

NOTE ON THE CENTRAL EMERGENCY RESPONSE FUND ADVISORY GROUP MEETING 24-25 OCTOBER 2017



1. The CERF Advisory Group was established by the General Assembly Resolution 60/124 to advise the Secretary-General, through the Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, on the use and impact of the fund. The second meeting of the Group in 2017 was held in New York on 24 and 25 October and was chaired by Leni Stenseth (Norway). The Assistant Secretary-General (ASG) and Deputy Emergency Relief Coordinator (DERC) Ursula Mueller participated in the meeting and led several sessions.

2. In the first session of the meeting, the Chair and the CERF Chief, Lisa Doughten, welcomed new members that include Jamie Isbister (Australia, not present), Bruno van der Pluijm (Belgium); Alexandra MacKenzie (Canada); Ricardo Toro Tassara (Chile); Rahel Asfaw, (Ethiopia); Claus Lindros (Finland); Alison Milton (Ireland); Mairo Mandara (Nigeria); and Per Enarsson (Sweden) and provided an introduction to CERF for the new members.

3. The Advisory Group welcomed a briefing by the CERF Chief on the fund from May to October 2017, an update on the 2017 funding status and an overview of operations supported. The CERF Chief informed that to respond to high humanitarian needs, CERF had disbursed \$400 million USD during the first ten months of 2017. She informed that a large part allocations targeted famine prevention and responses in Nigeria, South Sudan, Somalia and Yemen. The Chief also highlighted that the CERF will surpass its \$450 million USD minimum funding target for 2017 and emphasized how donors provided additional contributions mid-year to ensure that, the CERF could ensure its second underfunded (UFE) allocation round that otherwise would have been cancelled. The low cash situation was caused by a record high rapid response (RR) allocation level during the first months of the year and late transfer of pledges. Some Advisory Group members noted the CERF Secretariat's improved communications on results and donor visibility.

4. ASG Hochschild's briefing to the Group emphasized the Secretary-General's appreciation of the fund and its relevance in the humanitarian ecosystem. He thanked the Advisory Group for guiding the management of the fund and emphasized the Secretary-General's support to the target of \$1 billion USD. He noted that CERF needs to increase its capacity to keep pace with rising humanitarian needs and complexity of crises. He underlined that the \$1 billion USD target is an opportunity to strengthen the role of CERF, including in the context of the Secretary-General's reform agenda. He further underlined that CERF will continue to play an increasingly important role in the humanitarian landscape and that the fund should reflect the broader changes affecting the humanitarian system – for instance in line with the 'humanitarian-development nexus.' The Advisory Group emphasized the importance of the Secretary-General's leadership and a strong investment case to ensure that CERF achieves the new funding target. In agreement with the Group, he reiterated the importance of ensuring an investment case that is anchored in sound information on expected results to be achieved through a doubling of the CERF. He reinforced the importance of maintaining the unique nature of CERF as one of the most effective tools while promoting its links with funding mechanisms to ensure effective response to people in need.

5. In a programme focused session, the Chief of CERF presented the CERF grant allocation processes focusing on its strategic use, methodologies of grant allocation processes, and CERF's life-saving criteria considered through the allocation processes. The presentation was followed by a discussion on CERF's life-saving criteria, the 1/3 – 2/3 UFE - RR funding division, the project life cycle and CERF's role in promoting cash transfers. The Group expressed appreciation of CERF's first Annual Results Report and encouraged expanded gender-based analysis in future versions.

6. In a session headed by ASG/DERC Mueller, the Group expressed appreciation for presentations provided by two external consultants (Ms. Tasneem Mowjee and Mr. Jock Baker) on initial findings from reviews of the added-value of the fund for the response to humanitarian needs caused by El Niño. The report of the studies will be finalized in January 2018 and shared with the Advisory Group. The Group discussed the role of CERF as an enabler of early action in slow onset emergencies and in the context of the new funding target, discussed whether a larger CERF should have a dedicated window for early action. Many of the group members expressed hesitation towards a dedicated window for early action,

while some did argue for the need for a more anticipatory approach to addressing life-saving needs, with a view to providing humanitarian assistance before predictable, and otherwise inevitable life-saving needs arise.

7. In a session with Resident and Humanitarian Coordinators (RC/HCs) from Somalia and Barbados/OECS and members of the Inter-Agency Standing Committee (IASC), examples of the use and impact of funds and results achieved were given. The RC from Barbados expressed appreciation for the CERF grants in response to the hurricanes in September/October 2017 and highlighted how the grants were vital in ensuring the UN's initial response. The Somalia HC expressed appreciation for the \$92 million in funding received over the past four years. He emphasized the complementarity between the use of CERF and funding from the Somalia Country-Based Pooled Fund. He also highlighted CERF's flexibility in responding to slow-onset emergencies, as well as the fund's ability to address rapid onset emergencies – two features that make it unique and instrumental in a complex setting. Both RC/HCs emphasized that UN pooled funds greatly support the function of the RC/HCs and argued that a larger CERF would further strengthen the role of the RC/HCs, improve emergency response coordination and enable more robust initial emergency responses.

8. Following presentations by the RC/HCs, UN agency members of the IASC provided examples of the use and impact of CERF funding in their humanitarian operations. The IASC members highlighted how the use of RR/UFE grants, as well as the CERF loan facility has been instrumental for the agencies' emergency responses and how CERF consistently has been the fastest source of funding and in many cases has leveraged additional funding from other donors. The relevance of the CERF loan facility was raised by FAO through an example: through a loan given to FAO's Somalia response in 2017, the organization was able to improve cost efficiency by ensuring grass feeding for goats at a price of 40 cents. Had funding from CERF not been received on time, the organization would instead have had to buy goats at a price of \$40. IASC members noted the importance of ensuring consideration of funding for protection activities in CERF allocations. ASG/DERC Mueller encouraged IASC members to ensure that agency principals advocate with donors for support to CERF. A number of Advisory Group members supported this call to agency principals.

9. The final session on the future of CERF focused on resource mobilization towards the General Assembly endorsed increase of the fund to \$1 billion USD and how to position it in a changing humanitarian landscape. Following a presentation by ASG/DERC Mueller on 2017 resource mobilization, as well as priorities for resource mobilization for 2018 onwards, a consultant (Mr. Jon Liden) presented the initial findings of the CERF commissioned review on global best practices from successful replenishments by other funds. The consultant addressed the need for CERF to develop an investment case for the \$1 billion USD fundraising target that clearly defines comparative advantages. The presentation also highlighted the importance of a multi-year approach linked to pragmatic internal benchmarks, investment in communication, donor engagement, and host country role for pledging conferences working in partnership with the UN.

10. The session continued with strong calls by some Group members for the development of an investment case for the \$1 billion USD CERF and a road map that sets a path for a gradual increase of funding towards the new target. Members insisted the investment case focus on CERF's results and comparative advantages, as well as the humanitarian needs that will fail to be addressed should the new target not be met. Members also expressed the need to manage expectations for the pledging conference and convey a direction towards achieving the new target. Discussions highlighted the importance of broadening the resource base, including by diversifying the donor group and developing a tailored approach to engage the private sector and high net worth individuals to attract additional funding. Some members confirmed willingness to support innovative financing initiatives, hosting of financing related events and liaison with member states. Finally, the Group reiterated the importance of UN and RC/HCs advocating for the CERF and the importance of the Secretary-General's leadership in ensuring progress towards the new target. ASG/DERC Mueller closed the session by calling on members to advocate for CERF and contribute to make the upcoming High-Level Conference a success. The Chair of the Group, Ms. Stenseth, concluded the meeting by calling for a road map to be shared with the Group ahead of its next meeting, with clear identifiable steps to further strengthen the CERF.

Action Points

- A road map, with identifiable steps to further strengthen the CERF will be presented before the next meeting;
- Next Advisory Group meeting will be in a field location or to hosted by donor country in March/April 2018.