

Multi-Year Planning and Funding – Implementer Perspectives

Authors: Glyn Taylor, Humanitarian Outcomes, and Rachel Criswell,
World Vision International

SECTION I: CONTEXT

New and ongoing crises left 164.2 million people in 47 countries in need of international humanitarian assistance in 2016. Multiple crises affected most of these countries, including conflict, natural disasters and long-term refugee hosting.¹ In 2015–16 alone, more than USD\$6.1 billion in humanitarian assistance was invested by humanitarian donors (predominately governments and the United Nations [UN]) in multi-year crises in Jordan, South Sudan, Somalia and El Niño in Zimbabwe and Mozambique.²



A growing school of thought amongst donors and aid agencies advocates for better alignment of funding, planning and programmatic approaches with the timing of these multi-year or cyclical crises. They point to Grand Bargain's 'Goal 7' that aims to 'increase collaborative humanitarian multi-year planning and funding'.³ They also cite Good Humanitarian Donorship's (GHD) 'Operational Best Practices' guidance on 'the provision of multi-year funding or planning instruments for the operations of IO [inter-governmental organisations], Red Cross and Red Crescent, and NGO [non-governmental organisation] partners in recurrent, chronic or protracted crises'.⁴

¹ Lattimer, Charlotte, and Swithern, Sophia, *Global Humanitarian Assistance Report 2017* (Development Initiatives, 2017), 8 <<http://devinit.org/wp-content/uploads/2017/06/GHA-Report-2017-Full-report.pdf>>.

² 'Incoming funds search', *Financial Tracking Service* [website] <<https://fts.unocha.org/>> accessed 10 September 2017.

³ 'Grand Bargain', *Agenda for Humanity* [website] <<http://www.agendaforhumanity.org/initiatives/3861>> accessed 18 October 2017.

⁴ This should be accomplished via memoranda of understanding, partnership agreements, commitment appropriations, contracts, soft pledges, grants, cooperative agreements and similar tools. 'Operational Best Practices from the 2014–2016 Co-Chairmanship', *Good Humanitarian Donorship* [website] <<http://www.ghdinitiative.org/ghd/gns/best-practices.html>> accessed 18 October 2017.



SECTION 2: PURPOSE, OBJECTIVES AND LIMITATIONS OF THE STUDY

PURPOSE AND OBJECTIVES OF THE STUDY

As 'good practice by [humanitarian] donors with commensurate good practice by partners is mutually dependent and reinforcing', the GHD initiative is committed to 'close dialogue with operational partners ... on best practice'.⁵ This paper seeks to continue such a dialogue by sharing World Vision's direct experience with implementing programmes for and with disaster-affected people. Multi-year planning and funding (MYPF) as described by the GHD should be

- arrangements of 'two or more years with agreed budgets that allow for incremental funding'
- supportive of multi-year planning frameworks and the development of multi-year programming strategies in collaboration with partners
- funding which explicitly and purposefully drives the 'complementarity of humanitarian and development funding ... ensuring humanitarian needs are met and the humanitarian caseload reduced'.⁶

Good Humanitarian Donorship (GHD) initiative

Created in 2003, the GHD initiative is an informal donor network that facilitates collective advancement of good practices. Through this forum, the initiative's 42 members contribute to the pivotal role of donors in providing effective and accountable humanitarian assistance.

As such, this study briefly examines World Vision's implementation of MYPF. Through interviews and document reviews of World Vision programmes in Jordan, Mozambique, Somalia, South Sudan and Zimbabwe, it seeks to understand the benefits of MYPF, as pledged by GHD donors. This report complements the study 'Living up to the Promise of Multi-Year Funding',⁷ commissioned by the Norwegian Refugee Council (NRC), Food and Agriculture Organization of the United Nations (FAO) and the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA).

LIMITATIONS OF THE STUDY

Initially this study planned to examine MYPF as outlined in GHD's 'Operational Best Practices'⁸ and the 2016 Grand Bargain⁹ agreement.¹⁰ Both documents were released in 2016, although funding using their guidance largely commenced in 2017. As the case studies included in this report are retrospective, few of the funding mechanisms and approaches

⁵ *Good Humanitarian Donorship*.

⁶ *Ibid*.

⁷ NRC, UNOCHA, and FAO, 'Living up to the Promise of Multi-Year Funding', (FAO, 2017) <https://www.nrc.no/globalassets/pdf/reports/living-up-to-the-promise-of-multi-year-humanitarian-financing/living-up-to-the-promise-of-multi-year-humanitarian-financing_v2.pdf>.

⁸ *Good Humanitarian Donorship*.

⁹ In 2016, more than 30 humanitarian donors and implementers made a shared commitment to people in need, known as the Grand Bargain. This included an increased commitment to humanitarian MYPF in contexts of protracted or recurrent humanitarian crises. *Agenda for Humanity* [website]. < www.agendaforhumanity.org/initiatives/3862 >.

¹⁰ GHD's and Grand Bargain's MYPF criteria are that humanitarian assistance is applied in humanitarian crises that are 'protracted or recurrent and where livelihood needs ... can be analysed and monitored', and a variant of MYPF funding is used to augment social protection. *Agenda for Humanity*, 'The Grand Bargain: A Shared Commitment to Better Serve People in Need', (May 2016), 11 <https://reliefweb.int/sites/reliefweb.int/files/resources/Grand_Bargain_final_22_May_FINAL-2.pdf>.



outlined fully met the GHD and Grand Bargain MYPF guidelines. As such, the case studies cannot be used to evaluate donors' current practices (positive or negative) in relationship to the Grand Bargain commitments, but they do offer practitioners' insights that can be useful in helping meet any future commitments pertaining to the GHD and Grand Bargain initiatives. All of the World Vision programmes examined as part of this study had grant funding for two or more years, a mix of humanitarian and development funding, and/or funding designed to transition from relief response to development activities. In some cases, the programmes examined in this study had multi-year development grants that integrated complementary humanitarian response activities when a crisis hit. The following sections consider each funding combination in light of the perceived benefits of MYPF.



According to GHD's good practice criteria, multi-year funding should be available to support multi-year planning frameworks and strategies.¹¹ During the period covered by this study, multi-year humanitarian response plans were in place in Jordan and Somalia through UNOCHA,¹² the Southern African Development Community (SADC) had issued a multi-year humanitarian response plan for the El Niño crisis¹³ and many El Niño-affected communities in southern Africa already had operational multi-year development programmes. In South Sudan, multi-year, grant-funded development programmes were being implemented, but it was not feasible to develop multi-year humanitarian response plans due to the highly volatile operating context in some parts of the country where humanitarian aid was being implemented.¹⁴

Various actors in the humanitarian system (donors, UN agencies, international and national NGOs) define efficiency and comparative advantage in different, sometimes contradictory ways. This study reflects the perspective of a large, multi-mandate NGO, World Vision. World Vision focuses on disaster-affected people, particularly children, in its responses and it measures efficiency according to the benefits provided to disaster-affected populations, in particular the most vulnerable children. Its long-term development programming, known as area development programmes (ADPs), largely funded through private fundraising efforts, typically plan for up to 15 years of operations.

¹¹ *Good Humanitarian Donorship*.

¹² Jordan's multi-year humanitarian response plan, as part of the regional planning process, programme strategy and partnership platform current cycle, is 2016–2017, but the regional refugee and resilience plan (3RP) process was in place from 2014. *3RP Regional Refugee and Resilience Plan 2018–2019 in Response to the Syria Crisis* [website] <<http://www.3rpsyriacrisis.org/>> accessed 17 October 2017. Somalia's multi-year funding appeals have been in place since 2013. Swithern, Sophia, *Global Humanitarian Assistance Report 2014*, (Development Initiatives, 2014), 86 <<http://devinit.org/wp-content/uploads/2014/09/GHA-2014-In-focus-Multi-year-approaches-and-the-Somalia-appeal.pdf>>. Somalia's current humanitarian strategy, coordinated by UNOCHA covers 2016–2018. 2016–2018 Humanitarian Strategy: Somalia, (UN, May 2016) <https://reliefweb.int/sites/reliefweb.int/files/resources/2016_2018_humanitarian_strategy.pdf>.

¹³ UNOCHA Regional Office for Southern and Eastern Africa (ROSEA), *Report on the RIASCO Action Plan for the El Niño-Induced Drought in Southern Africa 2016/17*, (UNOCHA, 12 July 2017) <<https://www.humanitarianresponse.info/en/operations/southern-eastern-africa/document/report-riasco-action-plan-el-ni%C3%B1o-induced-drought>>.

¹⁴ Valente, Rodolpho, and Lasker, Romano, 'An End in Sight: Multi-Year Planning to Meet and Reduce Humanitarian Needs in Protracted Crises,' (OCHA Policy Development and Studies Branch (PSDB), 2015), 11 <<https://www.unocha.org/sites/unocha/files/An%20end%20in%20sight%20Multi%20Year%20Planning.pdf>>.



SECTION 3: WORLD VISION'S APPROACH TO MULTI-YEAR PLANNING AND FUNDING

World Vision is a global Christian relief, development and advocacy organisation dedicated to working with children, families and communities to overcome poverty and injustice. Children usually comprise 50–60 per cent of those affected by disasters.¹⁵ World Vision's child-focused disaster management strategy¹⁶ is designed to meet their needs. It focuses on

- saving lives and reducing human suffering
- protecting and restoring livelihoods
- reducing the risks faced by communities affected by disaster and conflict.

MYPF enables World Vision to better help disaster-affected children. World Vision participates in coordinated multi-year humanitarian planning, having applied multi-year, community-led planning in its privately funded ADPs for decades. World Vision also integrates crisis modifiers into its multi-year programming. At the 2016 World Humanitarian Summit, the organisation committed to allocating up to 20 per cent of its ADP funding as a crisis modifier, as approved by its national World Vision affiliates.

FUNDING IN CASE STUDY COUNTRIES

SOMALIA

World Vision is part of the Somalia Resilience Programme (SomReP) consortium that includes seven partners¹⁷ with multiple donors,¹⁸ a mixture of development and humanitarian funding, and multi-year funding from the European Union. Not all SomReP donors provide multi-year funding and some funding is tightly earmarked.

Although little of its funding is multi-year and flexible, SomReP embodies the transitional aspirations of Grand Bargain towards responsive programming, with some significant caveats. The SomReP model foresees communities working along intervention pathways, starting with humanitarian interventions that are more traditional and graduating to programming focused on building resilience and development.

In examples given during this study, food-for-work (FFW) was the principal entry-level livelihoods intervention. Participating communities were encouraged to begin savings groups to protect against future shocks as a starting point on the reliance pathway. USAID's Office of Food for Peace (FFP), the principal FFW donor, did not provide multi-year funding or funding for savings groups or other such transitional or recovery activities; those were picked up by other donors. Thus, predictable, flexible financial support for SomReP comes because of the collective consortium approach, rather than from any individual multi-year funding source.

KEY LEARNING

The consortium approach is more than the sum of its parts; benefits are derived from the whole platform's coordination, planning and funding. It is hard to attribute benefits to the quality or flexibility of any single donor's contribution, although both are important factors.

¹⁵ UNICEF and Disaster Risk Reduction, (UNICEF, 2014), 3 <https://www.unicef.org/malaysia/UNICEF_and_Disaster_Risk_Reduction.pdf>.

¹⁶ World Vision (2013) Disaster Management Strategy. Internal document.

¹⁷ Partners include World Vision, Action Contre la Faim (ACF), Adventist Development Relief Agency (ADRA), Cooperazione Internazionale (COOPI), CARE, Oxfam and Danish Refugee Council (DRC).

¹⁸ Donors include USAID's FFP and Office of Foreign Disaster Assistance (OFDA), EuropeAid, Danish International Development Agency (Danida), Swedish International Development Cooperation Agency (SIDA), Swiss Development Corporation (SDC) and Department of Foreign Affairs (DFAT) Australia.



JORDAN

In Jordan, Azraq Refugee Camp used a three-year European Commission Directorate-General for International Cooperation and Development (DG DEVCo) 'Lot 3' grant for a community-run, solid waste disposal and recycling scheme. A multi-year grant supported both the humanitarian and development objectives of this programme. In the context of longer-term refugee hosting programmes, such a transitional instrument has several advantages.

KEY LEARNING

Transitional funding is clearly appropriate in this protracted refugee situation, where the efficiency of multi-year financing for staff retention, reporting, etc. is evident. Efficiency is also a benefit of multi-year grants in largely stable contexts where there are similar long-term needs.

SOUTH SUDAN

Over three years, Global Affairs Canada repeatedly granted annual funding for humanitarian programmes in one area of South Sudan during the period covered by this study. It also channelled development funding to other areas in the region through a consortium, in which World Vision participated. Although considered stable at the start of the three-year grant cycle, the areas covered under the development grant became conflict-affected during the grant's duration. This made it possible to compare the benefits and drawbacks of humanitarian and development funding.

KEY LEARNING

MYPF holds great potential to improve efficiencies through better and more flexible management of time, money and human resources. Crisis modifiers integrated into multi-year development funding support nimble project revision processes during crises and could significantly help project development gains in highly disaster-prone contexts.

EL NIÑO-AFFECTED ZIMBABWE AND MOZAMBIQUE

In areas in Zimbabwe where El Niño had an impact, World Vision already had the multi-year ENSURE (Enhancing Nutrition, Stepping Up Resilience and Enterprise) programme, funded by USAID's FFP. In Mozambique, short-term humanitarian grants from multiple institutional donors were used to respond to urgent needs. World Vision also had existing privately funded long-term ADPs in both countries, which complemented institutional donor-funded activities where programme geographies overlapped. As an organisational policy, up to 20 per cent of ADP funding can be rapidly reallocated to respond to a humanitarian crisis within an ADP area. Acting as a crisis modifier, this allows World Vision the flexibility to respond quickly to urgent humanitarian needs. This approach was deployed in response to El Niño in both Zimbabwe and Mozambique.

KEY LEARNING

A blended portfolio of public and private donors, who have different requirements for programmes within a specific geographic area, can provide flexible, predictable funding. This, however, needs to be programmed according to a multi-year, community-developed plan.



SECTION 4: WHAT WE LEARNED

RESPONSIVE PROGRAMMING

Role of development funding

Development funding plays an important role in fragile contexts that are prone to humanitarian crises, particularly if grant crisis modification is facilitated (through donor regulations or complementary funding) to make programmes quickly adaptable to changing needs in the community.



SomReP demonstrates a recognised challenge for humanitarian donors. As a platform, it includes the characteristics of a crisis modifier (the ability to protect development or resilience gains during shocks by switching a portion of its activities to short-term relief interventions). However, this applies only to geographical areas targeted in the original programme design, as agreed upon by SomReP's partners. As SomReP typically implements programmes in areas classified as 'IPC 4' under the internationally recognised integrated food security phase classification system,¹⁹ there is no doubt that humanitarian needs are being met. Yet, other areas in Somalia rated 'IPC 5' had measurably greater needs during the 2017 drought cycle.²⁰

SomReP's decision not to adjust its geographic focus areas was certainly strategic and defensible in terms of its overall strategy. However, looking at the broader context, this arguably presents a dilemma for donors²¹ who invested funds from 'pure' humanitarian channels into SomReP. The humanitarian principle of 'impartiality' means that humanitarian funding should be made available to address the most acute needs, with any new funding reprioritised to reflect this.

Humanitarian funding provided to World Vision in South Sudan demonstrates a counter case to SomReP's response. As above, multiple geographical areas, received development and humanitarian funding. Conflict partially affected both areas, and both had similar localised access challenges. World Vision's existing programmes in these areas were also similar, based on food security and securing livelihoods. Programme differences were due to funding specifics, rather than local needs or context. World Vision reported that both areas would benefit from flexible funding that

¹⁹ An IPC4 area has at least one in five households that have large food consumption gaps resulting in very high acute malnutrition or an extreme loss of livelihoods that will lead to short-term food consumption gaps. *Integrated Food Security Phase Classification* [website] <<http://www.ipcinfo.org/>> accessed January 2018.

²⁰ The IPC classification is only one measurement of need and not definitively accepted.

²¹ This is a classic example of the 'prioritisation dilemma'. Historically it has been challenging for pooled funds and 'pure' humanitarian funding streams to invest in multi-year commitments for resilience programming as urgent needs, either locally or globally, tend to supersede the commitments made in good faith at the start of long-term approaches.



- better matches the Grand Bargain goal of increased collaborative humanitarian multi-year planning
- specifically allows for flexibility and coherence between humanitarian interventions and resilience or development activities, according to varying local conditions
- allows for quick national-level decision-making to release funds
- invests in sustainable education, protection and disaster-risk-reduction interventions.

When GHD's best practices and the Grand Bargain goals were set, a critical mass of multi-year humanitarian funding did not yet exist. Consortium approaches can support the objectives of those pledges. Additional flexible, multi-year funding would assumedly make the consortium model stronger.

Community participation, accountability and social protection

In South Sudan, comparison was possible between a multi-year development grant and consecutive rounds of traditional humanitarian funding over the same period. In this

context, accountability tools and systems were perceived to be stronger in the annually funded projects. However, this was attributed to the combined emphasis of these activities within the internal systems and norms of humanitarian programming as a whole.

In regards to social protection, there was a perception that it was significantly stronger in the case studies where multi-year development grants helped sustain investments in community relationships, and specifically in the empowerment of local communities as decision makers, in the El Niño examples. This study also identified that in less stable conditions, such as those in South Sudan, planning should prioritise disaster risk management in communities, peacebuilding and contingency planning.



REDUCED ADMINISTRATIVE COSTS AND EFFICIENCIES

Impact on staff and asset retention

Respondents mentioned the positive benefits of MYPF on staff retention repeatedly during interviews, especially in Jordan and Mozambique. Benefits included World Vision's ability to invest in national staff, offer stable contracts and avoid the cost of repeated recruitment. Successive single-year project cycles were clearly seen as less advantageous for asset and staff retention.

Impact on reporting frequency and donor engagement

In Mozambique and South Sudan, multi-year funding mechanisms did not seem to reduce the frequency of reporting significantly compared to single-year funding processes,



according to study respondents. However, as noted above, multi-year funding enabled the long-term retention of international and national staff. Having experienced staff who were attuned to the local contexts and donor requirements facilitated reporting and did not necessarily equate to fewer or less frequent reports.

Impact on proposal writing and funding stability

As with reporting, respondents reported that efficiencies in proposal writing improved, due to better staff continuity and predictable funding levels in programmes funded by multi-year grants. For example, in South Sudan, multi-year development grants required annual plans, which took significantly less staff time than preparing funding proposals annually.

In regards to both reporting and proposal writing, one interviewee noted that, as learning is an ongoing process for both donors and implementers that continues over the course of a long-term grant, internal learning and the preservation of institutional memory is important. The mutual learning and understanding derived from sustained relationships between donors and operational actors were equally important.

Impact on transaction costs

World Vision is a cooperating partner with UN agencies in the case study countries, but staff could not provide significant commentaries on transaction costs in 'pass-through' partnership arrangements. There was a perception that the transaction costs would likely decline in the long term, but they were unable to offer specific examples that confirmed this assumption. Interviewees were, however, of the opinion that benefits similar to those identified above tended to accrue from long-term partnerships with UN agencies (i.e. sustained relationships allowed for a greater mutual understanding of respective systems and positions).





COMPARATIVE OPERATIONAL ADVANTAGE

Flexibility to meet gaps in humanitarian need

World Vision's ability to pair diverse funding sources for a specific geography, not the multi-year nature of any particular funding, seemed to be the primary source of flexibility in this study. Greater use of crisis modifiers and flexibility to amend grant terms (i.e. shift according to changes in humanitarian needs assessments) would undoubtedly help multi-year humanitarian grants be more responsive to changing community priorities.

World Vision staff saw crisis modification as a tool to safeguard investments and gains achieved through development projects and to promote problem solving through locally owned processes. World Vision effectively met gaps, where needs arose periodically due to El Niño, in otherwise largely stable communities that participated in development interventions. It is much harder to raise flexible funding for protracted, ongoing crises, especially in conflict-induced responses. The scarce, non-earmarked funding that World Vision successfully raises for these contexts is chronically overstretched. Additional flexible, non-earmarked funding is essential to rapidly meet needs in conflict-related responses and smooth out the peaks and troughs between individual grant cycles.

Impact on start-up and close-down cycles

In South Sudan, the three-year development grant required a yearly submission of a detailed work plan. However, staff deemed this far less labour intensive than closing and restarting projects every year. Interviewees reported that this consistency gave local authorities confidence in World Vision as a reliable partner, while reducing the need to renegotiate various operating permissions and permits (although this was less applicable in conflict contexts where control of access to affected populations changes hands frequently).

Impact on capacity building for local or front-line responses

World Vision staff focused on working closely and directly with communities, with a long-term strategic vision. MYPF (including ADP community-led plans) enables a stable programming platform, including the retention and capacity building of national staff and investment in relationships with national and local authorities. An ongoing presence in a given location is a comparative advantage for an NGO. For example, World Vision's sustained presence in one camp context offered assurance to UN agencies and donors looking for operational partners. Arguably, multi-year financing and stable planning platforms consolidate the operational footprint and presence of international players, enabling them to stabilise and deepen relationships with local and national actors. More detailed analysis of this aspect is beyond the scope of this study but is worthy of further consideration in the Grand Bargain follow-up.





SECTION 5: RECOMMENDATIONS

This study complements a large body of work on humanitarian financing and reaffirms the findings from other studies, including ‘Living up to the Promise of Multi-Year Funding’, and recommendations should be read in that context. Based on the experiences of the implementation teams in the five contexts examined, this study provides the following recommendations:

1. Currently, minimal funding is available to implementers that meet Grand Bargain goals and GHD best-practice guidelines. Government donors and multilateral organisations should design, build and invest in financial predictability at the systems level by providing grants that enable this. They must also include tools that facilitate flexibility and liquidity along with predictability. Grand Bargain signatories and GHD donors should invest in consortium approaches that help advance MYPF objectives whether or not a critical mass of such funding exists.
2. Multi-year development funding can foster greater social protection for vulnerable communities as it helps sustain relationships built with local leaders. As donors revise financing frameworks to reflect Grand Bargain commitments and GHD best practices, MYPF humanitarian grants should strengthen this capacity.
3. Layered, sequenced and collaborative financing at the country level should facilitate greater responsiveness to community needs and plans. It should also empower communities affected by humanitarian crises and front-line responders as decision makers. Donors and implementers should build triggers into MYPF mechanisms so that local communities can rapidly initiate crisis modifications or flexible funding to meet emerging humanitarian needs.
4. MYPF facilitates greater staff and asset retention than traditional humanitarian funding systems. Donors and implementers should consider how such retention could best benefit disaster-impacted communities as targeted MYPF investments roll out in the future.
5. Implementing staff perceive little difference between the monitoring and reporting requirements for single and multi-year grants. MYPF studies should consider how to reduce the current reporting burden in MYPF grants to realise the full benefits of MYPF approaches. MYPF approaches should align with the ‘Less Paper More Aid’ initiative²² and the Grand Bargain’s commitments to common reporting as well.
6. GHD donors that contribute humanitarian and development funding to fragile contexts should consider modifications to facilitate the predictability and flexibility necessary to better serve people in need. Humanitarian funds can benefit from being multi-year, and development funds should be more flexible to contextual change. These changes should include quick approvals for crisis modifiers and the introduction of transitional funds in contexts that do not fit the traditional humanitarian or development definitions (e.g. protracted refugee hosting). GHD donors should also consider how to better coordinate their humanitarian and development funding instruments at the national and headquarters levels.
7. Finally, MYPF is the key to better serving people in need but is not an end in itself. The best available tools, as determined by local contexts, should be combined to facilitate flexible, predictable funding that is optimal for tackling the challenges of each context.

²² ‘Less Paper More Aid’ is an initiative by ‘a global NGO network for principled and effective humanitarian action’ to reduce ‘the burden of donor conditions to improve the efficiency of humanitarian aid. *International Council of Voluntary Agencies* [website] <lesspapermoreaid.org> accessed 17 October 2017.

World Vision is a Christian relief, development and advocacy organisation dedicated to working with children, families and communities to overcome poverty and injustice. Inspired by our Christian values, we are dedicated to working with the world's most vulnerable people. We serve all people regardless of religion, race, ethnicity or gender.



World Vision International Offices

Executive Office

Waterview House,
1 Roundwood Avenue
Stockley Park
Uxbridge, Middlesex
UB11 1FG, UK

United Nations

Liaison Office

919 2nd Avenue, 2nd Floor
New York, NY 10017
USA

International

Liaison Office

Chemin de Balexert 7-9
Case Postale 545
CH-1219 Châteline
Switzerland

World Vision Brussels & EU Representation

18, Square de Meeûs
1st floor, Box 2
B-1050, Brussels
Belgium