

End of (2018-2019) Season Report: Humanitarian Joint Appeals Funding Mechanism

Note

A 'post-season report' would typically be written at the end of the 18-19 cyclone season to provide a review of CID Humanitarian Network response and capture lessons learnt. Activity in the cyclone season was considered as 'below average'; there were five tropical cyclones, only two of which became severe tropical cyclones requiring relatively little or less humanitarian response from New Zealand. As such, there is not a significant amount to report on following the 18-19 cyclone season.

However since the beginning of the year notable developments have occurred in the NGO eco-system for partnering and collaboration in humanitarian issues, along with a growing appetite for more innovative approaches to funding. The decision was made to utilise the reporting opportunity to focus on this in order to further support future emergency responses.

Introduction

The funding landscape for humanitarian NGOs continues to change and is becoming even more dynamic and innovative, not only in partnership and collaboration but also for mechanisms for funding.

CID's 2018 annual survey (on the international NGO sector) showed that while public support is still the largest source of income, a multi-year decline appears to be continuing. Public donations are now 15% lower than a decade ago. Furthermore, a 2019 research paper on opportunities and challenges of the aid eco-system found that the current system of public donations and rationing of funding, including high transaction costs and short-term planning, encourages competition over collaboration.

There is a sense of urgency for non-profits and NGOs to rapidly attract support. An increasing range of aid actors, including those considered 'non-traditional', within a crowded humanitarian space presents both challenges and new ideas as divergent, and indeed convergent, meet. One constant is that donors want to see more NGO cooperation and cohesiveness to ensure that their investment has as much impact as possible, while administrative overheads are further reduced.

Generally New Zealand NGOs conduct their appeals and emergency fundraising in isolation to each other. Working in relative isolation means that individual NGOs have limited public exposure, fundraising costs are duplicated, and public messaging and advocacy/ awareness campaigns can appear disjointed or ad hoc.

Anecdotally, there appears to be a general trend of more NGOs coming together to get funding through public appeals. In some countries, a joint appeal¹ approach through respective national platforms is proving the worth of these modalities. Joint appeal platforms can strengthen public trust, while raising the profile of major global emergencies and highlighting the collective and critical impact that well-coordinated NGO funding can have.

What Are Joint Appeals?²

NGOs that participate in joint appeals retain their individual capacities and priorities, but recognise that coordinating fundraising between them will produce better outcomes for both donors and aid recipients. Additionally, for the donor public, it can further reduce the guesswork of giving, and people can be confident that a higher proportion of their dollar is received by those who need it most.

Participating organisations generally weight three considerations before an appeal is launched:

1. Scale and seriousness of the disaster and humanitarian needs,
2. Capacity of member organisations to provide adequate humanitarian aid, and
3. Clear indication of the public's willingness to donate for the disaster.

Models vary depending on the country, however there are common factors that successful joint appeals have:

- Participation of experienced global humanitarian agencies with strong brand recognition.
- Partnerships with national media organisations to support the appeals by informing the public and decreasing fundraising costs through the provision of free or subsidised advertising space.
- Private sector partnerships – these may take many forms but generally allow the private sector to pre-establish the nature and level of their engagement in disaster relief in line with their resources for rapid deployment and support of relief efforts.

All joint appeals have baseline criteria for membership, typically tied to national sector codes and standards, capacity and expertise. With some minor exceptions³, all participating or benefiting organisations of joint appeals adhere to internationally recognised humanitarian standards such as Red Cross and NGO Code of Conduct in Disaster Relief, Core Humanitarian Standards and Sphere.

All use a formula to allocate funds to participating members. In the case of the UK Disaster Emergency Committee (DEC) utilises a formula known as the Indicator of Capacity (IoC). This indicator takes into consideration how much each member spends on emergency relief and recovery work overseas, and their UK fundraising capacity. The formula ensures that no one agency gets more than 20% of the funds available and none get less than 3%.

All joint appeals had mechanisms for monitoring and evaluation of the programs that they fund. In some cases a small portion (between 1% of 1.5%) of funds raised is allocated for

¹ Also sometimes refer to as collaborative fundraising mechanisms or joint fundraising appeals.

² Based on [Emergency Appeals Alliance](#) report.

³ Exceptions are generally due to organisations engaging in broader development interventions that would not necessarily require adherence to Sphere, etc.

evaluation purposes. Opportunities are sought to collaborate on M&E activities, including real-time project monitoring.

Most current joint appeal platforms aim to have no more than two national appeals each year.

The Value-add of Joint Appeals:

There are five notable aspects of value-add of joint appeals:

1. A single united voice/ 'One Stop Shop':

- The existence of a single focal point allows for creating countrywide momentum of media and public engagement.
- A single national appeal helps prevent public confusion of having to choose between a number of related causes and organisations, effectively taking the guesswork out of giving.
- One large, coordinated appeal with an informed and clear message improves the sector with a greater ability to influence media coverage (and potentially government).

2. Greater support for partnerships:

- Corporates, social enterprises and other non-traditional actors have shown greater interest in national-level joint appeals because of the economy of scale presented by the combination of expertise and experience.

3. Assurance of higher quality & increases effectiveness:

- Increases preparedness and speeds up delivery and reporting on humanitarian aid, through the sharing of information to merge multiple campaigns into one.
- Consolidated efforts of joint appeals allows partners to provide a critical focus on less immediate, or slow onset disasters where the need remains high but the event is less newsworthy or invisible.

4. Future-proofing of fundraising:

- Unlike in a competitive fundraising environment, a single joint appeal can reduce wasteful duplication of costs and expand partnership potential.
- A single contact point within the humanitarian sector may also be a clear preference for media.
- Joint appeals may allow a greater opportunity to capitalise on the online or digital media world such as 'pay per click advertising' or 'single-click donation'.

5. Greater cost efficiency:

- The creation of formalised partnerships with media, communications agencies and the private sector, increasing opportunities for 'in kind' contributions of expertise and other support.
- Media agencies more likely to partner with a collective group of humanitarian agencies to preserve their independence.

Global Examples of Joint Appeals

There are numerous models for joint appeals around the world, including the nine below, many of which are part of the global Emergency Appeal Alliance (see below):

- 1. United Kingdom, Disasters Emergency Committee (DEC)** - <https://www.dec.org.uk>
This mechanism brings together 14 UK NGOs for appeals covering one-off catastrophes, slow onset humanitarian crises, and complex emergencies based on a criterion that includes reasonable grounds for concluding that public appeals would be successful.
- 2. Germany, Aktion Deutschland Hilft (ADH)/ Germany's Relief Coalition** - <https://www.aktion-deutschland-hilft.de/en/>
Includes 13 NGOs, the decision of whether to launch an appeal is discussed by members and decided by the board of directors. Once a joint appeal is launched, member agencies are requested to confirm within 48 hours whether or not they will participate. Joint appeals generally run for a 2-week period.
- 3. Switzerland, Swiss Solidarity** - <https://www.swiss-solidarity.org/about-us/who-are-we/>
Works with 26 Swiss partner NGOs, and every four years reviews all partnerships. They launch joint fundraising appeals but also organise national fundraising days
- 4. Canada, The Humanitarian Coalition** - <https://www.humanitariancoalition.ca>
Bringing together 10 Canadian agencies, a minimum of 85% of all appeal revenue is provided to member agencies. Gathers monthly donations as well, which are allocated to the Canadian Humanitarian Assistance Fund (CHAF) (see below).
- 5. Sweden, Radiohjälpen** - <https://www.radiohjalpen.se>
Includes 14 'licensed' NGOs; 8 core organisations that are guaranteed funds annually and 6 on a rotating basis – 4 per year) which receive 70% of the collected funds based on proposals that are reviewed by a committee. Allocation of funds is based on individual NGO capacity in the recipient country.
- 6. Japan, Japan Platform (JPF)** - <https://www.japanplatform.org/E/>
JPF shares information and provides various supports to its 46 member NGOs (as of February 2016), each of whom has its own expertise and strengths. Together with its member NGOs, JPF implements programs in response to the needs of disaster victims and refugees.
- 7. Belgium, Le consortium Belge pour les situations d'urgence/ Consortium 12-12** - <https://www.1212.be/fr/consortium-1212/>
The Consortium for Emergency Situations is composed of 7 members. Resources are distributed through a partition mechanism based on each members' fundraising from the last three year.
- 8. Netherlands, Samenwerkende** - <https://giro555.nl>
- 9. Italy, AGIRE** - <https://agire.it>

Global Emergency Appeals Alliance

A number of countries' National joint appeal organisations (including those named above) established the global [Emergency Appeals Alliance](#) (EAA) in 2013 in order to further increase the benefits of collaboration, learn from each other's experience, and improve their collective impact. A priority objective of the EAA is to support the membership growth of existing national appeal organisations. Agire (Italy) and the Humanitarian Coalition (Canada) are two of the newer members of the alliance, with both seeking to expand their membership. In order to establish greater international leverage the EAA also aims to promote the expansion of the national appeal model to other countries and help establish new membership organisations, where they do not yet exist. Austria and Japan have also recently joined the EAA; while France and Australia⁴ are both currently exploring the potential creation of a national appeal organisation or platform.

Options for New Zealand

CID believe that any consideration for a joint appeals platform needs to be focused upon 'impact on the ground' and ease of raising funds through public donor support.

Aspects of the CID Humanitarian Network, and indeed CID itself, already reflect the components of a successful joint appeals platform. By capitalising on and coordinating each members comparative advantage, CID Humanitarian Network operations are far more efficient and effective than if each NGO otherwise worked in isolation. The collaboration of the CID Humanitarian Network – sharing situational reporting, delivering joined-up programming, and conducting coordinated advocacy around common issues (most recent example being the 2019 #nziswatching Syria advocacy campaign) exemplifies the potential for further formalisation of a joint fundraising initiative.

Another associated local example is the extensive joint media engagement that occurred around the 2017 Horn of Africa, which raised the profile of the overall response in New Zealand. The use of match funding arrangement (from MFAT) in this case also presents some potential optimum associations with what joint appeals might offer.

CID also has a new web-based platform that supports enhanced public relations and media support, and also has the capacity to be utilised as a 'one stop shop' for collecting joint appeals. This capacity for a joint appeal platform, and associated centralised 'holding funds', could support the concept of an annual public donation campaign as a Global Giving Week, which could be hosted by CID through establishing a CID crowd-funding platform featuring different International Development projects from CID members. The concept is briefly described below:

1. Supported by strong social media channels, and a 2 month campaign leading up to Global Giving Week, CID would drive web-traffic to a CID crowd-funding platform.
2. On the crowd-funding platform CID would feature varied and interesting stories and different International Development projects from our members.
3. Any member of the public accessing the website would be presented with project descriptions and colourful stories and pictures of different International Development projects, which CID members put forward.

⁴ Currently ACFID compiles a list of members responding to a specific humanitarian emergency. This is a useful tool for the media and potential donors looking to see which ACFID Members are responding to a particular crisis, but it is not a joint appeal as such. ACFID along with their membership have been involved in recent research on the practicalities and implications of a joint appeals platform, with the report imminent.

4. The people of NZ could then browse through the different projects and learn about them and donate to whichever project they felt inclined to support.

Alternatively a Global Funding Day could be implemented. The work of the Swiss Solidarity [‘National Fundraising Days’](#) could also provide a useful model for imaging what a ‘Global Giving Day’ in New Zealand could look like. For some joint appeal platforms, there are opportunities to also contribute to a disaster-ready fund, such as the associated CHAF (Canada Humanitarian Assistance Fund) linked to the Humanitarian Coalition platform. This mechanism allows the availability of funds immediately, with the recipient agency or agencies being identified at the time of distribution, in terms of their capacity and access at the time of the emergency. The CHAF is promoted through a general giving strategies. The concept of a ‘Global Giving Day’ could be supported by campaigns and social media channels in the lead up to the date, which at the same time supports advocacy for a joint appeals channel.

There would however need to be some established parameters to identify the ‘split’ of what is promoted in a ‘Global Giving’ campaign. While such a campaign could cover both development programming activities and response to humanitarian emergencies; the models of a joint appeals platform explored here largely have a singular focus on identified and critical emergencies.

Potential Link to Other Networks

This section relates to potential links to networks, and serving as an example, Start Network is considered. Start Network is a network made up of more than 40 aid agencies across five continents with the aim to transform humanitarian action through innovation, fast funding mechanisms, early actions and greater support for localisation. While the Start Network is not a joint appeals platform, its growing presence through the establishment of hubs (including in the Pacific) may make it an important influencer on what a New Zealand based joint appeals platform should look like or how it could be further integrated regionally. There may however be some competition with joint funding mechanisms that already exist within the Start network, such as The Start Fund, which is a rapid response fund for small to medium scale, and ‘under the radar’ emergencies, collectively managed by member NGOs.

Challenges to Consider

Leveraging experience of overseas joint appeals, a number of challenges are identified that should be considered when designing a suitable platform and member interface:

- Initial investment is required to develop a collective website, as well as developing corporate partnerships at the national level.
- An important aspect for NGO fundraising is the ‘conversion’ of one-off donors into regular givers. Research⁵ suggests that the optimum time that a donor is likely to become a regular giver is within 60 days of the first donation. Donor data collection and information sharing for joint appeals may present some challenges to the donor conversion dynamic for organisations.
- It can be difficult to gain a consensus across participating organisations on the allocation formula, with research suggesting that any set of allocation rules only lead to beneficial

⁵ Wiggins, K. [Sixty days to turn one-off donors into regular givers](#), Third Sector, 8th June 2010

allocations in certain limited circumstances. There is also still some research to be done on the use of negotiation-based allocation in the instance where predetermined allocation rules have not been established, or they do not meet specific immediate requirements (Toyasaki & Wakolbinger, 2018).

- It can also be difficult to gain consensus for a number of criterion, including: who is including in the joint appeal partnership and who is excluded, and the criteria for activating a joint appeal.
- Some organisations do consider that the disadvantages of a joint appeal mechanism outweigh the benefits, and this consideration largely depends on the respective NGOs efficiency levels. For efficient aid agencies, the joint appeals function as a buffer to protect them from fierce competition. In the case of inefficient aid agencies, the competitive mode can save aid agencies from underinvestment in fundraising activities (Toyasaki & Wakolbinger, 2018).

References/ Further information:

<http://www.emergency-appeals-alliance.org>

de Vries, J. (2014) *The power of a joint appeal: The Emergency Appeals Alliance*, December 2014

Toyasaki, F. & Wakolbinger, T. (2018) *Joint Fundraising Appeals: Allocation Rules and Conditions That Encourage Aid Agencies' Collaboration* in *Decision Sciences*, 18th October 2018



Rohingya camp, Bangladesh (Credit: Kelsey Rae-Taylor, Oxfam)