

1. The Central Emergency Response Fund (CERF) Advisory Group met on 13 and 14 December 2023 in New York, under the Chairpersonship of Ms. Susanne Fries-Gaier (Germany), and with virtual participation of the Under-Secretary General for Humanitarian Affairs (USG) and Emergency Relief Coordinator (ERC), Mr. Martin Griffiths during one segment of the meeting. In the opening session, Ms. Lisa Doughnten, the Director of OCHA's Humanitarian Financing and Resource Mobilization Division (HFRMD) and Ms. Fries-Gaier set the stage for the meeting, underscoring the value of CERF as an important humanitarian funding instrument, and the key role of the Advisory Group in helping orient its strategic direction in an ever more demanding humanitarian landscape.
2. In the first session, Ms. Alice Armanni Sequi, Chief of the Pooled Fund Management Branch (PFMB) provided highlights on the use and management of CERF in 2023. By 1 December 2023, the Fund had allocated nearly US\$643 million to enable humanitarian responses across the world, including \$276 million through the Fund's Underfunded Emergencies (UFE) window – the highest annual amount ever. In updating on CERF's ongoing priorities, Ms. Armanni highlighted (i) the continued efforts to scale-up and mainstream Anticipatory Action, (ii) CERF's continued commitment to strengthening locally-led responses, accountability to affected people and quality programming, (iii) CERF's work to strengthen the articulation of the complementarity between CERF allocations and other funding sources, including development, peacebuilding and climate financing, and (iv) CERF's continuing focus on strengthening innovation, the communication of strategic impact and the sharing of learning. Ms. Armanni also briefed on two new initiatives, notably the exploration of (i) innovative financing solutions for CERF, including insurance and contingency funds, (ii) ways to enhance the effectiveness of CERF's loan element by empowering the ERC to authorize, in exceptional circumstances, short-term loans in excess of the regular loan limit of \$30 million by temporarily drawing on funds from the CERF grant account. Lastly, Ms. Armanni updated the Group on the Fund's learning initiatives, including the findings from an external review of a recent CERF allocation for disability inclusion, as well as a review of CERF's \$25 million 'block grant' to UNFPA and UN Women to address gender-based violence in partnership with women-led organizations.
3. The Advisory Group voiced appreciation for the management of the Fund, noting that CERF is critical for the humanitarian system to respond rapidly to the growing humanitarian needs. The Advisory Group commended CERF on its continued role as a vehicle for enabling fast, anticipatory, and timely support around the world, and its commitment to ensuring that the needs of the most vulnerable are met. The Group reiterated its support for CERF's anticipatory action agenda and the Fund's commitment to further scale-up and mainstream efforts. The Advisory Group also commended CERF for its commitment to continuously evolve and innovate but at the same time stressed the importance of CERF remaining focused on the Fund's core comparative advantages. Related hereto, the Group also discussed CERF's efforts to promote localized responses, the use of CERF funding in contexts with no - or limited - functioning government structures, as well as CERF's use of block grants versus standard allocation modalities. The Advisory Group expressed support for greater flexibility of the CERF loan element but noted the importance of articulating clear parameters that emphasize the 'exceptionality' and clear criteria for this flexibility. The Advisory Group also emphasized the importance of thorough consultations with Member States and expressed its availability to support a possible revision of the General Assembly resolution pertaining to the CERF.
4. In the third session, the Chief of PFMB and the Chief of CERF, Mr. Michael Jensen updated the Advisory Group on ongoing efforts to position CERF in the climate-financing space. The Chief of PFMB informed that the CERF Climate Action Account had been launched at the UN Climate Change Conference (COP28) on 3 December 2023. The launch of the Account had received positive political support at COP28, and three Member States had announced concrete pledges towards it. She reiterated that the Account will enable donors to contribute new and additional funding to CERF from sources otherwise not available to CERF and that these additional resources will allow CERF to expand its climate-related response and anticipatory action efforts in line with the Fund's lifesaving mandate.

5. The Advisory Group congratulated OCHA on the launch of the Climate Action Account and for its rapid articulation and establishing of the Account, as well as the garnering of strong political and financial support. The Advisory Group rearticulated its support for the Account noting that CERF is well placed to provide a predictable, effective, fast, and impactful channel also for climate financing, and to help minimize and address the impact of climate-related disaster on people in the most fragile and vulnerable contexts. The Advisory Group encouraged CERF to conduct a mapping of potential donors for the Account, and Advisory Group members from donor countries expressed willingness to support a mapping of their respective governments' internal funding structures to identify opportunities for dedicated funding. The Advisory Group also encouraged CERF to enhance reporting on co-benefits of humanitarian action funded by CERF in relation to climate action and to clearly articulate the complementarity between existing climate financing arrangements and the CERF Climate Action Account. CERF was also encouraged to develop targeted advocacy material that articulates CERF's role in this space and ways that the Account supports the most vulnerable climate-affected communities. Finally, the Advisory Group emphasized the importance of generating clear evidence of the success and results of the Account during its first years, highlighting in particular the importance of ensuring solid reporting, including, as relevant, against OECD DAC Rio markers for climate.

6. In the fourth session, Mr. Jean Verheyden, the Chief of OCHA's Donor Relations Section updated on CERF's income for 2023 and the 2024 funding outlook. Mr. Verheyden noted that despite continued donor generosity, CERF's 2023 income was projected at around \$550 million, a significant decrease from \$612 million in 2022. He also drew attention to the fact that CERF's share of total humanitarian funding in fact had decreased steadily over time. The Chief informed that the 2024 funding landscape is expected to remain challenging, with projections for 2024 conservatively standing at \$514 million. The Chief noted that CERF continues to rely on a small number of donors and that further diversification of the donor base will be required to reach the \$1 billion-target set by the General Assembly. He highlighted opportunities with the private sector, the Gulf, and in the climate finance space. He flagged the continued need for Advisory Group support in peer-to-peer efforts, mainly focussing on new donors and new funding sources.

7. The Advisory Group reiterated its availability to support advocacy efforts and to lead peer-to-peer efforts and proposed the articulation of simple and tailored messages regarding CERF's added value for use by the Group in peer-to-peer efforts targeting private sector entities. It also reiterated the fundraising opportunities offered by the CERF Climate Action Account. The Advisory Group expressed interest in reassessing the findings of earlier research commissioned by CERF on the opportunities for CERF private sector funding. Individual members also committed to the forming of a sub-working group to support the exploring of innovative financing opportunities for CERF, while others committed to using their leadership positions in multinational groupings to advocate for CERF. The CERF Advisory Group also proposed that OCHA pursues commitment by the Secretary-General to reinforce his personal fundraising efforts for CERF targeting priority Member States and that CERF considers added branding efforts with a focus on the private sector and Member States.

8. In the following session, the Group discussed CERF's added value at country-level with Ms. Gwyn Lewis, Resident Coordinator of Bangladesh and Mr. Alain Noudéhou, Deputy Special Representative and Resident/Humanitarian Coordinator in Mali. Both clearly articulated the strategic added value of CERF from a field perspective, particularly CERF's timeliness, its catalytic nature and convening influence. Ms. Lewis highlighted in particular how CERF's support for anticipatory action in Bangladesh enabled strong complementarity with development partners and how this can help to ensure transition to longer-term sustainable solutions for climatic risks. The Advisory Group appreciated the added value generated by CERF, as well as the chance to hear directly from UN humanitarian leadership about how its resources were being used effectively and for impact in the field. Members agreed that a more regular exchange with senior field leaders would be extremely valuable.

9. In the final session, the USG/ERC provided an update on the broader humanitarian landscape and the humanitarian system's response capacity. He emphasized that the system is facing unprecedented challenges, and that CERF is becoming increasingly important. The USG/ERC noted the increasing importance of prioritization of the most vulnerable and the role of CERF in leading these efforts. He also emphasized the increasing relevance of CERF's neutrality and impartiality in ensuring lifesaving

assistance in conflict situations and noted the importance of CERF's reliability and commitment to leading the way on innovation as particularly important for ongoing humanitarian reform efforts.

10. The Advisory Group commended the USG/ERC for his management of the Fund, noting that the Group agrees with the increasing importance of CERF, the Fund's timeliness, agility, and important role as a catalyst for an improved humanitarian response. The Advisory Group reiterated its commitments and recommendations made during the course of the meeting, including its support for the establishing of the CERF Climate Action Account; its continued strong commitment to CERF's anticipatory action efforts; its general commitment to support resource mobilization and advocacy for CERF, including advocacy support for the CERF Climate Action Account, and the potential of an enhanced personal engagement by the Secretary General in outreach and fund-raising. The Group noted the importance of communicating the impact of this work, placing climate-affected communities at the center of these narratives. The Group also expressed its commitment to support the exploration of innovative financing solutions; as well as individual members' commitment to advocate for CERF in multinational groupings. The group also encouraged the ERC to conduct a mapping of potential new donors and offered its support. Related hereto, the Advisory Group and the USG/ERC discussed opportunities for engaging the private sector, for example by supporting local humanitarian initiatives through CERF and Country-based Pooled Funds (CBPFs). The Advisory Group also reiterated its support for pursuing added flexibility of the CERF loan element to enable the ERC to temporarily increase the CERF loan amount if needed in exceptional circumstances.

11. The next meeting of the Advisory Group is to be held in Geneva in June 2024. The Advisory Group agreed to again include a session to discuss the use of CERF funding with selected Resident and Humanitarian Coordinators as well as a session for members to brief on efforts in support of resource mobilization and advocacy for CERF. The Group also agreed to receive an update from the sub-working group on innovative financing.