

# CERF FOR THE FUTURE: STRATEGIC INITIATIVES IN 2019

## UPDATE FOR THE CERF ADVISORY GROUP – JUNE 2019

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## Introduction

The 2019 Global Humanitarian Overview clearly lays out the complex humanitarian challenges facing the world today. Humanitarian needs are increasing despite global economic and development gains. There are more crises, affecting more people, and lasting longer than a decade ago. Conflicts are becoming more common and prolonged; climate-related events are forecasted to increase in frequency and intensity; and the number of people in urgent need of humanitarian assistance and protection is growing. Furthermore, most humanitarian crises are not a product of any single factor or event, but of the interaction between natural hazards, armed conflict and human vulnerability. The humanitarian community is confronting a situation never before experienced.

The cost of leaving no one behind is tremendous. Humanitarian Response Plans require more than \$26 billion this year. While donors have responded with record levels of humanitarian funding in recent years, funding gaps remain.

In the face of this reality, the humanitarian system must proactively seek out innovative tools, partnerships and solutions. This is not simply for cost savings but to ensure an improved, more effective response to protracted and anticipated needs.

In 2019, the CERF will test innovative approaches as part of its own evolution. Two of these include piloting an anticipatory action approach through the CERF's Rapid Response Window, as well as exploring potential opportunities for multi-year funding for protracted humanitarian needs through the Underfunded Emergencies Window. Additionally, the Emergency Relief Coordinator (ERC) has identified four important areas of humanitarian action that suffer from chronic underfunding and has encouraged Resident Coordinators/Humanitarian Coordinators (RC/HC) to give particular consideration to these areas when applying for CERF funding. The aim is for CERF to lead by example on these three important initiatives leveraging further expansion by the broader humanitarian system.

## Anticipatory Action

There is growing evidence and recognition that interventions undertaken before the full impact of a disaster can help save lives, mitigate suffering and lower the cost of responding to the humanitarian consequences of shocks. Forecast-based humanitarian financing that allows funding to be released for pre-agreed actions in advance of predictable, high-probability, high-impact humanitarian shocks can help move the system from reaction towards anticipation.

In 2018, OCHA received support from the CERF Advisory Group to explore a more anticipatory use of CERF to complement CERF's core humanitarian response functions. Building on research and partner consultations OCHA is now in the design phase of pilots that will aim to generate learning around a potential role for CERF in funding anticipatory action and strengthen the evidence base for coordinated anticipatory action. The shift from reaction towards anticipation in crisis financing should be a system-level change. Currently, with few exceptions, anticipatory action, is often undertaken as a single agency project and, in most cases, at relatively modest scale. Given its size and global reach CERF can potentially help bring anticipatory action to scale. However, the significance of generating proof of concept for anticipatory action through CERF lies beyond CERF's size. At its core, CERF is a coordination tool. The CERF pilots will enable OCHA to practically work through the technical,

institutional and policy questions of how to fund anticipatory action in a coordinated manner. The rationale for CERF, therefore, is to ensure there is a coordinated approach to anticipatory action through the earlier release of funds. This will generate valuable lessons and evidence for a successful implementation of the anticipatory action agenda.

A natural opportunity for anticipatory action is recurrent drought where CERF often ends up funding humanitarian response once humanitarian needs have fully materialized. OCHA is, therefore, planning to initiate CERF anticipatory action pilots against possible high-impact drought situations in the second half of 2019. A limited number of countries will be selected based on a set of agreed-upon criteria. The pilots will explore ways for CERF to respond sooner in anticipation of predictable high-impact drought related shocks. One of the two drought-related pilots planned will be Somalia, and the other one will likely take place in southern Africa where recurrent drought and the existence of forecasting tools provide a ripe environment for anticipatory action. The window of opportunity for anticipatory action programming in these regions is expected to start around August, but implementation start dates for activities will depend on when (and if) thresholds for action are reached. A cross-divisional approach within OCHA brings together relevant entities at headquarter and field levels to collaborate on the best use of data and forecasts, provision of adequate CERF guidance and templates as well as advance implementation planning and agreement on triggers at country level. In this respect, OCHA is also working with technical experts from partner organizations, including FAO, WFP, IFRC and the Start Network. For Somalia, OCHA is leveraging other financing initiatives for the pilots, particularly the Famine Action Mechanism—launched jointly by the World Bank, United Nations and ICRC—and ensures close linkage with the Somalia Humanitarian Fund.

OCHA is also exploring an opportunity to pilot a tool that can help better anticipate the spread of a cholera outbreak. The UK Department for International Development (DFID) together with the UK Meteorological Office are in process of developing a model that can predict the spread of cholera in Yemen and are looking to extend the model to other contexts. OCHA is working together with DFID and the UK Meteorological Office to identify whether CERF could potentially be used in alignment with the cholera model and enable better targeting of humanitarian response to mitigate the impact of such a disease outbreak.

## Multi-Year Funding

Effective response, especially in protracted and recurrent crises, requires long-term planning in order to catalyse more-responsive programming; lower administrative costs; strengthen links between humanitarian, development and other actors; and ultimately reduce humanitarian needs. Scaling up multi-year funding is, therefore, one of the core commitments under the Grand Bargain, and part of the ERC's vision for the future of the humanitarian system. Furthermore, as donors are increasingly contributing to CERF on a multi-year basis, such a shift would allow the multi-year nature of funding to be passed on to implementing partners as well.

In 2019, the ERC is pursuing opportunities to promote multi-year grants to support priority humanitarian programming in protracted emergency settings that often receive recurrent, but unpredictable, short-term humanitarian funding year after year. One such opportunity is to support critical emergency education programming for Rohingya refugees in Cox's Bazaar, Bangladesh. Since August 2017, more than 700,000 Rohingya have been forced across the border from Myanmar to Bangladesh joining an existing population of Rohingya that had crossed into Bangladesh over the last decades. There are now more than 900,000 Rohingya refugees in Cox's Bazaar of whom over half are under the age of 24. The influx has placed excessive stress on the already fragile structures of host communities. Until conditions are in place to allow safe, dignified and voluntary returns, humanitarian assistance will be required to support both refugees and host communities. As such, the ERC is looking at options to use CERF to support further scale-up and sustainability of critical humanitarian programming, particularly targeting the girls and boys, and has decided to pilot a multi-year grant for emergency education programmes in Cox's Bazaar.

A CERF multi-year pilot grant for emergency education could help demonstrate the benefits of multi-year humanitarian funding with the hope that the initiative can leverage a further step change in the way in which protracted crises are funded. In addition, the pilot will serve to identify lessons on the potential use of CERF to more systematically fund multi-year humanitarian programmes in protracted crises. Administratively the multi-year grant will be implemented as two consecutive UFE grants disbursed under the 2019 UFE Round II and the 2020 UFE Round II respectively, running sequentially until end of June 2021.

## Four Important Underfunded Areas

Reaching everyone and transforming the lives of those most at risk of being left behind is the third core responsibility of the Agenda for Humanity. This involves empowering and protecting women and girls, ending gaps in education and making targeted efforts to support persons with disabilities who are among the most marginalized. Despite international commitments, these needs remain the most chronically underfunded in humanitarian assistance. Therefore, in January 2019, the ERC sent a communication to the RC/HCs of countries with ongoing humanitarian operations on leveraging CERF and Country-Based Pooled Fund (CBPF) funding requests to ensure more attention to four priority areas. The ERC requested that RC/HCs give due consideration to these four areas when developing CERF applications, as well as in supporting the preparation of CBPF allocation strategies. The four areas are: “(a) support for women and girls, including tackling gender-based violence, reproductive health and empowerment; (b) programmes targeting disabled people; (c) education in protracted crises; and (d) other aspects of protection.”

CERF submissions should remain needs-based and in line with CERF's life-saving criteria, with a focus on humanitarian needs as discussed and agreed in the UNCT/HCT under the leadership and coordination of the RC/HC. However, the ERC will expect that increased focus is given to the four areas – either through targeted sectoral action or mainstreaming – and that more CERF funding will eventually be dedicated to support these areas. This means that country teams pay particular attention to the four areas during country-based discussions on how to utilize CERF funds and agencies incorporate these aspects into their CERF submissions, as relevant.

Using CERF to increase focus on the four priority areas will also leverage attention to these underfunded areas at the global level, which in turn will hopefully help to mobilize additional resources through bilateral donor contributions and other channels.