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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: strengthening of the coordination: strengthening of the coordination of emergency humanitarian assistance of the United Nations

Letter dated 28 December 2010 from the Secretary-General to the President of the General Assembly

I have the honour to refer to General Assembly resolution 60/124, by which the Assembly established the Advisory Group for the Central Emergency Response Fund to advise me on the use and impact of the Fund. In accordance with the provisions of paragraph 21 of the resolution, I have the honour to transmit herewith a note on the meeting of the Advisory Group held in Geneva on 2 and 3 November 2010 (see annex).

As summarized in the note, the Advisory Group recognized the solid performance and management of the Fund and commended the Office for the Coordination of Humanitarian Affairs for mobilizing support from the 121 Member States and observer missions who have to date pledged or contributed to the Fund. The Advisory Group also recognized the significant efforts made by the secretariat of the Fund and its partners in finalizing the management response matrix of the two-year evaluation of the Fund, and acknowledged the progress being made on the General Assembly-mandated five-year evaluation of the Fund. Lastly, the Advisory Group called for the review of the loan facility of the Fund, which now stands at \$75 million, having accrued some \$25 million in interest.

I should be grateful if you would bring the present letter and its annex to the attention of the Member States and observer missions.

(Signed) **BAN** Ki-moon



Annex

Note to the Secretary-General on the meeting of the Advisory Group of the Central Emergency Response Fund held in Geneva on 2 and 3 November 2010

Recommendations and conclusions

1. The Advisory Group of the Central Emergency Response Fund was established by the General Assembly in its resolution 60/124 to advise the Secretary-General, through the Under-Secretary-General for Humanitarian Affairs, on the use and impact of the Fund. The Group's second meeting for 2010 was held in Geneva on 2 and 3 November, with 13 members, including all 7 newly elected members, in attendance. The Chair of the Advisory Group, Yoka Brandt (Netherlands), presided over the meeting.

2. The Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator provided an update on the use and management of the Fund since the Group's last meeting in July 2010. She reported on performance and accountability issues, such as the finalization of the management response matrix for the 2008 two-year evaluation. In accordance with established practice, the Group met with partners from the Inter-Agency Standing Committee and discussed the added value of the Fund in various crises around the world. The Group also discussed the challenges and opportunities related to the fund-raising aspects of the Fund.

3. Following these discussions, the Group would like to offer the following findings and recommendations.

Management

4. The Group expressed its appreciation to the Emergency Relief Coordinator, the Office for the Coordination of Humanitarian Affairs and the Fund's secretariat for the professional management of the Fund and the progress made in improving its efficiency and effectiveness. The Group commended the high level of support for the Fund among General Assembly members and observer missions, of which 121 had pledged or contributed to the Fund. Members of the Group undertook to do more in their respective countries and regions to raise the visibility of the Fund.

5. The Group discussed the lack of utility of the Fund's \$50 million loan facility, the balance of which stood at \$75 million, having accrued interest of some \$25 million. Members acknowledged that over the course of the years, the development of internal emergency funding mechanisms within the United Nations agencies and the International Organization for Migration had allowed them to borrow against internal reserves to kick-start emergency operations. That practice had led to a decline in the number of applications to the Fund's loan facility. The Group requested the Fund's secretariat to provide a review of the use of the loan facility for its next meeting.

Performance and accountability

6. In the discussions on the performance and accountability of the Fund, the Group endorsed the final version of the performance and accountability framework, which took into consideration comments from the previous meeting in July, and

looked forward to reviewing the results of the ongoing performance and accountability framework reviews in Chad, Mauritania and Sri Lanka. Those reviews would also provide input for the five-year evaluation of the Fund.

7. The Group recognized the significant efforts that had been made by the Fund's secretariat and its partners to finalize the management response matrix of the two-year evaluation of the Fund. Since the last discussion of the matrix in November 2009, 26 of the 33 operational recommendations had been implemented, and one rejected. The Group noted that of the six outstanding recommendations, four related to the administration of the Fund, including the authority of the Office for the Coordination of Humanitarian Affairs to approve adjustments to the cost plan of the Fund's secretariat and the ratio of programme support costs provided to the Office to cover management and oversight of the Fund. The other two related to more long-term United Nations-non-governmental organization partnerships, and their full implementation could be only realized over a longer period.

8. The Group agreed that the utilization of the programme support costs was a United Nations system-wide issue which needed to be resolved through the Office of the Controller and the Finance and Budget Network (a task force within the High-level Committee on Management), where efforts were under way to reach agreement on harmonizing the practices across the various United Nations funds. The Group endorsed the closure of the management response matrix and requested the secretariat to continue to update it on progress made on the outstanding recommendations. The Group also agreed to submit a letter to the Controller on the relevant aspects of the outstanding recommendations.

Five-year evaluation

9. The Advisory Group recognized the progress made to date on the five-year evaluation mandated by the General Assembly in its resolution 63/139. The Group asked the secretariat to keep it abreast of progress made over the next five months and to review the draft report in April 2011. The Group also noted the need for all ongoing evaluations and reviews of the Fund to feed into the five-year evaluation and for the evaluation to pay due attention to performance and accountability issues.

Challenges and opportunities in mobilizing resources

10. The Advisory Group noted the efforts undertaken by the Emergency Relief Coordinator, the Office for the Coordination of Humanitarian Affairs and the Fund's secretariat in mobilizing resources for the Fund from Member States, the private sector and individuals. The Group discussed the various possibilities of partnerships with the private sector and civil society, beyond funding issues. It emphasized the importance of continued financial and political support from Member States in mobilizing resources for the Fund. It expressed the need for the Fund to continue to focus on demonstrating its value for money, which would also help partners to prioritize funding for the Fund in times of financial constraint. While requesting the enhancement of the visibility of the Fund through channels such as conventional and new media, the Group acknowledged that raising funds through those channels required significant investment and the monetary results might not be substantial. The Group also acknowledged the challenges presented by currency fluctuations for the planning and management of the Fund.

11. Overall, the members of the Advisory Group agreed to enhance their individual efforts in their respective countries and regions to raise awareness of the Fund.

Discussions with United Nations agencies, the International Organization for Migration and non-governmental organizations

12. The Group discussed the effectiveness of the Fund with members of the humanitarian community in Geneva, and noted that recipients of the Fund remained positive about its added value in sudden-onset large-scale disasters as well as some of the smaller humanitarian crises. Participants reiterated the importance of the Fund as a major source of funding for their humanitarian programmes and their increasing reliance on it. Agencies underscored the criticality of the timeliness of Fund disbursements in large-scale emergencies, even if major funding was expected at a later stage, and the importance of the Fund in underfunded emergencies.

13. In the discussions with agencies, the Group noted the need to balance quick and large allocations from the Fund at the beginning of major emergencies with the ability to give a smaller tranche several weeks later when the needs became clearer. Some differences in the interpretations of the life-saving criteria were highlighted to the Group. While some thought the strict interpretation of the criteria had contributed to the success of the Fund, others were of the view that the Fund's flexibility was one of its strengths. The question of access to funding by non-governmental organizations and the speed at which agencies "passed through" funds was also raised.

14. The Food and Agricultural Organization of the United Nations (FAO) presented the findings of its evaluation on the use of the Fund. The Group acknowledged the importance of agencies assessing their use of resources from the Fund and its impact on their projects. While recognizing the importance of the Fund to FAO emergency programmes, the Group highlighted the need for a uniform understanding of the life-saving criteria by all recipients of the Fund to ensure consistent application.

Administrative matters

15. The Advisory Group agreed to hold the next meeting in Nairobi, subject to confirmation that the additional costs of doing so would be reasonable. That would provide an opportunity for the Group to meet with the Kenya and Somalia humanitarian country teams and undertake field visits to see at first hand the impact of financing from the Fund on humanitarian emergencies in Kenya. The Group also agreed that the next meeting would be used to review its workplan for 2011 and 2012; review the implications for its work over the next five years of the initial outcome of the General Assembly-mandated five-year evaluation; and select a new chair and vice-chair.

16. The Group requested the secretariat of the Fund to continue to promote a uniform understanding of the life-saving criteria and provide an update at the next meeting in April 2011. The secretariat was also requested to undertake an analysis of the use of the Fund in protracted crises, focusing on the utilization of funds in the Democratic Republic of Congo, the largest recipient of funding; provide feedback to the Group on the actions the secretariat would take in response to the FAO evaluation; and prepare an analysis of the timeliness of disbursements from the Fund to United Nations agencies, and then to non-governmental organizations.