



Executive Committee Teleconference - Minutes

Friday, 20 July 2018, 9:30-11:30 am EST

Participants

Executive Committee: Dean Brooks (INEE – Interim Chair), Camilla Fossberg (Norway), Emily Todd (UK DFID), Rudolf Huber (Germany BMZ), Pdraig Power (GPE), Evelyn Rodriguez-Perez (USAID), Yasmine Sherif (ECW Director), Julia Dicum (Canada), Justin van Fleet (Office of the UN Special Envoy for Global Education), Eline Ruisendaal (Netherlands), Margriet Schreuders (Dutch Postcode Lotterie), Annica Floren (European Commission).

Observers: Nina Papadopoulos (USAID), Kelly Loewer (State Department), Tara Painter (Canada),

ECW Secretariat: Zeinab Adam, David Hartstone, Lucy Earle, Graham Lang, Anouk Desgroseilliers

Other participants: Diane Kepler (UNICEF), Rekiya Adamu-Atta (UNICEF), Jennifer Topping (MPTFO), Louise Moretta (MPTFO), Philippe Grandet (MPTFO)

Apologies: Nancy Smyth (Canada), Annina Mattsson (Dubai Cares), Joseph O'Reilly (SCF), Alicia Herbert (UK DFID)

Summary of the outcomes of the conference call

1. The Interim Chair, Dean Brooks, welcomed participants and explained that ECW's new chair, Nancy Smyth, was unfortunately not able to join for personal reasons. He invited UNICEF to make a brief presentation on their bid to retain the financial hosting of ECW's Fund.

UNICEF Presentation and Q and A

2. Diane Kepler, Deputy Director for Financial Reporting and Grant Management gave a presentation on UNICEF's history of hosting ECW's Fund, and proposed changes that the Funds Support Office (FSO) would put in place were the Fund to remain with UNICEF. This includes crediting interest on the Fund back to ECW. She reiterated UNICEF's desire to carry on as 'complete host' and stated that from the perspective of the FSO there is no conflict of interest related to disbursement of funds. She also made a commitment to work with bilateral donors to try to find a solution to their current difficulties in signing the Standard Contribution Agreement (SCA). She clarified details on vetting of NGOs. These are provided in her presentation, attached as Annex A.
3. In response to questions, Diane Kepler explained that, should there be a move, clarity would be needed on the relationship between ECW and UNICEF, the scope of services provided, and the costs of these. She noted UNICEF was willing to address issues of concerns, such as that of the 8% fee on the Secretariat budget, which could be negotiated were the ECW fund to remain at UNICEF.

4. The UNICEF representatives left the call, and ExCom members were then joined by MPTFO representatives who were invited to give a brief presentation.

MPTFO Presentation and Q and A

5. Jennifer Topping, Executive Coordinator, Louise Moretta, Chief of Finance and Philippe Grandet, Fund Portfolio Manager, gave a joint presentation. MPTFO drew attention to their independence and their *raison d'être* – to professionalize the trustee function of multi-donor funds. Responding to queries raised at the ExCom meeting on 10 July, they explained their ability to earmark by country or outcome, gave assurances on their ability to manage currency fluctuations, and confirmed that they do not anticipate significant disruption from a transfer of the fund from UNICEF. They estimated that this would take 4-6 weeks, as set out in their recent submission (attached as Annex B). In summary, MPTFO believe that a small investment in the transfer of the fund now would result in better and more efficient management of the fund, putting ECW on a stronger footing ahead of any other changes to hosting in the medium term.
6. In response to questions, MPTFO outlined what they believe to be their value for money – the fact that trusteeship is their core function, and they operate without subsidies and so must work on a business efficiency model. They also drew attention to their online platform for grant management, the quality of their financial reporting and their ability to support ECW programmes at country-level through establishing country-based pooled funds. MPTFO confirmed that it is not a separate legal entity from UNDP. Examples were given of funds where hosting is split, the peace-building fund being the most high-profile of these. MPTFO representatives further outlined the process by which donors would agree to a transfer of the Fund from UNICEF (see Annex B).

Discussion

7. Neither potential host was on the call during the discussion. ExCom members generally agreed that a transfer of financial hosting would not resolve the issue of perceived conflict of interest, which is generated by a lack of clarity on how funding decisions are made at country level by the Cluster or EiE coordination system. It was noted that since the ECW Secretariat became operational, allocations had diversified from UNICEF as the one grants recipient to 40 grants recipients. ExCom members also broadly agreed that a move to MPTFO could in the short term result in greater efficiency and transparency, and better data and reporting. However, it is not clear that the timing is appropriate for a transfer, also for strategic reasons, and a change in financial hosting at this stage might generate fragmentation of ECW during its incubation period. In addition, UNICEF has improved its offer to ECW over the course of the hosting review process and is willing to consider further improvements.

Next Steps

8. Given that a quorum of ExCom members was not present on the call, and many members had deputized, it was not considered appropriate to take the issue to a vote. The Chair closed the meeting by explaining that the Secretariat would be in touch shortly to outline the process by which a decision will be taken.

9. Subsequently the Interim Chair, ExCom Chair and the ECW Director agreed that the most desirable outcome would be a decision by consensus, rather than a vote. This has led to the following proposal: in order to reach consensus, the issue is to be finalized for decision by ExCom members on a call in late August/early September. If consensus cannot be reached, then an online platform (such as Doodle Poll) will be used for a vote.