

**ICVA**

**2014**

**CONFERENCE REPORT**



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## 1. INTRODUCTION

### 1.1 Background

Resourcing humanitarian action is a prominent and recurring challenge for humanitarian action. Humanitarian financing and current funding mechanisms are often not accessible to all humanitarian actors, especially national NGOs. Today's proliferation of emergencies and the growing number of protracted situations reveal that our current humanitarian architecture is not sufficient. Practitioners need to better understand existing funding mechanisms and explore alternative, innovative ways to resource humanitarian action. The theme for ICVA's 2014 Annual Conference was both timely and critical. With a focus on resourcing principled humanitarian action, the Conference established an understanding of the current international financing system and encouraged an exchange of views and experiences among ICVA members and non-members.

### 1.2 Conference Objectives

The conference provided a platform for practitioners and non-practitioners to share important achievements, present good practices and discuss challenges and solutions in resourcing humanitarian action. In line with ICVA's 2013 Annual Conference on Innovation, the key objectives of the conference were to:

- Increase ICVA member and non-member understanding of the current international financing system and its mechanisms;
- Provide an opportunity for members and non-members to build partnerships and alliances; and
- Create opportunities to rethink existing approaches.

### 1.3 Conference Structure/Methodology

Over 150 participants came together at the International Conference Centre in Geneva on April 1, 2014. Speakers included Judith Randel, Executive Director of Development Initiatives; Berk Baran, Counsellor at the Permanent Mission of Turkey in Geneva; Joshua Tabah, Counsellor for Humanitarian Affairs at the Permanent Mission of Canada in Geneva; and Lionel Bodin, Senior Manager with Accenture Development Partnerships. The three main sessions were entitled:

1. Landscape for Resourcing Humanitarian Action
2. Innovation in Resourcing
3. Donors and Partners

The format of the one-day conference was interactive. Participants shared experiences throughout the day and had the opportunity to engage with speakers and one another on issues pertinent to the conference theme in an open space session in the afternoon.

## 2. CONFERENCE SESSIONS

### 2.1 Keynote speech

In her [keynote address](#) (pdf), Judith Randel raised three important questions: 1) Why is linking relief and development so intractable and what might help? 2) Is humanitarian assistance and the humanitarian community keeping pace with the changes in the world in which we operate? 3) Where is the voice and vision of the humanitarian community on the global development goals?

Ms Randel went on to note the following:

Chronic poverty and vulnerability are linked. A strengthened focus on financing is needed, one that analyses not only the technical elements of resource mobilisation but also the political agendas that inform it. If we are going to change the way we use resources to help people in crisis we need to focus on the people and their own priorities and how they want them addressed with the resources available. The world has changed but humanitarian assistance has not evolved accordingly. If we are to believe the World Bank and the United Nations High Level Panel on the Post-2015 Development Agenda that we can achieve poverty eradication by 2030, we need to realise that it cannot be achieved without humanitarian assistance. There will always be crises that will have an impact on the long-term goal of poverty eradication.

Information is critical to help decide how to best allocate resources. Data from the 2013 Global Humanitarian Assistance Report shows that the percentage of unmet needs has increased to 40% just in the past four years. In 2012, there was the largest fall in aid and humanitarian financing since 1997 with a decrease of 7%.<sup>1</sup> The most significant fall in humanitarian assistance came from OECD DAC donors, whose contributions fell by 12% in 2012, while non-DAC donors considerably cushioned the fall. 2012 was the year of “recurring disasters” with no funding spikes associated with mega-disasters. The food crises in the Horn of Africa and the Sahel also made the issue of preparedness and resilience more prominent and further challenged existing humanitarian and development models.

Humanitarian assistance is only one of the resources available. Other international and domestic resources such as foreign direct investments, remittances and short and long-term debts have been growing rapidly in recent years, alongside increased domestic resources. As international humanitarian aid, for example, is often spent where violent conflicts are common, the question is how to get more value out of the military and security spending. In Afghanistan alone, military and security spending have been generally ten times higher than humanitarian and development aid combined.

In her conclusion, Ms. Randel challenged participants to think how to best use the 1% of total international flows that humanitarian assistance represents and identify better ways to leverage it and engage with other financing streams.

### 2.2 Innovation in Resourcing Humanitarian Action

Building on the theme of ICVA’s Annual Conference in 2013, the session on innovation in resourcing humanitarian action featured stories from NGOs from different parts of the world that face similar challenges. Sanat Bhowmik, Director of COAST Trust in Bangladesh and Dr. Kamel Mohanna, President of

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<sup>1</sup> While 2012 figures were down, 2013 figures released after the conference show increases in both overall ODA and humanitarian assistance. See Development Initiatives, Global Humanitarian Assistance 2013, preliminary findings, forthcoming June 2014 on [www.globalhumanitarianassistance.org](http://www.globalhumanitarianassistance.org)

Amel Association in Lebanon, shared their approaches as national NGOs supporting humanitarian responses. Both highlighted the importance of building trust with the local community and relying on self-generated funds to be able to respond quickly and flexibly. COAST Trust and Amel Association have generated income through real estate rentals or cost-recovery activities for services (e.g. health services) provided by their organisations to the local community. Each has also established a strong relationship with local communities, who in turn often invest significant resources in emergency response, such as cash, in-kind goods and human resources.

Sean Lowrie, Director of the START Network, a consortium of 19 international NGOs, presented the story behind the development of the newly launched START Fund, a multi-donor pooled fund managed by NGOs for NGOs. The fund aims to fill a gap in enabling NGOs to access funding in the first 45 days of a crisis and encourages partnerships between national and international NGOs. While still in progress, the START Network is also trying to move from a reactive business model to a more proactive one that would allow further innovation in the way NGOs fund and implement responses to crises.

Participants shared additional stories of ideas and approaches they found innovative in resourcing humanitarian action:

**Private sector and diaspora** – Examples from the Philippines and South Sudan have shown successful partnerships between humanitarian actors and the private sector (e.g. banks and telecom companies). Bringing services closer to affected communities allowed members of the diaspora to send money back to their country.

**Public-private partnerships** – International donor governments can partner with financial institutions to set up appropriate guarantee funds to provide credit lines for humanitarian organisations in a timely manner.

**Self-sustaining initiatives** – The use of social media and crowd-funding platforms has contributed in recent years to heightened opportunities for self-reliance especially for national NGOs. International NGOs have been promoting multi-layered programs to give direct access to financing mechanisms to the most vulnerable people for them to be able to self-finance their needs (e.g. miles credit, labor for money that can be used to buy insurance).

### **2.3 Interviews: Donors and Partners**

Following NGO perspectives on innovation, the focus shifted to donors and their role in humanitarian financing. Joshua Tabah from the Permanent Mission of Canada in Geneva introduced Canada's experience as a longstanding humanitarian donor country and a member of the [Good Humanitarian Donorship Group](#). Berk Baran with the Permanent Mission of Turkey highlighted Turkey's increased engagement as a humanitarian donor, while Lionel Bodin from Accenture shared his views and expectations in financing humanitarian action from the perspective of the private sector.

Mr Tabah noted that Canada's humanitarian budget has grown rapidly in recent years, and while it has a multilateral focus, it includes partnerships with NGOs, primarily those who have an established presence in Canada and a proven track record of effective performance. It is a funding model based on trust and sound financial stewardship, which requires NGOs to demonstrate their ability to drive impact but also provides significant independence and limited conditionality. For the future there will be a need to better understand vulnerabilities and to identify how humanitarian responses can mitigate them. Canada will keep pushing partners to reach the people most in need. Managing (and sharing) risks will continue in humanitarian financing and donors such as Canada are likely to look at supporting more opportunities to engage in high-risk settings, either through partnerships or more efficient coordination with local systems at the field level.

Berk Baran discussed Turkey’s role as a humanitarian donor, as a beneficiary of humanitarian aid – in cases of major natural disasters – and as a host country to refugees from Syria. He highlighted the increasing importance of NGO responses for Turkey in recent years. Elements critical to successful partnerships between NGOs and the Turkish Government include legitimacy, transparency of agencies operating in Turkey, and accountability to both beneficiaries and donors. Building on current experiences, Turkey’s shift towards institutional funding partnerships with international NGOs might be envisaged in the near future.

Lionel Bodin stressed the importance of establishing a dialogue with the private sector to identify what each actor can bring to the table to support meaningful and effective partnerships that go beyond the transfer of funds. Identifying how to implement a humanitarian response in a way that creates sustainable solutions in that country, also in terms of private sector development, can be a rewarding experience for all partners and lead to a long-lasting impact. The humanitarian community will have to harness more and more the power of technology and social media to create more sophisticated financing mechanisms. He suggested exploring how emerging tools from the development sector such as micro insurance could be successfully replicated or adapted to support humanitarian responses.

The session sparked a great deal of interest from the audience, which engaged the panelists on questions such as how to move from rhetoric to action in supporting local actor responses in crises, how to improve the system to be able to allocate funds to the greatest needs and how to manage competition in the humanitarian sector with diminishing resources. Panelists highlighted the importance of recognising with whom it is possible to build relationships of trust and how competition can also lead to increased accountability.

## 2.4 Open Space

Participants had the opportunity to engage further with the panelists and with each other in a peer consultation exercise to explore current issues in resourcing humanitarian action, including regulatory barriers to access humanitarian financing, risk management, and transparency of funding flows. Participants also discussed the opportunities for changes in the current humanitarian financing system both in the lead-up to the World Humanitarian Summit in 2016 and as one of its outcomes. Building on the discussions around partnerships, participants highlighted the need to better define ‘capacities’ especially with reference to national actors and to identify strategies to support local capacities beyond providing just resources. Below are some examples of the thoughts that came out of these discussions.

<b>Topic:</b> Shift of Power from International NGOs
<b>What issues were discussed?</b> <ol style="list-style-type: none"> <li>1. Donor conditions (e.g. limiting costs for the INGOs to “pass through” to national NGOs) are disincentives to INGOs-national NGOs partnership approach</li> <li>2. INGOs displacing existing partnerships between UN agency and national NGOs following the typhoon in the Philippines</li> <li>3. We should be looking at how to enable national NGOs that are the best placed to respond to have a place at the table to decide what gets funded</li> </ol>
<b>Solutions?</b> <ol style="list-style-type: none"> <li>1. Shift in donor attitude to value long-term stable partnerships with national NGOs</li> <li>2. International humanitarian system to enable organisations to participate in decision making and access funding irrespective of whether they are national or international</li> <li>3. Shift in rhetoric to look at common interests and not just pushing for equality per se</li> </ol>

**Topic: Research and fundraising**

**What issues were discussed?**

1. A lot of organisations find fundraising challenging especially where there are no natural disasters
2. NGOs need to work with media more to highlight needs in conflict situations
3. Need for constant research and validating/updating baselines – need to reinforce research to inform proposals
4. Need to build capacity of NGO staff in writing better proposals as this has an implication on funding
5. Target donors for local partnership capacity building for long-term investment
6. Need to strengthen partnerships with research institutions such as universities

**Solutions?**

1. Explore possibility of having a roster of researchers who can be deployed in emergencies
2. Work with both local and international media to highlight forgotten situations
3. Disseminate free on-line training resources for individual aid workers

**Topic: Transparency of Funding Flows**

**What issues were discussed?**

1. Need for more NGO reporting to the Financial Tracking Service (FTS) as a tool for advocacy, fundraising and coordination
2. Opportunities for publishing financial data in the International Aid Transparency (IATI) format for NGOs if a humanitarian extension is added
3. Difficulties of reporting funding by cluster

**Solutions?**

1. Explore further options for a humanitarian expansion in the IATI standard in order to “publish once, use often”
2. Look into further possibilities for simplifying NGO reporting to FTS and innovative ways to share data
3. Establish a feedback mechanism individualised for each agency reporting to foster further reporting

**Topic: Regulatory Barriers & Challenges to Resourcing Principled Humanitarian Action**

**What issues were discussed?**

Impacts of Counter-terrorism (COTER) clauses in funding arguments & other COTER-related restrictions on financial transactions

1. Admin compliance burden: COTER concerns trumping humanitarian concerns > states are obliged to implement measures to combat terrorism but some COTER measures impose additional legal and admin burdens without demonstrably achieving COTER objectives
2. “Flow-down effect” – same obligation imposed on primary grantee imposed on small local partners → passing on risk, not dealing with the problem
3. “Chilling effect” – prosecutorial and sub-prosecutorial impact due to intimidation and confusion about which measures apply and where
4. “Viral effect” – COTER clauses in UN and donor template partnership affecting thousands of implementing partners; potential for pooled funds to be used according to the COTER-related conditions of the strictest donor, irrespective of whether other contributing donors agree with

them.

5. Conflict of laws – between US partner vetting law and EU/UK privacy and data protection law
6. Assumption underlying special recommendation (SR) 8 from the Financial Action Task Force about “particular vulnerability” of non-profit organisations (NPOs) > currently being reviewed. Current SR 8 contributed to Barclay’s decision to terminate its USD 1.3 billion/year remittance service to Somalia.
7. Compliance with a contract ≠ compliance with other applicable laws

**Solutions?**

1. Advocacy, outreach & dialogue with governments/donors to get more balanced approach to COTER, including through humanitarian exemptions, more balanced COTER clauses in global template/partnership agents (UNHCR, WFP) → what donor frameworks are appropriate to balance COTER obligations with commitments to principled humanitarian action? Focus should be on ways governments, donors and humanitarian actors work together to improve humanitarian programming and ensure aid reaches its intended beneficiaries
2. Educating staff (grant officers, legal counsel) around applicability of COTER measures, based on current research → toolkit being developed by the IASC, guidance tool, fact sheets
3. Model clauses
4. Internal strengthening of anti-diversion, risk management and due diligence practices of humanitarian organisations themselves → to dispel assumption that NPOs are particularly risky and demonstrate to donors that strong mechanisms are in place to prevent aid-diversion
5. Developing common positions in humanitarian community re: acceptable funding conditions → solidarity → encourage national NGOs to talk to their own governments about this

### 3. CONCLUSIONS

ICVA's 2014 Annual Conference provided a successful platform for humanitarian practitioners from different backgrounds to raise questions and suggest paths forward in resourcing principled humanitarian action. In particular, participants appreciated the participatory nature of the conference as well as the opportunity to share learning experiences, current research and donor perspectives. The presence of a very diverse group of people (both geographically and professionally) allowed for a stimulating exchange on different perspectives about funding challenges and the implications of the gap between rhetoric (what we say we do as a humanitarian community) and action (what we actually do).

The current donor scene is changing and the international humanitarian financing system does need significant structural and operational change. The humanitarian community will need to adopt a more sophisticated approach to best adapt to a changing world. Discussions on whether resources available are sufficient relative to need will need to be complemented by a comprehensive analysis of whether the humanitarian system allows enough flexibility to support alternative business models and promote more meaningful, locally-led responses.

Changing the way the humanitarian community resources humanitarian action will mean relying on technological advances and being more open to supporting context-specific models. However, as more than one participant observed, while trying to keep pace with the changes – in finance, access and respect for humanitarian norms, the humanitarian community may be challenged in its ability to carry out principled humanitarian action.



**ANNEX:**

**2014 ICVA Annual Conference: Show Me The Money**

**Programme**

- 08:45**     **Registration & Coffee**
- 09:00**     **Session 1 – Welcome and Introduction**  
**Nan Buzard, ICVA's Executive Director**, will welcome conference participants. **Penny Lawrence, ICVA's Board Chair**, will highlight conference objectives and envisioned outcomes.
- 09:45**     **Keynote speech**  
**Judith Randel, Development Initiatives' Executive Director**, will deliver the keynote speech on the landscape for resourcing humanitarian action.
- 10:30**     **Coffee Break**
- 11:00**     **Session 2 – Innovation in Resourcing**  
Connecting with last year's meeting on innovation, **Sanat Bhowmik, Director of COAST Trust, Sean Lowrie, Director of the START Network**, and **Dr. Kamel Mohanna, Director of Amel Association**, will share their stories about innovative approaches to financing humanitarian action. Participants will be able to share their own stories and perspectives in the course of the session.
- 12:30**     **Buffet Lunch**
- 14:00**     **Session 3 – Interviews: Donors and Partners – Their Reality**  
**Joshua Tabah from the Permanent Mission of Canada** will introduce Canada's experience as a longstanding humanitarian donor country and a member of the Good Humanitarian Donorship Group. **Lionel Bodin, with Accenture Development Partnerships**, will share views and expectations in financing humanitarian action from the perspective of the private sector. **Berk Baran with the Permanent Mission of Turkey** will highlight Turkey's increased engagement as humanitarian donor. **Catherine Baud-Lavigne, Deputy Managing Director of Swiss Solidarity**, will present the experience of leading fundraising campaigns to support operational organisations.
- 15:30**     **Coffee Break**
- 15:45**     **Session 4 – Open Space: Peer Consult on Resourcing Humanitarian Action**  
Participants will have the opportunity to engage further with our panelists and each other to explore other current issues in resourcing humanitarian action, including regulatory barriers to access humanitarian financing, risk management, transparency of funding flows.
- 17:45**     **Session 5 – Next Steps & Closing**  
Participants will note ideas they would like to take forward. **ICVA's Executive Director Nan Buzard** will suggest next steps for the network.
- 18:00**     **Cocktail Reception**



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