## Inventory of initiatives on the ‘future of humanitarian financing’

This inventory of initiatives on the ‘future of humanitarian financing’ was compiled by the CERF secretariat in November 2014 and updated by the IASC Humanitarian Financing Task Team in February 2015. It may not provide a comprehensive overview of all such initiatives. The inventory is based on information from various sources, not all of which could be independently verified. For any comments, please contact cerf@un.org.

## Processes

| Name | Forum/Organizations | Description | Timeframe | Further information |
| --- | --- | --- | --- | --- |
| High-Level Panel to Address the Growing Gap between Humanitarian Needs and Resources | Proposed to SG by ERC Amos and HC Guterres; lead: OCHA (PDSB, PRMB and CERF) | Small, high-level panel at the level of former Presidents or Prime Ministers with about 10 members from donor countries, affected states, financial sector, and possibly global civil society. A meeting of the panel might take place in the margins of the ECOSOC humanitarian affairs segment on 17-19 June 2015. Topics: mobilizing more funding more predictably, more long-term funding, innovative funding, using resources in a more cost-effective way including risk management and preparedness, change short-term approach to funding long-term solutions.  Many of the other processes listed below will feed into the discussions of the panel, including the ‘Future of Humanitarian Financing’ workstream. | February – September 2015 (pending confirmation of panel members) | * Draft terms of reference (shared with IASC) * Note to the Secretary-General: Proposal for a High-Level Panel to Address the Growing Gap Between Humanitarian Needs and Resources, 24 October 2014 |
| World Humanitarian Summit | World Humanitarian Summit secretariat, Development Initiatives | Humanitarian financing will be a prominent issue in the process leading up to and in the vision and commitments that emerge from the Summit itself.  The WHS secretariat has commissioned Development Initiatives and other experts to compile a discussion paper on the future of humanitarian financing. At a technical meeting in Lausanne in November 2014 this and other topics were discussed.  The eight WHS regional consultations (June 2014 – June 2015) have dedicated humanitarian financing sessions. The consultations so far have made a strong push for the localizing of preparedness and response, which could be supported by regional or national funding mechanisms for local organizations as well as looking at opportunities for bringing in the private sector. The WHS regional consultation in Hungary from 3-4 February 2015 provided an opportunity to give special attention to financing issues with the leading humanitarian donors in attendance.  At a roundtable in January 2015, Islamic finance was discussed.  The WHS has work streams on predictable and protracted crises, and the building of resilience. These are exploring opportunities for increased and integrated engagement with development partners. This includes the potential of incremental reduction in humanitarian assistance in certain contexts, such as with the increased investment in risk management and adaptation from post-2015 processes and the Green Climate Fund, and also from bringing in development partners earlier and more effectively into the response to crises, including by supporting countries in the hosting of displaced populations.  Other financing related WHS work streams are: 1) risk financing, which the World Bank is leading on, which is looking particularly at the opportunities of bringing in the discipline and best practice of the insurance sector into humanitarian finance and programmes; 2) enhancing preparedness financing, which is getting underway and exploring the role of and links with climate finance; 3) the impact of counter-terrorism on humanitarian financing; 4) scaling up innovations, such as cash transfers, and the efficiencies derived from these.  The WHS online consultations include two discussions on financing: (1) What changes to current financing mechanisms are required to enhance preparedness and risk management? (2) How might humanitarian financing mechanisms and methods need to evolve to more directly support strengthening national and local capacity to prepare for and respond to emergencies? | Global consultation 14-16 October 2015 in Geneva  Summit 23-27 May 2016 in Istanbul | * ‘Think Piece: Humanitarian Financing’ (DI/GHA for the WHS secretaraiat)   [www.worldhumanitariansummit.org/node/449453](http://www.worldhumanitariansummit.org/node/449453)  [www.worldhumanitariansummit.org/node/449459](http://www.worldhumanitariansummit.org/node/449459) |
| Future of Humanitarian Financing | IASC Humanitarian Financing Task Team; lead agencies: CAFOD, World Vision, FAO | This is one of 14 activities in the workplan of the IASC Humanitarian Financing Task Team, which was approved by the IASC Working Group in February 2014. A steering committee is leading this activity.  Funding has been secured from Germany to commission a scoping study on future funding possibility for humanitarian action. This will be a ‘creative, long-term visioning piece that looks beyond current models of humanitarian financing.’ In addition, to get a wide range of inputs and ideas, regional consultations have been held in London, Amman, Bangkok, Dakar, Geneva, and online. A full day session of the activity’s Advisory Group was held with the organizers and consultant in Geneva on 23 January. | October 2014 – 2015 | * ‘Visioning the future’, draft report, Feb 2015 * Humanitarian Financing Task Team (HFTT): Detailed Work Plan, January 2014 – December 2015, 20 October 2014 * IASC Priority/Task Team Progress Report 2014: IASC Task Team on Humanitarian Financing (HFTT), 87th IASC Working Group Meeting, 21 October 2014   [futurehumanitarianfinancing.org/](http://futurehumanitarianfinancing.org/)  [twitter.com/FutureHF](https://twitter.com/FutureHF)  [www.facebook.com/futurehf](http://www.facebook.com/futurehf)  [www.surveymonkey.com/s/6GM3CZH](http://www.surveymonkey.com/s/6GM3CZH) |
| Bridging the humanitarian/ development gap | IASC Humanitarian Financing Task Team and IASC Task Team on Preparedness and Resilience; lead agencies: FAO, UNDP, WHO, World Bank | This is one of four objectives in the workplan of the IASC Humanitarian Financing Task Team, with three associated activities, and part of the workplan of the IASC Task Team on Preparedness and Resilience.  While the focus of this workstream is on the humanitarian/development gap in general, financing plays an important role. In particular, the link between humanitarian, preparedness, climate-change, and development funding will be explored. For instance, some aid agencies have used preparedness, development, and other long-term funding in humanitarian contexts.  Key messages on preparedness financing emerging from the IASC/ODI “Dare to Prepare” report have been prepared and are being reviewed by Task Team members with a view to disseminating to IASC members.  In addition, Task Team members are working on a theory of change to establish an appropriate mechanism to address preparedness financing gaps at country and regional level. An external peer review including climate finance experts is being convened in late November 2014. | 2014 – 2015 | * Humanitarian Financing Task Team (HFTT): Detailed Work Plan, January 2014 – December 2015, 20 October 2014 * IASC Priority/Task Team Progress Report 2014: IASC Task Team on Humanitarian Financing (HFTT), 87th IASC Working Group Meeting, 21 October 2014 * Humanitarian Financing Task Team – Meeting Notes – 10 October 2014 |
| Humanitarian Financing Workstream | Good Humanitarian Donorship initiative | The GHD initiative is finalizing its workplan for 2015-2016. It will include a workstream on humanitarian financing, led by Germany, Sweden, and the UK, which may include issues such as good practices in financing agreements, a review of reporting requirements and donor conditions, and a mapping of funding modalities. |  | ‘GHD Work Plan 2014-2016’ (draft) |
| Review of HPC Information Services | OCHA/PSB | OCHA has begun a two-year process of reviewing and improving the information services supporting the humanitarian programme cycle, including FTS, OPS, and others. | November 2014 – 2016 | ‘Information services supporting the humanitarian programme cycle’ (concept note and infographic) |
| Disaster Response Dialogue | Initiated by SDC, IFRC, ICVA, OCHA in 2011, currently hosted by IFRC | At the 2014 Global Conference of the Disaster Response Dialogue, hosted by the Government of the Philippines in cooperation with Australia, research on financing to affected states was reportedly commissioned. | Completed, global conference took place October 2014 | [www.drdinitiative.org/v2/](http://www.drdinitiative.org/v2/)  [www.ifrc.org/what-we-do/disaster-law/disaster-law-events/disaster-response-dialogue-conference/](http://www.ifrc.org/what-we-do/disaster-law/disaster-law-events/disaster-response-dialogue-conference/)  [www.dfa.gov.ph/index.php/2013-06-27-21-50-36/dfa-releases/4303-disaster-response-dialogue-global-conference-opens-in-manila](http://www.dfa.gov.ph/index.php/2013-06-27-21-50-36/dfa-releases/4303-disaster-response-dialogue-global-conference-opens-in-manila) |

## Funds

| Name | Forum/Organizations | Description | Timeframe | Further information |
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| Review of CERF | Supported publicly by HC Guterres and others; lead: OCHA/CERF | While humanitarian requirements have tripled since 2006, CERF’s funding target has remained the same, at $450 million. L3 crises and other large humanitarian operations require a system-wide response. In response, OCHA has begun a scoping phase to explore options for updating CERF. As a first step of the scoping phase, OCHA has commissioned two studies: (1) a technical study of the possibility to use assessed funds for CERF, and (2) a strategic study of the potential added value of an updated CERF, including an investment case. Next steps are dependent on the outcomes of these studies. | Two scoping studies by end-2014 | * Two draft studies are being finalized * Note to the Secretary-General: Updating the Central Emergency Response Fund, 13 August 2014 * Review of the Potential for Assessed Funding for the Central Emergency Response Fund (CERF) – Terms of Reference, 9 September 2014 * Review of the Added Value of a Reformed Central Emergency Response Fund (CERF) – Terms of Reference, 26 August 2014 |
| Global ERF Facility | OCHA/FCS | OCHA considers establishing a global facility to fill gaps which CBPFs in their current configuration cannot fill, ensuring that funds can be quickly activated in emergencies, and de-activated when they lose relevance and critical mass. This would make OCHA more effective in using limited donor funding, prioritizing high-profile emergencies, and supporting mostly local NGOs.  OCHA started the discussion on the possibility of establishing a global facility for NGOs in December 2014, presenting three options to the Pooled Fund Working Groups (PFWG) and the NGO Dialogue Platform (i.e., global fund, regional funds, or stand-by CBPFs where OCHA has a presence). Ahead of these meetings, intra-OCHA consultations were facilitated by FCS, and a number of donors were also contacted to seek their preliminary feedback and views. FCS prepared and distributed a discussion paper outlining the concept and feedback. Overall, partners and stakeholders acknowledged the need for innovative solutions to improving field effectiveness through enhanced partnerships with NGOs, especially in cases of large-scale emergencies where CBPFs are not available. In particular, participants appreciated the intent to increase local NGO engagement in humanitarian response. A consultancy to further develop the concept of a global facility for NGOs will be hired by OCHA to generate recommendations on the feasibility, pros and cons of the three proposed models. Recommendations will be supported by solid analysis of data and evidence on NGOs’ access to humanitarian funding, as well as informed by ongoing debates and initiatives on the future direction humanitarian financing and the views and interests of main and potential stakeholders. On this basis, OCHA will consider the next steps, course of action and timeframe. |  | * “Country-Based Pooled Funding Mechanisms: Mapping and Comparative Analysis”, Glyn Taylor, Humanitarian Outcomes, June 2014 * Discussion paper, “What OCHA Could Do to Increase Field Effectiveness through Enhanced NGO Partnership” |
| Start Fund | Start Network | The Start Fund was set up by the Start Network in 2014 and is available to the Network’s 19 member NGOs, and, indirectly, to the thousands of implementing partners of these 19 NGOs.  While not a new initiative, the Start Fund is still in its start-up phase, and a larger Start Fund will have implications for the other funds and facilities listed above. It has secured contributions of up to GBP 30 million from DFID over 3 years and EUR 800,000 from Irish Aid. The Start Fund was launched in April 2014 and disbursed GBP 2.1 million in 2014 ($3.2m). | April 2014 – 2017 | <http://www.start-network.org/how/start-fund/>  IASC Humanitarian Financing Task Team – Meeting Notes – 24 April 2014 |
| Global Preparedness Fund | FAO, OCHA, UNDP, WHO | The idea of a new global pooled fund for preparedness has been brought on several occasions, including under the workstream to ‘bridge the humanitarian/ development gap’ (see above). It should help reduce the division between humanitarian and development funding channels, as a result of which emergency preparedness is often left unaddressed. As part of the IASC collective efforts, FAO, WHO, UNDP, and OCHA worked together on a ‘theory of change’ and possible governance models options, which will be further shared, fine-tuned, and tested. Such a global facility would be complementary to other funding channels and focused on boosting or accelerating emergency preparedness in high risk areas. OCHA and DOCO have also begun a discussion on how better to align planning instruments and funding mechanisms between humanitarian and development communities. | Work and discussions underway | A consolidated draft for the theory of change and possible governance models options is currently being reviewed by FAO, WHO, UNDP and OCHA |

## Reports and Research

| Name | Forum/Organizations | Description | Timeframe | Further information |
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| “Saving Lives Today and Tomorrow” | DARA, OCHA | The number of people affected by humanitarian crises has almost doubled over the past decade and complex global challenges are increasing risks for vulnerable people. In response, a more anticipatory and preventative approach to humanitarian crises is needed, including risk analysis and management. This will require commitments from Governments, development organizations and others. National and local capacity is critical for risk management.  Following the publication of the report, OCHA has convened several internal meetings to discuss how the report’s recommendations can be implemented. One of the strongest recommendations of the report relates to the need for multi-year planning which has to be coupled with multi-year financing. Multi-year humanitarian planning, when aligned with development frameworks such as the UNDAF can provide the opportunity better to allocate response between humanitarian and development actors to build resilience, and can help humanitarian organizations to tap into development funding. | Report published in March 2014 | [www.unocha.org/saving-lives](http://www.unocha.org/saving-lives) |
| “World Humanitarian Data and Trends 2014” | OCHA | The annual report compiles salient humanitarian data over the course of 2014, and some trend analysis over a longer time period. The financial data, sourced from FTS as well as external sources such as Global Humanitarian Assistance, is useful background for the exercise of looking at the future trends. | December 2014 | http://www.unocha.org/data-and-trends-2014/ |
| “Country-Based Pooled Funding Mechanisms: Mapping and Comparative Analysis” | Glyn Taylor, OCHA/FCS | CBPFs operate in contexts where the humanitarian system plays a wide variety of roles, ranging from strictly life-saving response to disaster preparedness and resilience building. The report explores whether CBPFs should be focused on life-saving assistance, or if they should take a broader approach to humanitarian response, across the breadth of OCHA’s mandate. The main recommendations are: (i) given the similarities between the two types of OCHA-managed CPBFs (i.e. ERFs and CHFs), OCHA could harmonize their functioning and focus, in line with the Strategic Response Plans (SRPs); (ii) OCHA should have an internal debate on the best way to ensure increased flexibility in the activation and de-activation of CBPFs, including exploring the option to set up a global ERF facility, to ensure that funds can be quickly activated in cases of emergency where a CBPF does not exist, and de-activated when they lose relevance and critical mass. By rolling out the forthcoming policy and global guidelines for CBPFs (end of 2014), OCHA aims to consolidate corporate support to CBPFs and achieve greater clarity of purpose and efficiency for these funds in the years ahead. OCHA is already developing the concept of a global funding mechanism for NGOs (see Global Facility in Section 2 above). | Final report submitted to OCHA in June 2014 | “Country-Based Pooled Funding Mechanisms: Mapping and Comparative Analysis”, Glyn Taylor, Humanitarian Outcomes, June 2014. |
| “Dare to prepare: taking risk seriously” | ODI and IASC | The report was commissioned by the IASC Task Team on Preparedness and Resilience and investigates the benefits of increasing emphasis on preparedness activities. It also notes the severe lack of dedicated funding towards preparedness activities that often fall in between development and humanitarian funding streams. | December 2013 | <http://www.odi.org/publications/7955-dare-prepare-taking-risk-seriously> |
| “Financing Recovery for Resilience” | MPTF Office | Based on a mapping and analysis of humanitarian, development, and climate adaptation pooled financing mechanisms at the global and country levels, the report finds that funds for recovery in fragile and conflict-affected countries are limited in their coverage, size, and coherence. The report recommends better to leverage pooled funs to manage risks, to consolidate the large number of small recovery funds, and to promote a common theory of change across recovery efforts. | Report published in June 2014 | [mptf.undp.org](http://mptf.undp.org/) |
| “Coherence in Conflict: Bringing humanitarian and development aid streams together” | Denmark | The study, currently underway, will examine the complementarity of humanitarian and development programmes in protracted and recurrent crises, by examining programming choices, identifying opportunities for complementarity and synergies, and making recommendations for policies and actions to promote more efficient programming | Early 2015 | Terms of references |
| “Financing Integrated Peace Consolidation Efforts:  The role of financing instruments in enhancing UN integration and promoting peace consolidation in mission settings” | Integration Steering Group (ISG) and MPTF Office | The objective of the study is to assess opportunities and challenges in using pooled financing instruments to improve stabilization and peace consolidation efforts, particularly by promoting integration between UN missions and UNCTs, and with a focus on contexts of mission start-ups and transition or draw-down. The study complements the report *Financing Recovery for Resilience*, which looks at leveraging pooled funds to improve recovery by strengthening synergies between humanitarian, development and climate finance. While funding for stabilization would mostly come from development sources, OCHA’s initial feedback to the report (internal draft) highlighted: (i) the potential risk that such a mechanism could be detrimental to humanitarian funding at a time when humanitarian needs are skyrocketing ($17 billion this year); (ii) the importance of integrating a myriad of funds operating in mission settings under the oversight of DPKO and the UNCT, with mostly negligible amounts and high transaction costs; and (iii) the need to develop an accountability framework to manage risks, where OCHA could offer advice based on its experience with managing CBPFs. | Draft internal report, October 2014 | Division of Policy, Evaluation and Training - DPKO/DFS |
| “Private funding for humanitarian assistance: Filling the gap?” and “Humanitarian Assistance from Non-State Actors: What is it worth?” | Global Humanitarian Assistance/Development Initiatives and Overseas Development Institute | Private funding as a share of the total humanitarian response grew from 16% in 2006 to 29% in 2011. In its reports, GHA predicts an uncertain future for private giving, as fundraising markets in developed countries may be near exhaustion. Private funds may be especially difficult to raise for prolonged crises. GHA argues that there is no systematic reporting of private funds. | Reports published August 2013 and April 2014 | [www.globalhumanitarianassistance.org/wp-content/uploads/2013/08/private-funding-2013-online1.pdf](http://www.globalhumanitarianassistance.org/wp-content/uploads/2013/08/private-funding-2013-online1.pdf) |
| “Imagining More Effective Humanitarian Aid: A Donor Perspective” | OECD | The report discusses common framework of humanitarian effectiveness would mean that each actor would be held accountable for their contribution to the same characteristics of effectiveness – based on what they can control, what they can influence, and where they advocate – no matter who was assessing them. | Report published October 2014 | http://www.oecd.org/dac/imagining-humanitarian-aid.htm |
| “A Calculated Risk: How Donors Should Engage with Risk Financing and Transfer Mechanisms” | OECD | This report describes key features of risk financing and risk transfer, examines some of the  current challenges at the contextual and programmatic levels as well as institutional  challenges donors might face in engaging in risk financing and recommends a set of  principles and policy approaches to guide future donor support and engagement. | Report published July 2014 | http://www.oecd.org/dac/donorsriskfinancingandrisktransfers.htm |
| Occasional Policy Paper on humanitarian financing (defining “need” and exploring the resource gap) | OCHA/PDSB | This report, expected to be completed prior to ECOSOC, will examine the definition of humanitarian need, if our current system of assigning a money value to projects is accurate for measuring impact, and the rising cost of humanitarian aid. The report aims to complement Global Humanitarian Assistance report and the IASC Humanitarian Financing Task Team’s upcoming report on the future of humanitarian financing. | Q2 2015 |  |
| Exploring the possibility of innovation / research and development funding stream | OCHA | The current financing structure is restricted to response activities and as such does not provide incentives to develop new tools and approaches. Several recent studies have identified a need to rethink the way that innovation in the humanitarian sector is financed and supported, to ensure that long-term investments in capacity building and adaptation are not neglected even during periods of high-demand for humanitarian services.    Over the next year, PDSB plans to explore the case for research and development (R&D) on humanitarian tools, services and approaches, asking whether or not a greater investment in R&D will help to accelerate the development and spread of new solutions to priority humanitarian challenges. The aim will be to develop concrete ideas for how to better finance and support humanitarian organizations and disaster responders to stay abreast of the most advanced technologies and approaches, fostering innovation and scaling. | Q3 2015 |  |