

**INTER-AGENCY STANDING COMMITTEE WORKING GROUP
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**CAP: Reflections from Joint Needs Assessment in a Transition Context
(prepared by WHO)**

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Introduction

1. Transition has been described as the period in a crisis when partnerships with the international community are most crucial in supporting or underpinning still fragile cease-fires or peace processes by helping to create conditions for political stability, security, justice and social equity¹. Typically, members of the international community offer backing for political initiatives, support for security (e.g. peacekeeping or police personnel) and – most importantly – financial assistance. Recent work² suggests that the success of transition depends on long-term and inclusive international engagement that combines political and financial support.

2. Yet, countries that are emerging from conflict – such as Afghanistan, Iraq and Liberia – enjoy limited political legitimacy, demonstrate poor economic and fiscal performance, and have weak governance and management systems. Thus, donors want to a prioritised transition programme which focuses on the rapid reform of public administration, restoration of the rule of law, and provision of a minimum essential package of basic services, before providing large amounts of money to national authorities. When the funds are made available, donors generally prefer, in the short term, to use tested mechanisms for humanitarian assistance (such as the Consolidated Appeals Process – or CAP), and systems for the management of pooled funds in which the UN system, a Development Bank or another external party has a major role. This is particularly the case if the country is saddled with significant external debt.

3. When local and national systems have failed, and the failure has been severe enough to trigger a humanitarian crisis, donors encourage agencies in the international system to work together in planning responses, and support for recovery. During crises, the immediate needs are spelt out in a flash appeal; if the crisis is prolonged, they will be brought together in the annual “Common Humanitarian Action Plan”. Both processes have been developed in recent years and modified as a result of experience. Common Assessments are being developed for specific sectors, and a move by donors to respect the CAP process (“Good Humanitarian Donorship”) was launched in 2003.

¹ Modified from the UNDG/ECHA Definition of Transition - ECHA/UNDG/ECPS 29th January 2004

² DAC papers on Afghanistan 2001 and Iraq 2003.

4. A similar, standardised, approach to support for transition periods is emerging, now. These reconstruction “Needs Assessments” must be tailored to the specific local and national context, reflect the political processes which underpin the transition, and reflect an in-depth understanding of national realities. Reconstruction “Needs Assessments” often have to be undertaken at speed. Those recruited to do the work have to “learn while doing”. The Needs Assessment team has to try to establish the country’s priority needs during the transition, its capacity to absorb external resources and implement effectively, take account of the strategic interests of groups formerly in dispute, and respond to the interests of main donors. It is important, too, that the results of the Needs Assessment are owned – and presented – by national transitional authorities. As with the processes for assessing humanitarian needs, reconstruction needs assessments must involve non-UN bodies such as major humanitarian and development NGOs, and representatives of civil society. However, for reconstruction planning, the development banks, the IMF and key private sector interests will be key stakeholders and should be involved from the start.

Joint UN/WB Nas in Afghanistan and Iraq

5. Bearing these considerations in mind, the UN and WB³ introduced the model of a joint UN/WB needs assessment process in Afghanistan in December 2001, in preparation for the Tokyo reconstruction conference. Its main features were:

- a medium-term timeframe, based on the identification of detailed priority outcomes, requirements and costs for the immediate post-conflict (two years) and a longer-term perspective for activities and requirements that require a long planning preparation and implementation,
- inclusiveness of requirements, with a view towards getting a balance between spending on investment and recurrent costs,
- a division of labour between the agencies involved, with the WB and IMF mainly concerned with the macroeconomic framework and UN agencies focusing on humanitarian assistance and recovery needs.

6. The transitional government of Afghanistan took office at the end of 2001, when most of the NA had been completed: consultation with national authorities was, therefore, minimal. Given the prevailing security constraints, most of the work was done in Islamabad, where most of the humanitarian agencies had their HQs.

7. The process evolved with the joint Nas for Iraq (July-September 2003). It was marked by the same kinds of constraints—though they were more intense. The political transition was difficult, the UN’s position in relation to both Iraqi counterparts and the occupying powers, was unclear, and the legitimacy of the provisional government was questioned. High levels of insecurity restricted access to primary sources of data, as well as local level consultation and the timeframe short. In Iraq the NA identified supplementary actions over and above the development of a budget for government operating expenses. This NA focused, therefore, on investment for repairing

³ with the Asian Development Bank

infrastructure. Recurrent expenditure was included to cover incremental costs incurred as a result of investment.

The recent NA in Liberia

8. The Liberia NA represents a further evolution. The UN country team, led by the SRSG, sought a strong involvement from the National Transitional Government of Liberia (NTGL) from the start. For example, the structure of the NA (the choice of priority sectors and their grouping in clusters) reflects the NTGL programme for the transition period. Representatives from line ministries were intensively consulted during the process and the final findings were examined by more than 200 opinion formers, legislators, government ministers and former combatants before it was endorsed at the highest political level. This level of *local ownership* was not reached in the Afghanistan and Iraq NAs. But such ownership is desirable given the complex and fragile political context of Liberia's transition. This should result in a shared understanding of different individual and institutional responsibilities with regard to the transition programme. Too often, the domination of outsider interests in the design of a package of assistance is (rightly) used as an excuse for non-participation in the transition process by national authorities – particularly in relation to changes needed for effective implementation and accountability.

9. The overall stock of medium-term reconstruction needs in Iraq was estimated – in October 2003 – at around \$36 billion; initial pledges totalled around \$20 billion. It was clear to all involved in the Liberia NA that this level of political commitment and generosity of donors could not be expected—in proportional terms—for Liberia, because of its much lesser strategic importance. It seems that Iraq also depleted external resources. Realism was stimulated both by the news from the donors and the obvious limits to absorptive and implementation capacity. The NA thus focused on priority needs that could be realistically achieved within the next two years and not the totality of needs in the country.

10. This has required a difficult balance between technical and political considerations. To help participants in the NA work through this minefield, and agree on selected (and *realistic*) priority outcomes, a logical framework – the Results Focused-Transition Framework (RFTF) – was developed and used. The RFTF will also help all concerned to plan actions and monitor progress towards outcomes.

11. Transition periods are characterized by the simultaneous presence of humanitarian and recovery needs. Addressing these needs requires different approaches, levels of resources and, often, actors. The overlapping of needs and activities between the CAP 2004 and the NA was substantial in Liberia, because the scope of the CAP included rehabilitation needs and the two processes were undertaken within weeks of each other. Participants in the NA came to realise that the CAP is an appeal launched by agencies who themselves will act as principal implementers, the NA provides an overview of financial requirements and proposes disbursement, financial management and accounting mechanisms. Identifying activities and costs that are within the CAP that relate to

priorities and expected results in the NA has been an unexpected challenge. On the other side, it was possible in the Liberia NA to avoid the artificial distinctions between humanitarian assistance and reconstruction, and recurrent and capital expenditures: these had been reinforced in the Iraq NA.

12. There was some disagreement between UN agencies based on their differing perspectives. Since one of the objectives of the NA is to reach a general consensus on priority needs to be addressed, careful coordination, negotiation and goodwill was required to accommodate the views of the different stakeholders. The approaches used during CHAP development can be helpful.

13. The broad consultations and tools of the NA in Liberia, combined with the short timeframe allocated for its finalization, required a large number of UN/WB staff (estimated at 300) and working hours (estimated at 20,000). The costs—both direct and indirect—incurred by the agencies involved in the NA were probably higher than those anticipated at the beginning of the exercise.

14. Unreliable and incomplete information was a major challenge in all sectors, as it was for Afghanistan and Iraq. Nas, carried out in few weeks cannot substitute for the work required for improving the information base. At the same time, the conclusions of the NA can influence donor allocative decisions, and may will shape the recovery and development of the different sectors/systems. The risk of inappropriate decisions due to incomplete information should carefully be considered by those responsible for the NA. Frequently the information obtained by humanitarian agencies and circulated through the HIC is particular valuable.

Discussion Points

- How can Transition Needs Assessments be better aligned with the interests of the humanitarian community – NGOs, civil society and UN system agencies – and draw on their expertise and experience?
- Does the need for transition processes to be explicitly concerned with political and security issues create difficulties for the humanitarian community?
- The NA is a labour-intensive process. How can agencies best decide the level of their involvement for the duration of the exercise?
- What can be done to increase the capacity of country teams – particularly UN, NGOs and others in the humanitarian community – to contribute to quality needs assessments?

Proposed Action Point/Decision by IASC-WG:

- The IASC WG 56th meeting is expected to review and discuss the above proposal and to concur on the proposed framework as way forward.

Prepared by: WHO