

IASC SWG on Humanitarian Financing Achievements

The following document highlights the significant successes realized by the IASC SWG on Humanitarian Financing since its establishment in late 2009. The SWG has quietly transformed the humanitarian financing architecture and improved the instruments through which humanitarian funding flows. Secondly, the SWG has provided a forum where humanitarian financing experts not only exchange information on funding mechanisms, but also contribute to evaluations and important policy discussions, which have either directly or indirectly influenced and improved the quality of financing.

The following specific achievements have resulted in a more efficient and harmonized aid architecture, thereby expediting funds to field operations.

- Conducted the inter-agency **Transaction Cost Study on Humanitarian Pooled Funds**, which provided evidence for the first time to donors and agencies of the impact of processes and structures of pooled funds on agency resources. This study not only legitimized the existence of transaction costs, but spun off the following two deliverables – the Standardized ERF Agreements and the Study on the Programme-based Approach.
- **Standardized the agreements for ERFs between OCHA and UN agencies** Task Team on Making Pooled Funds More Efficient, which expedited signature of contribution agreements.
- **Conducted a feasibility study on Programme-Based Approach (project-less approach)** to assess the potential for integrating a programme-based approach into the Consolidated Appeals Process (CAPs) and Common Humanitarian Funds (CHFs). This piece of work was the precursor to policy discussions within the CAP SWG on the separation of the resource mobilisation dimension of the CAPs, which is what is de facto being implemented now through the Strategic Response Plans.
- Collaborated with the OECD's International Network on Conflict and Fragility (INCAF) on the **development of guidelines on transition financing**. These guidelines underpin the "New Deal" document which was presented at Busan and endorsed by resources partners as a new business model by which they commit to changing their current engagement in fragile states and transition environments..
- Working closely with the GHD co-chairs at the time and tasked by the IASC Principals, commissioned a two-phase study to examine the realities of preparedness financing with a view to recommend change. The recommendations which will be put forward are posed to **make efficiency gains in existing mechanisms and planning frameworks linked to preparedness financing**.
- Launched a report on **Principled Humanitarian Financing**, which will contribute to the way donors and operational partners. Much of the principles reviewed in the study are currently used as part of the DAC peer review methodology for GHD donors.
- The SWG continued to serve as **consultative forum around operational issues of pooled funds**, such as the Central Emergency Response Fund (CERF) (e.g. around narrative reporting and the Advisory Group meetings) and country-based pooled funds (CBPFs) (e.g. around the Pooled Fund Working Group, the Emergency Response Fund evaluation and guidelines as well as the Common Humanitarian Fund Monitoring and Reporting Framework).
- The SWG discussed a number of **third-party studies on humanitarian financing** enabling members to exchange views and consolidate their feedback. Examples of this included the Joint Inspection Unit's (JIU) review of humanitarian financing as well as a briefing on recent studies on humanitarian donorship conducted by OECD.