

**INTER – AGENCY STANDING COMMITTEE – WORKING GROUP
49th MEETING**

19-20 June 2002

at

International Federation of Red Cross and Red Crescent Societies: Auditorium

**CAP: DRAFT Meeting Summary of the Mid Year Review for Consolidated
Appeals, 29 May 2002**

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Mr. Ross Mountain, Assistant Emergency Relief Co-ordinator and Director Office for the Co-ordination of Humanitarian Affairs, Geneva, chaired the meeting. Representatives of UNDP, UNHCR, UNICEF, WFP, and WHO were present on the podium.

An overview of the status of the Consolidated Appeals Process at mid-year was presented. Mr. Mountain highlighted persisting lacuna in funding, imbalances in funding between crises and sectors, and advocated for better collaboration between donors and agencies to ensure equitable and effective response.

The UN and its partners have received 38.5% of the US \$3.67 billion needed, although this figure is distorted due to the high response to Afghanistan. (Excluding Afghanistan, response to the remaining 18 Appeals is 29%.) Appealing agencies are seeking US\$ 2.2 billion to implement programs designed to meet priority needs.

Mr. Mountain reported on current priorities and progress made as well as the consequences of lack of funding. He underlined the importance of monitoring to improve accountability, noting the allegations of sexual exploitation and abuse in West Africa are unacceptable. Immediate and increased response is needed in particular in Angola, Liberia and Sudan.

Mr. Mountain noted efforts being made to improve humanitarian assistance through improvements to the CAP. These include the Montreux process, IASC endorsed recommendations, and an external review of the CAP. However, Mr. Mountain noted that procedural improvements to the CAP do not address fundamental inequities in funding. Continued imbalances persist between crises receiving high levels of media attention and those which are 'forgotten'. The inequitable distribution of resources between sectors limits the impact of humanitarian programs, as food assistance has limited impact unless provided with essential health care. Mr. Mountain noted the need for better information as to the distribution of humanitarian assistance outside the framework of the CAP.

Next steps were outlined, and donor representatives were encouraged to engage in the CAP strategy workshops in the field. Mr. Mountain then proposed several options to increase donor partnership. These include the use of consultative mechanisms where agencies and donors identify priorities together. Other ideas presented include in-country discussions, field missions, Humanitarian Coordinator visits to donor capitals, and briefings in Geneva.

[Full text of Ross Mountain's statement is available.]

Comments from the floor:

Sweden welcomed the improved quality of the Mid-Year Reviews and the global status report, which have been read with much interest in Stockholm and Geneva. The descriptions of the consequences of underfunding and the assessment of needs were particularly appreciated. The common format between documents made them easier to use. Sweden

commended the authors of the Status Report for providing concrete examples of progress as well as consequences of the lack of funding. The reports underline the Swedish view that early, flexible and predictable funding is crucial. Sweden strongly supports the global financing and donor behaviour studies and welcomed The External Review of the CAP. Sweden called upon donors to encourage organisations which they fund to take part in the formulation of the CHAP. Sweden also encouraged OCHA and Humanitarian Coordinators to continue efforts to include all actors in the field. Sweden felt that the percentage of funding indeed reflects a higher level than last year, and that one should not exclude the ITAP/Afghanistan as most of the response was for humanitarian needs. The ITAP was welcomed as an innovative appeal, which combined immediate humanitarian needs with more long-term programs. Sweden enquired as to the role of Humanitarian Information Centres, which have been useful in places such as Afghanistan, as well as the use of common fund mechanisms in DPRK, Indonesia, and DRC. Sweden supported the options and ideas presented by Mr. Mountain in order to improve cooperation with donors as well as the collaborative approach to improve funding, noting that donor groups play an important role, particularly at field level.

Germany appreciated the overview, but stressed the need for specific follow-up action with regard to the problems identified by the External Review of the CAP (by Toby Porter). Germany called on OCHA to provide information on what it intends to do, also citing the need for more self-criticism to look at the reasons for underfunding. The CAP is less a programming tool than an information product, and not the basis for financing programs. Underfunding occurs not because donors prefer HCR or WFP, but it is related to performance.

Canada continues to view the mid-year CAP review as an important exercise to take stock of progress towards goals and objectives, to review the validity of the Common Humanitarian Action Plan and to review funding and assistance priorities. Support for the mid-year review was reiterated by the participants in the Montreux process again this year. With regard to current humanitarian funding priorities for CAP countries, Canada intends to increase contributions to West Africa, Angola and Sudan over previous year levels. Canada remains concerned in regard to a number of non-CAP situations and expects additional resources will be required to respond to needs in the occupied Palestinian territories and to the drought in Southern Africa. Canada also plans to make modest increments to contributions to certain less visible conflict situations, for example in Nepal and Burma.

Canada will continue to increase unearmarked contributions - for core contributions to certain multilateral institutions, as well as contributions made on a regional, as opposed to country specific, basis. This can contribute to more balanced funding across complex emergencies, as well as to less visible yet important activities such as the promotion and dissemination of international humanitarian and refugee law. Canada is committed to ensuring adequate funding for coordination. Wherever possible a contribution to coordination activities is included in response to emergencies, including new contributions to OCHA Field Offices.

Canada agrees that a better understanding of the reasons behind the varying levels of support to different complex emergencies generally and more specifically to CAPs is needed. The multi-donor study on humanitarian financing flows should help better understand this issue and Canada looks forward to learning from the findings. Canada supports the options and ideas put forward regarding increased engagement with donors.

The **United States** appreciated that OCHA listened to donor concerns, especially those raised at Montreux, and articulated the impact of underfunding. The US regrets that underfunding continues to be a problem and will work to overcome underfunding. The US looks forward to participating in CAP workshops, looks forward to receiving invitations, and has encouraged both delegations in the field and program officers in Washington to attend. The US actively encourages NGOs to attend CAP workshops. The US concurs with ideas to improve the process.

The **Netherlands** noted the “extensive” documentation was more timely than last year, and have received information from their capital as well as from field representatives. The importance of the Mid-Year review, as expressed by donors in Montreux, is to show what can be done and what cannot. Progress has been made; specific comments will be taken up bilaterally at the county-level. The general feedback has been that sections on goals and constraints were clear as well as the priorities and the effects of the changing situation. The Netherlands agrees that early and predictable funds are necessary, and therefore sought to enter into a partnership agreement with OCHA. The paradox is that delays in reaching an agreement means that the Netherlands still has money available and will be able to use the Mid-Year Reviews to allocate remaining available funds. Regarding the suggestions on how to improve funding: more information is needed to understand what the findings of the External Review mean, and the studies on humanitarian financing will help shed light on why certain Appeals are funded. The Netherlands is “comfortable” with the options presented, although most should be taken into account at the field level – the extent to which donors and humanitarian actors can come to creative solutions.

Australia appreciated the documents, in particular the Status Report which was “rich and thought provoking”. Australia felt that the meeting would not do justice to the issues raised in the Status Report, and would also appreciate further discussion of the External Review. Australia is a strong supporter of the CAP/CHAP and welcomes the study on humanitarian financing to which Australia will contribute both dollars and experience. Australia strongly supports the call in the Status Report to strengthen the links between CAPs and programs for pre-conflict prevention and recovery to address the root causes of conflict. Appropriate transition strategies must be identified and pursued to ensure that assistance shifts from humanitarian to recovery programs at the earliest opportunity. Australia encourages and supports further efforts to improve preparedness and urges further dissemination of the [IASC] Contingency Planning Guidelines. The continued disparity between high media and low-profile emergencies is problematic. The response so far to the Indonesia CAP for IDPs is lower in percentage terms than for other 2002 CAPs, in spite of 1.3 million IDPs. Australia is also concerned that the El Nino phenomenon may further exacerbate problems. Australia has pledged US \$ 325,000 to OCHA towards the 2002 CA for Indonesia and a total of US\$ 12.7 million to all 2002 CAs. Australia will continue to promote peace in the Asia/ Pacific region and is particularly concerned with the situation in the Solomon Islands, Mindanao, Philippines and reintegration of East Timor refugees. Recognising the competing pressures on aid budgets, Australia encourages donor colleagues to increase attention to such underfunded emergencies.

Ireland noted improved quality of documents and noted that the standardised formats will hopefully reduce the burden on the field. The format is more relevant because it allows donors to compare across the Appeals. At Montreux, donors agreed to accept responsibility for coordination and noted the parallel increase in inter-agency coordination. Ireland asked whether the imbalance between the food and non-food sectors have been studied and whether the IASC intended to elaborate reasons behind this discrepancy. The proliferation of NGOs was given as a reason behind decline of CAP funding, Ireland proposes to integrated NGOs better into the CAP through a loose association. Ireland requests an update on the Financial Tracking System, and asked about the potential for overall quantification of humanitarian aid flows. This would entail understanding what is included in the CAP, who is in actuality participating in the individual CAPs and how this affects funding. Ireland appreciates the “living document” format, which enables Appeals to better reflect changes in the political processes. Regarding security funding, Ireland asked what remained to be done and whether inclusion of agency-specific security needs in the CAP were adequate. Ireland expressed support for the three studies on humanitarian financing. Ireland supports a more mainstreamed donor mechanism for coordination, and supports consultations between NY, Geneva and the field to achieve this.

Japan noted the improved quality of the paper, which provided better perspectives on what might happen if funding levels are not met. Japan asked whether governments in CAP countries also had a role in contributing to the Process.

Switzerland welcomed the emphasis on the CHAP. As one of the founding members of the Montreux process, they are pleased to see the observations being implemented. Switzerland expressed concern about underfunding and suggested that a strategy should be developed to improve donor engagement to respond to the “forgotten emergencies”. Switzerland pointed out the importance of unearmarked contributions to agencies in the CAP to allow the agencies the flexibility to prioritise. Switzerland supports the studies on financing humanitarian enterprise. Switzerland underlines the importance of transition and to include development strategies in the CAP. Switzerland will host a CAP launch in Bern on November 19th this year.

Finland agreed that similar issues have been raised previously. The challenge is to identify ways to move forward. Finland emphasised the important role of the HC and encouraged more briefings at the country level. The External Review noted problems of monitoring and reporting asked what the IASC is doing to improve this. While much has been done, we need to review what remains. Field missions and visits to capitals are important initiatives. Donors still need to communicate more with the UN. A large part of Finnish contributions are un-earmarked or loosely earmarked. However, Finland asked whether unearmarked contributions to HCR would be reflected in the Financial Tracking System. Finland noted that the IASC recommendations suggest the CAP should be used as an advocacy tool, and asked what the plans were to do so.

The **European Commission (ECHO)** representative noted increased support to OCHA and other agencies, and financial agreements have been arranged. ECHO supports Montreux process and suggests field missions between different partners would be useful.

The **Russian Federation** appreciated OCHA and Agency efforts in the documents. These were also shared with the capital. The Russian Federation noted that “figures talk” and that there has been a 6% net increase in funding compared to last year, excluding Afghanistan, which had deviated a significant amount of resources. The Russian Federation appreciated the critical approach to the Mid-Year Review and in particular this year’s report of the Secretary-General to the humanitarian segment of ECOSOC, ‘Strengthening the Coordination of emergency humanitarian assistance of the United Nations’. While channelling humanitarian aid through international organisations is a complicated procedure, this should not prevent donors from updating each other. The Russian Federation is providing humanitarian aid amounting to about US\$ 16 million, as well as more than US\$ 2.7 million in assistance to Azerbaijan, Armenia, Cuba, Moldova, Afghanistan and Tajikistan. The Status Report noted the need for closer monitoring to improve accountability. Transparency by donors should be met with control by agencies to increase funding.

Denmark warmly welcomed proposals to strengthen donor engagement and participation in the CAP. Denmark noted that more time would be needed to “digest” the document, and receiving the documents perhaps two weeks prior would be better. Denmark also requested more advance notice on the CAP workshops, noting that an invitation has not yet been received.

Norway praised the excellent documentation and noted the importance of the Mid-Year Review to point out the consequences of underfunding. Norway noted that their budget cycle begins again late in the year. Thus, the Mid-Year Reviews are too early in the year to make decisions on contributions and an update will be needed before deciding on disbursements scheduled for late in the year. Norway noted the need to support peace-building in Sri Lanka, a non-CAP country. What are the processes and requirements to decide on a CAP? Improved communication with donors is welcome and Norway will partake in as many field workshops as possible and will encourage the participation of Norwegian NGOs. Advocacy

through the CAP should be increased, not only by OCHA but also from other partners. As an organiser of the Montreux event, Norway is a staunch supporter of the Montreux process and commends OCHA on contributing to and following up on the process.

Comments from the chair:

Mr. Mountain (RM) stressed that the impact of **underfunding** is an issue that the CAP will continue to address. Moreover, should there be any underperformance of agencies, RM asked for better dialogue, noting that the issue must be taken up and rectified.

Regarding the **reviews of the CAP**, Mr. Mountain noted that the IASC has developed a Plan of Action to implement the recommendations from David Bassiouni's review. Toby Porter's study (External Review) was developed taking this into account, and findings will be brought up at the humanitarian segment of ECOSOC. The humanitarian financing study should help take a closer look at issues raised in the External Review.

Mr. Mountain thanked the donors for their interest in the Humanitarian Information Centres (HIC) and noted that it is a service OCHA provides on a regular basis, such as in Goma, and the occupied Palestine territories. Common funds are those managed by the Humanitarian Coordinator to provide immediate reaction bridge financing to NGOs and are only a supplement to the programs in the CAP.

To overcome the discrepancy in sectors, IASC members advocate for better attention to the non-food sectors, as was the experience of WFP in the Horn of Africa. Regarding inclusion of NGOs in the CAP, IASC members, in particular UNICEF, SCHR and ICVA are looking at how to further include NGOs in the CHAP. While there has been progress, further support is needed for security.

Mr. Mountain appreciated the expressed collaboration with donors, and noted the need for a further meeting of HLWG to further discussions. Mr. Mountain requested that comments on the Mid-Year Review documents be raised at the field, but also shared at headquarters level.

Contingency planning and transition strategies have been improved over the past few years. It should be stressed that humanitarian agencies would like to hand over to development partners as soon as possible. Regarding the issue of CAP advocacy, Mr. Mountain noted that protection of civilians is a priority of the IASC.

While the CAP Mid-Year review looks at on-going emergencies, the IASC may have "new customers" with the situation in the occupied Palestine territories and a donor alert proposed for Sri Lanka.

Comments from Agencies:

UNDP noted that the ancillary processes shore up and support the CAP, such as **contingency planning and response preparedness** are an integral part of meeting humanitarian needs. Development actors provide more than programmes, they also provide services. For example, development organisations provide information management by feeding information into humanitarian databases.

UNHCR noted that there were compatibility problems between UNHCR and OCHA's Financial Tracking System in reporting on contributions. However, staff on both sides are working to reconcile the differences. UNHCR expressed the concerns of its field staff of the need for greater funding for **staff security**.

UNICEF complimented OCHA and the team who put together the Mid-Year Review documents, but also credited field staff. UNICEF presented their own mid-year review of programs, provided at the meeting. UNICEF expressed appreciation to donors as partners

with the IASC, and expressed particular thanks to the Canadian Government, who provided a gender resource person to help develop the capacities and vulnerabilities analysis. UNICEF noted that several programmes had received no funding, for example UNICEF programs in the Great Lakes Region, Rwanda and Ethiopia. On the correlation of funding with the performance of UN agencies, both FAO and WHO used to be underperformers but are now working well. The benefits of launching the CAP in the capitals bring closer the reality of humanitarian assistance and helps to convey success stories. Goodwill ambassadors, as recommended in the IASC plan of action, will have great potential to leverage the CAP as an advocacy tool.

WFP advised that its new in-house focal point arrangements for dealing with CAP-related issues reflected the importance the organization attaches to the CAP as both a resource mobilization and a humanitarian strategy tool. The key role of the CAP and OCHA's coordinating role were reflected by WFP Executive Board's invitation to Mr. Mountain to speak on 21 May at the Board's annual (policy-level) session to the member states on this topic. WFP stressed that there was a clear parallelism between the funding of food aid and non-food items, and that, in the past, it had repeatedly supported appeals for ancillary non-food. As requested by the donors, the impact of underfunding is now regularly shown during briefings of its Executive Board. WFP designs its protracted emergency operations, in line with the donors' view, so that these contribute to recovery and renewed food security.

WHO noted that it may be difficult to measure success in health interventions and there may be a mistaken belief that such interventions do not make a difference. However, low-cost public health interventions such as measles vaccinations, bed nets and tuberculosis (TB) drugs, and simple measures to combat children's malnutrition and maternal health do improve and save lives. Unfortunately, without adequate financial support opportunities are missed to save lives and address priority health needs of the most vulnerable. The story of humanitarian action is becoming a story of "lost opportunities".

In his **closing remarks**, Mr. Mountain thanked those donors who contributed with early funding. Mr. Mountain noted the need to involve more stakeholders in the CHAP, especially at the field level. A follow up meeting of the Humanitarian Liaison Working Group (HLWG) will be organised by the Japanese Mission to further discuss the topics raised at the Mid-Year Review meeting.

OCHA
31 May 2002

Attendance at the Mid-Year Review Meeting

Permanent Missions and Delegations:

1. Argentina
2. Australia
3. Austria
4. Brazil
5. Burundi
6. Canada
7. China
8. Costa Rica
9. Croatia
10. Cyprus
11. Denmark
12. DPR Korea
13. EC/ECHO
14. Egypt
15. Ethiopia
16. Finland
17. France
18. Germany
19. Greece
20. Indonesia
21. Ireland
22. Italy
23. Japan
24. Kazakhstan
25. Latvia
26. Lebanon
27. Lithuania
28. Madagascar
29. Malaysia
30. New Zealand
31. Norway

International Organisations:

1. FAO
2. ICRC
3. IFRC
4. IOM
5. OCHA
6. OHCHR
7. UNDP
8. UNFPA
9. UNCHR
10. UNICEF
11. UNV
12. WHO