



A GLOBAL NGO NETWORK  
FOR PRINCIPLED AND EFFECTIVE  
HUMANITARIAN ACTION

## Terms of Reference

### Risk-sharing in Humanitarian Funding Constructs

#### Research Consultancy

**Organisation:** International Council of Voluntary Agencies (ICVA)

**Duration:** estimated 30 days

**Starting/end date:** July - November 2024

**Location:** Home-based

#### About ICVA

Established in 1962, the International Council of Voluntary Agencies (ICVA) comprises a worldwide network of more than 160 non-governmental organisations (NGOs) engaged in activities across 160 countries. Operating at global, regional, national, and local levels, ICVA is dedicated to enhancing the principled and effective nature of humanitarian action. Through collaborative and independent efforts, the organisation influences policies and practices, fostering collective impact on the humanitarian landscape.

The ICVA 2030 Strategy adopted by the ICVA's General Assembly in 2021 sets the framework for the direction and focus of ICVA's work from 2022-2030. Rooted in ICVA's mission of principled and effective humanitarian action, this strategy sets out the collective values, ways of working and aspirational transformations. ICVAs work focus on three key areas (Forced Migration, Humanitarian Coordination and Humanitarian Financing) to best serve its members and the sector as a whole.

ICVA's distinctive strengths are embedded in operational methodologies, encompass analysis and explanation, convening, connecting, influencing and advocating, supporting, and collaborating. With a historical foundation in Geneva, the ICVA Secretariat extends its reach across Africa, Asia, Latin America, and the Middle East and North Africa (MENA) region.

#### Background and Focus

Risk management among donors, first-line recipients and sub-recipients, is a major driver of both access and quality of financing. With an objective to diversify and fund smaller local and national NGOs, funding intermediaries, including pooled funding mechanisms, the UN and INGOs, are seeking innovative means to increase the number and quality of the funding relationships while managing their key risks and those of their down-stream fund recipients and partners. Due diligence requirements have been revised and simplified. Tiered categories of fund recipients have been developed. Indemnity letters and other financial compensation or self-insurance mechanisms have been piloted to better manage potential financial losses. For some these risk management approaches have been developed on an exceptional basis, for others mainstreamed within their funding and partnership approaches.

This consultancy aims to explore these, and other innovative risk-sharing mechanisms and approaches used in particular by pooled funds and their recipients. It looks to catalogue best practices and develop recommendations as to how these approaches could be scaled.



## Methodology

The detailed methodology will be developed by the consultant and agreed with ICVA.

## Engagement with ICVA

The consultant will work closely with and report to the ICVA Humanitarian Financing Team.

## Objectives

- 1. Assess current risk management practices:** review and analyse the current risk management strategies employed by different humanitarian pooled funds and fund recipients, in particular **as relevant for funds seeking to advance both locally-led action (including funding Women led organisations) and nexus programming.**
- 2. Identify risk factors:** identify and map the different risk factors that impact donors, pooled funds managers, fund recipients and their partners.
- 3. Explore risk-sharing mechanisms:** investigate various risk-sharing mechanisms, both within the humanitarian sector and from other sectors, that could be adapted to pooled funds.
- 4. Develop recommendations:** provide actionable recommendations for implementing effective risk-sharing mechanisms in pooled funds and their recipients to improve their efficiency, accountability and impact.

## Deliverables (with estimated time allotment)

- 1. Inception report and literature review:** outlining the methodology, work plan and agreed timeline, based on a first literature review and inception meetings with the ICVA team. (5 days)
- 2. Overview of risk strategies:** Summary of key risk management strategies developed through the funding chains: donors- funds – primary recipients – secondary recipients for a selection of key pooled funds, as agreed in the inception phase and lessons learned. (17 days)
- 3. Proposed risk-sharing models:** presenting best practises of risk-sharing models which effectively advance nexus and locally-led development objectives. (5 days)
- 4. Final report:** comprehensive report including all findings, proposed models, and recommendations. (2 days)
- 5. Presentation:** Presentation and slides capturing key outcomes of the final report for key stakeholders. (1 day)

## Consultant requirements

### Specific requirements:

- A strong knowledge and understanding of the humanitarian/development sector.
- Experience in risk identification/risk management within partnerships, including key fiduciary risks, a legal, audit or financial expertise is welcomed.
- Lived experience in partnership development/analysis welcomed.
- Good understanding of pooled fund mechanisms required.
- General knowledge of current humanitarian policy issues including localisation and humanitarian financing required.



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### **General requirements:**

- Excellent writing and communication skills with the ability to analyse complex information and transmit synthesised messages to various audiences.
- Excellent communication skills in English. French, Spanish and/or Arabic would be an asset.
- Proven ability to work autonomously and be flexible, including ability to cope with deadlines, multiple tasks, competing and changing demands.
- Understanding of ICVA's mission and NGO contribution to the humanitarian sector.
- Note: Throughout the work, the consultant must be registered in accordance with the legal requirements at their base and must be able to submit documentation that proves that she/ he is meeting all legal obligations for the consultancy, including full compliance with ICVA regulations including the safeguarding policy.

### **How to apply**

If you have the required expertise and skills, please apply by sending your CV, any examples of relevant previous work, a short proposal (approx. 2-3 pages), including how you meet the criteria for the consultancy, outline of proposed approach and methodology, and requested day rate to [recruitment\\_2@icvanetwork.org](mailto:recruitment_2@icvanetwork.org)

Please mention **“Risk-sharing in pooled funds”** in the subject line.

**The final deadline for application is 15 July 2024.**

Applicants from all countries are encouraged to apply and teams of consultants are welcomed.

*ICVA promotes diversity in its recruitment process.*

*ICVA's selection process includes rigorous background checks and reflects our organisational integrity and commitment to make humanitarian action more principled and effective.*