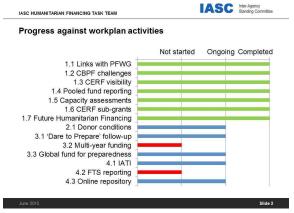
IASC Humanitarian Financing Task Team: Mid-Year Retreat Report

Musée d'histoire des sciences, Geneva, 16 June 2015

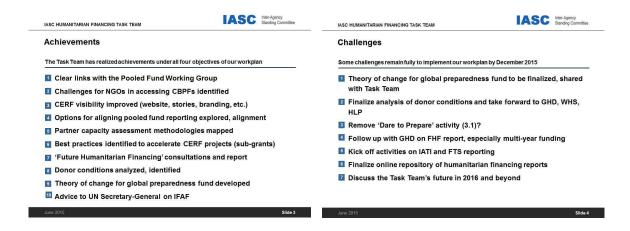
Introduction and Overview of Task Team Achievements

Cecilia Roselli, ICVA and co-chair of the Task Team, welcomed the Task Team's members to the mid-year retreat. Participants introduced themselves. Ms Roselli presented the agenda.

Ms Roselli gave an overview of the implementation of the Task Team's workplan (see presentation for further details). Half of the 14 activities on the workplan have been completed (all seven activities under Objective 1)



The Task Team has realized a number of achievements, and has some outstanding work to finalize until the end of 2015:



A number of products have been finalized or are planned under the different workplan activities:



Update on Objective 3 (humanitarian-development divide)

Sandra Aviles, FAO, said that Objective 3 covered a broad area, and that the leads for the three activities under the objective were examining the humanitarian-development gap from a humanitarian financing perspective. FAO was working with the World Bank and UNDP on this objective.

Bruce Aylward, WHO, is acting as a champion for the ODI/IASC 'Dare to Prepare' study recommendations (including the possibility of establishing a global preparedness fund) and for more preparedness funding in general (see activity 3.3). Over the past three weeks, WHO, FAO, and OCHA have compiled a draft theory of change for a possible fund, which will be shared with the Task Team. It still needs to be clarified how a preparedness fund would fit into the humanitarian financing architecture, e.g., with regard to the possible World Bank facility for pandemic preparedness. UNICEF and WFP have conducted a cost/benefit analysis of preparedness funding, financed by DFID, which showed the potential benefits of increasing preparedness funding.

Broader discussions about the humanitarian-development divide should be linked with the discussions ahead of the World Humanitarian Summit (WHS) and those linked to the Sendai outcomes.

On activity 3.2, on a study commissioned by Denmark on incentives to bridge the humanitariandevelopment gap, Ms Aviles said that there are plans to convene a one time member states discussion under the leadership of Denmark and Ethiopia and others on the follow-up to a study commissioned by Denmark on incentives and disincentives to bridge the humanitarian-development gap.

Daniel Kull, World Bank, said an area of exploration was increased application of risk financing tools, such as insurance-type schemes. This is being pursued during the WHS consultations, where several aid agencies and some insurance companies are compiling recommendations based on good (and bad) practice experiences. The World Bank supports the work of the High-Level Panel on Humanitarian Financing, and the High-Level Panel's (HLP) secretariat. Recently G7 members endorsed a possible Pandemic Emergency Facility being explored by the World Bank and multiple partners. In terms of financing for preparedness, at the UN World Conference on Disaster Risk

Reduction in Sendai in March 2015, France announced its intention make substantial contributions to expanding the global coverage of weather-related early warning systems.

Ms Aviles said FAO was engaged in the work on risk financing tools as they relate to social protection approaches and mechanisms in humanitarian contexts, together with the World Bank, UNICEF, and others.

Taija Kontinen-Sharp, UNDP, said that UNDP will become more engaged in the work under Objective 3. This work should be linked up with discussions around the Sustainable Development Goals (SDGs), the Sendai summit, the WHS preparations, financing for displacement in protracted crises, the High-Level Panel on Humanitarian Financing, and others.

Ms Roselli asked the activity leads to share information on Objective 3 with the Task Team on a regular basis.

Rachel Criswell, World Vision, said in addition to donors' discussions there are other initiatives that should be taken into account, such as a 'financing education' initiative, to be launched by Norway. The European Union's development cooperation side has changed its guidelines, requiring NGOs to partner with the private sector. Mr Roselli reiterated that other funds, such as the EU's trust fund in CAR, should be taken into account, for instance by conducting an analysis of different funds.

Darla Silva, UNICEF and co-chair, asked the activity leads how the different initiatives they presented would fit under the Task Team's workplan.

Jordan Menkveld, IOM, said that insurance schemes could create negative incentives, increasing risk-accepting behavior. The humanitarian system as a whole could already be seen as being similar to an insurance mechanism. Mr Kull said insurance was indeed expensive (premiums are typically at least two to three times the price of the risk) and is certainly not applicable in all disaster management contexts. The discussion needs to be broader including a range of risk financing mechanisms which, based on a solid understanding of risk, can be "layered" for the most cost effective approach. While insurance has been shown to work at the sovereign level, i.e. governments insuring their assets, and at the micro-level, i.e. individuals, it is not clear whether it can work at the meso-level, e.g., for humanitarian response. In any case every solution needs to be context-specific, and it is clear that in conflict and highly fragile states, these kinds of approaches are generally not applicable.

Ms Aviles said the challenge for the Task Team was that many of these initiatives were outside of the Task Team's control but it may be seen as accountable for them. The projected new financing architecture that is starting to emerge from the WHS consultations and task team discussions is much more sophisticated and differentiated and an analysis of the proposed different funds may be helpful by this Task Team. It is still a challenge to translate the discussions about the financing architecture into concrete tasks for the workplan.

Mr Kull said that the World Bank was very interested in the 'Future Humanitarian Financing' report. The World Bank is conducting research on the economic dimensions of displacement, which will feed into the WHS. The Bank, together with its shareholders and clients, is also exploring ways to potentially provide concessional financing to middle-income countries in crisis, i.e., funding for countries such as Lebanon and Jordan that provide a global public good by hosting refugees but

cannot receive World Bank grants or credits – only loans – because they fall into the middle-income category.

Ms Aviles said the activity leads would reformulate the activities and timelines for the activities under Objective 3 in the workplan. The Task Team should remain fully engaged in discussions about the evolving humanitarian financing architecture.

Ms Silva encouraged the activity leads to share more information about Objective 3 so that all Task Team members would feel more ownership, and that it was important to work more closely between Task Team members in Geneva and New York. Ms Aviles said she was happy to share more information but much of the work was going on outside of the Task Team.

Ms Criswell suggested compiling a two-pager on the Task Team's main recommendations for the broader humanitarian financing discussions. Zu Mian, Mercy Malaysia, said that local NGOs were doing a lot of work at the country or regional level, which could be shared with the Task Team.

Action Activity leads to submit revised activities and timelines for the Task Team's workplan

Anne Street, CAFOD, and Ms Aviles said that the monthly meetings could be used for more strategic discussions, in addition to reporting back on activities. Ms Roselli said that Task Team members were welcome to suggest agenda items for meetings, and Nicolas Rost, OCHA/CERF and Task Team secretariat, said that all members are welcome to share documents by email.

Way forward on Objective 2 (Donor Conditions)

Caterina Galluzzi, WFP, said that the initial findings from the research on donor conditions had been shared with and discussed by the Task Team at its May 2015 meeting. Since then, the activity leads have met with NGOs in Geneva to explain the questionnaire and to encourage more inputs from NGOs. The deadline has been extended until 30 June; OCHA recently submitted inputs. All inputs received by the end of June will be fed into a database.

A work group has been formed (including WFP, UNFPA, HI, IOM, CAFOD, WVI, ICVA, InterAction) to take the messaging work forward, including how to feed the results into the WHS process, the HLP, and the Good Humanitarian Donorship initiative (GHD). The research findings need to be translated into advocacy messages. Task Team members need to be comfortable with the messages and how they would be shared, including views on the process of unpacking the information. For instance, instead of ranking donors, best practices could be identified.

Paulette Jones, WFP, said the research should be used in a constructive way. Ms Roselli said it was good that the work was an inter-agency effort. The work is complemented by four other studies: an ICVA analysis of UN agreements with implementing partners (completed), an InterAction study of donor agreements from an NGO perspective (planned to be completed by end-June), a VOICE study of donor conditions applied by ECHO, Germany, and France, and a study commissioned by ICVA, in cooperation with OCHA/FCS, on partner capacity assessments. We should distinguish between conditions imposed by donors and those added by UN agencies for implementing partners, although this research would likely take longer.

Ms Aviles said the second part of the research on donor conditions should be presented to all interested parties and on a bilateral basis, not just the GHD as a collective. OCHA would be well placed to take a strong role in this.

Ms Silva said that Brian Lander, WFP and co-sponsor of the Task Team, had provided a 'teaser' to the GHD at their recent meeting in early June in New York. Donors are aware of the conditions they apply. While the Task Team had preferred to have a meeting with the GHD in September, the GHD prefer an earlier meeting, in mid-July. Mr Lander had told the GHD that it was preferable a joint discussion with UN agencies and NGOs on donor conditions, rather than two separate discussions, a point supported by Monika Brülhart, UNHCR.

Ms Street said it was important to talk to the GHD but donor conditions are often influenced by each donor's national context. Thus, advocacy messages should also be passed on to donors at capital level.

Ms Brülhart said that increased earmarking, requirements for monitoring, and other conditions were becoming more restrictive. Thus, the Task Team should take advantage of the GHD's interest in donor conditions but the Task Team but should not limit itself to talking to the GHD.

Ms Criswell passed on a message from local NGOs from the previous day's meeting of the country-based pooled fund (CBPF)/NGO platform meeting, saying that in addition to donors, middle-income countries, for example those hosting refugees, also imposed conditions for humanitarian work.

Ms Roselli said it was important to engage the GHD as a group. In addition, organizations are welcome to take agreed advocacy messages forward bilaterally.

Caroline Hotham, Start Fund, gave a positive example: The three donors of the Start Fund, DFID, Ireland, and the Netherlands, agreed to accept the Fund's annual report, without further reporting requirements (i.e., the same requirements as for UN-managed pooled funds).

Action

Work group to propose plan on how to take the work on donor conditions forward, including writing a two-page document with advocacy messages and organizing a meeting with the GHD

Way forward on Activity 1.7 (Future Humanitarian Financing)

Ms Street said that the 'future humanitarian financing' (FHF) regional consultations included different types of actors, including from the humanitarian community, academia, the private sector, and beyond, and had not been restricted to northern capitals. The report was launched at the German Mission in New York on 3 June 2015, and published online.

The report's recommendations are being taken forward by various stakeholders and constituents: The report has been shared with the members of the High-Level Panel on Humanitarian Financing; CAFOD and World Vision have met with US NGOs and the US Government, State Department, BRM to discuss the report; and it was presented and discussed by FAO and CAFOD Principals at the IASC Working Group and Principals.

Ms Aviles said that the FHF report had been endorsed by the IASC Working Group (even though it had only been included on the agenda for information). The IASC Principals were very interested in the report and highlighted its importance. Etharin Cousin, Executive Director of WFP, volunteered as a champion of humanitarian financing. Some Principals felt that the recommendations put forth in the Principals' paper on the study did not go far enough.

The activity leads have compiled a matrix of the report's recommendations, outlining how the recommendations are being taken forward, and by whom. There will be a discussion panel on the FHF report and the 2014 Global Humanitarian Assistance report during the ECOSOC Humanitarian Affairs Segment on 18 June. Ms Aviles noted that, given the deadlines, the involvement of the Task Team in the evolution of the report had been limited.

Julian Srodecki, World Vision, said the report was also helpful to describe the current state of the humanitarian financing system, e.g. during an ALNAP Global Forum in New York in early June. The humanitarian financing system is not coherent – there are different interests and policies – and this is reflected in the report. Different constituencies are now prioritizing different recommendations in the report and taking them forward in their various fora and in different ways.

Ms Galluzzi asked about the outcomes of the Principals' meeting in Nairobi in May, whether there was agreement on a smaller set of recommendations to become priorities. Ms Aviles said that while the Principals had not agreed on key messages to forward to the HLP, the full report was shared with the Panel's members.

A work group of the GHD is discussing the report and how to implement recommendations and at the same time ensure coherence with the HLP and WHS outcomes on financing. The work group has asked select members of the Task Team to link the discussions of the GHD with those of the Task Team, and they will have a meeting in July.

Ms Street said the FHF discussion should be linked up with other initiatives, such as the discussion to establish a global fund for NGOs.

Julie Belanger, HLP secretariat, confirmed the report had been shared with the panel's members, who welcomed it. The panel will have its first meeting next week and may discuss the report further, although it still has to define its workstreams. The panel's work also has to be linked with the WHS process. In addition to the report's recommendations its descriptions of the current situation and problem statements were helpful for the panel.

Ms Silva asked how the report could be linked with the 'financing for development' discussion. For any new funding mechanisms, it is important to clarify where the money would come from to ensure it is additional funding. Ms Aviles said that in addition to increasing funding, it was important to increase efficiency and to improve the humanitarian financing architecture. For instance, humanitarian financing is often reactive, and yearly appeals may make it difficult to plan ahead.

Mr Srodecki said the report highlighted the increasing diversity of the humanitarian system. For example, additional funding is more likely to come from new donors rather than traditional donors. In China, 60 million people were affected by natural disasters last year but it was mainly the Government of China and not the humanitarian system that responded.

Ms Criswell asked about follow-up on Islamic financing. Mr Rost said that a report from a WHS meeting in Oxford in January was available and will be shared with the Task Team. Ms Belanger said the issue of Islamic financing was discussed in the WHS process and by the HLP, and it would be good if the Task Team could formulate a joint position on Islamic financing. Zu Mian, Mercy Malaysia, said that it was becoming acceptable to use zakat funds for humanitarian assistance to non-Muslim affected people.

Mr Kull said the FHF report was helpful for the World Bank in for both internal dialogue and its engagement with humanitarian organizations. The Bank has committed to double its spending in low-income fragile and conflict affected countries. The World Bank and regional development banks have published a joint report on financing for development (FFD), titled 'From Billions to Trillions', which shares some common themes with FHF. The World Bank is committed to supporting the Task Team in developing advocacy messages based on the FHF report.

Ms Street said the activity leads would share a matrix of the recommendations and possible followup with the Task Team for comments. She asked members of the HFTT to review these and discuss internally to consider which recommendations they might work on taking forward. Mr Srodecki said the Task Team should prioritize the recommendations it could take forward as a group.

Action

Activity leads to share matrix of FHF recommendations and follow-up for Task Team members to provide feedback

Task Team to discuss follow-up on FHF recommendations by September

Share report form WHS meeting on Islamic financing and other relevant reports with the Task Team

Activity leads to report on discussions with GHD

Update on Objective 4 (Transparency)

The update had to be cancelled.

Action

OCHA/FTS to provide written update on the implementation of the activities under Objective 4

Updates and way forward on other activities

Activity 1.2: Challenges in accessing country-based pooled funds

Ms Roselli said that the final report on challenges in accessing country-based pooled funds (CBPFs) has been shared. Juan Chaves, OCHA/FCS, said that the activity was useful to provide an overview of existing studies, report, and research on country-based pooled funds. The activity also helped to show the link between the identified challenges and whether and to what extent the new CBPF global guidelines help resolving these issues. The identified challenges were taken into account in the global guidelines, and thereby addressed. Resolving other challenges will take longer, including systemic challenges and challenges with regard to a lack of communication. Ms Roselli added that it was important to see how the global guidelines were implemented at country-level, however, the

Task Team had agreed at its January 2015 retreat that the Task Team would not monitor the implementation of the guidelines and how the challenges are addressed. Mr Chaves said that FCS would keep the Task Team updated on the progress of implementation of the guidelines.

Activity 1.4: Explore options for aligning pooled fund reporting in HRP countries

Mr Jensen briefed the Task Team on a paper on options for aligning pooled fund reporting. He highlighted that the reporting processes operated at different levels, ranging from reporting against humanitarian response plans (HRPs) at the strategic level to CBPF reporting at the project level, with CERF reporting combining the two. At the technical level, the paper identified possibilities for aligning CERF and CBPF reporting templates. The CERF secretariat is currently revising its reporting templates and will use this opportunity to strengthen alignment with CBPF reporting templates. The paper also identifies an opportunity to align the timing of pooled fund reporting in certain situations. Mr Jensen acknowledged that there was a wish by some agencies simply to use HRP reporting for pooled funds as well. However, pooled funds require a different level of reporting. Periodic monitoring reports for HRPs have only been rolled out this week. The activity leads consider the activity as closed.

Activity 1.5: Partner capacity assessments

Ms Roselli said that the report on partner capacity assessments had been finalized, and was discussed at the Task Team's May meeting. ICVA and FCS may take the mapping and research on PCAs forward further, and will keep the Task Team updated. ICVA will also continue discussions at the regional level.

Mr Srodecki asked why the report did not reference the core humanitarian standards. Ms Roselli said that the activity leads (ICVA and FCS) had taken a decision not to include this aspect in the report because it went beyond the scope of the report, which had the objective to map partner capacity assessments.

Activity 4.3: Online repository

Mr Rost said that according to the activity lead, FTS, progress had been made on activities 4.1 on IATI and 4.2 on FTS reporting, and that a more detailed updated would be shared with the Task Team soon. Activity 4.3 on an online repository has been taken forward by CERF, FCS, FTS, ISB, and ReliefWeb. The activity leads propose to use ReliefWeb's humanitarian financing page as the repository, and ReliefWeb is currently comparing the list of documents already available on the website to lists provided by CERF and FCS.

Ms Criswell said that it was important to finalize activity 4.1 on engagement with IATI, given that the Task Team had recommended not to adopt IFAF since IATI (and FTS) exist as alternatives.

Future of the Task Team

Astrid Van Genderen Stort, IASC secretariat, said that discussions about the future of the different IASC task teams had started. The IASC Working Group, likely in October, will discuss priorities for 2016 and beyond in the coming months, and the Principals will take a final decision. Task teams (or other fora) will be established in line with the priorities. Task teams may continue to exist in a different format. The IASC secretariat is ready to support the task teams.

Ms Belanger said that in the WHS and HLP processes, discussions about follow-up to the panel's recommendations and summit's decisions had started. Work and discussions on humanitarian financing will certainly continue in 2016.

Ms Aviles said that the IASC humanitarian financing group had evolved over the past six years: NGO participation and OCHA's engagement have increased. The Task Team provides a counter-weight to other discussions and fora, such as the Pooled Fund Working Group.

Mr Srodecki said that it was helpful to have a forum to discuss humanitarian financing issues, and that the Task Team should continue to exist, and Ms Kontinen-Sharp supported this. A show of hands confirmed that most members thought the Task Team should continue to exist.

Ms Roselli said that the Task Team could discuss this further at one of its next meetings. Ms Silva said the Task Team should also think about what its workplan for 2016 may look like.

Action Task Team to discuss its priorities for 2016 and beyond by early September, so that these priorities can be considered by the IASC Working Group and Principals

High-Level Panel on Humanitarian Financing

Ms Belanger gave an update on the status of the High-Level Panel. The panelists will have their first meeting next week. Most panelists are not humanitarian experts but come from different backgrounds. The FHF report is an important input to the panel's work. Several areas have already emerged from two phone calls:

- Differences between protracted and new crises and how to address them (and raise funds)
 differently. The World Bank is taking forward the work on integrating humanitarian and
 development aspects in protracted crises, particularly with regards to protracted forced
 displacement.
- Transparency and open data: This will have to be unpacked and different initiatives should be mapped. One option would be an open-data platform.
- Diversification of funding sources and how to recruit new donors
- Branding the joint humanitarian effort, especially for non-traditional donors
- Improving efficiency by using digital tools and infrastructure, e.g., e-vouchers
- Islamic financing

Two issues will be discussed in greater detail in future:

- Diversification of aid agencies and funding sources
- Localization of aid

The Task Team is a key pool of resources for the Panel and the Panel's secretariat. The HLP secretariat has drafted a number of briefs for the Panel. These also serve to identify areas for further research, in which the Task Team could be involved.

The discussion on some of the issues has to be elevated from the technical to the strategic level, and findings from existing research and reports, including under the Task Team's workplan, could be

taken forward by champions. The Task Team could help in identifying the key messages to take forward. The Task Team could also act as a sounding board for the discussions at the Panel.

The Panel's co-chairs do not want to limit the Panel's discussion to issues relating to traditional humanitarian actors but humanitarian assistance in general. The Panel may also try to identify "low-hanging fruits" for identifying new and ideally predictable funding sources and increasing humanitarian funding.

Ms Street asked about the role of the HLP secretariat in clarifying the issue of localization of aid, at the strategic level, for the Panel. Ms Jones asked whether the issues that the Panel discusses would be prioritized to avoid having a shopping list of issues. Ms Aviles asked that the Task Team be kept informed on the Panel's discussions because high-level discussions need to be translated into concrete action points. Mr Yousaf asked if the Panel will also look into financing issues at the sector level since humanitarian sectors are different from each other and may require a specialized approach for financing going forward. Nan Buzard, ICVA and co-sponsor, said that many humanitarian requirements were a consequence of political failures, and asked whether the Panel was discussing this. Ms Belanger said that the Panel's report will be submitted to the Secretary-General and that its recommendations will then be taken forward. The Panel will have a side event at the upcoming FFD summit, mainly to discuss protracted crises. This will be an opportunity to 'test' some draft recommendations before the final report is published. The Secretary-General and others have asked the Panel to make bold recommendations; they will not work out the details of how to implement specific recommendations or examine humanitarian financing at the sector level (although agencies can submit analysis at the sector level, if needed). The Panel will discuss political causes of humanitarian crises.

Ms Roselli asked that the Task Team be updated after the Panel's meeting next week. The Task Team could issue a formal invitation for a discussion.

Any Other Business

Ms Roselli and James Shell, ICVA, briefed the Task Team on an ICVA initiative to revive the 2007 'Principles for Partnership', and asked Task Team to support and promote the campaign. ICVA plans to submit a declaration to the WHS secretariat, which all organizations are encouraged to sign.

Closure

Ms Buzard closed the retreat by saying that the co-sponsors were very pleased and fully supportive of the Task Team's work.

Participants

Name	A
Name	Agency
Sandra Aviles	FAO
Priya Behrens-Shah	Welthungerhilfe
Julie Belanger	HLP secretariat
Clémence Boutant-Willm	Handicap International
Monika Brülhart	UNHCR
Nan Buzard (co-sponsor)	ICVA
Juan Chaves	OCHA/FCS
Rachel Criswell	World Vision
Andrea De Domenico	OCHA/FCS
Caterina Galluzzi	WFP
Elena Garagorri Atristain	ICRC
Ben Garbutt	Oxfam
Antoine Gérard	OCHA/CERF
Julia Gietmann	OCHA/FCS
Angela Hinrichs	FAO
Caroline Hotham	Start Fund
Michael Jensen	OCHA/CERF
Paulette Jones	WFP
Linda Kelly	IFRC
Sarah Klonski	ACF
Taija Kontinen-Sharp	UNDP
Daniel Kull	World Bank
Alessio Manes	WFP
Jordan Menkveld	IOM
Zu Mian	Mercy Malaysia
Cecilia Roselli (co-chair)	ICVA
Nicolas Rost (secretariat)	OCHA/CERF
Tanja Schümer	IASC secretariat
Louisa Shea	ICVA
James Shell	ICVA
Darla Silva (co-chair)	UNICEF
Julian Srodecki	World Vision International
Anne Street	CAFOD
Astrid Van Genderen Stort	IASC secretariat
Faisal Yousaf	WHO
Emma ?	NRC
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