

## **Note on the meeting of the Central Emergency Response Fund Advisory Group held on 18 and 19 May 2017**

### **Summary of the meeting**

1. The Central Emergency Response Fund Advisory Group was established by the General Assembly in resolution 60/124 in order 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 first meeting of the Group in 2017 was held in Geneva on 18 and 19 May and was chaired by Manuel Bessler (Switzerland).
2. The Assistant Secretary-General (ASG) and Deputy Emergency Relief Coordinator (DERC) Ursula Mueller participated in the meeting and headed several sessions.
3. The ASG briefed the Advisory Group on the use and management of the Fund during the period since its previous meeting in October 2016. The briefing had a particular focus on CERF's response to the countries struck by – or at the brink of – famine that CERF have provided a total of \$118 million to during 2017.
4. In addition, the Group received and considered updates on key policy issues, including the analysis of information contained in the reports of Resident Coordinators/Humanitarian Coordinators on the use and impact of the funds allocated in 2015; on CERF's alignment with the components of the Grand Bargain; on CERF recipient agencies' collaboration with its implementing partners; on oversight and accountability matters including agency investigations into suspected fraudulent use of CERF funds; and on the plans for an independent review of the Fund's support to the humanitarian consequences of the El Nino phenomenon.
5. After the policy briefing, a session on the future of CERF followed. The session focused on potential strategic and operational changes to a larger CERF and included discussions on increased CERF support to early action, CERF support to protracted crises, the division of funds between CERF's Rapid Response (RR) and Underfunded Emergencies (UFE) windows, the request of the Grand Bargain to explore direct NGO access to CERF funds, soft earmarking to CERF and support to multi-year planning.
6. Hereafter followed a session on CERF resource mobilization and communications for 2017 that included presentations on resource mobilization and communication efforts by the CERF secretariat in 2017, status on fundraising towards the 2017 target of \$450 million and key building blocks to lay the ground for reaching the 2018 target of \$1 billion. The session sought the advice of the Group on how to improve fundraising efforts towards CERF's 2017 and 2018 targets.
7. In another session, Humanitarian Coordinators from South Sudan and Lebanon provided the Advisory Group with examples of the use and impact of CERF funds and results achieved with CERF funds from their own field experience, as well as views on CERF's comparative advantages and challenges.
8. The Advisory Group also met with members of the Inter-Agency Standing Committee including representatives of CERF recipient agencies.
9. Further to those discussions, the Advisory Group made the observations and recommendations set out below.

### **Observations, conclusions and recommendations**

10. The Advisory Group welcomed the briefing by the DERC on the use and management of the Fund from October 2016 until May 2017, which included an update on the 2016 and 2017 funding status and an overview of humanitarian operations supported by the Fund during that period. The DERC emphasized that in order to respond to the high global humanitarian needs CERF had disbursed \$240 million during the first five months of 2017. The total disbursement was \$40 million more than the

average for the similar months over the past 10 years. The ASG informed that a large part of the allocations were targeted toward famine prevention and response in Nigeria, South Sudan, Somalia and Yemen, which included a total of \$100 million through CERF's UFE window and \$140 million through CERF's RR window. The ASG also highlighted that unless donors immediately transferred their already pledged funds and additional resources were urgently provided, CERF would have to review and adapt the planned second underfunded round of 2017 accordingly given its precarious cash flow situation. She also informed that based on current funding indications a \$40 million shortfall for the year against the annual target of \$450 million is projected and encouraged strong support by the Advisory Group members in helping to ensure urgent additional funding to CERF. The Advisory Group members committed to advocate strongly for CERF within their own governments, as well as with other Member States.

11. In response to the update on key policy issues, the Advisory Group expressed its particular appreciation for the work undertaken by the CERF secretariat with respect to the use of information from Resident Coordinator/Humanitarian Coordinator Reports on the use and impact of funds allocated in 2015 and reported in 2016. The Group applauded the CERF secretariat on its recently finalized 2015 results report and encouraged continued strong use of CERF's results data.

12. The session on CERF for the Future included discussion on the benefits of early action and Advisory Group members encouraged that CERF in the future continues to ensure early allocations where possible – particularly in response to looming natural disasters where early warnings are available. The session also included discussion on the potential use of different soft earmarking modalities for contributions to CERF. The majority of the Group expressed skepticism towards soft earmarking contributions to CERF and raised concern that such an approach could limit CERF's flexibility, cause issues regarding donors' internal messaging about support to specific crises through CERF, as well as potentially jeopardize support to CERF from its established core supporters. The Group emphasized that soft earmarking would weaken CERF's clear strategic position as the global unearmarked fund, and insisted that it would be uncertain that such initiative would generate additional resources for the Fund. Some participants suggested that specific donors with interest in providing substantial additional soft earmarked funding to CERF would have to be identified before this initiative could be given further consideration.

13. During this session the Group also reiterated the need to ensure that CERF's strategy towards the \$1 billion is based on its strength as a critical humanitarian financing tool focusing on the global humanitarian needs, the potential results to be achieved by CERF in terms of number of people supported, as well as CERF's comparative advantages, including speed and not least CERF's coordination function.

14. To improve CERF's advocacy materials continuously, Advisory Group members also suggested that the secretariat develop thematic factsheets on CERF allocations.

15. Following an update by the DERC on CERF's resource mobilization and communication efforts for 2017, the status of fundraising towards the 2017 target and key building blocks to lay the ground for the \$1 billion target, Sweden presented a fair-sharing initiative for CERF. The initiative was positively received by the Group and Sweden was encouraged by the Group to further explore the initiative. Other advisory group members expressed interest in having their respective governments co-lead the initiative.

16. During the session, the Group also discussed potential changes required in the CERF secretariat's resource mobilization and communication efforts, as well as ways in which the Group could better support resource mobilization for CERF. The Group called upon the Secretary-General and the Emergency Relief Coordinator to ensure enhanced high-level advocacy efforts for CERF and to ensure that CERF would be prominently featured in crisis specific pledging conferences and in relevant communications with Member States emphasizing that high-level UN leadership for resource mobilization towards the \$1 billion is a requirement for Member State leadership towards the target. The Group confirmed that its members and its members' governments were ready to support CERF in its resource mobilization efforts with other Member States. It called upon CERF to ensure communication to Advisory Group members about which Member States that are being targeted by CERF in order for members to help reinforce advocacy with selected Member States. The Advisory

Group commended the increase in CERF communications and visibility and further encouraged the CERF secretariat to enhance communications about CERF's allocations and results achieved, as well as to ensure that CERF provides improved visibility efforts for the Fund's donors. Finally, the Group emphasized the importance of global champions including in recipient countries as advocates for CERF and recommended that the CERF secretariat to a higher degree pursues the use of high-level champions in recipient countries. The session ended with an update on the Innovative Insurance Facility that included discussion on next steps required to move towards implementation. If CERF decided to pursue the insurance initiative one member noted interest in taking this forward within the member's government if others joined in. The Group agreed to ensure further discussions between interested group members on the initiative to identify immediate next steps.

17. The Group welcomed the opportunity to interact with Humanitarian Coordinators, who provided strong first hand insights on CERF's impact in emergency response. The Humanitarian Coordinators expressed great appreciation for the Fund, particularly for CERF's timeliness to ensure immediate life-saving action; CERF's positive impact on in country coordination between agencies and NGOs and agencies' ownership of response processes; CERF's role in leveraging additional funding and ensuring bilateral donors' awareness of humanitarian crises and the need for responses to specific emergencies; and CERF's strategic role in ensuring high impact response, including through complementarity with country-based pooled funds (CBPFs). The Humanitarian Coordinators applauded CERF for having lightened the CERF project process. They also encouraged the CERF secretariat to consider whether CERF's life-saving criteria would benefit from being broadened to better support the international humanitarian community's approach to the humanitarian-development nexus.

18. The Advisory Group welcomed the opportunity to meet and exchange views with recipient agencies and implementing partners of CERF funds. Several agencies reiterated support to the expansion of CERF - not only in terms more funding but also through expansion of funding criteria. Key suggestions from IASC members included expanding CERF to fund prepositioning of supplies to better support early action and stronger support to livelihood strengthening interventions.

19. Agencies also reiterated their continued efforts to improve partnership arrangements with NGOs and other organizations. UNICEF and UNFPA reported on their respective specific internal systems and benchmarks to track the speed of disbursements of CERF funding to partners. The progress made in the speed of disbursement of sub-granted CERF funding was recognized and appreciated by NGOs, however one participating NGO pointed out that in many cases the timing still requires improvement. Moreover, ICVA brought to the attention of the group the ongoing consultations on NGO access to CERF and emphasized that NGOs should not be seen as competing with UN agencies. They instead suggested that NGOs should work together with UN agencies on implementing CERF funding taking full advantage of their respective strengths and should have a plethora of complementing funding mechanisms available.

20. IASC members emphasized that the expectation is that an expanded CERF will bring additional funding to the humanitarian system.

21. The Advisory Group expressed support to the plans of having a joint CERF – Country Based Pooled Fund (CBPF) side event at the ECOSOC Humanitarian Affairs Segment in Geneva in June highlighting that the event offers a good opportunity to further highlight the success of CERF in complementarity with the CBPFs and particularly the funds' allocations to the situations in the countries struck by – or at the brink of – famine.