## 

DUTCH RELIEF ALLIANCE STRATEGY 2018-2021

Accountability. Innovation. Collaboration. Localization







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DUTCH RELIEF ALLIANCE STRATEGY 2018-2021

> Humanitarian action is more needed than ever. In 2016, 164.2 million people were in need of international humanitarian assistance and an estimated US\$27.3 billion was required to meet their needs. The number of forcibly displaced people was 65.6 million, the highest ever recorded total. The total of UN coordinated appeals was US\$20.5 billion and the funding provided increased to US\$12.4 billion, but still left a gap of US\$8.2 billion or 40%.

In response to the increasing need and the growing funding gap, change processes have been initiated by the UN and by INGOs. There is a consensus that local and national humanitarian responders must and will play a much bigger role in responding to crises in the future. The role of offices of INGOs in industrialised nations will move away from operational management to campaigning, advocacy, fundraising and the capacity strengthening of local actors.

Since its inception in 2015 to the end of February 2017, the Dutch Relief Alliance (DRA) has brought life-saving and life-sustaining assistance to 7.1 million<sup>1</sup> people in 17 countries affected by socio-natural disaster, conflict, refugee care and/ or fragility. A mid-term evaluation in 2016 found that the DRA was "a highly relevant, innovative and effective instrument, which should be further nurtured and supported". A 2017 evaluation is also positive, highlighting the strong collaboration between members and noted that, "overall, the DRA Final Evaluation found the humanitarian assistance delivered under the DRA to be relevant, effective and timely."

The DRA funding mechanism plays an important part of the overall portfolio of Dutch government support to humanitarian action because of its flexibility, adaptability and efficiency. Over its first three years the DRA has demonstrated a capacity to deliver effective and efficient humanitarian action at scale. This strategy sets out a vision for how it can enable the DRA to remain at the forefront of supporting innovative, high quality humanitarian responses that are adaptive to different contexts and types of crises<sup>2</sup>. The DRA strives to be the leading Dutch network for collaboration of international NGOs and national actors in disaster response.

- I. Although care has been taken in compiling the data from Joint Responses, there may be some double counting in this calculation.
- 2. In addition to this strategy document a position paper has been developed that explains the DRA position on a wide range of technical and operational issues.

STRONGER SUPPORT FOR THOSE MOST IN NEED: TOWARDS 2030 This strategy is an important building block in transforming the approach of humanitarian action in ways that respond to key global trends and challenges and better supports those most in need. By 2030 humanitarian action will be more southern led but still needing to respond to conflict and the growing impacts of climate change and other natural disasters. International action in an increasingly interconnected and networked world will still be necessary but international NGOs will need to adapt their business and implementation models to be even more agile, flexible and collaborative and differentiate their approaches to respond differently to different types of crisis. The DRA can be an important part of positioning Dutch humanitarian action to play a leading role in developing new approaches.

Flexible, direct funding to international NGOs helps to maintain one of the key pillars of international humanitarian action. Whilst the future will see increasingly locally led responses and more assertive sovereignty from disaster affected governments there will continue to be a need for international NGOs due to the key strengths, skills and capacities they bring to the humanitarian sector. Local actors will not always be in a position to lead or to be funded directly, conflicts and chronic fragility will continue to generate a need for international humanitarian action and large scale crises will still sometimes overwhelm local capacities. INGOs also play a crucial role in generating public commitment and engagement in their home countries. INGOs retain key comparative strengths which mean they will still be needed alongside the UN, Red Cross movement and local governments and civil societies. Both the large scale capacity of large INGO networks and the specialised expertise of smaller INGOs will continue to be needed.

Aid will become more differentiated according to the context and type of crises and aid must be able to swiftly and professionally shift mode and gear when situations change. Humanitarian responses need to be capable to quickly upsurge and shift to more direct modes of implementation and to shift back to locally led responses. DRA members may group in clusters of organisations that respond differently to these types of humanitarian crises. Some mergers may take place in the Dutch INGO landscape in the next decade.

Although aid needs to be specific to each crisis and context, some trends can be discerned in different types of crisis response. The table below differentiates responses to high-intensity conflict, refugee care, humanitarian needs in fragile settings and socio-natural disasters. These are ideal-typical trends, in reality we see many situations where contexts change: a conflict may become high intensity or play out differently in different part of the countries; socio-natural disasters happen in conflict situations; cholera outbreaks can lead to immediate action in fragile settings. While the differentiation of crisis and context may lead to specialisation among DRA members, the key challenge will remain to enable the most appropriate and effective response for specific crises that can adapt to the quick changes that often characterise the complexities of crises. The classification of humanitarian crises and the way the DRA responds to these crises will be further developed through the coming strategic period.

	2030 Trends and Challenges	Implications for the DRA
High intensity conflict Eg Yemen, Iraq and Syria	<ul> <li>Response relies largely on international actors.</li> <li>Local partners crucial in negotiating and maintaining access.</li> <li>Humanitarian principles of crucial importance.</li> </ul>	• Potential for innovations around remote management and aid delivery. Capacities for humanitarian diplomacy (access; humanitarian corridors) of paramount importance.
Socio-natural Disasters Eg Nepal and Vanuatu	<ul> <li>More locally and government led responses.</li> <li>Increasing attention to Disaster Risk Reduction integrated to development programming.</li> <li>Increasing use of insurance instruments and shock responsive social protection.</li> </ul>	<ul> <li>Only likely to be needed in large scale disasters that overwhelm local capacities.</li> <li>Role will be supporting local actors, advocacy and addressing exclusion and discrimination of minorities and vulnerable groups.</li> </ul>
<b>Refugee care</b> Eg Lebanon, Jordan and Turkey	<ul> <li>Increasingly refugees outside of camp settings.</li> <li>Government led responses and host governments set parameters for inclusion and exclusion of aid recipients.</li> <li>Challenges for humanitarian space and upholding refugee conventions.</li> </ul>	<ul> <li>Potential for innovation around refugee care grounded in resilience approaches and out-of- camp service delivery.</li> <li>Challenges for protection and roles of humanitarians shifting from lead in response to advocacy for inclusive response and strengthening the competencies of local actors.</li> </ul>
<b>Fragile Settings</b> Eg South Sudan	<ul> <li>Continued emphasis on institution and state building approaches.</li> <li>Growing engagement of development actors and development and humanitarian links.</li> <li>Continued high risks and vulnerabilities, often leading to intractable problems.</li> </ul>	<ul> <li>Multi-mandate organisations have particular strengths in contributing to integrated and adaptive programming with specialised agencies strengthening local actors.</li> <li>A need to safeguard the distinctive mandate of humanitarian action in responding to ongoing and upcoming humanitarian needs.</li> </ul>



#### VISION

Putting people in need at the centre of responses, the Dutch Relief Alliance will continue to support high quality humanitarian action that saves lives, alleviates suffering and restores dignity. The Dutch Relief Alliance will be a cutting edge funding and collaboration mechanism enabling INGOs to be flexible and adaptive in response to crises and ensuring aid efficiently reaches those most in need by those best placed to provide it. While safeguarding the principles of impartiality and independence, the DRA will adapt to a changing world by supporting innovation, moving to more locally led responses, strengthening accountability and collaborating to drive effectiveness.

VISION

## FOUR STRATEGIC PRIORITIES

The need for international humanitarian action in 2017 is greater than it has ever been and that is sadly likely to remain the case until 2021 and beyond. The role of international NGOs within humanitarian action is changing fast and the DRA has an important role in enabling Dutch NGOs to adapt to the changing context whilst continuing to provide high quality, effective and efficient humanitarian action. This strategy sets out four strategic priorities for the DRA to build on the successes of its first three years. The focus will be on ensuring that the DRA becomes:

- ACCOUNTABILITY
  - INNOVATION
- **COLLABORATION**

LOCALIZATION

 MORE COLLABORATIVE – FINDINGS WAYS FOR DUTCH NGOS TO WORK MORE EFFECTIVELY TOGETHER TO INCREASE IMPACT AND GENERATE TAXPAYERS SUPPORT FOR HUMANITARIAN ACTION.

MORE ACCOUNTABLE TO DISASTER AFFECTED PEOPLE,

MORE INNOVATIVE - ENABLING DUTCH NGOS TO BE AT THE

FOREFRONT OF NEW APPROACHES TO DELIVERING HIGH OUALITY

THE DUTCH PUBLIC AND GOVERNMENTS.

HUMANITARIAN ACTION.

 MORE LOCAL – BETTER ABLE TO MORE DIRECTLY SUPPORT LOCAL HUMANITARIAN ACTION THAT IS EFFECTIVE AND ACCOUNTABLE.

Delivering on these priorities will enable the DRA in 2021 to be a wellrespected collaboration in the humanitarian field enabling its INGO members to give direction and show leadership in delivering on Grand Bargain commitments and testing innovation. Above all it will ensure that humanitarian action effectively supports those who need it most.



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PRIORITY I: MORE ACCOUNTABLE HUMANITARIAN ACTION

> The DRA will ensure accountability to disaster affected populations, to governments, to civil society and to Dutch taxpayers. In line with commitments in the Grand Bargain, the CHS and elsewhere, the DRA will enable INGOs to continue to deepen existing good practice in ensuring that humanitarian action is accountable to people in crises. It will encourage joint needs assessments and joint response plans that ensure disaster affected people are informed, engaged and able to actively participate in aid intended to support them. The data revolution and increasing connectivity present exciting opportunities for innovation in this area. There will be a particular focus on reaching hard to access populations and issues of exclusion and discrimination.

> For international humanitarian action to be successfully sustained it requires continued support and engagement from taxpayers in donor countries. The DRA has an important role to play in ensuring that the Dutch public understands, supports and is engaged with humanitarian action. This will be achieved through the continuing efforts of the member organisations and their deep local networks within the Netherlands. Funds for communicating and making visible the challenges and successes of humanitarian action within joint DRA responses will be made available. In particular, the DRA will encourage members to develop innovative approaches to communicating and engaging with the public.

Building on the ongoing work of the advocacy and the communications working groups, the DRA will continue to develop its website (www.dutchrelief.org ) as part of an overall approach to stronger communications. The results achieved through Joint Responses (JR) will be communicated through the website, public exhibitions, public debates and social media. The DRA will communicate directly with members of the Dutch Parliament and MoFA, informing them of the main humanitarian needs and challenges and how the Dutch Relief Fund is being used to alleviate suffering. The DRA will continue to be highly accountable to MoFA through audits, evaluations, regular reporting and meetings and the highest standards of transparency, including quarterly updates of the IATI database.

#### **ACTIONS TO BOOST ACCOUNTABILITY**

- 1. Putting Dutch NGOs at the forefront of the participation revolution: The DRA will further strengthen mechanisms for participation, feedback and accountability to people affected by disasters. It will utilise the potential of growing digital connectivity and big data to support participation. DRA members will strengthen their adherence to the CHS. There will be a particular focus on ensuring the participation of the elderly, children and youth, people with disabilities and excluded and marginalised groups.
- 2. Gender sensitivity: all responses will be gender sensitive. They will aim to protect marginalised women and girls, men and boys and other gender categories, and strive to ensure that no harm is done to further erode their status. Where possible, Joint Responses will strengthen local initiatives to advance gender equality and to transform gender relations.
- 3. Generating public and political support: Joined up communication strategies for Joint Responses will make investments in communicating the challenges and successes of humanitarian action to the Dutch public in ways that stimulate taxpayer support and engagement for aid.
- 4. Dutch leadership in transparency: The DRA will lead in transparency to the government, Dutch public and disaster affected people by clearly communicating results. This will include but not be limited to quarterly reporting key indicators for all Joint Responses to the IATI database.



## PRIORITY 2: INNOVATION AND LEARNING



The humanitarian challenges facing our world today affect everyone, and cannot be solved by one actor alone. Businesses, local and international humanitarian organizations, government agencies at all levels, and knowledge institutes need to collaborate. Innovation is needed to meet the changing needs, increase efficiency and effectively use available resources. However, the current approach to innovation in the humanitarian domain is often inadequate, and fails to achieve impact at scale. Resources for research and development are lacking, innovative solutions are developed in isolation, and successes are not being shared. Many opportunities are missed because humanitarian actors fail to build on innovative initiatives of refugees and other affected populations.

The DRA will tackle these challenges and stimulate innovation through working with networks for innovation and learning including a close partnership with the Dutch Coalition for Humanitarian Innovation (www.dchi.nl).<sup>3</sup>

The DRA will work with the DCHI and others to deliver innovation across a range of areas and innovation types (product, programmes, process and partnerships). The focus will not just be on technology but on how innovation across delivery models, ways of doing business and engaging with people can best deliver principled and effective humanitarian action. It will include a focus on the DCHI's five thematic areas (smart use of data, timely response, dignity, safety & protection and health & sanitation). The DRA will continue to support innovative approaches to the delivery of cash as part of Grand Bargain commitments and DRA members are actively investing in capacity and expertise to enable INGOs to add value in how cash can be most effectively provided.

The DRA will support incubator space to prototype DCHI solutions in conflict or disaster situations together with the communities and local partners. Furthermore, the DRA will support Research and Development on the specific needs of communities and individuals for innovative solutions.

The Dutch Relief Alliance will provide a crucial link to the affected communities and will work the DCHI Board and support office in the Humanity Hub to institutionalize and continuously improve the participation of beneficiaries/ affected communities in the co-creation of humanitarian innovation.

The DRA itself is an innovative methodology for the efficient and effective allocation of humanitarian funds. The DRA will continue to innovate in the development of its internal processes and in the design of Joint Responses. The DRA also foresees innovations in reporting as IATI becomes established. The DRA will work with MoFA to develop innovative reporting methods that reduce the administrative workload but makes data more accessible and more informative. Deeper involvement of beneficiaries and local actors in project design and monitoring will require innovation in how a larger number of stakeholders can be consulted and how they can feedback on the quality of the implementation.

3. In the first year of the coalition eight DRA partners have been involved with DCHI.

The DRA will collaborate with the Platform for Humanitarian Knowledge Exchange in the Netherlands (KUNO) to identify new approaches and to exploit data to improve efficiency and effectiveness. It is expected that much more field data will become available during this phase of the DRA. For example, the DRA has started to trial open software solutions that generate maps of project interventions so that overlaps and gaps can be visualised. In 2018, The Hague will host UNOCHA's Humanitarian Data centre offering opportunities to collaborate on the use of data to improve design and interventions.

### ACTIONS TO INVEST IN AND SUPPORT INNOVATION

- Strong partnerships: The DRA will build a strong partnership with the Dutch Coalition for Humanitarian Innovation and others. It will work closely with the Platform for Humanitarian Knowledge Exchange in the Netherlands (KUNO), the Humanitarian Data Centre and private sector companies in areas such as finance, logistics, infrastructure to test innovative delivery and financing models.
- 2. An operational testbed: Joint responses will serve as an operational testbed for innovative approaches emerging from DCHI and elsewhere with a particular focus on the 5 themes of the DCHI and further innovations in cash and renewable energy.
- 3. Generating ideas: DRA members in Joint Responses will help to identify innovation needs and develop problem definitions for what DCHI and other innovation hubs should focus on. Members will ensure that crisis affected people and local actors participate in the co-creation of innovations and that wherever possible processes are locally led.
- 4. Embedding innovation and learning: Working closely with the Knowledge Exchange Centre for Humanitarian Aid (KUNO) and others the DRA will seek to embed innovation and continuous learning across organisational structures.
- 5. Innovation beyond technology: The DRA will support innovation around strategies for advocacy and negotiation skills for maintaining access and tackling discrimination and exclusion. It will invest in innovation around delivery models, ways of doing business and shifting modes of aid delivery according to context.
- 6. New financing and cash models: The DRA will seek to pilot new financing models for localising support and delivering cash such as direct individual to individual giving, community to community models with INGOs acting as brokers and quality guarantors and links to microfinance, mobile money and insurance.
- 7. Incentives for innovation: Selection criteria for members participating in a Joint Response will give extra weight to innovative approaches and create an enabling environment for bottom-up innovation. By 2019 a minimum of 5% of DRA funding of joint responses will be used for learning, for developing innovative approaches, for testing and for implementing within joint responses.

PRIORITY 3: COLLABORATION FOR EFFECTIVE RESPONSES



The DRA presents opportunities for collaboration to drive effectiveness gains. The DRA recognises the need to continue to move away from a model in which members of a Joint Response all receive similar budgets to one where there is scope for stronger leadership and direction in determining which organisations are best placed to deliver the most effective response in particular contexts. The DRA has made significant progress in 2017 in differentiating budgets. The strategy also identifies opportunities to encourage greater differentiation in the skills and comparative advantage of different member organisations. Some are better placed to support local partners and others to implement directly. The aim is for continuous development of the model to create lean, targeted and agile responses.

The DRA mechanisms stimulate and reward cooperation so that capacity, expertise and scarce resources can be directed in a cooperative manner towards assisting people in need. The DRA has developed two core concepts to capture the benefits of collaboration. The Value of Collaboration is used to describe how Joint Responses can contribute to the wider humanitarian response by coordinating and collaborating with other actors. Collaborative Impact describes the benefit to the people affected by crises that arises from JR members' collaboration. Protracted crisis JR designs will require members to identify synergies and efficiencies that can be achieved by working together. Indicators will be developed to measure Collaborative Impact and Value of Collaboration and will be included in JR evaluations.

In some contexts, there will be opportunities for members to further explore joint implementation. There may also be options to jointly support local actors as part of commitments to localisation. The new strategy will incentivise the development of innovative and collaborative models for implementation. In Joint Responses, DRA members already share needs assessments and, where possible, conduct joint needs assessments and surveys. With a harmonised protracted crisis JR design, a harmonized baseline study will be possible and required in all protracted crisis JRs<sup>4</sup>.

The Joint Response lead and Response Task Force (RTF) will continue to be based in the Netherlands to facilitate coordination with other members and with MoFA. Wherever security allows, operational leadership of Joint Responses will be located in-country. Members will ensure that knowledge and understanding of the DRA will be available in the country teams so that, as far as possible, Joint Responses will be designed, managed, led and evaluated locally with the involvement of the people affected by crisis, local partners and local government structures. Local leadership will be required no later than the second year of a Protracted Crisis Joint Response and put in place where possible in acute crisis responses. Ways will be explored to encourage further stronger communication with MoFA and participation in meetings whilst respecting principles of independence.

Selection criteria will focus on ensuring that the DRA members who are best able to respond take part in joint responses with beneficiary needs at the centre. Criteria will include:

- Local presence, access and relationships with local actors
- Track record in the country and especially the crisis affected area and impact in earlier phases of joint responses.
- Sectoral and specialised expertise needed for the Joint Response.
- 4. This is consistent with Grand Bargain Commitment #5, Joint Needs Assessments.

The process by which members choose to participate in protracted crisis Joint Responses has been developed so that a limited number of Members will collaborate in designing a unified multisector Joint Response that maximises impact on affected populations.

Collaboration will not be focussed only on DRA members. The DRA and its members will continue to collaborate within their own international networks, with governments and with a particular focus on encouraging the stronger participation of local humanitarian actors in decision making. In line with Grand Bargain commitments and existing commitments to LRRD and new ways of working, the DRA will encourage Joint Responses to find principled ways to link humanitarian action with development actors, new sources of financing and the SDGs. Stronger partnerships with private sector actors will also be explored.

#### ACTIONS TO BUILD ON COLLABORATION

- Stronger leadership: Leadership of Joint Responses will be located in-country as far as possible and JR leads will have an increased mandate to lead. Joint Responses will be based on those members best able to respond and the Joint Response will be co-authored by members and local partners.
- 2. Joint support to local partners: Models for joint support to local partners and joint implementation will be developed and piloted.
- 3. Quality of members: Membership criteria will be developed and the governance model reviewed focussing on the quality, expertise and presence of members. They will take into account the historic size of relief operations, the constituency base in The Netherlands, demonstrated commitment to key quality standards including Sphere, CHS and ISO and the added value to the DRA. The number of members will be kept manageable to enable agile, adaptive and effective responses and joint working and collaborative approaches within a tight knit network.
- 4. Making tough choices and differentiating based on expertise: The DRA will develop strong standards for peer review and the selection of members to take part in joint responses in ways that allow tough choices to be made that allocate budgets according to the ability of the best placed members to respond at scale. Options for forming clusters of organisations will be explored, to allow for differentiation, specialised expertise and to preposition members for specific roles in Joint Responses.
- 5. Stronger support functions: The DRA will research options for stronger support functions which allow for faster assessment of proposals, consistent M&E, consistent liaison with MoFA, stronger communication and helps the transformation of the DRA to a more flexible and agile mechanism. Working Groups will be aligned with the Strategic priorities. The creation of a small support office will be among the options to be researched.
- 6. Strong links with other networks: The DRA will build on and strengthen links with other initiatives such as the START Network, Scandinavian and Eastern European networks and other NGO networks to create synergies (eg the DRA able to provide follow-on support after the 45 day START funding)
- 7. Collaborative fundraising and communications: Options for joint institutional fundraising for Joint Responses and joint communication strategies around humanitarian action will continue and expand building on working group initiatives already underway.



PRIORITY 4: MORE EFFECTIVELY SUPPORTING LOCALLY LED RESPONSES

> Wherever possible humanitarian action should be locally led with national and local governments fulfilling their responsibility to assist and protect their own citizens and national civil societies holding governments to account and filling gaps in responses. In line with commitments in the Grand Bargain,WHS and Charter for Change, the DRA will evolve to more effectively support and enable locally led responses, building on the ongoing work of the localisation task force. Dutch NGOs have had a distinctive approach to partnership and building local capacities and the DRA will enable its members to build on and deepen this approach.Where possible, capable local actors will collaborate with the JR lead to co-lead the JR.

The Grand Bargain aims for at least 25% of donor funding to go as "directly as possible" to national and local actors by 2020<sup>5</sup>. In JRs 2015-2017, about 15% of funds were allocated to local actors, mostly as implementing subcontractors. The average allocation to local actors in DRA JRs will meet a 25% target by the end of 2019 and will aim for 35% by 2021. The DRA will measure and report the budget allocated and the management responsibility delegated to local actors in each JR. Indicators will be developed to monitor and measure the progress towards localisation and capacity strengthening of local actors. The DRA will aim to minimise transaction costs and for funds to flow as directly as possible to local actors. Localisation will be managed at a Joint Response level and members will collaborate in joint training and capacity development.

The DRA will have an expanded focus on strengthening the capacity of local humanitarian actors, including in meeting accountability and transparency requirements. Where possible, IATI reporting will extend to local partners. DRA funding that is predictable and multi-year in protracted crises will enable more strategic partnerships and deeper capacity strengthening with local actors. DRA members will mitigate the potential that localisation can transfer the physical, financial and programmatic risk from INGOs to local actors by strengthening the risk management capacity of local responders. DRA support will aim to enable local partners to access country based pooled funds and support from other donors.

5. "Directly as possible" and "local actors" have yet to be defined at a global level. The DRA follows this discussion closely and will determine its own position later in the strategic period.

### ACTIONS TO BETTER SUPPORT LOCAL HUMANITARIAN ACTION

- 1. More funding to local actors: At least 25% of DRA funding will flow as directly as possible to local actors by the end of 2019 and by the end of the strategic period the DRA will aim for 35%.
- 2. Efficient funding: The DRA will focus on minimising transaction costs and ensuring funds flow as directly as possible to local actors in line with Grand Bargain commitments, whilst maintaining quality, strong risk management structures and accountability mechanisms.
- 3. More capacity strengthening: Local actors will be more strongly supported through capacity strengthening enabling effective and accountable humanitarian action. The DRA will aim for 5% to 8% of Joint Response budgets to be related to strengthening the capacity of local actors by 2021.
- 4. Amplifying local voices: The DRA will serve to amplify the voice and capacity of local actors in international fora, coordination systems and with other donors.
- 5. Better partnerships with local actors in conflicts: The DRA will continue to innovate around ways to support partners in conflicts through remote management and monitoring and negotiating and maintaining access.



## HOW THIS WILL BE DELIVERED



The DRA 2018-2021 will build on the innovative and successful DRA 2015-2017 which, by April 2017, had effectively programmed  $\in$ 202 million saving lives and alleviating suffering. The DRA has demonstrated the capability of allocating  $\in$ 90 million per annum to high quality humanitarian responses as evidenced by JR evaluations. Members with their international networks in 2016 managed  $\in$ 2.5 billion in humanitarian funds in the countries in which the DRA has functioned to date, indicating that members have significant further absorption capacity to implement good quality responses.

The DRA has developed as an efficient and effective mechanism for humanitarian response in acute and protracted humanitarian emergencies with the capacity to scale up its operations. In light of the increasing global humanitarian needs, the effectiveness of the DRA Joint Responses and the growing humanitarian funding gap, the DRA proposes a substantial increase in the budget to €100 million per year (or 30% of the Humanitarian budget) over 4 years from January 2018 to December 2021 allocated in a single grant. This will be an efficient and effective use of humanitarian funds that will count towards the Netherlands' commitment of 0.7% GDP for ODA.

A strength of the DRA has been its light administrative structure and efficient working procedures and the ground work done by various working groups to ensure key procedures and ways or working are in place and functioning. These will be maintained with a DRA committee providing the primary point of contact with the Ministry and Joint Response Leads and Response Task Forces managing the proposal, implementation, monitoring and reporting processes. The DRA is not a legal entity and has minimal fixed overheads. However, members commit significant time to leading the DRA and the operation of its working groups and task forces. The costs of managing these essential structures will be partly recovered via an annual "Capacity Budget". Due to the increased complexity of the DRA and the change programme inherent in DRA 2018-2021, this will be increased over the capacity budget of 2016-2017, to 0.4-0.6% of the overall budget. The creation of a small support office will be considered.

The funds will be provided to the DRA in a single agreement. Multi-annual funding enables multi-year protracted crisis JRs and will enable capacity building, localisation and investment in community resilience. After agreement between MoFA and the DRA on the proposal for a specific JR, funds will be called down by JR leads without the need for further approval procedures in MoFA. This will further reduce the administrative burden on DSH and accelerate the release of funds to an agreed JR and is consistent with Grand Bargain commitments.

Joint Responses will adapt to a changing context and will respond to new humanitarian needs. Members will have flexibility within main budget headings to adapt their activities accordingly. The appropriateness of the response will be reviewed during an internal mid-term evaluation during which members will agree changes necessary to maximise beneficiary impact. The JR lead will have authority to request members to change the JR design to meet emerging humanitarian needs and re-allocate funding to meet the needs of the most vulnerable should the RTF decide that the humanitarian context has changed. The focus will continue to be on immediate life-saving interventions and early recovery that sustains the lives of the vulnerable. There will be a particular emphasis on issues of exclusion, discrimination and supporting hard to reach populations. This is an area where INGOs will continue to be needed even as government and locally led responses increase. For the time being, there will continue to be a 70/30 split between protracted and acute/unforeseen crises. The DRA will however adapt as needed. In protracted crises there will be a move towards multi-annual planning and phasing out strategies, in which local actors take over the roles of the DRA members.

Consistent with the humanitarian imperative, the DRA will continue to focus on protracted crisis responses in poor countries which have experienced large scale human suffering due to conflict. The policy adopted in 2015 for launching Joint Responses will be retained, with L3 emergencies prioritised and L2 emergencies considered. At least two members should be able to respond for a Joint Response to start. For financial efficiency, the Joint Response members' total absorption capacity per annum should be the number of members multiplied by  $\in 1.0$  million. For efficiency and effectiveness, Protracted Crisis response will have a minimum annual budget of  $\in 3$  million.



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