

FOR INFORMATION

BM.09/DOC.02: REPORT OF THE EXECUTIVE DIRECTOR

INTRODUCTION

1. This report serves as an executive summary of the 10 papers distributed for the November 2018 meeting of the Governing Board of the Global Community Engagement and Resilience Fund (GCERF), drawing the attention of the Board to key headlines, and priority areas for discussion and decision.

2. The first paper after this report is the Portfolio Performance Report, which provides a summary of results in Bangladesh, Kosovo, Mali, and Nigeria. At the last few Board meetings grant recipients have been invited to report directly to the Board, but not at this meeting for cost-savings. Instead the mainly quantitative data presented in the Portfolio Performance Report are complemented by a multimedia presentation of impact stories of change. For example, analysis of GCERF's growing 'story bank' reveals qualitative changes particularly in increasing skills and knowledge to address violent extremism, change of status, increased awareness of violent extremism, improved community engagement, changing attitudes, and new relationships.

3. Up to June 2018, projects supported by GCERF had reached about 700,000 people directly (for example participants in reintegration programmes), and a further 1.4 million indirectly (for example their families); and half of the former are women and girls. Project implementation has continued to accelerate, with an almost 50 percent increase in the value of grants disbursed between January and June 2018. Steady improvements in the capabilities of grant recipients are also reported, including on preventing violent extremism (PVE) skills, grant and consortium management, and reporting. Capacity building and technical assistance remain an important element of GCERF's support for grantees and beneficiary countries. GCERF has also begun to compile lessons learned, and the Portfolio Performance Report takes a deeper dive on five themes that have emerged from Communities of Practice, third-party monitoring and an international learning event convened by GCERF, namely: working with local authorities, the use of media, equal access to opportunities, understanding youth resilience to violent extremism, and gender-responsiveness.

4. A second paper provides an update on GCERF programming. It explains reinvestment plans in Bangladesh, Mali, and Nigeria; confirms grant agreements have been signed for a first round of investment in Kenya; updates grant management activities in all the active beneficiary countries including Kosovo; and reports on progress in two new partner countries, the Philippines and Tunisia. A Memorandum of Understanding with the Myanmar

Government remains pending, and a letter from the Government of Somalia requesting to become a new GCERF partner country is tabled.

5. The Secretariat expects some discussion around the costs and benefits of expansion to new countries. On one hand GCERF is a global fund, is beginning to demonstrate the added value of comparative learning on the drivers of radicalisation to violent extremism and how to address them, and has an approved strategy that plans for judicious expansion; on the other expansion to new countries carries significant upfront costs and increases the overall budget for operating expenses, and needs to be weighed against the competing priority to re-invest in existing countries for sustainability.

6. In the final session for Day One, three papers are presented to enable such re-investments. The first is the National Application submitted by Nigeria’s Country Support Mechanism (“CSM”), which is based on the Nigeria re-investment strategy already approved by the Board. The other two papers are re-investment strategies for Bangladesh and Mali. All three papers have been closely consulted with the respective CSMs and other in-country donor representatives; and endorsed by the Independent Review Panel (“IRP”).

7. The Secretariat trusts that the Board will wish to focus on strategic issues arising from approval of these papers. One concerns the value of re-investing in partner countries; and in the case of Bangladesh, Mali, and Nigeria to a significant extent re-investing in existing high-performing Principal Recipients (“PRs”). Overall the Secretariat expects higher return on investment and accelerated impact through this approach, building on the new PVE capacity that has been developed among PRs during the first round, and taking advantage of a better enabling environment, for example, established through stronger relations between PRs and local authorities, and more generally greater confidence in GCERF by national governments in partner countries. The sustainability of its investments also distinguishes GCERF from many other PVE donors. At the same time continuity combines with change, and GCERF seeks to build the capacity of new PRs; and encourages existing PRs to work with new Sub-Recipients (“SRs”) and to apply lessons learned in new programme design.

8. A second important issue arising is that GCERF does not yet have sufficient funds to fulfil its reinvestment plans of USD 5 million per country (USD 5 million is available for Nigeria, but there is still a significant shortfall for both Bangladesh and Mali). The Secretariat will continue to mobilise resources to fill these gaps (as well as support investments in new partner countries). At the same time, it proposes a more flexible approach to investment and re-investment, permitting lower investments where these are judged to be credible and cost-effective.

9. These proposals on GCERF’s investment model form one part of the next paper which provides an update and seeks Board guidance on the implementation of GCERF’s strategy. A draft Strategy Management Plan including Key Performance Indicators (“KPIs”) is presented for feedback. Specific guidance is sought to enable a revision of GCERF’s investment model and associated governance, in order to inform a Portfolio Investment Plan and ultimately a Governance Plan. Feedback is also sought on a framework for a Resource Mobilisation Plan, and in particular a series of proposals to address a projected shortfall in operating expenses over the next two-to-three years. The Secretariat flags up front that these proposals may require donors to seek innovative ways to support the organisation, but without which the organisation is unlikely to sustain.

10. The Secretariat gratefully acknowledges that some donors have shown a willingness to fill an immediate gap in operating expenses in 2019, expressed in the budget presented in the next paper for this Board meeting. The budget equally highlights the efforts made by the Secretariat to reduce its costs to lower than those for 2018, despite a projected significant expansion of its activities, and further to drive down the ratio of operating expenses against the value of the portfolio under management. The Secretariat calls to the attention of the Board that it is being requested again to approve a budget that is not yet fully funded for either projected grant commitments or operating expenses. The Secretariat considers that this recurring challenge does not provide the foundations required for a new organisation to succeed, and seeks a serious discussion about overcoming it.

11. A final paper from the Ethics Committee confirms no issues arising.

ANNEX 1: UPDATE ON SECRETARIAT ACTIVITIES

PURPOSE

- The purpose of this short annex to the Report of the Executive Director is to provide the Board with an update on Secretariat activities since the last face-to-face Board meeting from 30–31 May 2018. 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.

GOVERNANCE

- During the summer, the Governing Board took two decisions by no objection procedure:
 - [14 August 2018](#): The Board approved the investment of up to USD 5m in Tunisia for grant-making purposes under the Core Funding Mechanism, in line with the revised GCERF Country Strategy for Investment in Tunisia; and
 - [31 August 2018](#): The Governing Board approved the Philippines as a new GCERF partner country requesting the Secretariat to develop a Country Investment Strategy and inviting the Philippines to join the Board.
- New Board and Alternate Board members have been nominated since the last Board meeting:

Board members

- H.E. Ms Miriam Shearman, Ambassador and Deputy Permanent Representative, Permanent Mission of the United Kingdom of Great Britain and Northern Ireland to the United Nations Office and other international organisations in Geneva, for the Canada and United Kingdom constituency;
- H.E. Dr Cleopa Kilonzo Mailu, Ambassador and Permanent Representative, Permanent Mission of the Republic of Kenya to the United Nations and other international organisations in Geneva, for the Kenya (Horn of Africa, East and Southern Africa) constituency; and
- Mr Mokhtar Ben Nasr, President of the National Counter Terrorism Commission of Tunisia, for the Tunisia (North Africa and Middle East) constituency.

Alternate Board members

- Mr Daisuke Namioka, Director, International Safety and Security Cooperation Division, Foreign Policy Bureau, Ministry of Foreign Affairs of Japan, for the Australia, Japan, and New Zealand constituency; and

- Mr Huib Mijnaerends, Head Counterterrorism & National Security Division, Ministry of Foreign Affairs of the Kingdom of the Netherlands, for the United States of America, the Netherlands and Norway constituency.

RESOURCE MOBILISATION

- Total confirmed contributions to GCERF since its establishment reached USD 59.4m;
- Additional funding amounting to USD 16.9m is currently under discussion;
- Discussions are also underway with the EU, Qatar and Switzerland for new multi-year contributions;
- A projected shortfall of around USD 2m on operating costs for 2019 is estimated. To address the short term issue of the operating support costs, the Chair of the Governing Board has approached all GCERF donors to seek support, and several have already committed to provide additional and exceptional funding to fill the funding gap; and
- In order to address the issue of the sustainability of GCERF's financing model, the Secretariat is working on a number of reforms to be proposed at this Board meeting.

OPERATIONS

- Launched the reinvestment process in Nigeria, including the selection of three potential Principal Recipients, support to consortium proposal development, and preparation of a National Application for consideration by the GCERF Governing Board (see BM.09/DOC.04);
- Conducted grant management activities with specific emphasis on the monitoring of grant implementation and the special conditions applicable to each grant under the CFM in Bangladesh, Kenya, Kosovo, Mali, and Nigeria;
- Prepared the "Mali Country Strategy: Reinvestment Plan" (see BM.09/DOC.06) and the "Bangladesh Country Strategy: Reinvestment Plan" (see BM.09/DOC.05);
- Hosted a global learning event for GCERF grantees, the "GCERF Forum 2018", to share and exchange experiences and learning in Bangladesh, Kosovo, Mali, and Nigeria; and conducted a number of capacity strengthening events in Bangladesh, Kenya, Mali, and Nigeria; and
- Continued to strengthen a comprehensive programme of monitoring, evaluation, accountability, and learning; developed an evaluation policy and continued to develop new and further refine existing grant making and management tools and standard operating procedures.

COMMUNICATIONS/EXTERNAL RELATIONS

- With the support of the Government of Canada, the Secretariat, working with consultants from M&C Saatchi, recently completed GCERF's communications strategy that clearly articulates GCERF's unique approach to preventing violent

extremism to a variety of stakeholders and leverages the Fund's profile to support the ongoing resource mobilisation strategy;

- Welcomed the Under-Secretary-General of the United Nations Counter-Terrorism Office (UNOCT), Mr. Vladimir Voronkov, to the GCERF Secretariat offices on 11 September to discuss potential for further cooperation and signing of a MoU between the two institutions. The UNOCT has been invited to observe the 9th Board meeting.

Videos

- Secretariat staff and grantees featured in a new [promotional video](#) of the Global Counterterrorism Forum (GCTF) featuring GCERF;
- Working with the Secretariat, Wisdom2Action, Canada, produced, "[Watch! A Youth Perspective on Preventing Violent Extremism](#)", featuring young GCERF grantees from across the portfolio countries sharing their experiences on the role of youth in preventing violent extremism; and a [Video from GCERF Forum 2018 event](#) featuring the unique voices of participants, and insights into the work GCERF is supporting; and
- An interview with Tanema, a direct beneficiary of a GCERF-funded project in Cox's Bazar, and the winner of an essay competition. Tanema took part in the GCERF-EU-KAF event in New York.

Events

The Secretariat organised the following events:

- A high-level panel discussion entitled, "Youth as Protagonists in Preventing Violent Extremism", 28 June 2018, co-organised with the State of Qatar on the margins of the UN High-Level Conference on Counter-Terrorism in New York;
- "[Global Lessons for Domestic Efforts to Prevent and Counter Violent Extremism](#)", 25 September 2018, co-hosted by the Government of Australia and GCERF, on the margins of the 73rd United Nations General Assembly meeting in New York;
- "[Listen! A Youth Perspective on Preventing Violent Extremism](#)", 26 September 2018, New York, USA, co-hosted by the European Union, the Kofi Annan Foundation, and GCERF. The event was an opportunity to listen to and learn from young people directly affected by violent extremism. A booklet entitled, "[Read! A Youth Perspective on Preventing Violent Extremism](#)", was produced for the event;
- INGO Compliance Network Seminar, on 28 September 2018, in Geneva, to discuss, among other topics, anti-terrorism and anti-money laundering compliance in development and humanitarian work;

- “Partnering for Peace: Driving Stability During Crisis Response”, 6 November 2018, co-organised in Geneva by GCERF, International Humanitarian Infrastructure Platform (IHIP), International Federation of Red Cross and Red Crescent Societies (IFRC), and Mercy Corps as part of [Geneva Peace Week](#); and
- “Youth Perspectives on Peace, Peacebuilding, and Preventing Violent Extremism: turning 2250 into action”, 7 November 2018, co-organised by Generations for Peace, GCERF, and Peace Nexus Foundation as part of [Geneva Peace Week](#).

GCERF participated in several international PVE events, including:

- Donor Community of Practice on Development and Preventing Violent Extremism, 13–14 June, Brussels, Belgium;
- GCTF Initiative to Address Home-grown Terrorism, 25 June, Rabat, Morocco;
- High-Level United Nations Conference on Counter-Terrorism, 28–29 June 2018, New York, USA;
- 5th International CVE Research Conference 2018, organised by Hedayah, Swansea University, TRENDS Research & Advisory, and M&C Saatchi, 29–31 August 2018, Swansea, Wales, United Kingdom; and
- GCTF Meetings: Ninth GCTF Ministerial Plenary Meeting, 26 September 2018; and Fourteenth GCTF Coordinating Committee Meeting, 24 September 2018, New York, USA.

FINANCE

- Support to grant management activities, both AFM and CFM, in all countries (report analysis, onsite monitoring, cash disbursements): due diligence exercise conducted in Nigeria (3 potential principal recipients) and development of budgets for new grants; review of reports, disbursements, budget revisions, and monitoring visits in Bangladesh, Kenya, Kosovo, Mali and Nigeria, capacity strengthening, including through finance and compliance workshop with grantees and Sub-recipients in Bangladesh, Mali and Nigeria, follow up of audit findings and recommendations at grantee level and preparation of next round of audits scheduled for November in Kosovo, Mali and Nigeria; update and dissemination of a number of grant financial management tools;
- Continuous update of long and short term financial plans and scenarios;
- Coordination of the preparation of the 2019 GCERF budget; and
- Continuous support to resource mobilisation activities including fundraising and donor reporting.

HUMAN RESOURCES

- Onboarding of two Grant Officers, a Resource Mobilisation Officer and the Safety and Security Officer;
- Setup of a new HR Information system to be rolled out January 1;
- Finalisation of the roll out of the new pension plan for staff as well as a long-term disability plan;
- Update of HR regulations;
- Coordination of the mid-year performance review process; and
- Continuous optimisation of the staff-related insurance package.

COMPLIANCE

- Overhaul of the process used by grantees to analyse, assess, and mitigate the risk of fraud and misuse in their programmes; and update of the GCERF fraud risk analysis;
- Delivery of compliance training for fund recipients in Mali and Nigeria;
- Support to grantees in applying an anti-terrorism compliance mechanism; and
- Coordination and hosting of the meeting of the INGO compliance network.

ADMINISTRATION AND IT

- The move to new offices took place very smoothly on September 12. Planning the move and making arrangements took time and effort;
- Optimisation of IT and telephony set up;
- Preparatory work to develop an IT security policy and an online travel and security management system; and
- Support (HR and Finance) to the development of new security policies and approaches.