IASC Results Group 5 on Humanitarian Financing met on 26 October 2020 to discuss (i) the Inter-Agency Humanitarian Evaluation (IAHE) on the Mozambique response focusing on humanitarian finance links; (ii) funding flexibility follow-up on status of current measures and agree on next steps for discussion before year-end; (iii) GHD-IASC priorities and next steps, including prep for November webinar; and (iv) RG5 and localization, both internal RG plans and external links.

The below captures action points agreed upon and a brief summary.

**Action Points**

1. IASC secretariat to share the presentation on the IAHE Mozambique with RG5. [ACTIONED]
2. RG5 co-Chairs to share with the RG5 for comments a proposal on how to take forward the funding flexibility measures after their current date of expiration at the end of 2020. [ACTIONED]
3. IASC secretariat to schedule a prep call with selected RG5 members ahead of the 20 November webinar to discuss key objectives [ACTIONED]
4. IASC secretariat to send the save the date with the RG5 for the 20 November webinar [ACTIONED], and subsequently the final agenda.
5. RG5 co-Chairs to table localization as the initial agenda item in the November RG5 meeting.

**Mozambique response IAHE evaluation debrief and humanitarian finance links (Jock Baker, team leader of the IAHE for Mozambique)**

- Mr. Jock Baker presented the principal findings of the Inter-Agency Humanitarian Evaluation (IAHE) on Mozambique, which had been undertaken to assess the Humanitarian Response to Category 4 Cyclone Idai in 2019 – comparisons were also drawn with the drought response IAHE in Ethiopia.
- Overall, it had been a **good response**, because of the robust government national disaster system at the capital and local level; the multi-sectoral cholera response led by the government, which was brought under control swiftly; the PSEA inter-agency response; outstanding sectoral responses by ETC, logistics, WASH; and a decentralized coordination model, with an empowered DHC deployed for 3 months.
- **Gaps** were identified in terms of the shelter and clothing provision response being rather slow; obtaining an overall view of comprehensive needs, especially regarding affected populations outside camp settings (as only 50,000 of the over 1 million affected people resided in the camps); a response that was provided equally rather than oriented towards vulnerabilities.
- **Anticipatory action** was strong at the government level with prepositioning of goods, and deployment of senior personnel prior to the disaster; regarding funding allocations prior to the
natural disaster via WFP core funding (reimbursement of which, however, proved to be difficult), UNICEF, standby funding from a NGO funding consortium, and host government funding (a $30m CERF allocation was made 4 days into the disaster); and concerning activated standby agreements from ETC, logistics, and WASH. The primary gap in anticipatory action occurred at the community level, as warning messages were received but were not consistently acted upon. As for anticipatory financing, IFRC’s anticipatory fund, and FAO’s similar tool were referenced. OCHA recalled the ERC’s recent reference that up to $140m may be made available from the CERF to invest in anticipatory action based on good practices in Bangladesh and Somalia regarding return of investment.

- In terms of **localization**, this was a strong government-led response, yet localization had been weak at the non-government level, as the civil society coordination is localized and constrained by limited capacities (unlike Bangladesh and Kenya). To this end, a capacity-mapping was undertaken by INGOs. Oxfam commented that the organization had encountered due diligence related challenges to engage its local development partners (e.g. faith-based organizations) for the humanitarian response, and that the COVID-19 funding flexibility measures, in hindsight, may have been a useful tool for a humanitarian crisis in an otherwise development context.

- As for **accountability to affected populations (AAP)**, high marks were received relating to treatment with dignity and respect, while hardly anybody was aware of what assistance was going to be received. Awareness relating to complaint mechanisms was on a rising trend. Interestingly, people from remote areas who had been resettled during the emergency felt better off than before the cyclone.

- In terms of **nexus, there was a gap between the emergency phase and the early recovery phase** as the World Bank-led recovery programme was operationalized only one year after the government’s three-month emergency phase ended, partly due to restrictions related to a fraud scandal involving the government in 2016, which prohibited direct government transfers. From a sectoral perspective, the WASH and food security clusters had integrated some recovery elements into the emergency response, e.g. to ensure building back better, and it was recognized that respective funding flexibility partially depended on the donors.

- An **accountability gap had been identified across Mozambique and Ethiopia IAHES**: only the logistics and ETC clusters had planned for after action reviews; there was a lack of clarity regarding the management responses upon recommendations from the IAHE’s; in the Ethiopia review, some of the same gaps had already been identified in a previous evaluation.

- As for **recommendations**, the HCT in Mozambique was called on further improving preparedness and anticipatory action, local partner engagement, and vulnerability-oriented response. The EDG was commended to improve the real-time needs assessments, which may have provided a better entry point for early recovery; better management of rotating cluster coordinators.

- In general, the HRP was considered a fundraising/communications tool at the field level, while it serves as performance baseline for IAHES.

- Regarding CAFOD’s query related to follow-up, the government and the HCT had planned for a collective after-action review, the status of which was uncertain due to COVID. However, the government was running simulations on an annual basis.
In response to Save the Children’s query regarding private sector engagement in the early recovery phase, Mr. Baker noted the lack of an inter-agency due diligence guidance of how to best engage the private sector, as well as the lack of real-time needs assessments which could have facilitated private sector engagement from the start and may have facilitated their continued engagement in the early recovery phase. OCHA commented on the private sector’s interest in having a one-stop shop to obtain real-time information on needs; and that within the UNSDG task teams, common guidelines on due diligence were agreed and discussion ongoing on a common platform that all actors (including humanitarian) could potentially access.

**Funding flexibility follow-up on status of current measures and agree on next steps for discussion before year-end (RG5 co-chairs)**

- The RG5 co-chair Mr. Jeremy Rempel recalled that the nine funding flexibility measures in the related RG5 guidance should be revisited as they are currently scheduled to apply to end of 2020 only. One of the agreed commitments is to review the measures before the end of the year. RG5 members’ views were welcome in terms of which measures should be advocated for to be converted into standard practice.
- Oxfam concurred that detailed feedback by RG5 members may encourage donors who had not yet facilitated flexible funding to do so.
- NRC commented that the continuity of the pandemic made it difficult to advocate for measures beyond the pandemic, so that the advocacy could focus on extending the current funding flexibility measures for the duration of the pandemic into 2021 – on which IOM concurred particularly because the situation had not changed; and that advocacy would be stronger based on evaluations that had not yet been undertaken. Perhaps such messaging could build on the timing of the CBPF evaluation, the findings of which were scheduled to be ready in Q2.
- WFP cautioned that the scope of over and beyond COVID may require a larger consultation by WFP.
- Save the Children noted that funding flexibility measures should be part of a collective shift to quality funding, which was part of a political, as opposed to a mere technical dialogue.
- OCHA noted that agencies had found it difficult to provide quantitative information on the level of flexible, quality, cascaded funding for the GHRP progress reports. The final GHRP progress report in early 2021 that will take stock of the entire response will seek to respond to this issue. Oxfam commented that how to calculate such flexible funding was difficult in terms of reprogrammed vs. flexible funding.
- The RG5 co-chairs referred to a recent donor meeting, in which a donor had expressed interest in financing models to keep the earmarking low in 2021. Therefore, donors seemed to have an interest in knowing how funding flexibilities turned out to be efficient, but also what impact it had had on the ground, and how it had led to an improved humanitarian response.

**GHD-IASC priorities and next steps, including prep for November webinar (RG5 co-chairs)**
• The RG5 co-chairs informed that the webinar between the entire RG5 and the entire GHD is going to take place on 20 November. The call is to be moderated by a GHD member and the agenda will include introductions by the co-chairs of the RG5, the GHD, the head of the IASC secretariat, which were to be followed by a briefing on quality funding; flexible funding; and a subsequent discussion, including reflections by the co-convenors of the Grand Bargain workstreams 7 and 8 (Quality Funding).

• In response to Save the Children’s comment that in the past meetings had been convened in smaller groups, the IASC secretariat noted that the GHD’s preference for a plenary forum seemed to be related to the intention not to duplicate the smaller group GB discussions.

• CAFOD raised the question whether the discussion could also reflect on quality funding from a localization lens as per a survey undertaken by GB workstream 2 on quality funding from a country-level pooled funding perspective, which was to be published shortly. The RG5 co-chairs commented that the localization focus could be highlighted by the RG5 during the plenary discussion.

• NRC suggested that the background documentation to the RG5 would include some objectives on how the collaboration between the GHD and the IASC could be instrumental depending on how the Grand Bargain was going to evolve.

RG5 and localization, internal RG plans and external links (RG5 co-chairs)

• The RG5 co-chairs referred to the internal RG5 localization guidance shared with the group ahead of the meeting, noting that localization was increasingly becoming a cross-cutting objective in various IASC structures, and that its outcome will therefore likely be shared with the OPAG.

• CAFOD referred to the broader effort of the IASC to clarify and harmonize the approach to localization. To this end, this guidance could inform the wider approach in terms of follow-up. While local actors had been involved in IASC efforts to date, engagement tended to occur in terms of key informants for studies, speakers for ad hoc events, yet what was missing was consistent engagement.