

## Case Study



Photo: Spanish Red Cross

### Logistics Development

### Increasing the supply chain agility for personal protective equipment (PPE) during the COVID-19 pandemic response

A real-time case study

#### Context and Scope

The objective of this document is to disseminate the experience of the Spanish Red Cross (Spanish RC) in the face of the importation of large volumes of humanitarian aid during the emergency phase in response to the COVID-19 pandemic, so that it can serve as a reference, source of inspiration or help to other Red Cross and Red Crescent National Societies that are immersed in similar situations, or wish to reflect on their readiness levels for possible similar future scenarios.

Traditionally, many European National Societies have been donors of aid, with experience in logistics operations for the export of essential goods, through appeals by the International Federation of Red Cross and Red Crescent Societies (IFRC), as a multilateral and coordinated response to humanitarian crises in other countries, mostly far away from Europe. The high demand for personal protective equipment (PPE) needed for the response to the COVID-19, has generated a paradigm shift in their role from acting as traditional "donors" to becoming "recipients" of humanitarian aid. Were we prepared as organizations for a change of direction in the logistics flow and were we ready to properly manage large scale imports of material in a short period of time? Are there experiences from other, IFRC members more used to receive humanitarian aid, from whom we could learn to increase our response capacities?

On the other hand, the document outlines the strategy used by the Spanish RC to increase its supply chain agility, by diversifying supply channels and especially by making use of the collaboration with the private sector. The case presented in this document is context specific. Response and logistics management needs to be adapted to the national regulations and characteristics of each country/environment.

#### The problem: getting the material quickly and import facilitation

The rapid global spread of the pandemic led to an enormous increase in the need for protective equipment for both health workers and the general population as a means of containing infections. The limited global production of PPE, concentrated in a small number of countries (mainly China) after years of offshoring strategies to reduce costs, together with the halt of commercial airline activity as a result of restrictions on the movement of travellers imposed by many countries, led to market shortages.

The lack of a special facilitation process to import relief equipment required to minimise the negative effects of disasters or pandemics may result in longer lead times if the cargo is blocked at customs and may result in extra demurrage or storage fees.

## The response strategy chosen by the Spanish Red Cross

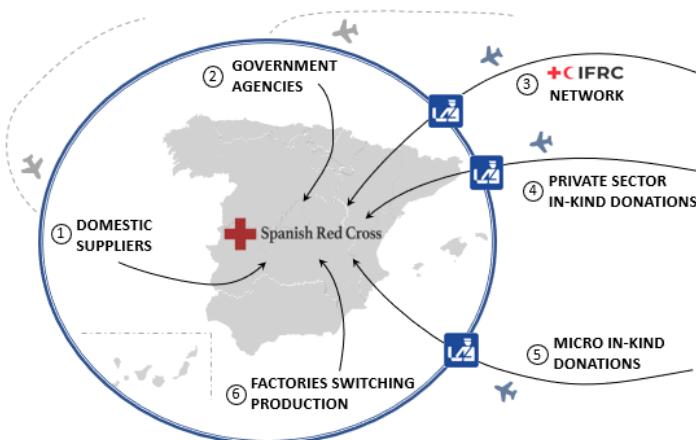
In the face of new challenges, such as the unprecedented propagation speed and global scale of the pandemic, the Spanish RC opted for new solutions to increase the agility of the PPE supply chain, trying to minimise both the supply time and cost. In this way, the Spanish RC not only guaranteed the continuity of essential programmes provided to the population, but also intensified its activities with the most vulnerable to COVID-19 through the '[special plan RESPONDE](#)', while at the same time it ensured the duty of care towards the organization's volunteers and staff.

### PPE multi-channel supply strategy

Despite having a centralized contingency stock, the PPE consumption rate needed by Spanish RC volunteers and staff was higher than the replenishment lead time using its normal range of suppliers. In view of the general uncertainty faced by governments and international organisations, the great dependence on overseas production and the high volatility of the world market, the Spanish RC opted for a diversification strategy, seeking to maximise the supply stability by moving between one channel and another in response to changes in the maturity or saturation levels throughout the different emergency phases. The six supply channels considered, both for purchases and in-kind donations, included:

1. Reliable domestic suppliers, ensuring quality and delivery from previously validated international or domestic producers (due diligence).
2. In-kind donations from Spanish central and regional governmental agencies (according to the decentralized system in place<sup>1</sup>), as the main responsible actor to ensure PPE availability for the Spanish National Health System and main contributor to the Spanish RC auxiliary role in emergency response.
3. In-kind donations or procurement channelled through the IFRC network, received from other countries or from sister National Societies
4. In-kind donations from business groups based in Spain, sent from China.
5. Micro in-kind donations sent from China.
6. In-kind donations from factories in Spain that switched production lines to become reliable PPE manufacturers.

### MULTI-CHANNEL SUPPLY STRATEGY



### Strengthening collaboration with the private sector to ensure supply

Usual Spanish RC preparedness mechanisms include pre-agreements with suppliers, government agencies, access to IFRC's mutual support network and agreements for in-kind donations with private companies (although until now never for PPE).

Given the scale of the pandemic, the PPE shortage has led to exploring new channels, points 3, 4, 5 and 6 above. Not because of an internal procurement capacity gap, but because of a know-how gap in an external market such as China. Due to the shortage of usual pre-validated suppliers, a multitude of unknown intermediaries and producers suddenly appeared in the market, even opportunists, and the organisation did not have enough time before signing a purchase order to carry out the necessary due diligence checks in order to guarantee the company's financial solvency, production capacity and product quality. Risks were even higher because in the face of such competition for limited supply, advance payment was enforced. The media reported quality problems in several European countries, companies without production or export licenses, dummy companies, fake quality certificates or from fake certification companies.

Photo: Spanish Red Cross



<sup>1</sup> [https://en.wikipedia.org/wiki/Spanish\\_National\\_Health\\_System](https://en.wikipedia.org/wiki/Spanish_National_Health_System)

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How has the Spanish RC dealt with that situation? On the one hand, by requesting the Red Cross Society of China for technical support providing a list of reliable suppliers and on the other hand, by establishing collaboration with companies based in Spain that had previous knowledge, presence, a network of contacts and experience operating in China, as well as a logistics system to transport material to Europe.

It meant a win-win partnership, maximizing the efficiency of the resources provided by each party, by combining the strength of the private sector in supply and logistics, together with the import tax exemption granted to the Spanish RC (see next point) and the internal PPE distribution across the country that would enable its volunteer network to help vulnerable people as a result of the pandemic.

For these companies, the aid provided (technical, logistical, know-how and financial) translated to an in-kind donation, and provided a way of contributing to the country's recovery. This, in turn, led to a faster reintegration of their own employees, making it possible to re-establish their productive activities, and similarly the recovery of other actors in the economic cycle (suppliers and customers) necessary to maintain their commercial levels.



Photo: Spanish Red Cross

**Micro in-kind donations**

The in-kind donation of small quantities (100 to 300 hygiene masks, gloves, goggles, coveralls, etc.) sent from China, was set up by citizen initiative as a way to respond to the widespread shortage of PPE reported by the media. Through a multitude of small volume shipments, which in some cases are exempt from customs formalities and facilitate transport, a constant supply flow was maintained (although small in volume, critical in the first weeks of the pandemic's growth), complementing to other supply channels.

A large part of the Chinese-origin community based in Spain is on a daily basis, dedicated to the import and trade of many products produced in that country, so it has a great knowledge of that market, export/import, and transport. These small in-kind donations stood for a contribution to their host/resident country. Using the contact network of their suppliers in China, some Spanish companies also joined this model.

Accepting this type of in-kind donation has advantages, but it can mean an increased workload in: import (and the corresponding tax-exemption process); in-bound planning; quality control (due to the greater number of different suppliers and batches); and in donor management. In the case of the Spanish RC response to COVID-19, micro-donations provided an added value, representing 2% of the total PPE (nearly 95,000 pieces) managed by the organisation between March and May 2020. In this specific context, appropriateness was more relevant than the quantity level it represented: the material arrived at a time when there was no PPE in the market.

**Capacity strengthening to manage imports**

The Spanish RC was quickly aware of the large flow of PPE it was about to receive from abroad, so it reinforced capacities on two fronts: 1) increasing the number of internal staff dedicated to import, from 1 person with sporadic imports, to 2 people on a part-time basis (available to speed up procedures), together a customs broker company (hiring that specialised service represents a variable cost with the possibility of adjusting its service capacity to the volume of work required at any given time); 2) requesting government authorities for import facilitation measures for health crisis-related cargo.

For the tax-exemption, the legal department of the Spanish RC requested for an administrative authorization from the Tax Administration Agency, which is organically integrated into the Ministry of Finance, and where the Customs Department reports to. It took only five days, to get a favourable resolution, with a generic authorization until July 31, 2020, to be extended if needed. It included an exemption on import duties and VAT for goods used in the treatment of persons affected by COVID-19 or to prevent its spread.

On 3 April 2020, the European Commission granted import duty-free and VAT-free for goods needed to combat the effects of the pandemic ([Commission Decision \(EU\) 2020/491](#)), with retroactive effect for the period from 30 January (when WHO declared COVID-19 outbreak as public health emergency) to 31 July 2020. It backs up the exemption granted to the Spanish RC by the Spanish Government.

Following IFRC preparedness guidelines, the Spanish RC quickly updated and shared with donors and suppliers shipping goods from abroad, the document "shipping instructions" (see annex 3), whose objective is to provide guidance on: the required documents necessary for the correct importation; specific data that must

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be clearly included; and when and to whom to send prior to the arrival of the goods, to allow the expedited importation of these items as agreed by the Government. Otherwise, there is a high risk that cargo will take longer to be released by Customs than it should, generating over costs and delays.

**Disaster Law, a unique programme promoted by the IFRC**

An international legal framework to help States managing international aid already exists, but it remains rather scattered, contradictory in parts and underused. Recent experience has shown that even the best-prepared countries may need international support when a major disaster strikes. Unfortunately, few Governments have the necessary regulations to facilitate and monitor external assistance.

The IFRC and National Societies have developed a number of tools to help States address these shortcomings. After years of intensive research and consultation on challenges and best practices in regulating international disaster relief, the IFRC led negotiations to develop a set of guidelines and a series of tools to help Governments strengthen their national disaster management and international assistance management laws and policies.

Of particular relevance are the 'Guidelines for the domestic facilitation and regulation of international disaster relief and initial recovery assistance' ([link](#)) where in 'Part V: Legal Facilities for Entry and Operations' it is recommended that States should provide the necessary legal facilities for the import, export, transit and transport of goods and equipment required for disaster management, and that these should conform to existing international quality standards.

More recently, the 'Checklist on Law, Disaster Preparedness and Response' ([link](#)) raises a number of issues that legislators should take into account before and during emergency management, including: considerations in declaring a 'state of alert', legal facilities to facilitate operations, emergency funding, and accountability.

Other Reference Materials: Model Act for the Facilitation and Regulation of International Disaster Relief and Initial Recovery Assistance - [link](#)

**International regulatory framework related to the import facilitation of relief consignments**

- World Customs Organisation, Kyoto Convention, Annex J-5 - [link](#)
- Istanbul Convention, Annex B, chapter 9 –Temporary Admission- [link](#)
- Tampere Convention – Telecommunication equipment - [link](#)

**Which impact did the initiative make?**

The strategy used by the Spanish RC managed to ensure the duty of care to the more than 48,000 volunteers mobilized, ensuring they have the PPE against COVID-19 to carry out their work, ensuring the business continuity of essential programmes and intensifying their activity with the people most vulnerable to the pandemic. This translated into an average of one million pieces of PPE per month managed by the headquarter office, between March and May 2020.

The percentages for each supply channel are summarised in the next page's graph:



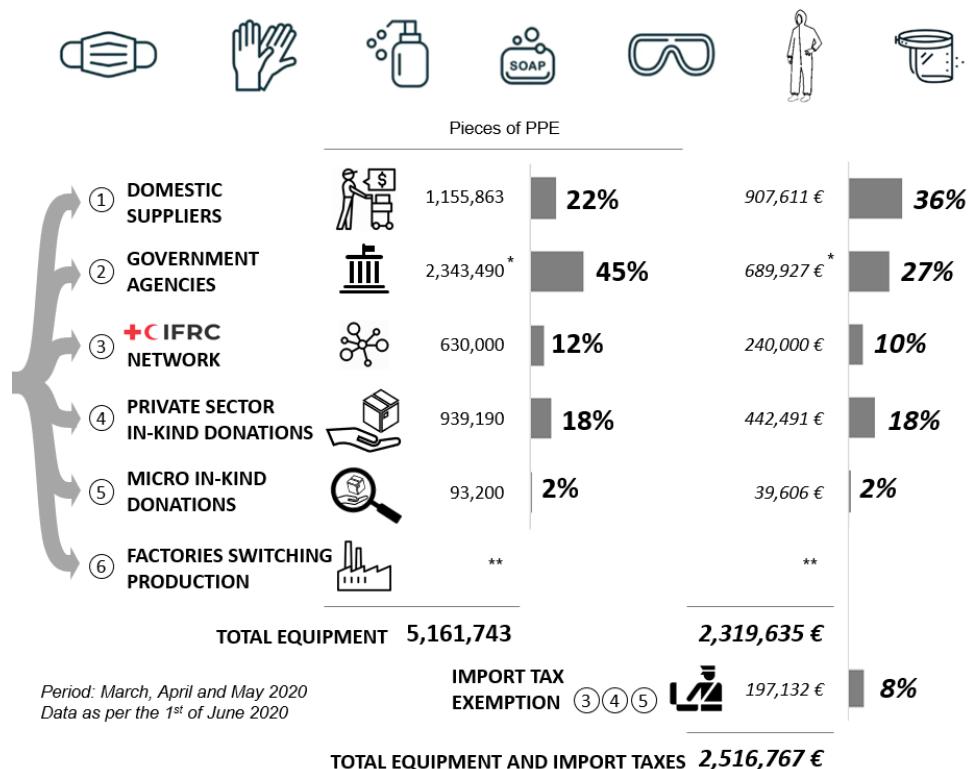
Photo: Newspaper La Nueva España - [link](#)

**Duty of care to the  
more than 48,000 volunteers mobilised  
in response to COVID-19**

**One million pieces of PPE per month**

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\* Channel 2 includes a Government donation of 2 million masks for distribution to the population.

\*\* Data about donations from different industrial sectors that have converted production lines to manufacture PPE are still being collected among the different branches across the country.

## What were the main factors for project success?

There's no doubt that the good image of the Spanish RC among the population for its social and humanitarian work has been one of the factors that has contributed most to the success of the intervention. This, together with a quick strategic planning in the face of the first signs suggesting the possibility of a pandemic happening in the country, led to the development of a special campaign '*Plan Cruz Roja RESPONDE*' with specific projects and actions.

Internally, interdisciplinary work across different areas of knowledge was fundamental: Health, Emergency Unit, General Services (logistics), Legal, Alliances with Companies, Branding and Communications, Volunteering, Red Cross Youth, Social Intervention, etc. Without forgetting the phenomenal network of volunteers throughout the country.

Externally, excellent relations with national, regional and local authorities have greatly influenced the success of the response. As well as the strategic alliances promoted by the Branding and Communications department, through the campaign with well-known sports and culture celebrities, such as Rafael Nadal and Pau Gasol, has united people, companies and individuals in a common objective: the '*Plan Cruz Roja RESPONDE*'.

In response to media reporting about the difficulties of health authorities in stocking up PPE, respirators and diagnosis kits, many private companies offered to collaborate. The fact that the country came to a standstill, affecting the entire population and the entire economy, probably contributed to a greater commitment of the companies to help.

In the legal-administrative sphere, the fact that the European Commission's regulations incorporate some of the IDRL recommendations to facilitate the import of goods destined for disaster victims and the fact that the Spanish government declared the state of alert and the rapid response of the Tax Agency to the request for import tax-exemption helped a lot. For Spain in particular, it may have been an advantage that Customs is part of the Tax Agency and both are under the Ministry of Finance, rather than being split across several different ministries.

The import process is faster and more agile as the Red Cross is considered an organisation of public interest<sup>2</sup>.

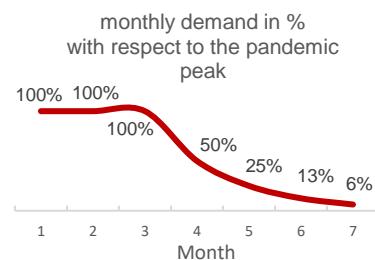
<sup>2</sup> Decree 415/1996, laying down the rules for the organization of the Spanish Red Cross.

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The organization took advantage of the contingency plans carried out during the 2002 SARS outbreak in Southeast Asia, where pandemic protection measures for Spanish RC volunteers and staff were established. At that time, the material needed for ambulances was defined, though it was not the case for volunteers undertaking social and relief activities in a pandemic response.

For COVID-19, for social and non-health activities a daily consumption level for each volunteer was defined as a minimum: a pair of nitrile gloves, a mask and access to hydroalcoholic gel in sufficient quantity, around 100 ml.

An initial estimate of 8,000 volunteers per day was made, although it soon grew to 45,000 volunteers mobilised, and an average of about 20,000 volunteers per day was considered throughout the country. At 30 days a month, that represents 600,000 pairs of gloves, 600,000 masks and 60,000 litres of gel. With regards to ambulance service, 200 transport services a day was set as a target for the first two months of the pandemic and all the necessary equipment was calculated accordingly.



The three-month point was considered the peak of the pandemic with an assumption that the outbreak would be considered under control and so after this there would be a 50% reduction of the needs per month until the 7<sup>th</sup> month. In addition to this, a contingency stock of 5 weeks of all national consumption was established for all Red Cross branches at the peak of the pandemic, in order to have PPE available in case of any new outbreak. Material surplus would be distributed to the population served by the organization.

**Reflecting on our learning**

Some key lessons learned by the Spanish RC from this intervention are:

- The supply of PPE during a pandemic can be a real challenge, not only in terms of availability, but also in terms of quality (authorised product) and price (up to 100 times higher prices for some items). **Increasing supply chain agility, without increasing fixed costs**, is a strategy that National Societies should consider in their contingency plans and in developing logistics capacity. A mix of different supply channels can help National Societies reduce supply time. The solution may not be so much to try to increase procurement capacity, but to try to establish partnerships with others who are better positioned to do so. One option would be to explore collaboration with the private sector in areas where it has more experience and know-how, providing support in-kind (either with tangible products or through a specialized service such as for example a market assessment).
- Previous experience in managing in-kind donations by the Spanish RC (see case study published in December 2019<sup>3</sup>) has largely contributed to utilise the existing structure and strategy, accepting (and rejecting) all types of donations offered during the pandemic response.
- Health authorities should be responsible for providing PPE to undertake the activities of those National Societies they are requesting support from. **Establishing pre-agreements with different national/local government agencies** would facilitate the supply process during the response to a pandemic.
- Coordination and centralisation of procurement within a National Society is essential for the regular supply of PPE to its branches. It allows them to focus on their front line work with the population, freeing them from the headache that the supply chain can entail, it enables greater negotiation power during purchasing, and it allows to better match the evolution of needs across the different points in the national network with available or in-transit stocks, redistributing the material across branches if necessary at any given time.
- In the case of the Spanish RC, an internal **joint and cross-department work** was established between Operations (Health, Relief, Social Intervention), General Services (Logistics), Alliances with companies, Branding and Communications and the Legal department.



Photo: Spanish Red Cross

<sup>3</sup> <https://fednet.ifrc.org/PageFiles/227546/Spanish%20RC%20case%20study%20Logistics%20and%20donations%20ES.pdf>

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- Knowledge of country-specific Customs procedures and setting up pre-agreements with the various government agencies involved in facilitating importation for relief consignments is a critical preparedness measure to saving time and avoiding import taxes, demurrage or extra costs.
- The **use of a Customs broker** who is familiar with local regulations, including any special facilities the organization may enjoy to importing relief goods for victims of disasters or pandemics, is a specialized service that is well worth its cost, and can save the organization a lot of time and money. Even if a National Society does not generally import, it is important as a preparedness measure to have a good customs broker pre-selected.
- As the COVID-19 pandemic has shown, no country or National Society is completely resilient to all disasters. Even if some could afford to create and maintain almost infinite capacities, it would not be an efficient use of resources, because the capacity would probably be underutilized most of the time (when was the last time humanity suffered a global pandemic? A century ago?). Therefore, **contingency plans of any National Society, should include a scenario/section about how to request, receive and manage external assistance** in exceptional cases (from other IFRC members, from other actors at the national level or from other international actors).
- Setting up a standardised 'shipping instructions' template is very important, to be quickly adjusted to the operational context of each emergency or following the evolution of an emergency response.
- When preparing for epidemics, as important as a National Society supply strategy is having procedures for the correct use of PPE: What? For what? When? How to use it? [Link to resources](#) (in Spanish).
- Accountability towards donors, volunteers, staff and beneficiaries requires comprehensive goods tracking, transparency and visibility. For that reason, for the first time ever the Spanish RC has published the data from the '*Plan Cruz Roja RESPONDE*' in [Open Data](#) format to enable public analysis and dissemination.



Photo: Spanish Red Cross

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## Annex 1. Cause analysis for the PPE supply shortage during COVID-19

As indicated in this document, the lack of timely availability of PPE became a supply chain challenge not only for the Spanish RC, but for many governmental, public and private entities worldwide. In fact, there were three interrelated problems.

### The first problem: getting the material (PPE market shortage)

The rapid spread of the pandemic on a global scale led to an enormous increase in the need for PPE for both health workers and the general population as a means of infection control. Several factors help may explain the global market shortage of such products in the first half of 2020, which in turn meant that the epidemic could not be contained and continued spreading to more and more countries:

- Limited global production, concentrated in a small number of countries (mainly China), after years of offshoring strategies to reduce costs.
- Lack of coordination between countries, and regions within the same country where national health systems are decentralised, has led to an increased competition between buyers, driving up prices even further. Instead, an alternative could have been consolidating purchases and balancing supply among members of buyer clusters as the pandemic evolved.
- Much of the world's PPE production in 2020 was sold to directly to Governmental agencies in large volumes, on a best bidder basis.
- At certain times, there was even an supply capacity reduction, because the confinement measures established in China led to the temporary closure of factories or a reduction in their production capacity, either by employees in quarantine or without the possibility of reaching their work stations, or because of raw material shortage. In addition, the high domestic demand in China to control its health crisis reduced the export capacity, having a very negative impact on the availability of PPE worldwide.
- Fear of shortages led to temporary export restrictions in some countries, and even confiscation of material by certain states, which affected supply chains with transit in third countries.
- Many cases were reported where the PPE quality did not match EU product standards. Fake certifications were found in the international market for equipment that was sold for medical use without being so, with false "CE" marking, meaning in many cases "China Export" instead of "*Conformité Européenne*" (French for "European Conformity")<sup>4</sup>. Some laboratory tests carried out in Spain demonstrated quality that was not acceptable for medical use, leading to recalling from the Spanish market of product batches, and lawsuits against organizations that distributed non-compliant equipment. The duty of care an organization such as the Red Cross has, calls to ensure the protection and safety of its volunteers and staff, and therefore it is vital PPE quality assurance.

### The second problem: quick transport capacity (air transport bottleneck)

With a high dependence on foreign markets, mainly China, and in view of the rapid consumption of PPE domestic stocks, air transport became an indispensable means of bringing in the goods quickly.

Commercial passenger airlines stopping operations, as a result of passenger movement restrictions due to quarantine or confinement, reduced drastically the air cargo transport offer<sup>5</sup>. Attempts were made to add some capacity with repatriation flights, military aircraft and passenger planes converted to transporting cargo on a temporary basis (with cargo placed on the seats). In addition to the difficulty of getting air transport, an extra challenge was the necessary coordination to obtain in time the necessary export permits<sup>6</sup> plus landing permits for aircraft and crews from Chinese authorities. In turn, as a measure to control the spread of the pandemic, the Chinese government limited the number of authorized airports, which soon led to their congestion as cargo outbound points<sup>7</sup>.

Obviously in the face of strong buying competition to supply all countries, both PPE and air transport prices increased between 4 to 30 times their normal price.

In the case of Spain, a consortium of companies dedicated to the import of medical material established a Shanghai-Madrid airbridge with the main Spanish airline IBERIA, with 4 weekly flights.

<sup>4</sup> [https://europa.eu/youreurope/business/product-requirements/labels-markings/ce-marking/index\\_en.htm](https://europa.eu/youreurope/business/product-requirements/labels-markings/ce-marking/index_en.htm)

<sup>5</sup> <https://atlas-network.com/passenger-flights-become-cargo-carriers-as-freight-capacity-shrinks/>

<sup>6</sup> China's export control slowed down the supply chain at source.

<sup>7</sup> <https://www.aljazeera.com/news/2020/04/exclusive-videos-show-huge-medical-equipment-backlog-china-200430120452426.html>

**Logistics Development Case Study****Increasing the supply chain agility for PPE during the COVID-19 response****The third problem: import facilitation (in time and cost)**

Customs performs a control function on goods (people and animals) entering and leaving a country, checking that they comply with the country's regulations. In this way it prevents the flow of products, animals or plants that could pose a danger to public health, safety or the environment (avoiding smuggling); it registers international import and export traffic of goods (producing foreign trade statistics); it controls that quotas established in trade agreements between countries are not exceeded; and taxes established by law are collected (import duties, VAT and special taxes).

In the case of PPE import for COVID-19, Customs controls that: the type of material is permitted by its nature; it complies with the applicable national regulations established by the Ministry of Health; the importer is authorised for that product type; the correct declaration and classification of the product; the collection of the corresponding taxes.

As Customs cannot physically control all shipments imported in a country, as there are tens of thousands of them every day, a sampling technique is used. For this purpose, the Customs agency, through a risk management mechanism, defines a risk profile composed of a series of parameters to decide where to concentrate efforts (type of product, type of importing entity, quantity of product, price/weight/volume of the material, country of origin, random selection component). Ideally through a computer system, otherwise manually, each import declaration is assigned to one of three channels: Green - nothing is checked, and cargo is directly released; Yellow/Orange - only documentation is checked; Red - documentation is checked and goods are inspected.

Lack of a special process for import facilitation during the response to a pandemic or humanitarian crisis is translated into additional lead time if the material is held up in Customs, as well as possible extra costs for demurrage using the carrier's means or for using Customs' storage facilities.

**Annex 2. PPE material**

The Spanish RC set up procedures and express training for volunteers for the use of PPE, not all items are applicable for all situations. The top consumed items<sup>8</sup> by the organization, and in this order, were:

1. Hygienic mask (for non-medical use, but in distributions for example)
2. Surgical mask type II or IIR, EU approved
3. Virus-proof nitrile gloves, EU approved
4. Hydroalcoholic liquid approved for COVID-19 use
5. FFP2 and FFP3 masks, CE marked and approved
6. Protective coverall, EU approved
7. Safety glasses, EU approved
8. Red-colour garbage bags for bio-contaminated waste

Product approval might be different from country to country, and the national competent authority should be consulted in establishing approval criteria for each item, and product specifications checked against before accepting an in-kind donation or signing a purchase order, because import may not be accepted later on if they do not meet the minimum quality requirements established for the pandemic in that country.

**Annex 3. Critical information in the shipping instructions document**

As recommended by IFRC guidelines for the reception of international relief shipments, it is very important that each National Society completes the "shipping instructions" document, which aims to inform about the set of documents necessary for the correct importation, certain data that must be clearly communicated, when and to whom to send them prior to the arrival of the goods, and thus be able to enjoy the possible import facilities agreed upon with the Government. Otherwise, there is a high risk that cargo will take longer to be released by Customs than it should, generating over costs and delays.

The main data included in the template drafted by the IFRC includes the following information:

1. **Consignee:** It must be the National Society's corporate full name (full address, legal representative, tax number, mobile phone number and email address) as it is registered the country's tax database. This is very important to avoid delays and goods getting blocked in Customs<sup>9</sup>.

<sup>8</sup> [https://www.mscbs.gob.es/profesionales/saludPublica/ccayes/alertasActual/nCov-China/documentos/PrevencionRRLL\\_COVID-19.pdf](https://www.mscbs.gob.es/profesionales/saludPublica/ccayes/alertasActual/nCov-China/documentos/PrevencionRRLL_COVID-19.pdf)  
World Customs Organization COVID-19 reference item list: [link](#)

<sup>9</sup> In some countries where the IFRC has a status agreement with the Government and therefore a legal entity, if import facilitation measures are within the privileges granted then it may be advisable using the IFRC as consignee, on behalf of the National Society.

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2. **Notify party**: the entity or person to notify the shipment's arrival. Some donors confuse "Notification" with "Consignee" what can cause problems in Customs.
3. **Delivery Address**: It is in general used when the donation is door-to-door (INCOTERM DDP), but it generates confusion since it is often confused with the "Consignee", which might generate delays in some cases involving clarifications with Customs.
4. **Product documentation**: product data sheets, standards certifications, CE marking, etc. It is essential, before accepting a shipment and its arrival, to be sure that the items to be received will be able to comply with the regulation in force in the country. It is recommended counting with the advice of a company specialized in importing and trading those type of products. In the case of PPE, regulations in Spain experienced changes on a weekly basis following the pandemic evolution. In the case of the Spanish RC, it sought advice from the NGO 'Pharmacists of the World'.
5. **Gift Certificate**: issued by the donor, listing the goods, consignee and stating that "**humanitarian aid, goods are not for sale**"
6. **Proforma invoice**: Customs uses this document to calculate the value of goods to compile foreign trade statistical data.
7. **Cargo manifest**: AWB for air freight, BL for sea freight, or CMR for road freight in the EU
8. **Packing list**: Complete list of products with quantities, weight, dimensions and value.
9. Other documents, depending on the country of import and type of product.

**Annex 4. European Commission legal framework for measures to facilitate the import of goods for the benefit of disaster victims**

Article 74 of [Council Regulation \(EC\) No 1186/2009](#) of 16 November 2009 on the establishment of a Community system of reliefs from customs duties and in Spain Article 46 of [Law 37/1992](#) on Value Added Tax provide for the application of customs duties and VAT exemptions to the import of goods intended for disaster victims by public entities or authorised private bodies of a charitable or philanthropic nature, both of which are subject to a decision by the European Commission.

On 23 March 2020, the Spanish Customs Authority published [NI GA 06/2020](#) on customs duties and VAT exemption to the importation by public entities or authorised private bodies of a charitable or philanthropic nature of goods necessary for the treatment of persons affected by COVID-19 and to prevent its spread. The application of this exemption was subject to a decision of the European Commission requested by the Spanish Customs Authority. The European legal framework enables Member States concerned to apply it provisionally, without prejudice to the commitment of the beneficiary to refund these benefits if the European Commission does not finally adopt a favourable decision. Regarding VAT, exceptions were made conditional on an administrative authorisation from the Tax Authority. Notwithstanding the above, the importation of such goods with exemption from import duty and VAT was provisionally admitted, together with an undertaking to pay the duties if the decision was not finally taken.

Imports benefiting from a duty-free or VAT exemption on a provisional basis are subject to the provision of appropriate guarantees, although by application of Article 89 of the EU Customs Code, these guarantees were not required from bodies governed by public law.