

## **Pooled Fund Working Group Terms of Reference**

### Background and purpose

1. Upheld by Good Humanitarian Donorship (GHD) principles Country Based Pooled Funds (CBPFs) are designed to reduce donor earmarking and foster coordinated and strategic funding allocations driven by field-level decisions based on humanitarian needs. Despite the fact that CBPFs<sup>1</sup> account for on average 3-4% of the whole humanitarian financing landscape, CBPFs have evolved into important rapid flexible coordination financing tools used by humanitarian coordinators.
2. Established in December 2007 by the United Kingdom, the Pooled Funds Working Group (PFWG), consists of major CBPF stakeholders, represents the overall coordination mechanism for CBPF, acts as an advisory body to OCHA's Funding Coordination Section (FCS), ensuring CBPFs remain well managed and relevant.
3. Over the last couple of years, many fora such as IASC Humanitarian Financing Task Team, IASC Sub Working Group on Humanitarian Financing, CERF Advisory Board meetings and more recently NGO Dialogue Platform have been looking at ways of strengthening the operations of the CERF and country-based pooled funds through the provision of inputs on policies and practices. In light of this, it is essential that PFWG continues to ensure that CBPFs remains fit for purpose, and that it would continue to foster strategic linkages with the IASC HFTT, CERF, and NGO Dialogue Platform.

### Objectives

4. The specific objectives of the PFWG are to:
  - Advise on global policy underpinning the functioning of CBPFs.
  - Advise to ensure effectiveness and efficiency of the management and accountability of CBPFs.
  - Address common issues identified by operating agencies or by country based advisory boards (or iterations thereof) with a view to providing guidance and/or corrective action.

### Programme of Work 2014-16

5. Over the next years, the PFWG will continue to add value to the above objectives by contributing to the ongoing discussions leading up to the 2016 World Humanitarian Summit, in particular the work streams on humanitarian effectiveness and innovation. This will include:
  - i.* **Supporting new and existing partnerships:** This would include partnerships with national and local NGOs and non-traditional partners such as the private sector and emerging economies, to further contribute to policy development and innovation for CBPFs.
  - ii.* **Ensuring complementarity with relevant financing mechanisms, including CERF:** The PFWG will look closely into the overview of how existing humanitarian funding instruments are used and how these may be reorganized and used as humanitarian action evolves in order to best ensure principled humanitarian action in a consistent and predictable way. This includes further exploring humanitarian and to a certain extent development funding instruments to ensure synergies and to assess future scope and how these mechanisms' can be improved to better provide aid to affected populations
  - iii.* **Enhancing accountability mechanisms for pooled funds:** The PFWG will continue to review and address improvements to accountability mechanisms (including through the CBPFs monitoring and reporting frameworks) with a view to maintaining a focus on

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<sup>1</sup>This figure does not include CERF

effective management of the funds. This includes reviewing and agreeing new policy, procedures and guidance. This should include embedding a risk management approach.

- iv. **Harmonizing of donor requirements for pooled funds:** The PFWG will continue to review standards of monitoring and reporting of pooled fund projects (CBPFs and CERF) and potential costs, with a view to aligning principled humanitarian resources with agreed upon needs and priorities. Such alignment should take into account the work conducted by UN agencies and NGOs, including OCHA's modified CAP tools (management and planning tools for HCT to ensure effective coordination) which are the Humanitarian needs overview (HNO) and Strategic Response Plans (SRPs) and global monitoring and reporting framework being rolled out in 2014. The PFWG donor members will ensure linkages with the Good Humanitarian Donorship (GHD) initiative and other possible donor fora. Similarly, linkages will be made to the inter-agency Monitoring Technical Group (MTG) on humanitarian response monitoring, to ensure coherence on system-wide monitoring discussions, also by including the expertise of cluster lead agencies at the HQ level.
- v. A work plan will be developed to avoid duplication of work between different fora (IASC HFTT/WHS and OCHA- NGO platform), to have better structured/discussions and to have better monitoring of action plans and achievements.

#### Structure:

The PFWG has no formal subsidiary bodies, but may form Task Teams as necessary to complete specific parts of its annual work plan.

#### Chairmanship:

6. The PFWG is co-chaired by two members of the PFWG, OCHA is the permanent co-chair; the donor seat rotates. The co-chairmanship is subject to endorsement by the PFWG members.
7. The Co-Chairs' responsibilities include:
  - i. To set the agenda for regular and ad hoc PFWG meetings, in close consultation with PFWG members.
  - ii. To facilitate and steer the discussions of the PFWG and provide substantive and strategic guidance and input to all issues tabled with a view to ensuring a focused discussion by the Group
  - iii. To facilitate preparations for and actions from each meeting. This includes development of background materials, management of communication flows, and practical arrangements, invite observers, and provision of follow up support to decisions from previous meetings.
  - iv. Identify the new donor co-chair.
  - v. Revisiting periodically the ToR as necessary. Any suggested changes to the ToRs will be consulted with the PFWG in advance.

#### Secretariat:

OCHA FCS functions as the secretariat of the PFWG and, under the direction of the Co-Chairs, coordinates the substantive implementation of the Working Group's work plan. With support from the co-chairs, the secretariat prepares the work plan, convenes regular/ad hoc meetings, provides venue arrangements, maintains an email distribution list, prepares materials for circulation to the group, drafts and distributes the agenda and minutes, monitors progress of the implementation of the work plan and action points from the meetings.

Membership:

8. The members of the PFWG are comprised of key CBPF stakeholders with decision-making authority at the capital or HQ level. With a view to optimising meeting deliberations and focusing on results, the membership will include:
  - i. Contributing Donors: All capital-level donors who contribute to a CBPF are members.
  - ii. Administrative and Management arrangement Agencies: As the agencies which operate the CBPFs in practice in roles including as the Administrative Agent (AA) and Managing Agent (MA), OCHA, UNDP, and UNDP Multi-Partner Trust Fund Office are members of the PFWG. Should another agency take on a role in operation of a pooled fund, they will become members of the PFWG under this category.
  - iii. Recipient NGOs: *Three representatives of 3 NGO consortia* which have first-hand experience with humanitarian financing mechanisms are encouraged to participate. It was agreed that this decision would be left to NGOs to agree who should be represented.
  - iv. Recipient UN Agencies and IOM: *Three representatives from 3 UN agencies and IOM* who receive funds through CBPFs shall be represented in the group. It was agreed that this decision would be left to UN agencies and IOM to agree who should be represented and consulted with all agencies in receipt of funds ahead of each PFWG meeting.
  - v. CERF Secretariat: The Chief of the secretariat and other relevant representatives are encouraged to participate, focusing on topics of complementarity with CBPFs and providing CERF Advisory Board updates to PFWG members.
  - vi. Co-chairs of the IASC TT on Humanitarian Finance: The Co-chairs of the IASC TT on Humanitarian Finance as representatives of the IASC interagency body focusing on topics of complementarity and direct relevance to the functioning of CBPFs.
  - vii. Observers: Member States who are considering becoming CBPF contributors or any other entities with interest in working with CBPFs should be allowed to be observers and could be invited on an ad hoc basis. Co-chairs would inform members in advance of any such invitations or would call upon members to nominate Member State observers.
  - viii. On an ad-hoc basis: The Co-Chairs may invite others as relevant to respective agenda items of meetings. This may include other international organizations, regional organizations, private sector, Banks, think tanks, academia, etc.

Meeting schedule and reporting:

9. The regular meetings of the PFWG take place twice a year, once mid-year at the margins of ECOSOC Humanitarian Affairs segment and towards the end of the year at the margins of the CERF High-Level Conference. Ad hoc meetings of the Group may be convened as deemed appropriate by the Co-Chairs and with agreement of members.