

WEBINAR: A High-Level Discussion - European perspectives on the NEXUS at the time of COVID-19 (07 of May 2020)

SUMMARY & READOUT

Preliminary note: All questions that were raised but could not be answered during the webinar have been gathered in Annex.

Speakers: Michael Köhler (Deputy Director General, DG ECHO), Henriette Geiger (Director People and Peace, DG DEVCO), Christine Pirenne (Head of Humanitarian Aid, Dutch Ministry of Foreign Affairs), Jan Egeland (Secretary General, Norwegian Refugee Council), Dr. Ibrahima Socé Fall (Assistant Director-General, Emergency Response WHO).

Moderator: Jean-Louis de Brouwer (Director European Affairs, Egmont Institute)

SUMMARY

This webinar co-hosted by the Egmont Institute and the Norwegian Refugee Council (NRC) gathered senior representatives from aid agencies and EU donors to discuss the articulation of the EU responses to the COVID-19 crisis and their capacity to cover the humanitarian-development NEXUS.

Amongst the many challenges identified, the indirect impact of the crisis on socio-economic systems of already fragile countries was emphasized by all speakers, together with the need to secure flexible and sufficient funding to allow organizations to adapt and scale up their response to emerging needs, now.

Dr. Fall (WHO) and Jan Egeland (NRC) underlined the importance of the quick disbursement of funding to support the efforts of agencies with the capacity to respond on the ground. They underlined the need to address both the immediate needs and prepare for the foreseen longer impact of the crisis on livelihoods.

Michael Koehler (DG ECHO) emphasised the challenge of coming up with a swift response to meet urgent needs while keeping in mind the high degree of uncertainty surrounding the mid- and longer-term impact of the COVID-19 crisis. He questioned the capacity of humanitarian operators to stand the Nexus test in the immediate phase of the COVID response, as expressed in the Grand Bargain commitments, and called for an overhaul of the mechanisms that are meant to allow bridging the humanitarian and development gap at EU level.

Henriette Geiger (DG DEVCO) praised the rapid Team Europe response that proposed a global package to meet the global challenges of the crisis, notably in terms of budget-support to partner countries. She flagged the importance not to shift funding away from basic services and to prepare for the possible consequences of a recession. She also emphasized the need to support partners countries efforts to finance cash and food security programs in a condition of reduced fiscal space.

Christine Pirenne (Dutch MFA) provided her insight on how the Grand Bargain efforts could be useful to tackle some of the challenges presented by the NEXUS. In particular, a greater emphasis on localisation, flexible funding and a conflict sensitive approach.

All participants shared the same global assessment of the current and foreseeable needs, and the necessity to ensure tight articulation between the emergency and longer-term responses. At the same time, the difficulties to coordinate these responses and operationalize the NEXUS were also clearly acknowledged, possibly calling for more in-depth follow-up discussions.

READOUT

Speaker Presentations (by order of appearance)

1. Dr. Ibrahima Socé Fall, WHO

Globally, there have been more than 3 million cases of COVID-19 across all continents. In this extreme situation, it is increasingly difficult to anticipate where the outbreak will move going forward and how the contagion patterns will change with time. WHO is looking at 3 main scenarios: a complete interruption of human-to-human transmission; the epidemic progressing in different waves, with periods of reduced contagions and periods of higher rates of diffusion; a period of continuous low-level transmissions.

Given this complex situation, WHO is working with OCHA to assist countries with fragile healthcare systems. While in many of these the rates of contagion are still low, a serious crisis will occur if prevention mechanisms are not scaled up quickly. In particular, it's difficult to prepare and get ready to respond to COVID-19 without strong primary healthcare systems in place. In conflict-affected countries, it's instead important to establish complementary actions between development and humanitarian programming. This is especially true while witnessing an exacerbation of conflicts and more attacks on healthcare workers in some areas.

In terms of the response, it is also important to build the capacity of local actors and better communicate with local communities. Especially given that some of the recommendations are very difficult to implement in fragile systems. Another important pillar that should be considered in the response is the socio-economic impact that the crisis will have globally.

One of the most important lessons learned, is that there is a need to invest more in preparedness globally.

2. Jan Egeland, Norwegian Refugee Council

There is a growing frustration with the lack of speed of the humanitarian and development communities in jumpstarting actions and respond to the crisis. The international community still has time to increase and strengthen preparedness, but this must be done quickly as many fragile countries will be surely be hit in the coming months. Another important aspect that needs to be addressed urgently is the loss of livelihoods, as already weak economic systems have been seeing their sources of income dry out.

In terms of what can be done to improve the prevention and response efforts, there is a need to provide actual safe spaces for those living in extremely cramped conditions, such as refugee camps. It is also important to strengthen massive cash programs for families in order to ensure that they can access vital goods such as food.

Unfortunately, much of what is being done globally, such as the efforts to find a vaccine, will happen too late to actually have an impact for those most in need. NRC has 15,000 workers on the ground, who have kept on working. Implementing partners can scale up their programs instantly but will only be able to do so if the necessary resources are made available to them.

In many locations humanitarians are the only actors left who are able to access out of reach areas. The Nexus is very promising but it needs to become less about having panel discussions and more about jumpstarting actions in places where there are people in need.

For this reason, money needs to be made available to those delivering, and this includes development money. At the same time, development actors need to push humanitarians to have more long-term vision in their programming and actions.

3. Michael Koehler, European Commission, DG ECHO

There are a couple of trends that can guide decisions on how to respond to the COVID-19 situation. However, there are also a number of important challenges that make it difficult to project how the situation will evolve in the coming months. There is a lack of visibility in what might happen, which makes it difficult to assess where the epidemic might spread at a higher rate in the short and medium term. Another consideration that makes decisions on the future so difficult is that in Africa, Latin America and Asia a number of secondary effects could have a much stronger impact than the health effects in a few months. Therefore, unfortunately most financial decisions have to be taken in a situation of relative uncertainty.

In this context, it seems important to reconsider and discuss what was agreed in 2016 in the Grand Bargain. It now looks that some of the elements agreed at the time may not really stand the test of urgency that is now imposed on the international humanitarian community as a whole. As commitments towards the Nexus are facing the reality check, there is a need to plan better and to properly articulate humanitarian and development aid. This is more difficult than normal given the exceptional situation that required urgent action, and the lack of clarity on future trends of development.

4. Henrietta Geiger, European Commission, DG DEVCO

In response to the global COVID-19 crisis, the EU has put together a global response package. The idea was to quickly bring aid to partner countries, with the aim of having an impact and joining up as Team Europe to be a partner to third countries and the global community as a whole. Given the extremely short timeframe that was required to compile the plan, each EU Delegation looked at what was available out of existing programs and what could be done in terms of immediately mobilising funds.

What has also emerged, is that many countries are struggling because they don't have fiscal space. They are therefore finding themselves unsure of what to do when the money runs out. To respond to this necessity, DEVCO has front-loaded 2.29 billion euros in budget-support to partner countries. In turn, these countries will then be able to finance cash and food security programs. 104 M euros in budget support payments have already been paid out to governments, which is an excellent result given standard procedures.

Amongst important lessons learned is that the response cannot have a one size fits all approach; speed is of the essence and mistakes might be made, but decisions still need to be taken; it's important to not re-allocate money from key programs that provide basic social services. Another element that needs to be considered is the risk of a decreased global capacity due to a recession that might hit in the near future.

The bottom line is that without the Nexus we cannot respond to the COVID crisis.

5. Christine Pirenne, Dutch Ministry of Foreign Affairs

The High-Level Panel report on humanitarian financing identified three pillars that remain relevant to the COVID-19 response. Firstly, the overall aim of reducing needs; secondly, the importance of further expanding the funding base by bringing in the private sector; lastly, using existing funding better (Grand Bargain).

The question has been asked whether the Grand Bargain could stand the test of urgency in this unprecedented situation: by tackling the challenges ahead and contribute to the Nexus, through the increase in cash response, or to respond to social protection issues. Joint needs assessments have been presented by UN, Red Cross and INGOs to better identify needs globally, promoting the quick release of flexible and predictable funding to ensure an adapted response. Also, upfront, unearmarked and flexible funding are required for implementing agencies to better react and adapt their responses.

In terms of how to improve the Nexus, three elements should be taken in consideration. The Nexus starts with the voice of people who are affected by crises, that don't divide their needs as humanitarian or developmental as institutions do. It's important to be context specific and avoid the one-size catch all approach. The Nexus is a chaotic process, so actors and donors need to be flexible and make coordination and collaboration a priority in their work. Eventually, the international community also needs to be realistic in terms of its expectations from the Nexus.

Live Discussion

1. Funding

Humanitarians are often better positioned to deliver aid in difficult areas where local groups are unable to work, in these contexts coordination with local groups is essential. Funds need to be made urgently available to actors in a position to deliver now.

DEVCO is providing maximum flexibility within the frame of its financial regulations to adapt and support the response.

It is equally important that emergency resources are not exhausted at the beginning of the year, as this would have catastrophic consequences when a new crisis strikes in a few months. For now, the Commission has reallocated funding from existing programs that were already close to health response and have done so through an active dialogue with field offices and partner organisations.

The disbursement of institutional funding comes with a certain level of reporting, accountability, and visibility. Questions will be asked both from the political side and from auditors on how it has been used. A positive dialogue has been initiated with UN agencies to address these issues but more needs to be done to ensure greater transparency.

2. Timeliness of the response and exit strategy

As the pandemic has not hit too hard many of the least developed countries, there is still time to ensure the outbreak is contained in many at-risk countries, but actions need to be taken swiftly. The money that goes through a UN agency and is then passed on to implementing partners after three months is not good money, there needs to be more flexibility. While timeliness is key for

preparedness, it is also important to rapidly alleviate the impact on livelihoods, that has been severe with many people unable to eat for weeks.

It should also be considered that the budget is at the end of the current MFF cycle, so certain resources cannot be mobilised in a more flexible way. However, the Commission will work with NGOs as much as possible to ensure that funding outside budget support, that consists only of about 20% of the response, can be delivered with as much flexibility as possible. Ultimately, decisions will be taken in country by EU Delegations, as they are closer to the issues and have a greater understanding of what is needed.

When thinking of an exit strategy, greater emphasis should be put on the green deal and in looking at how to deal with environmental questions. Similarly, it has also been seen that when working on universal health coverage, wherever the resilience of the healthcare sector has been strengthened, the response has been much more robust. This shows that it pays off to engage in long-term development processes.

3. Budget Support and governance

Where there are political issues it's important that local actors and local populations are involved in coordinating. It's clear that if a government is not able to respond to the needs of the population, this provides ground for civil unrest and can see the rise of extreme political positions. For this reason, the EU puts governance as a central challenge when responding to the COVID crisis. In particular, information-sharing and a stronger communication are fundamental to avoid the proliferation of conspiracies and similar issues.

It is important to remember that COVID starts as a health crisis but doesn't end there, the response needs to consider the economic impacts of the crisis all around the world, especially in terms of workers remittances, oil prices and other difficulties. The Commission doesn't provide budget support with governments that don't reach certain criteria, it is also possible to suspend this support if they can't reach pre-defined targets. With the current financial front-loading, it has been made clear to partner countries that the checks and balances in place remain the same and will be enforced.

4. Localisation and conflict-sensitive approach

The process of localisation and empowerment of local actors is fundamental to ensure an effective response. This is true on the side of implementing partners, for instance a Dutch NGO platform has made efforts to define needs and responses based on feedback and guidance from local partners, as well as for donors. In particular, quality funding needs to be passed on to organisations who are then able to implement quality aid. Also NGOs recognise the importance of communicating to local communities, the populations themselves need to tell the international community how to adapt the response.

It's also important to include a conflict-sensitive approach to the COVID response. There needs to be an analysis that includes conflicts, tensions and other factors. It's also important to monitor the development of conflicts and the outcomes of global calls for ceasefires.

Similarly, sanction regimes need to be reconsidered in countries where there are strong humanitarian needs. The international community must avoid a situation where sanctions make the humanitarian response more difficult, which is unfortunately the case in situations such as Iran, Syria or Venezuela.

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