

IASC Results Group 5 on Humanitarian Financing
Advocacy Messages on Nexus Financing
July 2021

In line with the RG5 scoping paper on financing across the nexus, this set of advocacy messages aims to stimulate a dialogue with actors across the nexus¹, particularly development partners, in the spirit of working collaboratively with them to take this agenda forward, including through the work of fora such as the GHD, INCAF and the OECD². The messages are complemented by a preliminary communication plan outlining where and when the messages could be amplified.

The Inter-Agency Standing Committee (IASC), as well as other multi stakeholder fora such as the OECD Development Assistance Committee (DAC) and the UN Sustainable Development Group (SDG), have developed guidance documents and recommendations that summarize best practices on how to operationalize and strengthen humanitarian, development and peace (HDP) collaboration aimed at reducing need, risk and vulnerability. Those guidance documents share a similar understanding and stipulate that humanitarian, development and peace collaboration is operationalized by: a) sharing of analysis across the HDP spectrum at country level; b) articulating collective outcomes; and c) joined up programming that contributes to the achievement of those collective outcomes. **When speaking about a ‘nexus approach’ the IASC is referring to strengthened humanitarian-development and peace collaboration around collective outcomes aimed at reducing need, risk and vulnerability³.** Financing across the nexus should be compatible with humanitarian principles to safeguard the humanitarian space.

Advocacy Messages

1. **In coherence with the Grand Bargain dialogue and the OECD DAC recommendation on the humanitarian-development-peace nexus, quality funding supports a nexus approach.** The characteristics of quality funding – flexibility, duration, predictability and non or softly earmarked nature – enable implementing partners to better align humanitarian, development and peacebuilding interventions, which in turn is key for: enabling more investment in resilience and local response capacities; supporting prevention and preparedness; fostering connections between development, humanitarian and peacebuilding action; and broadening the resource pool. Quality funding is essential to make better use of existing humanitarian, development and peacebuilding resources to meet immediate needs and address longer term development needs in a complementary way.

¹ This paper focuses on humanitarian-development collaboration to reflect the findings of the research on which it is based. While in recent years increasing attention has been brought to bear on the triple nexus of humanitarian-development-peace collaboration, there remains an evidence gap on the ways in which peace actors, particularly security or political actors, can collaborate with both humanitarian and development actors in protracted crisis settings. Nevertheless, ‘peace’ as an approach – notably ‘little p’ actions - is often integrated across humanitarian and development action, as outlined in the IASC Issue paper ‘Exploring peace within the Humanitarian-Development-Peace Nexus (HDPN)’.

² Note that some members of RG4 and RG5 are also adherents to the DAC Recommendation on the Humanitarian-Development-Peace Nexus and participate in the informal DAC-UN dialogue.

³ [IASC Light Guidance on Collective Outcomes; HDP Companion Piece to the Cooperation Framework;](#)
[OECD DAC Recommendation on the Humanitarian-Development-Peace Nexus](#)

2. **To scale-up nexus approaches an increase in the availability and volume of quality funding is needed** - that is, more flexible, predictable and multi-annual funding. Multiyear funding in particular supports adaptive multiyear programming to enable a coordinated phase out to recovery and development programming, leading to improved outcomes for people affected by crisis.
3. **Quality funding must be cascaded down to frontline partners** in a timely manner to enable them to anticipate and quickly respond to the needs of affected communities and rapid changes in context. Flexible funding modalities support decision-making as close to the 'ground' as possible, critical when working in highly volatile contexts.
4. **Greater investment is needed in tracking different funding flows in crisis-affected areas.** Financing across the nexus does not mean that all funding sources will support all activities across the spectrum of humanitarian, development and peace activities. Different funding and financing flows and mechanisms will continue to co-exist, and key to ensuring their coherence is tracking different flows, particularly at sub-national level. By mapping the different funding sources and financing modalities that co-exist in support of areas and populations affected by crises we can manage their complementary contributions to collective outcomes.
5. **The Covid-19 pandemic demonstrated the effectiveness of 'core' and unearmarked, predictable funds.** The long-term investments in institutional capacities and systems made using these funds paid off when it came to responding at an unprecedented scale and enabled the pre-financing of new programmes and pre-positioning of stocks and assets. Going forward, recovery from the health and socio-economic impacts of the pandemic in countries affected by crisis will require humanitarian and development actors in a joined-up effort, leveraging each other's comparative advantages to meet immediate humanitarian need and build the long-term resilience of vulnerable populations, supported by predictable, flexible and multiyear funding.
6. **The G7's famine prevention and humanitarian crises compact provides a good roadmap on what needs to happen in the humanitarian sector around a nexus approach in crisis situations.** It highlights how financing across the nexus should foremost prioritise investing in collective outcomes or HDP priority areas, agreed upon in country, that are aimed at reducing humanitarian need by strengthening development programming and investment in fragile settings that target underlying drivers of need, risk and vulnerability. Financing across the nexus should also take into consideration local capacities, greater investment in anticipatory action, leveraging social protection investments (especially for women, girls and most at risk groups), scaling-up innovative financing, and harnessing the complementarity of climate and disaster risk finance.
7. **In the lead-up to the UN Food Systems Summit 2021 and with 34 million people at risk of famine this year, it is imperative that we make the best use of available resources to prevent famine and support a system-wide shift to prevention, preparedness and resilience building to begin to stem ever increasing humanitarian need.** A nexus approach is required, in which humanitarian, development and peacebuilding funding flows are appropriately layered and sequenced, to strengthen anticipatory action to prevent food crises, to tackle emergency levels of hunger and malnutrition and protection concerns in the short term and address underlying drivers of food insecurity in the long term. With increased flexibility and predictability of funding, IASC partners are better able to respond to the conflict, climate events and economic shocks that drive acute food insecurity.