
IASC Results Group 5 - Humanitarian Financing

12 October 2021

Published on the [IASC website](#)

Summary Record

IASC Results Group 5 on Humanitarian Financing met on 11 October 2021 to discuss: (i) Innovative Financing further to 27 May 2021 OPAG action point; (ii) Feedback on draft IASC funding flexibility guidance; and (iii) Feedback from 6 October OPAG meeting on IASC strategic priorities for 2022/2023;

Action points:

- IASC secretariat to send a comments deadline on the draft RG5 innovative financing options paper. [ACTIONED]
- RG5 co-chair/ICVA to organize bilateral calls on the draft IASC funding flexibility guidance with UNICEF, WFP, and UNFPA.
- RG5 co-chair/ICVA to submit updated IASC funding flexibility guidance to OPAG upon consideration of RG5 comments.
- NRC to share the draft IASC cost classification for RG5 comments, with some guiding questions [ACTIONED]

Innovative Financing further to 27 May 2021 OPAG action point (RG5 co-chairs)

- UNDP as penholder on the initial draft of the RG5 options paper had circulated the paper for RG5 comments, based on the OPAG action point from May 2021 to: *Reflect on innovative ways to generate more resources, narrow the funding gap, and advise on the most appropriate platform to take this issue forward [RG5]*. The RG5 co-chairs noted that this options paper was to propose ways on how to take forward innovative financing in 2022 via the IASC, rather than represent a deliverable to be completed by the end of 2021. In terms of substance, the focus was on mobilizing additional resources, e.g. via non-traditional donors, Islamic financing, private sector engagement, individual giving, etc. RG5 members were asked to provide agencies' individual experiences during their inputs. UNDP will provide an update at the November RG5.
- RG5 members highlighted the need to ensure linkages with the 'beyond the Grand Bargain' (GB) group following up on the GB financing event (available [here](#)) that took place in the margins of the annual GB meeting.
- Members referred to a prearranged financing dialogue with the WB on food crises, which was exploring the potential with the insurance sector and private companies to set up a funding mechanism at the onset of food crises. In addition, members acknowledged that AA may represent more a channel in view of reducing needs than broadening the resource base.

Feedback on draft IASC funding flexibility guidance (RG5 co-chair/OCHA)

- The RG5 co-chairs noted that during the [27 May OPAG meeting](#), RG5 was tasked to consider options to institutionalize agencies' funding flexibility measures for when the 9 [COVID-related IASC flexibility measures](#) would come to an end on 31 December 2021.

- The RG5 co-chairs welcomed the received RG5 comments on the **draft standardization guidance was introduced**, available [here](#), underscoring that the intent was indeed to modify existing systems, requiring substantive discussions within agencies.
- Several agencies expressed preference for a smaller meeting on this topic, to ensure that the right representatives are in the room, given some agencies' decentralized nature.

Feedback from 6 October OPAG meeting on IASC strategic priorities for 2022/2023 (RG5 co-chairs)

- It was noted that humanitarian financing on the draft paper on IASC strategic priorities was identified as a second tier priority. The structures to drive these priorities for 2022 and 2023 will be decided at or following the 20 October Principals meeting.
- In terms of quality funding, the RG5 co-chair/ICVA who is double-hatting as GB Facilitation Group member noted that the current GB planning calls for a shift away from the technical aspects of quality funding, assuming these would be covered more by the IASC, and instead will focus on political blockages via the new caucus structure. This shift is also reflected in the intent to close down the GB workstream on quality funding.
- It was also noted that RG5's portfolio is broader than quality funding and has made achievements in other areas linked to humanitarian finance. Finally, if financing was to continue within the IASC, it was noted that it would be important that IASC members volunteered to lead on deliverables.

AOB

- **Cascading of overheads:** Regarding RG5 members' query about the sub-groups on the cascading of overheads and cost classifications, it was clarified that to date there has only been a RG5 sub-group on cascading of overheads, and not one on cost classifications. RG5 members noted that the work of RG5 on cascading of overheads will inform the work of the GB caucus on localization, which focuses specifically on the role of intermediaries, while the focus of the GB will be on unlocking political blockages.
- **Draft IASC cost classification guidance:** NRC will share the draft IASC cost classification guidance for RG5 comments, upon which the co-leads NRC and UNHCR will convene a technical meeting with relevant RG5 members to address the comments.