



# Discussion Note on the Draft Partnership Charter

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**GFDRR**  
Global Facility for Disaster Reduction and Recovery

*This discussion note accompanies the Draft Partnership Charter. It updates the discussion note circulated at the Fall 2014 CG and revised on December 15, 2014, and comments received from the Consultative Group (CG) members on the draft Partnership Charter presented at the May 2015 CG.*

## discussion note on the draft partnership charter

### **Introduction**

At the interest of the Consultative Group members, the GFDRR Secretariat began a review of its Partnership Charter in preparation for the Fall 2014 Consultative Group meeting, held in Washington in October of that year. An initial discussion note was circulated on December 15, 2014, which received feedback and review from the members, and resulted in an updated discussion note circulated in advance of the 16th Consultative Group Meeting, held in May 2015 in Washington. The Draft Partnership Charter was discussed at this meeting, and members provided additional comments.

Following this consultation period, the note integrates discussion points raised by and comments received from Consultative Group members. Enclosed is the proposed draft Charter resulting from this process.

This note is structured in two sections: the first section provides a brief context and rationale for the discussion, and the second section discusses the specific elements and proposed changes of the Draft Partnership Charter.

### **Context and Rationale for Updating GFDRR's Partnership Charter**

On February 23, 2007, the Consultative Group approved GFDRR's Charter. The Charter provides the background and rationale for the creation of GFDRR; sets up the principles and objectives for the partnership; and defines the governance and organizational structure for program implementation and oversight. The text was amended in 2010 and 2013.

Seven years after the Charter was approved, GFDRR has established the institutional foundation to advance its mission and program objectives. This foundation has contributed to the growth of GFDRR, and catalyzed partnerships with governments, civil society organizations, and the private sector. Increased cooperation with the World Bank and the UNISDR has elevated GFDRR's program profile, representing both the humanitarian and development agendas. GFDRR is now "a unique long-term global partnership", as envisioned by the Charter.

The context, however, has changed and resilience is increasingly at the forefront of the development agenda with numerous actors involved. At the same time, GFDRR has gradually transformed its program to focus on areas where it has clear value-added, working towards scaling up interventions in disaster risk management (DRM).

Over the past two years, GFDRR has restructured its operational framework, in particular, to strengthen the planning, prioritization of resources and activities, and a stronger system for monitoring, evaluation, and reporting of results. These changes have set the foundation for GFDRR to support larger and more complex disaster risk management activities. In this context, a revision of the Charter is timely for three reasons:

- (i) The need for simplification and streamlining of the Charter to reflect the operational experience gained and the lessons learned since GFDRR's inception in 2006
- (ii) The need to include external developments in international policy, including the Sendai Framework for Disaster Risk Reduction 2015-2030 adopted in March 2015 ("Sendai Framework").
- (iii) The required legal alignment of the governance structure with the new trust fund architecture, annual Work Plan, monitoring and evaluation framework, and annual report.

<sup>1</sup> Developed by the Inter-Agency Standing Committee (IASC) Task Team for Preparedness and Resilience and the European Commission (EC), INFORM is a global, open-source risk assessment for humanitarian crises and disasters. <http://www.inform-index.org/>

## elements for consideration

The principal revisions to the Charter can be grouped into five areas that correspond to the structure of the proposed document: (i) Background, (ii) Mission, (iii) Program structure, (iv) Governance structure, and (v) General provisions.

### **I. Background**

This section provides the institutional memory with regards to the establishment of GFDRR following its formal launch on September 29, 2006. It also emphasizes how GFDRR was launched to support the implementation of the Hyogo Framework for Action 2005-2015, and is now in support of the recently adopted Sendai Framework for Disaster Risk Reduction 2015- 2030.

### **II. Mission**

The draft Charter proposes a mission that is aligned with the implementation of the new framework for disaster risk management – the Sendai Framework. This mission is not only a reflection of the current context under which GFDRR operates, but also consolidates important elements from the existing Charter, the Strategy 2013-2015 approved by the Consultative Group, and the annual Work Plan. Additionally, the proposed mission seeks to capture the purpose of the partnership in its foundational document, while allowing for operational flexibility and active engagement with the Consultative Group to review priorities and progress on an annual basis.

The draft Charter proposes a set of seven new indicative operating principles that guide how GFDRR prioritizes activities when developing its Strategy, its Work Plan, and assessing proposals for funding. At the 16th Consultative Group meeting, members had several suggestions for enhancing GFDRR's proposal to update its operating principles, particularly in light of long-

term international development agreements, including the Sendai Framework. The proposed principles have been adopted from the proposal selection criteria of the existing Charter, the operating principles from the Strategy, and particularly the guiding principles of the Sendai Framework.

The first proposed principle is to target countries with high exposure and vulnerability to disaster and climate hazards at the national, sub-national and local level, in particular the least developed countries. The Secretariat will apply analysis of the priority issues and the potential impacts of shocks and stresses. There are currently a wide variety of indices available to measure risk, and one such index that GFDRR utilizes is INFORM, a global, open-source risk assessment for humanitarian crises and disasters, meant to support decisions about prevention, preparedness and response.<sup>1</sup> The implementation of this principle will continue to evolve in the context of the indicators discussion of the Sendai Framework.

A second proposed principle is to respond to countries' commitment to and demand for building resilience through increasing investment in DRM and climate change adaptation. GFDRR aims to support low- and middle-income countries that have expressed interest in strengthening disaster risk management (DRM); or have requested assistance from other donors to implement high impact DRM investments but need further capacity, technical expertise, or resources for successful implementation.

The third principle focuses on developing and supporting the implementation of policies and activities that aim at coherence across sustainable development and growth, food security, health and safety, climate change and variability, environmental management and disaster risk reduction agendas.

As in the Strategy 2013-2015, the draft Charter proposes a fourth principle on the integration of gender, disability, age, and other social vulnerability dimensions in GFDRR's work program to promote equity and an inclusive approach to DRM.

Promoting coordination and collaboration amongst partners and local stakeholders is the fifth proposed principle. This aims at seeking complementarities and collaborations at all levels from GFDRR contributors, international finance institutions, United Nations agencies, research and academic institutions, inter-governmental organizations, civil society organizations, and the private sector, to leverage country systems and enhance the impact of ongoing programs.

The sixth principle is demonstrating the potential to leverage additional financing, knowledge and coherence, including from the World Bank Group, regional development banks, the UN system, and other international partners. As a proposed principle, this will ensure that activities present opportunities for leveraging additional financing from the World Bank and other partners, or can have potential of being transformative because they introduce new, innovative ways of thinking and acting on risk.

Finally, as the seventh principle, the draft Charter proposes GFDRR support activities that prevent and mitigate undue harm to people and their environment during project identification, preparation, and implementation.

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### III. Program Structure

The draft Charter proposes GFDRR's program as structured by the organizational arrangements that reflect GFDRR's operating modalities and the funding mechanisms used to channel resources to implement the program.

The existing Charter structures GFDRR's program around three "tracks" defined by funding mechanisms: Track I grant funding to UNISDR for global and regional partnerships; Track II multi-donor and single-donor trust funds for ex-ante support for mainstreaming disaster risk management; and Track III multi-donor fund for ex-post disaster resilient recovery and reconstruction. Track II has operated under a two-category financial structure: (i) "Core funds" consisting of pooled resources in one or more trust fund, and (ii) "Non-core funds" comprised of resources in trust funds that are expended in accordance with specific designations by a donor relating to themes, activities, countries, or regions.

Presently, both the "track" structure and the distinction between "Core funds" and "Non-core funds" have lost relevance as a result of (i) the conclusion of the World Bank's Development Grant Facility start-up funding to UNISDR, and the trust fund architecture adopted in 2014; and (ii) the new trust fund architecture under implementation for the past two years.

Therefore, the draft Charter proposes a new program structure that includes:

- (i) Country Programs: Activities that promote the mainstreaming of disaster risk management and climate change adaptation in country development strategies, national adaptation plans, and investment programs.
- (ii) Thematic Programs: Technical support, capacity and knowledge development in specialized areas of disaster risk management and climate change adaptation.
- (iii) Special Programs: Dedicated programs supported separately by one or several donors that target specific priorities.

In support of the above proposed organizational structure, and taking into account changes to the trust fund architecture that have occurred over the past two years, the draft Charter includes a streamlined articulation of the type of trust funds that can support the implementation of the program as follows:

- (i) A Multi-Donor Trust Fund (the GFDRR MDTF), comprising a commingled pool of resources to fund activities falling within the GFDRR work plan, including support for GFDRR governance, partnerships, and trust fund management.
- (ii) A Callable Fund, comprising a commingled pool of resources to support recovery and reconstruction activities following a disaster, mobilized through specific calls for funds.
- (iii) Single Donor Trust Funds, each comprising resources contributed by a single donor to support a Special Program according to specific preferences, requirements, and supplemental governance arrangements.

In the previous iteration of the draft Charter and Discussion Note presented in May 2015, the Five Pillars of Action were proposed as an operational framework to be included in the Charter itself. This mirrored the program strategy adopted in 2013, which has proven a useful framework for both: (i) articulating the approach and elements needed to support countries in making advances in building resilience, and (ii) providing greater clarity and specificity on how GFDRR engages resources, whilst also being broad enough to allow for demand-driven implementation.

The Consultative Group encouraged the Secretariat to ensure that the Pillars of Action be harmonized and possibly superseded by the Priorities included in the Sendai Framework for Disaster Risk Reduction. After consideration of the role of the principal operational documents of GFDRR (i.e., work plan and annual report), the Secretariat proposes that the Charter is not the appropriate location to codify these overarching elements of GFDRR's results framework. Instead, and in better keeping with the concepts set forth in the Charter, the Secretariat has removed reference to the Pillars in this document and will present its overall results framework via the annual work planning process. Additionally, GFDRR will track its progress in contributing to the implementation of the Sendai Framework via its Annual Report and monitoring and evaluation activities.

## **IV. Governance**

The draft Charter proposes a governance structure that aims to state and define the roles and responsibilities of the Consultative Group (including the Chair and Co-Chair, and the participation of Observers in the Consultative Group), the Secretariat, and the Trustee. The draft Charter also provides clarifications to the membership requirements.

### **A. The Consultative Group**

The draft Charter seeks to recognize the Consultative Group as the primary governing body comprising of members, including Chair and Co-Chair, and observers. The Consultative Group would meet in person at least once a year and the meetings would be open to members and invited observers. Further, the meetings would be presided over by the Chair, who is a representative of the World Bank, and the Co-Chair, who is a Consultative Group member selected annually and by consensus of the Consultative Group. The draft Charter also proposes that the Chair and Co-Chair may, if necessary, be able to declare all or part of the Consultative Group meetings to be closed, in which case the closed segments would only be open to members.

One point that the current Charter does not explicitly mention is the status of advisory groups, technical working bodies, and other committees. Such bodies can be helpful for the successful design and execution of special initiatives, programs or thematic activities. The proposed draft Charter lays the responsibility for approving the creation of advisory or other groups with the Consultative Group.



## **Members**

The draft Charter proposes six mechanisms for membership under paragraph 12. Two of these include a membership contribution to the MDTF over a three-year period (discussed further below), while developing countries that are recipients of GFDRR support can be invited by the Consultative Group per the recommendation of the Secretariat as non-contributing members for a one-year term. However, the proposed membership requirements would not allow private sector firms or private foundations to become members, but rather observers (described in the sub-section below on *Observers*).

As noted above, membership under paragraph 12(iii) and 12(iv) would be possible, respectively, for (i) countries, international organizations, and official agencies contributing at least \$3 million over three consecutive years to the MDTF, or for (ii) developing countries contributing at least \$500,000 in the same manner.

Paragraph 12(vi) makes consideration for exceptional cases of countries or entities per recommendation of the Secretariat that are approved by the Consultative Group. This language is the result of the Consultative Group's request in May 2015 that the Secretariat revise the concept of waivers for membership and propose more precise language. This process of considering exceptional cases is expected to be an infrequent, but useful mechanism for allowing the membership of (i) donors who may contribute to the Special Programs that financially at least match the contribution requirements to the MDTF or (ii) donors with a particular administrative or regulatory constraint towards contributing to the MDTF. Factors, such as legal or regulatory impediments to contribute to a multi-donor trust fund or significant contributions made to other GFDRR trust funds, would be expected to be taken into account by the Secretariat in proposing such cases for approval by the Consultative Group.

The draft Charter also indicates that decisions by the Consultative Group will be made through consensus of its members, and members not present during the meetings may provide inputs electronically to the Chair and Co-Chair. Between meetings, decisions might also be taken electronically with a reasonable period of review.

In the event that consensus cannot be achieved, there are a few possible courses of action. One option is to table the issue for further consideration by the Consultative Group members, either during the following Consultative Group meeting, or electronically between meetings until consensus is reached. Another option might be to immediately close the matter at the time of consideration and move to other issues. In the spirit of the consensus process, the Chair and Co-Chair might put forward a process for addressing the issue, and the decision over which approach to take at the time can be left to the discretion of the Consultative Group meeting.

## **Observers**

As a growing global partnership, GFDRR has encouraged various parties to attend Consultative Group meetings as Observers to broaden the base of partnerships and to foster greater synergies between GFDRR's work and that of its partners. However, the existing Charter does little to define these observer positions. The draft Charter proposed that observers may include former and prospective members, intergovernmental organizations, international financial institutions, UN agencies, developing countries, civil society representatives, non-profit

organizations, private sector representatives, private foundations, research and academia, as well as other donors whose contribution is below the membership threshold.

The draft Charter proposes that observers will be invited by the Chair and Co-Chair, and may participate in the open segments of the Consultative Group without a decision-making role. Their participation, upon the invitation of the Chair or Co-Chair, might be around sharing knowledge and experiences to inform decisions under consideration in the Consultative Group, for example.

## **B. The Secretariat**

The draft Charter consolidates elements from the existing Charter regarding the Secretariats' role in providing administrative and program support, and proposes additional roles and responsibilities based on how the program has evolved. The draft Charter proposes that the Secretariat might have the role of informing the Consultative Group when Special Programs are established. The Secretariat might also be responsible for recommending to the Consultative Group, in exceptional cases, the issuance of waivers on the membership contribution to the MDTF. The Consultative Group would be responsible for approving such waivers as they arise. Finally, the Secretariat might be responsible for recommending countries, intergovernmental organizations, international financial institutions, civil society organizations, non-profit organizations, and UN agencies, that the Consultative Group may invite as temporary non-contributing members.

## **C. The Trustee**

This new section introduces the role of the World Bank as the trustee and indicates its roles and responsibilities around providing financial management. The draft Charter also clarifies that the trustee would be responsible for ensuring activities follow the relevant World Bank policies and procedures.

## **V. General**

This new section introduces regulatory elements related to the draft Charter, particularly on amendments, and how those amendments relate to the Administrative Agreements. To allow for operational continuity, the draft Charter proposes that further amendments would become applicable to Administrative Agreements without the need to amend the agreements.