so we get seed money to do all that work, and the NGOs are happy. We are of course a true believer that [hulo] cannot be grant-funded forever. It was a good start. But it has to find a way to be financially sustainable in the long run.” – Participant 4

“A threat for hulo is that now there’s a hype around hulo. So, in two years’ time, maybe [donors] will have another fantasy idea, and they will find something else. So, depending only on donors is a big risk.” – Participant 10
Indeed, given the current interest in hulo, it is well-positioned to experiment, choose strategic partners, and geographically expand its operational activities. However, this growth is accompanied by rising costs, particularly in IT system investments, and may divert hulo’s focus away from its core competence in cooperative-based resource pooling.

“Due to the attractiveness of hulo activities within the sector, hulo has many partnerships, and we are struggling to select the good ones or prioritize. There is a huge challenge in terms of the number of participating organizations and members’ growth. So, it’s too early to define if we will or if we won’t be able to be sustainable because we are still defining our cost, our real cost, as we are in growth, and the cost is always evolving. We are still investing a lot.” – Participant 8

“Hulo has already grown enormously in a very short period of time. The moment should come soon to really ask the partners, the donors, and whoever is involved: ‘What’s the model?’” – Participant 13

“The idea of taking opportunities and initiatives for the next few years in resource pooling can be a strategic decision for organizations rather than deciding to change your architecture around it. It’s fine that we’re in an innovative space, and we’re in an experimental phase.” – Participant 6

In fact, while in an experimental phase, hulo is also exploring suitable funding models for its portfolio of activities. Beyond resource pooling, hulo provides (or plans to provide) humanitarian organizations with various common services like international transport, IT solutions via LINK, and a marketplace for resource exchange. Each service requires an adequate funding mechanism. However, while such diversification in its organizational model, i.e., acting as a common service provider, may bolster long-term operational stability, it can be inferred that, without effective strategic coordination within the humanitarian ecosystem, there is a potential risk of creating competition with existing humanitarian common service providers.

“Hulo builds a not-for-profit financial architecture in the cooperative just to make sure that we always control our PnL (Profit and Loss) and always make sure that any benefit will be reinjected. If there is an extra benefit above the needs, then we will reduce the cost for the participants and for the ones who are paying. We even have the dream at some point to provide free service.” – Participant 8

Ultimately, service provision (vis-à-vis cooperative framework) has a distinct implication for relationships between humanitarian organizations. Hulo must ensure that its framework for common service provision remains true to the nature of the cooperative and the spirit of collaborative partnerships. Any funding mechanism for service provision, such as a cost recovery strategy, should align with the willingness of users to contribute financially.

“When money is involved, it’s difficult to even try to go to the partnership [workstream]. We really need to justify: are we considering this other organization providing us with holistic services as a partner or as a supplier? These are some of the constraints that distinguish the line between a partnership and a contractual relationship.” – Participant 8

“Having the users pay for the service or a cost recovery [approach] to free yourself from depending on the donors is risky. With cost recovery, partners don’t behave like partners anymore as soon as you charge them. So, it changes completely the deal. They are clients, and there is no more solidarity. It really changes the whole attitude of the users. It’s not the dynamic of we’re all together, we are a cooperative, and we will work together.” – Participant 10
Coordination with Solidarités International
6: Interdependency of actors within the humanitarian ecosystem

Donor agencies play a crucial role in supporting different types of joint initiatives. Their role may not be limited only to funding coordination entities but also to encourage more humanitarian organizations to engage in joint initiatives. However, there remains a lack of understanding regarding how donor regulations impact the implementation of resource pooling. Concerns remain that pooling may not align with the requirements of some donors, particularly smaller ones. If the goal is to support resource pooling, donors need to revise their grant structures to offer greater flexibility in funding humanitarian programs. Additionally, from a private sector viewpoint, cooperative-based resource pooling may have a positive implication. For instance, an entity like hulo can act as a focal point of contact for commercial suppliers, while enhancing the bargaining power and visibility of its member organizations. This can significantly bolster the engagement between humanitarian organizations and the private sector.

6.1 | The role of donor agencies

6.1.1 Donor partnerships
Donor agencies can support joint initiatives within the humanitarian sector financially and through advocacy. Yet, they could further contribute by creating incentives that encourage more humanitarian organizations to partake in joint supply chain initiatives, especially those that involve collaborative partnerships to pool resources. A practical approach would be for donors and entities that manage joint initiatives to engage in ongoing consultations and dialogues to reduce procedural and regulatory barriers.

“Coordination mechanisms [such as hulo] should be sitting much more with donors. It can also be an inter-donor agency group.” – Participant 13

“It is absolutely critical to get the donor’s support for now, but the donors cannot only be copartners. It must be that the donors [not only] finance the vision but tell the actors they work with [to engage in resource pooling]. This is the way forward because we want to do more with [donors’] money.” – Participant 4

Highlight

About 61% of the survey respondents agreed that donor agencies are in discussions with humanitarian organizations about optimal ways for pooling supply chain resources. However, a significantly smaller 39% agreed that donor agencies fund capacity building efforts in this area. This suggests that while donors are playing a more active advocacy role, they need to allocate additional resources to translate advocacy into action by supporting the implementation of resource pooling initiatives.

Figure 6 - Level of agreement with the type of donor relationships with humanitarian organizations
6.1.2 Donor constraints
Although there is a growing consensus among donor agencies on the value of joint initiatives, ambiguity persists specifically about the extent to which their requirements facilitate or impede resource pooling. Concerns remain about potential non-compliance with donor regulations, particularly as the requirements of smaller donors may not be well-adapted to support resource pooling. This uncertainty can deter humanitarian organizations from engaging in such collaborative efforts.

“The donors are helping us to just make that; A change, a nudge from nothing to something. It helps us go from not-at-all-sharing to starting to share. I see that we are so far behind in the journey that we just need those incentives to kick us a little bit in that direction.” – Participant 6

“[Smaller donors] can have some blockage. Sometimes the decision not to jump into the mutualization is not rational because actors are scared, and they don’t want their compliance department to shout over to the practitioner: ‘Why did you do that? It’s not compliant anymore.’ We have 12 to 14 donors. I may have a small donor, and they will represent just 10% of my funding. My joint procurement initiatives will not be compliant with this one [small donor]. So, I’m blocked because I know that this donor doesn’t take pooling into account. [Big donors] are not the main pain points for them.” – Participant 5

“Donors are trying to figure out where it would be most helpful to support but against the context of not knowing how much regulatory support or donor rules actually impede [resource pooling]. And it seems that focusing efforts on procurement, which is where most of the funds end up, seems to be one that makes sense.” – Participant 14

6.1.3 Grant structure
Crucially, if the goal is to facilitate resource pooling, donors would need to adjust their grant structures. For example, cooperative-based resource pooling can lead to cost savings, particularly when organizations leverage their combined procurement and personnel capacities. Yet, this efficiency poses a challenge when it results in unspent grant funds. Humanitarian organizations then struggle with the dilemma of explaining these savings to their donor agencies.

“[Donors] invested in hulo, and we created a solution that is cost saving. For example, for pooling procurement resources, we have now demonstrated that we can make savings and be more efficient. But organizations [receiving] grants don’t want to be more efficient on the grant. That’s actually an issue if you don’t spend your grants. Now, if you underspent on your grant, you’re penalized. So, with hulo, you are more likely to underspend because you have savings. This money that is underspent directly affects your overhead cost.” – Participant 4

Changes in grant structure should reflect the need for a more supportive funding framework—that is, they should accommodate a more adaptable funding model. Ideally, grants would allow humanitarian organizations the flexibility to allocate potential savings to improving their supply chains. Such savings could be reinvested in areas like IT systems, environmental initiatives, or supply chain capacity building. To address donor concerns from a fiscal and public finance standpoint, humanitarian organizations should assure donors via binding commitments that any savings will be fed back into strengthening supply chain capabilities. Moreover, initiatives that yield cost savings in supply chains ought to be acknowledged and incentivized by both the organizations themselves and the donor agencies.

“The grant structure also needs to evolve now. Maybe, the donor needs to say: ‘If you underspend, you can keep the money and invest it in your supply chain.’ Donors have to guarantee there will be no audit issue because it’s a question that constantly comes up. So, there is a whole point here that we need to continue this close relationship with donors.” – Participant 4

“It is important not to underestimate that behavioral change. No one ever says to you ‘Well done for saving $100,000,’ and in fact now it is annoying because we have to go back and make our excuses to the donor.” – Participant 12
6.2 | The role of the private sector

6.2.1 Private sector partnerships
From the private sector perspective, cooperative-based resource pooling is a potential game changer. It creates a single ‘go-to reference’ that can engage with commercial suppliers with more bargaining power and visibility than individual humanitarian organizations. For instance, hulo, functioning as a cooperative, can reduce the fragmentation and duplication of demands from different humanitarian organizations and instead provide a single and coordinated request.

“If I can approach one organization instead of 10 to talk about the same kind of volume, let’s go for it. Working with one cooperative like hulo to move 20 containers to West Africa, for example, is a much more straightforward and streamlined process than working with five or six organizations, each shipping a couple of containers themselves. So, the efficiency within the private sector is also improved by this cooperative. It is a win-win, and it really comes down to ‘We’re ready. We have the solutions at hand. Let’s see how we can make it happen together.’” – Participant 11

“I keep on hearing how happy the suppliers are with the hulo initiative because suppliers get a lot of demands in silos. Maybe 15 NGOs ask for an offer. Now, they get one request from hulo. So, from a supplier perspective, it’s also a big advancement in getting transparency on the market price as well as reducing fraud because you have a committee of NGOs deciding on the tender.” – Participant 4

6.2.2 Private sector constraints
The private sector continues to struggle with how best to engage with humanitarian organizations. A clear path for forming and sustaining reciprocal partnerships remains a problem. In this light, cooperative-based resource pooling presents a promising direction. However, as hulo is still evolving, it continues to experiment with exploring the most beneficial relationships with the private sector. For instance, commercial engagements are often restricted by donor mandates on procurement, which curtail the flexibility of hulo’s engagement with the private sector.

“It’s still quite difficult sometimes for the private sector to find the right way to always engage with the humanitarian sector. How does hulo seek to really create those partnerships with the private sector? And what is the mechanism there to do that? Is there a way of thinking about how we are going to tap into all of these resources, so we don’t have to reinvent the wheel, and that we can leverage what already exists? What’s quite frustrating sometimes is [that there are] a lot of conversations around private sector partnerships but to engage with the humanitarian sector is not always that clear.” – Participant 12

“As hulo, we are still not fully stabilized on the different types of relationships we can have with the private sector. There is this commercial relationship, and we see the real added value that we bring to the private sector by joining our forces and by aggregating our needs. For the moment due to the rules and regulations from donors on the procurement side, the commercial relationship is really framed through those procurement rules. I think it is still an area where we have to investigate more into the structure.” – Participant 3
Despite the challenges, there are valuable practices for humanitarian organizations in general and resource pooling in particular to borrow from the private sector. For example, as resource pooling is a well-established concept in the private sector, humanitarian organizations can leverage existing innovations such as co-loading and establishing a central platform.

“There’s a whole world of supply chain solutions and innovations out there. It would be great to bring them into [the humanitarian ecosystem]. And it is much easier to do that with hulo or other bigger cooperatives or organizations than it is to do with smaller ones.” – Participant 12

“Because we do not have enough humanitarian cargo to fill the plane, for example, it will co-load with commercial cargo, right? So, by co-loading, we share the resources in that way to make sure that [the plane is] not empty. Moreover, it is very vital that you have a central platform. Everyone got that one [platform] you can go to where you can access information. It’s visibility because you don’t know what you can share if you don’t know it is available to be shared. [For example,] we have SharePoint – an intranet where you just know whatever resource you want to access. This is my go-to point, and whenever I’m looking for something, this is where I have to look for it.”
– Participant 11
7: Conclusion

In conclusion, this report presents three key insights for the readers.

1. First, it underscores the critical need for strategic alignment between humanitarian organizations, donor agencies, and the private sector to guide humanitarian organizations towards increased resource pooling. Humanitarian organizations and their joint initiatives have to identify and strengthen their core competencies in the pursuit of establishing complementary coordination systems within the humanitarian ecosystem. As shown in the case of hulo, this requires it to navigate the growth of its cooperative-based initiative while experimenting with and exploring the most sustainable business model to ensure operational continuity. Donor agencies may need to consider revising grant structures to offer more flexible funding mechanisms in support of joint initiatives. This flexibility in grants is likely to encourage more humanitarian organizations to participate in resource pooling, potentially allowing them to create cost savings. However, donor agencies may also require that any savings be reinvested by humanitarian organizations to enhance their supply chains. For the private sector, joint initiatives such as cooperative-based resource pooling can present a single point of contact, making engagements with a consortium of humanitarian organizations more efficient than responding to numerous individual requests and establishing individual engagements.

2. Second, it is essential to recognize the broad spectrum of joint initiatives that humanitarian organizations engage in, ranging from common services to resource pooling, tailored to their specific supply chain needs. The cooperative-based resource pooling initiative by hulo represents a novel, yet one among many approaches, designed to enhance resource pooling among these organizations. To improve their supply chains, humanitarian organizations should evaluate all forms of joint initiatives, acknowledging that no single initiative is a solution to every operational problem, and each carries its own set of risks. Therefore, future research should focus on identifying the conditions that favor certain types of joint initiatives, such as common services or resource pooling, and the potential risks that they present to humanitarian organizations.

3. Third, categorizing different types of joint initiatives into common services and resource pooling is crucial for understanding their role in meeting the specific operational needs of humanitarian organizations. However, classifying the entities that provide joint initiatives into distinct categories is not always straightforward. For instance, hulo offers a unique cooperative framework that facilitates resource pooling among its members, along with a range of common services such as the EU HAB initiative for air transport and the LINK digital platform. Despite the difficulty in doing so, categorizing various entities can reveal the potential risk of them overlapping and competing as they grow. To mitigate this risk, it is imperative for entities that manage joint initiatives to maintain ongoing dialogue and consultations within the humanitarian ecosystem.

Future outlook

This report establishes the foundation for a discussion on the range of joint initiatives by exploring the current understanding of resource pooling, the barriers to its implementation, and the role of different actors in mitigating these barriers within the humanitarian ecosystem. Future research should delve deeper into the impact of cooperative-based resource pooling specifically. They should investigate not only how cooperative-based resource pooling impacts supply chain performance but also how it can contribute to the localization agenda and sustainability efforts. Additionally, future research should examine humanitarian demand forecasting and supply chain planning more broadly across organizations in the hulo cooperative, providing best practices for the humanitarian community.
8: References


9: Authors

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