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## **Field perspectives on multi-year humanitarian funding and planning**

How theory has translated into practice in Jordan  
and Lebanon

report

# Acknowledgements

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# Acronyms

FTS	Financial Tracking Service
JCLA	Justice Center for Legal Aid
MOPIC	Ministry of Planning and International Cooperation in Jordan
MYHF	multi-year humanitarian funding
MYHFP	multi-year humanitarian funding and planning
NGO	non-governmental organisation
OCHA	Office for the Coordination of Humanitarian Affairs
OECD	Organisation for Economic Co-operation and Development
SGBV	sexual and gender-based violence
UN	United Nations
UNHCR	UN High Commissioner for Refugees
WFP	World Food Programme

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# Executive summary

The research below seeks to support the Grand Bargain workstream on enhanced quality of funding by providing evidence from two countries – Lebanon and Jordan – on multi-year humanitarian funding and planning (MYHFP).

Both sample countries have experienced protracted humanitarian crises with consistently large numbers of displaced populations. Total humanitarian funding to both responses has remained high since 2013, though it has steadily decreased in recent years. These conditions, coupled with the presence of multi-year strategic response plans, seem conducive to realising MYHFP.

The key informant interviews in both countries indicate a lack of a commonly agreed definition of multi-year humanitarian funding (MYHF) in terms of the time frame of grants. According to their own definitions, donors and implementers reported a wide variation in the share of MYHF provided and received. There was a shared sense in Lebanon and Jordan that the overall proportion of MYHF has not been significant enough to transform the humanitarian response, despite increases since 2016. The provision of multi-year grants beyond the first level of funding was reportedly even more limited across all international implementers. These implementers cited a lack of their own budget visibility, limited capacity by downstream partners to absorb long-term funding, and restrictions on the original grant as obstacles to providing multi-year sub-grants.

Donors and implementers in both contexts reinforced the need for MYHF to be flexible to unlock its potential in improving the response. This can reportedly be achieved through low levels of earmarking or by allowing for adaptive programming. The latter requires the ability to move funds between budget lines, activities, geographical regions and years with minimal delays.

In terms of the links between the time frame of funding and planning processes, all interviewed actors in Jordan and Lebanon plan strategically for the longer term, though this tends to be marginally influenced by the funding available. The link between time frame of funding and that of programmes varies by the size of operations, with the largest implementers relying on a mix of income streams with different time frames and levels of earmarking, making it more difficult to implement multi-year funding as multi-year programmes.

The perceived efficiency gains through MYHFP in both contexts were through lower administrative burdens of grant management and higher staff retention for implementers. The internal capacity building through the latter was identified to be of particular importance to local and national actors.

Interviewees further identified a range of effectiveness gains unlocked by flexible MYHFP. These include a continued presence, resulting in greater trust with affected populations, and better baselines through a longer start-up phase. Through flexible and predictable funding, implementers cited the benefit of being able to adapt programmes

based on learning and changing need. It might also provide the opportunity in more stable crisis contexts to facilitate a transition from humanitarian to development response.

Throughout the research, several recommendations to the global Grand Bargain workstream on enhanced quality of funding are identified based on field perspectives from all stakeholders. These include the need to establish a shared understanding of how to define MYHF and what its role should be in different contexts: to more effectively meet humanitarian needs or to transition to a development response. There also seems to be scope for donors of MYHF to share their lessons learned, and for implementers to outline more clearly what MYHFP enables them to do. The provision of multi-year sub-grants remains a challenge that requires stronger efforts to realise the benefits of MYHFP through the entire humanitarian system.

# Introduction

At the Grand Bargain Annual Meeting in 2019, the provision of higher quality humanitarian funding was identified as a key enabler to move towards a more efficient and effective humanitarian response. Since the merging of the Grand Bargain workstreams on multi-year humanitarian funding and planning (MYHFP) and on reduced earmarking, the newly formed workstream on quality funding has sought to build an evidence base on the presence and impact of predictable and flexible funding (NRC, FAO and OCHA, 2017; Development Initiatives, 2019).

The purpose of this research is to contribute to an improved understanding of how predictable and flexible funding affects the reality in the field. It identifies recommendations to the global Grand Bargain workstream on enhanced quality of funding, based on these field experiences by donors and implementers alike. Jordan and Lebanon were selected as two sample contexts, given their protracted and relatively stable crisis contexts with a degree of comparability.

The report is structured in two sections. The first section explores the field perceptions on definitions and extent of MYHFP in both Jordan and Lebanon. This includes evidence on the proportions of multi-year humanitarian funding (MYHF) at the first and second level. It further outlines the perceived synergies between flexible and predictable funding, before analysing how the time frame of funding links with that of strategies and programming.

The second section provides a summary of perceived and experienced efficiency and effectiveness gains for the response in both countries through MYHFP. Alongside a summary of anecdotal evidence, it analyses in greater detail how longer term funding and programming might benefit the localisation agenda and activities with a gender focus.

The research methodology is largely based on insights from semi-structured key informant interviews and complemented with quantitative data on MYHF directly collected from implementers in both countries.<sup>1</sup> The interviewees represent a range of stakeholders (humanitarian donors, the UN, development actors, international NGOs, and local and national NGOs), but the short research time frame prevented us from achieving a balance across the groups. The interviews were largely conducted in person during field trips over 10 days in each country, with some additional responses provided through remote interviews or in writing. The list of interviewees is provided in the Annex.

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<sup>1</sup> Quantitative data for both countries was provided by a small number of organisations that give most humanitarian funding (see Figure 3 notes).

# MYHFP in Lebanon and Jordan

This section outlines how MYHFP is perceived in both countries. After a brief description of the two country contexts it explores how MYHF is defined and to what extent it exists in both countries, at both first and subsequent levels of funding. This is followed by a synthesis of views on synergies between flexible and predictable funding, before finally exploring how the time frame of funding links with that of programming.

## Context of the responses in Jordan and Lebanon

**The relatively stable crises in Jordan and Lebanon, with consistently high levels of need and a continued influx of humanitarian assistance, are suitable contexts for MYHFP.**

Both country contexts have experienced a large influx of Syrian refugees since the escalation of the Syria crisis in 2012. The numbers of registered Syrian refugees in Lebanon between 2013 and 2019 were consistently between around 900,000 and 1,100,000 people, and for Jordan consistently between around 600,000 and 700,000 over the same time period. These numbers exclude unregistered Syrian refugees and are in addition to significant numbers of Palestinian refugees in both countries and Iraqi refugees in Jordan. The crisis response plans in both countries also target large numbers of impacted and vulnerable host communities; in 2019 these were 1,005,000 people in Lebanon and 520,000 people in Jordan (3RP, 2019).

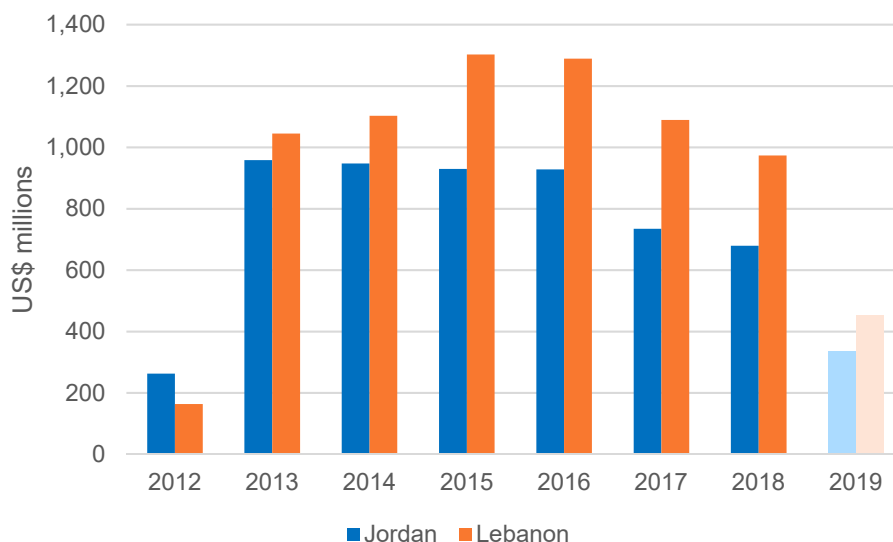
Total international humanitarian assistance to both countries since 2013 has remained high, though since 2016 it has been steadily decreasing (Figure 1). Humanitarian funding to Jordan, according to the UN Office for the Coordination of Humanitarian Affairs (OCHA) Financial Tracking Service (FTS), reduced from US\$959 million in 2013 to US\$679 million in 2018. Between 2013 and 2016 it was consistently above US\$900 million. Lebanon in turn received US\$1,045 million in 2013, increasing to US\$1,303 million in 2015 before falling for the first time in six years below US\$1,000 million in 2018 (US\$973 million).

Given the protracted nature of crises in Jordan and Lebanon, both have multi-year strategic crisis response plans. They are part of the Syria Regional Refugee and Resilience Plan (3RP), which has a rolling two-year time frame. Individually, they each have a country-specific crisis response plan jointly designed by the respective governments and humanitarian agencies. Those both also have a multi-year time frame, the Lebanon Crisis Response Plan (LCRP) from 2017 to 2020 (Government of Lebanon and UN, 2019) and the Jordan Response Plan from 2017 to 2019 (MOPIC, 2018).



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**Figure 1. Humanitarian assistance to Jordan and Lebanon as reported to UN OCHA FTS, 2012–2019**



Source: Development Initiatives based on UN OCHA FTS data, downloaded 9 September 2019.

Notes: Data in the chart includes commitments that are legally binding funding obligations and disbursements. Funding data for 2019 is preliminary and therefore shaded lightly in the graph.

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## Field definitions of MYHF

**There was no commonly agreed definition of MYHF in relation to duration or conditions of contracts, though areas of consensus on what this might entail were evident.**

The absence of this definition makes analysis of the scale and impact of MYHF challenging. The variety of understandings from actors in Jordan and Lebanon of what MYHF entails, especially in terms of its time frame, reflects the absence of a shared definition at the global level (Development Initiatives, 2019). This variety exists in both countries, within and between all interviewed stakeholder groups (donors, UN, NGOs).

The time span of what both donors and implementers perceive as MYHF ranges between longer than twelve months to at least three years. Of the 30 interviewed organisations, 25 specified a time frame of a minimum of either 12 or 24 months, evenly split between the two. Some organisations in the latter group cited the Organisation for Economic Co-operation and Development (OECD) definition of MYHF (OECD, 2017) as a point of

reference.<sup>2</sup> Five multi-mandated organisations, including all three national actors that were interviewed, considered funding with a time span of at least three years to be multi-year.

There was agreement across all interviewees on two points. Firstly, these definitions would only count funding that is tied to legally binding agreements, and thereby exclude informal commitments. This is not to say that there are no other ways of providing predictable funding (e.g. through donor support groups or other strategic, long-term partnerships between individual donors and implementers), but they are regarded as separate from MYHF. Secondly, there was a consensus that the time frame of consideration would be that at the outset of the funding agreement. Funding that is extended to become multi-year is not included, given these extensions usually come at short notice and therefore do not allow for longer term planning or funding predictability from the outset.

**Recommendation 1: Develop a globally shared definition within the Grand Bargain workstream on enhanced quality of funding of what constitutes MYHF. This should be informed and endorsed by humanitarian country teams. While a common interagency definition should not limit agencies in maintaining their own, context-specific understandings, it would enable MYHF tracking at the global and country level and provide a shared point of reference for both donors and implementers.**

## **Proportions of first-level MYHF in Jordan and Lebanon**

**In both countries there was a wide variation in the extent to which donors' and implementers' country portfolios were multi-year funded. There was also a shared sense across all stakeholders that at the system level the proportion of MYHF was not significant enough to transform the humanitarian response.**

Before delving into the detail of the distribution of MYHF in both countries, it is crucial to note the protracted and relatively stable nature of the crisis contexts. This means that lines between the humanitarian and development response, and thereby also funding, are increasingly unclear and sometimes not helpful. Both donors and implementers reported that the same activities might be framed interchangeably to have a humanitarian or development focus. The same ambiguity will therefore apply to actors reporting their respective proportions of MYHF, depending on their mandate and how narrow the respective definition of humanitarian is.

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<sup>2</sup> In this document the OECD defines MYHF as “funding given over two or more years for humanitarian assistance, including funding for multilateral organisations, national disaster management agencies, the Red Cross and Red Crescent Movement and local and international NGOs” (p. 1, OECD, 2017).

With that in mind, there is reportedly a large range of how much MYHF individual donors provide in both countries. Of the interviewed group, two donors – Canada and Australia – launched multi-year response strategies for the regional Syria response,<sup>3</sup> and the funding provided had the same multi-annual time frame. Two additional donors – the UK and the German Federal Foreign Office – have reportedly been almost exclusively providing humanitarian funding as multi-year in both Jordan and Lebanon, based on the relatively stable context and feedback from their implementing partners. An additional two donors provide between 20% and 30%, and the remaining three having been largely unable to provide funding beyond annual cycles due to restrictions with budgetary approval processes. Interestingly, one of these three donors noted that, while the humanitarian department is largely unable to provide multi-year funding at the country level, the development counterpart routinely does, despite being subject to the same budgetary processes. Another factor in deciding the time frame of funding provided, especially for donor agencies with a strictly humanitarian mandate, is therefore the notion that humanitarian assistance should only respond to immediate needs and be nimble if those were to change. In contexts such as Jordan and Lebanon there is a fear that funding with a purely humanitarian mandate might “disappear in the grey areas of the nexus” (quote from donor interview). This points to the need to clarify the role and expectations of MYHF in crisis contexts to ensure that humanitarian donors and implementers, and non-humanitarian actors, are on the same page.

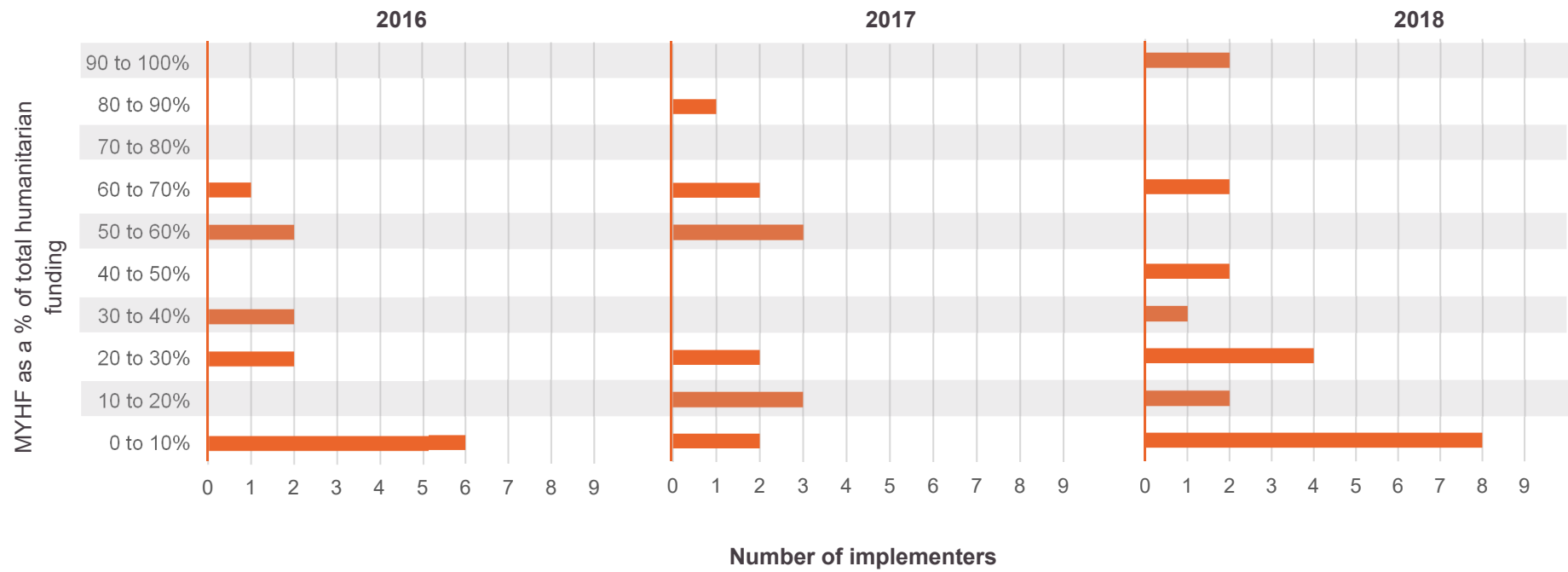
**Recommendation 2: Donors routinely providing MYHF in certain contexts should share their lessons learned for both internal processes and external results. Sharing and learning can occur at both global and country levels. For donors that are largely unable to provide MYHF, it might point to ways this could be achieved, either through internal changes or by establishing external financial instruments with the ability and a clear mandate to provide MYHF.**

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<sup>3</sup> For more information on Canada’s Middle East engagement strategy, which includes its multi-year response to the Syria crisis, refer to: [https://www.international.gc.ca/world-monde/international\\_relations-relations\\_internationales/mena-moan/strategy-strategie.aspx?lang=eng](https://www.international.gc.ca/world-monde/international_relations-relations_internationales/mena-moan/strategy-strategie.aspx?lang=eng).

For more information on Australia’s Syria crisis humanitarian and resilience package-design, refer to: <https://dfat.gov.au/about-us/publications/Documents/syria-crisis-humanitarian-resilience-package-design.pdf>.

Figure 2. MYHF received by individual implementers in Jordan and Lebanon, 2016–2018

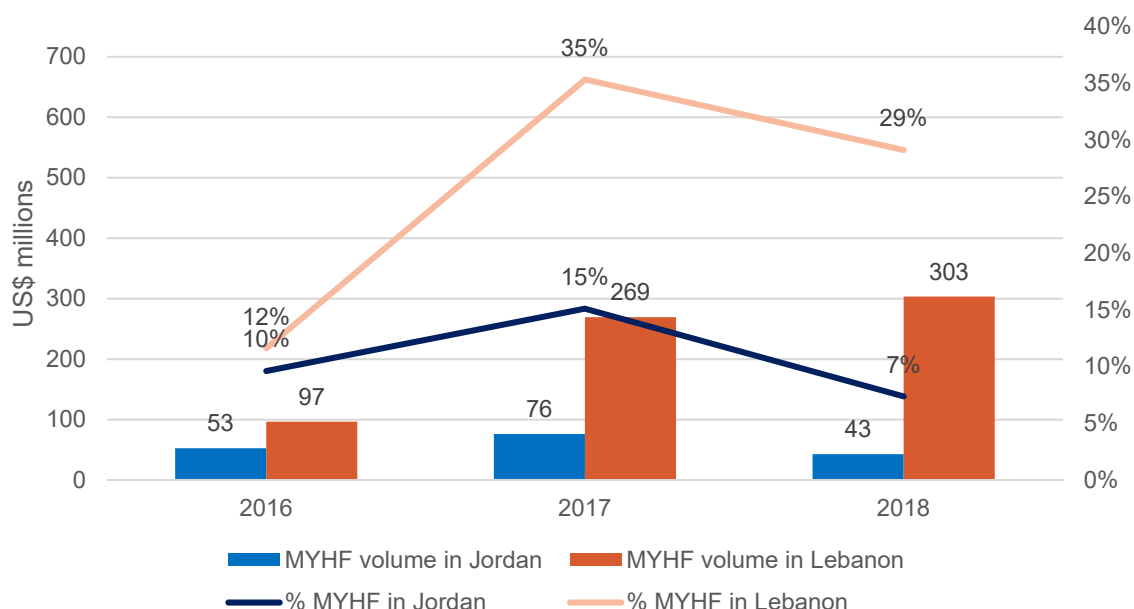


Source: Development Initiatives based on data collected bilaterally from implementing agencies through a quantitative survey and key informant interviews.

The proportion of MYHF in the implementers' country portfolios also varied greatly. Figure 2 shows that since 2016 an increasing number of organisations receive a higher proportion of their humanitarian country portfolios in the form of MYHF. However, two-thirds of implementers in 2018 received 30% or less in MYHF with more than a third (38%) remaining between 0% and 10%.

This image of unstable progress in levels of MYHF since the Grand Bargain commitments in 2016 is reflected in the total volumes of funding available to the response (Figure 3). Large increases in the proportion of total MYHF in both countries from 2016 to 2017 were followed by a drop in 2018. The sense from the interviews was that this proportion will at best remain at this level but might even decrease. While some sources indicate overall volumes of humanitarian funding are also decreasing (Figure 1), the 2019 figures are to be treated with caution as additional funding and thereby reporting will occur towards the end of the year.<sup>4</sup>

**Figure 3. Volumes and proportion of total MYHF received by implementers in Jordan and Lebanon, 2016–2018**



Source: Development Initiatives based on data collected bilaterally from implementing agencies through a quantitative survey.

Notes: The data captures what is considered as humanitarian and as multi or single year as per the definitions of the respective implementing organisations, which might differ from what donors consider as humanitarian or multi or single year. Data for Lebanon includes funding figures reported by eight implementing agencies, which on average represent 70% of the total humanitarian funding to the response as reported to the FTS. Data for Jordan in the graph is preliminary as it only includes funding figures reported by five implementing agencies, which on average represent 62% of the total humanitarian funding to the response as reported to the FTS.

<sup>4</sup> For Jordan, unpublished tracking exercises indicate that the level of funding to the Jordan Response Plan will reach a similar level as in previous years.

Most actors across all stakeholder groups agreed that, on a systemic level, MYHF in both Jordan and Lebanon has not reached a critical mass to transform the humanitarian response. Reasons behind this are detailed below, and they explore the link between MYHF and programming. On an organisational level, most actors were unable to specify what amount of MYHF would be required to significantly change their operations. Some were, however, able to provide examples of how enough long-term funding can transform their programming, planning and fundraising (Box 1).

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### **Box 1. Tipping the scale of MYHF**

An organisational example of leveraging a multi-year grant

An international NGO in Jordan that is part of the refugee response currently receives less than 5% of their country portfolio in the form of MYHF. However, it is in the process of finalising a multi-year grant for a livelihoods programme that would represent an additional 15% of the total humanitarian funding received. The Head of Programmes outlined how they plan to leverage this funding to transform programming and fundraising in Jordan:

- Given its scale and being at the core of the NGO's activities in-country, the programme will influence the entire planning process for activities in Jordan; it will be a fully funded core activity that other interventions can be built around. It will enable the development of a new country strategy linking livelihoods and protection that matches the three-year time frame of the project.
- In terms of fundraising, there have been ongoing conversations with donors that are keen to provide longer term funding only if operational sustainability is not fully dependent on their contributions. This multi-year, fully funded project provides the NGO with a reference point for potential donors on where their contribution fits in.

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**Recommendation 3: Implementers should build an evidence base of how existing MYHF, even if relatively small, improved their response, while specifying the potential gains to be unlocked by greater amounts. Throughout the research process there was a recurring 'catch-22' situation: donors stated that improvements through existing levels of MYHF are not clearly visible to them, with implementers responding that this is due to the small amounts provided. In-country dialogue and evidence sharing by organisations receiving higher proportions of long-term funding on how it benefits their response might unlock more MYHF available to all actors. It could potentially lead to a virtuous cycle of collective learning resulting in a more sustainable and collaborative response.**

## Extent of multi-year humanitarian sub-grants

**The provision of MYHF beyond the first funding level by all international implementers, for example in the form of sub-grants, is reportedly much more limited.**

Limited evidence of such multi-year sub-grants at the country level in Jordan and Lebanon mirrors the global picture (ODI, 2019; Development Initiatives, 2019). This, therefore, remains a key challenge to be overcome for the perceived benefits of MYHF to be realised for downstream partners.

Out of all the interviewed public donors, only one required its implementing partners to transfer the terms from the initial grant to all related sub-grants. Some other donors that provided MYHF in turn encouraged their implementing partners to also provide multi-year sub-grants, but they did not monitor whether this was the case. The remaining donors left the decision on which terms to apply to sub-grants entirely up to the implementing partner.

From the interviews with international implementers it became clear that it can by no means be an automatic process of receiving multi-year grants and passing them on as multi-year sub-grants. There are several preconditions to be met from their perspective to be able to provide multi-year sub-grants:

- Income visibility must be given for the programme of the corresponding sub-grant. This is especially challenging for implementers funding their own programmes with multiple income streams that come with different time frames and levels of earmarking.
- The sub-grantee must have the organisational capacity to absorb multi-year funding and to plan and implement operations over the longer term.
- There are no restrictions on the original grant as to which types of organisations might receive sub-grants, or for how long.

The interviewed UN actors identified the first point as the biggest obstacle. Given that they often simultaneously implement and fundraise for the same programmes, their income is not predictable enough to provide budget visibility for their partners in subsequent years even though the cooperation might continue. There are some efforts underway to begin to improve this for partners. For instance, the UN High Commissioner for Refugees (UNHCR) is trialling in Lebanon multi-year agreements over two years with selected partners. Still, it remains challenging to provide full predictability of sub-grants; funding can only be committed annually as in the second year it is still conditional on UNHCR securing the required funds first.

There was a variation across NGOs on whether and how multi-year sub-grants are provided. Partnership-based organisations carefully screen their local and national partners and tend to fund their long-term cooperation by default. Other international NGOs referenced the three preconditions above as limiting their ability to provide long-term funding to downstream partners, while recognising that more could be done to enable this. One identified solution to the challenges of providing multi-year sub-grants is to apply for funding as a consortium. The consortium members would then share the terms of the grant as equal partners, including the time frame, thereby circumventing power imbalances between sub-grantee and grant holder. However, this solution might come with a risk for the consortium lead as legally responsible grant holder, that would have to deal with potential mismanagement by other consortium members to avoid being penalised. While this might address the issue of sharing the benefits of MYHF for individual grant agreements, it is unlikely to achieve this systemically. Given the most commonly cited obstacle to providing multi-year sub-grants was a lack of

income visibility for the provider, a critical mass of MYHF at the first level of funding might be required to unlock multi-year sub-grants at scale.

**Recommendation 4: Large implementing agencies (notably the UN and international NGOs) should proactively seek to cascade more MYHF to partners, sharing learnings between agencies on what tools and mechanisms can best achieve this. At the same time, large agencies and donors need to engage in dialogue to identify what both parties need to do to enable income visibility over multiple years to facilitate greater pass-through of MYHF.**

## **Synergies with flexibility for MYHF**

**Donors and implementers in Jordan and Lebanon reinforced the need for MYHF to be flexible to unlock its potential to improve the response through low levels of earmarking or by allowing for adaptive programming.** This is in line with an increasing body of evidence on the links between flexibility and predictability (NRC, FAO and OCHA, 2017; SIDA, 2018; UNICEF, 2018; Cabot Venton, 2013).

In both countries there has been an increase in levels of earmarking accompanying the increase in MYHF, matching global trends (Development Initiatives, 2019). Implementers noted that it is difficult to accept tightly earmarked MYHF, as it cannot be guaranteed that needs and contexts remain the same. For NGOs, given that grant agreements tend to be linked to the proposed programmes, the level of earmarking for MYHF is consequently high. Some exceptions with lower levels of earmarking are global framework agreements over multiple years that some NGOs have with individual donors, and appeals funded through private donations.

**Interview respondents highlighted that the ability to move funds between budget lines, activities, geographical regions and years over the course of a grant agreement is another important aspect of flexibility.** Interviewees across all stakeholder groups agreed that for MYHF it is indispensable to remain flexible in what the funding sets out to achieve should the context and therefore the appropriateness of the response change. Some of this flexibility might be relational, based on trust built over long-term partnerships, but its importance should be recognised from the outset. Maintaining this flexibility to respond adaptively might also diminish some donors' concerns that funding committed for the longer term reduces their ability to reprioritise funding if needs change. However, while all donors providing MYHF recognised the need to allow for revisions based on changing needs or evidence of learning, agreeing to those changes was reported to sometimes be a lengthy process.

**Recommendation 5: Donors to foster the flexibility to adapt programming for more tightly earmarked MYHF, building on existing best practices of flexible funding. This might be achieved by establishing swift grant amendment processes, regular review processes or contingency funds in the form of crisis modifiers.**



## Linking MYHF with strategic and programmatic planning

**While all interviewed actors in both Jordan and Lebanon plan strategically for the longer term, the links between the time frame of funding and programming are more ambiguous.** A better understanding of this link is necessary to be clear on how longer term funding can lead to more effective, longer term programming, as the perceived improvements in the response through the provision of MYHF (see below) often presume that it results in multi-year programmes.

In terms of multi-year planning, both countries benefit from a range of interagency multi-year strategic frameworks. For the humanitarian response there are the Lebanon Crisis Response Plan 2017–2020 (Government of Lebanon and UN, 2019) and the Jordan Response Plan (MOPIC, 2018), as well as multi-year development frameworks between the UN and the respective governments. All interviewees stated that their own strategic planning is in line with the relevant interagency frameworks. Internally, all donors and implementers devised their own funding and response strategies for multiple years considering the relatively stable contexts in both countries with a foreseeable minimum need.

The formulation of those strategies was rarely influenced by the time frame of funding provided or received. As mentioned above, Canada and Australia both matched their multi-year strategies in the region with funding for the same period. Most other donors use a mix of short- and long-term funding, or at most annual funding, to work towards independently formulated long-term goals. Most implementers also developed their strategies largely separately from the funding already secured. These would be informed by the mandate of the respective organisations and the current and anticipated levels of need. In two exceptional cases for NGOs, a single large-scale, multi-year grant would be significant enough to shape the country strategy.

**In both countries it varied by organisation type and size of operations how closely the time frame of funding is linked to that of activities.** To most consulted NGO representatives the time frame of the grant agreement usually determines the duration of the activity linked to the funding. This is due to high levels of earmarking and a small number of grants funding an activity. In the absence of multi-year funding, well established and international NGOs might have other ways of ensuring continuity of programmes through top-ups from their headquarters or flexible, private funding from appeals. This, however, comes with greater uncertainty of whether that funding might be available when needed.

UN representatives with large country operations indicated that for them the relationship between time frames of funding and the implemented activities is more complex. Single programmes are often of such a scale that individual grant contributions are not enough to fully fund them. Those programmes therefore must be funded by a mix of income streams with different levels of earmarking and time frames. This makes it very difficult to predict to what extent or how they might be funded in the following year. Still, UN agencies manage to combine funding streams to continue and improve the same programmes over multiple years. For instance, the systems and processes developed over multiple years for the provision of cash and voucher assistance (e.g. for the World Food Programme (WFP)'s general food assistance or UNHCR's multipurpose cash programmes) reportedly result in a

more efficient and effective response.<sup>5</sup> MYHF therefore facilitates the longer-term planning process by providing more budget visibility, but low levels of earmarking are at least equally important in providing the flexibility to plug gaps in funding wherever and whenever they might arise.

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## **Box 2. Political challenges to MYHFP**

The effects of domestic and international politics on longer term planning

The uncertainty around how changes in the political climate or legislation might affect the ability to plan a longer term response was frequently raised by interviewees. Some noted that the implementation of more restrictive labour laws in Lebanon immediately affected livelihood programmes, and that the demolition of refugee shelters was a setback for the humanitarian response. This raised the question of the extent to which an integrated and sustainable refugee response with a longer view might be possible if there is a strong focus on returns and little interest in full socioeconomic integration.

While donors reportedly navigate these challenges in an ad hoc manner in their continued engagement with the domestic government, implementers pointed out that MYHFP gives them credibility in their engagement with the national authorities. It acts as a signal that their presence in the country is for the long term to address the same needs in the country as faced by the government. Uncertainty in the political context also reinforces the need for flexible (i.e. unearmarked or adaptive) funding to be able to quickly react to changing circumstances.

Interviewees also recognised that changing international politics might have adverse effects on the predictability of funding, with funding committed over multiple years providing more continuity even if donors' priorities suddenly change.

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<sup>5</sup> For UNHCR's multi-purpose cash programme evaluation see [https://www.actionagainsthunger.org.uk/sites/default/files/publications/unhcr\\_report\\_final\\_low\\_res\\_digital\\_infographics.pdf](https://www.actionagainsthunger.org.uk/sites/default/files/publications/unhcr_report_final_low_res_digital_infographics.pdf), and for WFP's general food assistance evaluation see [https://docs.wfp.org/api/documents/WFP-0000101797/download/?\\_ga=2.18271674.240435372.1568326869-688492402.1568117273](https://docs.wfp.org/api/documents/WFP-0000101797/download/?_ga=2.18271674.240435372.1568326869-688492402.1568117273).

# Field perspectives on the benefits of MYHFP

This section provides a summary of anecdotal evidence by actors in Jordan and Lebanon on the perceived and experienced benefits of MYHFP for the efficiency and effectiveness of the response. The importance of MYHFP to the localisation agenda and activities with a gender focus is also explored.

## Efficiency through multi-year funding

**Interviewees in both Jordan and Lebanon quoted efficiency gains in grant management and staff retention through multi-year funding.** As with other research on the topic (Levine, et al., 2019; NRC, FAO and OCHA, 2017), these cost savings could not be quantified, but shared views and experiences by donors and implementers were reported.

Both donors and implementers reported that longer funding time frames often ease the administrative burden by simply reducing the number of grant agreements. This in turn reduces the number of contracts to be negotiated, opened, managed and closed. Implementers also noted that this frees up fundraising capacity to focus on securing grants from other donors instead of having to renegotiate with the same donor in the future. Specifically in Jordan, where the Ministry of Planning and International Cooperation (MOPIC) needs to approve every project that is funded from international sources, these time savings are even more substantial given the potentially lengthy approval process of up to several months. For a multi-year project, it is possible, though not always the case, to only go through this detailed approval at the outset, avoiding delays faced each year by annually funded activities. Still, most reporting processes are driven by demands through internal accountability processes and therefore marginally influenced by the time frame of grants. There was a consensus that the reporting burden is much more strongly affected by differing requirements across donors. In terms of softly or unearmarked multi-year funds, it came through strongly that certain donors feel they might lose visibility of where and how their funds are directed, making it difficult to be accountable to their parliaments. However, heavy reporting requirements on this funding can in turn limit its utility. One interviewee noted that if a donor of unearmarked funds requires exact numbers of people reached in the reporting, there is no choice but to direct the funds to a specific activity, limiting its value to be spread across programming where gaps arise.

**Recommendation 6: Grand Bargain signatories to progress workstream commitment 8.1<sup>6</sup> in cooperation with Grand Bargain workstream 9 on harmonised reporting requirements and Grand Bargain workstream 4 on reduced duplication for functional reviews. To counter a trend of increased earmarking for multi-year funding (Development Initiatives, 2019), a balance must be struck between what**

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<sup>6</sup> In this commitment, aid organisations and donors commit to: “Jointly determine, on an annual basis, the most effective way of reporting on unearmarked and softly earmarked funding and to initiate this reporting by the end of 2017” (Grand Bargain, 2016).

## reporting is necessary for donors to be accountable to the taxpayer and what is feasible for agencies.

Both donors and implementers noted that MYHFP led to higher staff retention through longer contracts and thereby more internal capacity building. The benefits of greater retention of expertise spilled over into improving effectiveness, though again only anecdotal evidence is available to support this.

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### Box 3. MYHFP and localisation

#### The need for long-term cooperation with local and national actors

Reinforcing national and local actors' capacity to respond to crises through continued cooperation with international actors is a well-known aspect of the localisation agenda (IFRC, 2018). Interviewees from international NGOs working in close partnership with national NGOs clearly pointed out the need for long-term funding and technical assistance so their national partners can sustainably localise the response. Perhaps unsurprisingly, short-term funding to national and local actors that is often tightly earmarked to specific deliverables does not allow for investments in administrative capabilities and staff capacity (Bruschini-Chaumet, et al., 2019). Interview respondents noted that international organisations might be able to take the risk of retaining staff despite not having secured the necessary funds, as support from their headquarters could fill the gap if funding was not realised. This is, however, often not an option for local or national partners. The debate around the localisation of how humanitarian assistance is funded might therefore require a shift from emphasis on quantity, induced by the 25% goal specified in the Grand Bargain commitment, towards quality.

The Justice Center for Legal Aid (JCLA) in Jordan showcases the potential benefits of long-term investments to organisational capacity. It established itself as the largest legal aid provider in the country with the help of two successive rounds of multi-year funding from the World Bank between 2012 and 2019. This funding sustainably improved JCLA's ability to contribute to the humanitarian response by providing legal assistance to refugees. This long-term financial support allowed JCLA to build a case management system and invest in data analysis skills and processes. It was also used to design standard operating procedures and training manuals, and to fund the organisations' expansion into 12 governorates. These significant returns on the start-up cost leveraged the effectiveness of new funding received and thereby transformed JCLA's ability to respond beyond the duration of these two multi-year grants.

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## Effectiveness through multi-year programming

**Interviewees cited anecdotal evidence for a range of potential and experienced effectiveness gains unlocked by flexible MYHFP.** These perspectives from actors in Jordan and Lebanon reflect the established finding that effectiveness gains through MYHFP are not automatic but need to be carefully managed (NRC, FAO and OCHA, 2017; Levine, et al., 2019).

**Multi-year programming reportedly enables a continued presence geographically and with a target population.** This helps to build trust with affected communities. Implementers note this to be generally beneficial to the response but of particular importance for protection and participatory activities. It was also perceived to benefit processes around accountability to affected populations. A continued presence was also cited to improve the relationships with downstream partners (see Box 3) and responsible government ministries.

**A longer time frame of funding and programming also allows for a longer start-up phase, if necessary, with better baselines of the target population's needs and wider stakeholder consultations.** Implementers reported that this improved targeting and coordination with other implementing partners. Long-term programmes might also justify higher start-up costs of logistical infrastructure as returns on those investments are more predictable. This was cited to improve value for money, potentially beyond the duration of the programme for future funding. One donor noted that longer start-up phases to realise the benefits listed above are especially relevant for new approaches, as in a protracted crisis there usually are a range of existing programmes with short start-up phases to support.

**Flexible multi-year funding that can be shifted between budget lines and years allowed implementers to adapt programmes based on learning or changing need.** In terms of learning processes, respondents found that with a longer time frame of implementation it is feasible to obtain deeper insights through monitoring and evaluation of longitudinal outcome indicators. Several implementers also noted that their large-scale and long-term humanitarian programmes are much more likely to include parallel research or third-party monitoring processes, providing in-depth validation and learning.

**Recommendation 7: Donors and their implementing partners should jointly ensure learning through monitoring and evaluation is concluded before the annual review of the next year's MYHFP budget. As this might not always be possible (e.g. due to a lack of evidence on impact at the very outset of the activity), the flexibility to move funds between years could be beneficial.**

**There is an opportunity in relatively stable crisis contexts for long-term humanitarian funding to facilitate a transition to a development response where possible.** This, however, requires a wider and context-specific discussion with traditional development actors on division of labour. This is to avoid scarce humanitarian resources being increasingly diverted into grey areas of the nexus, while shortfalls in immediate humanitarian need might still be present. Development funding and activities should also extend into this grey area so that the transition of response from humanitarian to development is a process shared by humanitarian and development actors. There is a distinction to be made between MYHF for purely humanitarian activities and MYHF that also targets development outcomes. In some instances, certain humanitarian needs can be addressed more sustainably by a

long-term humanitarian response that also tackles their root causes. MYHF then incentivises the design of durable solutions through the predictability it provides.

**Recommendation 8: The Grand Bargain workstream on enhanced quality of funding should outline expectations of what MYHFP can achieve in different contexts, reflecting existing recommendations on how to successfully finance the nexus (NRC, FAO and UNDP, 2019), and clarify roles and responsibilities. This should be informed by experiences of humanitarian country teams.**

Most of the evidence provided on perceived or potential improvements in effectiveness through MYHFP is anecdotal. Multiple donors and implementing agencies referenced that they see more meaningful reporting and better results for longer term activities, though these documents tend to remain undisclosed between the two parties.

**Recommendation 9: Donors should share existing reports from their implementing partners on improved outcomes through MYHFP from bilateral reporting, where possible.**

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#### **Box 4. MYHFP and gender**

##### **Effects on gender-responsive and gender-transformative programming**

The research gathered perspectives on how long-term funding might benefit programming through a gender lens. This seems particularly relevant in light of a recent finding in an evaluation of MYHFP that “gender was the single biggest determinant of a person’s agency, in and out of crisis” (Levine, et al., 2019).

Respondents interpreted the corresponding interview question in two different ways: whether time frame of funding and programming makes activities more gender sensitive or more gender transformative. With regards to the former, most of the established implementers agreed that it is standard practice for them to design gender-sensitive programmes irrespective of their time frame. However, for organisations new to gender mainstreaming, MYHFP with a gender focus creates an incentive to build gender-sensitive organisational processes and culture that can trickle down from senior management to field teams. By allowing more time to build capacity on gender sensitivity, it is more likely to become part of the theory of change and not merely a tick box.

In terms of gender-transformative programming, many of the potential benefits of MYHFP still apply:

- Longer start-up phases with better, gender-sensitive baselines and targeting allow for a more appropriate response, especially as literature supports that different genders experience crises differently (Lafrenière, et al., 2019; IPPF, 2019).
- Consolidation of gender-related expertise.

- More effective policy work on changing norms and attitudes around gender roles and on the responsibility of the government in dealing with perpetrators of sexual and gender-based violence (SGBV) and assisting survivors. For instance, multi-year funding enabled the Lebanese women's rights organisation ABAAD to develop standard SGBV operations procedures and national case management curricula endorsed by the responsible ministries and universities.
  - Increased ability to work on preventing SGBV through workshops on the causes of harmful behaviours instead of purely reacting to incidents.
  - Building trust in safe spaces for SGBV survivors.
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Some of these aspects (e.g. prevention and policy activities) come back to the question of what the ambition of humanitarian funding is: to respond only to immediate need or to also address its root causes.

# Conclusion

It's evident from the field experiences that the time frame of funding and planning is only part of the story. Funding needs to be accompanied by flexibility to adapt to changing contexts, and a critical mass of predictable funding is required to transform a humanitarian response. The latter was also found to be relevant to unlocking the benefits of MYHFP at scale by enabling implementers to increasingly pass on MYHF to downstream partners. The challenge therefore remains under which conditions donors can provide the required levels of MYHF for implementers' operations to move to the longer term across their humanitarian response. A critical first step will be to agree a shared definition of MYHFP and what it will achieve. Without this, productive stakeholder discussions and monitoring of progress will be extremely difficult. Continued sharing of insights around how to effectively facilitate MYHFP – amongst both donors and implementers at country and global levels – is needed to harness the increasingly convincing case for long-term humanitarian approaches in protracted contexts and to inform their operationalisation.

The research also identified clear links with other areas and workstreams of the Grand Bargain. The challenge around providing predictable sub-grants to build organisational capacity is highly relevant to the localisation of humanitarian assistance. Harmonised financial reporting is likely to be required to free up administrative capacity to satisfy accountability demands by donors to increase their predictable and flexible funding. Lastly, while not a separate workstream anymore, the cross-cutting issue of operationalising the humanitarian–development nexus might depend on finding the right arrangements of predictable and flexible funding in the right contexts. This raises bigger questions around what the humanitarian response can realistically set out to achieve, and what role traditional development actors should play in it. The answers will be context specific, which is why protracted and relatively stable contexts, such as Jordan and Lebanon, might serve as most suitable starting points for more learning by doing more MYFHP.



# Annex: Interviewees

Name	Organisation	Geographical responsibility
Ghida Anani	ABAAD	Lebanon
Clare Nubel	ActionAid	Jordan
George Ghali	ALEF	Lebanon
Heather Patterson	Canada	Regional
Nathalia Watanabe	COOPI	Lebanon
Fadi Al-Mua'qat	Australian Government Department of Foreign Affairs and Trade	Jordan
Rana Nassar	UK Government Department for International Development (DFID)	Jordan
Tom Russell	DFID	Lebanon
Isabelle Saade	Dorcas	Lebanon
Salman Husain	Danish Refugee Council (DRC)	Lebanon
Suzanne Elder	DRC	Jordan
Jamale Chedrawi	European Commission Humanitarian Aid Office (ECHO)	Lebanon
Aly-Khan Rajani	Embassy of Canada	Lebanon
Tor Håkon Tordhol	Embassy of Norway	Lebanon
Francois Landiech	Embassy of Sweden	Lebanon
André Huber	Embassy of Switzerland	Regional
Sabine Rosenthaler	Embassy of Switzerland	Jordan
Jana Zemp	Embassy of Switzerland	Lebanon
Ryan Knox	EU Regional Trust Fund	Lebanon
Peer Koelling	German Federal Foreign Office	Regional
Jurg Montani	International Committee of the Red Cross	Jordan
Ani Melikyan	International Rescue Committee	Jordan
Ayesha Al Omary	JCLA	Jordan
Hadeel Abdel Aziz	JCLA	Jordan
Marion Cassiat	Jesuit Refugee Service	Regional
Amy Schmidt	Norwegian Refugee Council (NRC)	Jordan
Chiara Fabrizio	NRC	Jordan
Dan Sissling	NRC	Lebanon

Kate McGrane	NRC	Lebanon
Muriel Tschopp	NRC	Jordan
Bachir Ayoub	Oxfam	Lebanon
Isa Miah	Oxfam	Jordan
Emily Whitehead	Trócaire	Lebanon
Magalie Salazar	UN OCHA	Lebanon
Amani Salah	UN OCHA	Jordan
Filippo Busconi Ricci Oddi	UN OCHA	Jordan
Zola Dowell	UN OCHA	Jordan
Tom Lambert	United Nations Development Programme (UNDP)	Lebanon
Carla Calvo Manosa	UNHCR	Lebanon
Fiona Allen	UNHCR	Jordan
Francesco Bert	UNHCR	Jordan
Jessica Gut	UNHCR	Jordan
Marina Aksakalova	UNHCR	Lebanon
Victoria Sukhanova	UNHCR	Lebanon
Jacqueline Chu- Montell	United Nations Children's Fund (UNICEF)	Jordan
Maxime Bazin	UNICEF	Lebanon
Monica Arach	UNICEF	Regional
Sarah Hague	UNICEF	Lebanon
Kholud S. Al Edwan	US Bureau of Population, Refugees, and Migration	Jordan
Emily Fredenberg	WFP	Lebanon
Jacqueline De Groot	WFP	Jordan
Yasmine Kara	WFP	Lebanon
Hans Bederski	World Vision	Lebanon

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