

Background

The first meeting of the CERF Advisory Group in 2018 was held in Geneva on 8 and 9 May. This internal meeting note complements the official letter to the Secretary-General and the President of the General Assembly on the recommendations and conclusions of the meeting by providing a summary of key operational and strategic discussions and ideas raised by individual members during the meeting. The note is intended to help capture the richness of discussions beyond what is reflected in the official meeting note and it is meant to serve as a reference for the CERF secretariat and for future Advisory Group discussions. It does not aim to encompass all topics raised during the meeting but to specifically address discussions that require a more granular summarizing, as well as to capture ideas and points raised by individual members. Therefore, the note addresses discussions around CERF and early action, as well resource mobilization for CERF towards the \$1 billion target. In addition, the note lists action points related to early action and resource mobilization, as well as all other agreed action points beyond these two areas.

Participants

Advisory Group participants:

- Leni Stenseth, Norway (Chair), Director Section for Humanitarian Affairs, Norwegian MFA
- Ricardo Toro, Chile, Director ONEMI and leading coordinator of the National Civil Protection System
- Judy Cheng-Hopkins, Malaysia, Adjunct Professor (Peacebuilding) Columbia University
- Claus Lindros, Finland, Director Humanitarian Assistance and Policy Division
- Alison Milton, Ireland, Director Humanitarian Unit, Department of Foreign Affairs and Trade
- Bruno van der Pluijm, Belgium, Director General Development Cooperation and Humanitarian Aid
- Seokyoung Choi, Republic of Korea, former Ambassador and Permanent Representative of Korea to the Office of the United Nations and Other International Organizations in Geneva
- Peter Felten, Germany, Head of Division, Humanitarian Assistance – Policy, International Organisations, Multilateral Coordination, German Federal Foreign Office
- Mairo Mandara, Nigeria, Country Representative of Nigeria at the Bill & Melinda Gates Foundation
- Hilal Al-Sayer, Kuwait, President Kuwait Red Crescent Society, Board Chairman of Dasman Diabetes Inst.
- Rahel Asfaw, Ethiopia, Director, National Disaster Response and Rehabilitation Directorate
- Alexandra MacKenzie, Canada, Director Humanitarian Organizations and Food Assistance Division
- Per Enarsson, Sweden, Deputy Director-General, Head of Department for Conflict and Humanitarian Affairs
- Jelte van Wieren, Netherlands, Director of the Stabilization and Humanitarian Aid Department at the Dutch Ministry of Foreign Affairs
- Salah Almazroa, Saudi Arabia, Director-General of the General administration of supply of the King Salman Humanitarian Aid and Relief Centre

- Nozipho Mxakato-Diseko, South Africa, Ambassador, Global Governance and Continental Agenda, Department of International Relations and Cooperation
- Rachel Turner, UK, Director for International Finance, DFID
- James Wallace Isbister, Australia, First Assistant Secretary and Humanitarian Coordinator – Department of Foreign Affairs and Trade

Absent Advisory Group members:

- Shaima al Ali, UAE, Deputy Director International Cooperation Policies, MFA & International Cooperation
- Keiko Kiyama, Japan, Co-President Board of the NGO Trustees of Japan Emergency
- Ashraf Shikhaleyev, Azerbaijan, Director, Azerbaijan International Development Agency

Other participants:

- Under Secretary-General (USG) and Emergency Relief Coordinator (ERC) Mark Lowcock (session 4)
- OIC of the Humanitarian Financing and Resource Mobilization (HFRM) Division and Chief of the CERF secretariat, Lisa Doughten
- Chief of the OCHA Partnerships and Resource Mobilization Branch, Marcy Vigoda
- External consultant, Jon Lidén
- External consultant, Jock Baker
- U.K. Government Actuary, Daniel Clarke

Key Points Discussed and Action Points

Early Action and Risk Insurance

In a session with ERC Lowcock, external consultant Jock Baker presented the findings from review of the added value of CERF for the response to humanitarian needs caused by El Niño. The review concluded that CERF support for early action has the potential to mitigate suffering and increase cost effectiveness and recommended systematic funding of early action by CERF. Daniel Clarke from the U.K. Government's Actuary Department provided a presentation on CERF's potential role in disaster risk financing and the potential for linking insurance to CERF. Following these presentations, the ERC led a discussion on the future of CERF. The ERC noted that CERF has proven its role as a key humanitarian financing instrument and that while there is a need to ensure that the fund is aligned with current humanitarian challenges, it is also of great importance to maintain the unique nature of CERF as one of the most effective humanitarian financing tools.

The Advisory Group expressed support for exploring increased early action funding by CERF arguing that early action is the most efficient and effective way to deliver humanitarian assistance: anticipatory life-saving humanitarian early action reduces suffering and it is often more cost efficient to fund early action than to respond after an emergency has occurred. Members also highlighted that early action is within CERF's current mandate as guided by General Assembly Resolutions and Secretary-General Bulletins related to CERF. The group also stressed that CERF early action funding should not go towards activities that should be covered by development funding or host government budgets, but should remain focused on humanitarian life-saving activities.

The following points were raised by some members:

- Some members suggested that systematic CERF funding of early action would benefit from a new dedicated CERF funding window. These members argued that a dedicated window for early action could help ensure a structured approach to early action and provide a concrete

innovative tool to trigger early action that also would help incentivize increased contributions to CERF, both by new and established donors.

- While members expressed support for exploring early action on a systematic basis within CERF, some members cautioned against establishing a new separate early action funding window alongside the existing Rapid Response and Underfunded Emergencies windows. These members argued that CERF already provides early action funding within its rapid response window and that CERF's current configuration - that has enabled the fund's success as a humanitarian financing instrument - needs to be safeguarded. Members also expressed concern that a dedicated early action funding window would necessitate a new GA resolution and could lead to extensive and complex Member States negotiations. Finally, these members reminded that CERF receives strong support from a group of donors due to their appreciation of the results that CERF delivers with its current configuration and that structural changes could affect current levels of support.
- Some members mentioned that if OCHA decides to pursue systematic early action funding by CERF, then it needs to carefully consider if early action should be based on automatic allocations linked to predefined triggers or decided upon at a case-by-case basis assessment of country level early warning data and risk information.
- Members expressed diverse opinions about whether systematic early action funding by CERF (either through CERF's current windows or through a new dedicated early action window) would lead to increased contributions to CERF from their respective governments. Some members informed that systematic early action funding by CERF could potentially result in increased CERF contributions as it would demonstrate increased efficiency and effectiveness. Others informed that their governments likely would not increase funding to CERF solely due to increased early action funding, underlining that their governments' appreciation of CERF is based on CERF's life-saving criteria and current allocation approaches, and its historic and current success as a humanitarian financing instrument.
- Some members suggested that it could be an option to open CERF for earmarked contributions for early action response. Others argued that it is necessary to avoid earmarked contributions as CERF's unearmarked nature is a key factor for many top donors' appreciation for the fund.

The following **action points** were agreed on by the group:

- Risk insurance in its right configuration is valuable for low probability – high impact humanitarian crises and there is a need to continue to consider its potential relevance for CERF. Therefore, the CERF secretariat to keep abreast of developments on risk insurance within the humanitarian and development financing system with a view to further review whether new risk insurance approaches could be of relevance for CERF.
- The CERF secretariat to develop an options paper with proposals for how CERF can be used to fund anticipatory life-saving humanitarian early action. The paper should explore opportunities for funding early action for natural disasters and conflicts and include considerations of the following questions:
 - What would be the added value of systematic CERF funded early action?
 - How would a CERF early action function be situated in a broader system of humanitarian and development financing?
 - What would be the potential funding triggers for systematic CERF funded early action and should these be pre-defined?
 - Should CERF funding for early action be a last resort and only be released when all other options for funding of early interventions to prevent loss of life have been explored?
 - Should CERF have a separate early action window?
 - What revisions to the CERF life-saving criteria are required if CERF moves towards systematic early action funding?

- How likely is it that a separate mechanism or window would draw more funding to CERF?
- Would systematic CERF funded early action be an option to open for earmarked early action contributions?

Resource Mobilization

OCHA's Chief of Partnerships and Resource Mobilization Branch (PRMB), Ms. Marcy Vigoda, presented highlights from CERF's resource mobilization efforts in 2017, OCHA's capacity for mobilizing resources for CERF under the new HFRMD, and CERF's draft resource mobilization strategy and roadmap for 2018/19.

Mr. Jon Lidén presented his second paper on elements to consider for an investment case for CERF, building on his first paper on best practices from successful global replenishment presented at the Advisory Group meeting in October 2017. He emphasized that the core of a successful investment case lies in the formulation of the added value and return on investment, and the clear demonstration of lasting results and impact beyond the simple allocation of funds.

The following points were raised by some members:

- Some members emphasized that CERF should position itself as a driver of financial efficiency and as a contributing solution to challenges in the humanitarian financing system instead of only focusing on isolated results. In continuation of this, some members sought clarification on what role OCHA should play in the development of an overall humanitarian financing strategy that links up with the wider discussions on financing for development and peacebuilding.
- Some members noted that the current timing of the high-level pledging conference in December is unfavourable and recommended that OCHA considers a high-level event for CERF in the margins of the opening of the General Assembly. Other members suggested a partnership/outreach event in a European capital or the Gulf region.
- Some members mentioned that donor fatigue is developing over what is perceived as an endless stream of pledging conferences that run contrary to the push for more flexible, unearmarked resources, and therefore do not appeal to new donors, and increasingly less to existing donors. These members asked for creative thinking by OCHA to ensure a more appealing format with less competition for funds.

In addition, individual members provided the following comments:

- There is a need for better cross-fertilization between discussions in the AG, the ODSG and the Pooled Fund Working Group around humanitarian financing.
- It is important that heads of UN agencies and Humanitarian/Resident Coordinators assume their role in advocating for CERF at highest possible political levels.
- Allowing for soft earmarking of CERF funds could appeal to some emerging donors, including the Gulf states.
- The influence of Advisory Group members should be leveraged to engage with ECHO to initiate a sustainable commitment to CERF as part of their multi-annual financial framework (MFF) (the Finnish Advisory Group member noted that Finland would be assuming the presidency of EU in the second half of 2019 and opportunities in the preparatory stage should be capitalized on. He also suggested that the traditional cooperation with Norway, Sweden and Denmark should support at the appropriate level).
- The Advisory Group member from Germany briefly described Germany's support to a philanthropy initiative for CERF that is investigating the potential for high net worth individuals to generate sustainable income for CERF. He informed that the international consultancy company hired to undertake an initial market analysis is in the process of

conducting interviews that will include some of the Advisory Group members, and that the company will present the findings in June where it will be decided if a campaign for CERF targeting high net worth individuals shall be implemented.

The following **action points** were agreed on by the group:

- OCHA to ensure that advocacy efforts to deepen and broaden CERF's donor base, as well as the CERF investment case are based on demonstration of CERF results and impact and the fund's comparative advantages. A strong case for investing in CERF already exists and it is essential to safeguard the value that the CERF has.
- OCHA to use the Results Report for extensive advocacy efforts, including through social media and the Advisory Group members to further amplify the sharing of the report via social media, within their governments and with their networks.
- The Secretary-General, ERC and DERC to ensure strong CERF advocacy at executive management level and beyond.
- The Advisory Group and CERF donors to ensure increased peer-to-peer advocacy efforts. This is to be guided and supported by PRMB.

Other Action Points:

Beyond the action points listed above, the group also agreed on the following:

- The CERF secretariat to share the Terms of Reference of the Humanitarian Financing Strategy and Analysis Section with the Advisory Group when available.
- Considering the Advisory Group's role in advising the ERC on the management of the fund, the Advisory Group strongly encourages in-person participation by the ERC in the future Advisory Group meetings.
- The next Advisory Group meeting to be scheduled during the last two weeks of October 2018. The CERF secretariat to check availability with the ERC.

Annex 1: Official Note – CERF Advisory Group meeting May 2018.