A new global pooled fund for humanitarian action by civil society
The Start Fund

• Acting at the first moment of crisis
• Delivering fast, efficient and impartial aid
• Governed by experts
• Acting through a reliable network of international, national and local NGOs
The system is broken

1. The humanitarian business model is reactive and it doesn’t have to be.

2. Civil society delivers 70% of the last mile, within a system created by states according to the international legal framework.
Most media, political and humanitarian attention is focused on large scale events like this
Most suffering and loss is in small scale events like this
Reactive
Proactive
Early Signals

- Deterioration of the situation
  - Humanitarian Crisis

Media Attention

- Public Appeal
  - UN
    - INGO
      - National/Local NGO

This can take months

Time
Early Signals

Deterioration of the situation

Early intervention

Media Attention

Public Appeal

UN

INGO

National/Local NGO

This can take months

Time
2012 was considered a ‘calm’ year.

But CBHA agencies responded to 90 small and medium-scale crises …

Be amongst the first to help.
UN CERF funding is not available to NGOs directly, and only reaches NGOs slowly through UN sub contracts (approx. 3 months).

CHFs and ERFs are slow to be disbursed (between 45-70 days for ERFs) and only available in 18 crises.

Local agencies struggle to access pooled funds.

Funding applications are cumbersome, payments slow, financial risk high and administrative costs are often doubled.

Existing pooled funding mechanisms are great, but there are structural problems for ‘last mile organisations’.
350,000 staff
140 countries
2500 partners
350 million helped
70% of the...
DFID-funded pilot

• **Speed of funding**
  - rapid & early in disbursements
  - based on needs alone

• **Strong and effective local response**
  - is managed by peer-review
  - is accessible by local organization's

• **Timely value for money**
  - responds to early warning signals
  - reduced transaction costs
72 hour allocations
7 day max start up
30 days completion
reports within 45 days

50% of grants in partnership with local or national organisations

50% of grants in small-scale, low profile crises, or early stages of slow onset crises

Be amongst the first to help.
Teleconference

Call For Proposals

Proposals due

Peer-review by sub committee

Allocation of Funds

Start Project in location

Day 1  Day 2  Day 3  Day 4  Day 7

72 hours
• Activation and disbursement process
• Rules and Regulations
  i.e., agencies cannot use funds to set up new operations in countries
• Governance
  The fund is governed by the Board and its two Executive Officers (Chair & Vice-chair). Day-to-day running is managed by the Programme Management Unit.
• Advisory Council
  Consisting of donors & advisors who steer the fund and review annual performance
Grant

New relationships with governments and foundations.

Loans

Accessing risk-embracing expertise and capital from hedge funds

Insurance

Accessing defensive risk expertise and new economic models
Multi-NGO partnership & hedge funds

- NGO risk aversion - legal and cultural reasons
- Ethical donors – strong culture and policy
- Vast gulf in organisational culture
- Use of brokers
- Considerable opportunities and good will
- ... but it also requires partnership with government
Multi-agency partnership & insurance

• Is it possible to create a parametric model that would fund certain types of crises?
• Would NGOs be able to quantify the benefits of such a policy?
New partnership with governments

• By collaborating in this way, NGOs can offer considerable leverage to the humanitarian system

• But this depends on the ability of governments to engage in strategic dialogue as a collective

• And to exchange the currently ineffective system of front-loaded controls for a different form of accountability and better results
Resilient

Local

Experts

peer review

Innovative

Fast

Private sector

Results-based

Efficient

Early

Catalytic

Partnership
Are there too many NGOs?
Or this?
Change will come when we change the business model

The Start Fund demonstrates that NGOs want to be accountable to:
respond in the right place at the right time
avoid duplication
and participate in a system where performance influences funding.

The Start Fund can catalyse bold outcomes.
If this were easy …

Somebody would have done it already.
Join us!

Become a champion
Become an advisor
Become a donor

Be amongst the first to help.