

FOR INFORMATION

BM.03/DOC.02: REPORT OF THE EXECUTIVE DIRECTOR

A PIVOTAL MOMENT

1. This 3rd Board Meeting is a **pivotal moment** for the Global Community Engagement and Resilience Fund (GCERF). The challenge that GCERF seeks to address is more pressing today than ever before. GCERF has demonstrated its added value as an integral part of national and international responses. The international community has invested significantly in establishing GCERF. It is now time to realise this investment with a commitment to supporting GCERF's growth and potential for impact:

- First, this Board meeting provides the opportunity to approve the first GCERF grants, achieving its ambitious goal to do so within its first full year of operation.
- Second, National Applications come at the culmination of GCERF's pilot year, and thus provide the basis for a review of the effectiveness and efficiency of GCERF's Core Funding Mechanism ("CFM"), and to propose modifications for the coming years.
- Third, there is now sufficient experience to allow for an informed conclusion that the purpose for which GCERF was established is more relevant than ever; and to plan how GCERF should reinforce its contribution to preventing and countering violent extremism.

NATIONAL APPLICATIONS THAT ARE FIT FOR PURPOSE

2. The first agenda item for consideration at this 3rd Board meeting is the funding decision on National Applications from Bangladesh, Mali and Nigeria (BM.03/DOC.03). As is clear from the 900 pages of detailed consortium applications, templates and guidelines annexed to this paper, a very significant amount of work and due diligence has been undertaken to compile these National Applications, by the potential Principal Recipients ("PPRs"), the Country Support Mechanisms ("CSM"), the Independent Review Panel ("IRP"), and the Secretariat.

3. The National Applications respond to the priority regions, populations and factors identified by the Board in its funding allocation decision in July 2015. Their relevance can also be assessed with regards to the extent that they serve the broader purpose for which GCERF was established and its funding intended, namely to support '...the efforts of local, community-based NGOs and sub-national government organisations in countering violent extremism in all its forms'. (Were the GCERF Statutes being drafted today they would almost certainly use the term 'preventing and countering violent extremism'):

- First, the National Applications clearly provide for funding to reach the grassroots. Between them, the National Applications identify 17 potential Principal Recipients as conduits for providing small grants to 161 Sub-Recipients ("SRs"). The proposals from these Sub-Recipients in turn deepen reach into the grassroots – the target populations

identified in the Mali National Application for example include 300 unemployed youth (including 100 young women), 300 Quranic masters, 15,000 vulnerable children, 800 women, and 3,000 illiterate youth.

- Second, the proposed activities are relevant to countering violent extremism (CVE). Some of the interventions identified in the National Applications include: women's empowerment, education, creating economic opportunities especially for youth and women, promoting interreligious and intercommunity dialogue, value re-orientation, training, and countering narratives through local media and opinion leaders. Each National Application also stipulates how the proposed activities contribute to national preventing and countering violent extremist strategies.
- Third, the National Applications provide funding access to recipients beyond the easy reach of bilateral efforts, for example because of a lack of capacity among local community initiatives to receive and account for funding; or in some cases a trust deficit. While some of the Sub-Recipients identified in the National Applications may be known to and have been supported by particular donors (especially their national representations), the combination of Sub-Recipients across all three countries almost certainly extends the existing reach of donor funding to a new and truly local set of recipients.

4. The distinction between CVE-relevant and CVE-specific interventions is not always clear, as highlighted by the IRP. Overall, therefore, the IRP's recommendation to the Board is that these National Applications be approved, subject to specific conditions being addressed by the CSM and Secretariat during the grant negotiation stage, in particular to tighten the direct CVE-relevance of certain project proposals and to further ensure the capacity of certain potential Principal Recipients.

THE CORE FUNDING MECHANISM HAS WORKED

5. The presentation of credible National Applications is one demonstration that the CFM piloted this year has worked.

6. At the same time, input has been received from GCERF donors and beneficiaries, from donor headquarters as well as country representations, and from both security and development actors. In addition, the Secretariat has conducted an ongoing review of the mechanism, as is appropriate for a pilot phase. Observations have ranged from the more strategic – for example the complexity of the decision-making process and the roles and responsibilities of the various actors involved – to more operational matters such as timelines and feedback loops.

7. The next agenda item for consideration at this Board meeting, the lessons learned during this pilot year, are compiled, and a refined and further elaborated CFM is proposed. Three main refinements are proposed:

- One is the elaboration of the funding cycle for each beneficiary country, incorporating sustained investment and a comprehensive end of funding performance evaluation.
- A second is to the content, methodology, timing, dissemination, and overall purpose of country needs assessments.
- A third change is to the selection process for potential Principal Recipients, entailing more systematic and earlier screening of initial applicants by the CSM and Secretariat, thus expanding the time available to work with selected potential Principal Recipients and the CSM to prepare National Applications.

8. Taken together these modifications are intended to increase the quality - and potential impact - of National Applications. They will simplify and streamline the grant making process. They will reinforce the role of the IRP by focusing its attention on providing expert substantive input and feedback. They will also entail a more substantive role for the Secretariat.

9. Assuming it is approved by the Board, the revised CFM will be applied to the proposed second round of investments in Bangladesh, Mali and Nigeria, and used to launch grant making in three proposed new beneficiary countries, namely Kenya, Kosovo¹ and Myanmar. DOC.07 explains the selection of these countries, demonstrates their eligibility for GCERF funding, and requests their approval. In future years, the proposed revised needs assessment procedure will form the basis for a more strategic selection of new beneficiary countries.

GCERF ADDS VALUE

10. Three main assumptions underlay the formation of GCERF:

- One was that local communities have innovative ideas about how to prevent and counter radicalisation to violent extremist agendas among their members.
- A second was that while these communities may have the inspiration and know-how, they often lack the funding to launch their initiatives and the capacity to sustain them.
- The third was that engaging communities and building their resilience is an important component of wider national and international efforts to prevent and counter violent extremism.

11. The content of the National Applications indicates that there is indeed a wealth of ideas at the local level in affected areas. Some of these ideas may not be new but at least they have now been verified; some of them are quite innovative. Taken together they represent a new and unique response to the question of how to prevent and counter violent extremism at the local level.

12. The 17 potential Principal Recipients were selected (jointly by the CSM, IRP and Secretariat) from applications by a total of 102 potential Principal Recipients across the three pilot beneficiary countries. This is an impressive number given the relative novelty of the field of

¹ Designation of Kosovo as a “country” in this document is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

preventing and countering violent extremism, that GCERF is still a young and relatively unknown organization, and the limited time available to disseminate the call for expressions of interest. The response rate suggests that there is indeed a funding gap to be filled. (The ratio of selected potential Principal Recipients to applicants – one in six – also indicates quite robust due diligence).

13. At the same time it may be suggested that the commitment of the governments of Bangladesh, Mali and Nigeria; applications by the governments of Kenya, Kosovo and Myanmar; and interest expressed by various other governments including Indonesia, Kyrgyzstan, and Tunisia, is evidence that engaging local communities and building their resilience is indeed viewed as an essential part of a comprehensive national approach.

14. The commitment of political will and human and financial resources to the GCERF process by beneficiary countries should not be underestimated. Its focus on filling a funding gap at the local level remains **GCERF's unique selling proposition**.

15. But it has also demonstrated added value as a by-product of some its processes:

- It is implementing the widely held intuition that prevention is important.
- It is identifying and providing access to communities at risk.
- It has convened unique sets of stakeholders for focused discussion at the local and national levels.
- It is promoting the engagement of the private sector; and helping bridge the gap between security and development actors.
- In all these ways it is supporting the development of national strategies on preventing and countering violent extremism and capacity building at the national level.

TIPPING THE PIVOT

16. GCERF is at the pivot between being an interesting experiment, to becoming the international community's established global fund for building community engagement and resilience against violent extremism.

17. As demonstrated here, GCERF's rationale has now been proven, its method has been effective, and its initial results are positive. GCERF is well positioned to deliver some of the main priorities identified by the forthcoming UN Plan of Action on Preventing Violent Extremism and the White House CVE Summit Action Agenda, specifically a focus on prevention, an orientation towards community engagement, and emphasis on interventions to empower the youth and women. Promoting community engagement is also an integral component of implementing national strategies on preventing and countering violent extremism, another national and international priority.

18. What is now required to tip the pivot?

- First and foremost, GCERF needs to continue to perform at a consistently high level. Grant implementation and performance monitoring and evaluation systems are

currently being developed for the GCERF-funded projects in the three pilot beneficiary countries. Pending Board approval, these activities combine with a new round of investment in these three countries during 2016, along with launching the grant making process in three new countries.

- Second, GCERF needs to maximise its potential for impact; which entails translating funding a few hundred grassroots projects into demonstrably building community resilience against violent extremist agendas. One way to do this is to ensure the sustainability of GCERF interventions within current communities, through programmatic and financial capacity building. Another is to build critical mass, by funding more and more communities, and enabling experiences to be shared among them. And another is to extend the national and regional scope for GCERF funding, towards developing a global network of engaged and resilient communities.
- Third, continued commitment is required from all stakeholders. Most importantly this entails a more significant financial commitment from existing and new donors. Lasting political and resource commitments are also required from the beneficiary countries. Increasing overall commitment from the Board as a whole is also required. GCERF needs to be able to take advantage of its unique private sector engagement in this field. It should be able to respond to new opportunities to demonstrate its relevance, such as Sustainable Development Goals (SDGs) 10 and 16. It needs to raise its profile and standing as a permanent and unique constituent of the rapidly evolving international architecture on preventing and countering violent extremism.

19. The final two agenda items for this Board meeting pave the way for responding to these challenges and opportunities and tipping the pivot. One presents a proposed budget for 2016, assuming a second round of grant making in the existing pilot beneficiary countries, a new round of grant making in three new beneficiary countries, and associated Secretariat operating expenses derived from a detailed work plan projection. The second provides a detailed and comprehensive three year resource mobilisation strategy, including a substantive role for the Board in positioning and profiling GCERF.

20. Annex 1 to this document provides an update on the Secretariat's activities since the last Board meeting.

ANNEX 1: UPDATE ON SECRETARIAT ACTIVITIES

1. PURPOSE

The purpose of this short annex to the Report of the Executive Director is to provide the Governing Board (the “Board”) with an update on Secretariat activities since the last Board meeting (by conference call) on 28 July 2015. This update follows the same structure as previous reports of the Executive Director, allowing progress to be mapped across governance, resource mobilisation, operations, communications, finance, human resources, and administration.

2. GOVERNANCE

- The Ethics Committee established and met by conference call on 2 September 2015; confirming that all required declarations of interest under the Policy on Ethics and Conflict of Interest had been submitted; and providing a consultation to Chair to permit her to approve the declared outside activities of the Executive Director.
- GCERF’s application to the Governing Body of the International Labour Organization (ILO) to recognise the jurisdiction of its Administrative Tribunal to hear, after exhaustion of internal remedies, complaints alleging non-observance, in substance or in form, of the terms of appointment of employees and officials of GCERF and of the provisions of GCERF human resources policies, procedures and regulations, was approved by ILO’s Governing Body at its 325th Session on 2 November 2015.

3. RESOURCE MOBILISATION

- New pledge of EUR 500,000 from the Kingdom of the Netherlands which becomes the eleventh donor to GCERF.
- Contributions agreement signed with Switzerland (9 September 2015); still outstanding with the European Union and United States.
- Exploratory donor meetings with Denmark, Finland, France, Germany, Japan, Kuwait, Republic of Korea, Russia, Singapore, Sweden, and U.A.E.
- Panelist for two meetings of the Peace and Security Funders Group (PSFG).
- Resource mobilisation strategy designed, priorities and targets identified, monitoring tools and work plans defined for 2016-18.

4. OPERATIONS

- 17 potential Principal Recipients jointly selected by CSMs, the Independent Review Panel, and Secretariat, and invited to form consortium and develop grant application.
- Support to and submission of National Applications from the Country Support Mechanisms of Bangladesh, Mali and Nigeria representing all 17 consortium grant applications from potential Principal Recipients.
- Elaboration and development of grant making and grant management regulations, tools and templates.

- Written requests to become GCERF beneficiaries received from the governments of Kenya, Kosovo and Myanmar.
- Exploratory partnership meetings with Indonesia, Jordan, Kyrgyzstan, Pakistan and Tunisia.

5. COMMUNICATIONS / EXTERNAL RELATIONS

- Selective participation in international CVE meetings (e.g. Rome CVE Summit, Leader's Summit, GCTF Coordinating Committee and Ministerial Meeting, Global Youth Summit, Club of Madrid Policy Dialogue, UNESCO Summit) and other relevant international meetings (e.g. 133rd Inter-parliamentary Union General Assembly).
- Two side events hosted on the margins of the UN General Assembly on 'CVE, Security and Development' and 'Engaging the Private Sector in CVE'.
- Targeted media interventions (Al Jazeera, World Economic Forum).
- Regular website updates and social media engagement.

6. FINANCE

- Work planning and budgeting tools developed.
- Financial planning tools developed.
- Accounting policies developed.
- Accounts with the Geneva Centre for Security Policy now settled.
- Accounting firm selected through a competitive process but accounting still done in house.

7. HUMAN RESOURCES

- Basic human resource management guidelines developed.
- Benefit package finalised (pension and insurance package in particular).
- Online recruitment system in place.

8. OFFICE ADMINISTRATION

- Office space reorganised.
- IT support reorganised.
- Insurance broker selected through a competitive process and insurance package finalised.
- Quality Management system initiated.
- Procurement processes developed.