



Designing more efficient supply chains:

using multiple modalities & key leverage points

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Five main supply options and modalities:

#	Supply Options	Modalities	Transaction/ Transfer Methods
1	Market based programming	Cash, Vouchers, Loans/Grants	Direct, Indirect, Electronic/Digital
2	Procurement	Strategic, Tactical and Social	Direct, Open Competition
3	In kind donations	Food, NFIs, Med., Assets, Equip	Direct, Indirect
4	Loans and swaps	Food, NFIs, Med., Assets, Equip	Direct, Indirect
5	Prepositioned items	Food, NFIs, Med., Assets, Equip.	Direct, Indirect

Key considerations:

- Get clarity on materials specifications and quantities required and where & when needed.
- Obtain up to date market and logistics knowledge.
- Examine all sourcing options, modalities and transfer methods available to determine right combination.
- Try to anticipate all constraints that could cause pipeline delays and breaks.
- Build in flexibility to move between options and modalities as conditions change.

Three key leverage points to focus efforts on:

Leverage Points	Supply Options			Basic Requirements
Preparedness	Access Prepositioned Stocks		Engage Strategic Sourcing	Resources and time must be available to prepare prepo -- global, regional or country managed, and to establish agreements with strategic suppliers.
Market Awareness	Market Based Programming	Startup Social Sourcing	Carry out Tactical Sourcing	Market specialization critical with analysis of pre- and post-market info to make decisions on supply options available, and where to source with multiple modalities and back up planning.
Stakeholder Coordination	Receive In Kind Donations		Negotiate Loans and Swaps	Engage with donors, clusters and government meetings to see what cash and NFI options exist. These should be used to supplement prepo, market based supply options to ensure coverage.

For more info see recent CRS study: 'Cash or In-Kind? Why not both? Response analysis lessons learned from multimodal programming' @ <https://www.crs.org/our-work-overseas/research-publications/cash-or-kind-why-not-both-response-analysis-lessons>