

INTER-AGENCY STANDING COMMITTEE
PRINCIPALS MEETING

Action Plan for Implementing Humanitarian Reform

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I Introduction

The humanitarian reforms involve a mixture of strengthening the mechanisms and tools of humanitarian coordination as well as requiring a change in the way that coordination is approached to ensure greater inclusiveness by all those involved in the system of humanitarian response. The main elements of humanitarian reform were outlined in the Secretary General's report to the World Summit and were endorsed in the subsequent outcome document. Considerable work has been undertaken since then both by the IASC Working Group and OCHA on all three elements of the reform; establishing more predictable humanitarian finances, developing more predictable humanitarian responses and strengthening humanitarian coordination. This paper seeks to outline the progress made in implementing these reforms, outline the outstanding issues that remain and propose the actions that are required to fully establish and consolidate the reform process.

II Establishing more predictable humanitarian financing

2.1 Progress to date

The main priority has been the modernisation of the Central Emergency Revolving Fund (CERF) by the addition of a grant based Central Emergency Response Fund. There is general agreement amongst member states with the objectives of the CERF to initiate a more rapid response to crises and to ensure that core life saving and time critical requirements are met across all crises. A number of countries have made pledges to the grant element of the CERF and there are sufficient levels of recurrent finance to establish the CERF at its initial target of \$250 million. Plans for modernisation and changes to the existing CERF require the endorsement of the General Assembly. The issue is currently under discussion and will be presented for endorsement as part of the General Assembly resolution on humanitarian issues, currently under negotiation. On the basis of gaining GA endorsement before the end of the year, it would be possible to start operating the grant element of the CERF by March/April 2006.

2.2 Implementation issues and required actions

Establishment of governance structures: The CERF will offer both donors and users high levels of accountability. Rapid decision making will be required to support the rapid disbursement of funds within four days of a crisis developing. The new CERF cannot afford to be a cumbersome or bureaucratic instrument. The emphasis will therefore be placed on the use of retrospective review to assess the effectiveness of the CERF and to advise on its effective deployment. A key component in this will be the Advisory Group comprising twelve experts, eight to be drawn from donors and contributors and four to be independently appointed by the Secretary General.

Actions required:

- *Advisory Group to meet by early March 2006 to provide advice on use of criteria and objectives.*
- *Proposals for independent experts to be provided to ERC by end of January*

Administrative guidance on the modernized CERF: will be provided by the promulgation of a new Secretary General's Bulletin (SGB). This will address the issues of authority, structure and operating conditions for use of the fund. It will also cover issues of agency reporting requirements, forward disbursements to NGOs, allowable overheads, and reimbursements to the CERF.

Actions required:

- *Consultations with agencies on administrative procedures, reporting and overheads to be concluded by mid January.*
- *Consultations with the Controller to establish Standard Operating Procedures and a guarantee of the four day timeframe for disbursement to be concluded by 15th January.*

Administrative and support structure: OCHA will create a small dedicated support secretariat for the CERF. The Financial Tracking System will also be enhanced in order to ensure that CERF requests are assessed in light of the broader donor environment. OCHA desk officers and field offices will receive training and guidance materials to support CERF applications. Guidance material will also be made available to all agencies and HC/RCS.

Actions required

- *OCHA to initiate and finalise recruitment.*
- *Model grant agreement and grant application materials to be developed along with reporting requirements including those for real-time expenditure tracking system.*
- *Establish web site for donor receipts, financial tracking and reporting. Completion by 15th February.*

III Establishing a more predictable humanitarian response system

3.1 Progress to date

IASC Principals reached agreement to develop cluster leads in the nine key areas of activity where there was an agreed need for strengthened response and increased capacity. The IFRC governing body and General Assembly in Seoul is offering to take upon a leading role with regard to emergency shelter in relation to natural disasters. Implementation plans for each of

the clusters are in process of development under the guidance of the cluster leads. The recent IASC Working Group agreed on areas in which funding would be required. Discussions with the donor community suggest that additional support would be available where there is demonstrable value added to the beneficiary community. Specific funding for elements of global capacity building through the PROCAP initiative has largely been secured. Trial implementation of the cluster approach was initiated in Pakistan in response to the crisis and will be evaluated. Joint missions have also been undertaken in the DRC, Uganda and Liberia to assess how the cluster lead approach can be applied the country level. The HCs in all three countries welcome some form of the cluster lead approach (Annex II).

3.2 Implementation issues and required actions

Clarification of cluster lead approach: In the process of developing cluster leads it has become clear that further clarification is required on the nature of the cluster approach and the areas to which it is applied. The original proposals put before the IASC Principals were that cluster leadership was required in those areas where there are clearly identified shortcomings in the capacity to respond and where existing coordination arrangements are inadequate. It was further agreed that the cluster leads should provide the first point of assistance and be seen as the provider of last resort. Three types of clusters have now been developed as follows: (i) Technical – water and sanitation, nutrition, shelter, health. (ii) Support services – logistics and telecommunications. (iii) Cross-cutting – Protection, Camp Management and Early Recovery.

Actions required

- *Confirmation is now required from IASC Principals that the approach to the development of clusters should continue to be on the global basis of capacity strengthening in gap areas and that the cluster approach be limited to those listed.*
- *Recognise that the concept of “provider of last resort” varies between the types of cluster and that in the case of cross cutting clusters cannot in practice be the responsibility of a single agency. Ensure that in such cases appropriate arrangements are in place to share responsibilities as providers of last resort.*

Application of cluster lead approach at country level: Based on the recommendations and feedback from the HCs and the joint missions to DRC, Uganda and Liberia it is proposed that these countries should be selected for immediate application of the cluster approach. The findings of each of the missions suggested that flexibility would be required in its application. For example, in Uganda there were only four areas where it was felt necessary to establish cluster leads and it was further proposed that nutrition and health be combined as a cluster. In the DRC, camp management was not required and agencies and NGOs questioned the applicability of all clusters to provincial level coordination. HCs and country teams requested further clarification and guidance on the application of the cluster approach. Generic terms of reference for the cluster approach have been developed for circulation to HCs in CAP countries (Annex 1). An evaluation of the impact of the cluster approach in Pakistan will be undertaken to identify how to address the application of this approach in sudden onset disasters

Actions required:

- *Endorsement by IASC Principals of DRC, Uganda and Liberia as the initial three countries for implementation of the cluster approach.*
- *Proposals for future selection of countries where cluster approach should be applied to be made by IASC in consultation with the ERC.*

- *Endorsement of generic guidance as the basis of flexible approach to implementation at the country level.*

3.3 Financing Cluster approach

Cluster leads have recognised the need for varying levels of additional human and financial resources in order to fulfil their cluster obligations. There are three main areas in which additional resources will be required: (i) setting up clusters and overall capacity strengthening measures; (ii) initiating cluster deployment in new crises; and (iii) rolling out of cluster leadership in selected countries. The IASC Working Group has established a template for identifying the costs involved in these areas (Annex III). While some donors have expressed support to providing additional finance for agencies with cluster lead responsibilities, they have also asked for clearer identification of the areas of support that will provide added value, such as increased surge capacity, as distinct from those areas that should be seen as part of the agencies' responsibilities in furtherance of their normal responsibilities and mandate.

Actions required:

- *It is proposed that the ERC will make an appeal to donors on behalf of the cluster leads for the setting up of clusters and overall capacity strengthening measures. This should be based on budgets prepared by cluster leads on the basis of the Template in Annex III.*
- *The CERF once established can make financing available for common service provision by cluster leads in new or deteriorating crises.*
- *The CAP and Flash Appeals will be the normal mechanism for funding cluster operations in crisis. Where appropriate revisions to the CAP or existing appeal processes may be used to finance the country application of the cluster approach*

IV Strengthening Humanitarian Coordination System

4.1 Progress to date

Strengthened humanitarian coordination in the field is key to the reform process. There is a danger that current measures to improve humanitarian response do not adequately engage the broader humanitarian community, particularly NGOs, who are amongst the major providers of humanitarian assistance. There is a need to strengthen the engagement of the NGO community at both field and global levels. Insufficient progress has been made in establishing an IASC country team in those countries with humanitarian coordinators.

The humanitarian coordinator system also needs strengthening to better reflect humanitarian expertise through improved recruitment, skills, training and the use of a standby pool of experienced humanitarian coordinators. The 63rd IASC Working Group meeting agreed to develop a standby pool of humanitarian coordinators. OCHA has offered to sponsor two NGO candidates for the RC assessment centre and encourages other agencies to do the same. Consultations are being held between UNDP and OCHA to ensure that suggestions from the IASC Working Group are consistent with the current RC/HC selection and appointment process. A longer term strategy is required by the IASC to ensure that the best possible leadership in humanitarian emergencies is identified, selected, trained and appointed.

Actions required:

- *The ERC will ask all HCs to come up with plans for strengthening and developing a broader based humanitarian Country Team by mid 2006.*
- *A pool of experienced HCs to be established by March 2006.*
- *A multi-year strategy, on the Humanitarian Coordinators' System, including on training and external capacities required to strengthen the system, to be developed by the IASC WG for consideration at the IASC Principals Meeting in April 2006.*

Prepared by OCHA – December 2005

Annex 1

Generic Terms of Reference for Cluster Leads at the Country Level

The IASC-endorsed “cluster approach” operates at two levels. At the global level, the aim is to strengthen system-wide preparedness and technical capacity to respond to humanitarian emergencies by designating Global Cluster Leads who are accountable for ensuring predictable and effective inter-agency responses within the particular sectors or areas of activity concerned. At the country level, the aim is to strengthen the coordination framework and response capacity by mobilizing clusters of agencies/organizations/NGOs to respond in particular sectors or areas of activity, each cluster having a clearly designated lead, as agreed by the HC and the Country Team. To enhance predictability, where possible this should be in line with the cluster lead arrangements at the global level.

The Humanitarian Coordinator – with the support of OCHA – retains overall responsibility for ensuring the effectiveness of the humanitarian response and is accountable to the Emergency Relief Coordinator.

Cluster leads at the country level – in addition to their normal agency responsibilities – are accountable to the Humanitarian Coordinator for ensuring the following:

Identification of key partners

- Identify key humanitarian partners for the cluster, respecting their respective mandates and programme priorities;
- Identify other key partners, including national authorities, peacekeeping forces etc.

Coordination of programme implementation

- Ensure appropriate coordination with all humanitarian partners (including national and international NGOs, the Red Cross/Red Crescent Movement, IOM and other international organizations), as well as with national authorities and local structures;
- Ensure the establishment/maintenance of appropriate sectoral coordination mechanisms, including working groups at the national and, if necessary, local level;
- Ensure timely, effective and coordinated responses based on participatory and community based approaches which integrate cross-cutting issues such as human rights and HIV/AIDS, with due attention to age and gender mainstreaming;
- Secure commitments from cluster members in responding to needs and filling gaps, ensuring an appropriate distribution of responsibilities within the cluster, with clearly defined focal points for specific issues where necessary;
- Ensure that participants within each cluster work collectively, ensuring the complementarity of the various stakeholders’ actions;
- Promote emergency response actions while at the same time considering the need for early recovery planning;
- Ensure effective links with other clusters (with OCHA support);

- Represent the interests of the cluster in discussions with the Humanitarian Coordinator on prioritization, resource mobilization and advocacy;
- Act as focal point for inquiries on the cluster's response plans and operations.

Planning and strategy development

Ensure predictable action within the cluster for the following:

- needs assessment and analysis;
- identification of gaps;
- developing/updating agreed response strategies and action plans for the cluster and ensuring that these are adequately reflected in overall country strategies, such as the Common Humanitarian Action Plan (CHAP);
- drawing lessons learned from past activities and revising strategies and action plans accordingly.

Application of standards

- Ensure that cluster members are aware of relevant policy guidelines and technical standards;
- Ensure that responses are in line with existing policy guidance and technical standards;

Monitoring and reporting

- Ensure adequate monitoring mechanisms are in place to review impact of the cluster and progress against implementation plans;
- Ensure adequate reporting and effective information sharing (with OCHA support)

Advocacy and resource mobilization

- Identify core advocacy concerns, including resource requirements, and contribute key messages to broader advocacy initiatives of the Humanitarian Coordinator and other actors;
- Advocate for donors to fund cluster members to carry out priority activities in the sector concerned, while at the same time encouraging cluster members to mobilize resources for their activities through their usual channels.

Training and capacity building of national authorities and civil society

- Promote and support training of humanitarian personnel and capacity building of humanitarian partners;
- Support efforts to strengthen the capacity of the national authorities and civil society.

Provider of last resort

- As agreed by the IASC Principals, cluster leads are responsible for acting as the provider of last resort to meet agreed priority needs and will be supported by the HC and the ERC in their resource mobilization efforts in this regard.

Cluster Members at the country level are expected to be proactive partners in the elaboration and implementation of the cluster's priorities.

Prepared by OCHA/IDD – December 2005

Annex 2

Common themes arising from the OCHA-IDD Led Missions to DRC, Uganda and Liberia

At the ERC's request, OCHA-IDD led missions to DRC, Uganda and Liberia in November to support the HCs and IASC Country Teams in preliminary capacity mapping and response planning in the context of the cluster leadership approach. The missions: (1) briefed field colleagues on humanitarian reform and the cluster leadership approach, (2) consulted stakeholders on the utility and feasibility of implementing the approach in each of the countries, and (3) advised on how the cluster approach might assist in addressing identified gaps and weaknesses in the humanitarian response. Common themes emerging from the three missions are summarized below to assist the IASC Principals in their deliberations.

Importance of NGO participation. The cluster leadership approach opens the door for NGOs to join the UN in genuine partnership on assessments, analysis, planning, monitoring and implementation. In all three countries, NGOs expressed support for the cluster approach, viewing it as important for clarifying and promoting accountability within the UN system. To succeed, IASC Country Teams should be established where they do not exist and be genuine fora for strategic planning and stewardship of the humanitarian response, rather than an information exchange forum.

Resources are only part of the solution. The missions found that in some sectors current sectoral coordination efforts were either non-existent or not providing a strategic forum for discussion and agreement on matching priorities, gaps and capacities of the various partners. This lack of strategic sectoral coordination meant that many agencies will need additional funding to assume cluster leadership responsibilities. However, the missions felt that additional resources are only part of the solution. Equally important will be clearly defining roles and responsibilities of cluster leads as well as of cluster partners *at the field level*, modifying job descriptions accordingly, and ensuring that cluster leads deploy staff with the necessary skills to carry out coordination tasks. For its part, OCHA could refocus on its core competencies and perform fewer operational sector coordination tasks. Economies of scale in the cluster approach can be achieved by identifying the common services necessary to make the cluster approach work, such as cross-cluster coordination, information management, advocacy and resource mobilization, and strengthening OCHA to perform these tasks.

Clear information and guidance needed. Field colleagues in each country knew very little about the cluster leadership approach. Collectively, the IASC has not effectively communicated the rationale, implications and added value at the field level of the approach, and this will have an impact on successful implementation in early 2006 unless addressed soon. In UN terms, the humanitarian reform represents a major leap forward in a short amount of time. To be successful, the missions felt that a sustained communications strategy for field, headquarters and donors is needed. In addition, the missions felt strongly that a small dedicated capacity is needed to support IASC partners in phasing-in the approach.

A new coordination framework or gap filling? At the headquarters level, it is clear that the cluster leadership approach aims to build global capacity in sectors where capacity is currently lacking; thus, the focus on only nine "gap" sectors. In the field, implementation of the cluster approach is more focused on strengthening the HC's capacity to manage an effective humanitarian response. In DRC and Liberia, HCs and country teams felt that to ensure a

coherent humanitarian response, the approach should be applied in all existing sectors; in Uganda, the country team focused only on “gap” sectors. The missions found that in all three countries, introducing the cluster approach will mean adjusting the current coordination structures. It is arguable that to be coherent and predictable at the field level, the cluster approach should be viewed not only as a gap-filling exercise, but as a way to structure a more coherent response with more strategic coordination, greater predictability and clearer accountability lines across all sectors. For agencies already fulfilling their responsibilities as leads in a particular sector, the cluster approach would not entail additional resources, but could imply (a) greater inclusion of stakeholders as cluster partners and (b) clearer lines of accountability to the HC. This issue requires further discussion within the IASC.

Role of governments needs further clarity. The cluster leadership approach should not replace the host government’s responsibility to provide protection and assistance to affected populations. Country teams felt that the approach should help to strengthen the humanitarian community’s interface and advocacy with the government on sectoral issues. The level of interaction between clusters and national/local authorities will depend in each case on the situation in the country concerned. In many cases, and particularly in post-conflict situations, a key component of cluster leadership should be to build the capacity of national authorities and civil society to assume greater responsibility for the protection and assistance to its citizens. Similarly, the role of bilateral donors within the approach needs further consideration and guidance to country teams planning to implement in 2006.

UN Peacekeeping Missions compatible with cluster approach. The missions found that in DRC and Liberia, where there are UN peacekeeping missions, the cluster approach can be applied in a way that avoids setting up parallel coordination structures and which ensures appropriate complementarity between humanitarian partners and components of the UN mission.

Some clusters to significantly boost capacity. The missions found that some agencies that have agreed to assume cluster leadership at the global level do not have the capacity on the ground to lead the cluster. In such cases, interim cluster leads may need to be identified until such time as the global cluster lead can assume responsibility.

Clarity needed in some clusters. Consistently in all three countries there was a need for more clarity regarding the functions of the Camp Management and Coordination Cluster and the Early Recovery Cluster.

1. Camp management and coordination: country teams found that elements of camp management and camp coordination should be dealt with under protection and, accordingly, in DRC and Uganda, camp management was made a sub-cluster of protection. However, NGOs in particular worry that practical issues related to camp coordination have not been addressed by the missions and remain gaps. More work is needed to ensure that guidance on these points is effectively relayed to country teams and stakeholders.
2. Early recovery: in each of the countries, there was a need for more strategic planning for early recovery, to link humanitarian planning to development planning and ensure forward planning for timely early recovery interventions. Like camp coordination, this cluster was not viewed as playing a distinct operational role, but rather a strategic, coordinating role.

Prepared by OCHA/IDD – December 2005

Annex 3

Cluster Cost Estimates

Global Costs / Component of the IASC Appeal

1. Cost of Lead Role

- Limited support cell/extra
- Publication/Info Exchange
- Limited funds for establishing stand-by
- Development of Frameworks

2. Capacity Building

- Clusters training
- Governments – ministries, specialized training, (government financed + member states, training their own human resources)

3. System-wide costs – Core facility costs

- Logistics (including minimum stockpiling)
- Telecoms
- HIC

4. Global Strategic Stockpile – (Very hard to fundraise in advance)

- Identify preposition requirements by cluster
- Global system-wide support and stockpiles will spill over
- Need to determine which costs are additional to maintain stockpiles

PS:

1) after deployment, stockpiles would need to be replenished from the specific appeal)

2) stockpiles could be replaced through standby arrangements with suppliers/manufacturers for speedy provision/production of supplies

5. **Preparedness + Contingency planning** (*probably different source of funds by agencies, to be funded prior to the appeal, could be also for operations*)

Per operation (financed from Appeal of agencies)

- Specific Coordination Costs
 - Assessment, evaluation
 - Surveillance and benchmarking
- Equipment + Supplies
 - For response
- Deployment of Additional Staff
 - Surge internal
 - External study
 - Government staff costs
- Capacity Building/Training (*during an operation*)
 - Local and national

Prepared by 63rd IASC Working Group – December 2005