

IASC Humanitarian Financing Task Team

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MEETING AGENDA

1. Read out from the WG meeting on Grand Bargain discussion
2. Discussion on the WHS High Level Roundtable on Humanitarian Financing
3. Discussion on advancing system-wide transparency by developing a comprehensive IASC policy on reporting to FTS/ IATI
4. Update from ICVA on the Less Paper More Aid campaign
5. AOB

MEETING NOTES

1. Read out from the WG meeting on Grand Bargain discussion

FAO: The discussion at the WG meeting was welcoming and positive on the outcomes of the first HLP meeting on the Grand Bargain in Amsterdam. Many people see the Grand Bargain as one of the most concrete outcomes of WHS. The Grand Bargain is transformational and goes beyond cost efficiency into effectiveness. There is a long road ahead to work out specific issues within the Grand Bargain. There was also a discussion on what the Grand Bargain means in terms of leadership.

The second HLP meeting on the Grand Bargain will take place in Brussels on 18 March. It will be followed by UK/WB meeting in Washington and the meeting of Principals to endorse the outcomes of the process.

There was also a discussion on the commitment to the humanitarian-development nexus. Within the fourth commitment for WHS, there is a proposition of a new business model. It will have to be explored what implications it will have on agencies and humanitarian system.

Co-chair (OCHA/CERF): There was also a discussion on the work of HFTT. It was emphasised that HLP report was very much supported by the products of HFTT and that this group largely influenced HLP recommendations. GHD also underlined the importance of HFTT and the value of its products.

Development Initiatives: Can the current version of the discussion starter on the Grand Bargain be resented?

Action Point:

- HFTT secretariat to re-send the Grand Bargain discussion starter to HFTT members.

2. Discussion on the WHS High Level Roundtable on Humanitarian Financing

Co-chair (OCHA/CERF): There will be seven high-level roundtables at WHS, one of which will focus on humanitarian financing. The Grand Bargain is the cornerstone of the financing roundtable but it is not its only element. This roundtable is officially called Humanitarian Financing – Investing in Humanity and it is much broader than just humanitarian financing.

There are 30 confirmed participants at the moment. The format changed from a smaller group of champions to a bigger group of 35 to 50 speakers. Each speaker should bring concrete commitments to the table.

Anyone can send an expression of interest to participate in the roundtable. There will be more people interested in participating than places and it will be challenging to select final participants.

Each of the roundtables will have five core commitments, against which, stakeholders will be asked to present their individual or collective inputs. We are currently working on developing these five commitments, which will be very closely linked to the Grand Bargain. All elements of the Grand Bargain will be reflected between the programs of financing and other roundtables.

There is also a possibility of additional side event on the Grand Bargain, which will likely include a signing ceremony. More information will be available shortly.

UNHCR: There are a lot of inclusions in the SG report for WHS and it is unclear where they come from. Some of them are referring to a drastic increase of CERF and CBPFs. Do these inclusions come from the SG or were there other discussions on it elsewhere?

UNFPA: Some time ago we had a presentation on super CERF and on a study by Ed Sui. At that time we parked it as an idea to be explored further. It is unclear where did these recommendations come from.

Co-chair (OCHA/CERF): There were discussions since long time on a possible increase of CERF. The foundation of such increase is an extreme increase of needs. The Advisory Group of the CERF will have further discussions on it. The recommendation of increasing CERF to US\$ 1 billion is also partly a reflection of the recommendation of the previous High Commissioner on bigger CERF.

OCHA/CERF: Ed Sui's study was exploring the possibility of funding CERF from assessed contributions and found that it would be a difficult way to go. There was another study on a larger CERF and concluded positively but with the question on where would the additional money come from.

Co-chair (OCHA/CERF): Expanding the CERF would have to be done using additional funding, which would have to come from other sources than traditional donors.

UNHCR: Apart from expanding CERF, the question of increasing CBPFs is also being discussed in many forums. We also see it coming from various donor angles. It would be good to have a meeting with CERF and CBPFs' stakeholders on this issue and discuss where the additional funding would come from.

In the past there used to be monthly meetings between CERF and agencies, however, later this group evolved into the humanitarian financing task team. Since the scope of the TT is much broader, agencies did not have sufficient opportunities to engage in the discussion on the possible expansion of CERF and CBPFs.

UNFPA: While agencies recognise the need to grow, the issue is a finite amount of resources. In the last pooled fund WG there was a mention about how the road to WHS will look like. If CBPFs and CERF grow, other sources of funding will diminish. We should have a dedicated discussion on it because there are both positive and negative implications of this change.

Handicap International: The question is not only where the funding comes from but also who has access to it. The question of expansion of both CERF and CBPFs should be discussed by stakeholders. From NGO perspective, increase of CERF is a red flag and it should be researched more.

OCHA/PDSB: SG's report mentions massive increase of funding for appeals. We want to increase it to minimum 75 per cent this year. That would mean at least additional \$5 billion. Expansion of CERF is justified by sharp increase of needs since it was established. As for CBPFs, the expansion would also increase funding to local actors.

OCHA/FCS: FCS mentioned that it had not pushed for a specific monetary target for CBPFs but to aim towards a minimal level of humanitarian planning requirements. One of the challenges related to the size of the CBPFs was their critical mass. Although they were good instruments, in many cases their size remained too small to consider them efficient. With the new guidelines in 2015, a major revision of CBPFs was agreed to stop their use as ad hoc funding mechanisms for emergencies and instead use them in alignment with priorities within humanitarian planning appeals. In order to fulfil this role, it is imperative that CBPFs attain a critical mass.

Some CBPFs are already close to 15 per cent of planning requirements but some cover as little as one per cent. Small funds defeat the strategic purpose of CBPFs and they become too expensive to run. Larger funds, instead, proportionate management requirements and lessen their costs. FCS had conducted studies which suggested this change and had kept informed the working group and other stakeholders on those outcomes. It is also important to note that all combined CBPFs were the largest single source of funding to local NGOs, providing 17 per cent of their total allocated amount in 2015.

Co-chair (OCHA/CERF): We can organise a joint meeting on CERF and CBPFs expansion because they are closely related. As for funding to NGOs, 23 per cent of 2014 CERF funding was sub-granted from UN Agencies to implementing partners.

UNICEF: Who will the speakers be at the financing roundtable?

Co-chair (OCHA/CERF): We continue to receive expressions of interest and the deadline is long. It is not yet clear how the selection will be made.

UNDP: What is the specificity of the five core commitments for the financing roundtable? There is a big array of recommendations in SG and HLP reports, so how can you arrive to five commitments?

Co-chair (OCHA/CERF): These commitments are very broad. They are developed based on SG and HLP reports and do not mention any specific tasks, such as for instance, expansion of CERF. The intent is that stakeholders can look at them and find their space in the summit.

FAO: It is very important that while protracted financing facility/platform is mentioned, it is made clear that it is still very much at a skeletal stage. Some discussions in the WG focused on exploratory work on this facility. We need to be extremely careful not to commit ourselves to something that was not properly researched and discussed. There is also an ongoing effort by the WB in connection to their work on fragile contexts.

World Bank: As we move towards WHS, we cannot rush this process. The bank is keen on exploring opportunities but will not commit before having done appropriate research. Since there is not enough time before WHS, the bank can only commit itself to continue exploring.

OCHA/PDSB: The SG's report does not recommend that the financing platform should be established but it recommends that it should be considered. We are currently mapping options and looking for added value that such facility could offer. If this facility was to be covered in roundtables, it should be made clear that it is being considered, not that it is endorsed.

Action points:

- Organise a meeting of stakeholders on the expansion of CERF and CBPFs.

3. Discussion on advancing system-wide transparency by developing a comprehensive IASC policy on reporting to FTS/ IATI

OCHA/FTS: FTS operates for over 20 years and a lot has changed since it was established. FTS is the only service that provides continuously updated and curated system-wide information on humanitarian financing to be used for real-time advocacy and decision-making.

Calls for transparency, accuracy and timeliness are only increasing - not just for FTS and OCHA, but for all humanitarian stakeholders. One of the biggest challenges that we are facing is voluntary nature of reporting to FTS, which given increased pressure and expectations, is increasingly more

difficult to work with. Business as before is no longer commensurate with what is expected from FTS.

There is an important general misperception to clarify. Some actors are under the impression that joining IATI will solve the need for system-wide transparency. This is not the case. Simply getting all agencies to report in IATI standards does not mean that funding information for the entire system will be available at all times. The information included in these reports still needs to be curated, connected and published in real time. This is the work that FTS does.

The SG in his report for WHS recommended making reporting to FTS compulsory, which implies that it is enforceable. This however should not undermine frequency or quality of reporting. Ultimately, the goal is to ensure consistent, frequent and high quality reporting from humanitarian actors at all levels. FTS will then be in the position to process this reporting and publish it in real time.

This is why we would like to engage HFTT to explore options of setting a more ambitious target for reporting to FTS. We are continuously improving FTS (including the new FTS website that was just launched) and we are creating incentives for humanitarian actors to report.

We are not yet presenting FTS's own proposal on what the new IASC policy on reporting humanitarian funding should be. This policy should be developed jointly by humanitarian actors and we need to achieve broad consensus and buy-in on it.

For instance, the policy needs to be different for donors, UN Agencies, NGOs and private sector. For UN Agencies, we could standardise it across all actors. As for NGOs, there are a lot of partners that are not reporting and we need to get them on board. Different policy will be needed for them. On private sector's side, we obviously need to adopt yet a completely different approach.

Development of this policy has to be done jointly with all stakeholders. FTS therefore proposes that a working group is formed to look technically at this issue and work on specific details. This way we can give adequate space to everyone's opinions and we can build consensus. UNICEF and UNHCR are already interested in working with us on it but we want to encourage participation from other partners to arrive to a representative and broadly acceptable policy proposal.

UNDP: How can this issue be connected to the work on transparency within the Grand Bargain? World Bank and Netherlands are leading on this. As for IATI, our angle to IATI for the next two years is that we need one platform. UNDP is looking into development tracker. We need to have a structured discussion on it with IATI. As for the policy, there are many points that need to be connected before we decide to make a commitment to a policy. UNDP would like to join this group.

FAO, IFRC, IOM and WHO* expressed interest in joining this group as well.

OCHA/FTS: We are also working on criteria for tracking humanitarian funding. We should also look into the wider ecosystem, such as development funding, in order not to make policy commitments in isolation. As for IATI, we are working with several agencies on developing guidelines for the use of IATI standards and FTS is the primary advocate of IATI.

*WHO was unable to call into the meeting due to a technical problem but expressed interest in joining this group afterwards.

UNFPA: While you are working on developing incentives for reporting to FTS, there are no mechanisms to enforce this reporting. This is why development of IASC policy on reporting funding flows by humanitarian actors should be linked to the Grand Bargain and WHS. If we do not take advantage of these initiatives to enforce this policy, we will lose the momentum and will not regain it for many years.

Co-chair (ICVA): It is important to make sure that there are no contradictions between this initiative and the work of Sherpa Group on Transparency. She will share with FTS the working paper and draft commitment language written by this group.

Action Points:

- FTS to form a technical group to work on the development of comprehensive IASC policy on reporting to FTS/IATI. The group will comprise UNHCR, UNICEF, UNDP, FAO, IFRC, IOM, WHO and all other interested agencies.
- Explore options of using the Grand Bargain and WHS to gain commitment of humanitarian actors to putting in place a comprehensive policy on reporting to FTS/IATI.
- ICVA to share with FTS the working paper of Sherpa Group on transparency.

4. Update from ICVA on the Less Paper More Aid campaign

Co-chair (ICVA): Noting that the HLP Secretariat had asked ICVA to co-champion Grand Bargain discussions on reporting, ICVA wants to build on the HFTT donor conditions work and the NGOs' Less Paper More Aid campaign.

ICVA: The Less Paper More Aid campaign is an NGO initiative aiming at identifying the impact of donor conditions on humanitarian action and on NGOs, suggesting clear and practical solutions to simplifying donor conditions. As part of this campaign, ICVA collected and analysed 50 questionnaires from various NGOs in several countries, conducted 12 semi-structured interviews with NGOs and held 2 round-table discussions in Lebanon and Jordan where some preliminary observations were shared with donors. Data are currently being analyzed and preliminary findings will be shared and validated by NGOs in a Round-Table in Geneva (8 April). A Desk Review to compare UN Partnership Agreements requirements and institutional donors conditions is on-going focusing (for now) on: OCHA, UNICEF, UNHCR, WFP, Canada, Denmark, ECHO, Germany, DFID and US.

Findings from the initiative will be shared at the Sherpa meetings to inform discussion around donor reporting. The final report will be presented at the MS briefing meeting ICVA is planning for late April and potentially at GHD meeting on 27 April.

Initial findings indicate that the level and amounts of details requested by the UN from NGOs is higher than requirements asked by donors. As a result, it was agreed to produce a code of conduct for reporting requirements. There is much more information on this campaign available on the initiative's website: www.lesspapermoreaid.org.

ICVA recommends forming a working group within the TT to jointly work on taking forward the results of this campaign and the study on donor conditions done by HFTT.

WFP: Are UN agencies invited to attend the roundtable in Geneva?

ICVA: The round table on the 8 April is planned for NGOs only to validate results, but we could organise a meeting between UN agencies and members of this roundtable to look into the outcomes of these two studies and also identify way forward in light of the discussion currently on-going around the Grand Bargain. It is important that the right representatives from UN agencies are attending this round table. We will circulate an email asking agencies to identify people, who should join the round table between NGOs and UN agencies.

Action Points:

- ICVA to invite agencies to join the group working on donor conditions.

5. AOB

UNFPA: The study on donor conditions has been finalised and shared with the WG and donors. It was very well received, however some donors commented on the language on counter-terrorism. If this comment was reflected, the study would be easier to accept for donors. UNFPA is working on suggested text that could be introduced to address this comment. While this paper has been overtaken a bit by the Grand Bargain, it should still be used to the extent it is useful.

FAO: There was some hesitancy to move forward with this paper. We have to capitalise on the work that ICVA and UNFPA/WFP did on these studies.

OCHA/IASC: There was a great appreciation to this report and donors were very interested. The work on taking this paper forward should continue with donors.

UNFPA: The hesitancy was related to the fact that this paper has already been finalised and now has to be re-opened, however there is still a full commitment to capitalise on this report.

Co-chair (OCHA/CERF): Due to extremely heavy workload related to the Grand Bargain and WHS, she will not be co-chairing the next two meetings. Melissa Pitotti agreed to be a sole chair of the HFTT until the end of May.

Action Points:

- UNFPA to address new comments on Donor Conditions Study and re-circulate an updated version of the paper.

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