

Towards a global compact on refugees

Thematic discussion three: Meeting needs and supporting communities

**Palais des Nations, Geneva
18 October 2017**

PANEL 4: How can we bring innovation to humanitarian assistance to achieve greater efficiency, effectiveness, and accountability?

German Intervention

Ladies and gentlemen,

Germany aligns itself with the statement given by the EU on behalf of its member states.

Germany is taking a leading role in developing innovative mechanisms and tools for a more efficient and effective use of scarce resources within the humanitarian system, especially in the context of risk reduction, preparedness, early warning and early action.

We have launched a special preparedness initiative already in 2011 to enable a forward-looking, anticipatory humanitarian assistance. In this regard we are supporting the development of a Forecast-based Financing approach in cooperation with the International Red Cross and Red Crescent Movement and the World Food Programme (WFP). This Forecast-based Financing mechanism uses extreme weather forecasts to activate the timely disbursement of funding for humanitarian organizations to implement targeted preparedness actions before disasters strike.

Forecast-based Financing enables such early actions through an innovative analysis of specific danger levels and the identification of forecast triggers. We are supporting pilot projects of this approach in high risk countries, such as Bangladesh, Haiti, Mozambique and the Philippines to minimize the impact of future extreme weather disasters, to alleviate human suffering, reduce the material damage and therefore also reduce the risks of disaster displacement situations.

One example to accelerate innovations for the humanitarian system is WFP's Innovation Accelerator supported by Germany. The goal of the Innovation Accelerator is to identify and nurture innovative ideas and to turn them into high impact, scalable opportunities. Based in Munich, the WFP Innovation Accelerator has so far supported over 150 internal and external innovative ideas to accelerate the development of cutting-edge solutions through financial support, access to a network of experts and a global field reach. The Innovation Accelerator benefits from close cooperation with the private sector, research institutes and universities as well as civil society and – important – with the network of WFP field offices and the experienced humanitarian practitioners working with WFP in the field.

In addition, the use of cash has already increased efficiency and effectiveness of the humanitarian response, especially where it is used at scale, collaborative approaches of humanitarian actors are promoted and common cash facilities are used. Beneficiary feedback is increasingly considered to influence programming decisions in cash response.

In line with ambitious Grand Bargain commitments to significantly scale up the use of cash, humanitarian actors are expanding cash-based interventions. The programme of action should encourage tracking this scale up of cash in line with definitions currently being developed under the Grand Bargain work-stream. This includes strict disaggregation of assistance by transfer modality, i.e. cash, voucher and in-kind.

In order to achieve greater efficiency and effectiveness, the programme of action should consider cash the default modality. That is, cash should be systematically considered in the response analysis ("Why not cash?") and used whenever it is appropriate to reach the desired outcomes and in the interest of the refugee or person of concern.

There is a need to build more knowledge and capacities required to increase the use of cash assistance as a tool for the protection of refugees or persons of concern. The implementation of the CRRF should support on-going efforts to demonstrate how cash can achieve meaningful outcomes in protection, and that the evidence is disseminated.

Multi-purpose cash grants are increasingly used to cover the full range of basic needs across sectors. The programme of action should promote multi-purpose cash grants for basic needs, which are preferably provided as a single transfer, thereby allowing for efficiency

gains. Mixed modality projects, providing additional services alongside multi-purpose cash, can be a good way to meet all needs of refugees and other persons of concern in a holistic way.

UNHCR's plans to externally review the various common cash facility models, including a mapping of their strengths and potential to be used in different types of refugee situations. The programme of action should build on the results of this analysis and develop currently existing models further, for example, to facilitate better linkages with national social protection systems where appropriate, or in terms of further efficiency gains.

More research is needed on the risks of increased use of cash to meet the needs of refugees and persons of concern. The implementation of the CRRF should contribute to generate further evidence on risks of models that are currently being developed to deliver cash at scale and possible mitigation measures, and ensure results are shared and discussed in the relevant technical fora.