

## Recommendations for Managing the Impacts of the US Funding Freeze on Interagency Coordination

In this extremely difficult funding environment, it is clear that the interagency coordination system will have to undergo a major contraction – far above and beyond the “efficiencies” and “prioritization” conversations that were already underway prior to the US Executive Order. The question is what this contraction looks like: do we consolidate the remaining resources in a smaller number of countries, shutting down the coordinated humanitarian response in others? Or do we maintain some coordination footprint across all (or the majority) of current operational contexts, but with a far lighter footprint? What would either of these options look like?

NRC welcomes the fact that these issues have started to be discussed in the EDG and will be tabled at the IASC Principals meeting on 19 February. To help inform these conversations, NRC would like to offer some suggestions on a way forward.

1. **Radically lighten the Humanitarian Program Cycle (HPC).** Given the likely impact of the funding freeze on information management (IM) capacities, we have no choice on this: we simply have to dramatically lighten the HNRP process. But in addition to being an operational necessity, scaling back the HPC would also free up space for lighter and more agile coordination focused on operational response and technical support. We will not go into the details of what HPC lightening could look like in this document (though happy to do so separately), but feel it is critical to recognize this as a precursor to all of the other options below.
2. **Take a modular approach to national Cluster deactivation and prioritization.** NRC agrees with the EDG’s recommendation that the formal humanitarian coordination system can potentially be deactivated in a limited number of countries where needs are less acute or other capacities are present to manage the response effectively. Recognizing that many countries continue to have significant protection and assistance needs that cannot or will not be met by other actors, however, we suggest taking a more modular approach to scaling down coordination across these other contexts – namely, by assessing the coordination needs for individual clusters within countries and contracting on a cluster-by-cluster basis, while preserving the humanitarian leadership and strategic decision-making forums. Concretely:
  - a. The IASC Emergency Director’s Group (EDG), in consultation with the Global Cluster Coordinator’s Group (GCCG), could propose a set of overarching criteria for where individual cluster capacity is needed – notably, based on the number of partners present requiring coordination. These criteria could then be shared with either:
    - i. HCs and HCTs for their assessment of which clusters could potentially be deactivated in their context, or
    - ii. Global clusters, for them to assess across national clusters and prioritize.
  - b. If the first option is pursued (proposals by HCTs on which clusters should be deactivated), we suggest that this is then vetted by the global clusters to ensure that they agree with the prioritization across contexts and to ensure that some clusters are not left behind by HCTs.

3. **Get creative with remaining coordination capacities.** Once coordination priorities have been identified for each context/cluster, we must then consider how to meet those coordination needs in an environment of severely reduced capacities. In NRC's view, the independence of cluster coordinators should be preserved wherever possible, and double hatting should be avoided at national level unless absolutely necessary. NRC also recognizes that coordination is a specific skillset, and it cannot be assumed that program colleagues will always be well-suited to do this. With this in mind, the following options could be considered:
  - a. **From global level, redistribute remaining UN and NGO coordination capacities across prioritized contexts.** If a UN agency or NGO is able to maintain an independent (i.e. not double hatted) coordinator position in a particular context, the other coordinator could potentially be shifted elsewhere – with the aim of having a single, independent coordinator (either UN or NGO) in all priority contexts. This would require the system to collectively become more comfortable with standalone NGO coordinators.
  - b. **Merge cluster capacities at national level.** Where there is a close relationship between two clusters (e.g. health and nutrition, or nutrition and FSL), these could share a coordinator. Meetings could be merged where possible, or continue to be held separately if needed.
  - c. **Promote leadership by national NGOs.** National and local leadership of clusters is long overdue already. Now more than ever, this could be actively promoted and pursued. In doing so, however, it will be important to ensure the NGOs are given space to truly engage independently – if their primary funding comes from the Cluster Lead Agency, they may feel less comfortable pushing back when needed.
  - d. **Pool IM capacities.** This might work particularly well where multiple clusters are coordinated by the same agency, but could also be managed independently.

Each of the above will require a collaborative and flexible approach from global and national clusters, cluster lead agencies, and HCTs, which we hope we can count upon.
4. **Simplify and consolidate sub-national coordination.** In the current funding environment, we simply cannot afford to have clusters replicated at all sub-national levels. This is not only about resourcing for the coordination positions (recognizing that many sub-national coordinators are double hatted); it is also about the time it takes for partners to attend a multitude of parallel meetings.
  - a. Concretely, HCTs could be asked to take action to simplify and consolidate sub-national coordination, defaulting to multi-sector, area-based coordination wherever possible (led either by OCHA or whichever actor is best-placed). While some sector-specific coordination may still be needed at state/governorate/provincial level where there are a multitude of partners, this should again preferably be consolidated to the greatest extent possible (e.g. by relevant clusters and AORs meeting together).
5. **Recommit to consolidating operational footprints.** One of the challenges with current coordination practices is that there are simply too many organizations with which to coordinate. UN agencies, large NGOs, and donors alike should be more intentional in concentrating their footprint and resourcing – namely, by delivering the full range of their relevant programming in an area, rather than dispersing their sectoral responses across different locations. While project-funded organizations may have less flexibility to make immediate changes to where their programs are located, they could either ask their donors

for flexibility on this or work to further consolidate their presence when submitting new proposals.

To conclude, NRC is conscious that many of our operations, and those of our peers, are facing severe cuts – cuts that mean lifesaving programs will be put on indefinite hold. While this paper focuses on how to manage the funding freeze as it relates to coordination, we also firmly believe that there is no value in coordination if there are no partners or programs to coordinate. As such, we believe it is vital to direct the maximum resources to operational response. Even with these incredibly difficult circumstances though, and perhaps all the more because of them, we also continue to believe that effective coordination is needed to make sure that assistance and protection reaches where it is needed most. Our responsibility is to identify how we can deliver the essential elements of coordination with the least resources possible.