



## **HLSG Paper 4: Governance Model HLSG Decision Paper**

### **To Approve the Governance Model and Establish Governance Bodies**

#### **PURPOSE OF THIS DOCUMENT**

Education Cannot Wait – a fund for education in emergencies – was launched in May 2016 at the World Humanitarian Summit. Two meetings of the High Level Steering Group (HLSG) have been held since, on June 30th and September 19th, 2016. The purpose of this paper is to brief the HLSG on a proposed governance structure for the fund with revised assignments of roles and responsibilities among bodies, for their approval.

This proposal includes the establishment of an Executive Committee with delegated authority from the High Level Steering Group, an Independent Proposal Review Panel, one Standing Task Team for financial oversight, one Recurring Task Team for strategy, and one Temporary Task Team for risk management. In addition, it recommends a revision to the current roles of the HLSG and HLSG focal points.

#### **FOR DECISION**

##### **Proposed decision #1:**

***The HLSG approves the new Governance Model and Structure for ECW.***

##### **Proposed decision #2:**

***The HLSG approves the Terms of Reference for the Executive Committee, and the Independent Proposal Review Panel.***

##### **Proposed decision #3:**

***The HLSG approves the proposed revisions to the HLSG Terms of Reference approved in June, 2016.***

## **OVERVIEW OF PROPOSED GOVERNANCE BODIES**

**High Level Steering Group:** The HLSG is a high level steering body designed to provide political advocacy and strategic oversight and decision making. The HLSG makes decisions about governance structure and strategy to ensure the success of the Fund over the long term. The HLSG also approves major Multi-Year investments exceeding US\$20 million. Furthermore, the HLSG selects the membership of the Executive Committee to ensure effective delegation of authority.

**Executive Committee:** The Executive Committee serves as the operational oversight body of the Fund. This committee makes decisions regarding crisis selection, most investments less than US\$20 million, innovative financing mechanisms, and annual budgets. The committee is responsible for oversight of other bodies' operations (i.e. the Secretariat, Proposal Review Panel) and for ensuring the effective use of the Fund's resources. This body also approves the membership of governance bodies, including Task Teams and the Independent Proposal Review Panel.

**Task Teams:** The Executive Committee creates Task Teams to provide technical inputs to the Fund's work and/ or to draw on the expertise of ECW constituencies, as necessary and appropriate to carry out the strategy set forth by the High Level Steering Group. Task Teams are designed to produce a specified deliverable in an assigned time period. Three types of task teams exist: Standing (ongoing task teams designed to support the ongoing work of the Fund), Recurring (launched for a limited time period, focused on a task that may be repeated over the life of the Fund), and Temporary (created on an as needed basis to support the Fund for a one-time need).

**Independent Proposal Review Panel:** The Independent Proposal Review Panel supports the decision making of the Executive Committee and HLSG by conducting independent technical reviews of proposals and making recommendations on funding. The Panel reviews applications for the Acceleration Facility grants exceeding US\$500,000 and all grants for the Multi Year Window of the Breakthrough Fund. Members of the Panel are independent of the other bodies of ECW.

**Secretariat:** The Secretariat conducts the day-to-day operations of ECW. Led by the Director, the Secretariat supports the work of other governance bodies, facilitates the grant process, provides technical support to grantees, and tracks progress of ECW investments. The Director of the Secretariat will have delegated authority, including approving First Response investments less than US\$3 million and Acceleration Facility grants less than US\$500,000, and approving the target outcomes and release of RFPs for the Acceleration Facility.

**UNICEF Funds Support Office:** The Funds Support Office sits under the control of the UNICEF Comptroller with responsibility for ensuring the administrative operations of ECW comply with

the rules, regulations, and procedures governing UNICEF operations. The Funds Support Office also supports the distribution of funds to grantees and the financial management of ECW.

## **SUMMARY OF RECOMMENDATIONS**

- Reaffirm HLSG role as the high level steering body designed to provide political advocacy and strategic oversight and decision making for ECW. Clarify HLSG role in approving nominated members of governance bodies including the HLSG itself and the Executive Committee.
- Establish an Executive Committee to support the HLSG in its operational and fiduciary oversight responsibilities. Given the time-sensitive and time-intensive nature of funding education in emergencies, delegate decision-making authority to the Executive Committee for selection of crises to be funded, approving most investments less than \$20M in size, screening innovative financing mechanisms and non-traditional contributions, and approving annual reports and financial statements. Executive Committee decisions must align with the ECW strategy approved by the HLSG.
- Establish three types of Task Teams: Standing, Recurring and Temporary.
- Establish three initial Task Teams: one Standing Task Team to support the Fund's financial oversight, one Recurring Task Team to oversee the strategy setting process, and one Temporary Task Team to establish a risk management framework.
- Establish an Independent Proposal Review Panel to review the technical soundness of proposals for grants and make recommendations on funding for Acceleration Facility grants exceeding US\$500,000 and all Multi-Year grants.
- Establish or clarify membership criteria and selection for key governing bodies. For HLSG, clarify that there will be 17 voting members; the Chair will be elected by the HLSG and will be a non-voting member, whose voting seat will be filled by a representative from his or her organization or constituency. For Executive Committee, one representative will be put forward by HLSG members on a 1:1 basis, to be approved by the full HLSG. For Task Teams, Executive Committee has authority to establish a Task Team and to determine the size, membership, and Chair of the team.

## **IMPLEMENTATION OF THE NEW GOVERNANCE STRUCTURE**

- New governance structure, refinements to HLSG Terms of Reference, and Executive Committee Terms of Reference approved by HLSG – February 2017
- Director hired, begins key functions and decision-making – March 2017
- Executive Committee membership approved by HLSG and formally established as governance body, begin key functions and decision-making (including selection of crises, approvals of investments less than US\$20 million) – April 2017
- Executive Committee selects Chair; Chair begins working with Director on membership of Task Teams and Independent Proposal Review Panel – April 2017
- The Executive Committee reviews the funding thresholds of the Director – April 2017
- Membership and Chair of Task Teams approved by Executive Committee, based on recommendation of Director and Executive Committee Chair, begin key functions – July 2017

- Independent Proposal Review Panel membership approved by Executive Committee, begins reviewing proposals as necessary – July 2017
- Any additional revisions to the HLSG composition and roles approved – September 2017
- New members and Chair of the HLSG and Executive Committee approved – March/April 2018
- Updated HLSG and Executive Committee composition and roles go into effect, and terms of new HLSG and Executive Committee members begin – June 2018

*Note: The timeline for approving and operationalizing additional revisions to the HLSG composition and roles, and for approving and beginning the terms of new members and Chair of the HLSG and Executive Committee may be revised to align with the hosting decision timing.*

## **BACKGROUND**

### **HLSG Agreed to Action (30th June 2016):** *HLSG approves its Terms of Reference*

Following the official launch of ECW at the World Humanitarian Summit, the HLSG was formed and its Terms of Reference approved.

### **HLSG Agreed to Action (30th June 2016):** *Chair and HLSG advise on final selection of Director, Secretariat*

In June 2016, the HLSG approved (through no-objection) a Secretariat Structure and Terms of Reference for a Director, the Head of the Secretariat.

### **HLSG Agreed to Action (19th September 2016):** *HLSG agrees that the senior officials from GPE, UNICEF and the UN Special Envoy's Office will steer the Fund's early work*

With the process for recruiting a Director of the Secretariat ongoing, the HLSG determined at its September 2016 meeting that in the interim, the senior officials from GPE, UNICEF, and UN Special Envoy's Office would steer the early work of ECW.

### **HLSG Agreed Action (19th September 2016):** *HLSG agrees to add a representative of Southern Civil Society to the composition of the HLSG*

In September 2016, the HLSG agreed by correspondence that a representative of southern civil society should join the High Level Steering Group. The HLSG asked Save the Children to work with southern civil society partners to identify a representative to participate as a member.

### **HLSG Agreed Action (19th September 2016):** *HLSG agreed to consider establishing a working level officials Task Team to support the HLSG in order to fulfill certain functions*

In September 2016, the HLSG agreed that the Director of ECW develop a proposal to establish an officials-level task team that can support the HLSG and fulfill certain functions, including operational and fiduciary oversight, and whose role is consistent with the parameters set out in

the HLSG Terms of Reference approved in June 2016. In the absence of the Director, the HLSG agreed that the senior officials from GPE, UNICEF, and the UN Special Envoy's Office would be responsible for taking this decision forward in the interim.