IASC Results Group 5 on Humanitarian Financing met on 9 February 2021 to discuss (i) action points from the January RG5 meeting; (ii) conversion of RG5 flexibility measures guidance into standard practice beyond June 2021 and irrespective of COVID-19 context; (iii) outcome of nexus financing sub-group meeting in January; (iv) way forward on annotated bibliography on RG5 members’ visibility efforts regarding quality, incl. unearmarked funding.

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

**Action points**

1. RG5 NGO members to indicate willingness to work with UNICEF in addition to Oxfam—jjovanovic@unicef.org on the RG5 deliverable to cascading overheads to local actors.
2. WFP to inform RG5 co-chairs of the upcoming UNPP meeting to discuss the respective survey.
3. RG5 co-chairs to reshare the feedback collected on the funding flexibility measures in late 2020, along with the objective around standardization of the funding flexibility measures; and consider scheduling a one-off meeting on this topic by early April.
4. RG5 members to volunteer chairing the nexus financing sub-group [ACTIONED, FAO volunteered]
5. Upon finalizing the synthesis paper, DI to share a draft IASC document on nexus financing in March.
6. IASC secretariat to post the RG5 annotated bibliography on enhancing visibility of flexible funding on the IASC website without an IASC cover, and RG5 co-chairs to subsequently share it with the GHD co-chairs. [ACTIONED]
7. RG5 members to provide input on the RG1 localization guidance to alfirev@un.org by 18 Feb [ACTIONED]
8. FAO to present findings of the HDP nexus evaluation at the RG5 April or May meeting.

**Review of action points**

1. **GB WS 7/8 co-convenors to share the concept note for the high-level political dialogue with RG5 when ready. Based on the concept note, RG5 will consider how to best support preparation for the dialogue and meanwhile will encourage the sub-group to engage with co-conveners of GB WS 7/8. [ACTIONED]** The RG5 co-chairs shared that while the concept note had been shared with RG5 members who indicated interest in forming a sub-group on this topic (Save the Children, UNFPA, InterAction) in addition to the GB facilitation group members, the decisions of the 1 February meeting of the GB Principals needed to be received, before next steps could be envisaged. The objective would be to envisage the high-level political dialogue to take place prior to the Grand Bargain’s (GB) annual meeting from 15-17 June.
2. IASC secretariat to follow up on background of Principals action point related to ‘cascading of overhead costs’ or ‘indirect support costs’ to clarify expectations. The RG5 workplan deliverable linked to cascading of overheads will be updated based on feedback from the Principals. [ACTIONED] UNICEF announced its availability to lead on this deliverable, with the UNICEF focal point being Frankie Chen and his team. Oxfam volunteered to work with ICVA on this deliverable. The IASC secretariat offered support in facilitating the process.

3. RG5 co-chairs will track progress on development of the UN Partner Portal (UNPP) in 2021 and return to members with a proposal to engage in the process if there is a tasking provided through OPAG or an opportunity for RG5 to support its development. RG5 members engaged in UN Partner Portal development are invited to share updates with the Co-chairs as appropriate. The RG5 co-chairs and WFP referred to the current multi-agency survey initiated by WFP to inform the progress on the UNPP. Feedback received will be incorporated into upcoming changes of the UNPP during a meeting to be convened in a smaller group.

Conversion of RG5 flexibility measures guidance into standard practice beyond June 2021 and irrespective of COVID-19 context (RG5 Co-chairs)

- The RG5 co-Chairs noted that the extended RG5 funding flexibility measures (till June 2021) are now online. The extension gives the RG5 time to consider which flexibility measures have been effective during COVID-19, and which ones should be converted into standard practice beyond COVID-19, possibly via a table approach as indicated below. The RG5 co-Chairs added that some agencies were undertaking internal reviews.

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<th>No-cost extensions (yes/no)</th>
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<th>Due diligence/risk management (yes/no)</th>
<th>Simplified reporting requirements (yes/no)</th>
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- Based on Save the Children’s query as to how the review exercise of this guidance undertaken ahead of the GHD meeting could feed into this exercise, the RG5 co-chairs agreed that this could inform this exercise, while noting that the feedback received may not have been concrete enough to populate a table as indicated above.

- WFP highlighted the different starting points in terms of pre-existing flexibility among various UN agencies, noting this background should be reflected in a problem statement. As for WFP, the majority of resources are earmarked up to the country office level, if not beyond. Currently, WFP is
following up on a request from the executive board by considering whether sufficient checks and controls have been in place during COVID-19. To this end, the atmosphere within WFP was currently not one that would encourage greater levels of flexibility beyond the current phase. During COVID-19, flexible solutions were found due to the government restrictions in the operating contexts, although not consistently across all 80+ country offices. In response the RG5 co-Chairs noted that any RG5 advocacy on quality funding and flexible funding has highlighted the need to ensure accountability when applying funding flexibility measures.

- UNICEF commented that it planned to update its civil society organization (CSO) procedures in late 2021, and that the work on overhead costs would feed into that revision.

- The RG5 co-chairs added that in the context of OCHA collecting inputs for the final update of the GHRP progress report to be forthcoming in mid-February, the ERC had written to a number of IASC Principals on the volume of flexible funding received and how it had been used.

**Outcome of nexus financing sub-group meeting in January**

- The RG5 co-chairs updated on the first sub-group meeting of the nexus financing group, which had taken place on 26 January among members of RG5 and RG4. A central point that had been raised was that the value added of IASC nexus documents should be to bring in the humanitarian perspective and primarit target humanitaria actors.

- The RG5 deliverable on nexus financing referred to the finalization of the DI synthesis report, which will feed into an IASC piece on nexus financing, in particular. This second document could draw lessons from ongoing work of INCAF, other agencies’ work, and possibly JSC as referenced in the RG5 workplan, although there did not seem to be strong linkages there. DI confirmed its availability to serve as the penholder on the IASC output.

- As for a recent discussion between RG5 co-chairs and INCAF, the RG5 co-chairs indicated interesting overlaps with RG5’s work on quality funding and harmonized systems.

- INCAF highlighted its interest in ensuring linkages between the different fora, such as RG4 – with whom they organized some joint events - and increasingly RG5. Regarding the DAC nexus recommendation implementation, for example, RG4 and RG5 may for example participate as attendees or as co-organizers in an upcoming event, e.g. from the operational implications of the nexus. INCAF referred its key role of bringing together multilateral and bilateral donors active in fragile contexts.

- The RG5 co-chairs added that risk management could constitute an area of future collaboration as well, although not currently reflected in the workplan.

- Oxfam underscored the importance of not duplicating efforts, for instance with RG4. The RG5 co-chairs concurred and referred to the importance of a joint sub-group to ensure the complementary approach.

- FAO highlighted that it was finalizing a large evaluation on the humanitarian-development nexus, which also considered the enabling environment to promote the nexus. The RG5 co-chairs noted that findings may possibly also feed into the RG5 nexus financing piece.
Way forward on annotated bibliography on RG5 members’ visibility efforts regarding quality, incl. unearmarked funding (UNICEF)

- UNICEF thanked the 7 RG5 members for their input into the annotated bibliography to enhance the visibility of flexible and unearmarked funding, an initiative that had arisen from the webinar with the GHD in November 2021. The next steps would be to post it on the IASC website in the easiest way possible, and then encourage RG5 members to disseminate it widely among its constituencies. The RG5 co-chairs indicated availability to share it with the GHD co-chairs once the document was posted online.

AOB

- The RG5 co-chairs referred to the localization guidance on ‘Strengthening participation, representation and leadership of local and national actors in IASC humanitarian coordination mechanisms’, on which RG2 and RG5 had been requested to provide input from RG1. RG5’s precise inputs were sought, particularly on the section on ‘resourcing for coordination’.

- As for upcoming high-level events, the RG5 co-chairs noted that the Yemen event was to be co-hosted by Sweden and Switzerland on 1 March; and the Syria high-level event taking place virtually in Brussels was scheduled for 29/30 March.

- The RG5 co-chairs referred to the 20 January high-level donor roundtable on addressing GBV funding that took place between a few IASC Principals and donors with a particular interest in GBV. The event followed a Principals’ request in July 2020, and may be the first time that GBV was discussed at that level. The follow-up actions refer to the agreement among IASC members to quarterly reporting to enhance the visibility of GBV funding received and spent, including funding that is cascaded to partners; a technical dialogue on the improvements related to inter-agency plans; a follow-up roundtable together with Denmark as current chair of the Call to Action, which may have to be preceded by progress achieved related to reporting; and the engagement of women-led organizations, on which there may be overlap with the RG1 localization guidance. UNICEF referred to the challenge of GBV funding often being mixed with other protection work, and that reports will need to include an explanatory component.

- The RG5 co-chairs added that the CERF in 2020 had been used to allocate funding to NGOs specifically, as well as GBV. In 2020, the CERF allocated a record US$900 due to the exceptional UK allocation the year before, and which as approaching the $1 billion CERF allocation per year as the GA had agreed on a few years back.