

***DEMOCRATIC REPUBLIC
OF CONGO COUNTRY
STUDY***

**Humanitarian Financing Task Team
Output IV**

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Acronyms

ADB	African Development Bank
AFD	Agence Française de Développement
DAC	Development Assistance Committee
DG ECHO	Directorate-General for European Civil Protection and Humanitarian Aid Operations
DRC	Democratic Republic of Congo
DSRSG	Deputy Special Representative to the Secretary General
ECHO	European Civil Protection and Humanitarian Aid Operations
EIB	European Investment Bank
EU	European Union
FDI	Foreign Direct Investment
FTS	Financial Tracking Service
GDP	Gross Domestic Product
GODRC	Government of the Democratic Republic of Congo
HC/RC	Humanitarian Coordinator/Resident Coordinator
HCT	Humanitarian Country Team
HDI	Human Development Index
HDP NEXUS	Humanitarian Development Peace Nexus
HIDP	Highly Indebted Poor Countries
HRP	Humanitarian Response Plan
IDA	International Development Association
INGO	International Non-Governmental Organization
IFI	International Financial Institution
IMF	International Monetary Fund
ISSS	International Security and Stabilization Support Strategy
MINUSCA	United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic
MRI	Mutual Resilience Initiative
NDP	National Development Plan
NWOW	New Way of Working
OCHA	UN Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
OECD	Organization for Economic Co-operation and Development
RCAP	Resilience Common Analysis Process
SDG	Sustainable Development Goals
SSU	Stabilisation Support Unit
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
USD	United States Dollar
WB	World Bank
WFP	World Food Programme

1. Overview

The second largest country in Africa, the Democratic Republic of Congo faces a vast range of development, humanitarian and peacebuilding challenges across its 26 provinces. The DRC sits at 176th place out of 189 countries listed on the Human Development Index (HDI) (UNDP, 2019). The humanitarian response in the eastern provinces of DRC has been ongoing continuously since even before the large-scale refugee influx from Rwanda starting in 1994. Current humanitarian crises also result from the conflict in the Kasai region, from the Congolese expelled from Angola, and from the Ebola outbreaks.

The United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) was established in 1999, and is the second UN mission to the DRC. Its 2019 mandate promotes stabilization to be a primary mission objective, alongside Protection of Civilians. Current down-scaling plans for the mission foresee the closure of several antenna offices in central DRC by June 2019, maintaining in the medium term a strong presence in eastern DRC.

The Government of the DRC (GoDRC) has not yet issued a national development plan since elections in January 2019. Given the vast scale of the country and its population of over 80 million (World Bank), national development priorities and the development priorities for the majority of the country's provinces are often quite independent from those provinces experiencing ongoing conflict and or displacement. Development funds are nonetheless also heavily invested in unstable parts of the country, reflecting the high levels of poverty in these regions. The relevance of a Nexus approach in DRC therefore differs greatly between regions across the country.

Overall Official Development Assistance (ODA) to DRC has remained relatively stable over the past several years, and is equivalent to about half of the annual expenditures of the GoDRC. Development funding saw a rapid decline following the 2011 elections before starting a slight increase in 2016, although less of this is passing through the UN system. According to OECD data, humanitarian assistance has also remained fairly stable with some fluctuations. OCHA Financial Tracking System (FTS) data, which uses a different definition of humanitarian assistance, shows a significant increase in 2018. Additional spending on the Ebola response will likely increase funding even higher in 2019. This funding has not increased at the rate of needs expressed in humanitarian appeals, however, falling below 50% in 2018.

Despite continued economic growth, government revenues and expenditures fell rapidly in 2016, linked to a rapid rise in inflation. This strongly negatively impacted the government's ability to invest in infrastructure maintenance or support public services.

Foreign Direct Investment (FDI) was down to 3% of GDP in 2016, following years of decline from 13.6% in 2010. FDI remains concentrated in the extractives sectors, with mining accounting for 22% of national GDP. Agriculture is by far the largest employer, employing 65% of the population but accounting for only 19% of the national economy (KPMG 2017).

While the National Development Plan (NDP) is reported to be prepared and awaiting approval by the new government, the development of the new UN Development

Assistance Framework (UNDAF) was not yet finalized for similar reasons. The Humanitarian Response Plan was created on a three-year framework (2017-2019), with yearly updates. This appears to offer some opportunity for joint analysis and alignment of planning between development and humanitarian actors starting in 2020, however it remains to be seen if this can be achieved given the current uncertainty around planning processes.

In May 2018, the DRC was prioritized by the Joint Steering Committee as one of five contexts for rolling out the New Way of Working (NWoW) (OCHA, UNDP 2018). DRC has taken a different approach than most other countries to ensuring a Nexus approach. A full-time Nexus adviser was hired within the RC/HC office, allowing for dedicated resources to focus on raising awareness and ensuring cross-stakeholder buy-in. Government engagement has been established through the Ministry of Planning (MoP) and the Ministry of Solidarity and Humanitarian Affairs. Nexus working groups were established for each key stakeholder groups, including donors. Pilot projects were initiated by different pairings of actors in several regions, underlining the importance of decentralization in the DRC. The choice of Collective Outcomes (COs) was put off until later in the process, when greater consensus had been achieved. MONUSCO was fully involved in the Nexus discussions, particularly through the Stabilization Support Unit (SSU).

While these initial steps are highly encouraging, several important challenges remain. COs will have to be selected that are relevant across the parts of the country where there are humanitarian and peacebuilding responses. Support structures for implementation of Nexus approaches remain to be determined. As elsewhere, the institutional barriers between development, humanitarian and peacekeeping/stabilization actors remain profound and often structural. Finally, despite the adoption of the OECD DAC recommendations on the Nexus, many donors in the DRC appear to be willing to wait to see what changes operational partners make, with only a small number ready to take a leading role.

2. Humanitarian and Development Planning Structures

There has been little work done so far in the DRC on a “whole of system” approach encompassing ODA, private financing, remittances, and evolution of government income and social sector spending. Some work on this is planned for the Organisation for Economic Co-operation and Development OECD’s visit later in 2019 through their Resilience Common Analysis Process (RCAP) methodology. The significant decrease in government spending since 2016 and the gradual downward trend of Foreign Direct Investment (FDI) over the past ten years have led to diminished support to addressing social service needs within these two sectors.

Existing plans across the government, UN development actors, MONUSCO and humanitarian actors are at different stages of development. The GoDRC National Development Plan 2012 to 2016 focused on growth, employment, and poverty reduction (Government of Congo, 2012). With the extended period leading up to the elections at the end of 2018, a new national development plan was not adopted. While a draft is reportedly complete, and has been technically validated by the previous government, it remains to be seen if the new government will want to make substantial changes and politically validate the document.

Due to the electoral period and due to delays in the finalization of the new PNSD (DRC NDP) the development of the new UNDAF was put on hold. A recent decision has however been made to move forward with finalization set for the end of 2019. This has left a gap in key policy frameworks amongst development actors nationally affecting government, donors, and UN agencies.

The March 2019 extension of MONUSCO's mandate elevated Stabilization and Strengthening of State Institutions to a Strategic Priority, alongside the Protection of Civilians (UN, 2019). This will likely further strengthen the role of MONUSCO's Stabilization Support Unit (SSU), which implements the International Security and Stabilization Support Strategy (ISSSS). The SSU both directly coordinates a range of stabilization programs, and maintains an overview of other stabilization initiatives which are in alignment with this strategy. While the initial phases of the stabilization programme did involve some direct material assistance, humanitarian and development programmes are not part of this overview of aligned activities.

DRC first adopted a three-year Humanitarian Response Plan (HRP) for the period 2017-2019, with annual updates. The adoption of the longer framework, in line with global norms, was partially to allow for alignment with development actors. However, the HRP was created in the face of deteriorating humanitarian conditions, and in October 2017 Inter-Agency Standing Committee (IASC) declared a System-wide "Level 3" Emergency for the Kasai Region, a region that had not traditionally be a focus of humanitarian response (OCHA 2018).

At the time of the development of the 3-year HRP, clusters also worked on sector specific resilience strategies, outlining types of activities that could be engaged in beyond the scope of the HRP funding appeal. These however were not developed with the engagement of development actors, and follow-up to these strategies was limited.

3. HDP Nexus: Policy and Practice

3.1. A staged approach

The Joint Steering Committee in New York designated the DRC as a priority country for the implementation of the New Way of Working (NWoW). A Nexus Expert was appointed sitting within the RC/HC/DSRSG's office to facilitate the process. This individual worked with a range of partners and agencies to pull together a road-map for Nexus implementation, to work towards ensuring common understanding and objectives, and to achieve buy-in from government, bi-lateral and multi-lateral donors, UN agencies and NGOs.

Several steps have been achieved in this process:

- Formation of Nexus working groups. These are an important way to ensure engagement and support of key actors. Working groups have also been held at regional levels, reflecting the importance of de-centralized thinking to developing Nexus approaches. The donor working group is also important,

allowing donors to reflect on how best to encourage possible Nexus programming.

- Initiation of Nexus Pilots. Pairs of UN agencies were selected in three provinces around specific thematic areas to implement the various steps of the New Way of Working (NWoW) in a practical and “learning-by-doing” way. This is supposed to achieve the Nexus at micro-level while also collecting lessons learned and best practices along the way. In the first phase, these Pilots focus on establishing the necessary methodologies and mechanisms in priority zones in each province and work with existing initiatives from other partners to catalyze the transition from humanitarian to resilience and development activities. In the second phase, it is envisaged that a scaling up of activities will be achieved with support from donors.
- Inclusion of Stabilization under an HDP Nexus. Clear instructions from across the integrated office, as well as from the Nexus expert, point to the need to include the peace element in the triple HDP nexus in the DRC. MONUSCO SSU is seen as the obvious candidate for cooperation, given its programmatic approach, the overlap of several of the objectives of the ISSS, and its area of operations in similar regions as where many humanitarian actors are present. Nevertheless, the inclusion of the SSU in the HDP Nexus approach is the subject of ongoing debate in North Kivu if it involves direct joint programming. While many actors see stabilization as essential to ensuring the conditions for allowing development actors to engage in unstable areas, several humanitarian actors highlight the possible loss of access from association with MONUSCO and believe that they cannot distinguish between peace-keeping and civilian parts of the mission. One possible way to address this could be through focusing on coordination and strategic alignment, rather than direct programmatic cooperation.

3.2. Next Steps

After positive initial actions towards operationalizing Nexus approaches in the DRC, a range of important steps remain to be undertaken which are planned for 2019. These include decisions on the type of coordination and support structures that should be relied upon moving forward.

Joint prioritization across humanitarian, development and peacebuilding actors will be crucial to providing cohesive action, particularly given the current lack of jointed-up national planning documents. The OECD has been asked to facilitate a Resilience Common Analysis Process (RCAP) in the DRC, focusing on highlighting vulnerabilities, risks and capacities that would need to be prioritized through the design of the Collective Outcomes. Joint prioritization at a practical level is also being done through the pilot projects in the provinces. The next 3-year planning window of the HRP could offer the opportunity for re-analysis of resilience initiatives outside of the scope of what will be directly funded within the response plan.

Collective Outcomes are a central pillar of the NWoW, and while not decided upon at the start of the process in the DRC there is ongoing preparatory work. The reason for not engaging immediately in Collective Outcomes stems from the lessons learned from other countries where lack of common understanding on the Collective Outcomes and insufficient buy-in has provided significant hurdles in the process. It was decided

that investing in these two elements would allow for a stronger process down the line. These appear to be well-informed discussions, given the level of engagement and discussion already achieved around the Nexus in-country. Similar challenges will exist as in other countries, however. These include ensuring government ownership, focusing on achievable, measurable objectives, and balancing between broad goals and decentralized objectives around which operational actors and donors can mobilize.

3.3. Structural divisions

Interviews with actors across the DRC showed widely differing views on the definition of the Nexus, its scope and scale of ambition, and who had primary responsibility for driving it forward. This is not unique to DRC and reflects ongoing debates at the global level. Some actors remain particularly concerned about possible re-assignment of limited funding, either from humanitarian or development sides. Other debates involved scale. Some advocate that Nexus approaches, in particular eventual Collective Outcomes, should be “Whole of System” approaches involving all actors driving systemic change across the country. Others feel instead that they should focus on areas where humanitarian, development and peacebuilding actors are currently engaged, and be both de-centralized and specific enough to be actionable and measurable.

Several actors also noted that the Nexus approach should be used to focus the work of development actors on the causes of humanitarian needs, in order to reduce the humanitarian case load and funding requirements. This approach is in line with the Inter-Agency Standing Committee’s note that the Nexus aims to “Alleviate the effects of today’s staggering humanitarian funding shortfall, which the High-Level Panel Report on Humanitarian Financing put at USD 15.5 billion (ICVA, 2017). The Humanitarian Financing Report supports investments “where it matters most – in situations of fragility” (High Level Panel on Humanitarian Financing, 2016).

While some development donors expressed that they would never work in areas such as the Kivus due to the insecurity and risk to programming, others took the opposite approach. Some development actors identified the Kivus and Kasai as areas with the highest concentrations of poverty, and thus priority zones for poverty-reduction initiatives. However, despite ongoing work by humanitarian, development and stabilization actors in geographically similar areas, there is still reportedly weak coordination between them. This is in large part due to the fact that, where there are well developed programmatic coordination mechanisms on the humanitarian side, there are none at the development level and very few under stabilization. In addition, there is not one platform that regroups all three pillars. This is despite the fact that all sets of actors profess to take a community-informed, bottom-up approach to needs prioritization.

Most operational UN agencies and NGOs (with some major exceptions) are much less likely to insist on clear distinctions between humanitarian and development activities than donors. The majority of operational actors focus on trying to achieve effective programming to populations in need. Donors however are much more divided between humanitarian and development actors, particularly those donors who have separate humanitarian and development funding channels.

The humanitarian – development divide is also solidified by the HRP planning process. As there are never sufficient funds to cover humanitarian needs, there is pressure to limit the type of activities included under the HRP to essential emergency services. This leaves little space for resilience type activities that constitute the gaps that Nexus approaches should address – pushing project formulation under UNDAF frameworks. With some exceptions, the funding for Nexus type activities is therefore largely seen to be the responsibility of development donors, or of groups of donors working together.

3.4. Coordination

The humanitarian coordination system in the DRC includes both national and regional clusters (across four “regional hubs”), which are reported as functioning with varying levels of effectiveness. As in many countries, coordination on the development side is not as strong. No equivalent coordination bodies exist at the regional or provincial levels. Some national level coordination structures do exist, including through the Ministry of Planning (MoP) and among international donors (“Groupes inter-bailleurs”), however there is no regularly updated comprehensive mapping of development activities. Some development donors note that mapping is made even more difficult by the participation of the DRC in several development funding instruments which span several countries. Information on disbursements through these instruments are not always readily available, even to the relevant donor missions in-country.

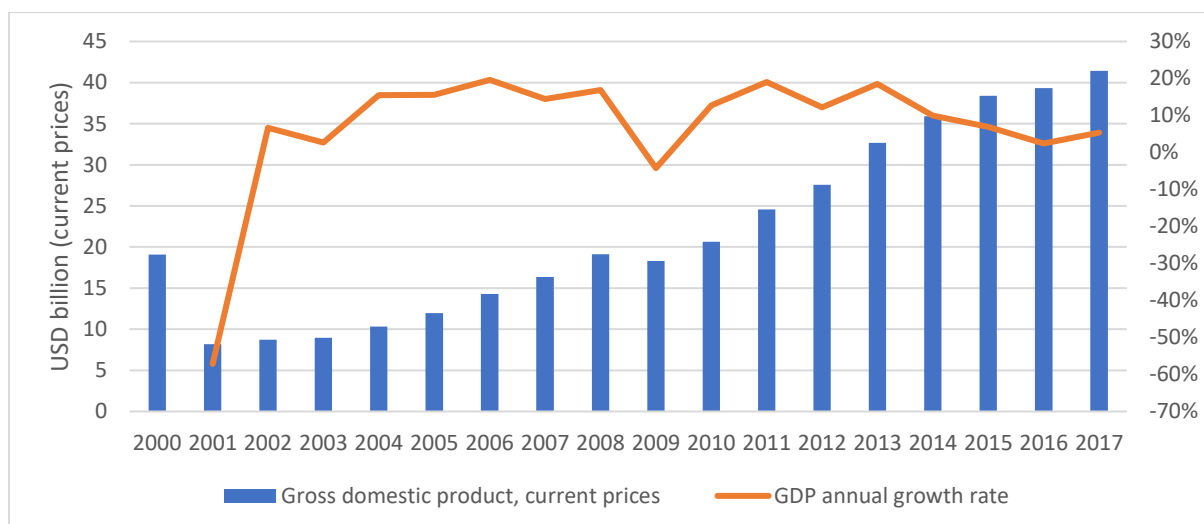
4. Funding environment

4.1. Wider economic context

The DRC is among the least developed countries in the world, ranking 176 of 189 on the Human Development Index (HDI) (UNDP 2018). Agriculture accounts for 65% of national employment, however is comparable to mining and manufacturing at around 20% of national GDP. This highlights different priorities areas between the objectives of government fiscal management and support to national poverty reduction.

DRC’s GDP has seen relatively steady growth since the crisis in 2001.

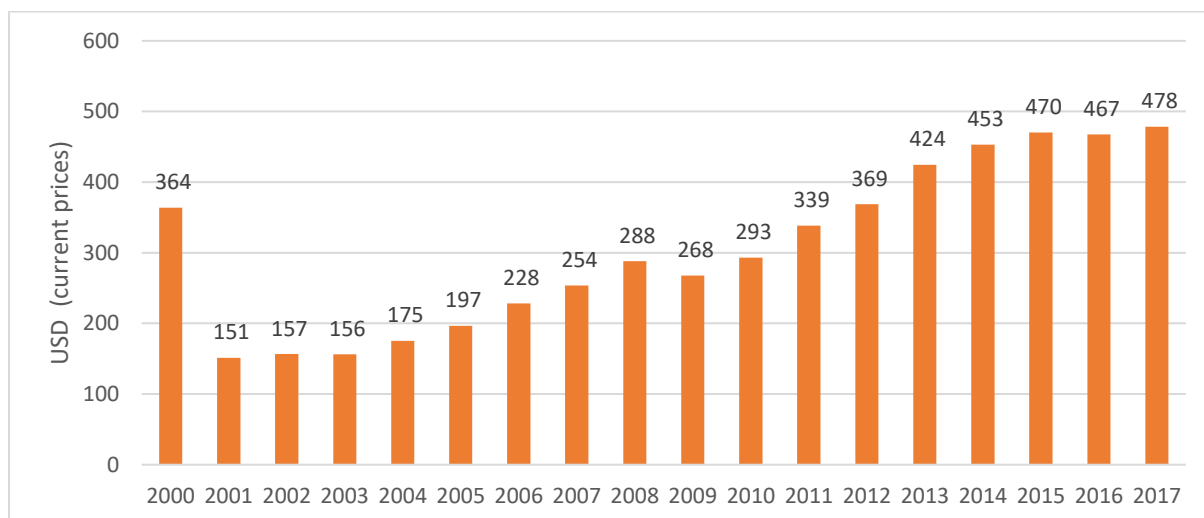
Gross domestic product 2000-2017



Source: International Monetary Fund, World Economic Outlook Database, April 2018

This needs to be put against its historical context, it took 10 years for DRC’s GDP to recover from 2000 levels, and it remains at less than half of the level of its record high of \$1074 per capita achieved in 1974.

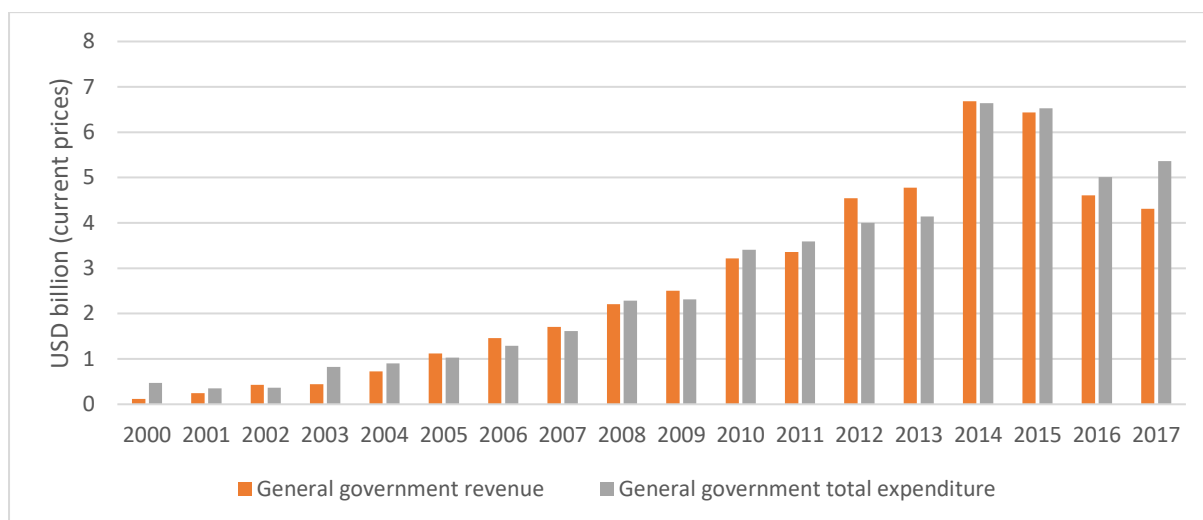
GDP per capita 2000-2017



Source: International Monetary Fund, World Economic Outlook Database, April 2018.

Despite continued growth of national GDP, government income and expenditures contracted significantly in 2016 and 2017. This was linked to high inflation and a shortage of foreign currency reserves.

General government revenues and expenditure 2000-2017



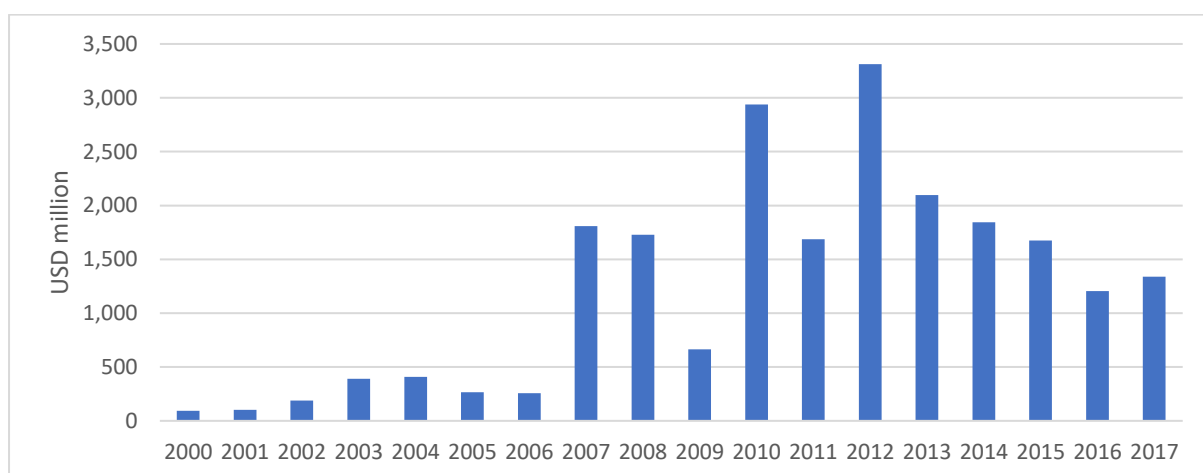
Source: International Monetary Fund, World Economic Outlook Database, April 2018

The contracting national budget has limited the ability of the government to engage in expanding social service expenditures, at least in the short term.

High levels of corruption are another factor affecting efficient allocation of national resources to social service provision, and partnership on development initiatives. The DRC ranks 161 out of 180 on the global corruption perception index (Transparency International, 2018), an operational challenge also affecting many international agencies in the country.

Foreign Direct Investment (FDI) has fluctuated significantly over the past 15 years, often directly linked to political stability within the country. Over the past few years, FDI has remained lower than Official Development Assistance (ODA).

Figure 1: Foreign Direct Investment 2000-2017

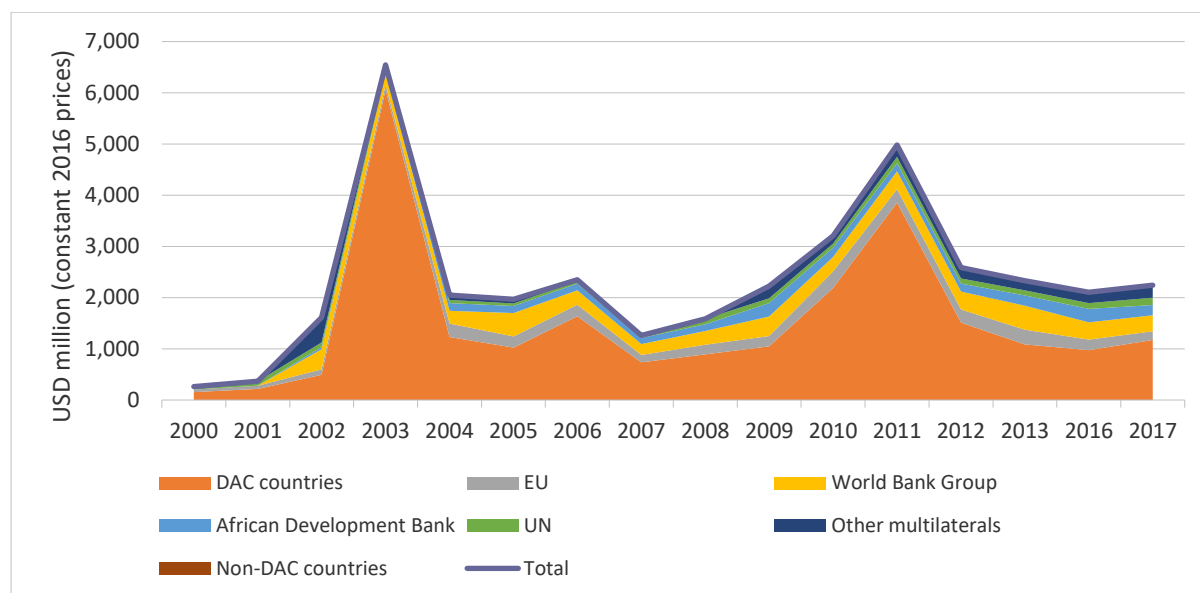


Source: World Investment Report 2018 and UNCTAD FDI/MNE database.

4.2. International ODA financing flows

Following a peak around the 2011 elections, international ODA to the DRC decreased rapidly, stabilizing at a level slightly above \$2 billion annually.

Total ODA net 2000-2017



Source: OECD DAC statistics

The United States and the World Bank are the largest donors to the DRC, providing over 35% of ODA between them.

Leading 15 donors of gross ODA 2015-17

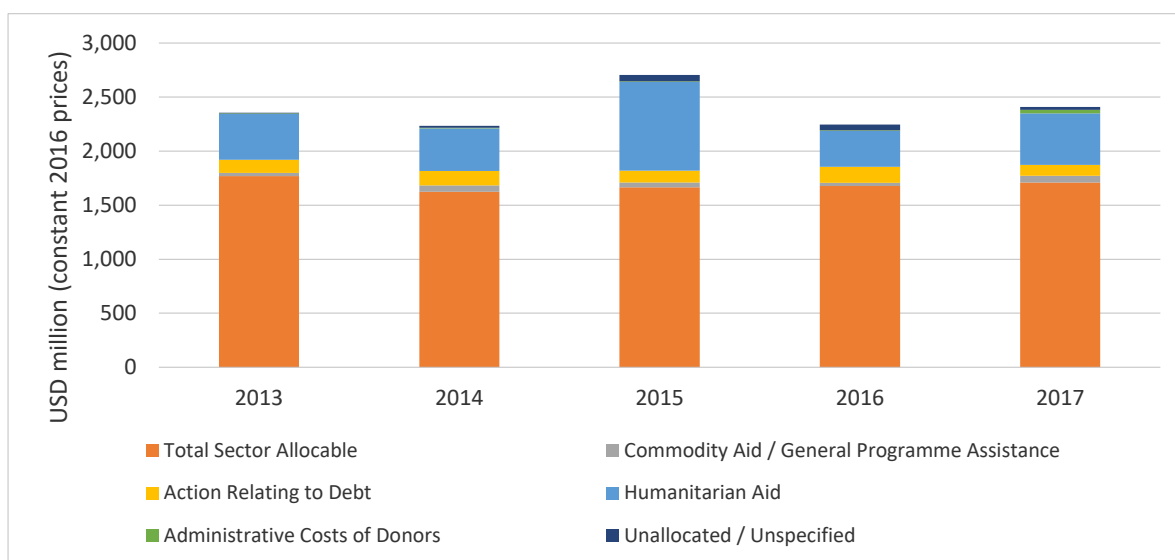
	2015	2016	2017	Volume (2015-17)	Proportion (2015-17)
United States	779.5	340.6	437.8	1,557.9	21.2%
World Bank	363.1	350.7	335.1	1,048.8	14.3%
Global Fund	189.8	207.4	221.8	619.0	8.4%
EU Institutions	207.0	213.9	177.4	598.3	8.1%
United Kingdom	196.9	174.9	220.1	591.9	8.0%
United Nations	124.2	115.3	141.2	380.7	5.2%
African Development Bank	109.3	146.4	93.5	349.2	4.7%
African Development Fund	105.2	118.0	107.3	330.4	4.5%
GAVI	153.7	74.5	91.3	319.5	4.3%
Germany	87.9	85.3	136.4	309.6	4.2%
Belgium	90.6	103.1	109.1	302.8	4.1%
Sweden	53.6	55.9	65.6	175.1	2.4%
France	63.9	62.9	34.0	160.8	2.2%
Japan	48.9	41.4	42.0	132.3	1.8%
Canada	33.8	43.9	36.2	113.9	1.5%

All donors	other	96.7	112.1	160.2	368.9	5.0%
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Source: OECD DAC statistics

Humanitarian assistance, at \$476 million in 2017, made up close to 20% of total ODA in 2017. The majority of ODA passed through development mechanisms, with only a very small amount going in the form of loans or debt relief.

ODA contributions by sector 2013-2017



Source: OECD DAC Creditor Reporting System.

The statistics given here are based on OECD data – which uses different parameters from the OCHA Financial Tracking System (FTS) data often used by humanitarian actors. Humanitarian funding as defined by the FTS is both more substantial than that described under OECD data (particularly immediately following the onset of the crisis), and much more variable.

Relative to humanitarian assistance, a smaller proportion of development assistance passes through UN agencies and NGOs, leading to differing perceptions within UN agencies as to the actual balance of funding coming to the country. When looking at figures of funding that pass through the UN in the DRC, humanitarian and development amounts are much more evenly balanced. The large majority of financing is directly assessed funds comprising the budget of MONUSCO, at \$1.1 billion for fiscal year 2018-2019. These figures are not included as part of ODA.

Given the current downsizing of MONUSCO and plans for eventual phase-out of the mission, there are discussions as to what current roles and responsibilities need to be shifted to other international actors, including UN agencies. This is unlikely to include any burden-sharing. There appears to be only one instance in which assessed contributions for peace-keeping were authorized by the General Assembly Fifth Committee (Administrative and Budgetary) to be channeled to other UN agencies, in Darfur in 2018. This allocation was premised on addressing root-causes to the Darfur conflict (particularly climate change), and not directly for UN agencies to take over

existing UNAMID roles. Discussions on future allocation requests have not been finalized.

FTS data, reflecting OCHA definitions of humanitarian funding, show a rapid recent increase in humanitarian funding in 2018 following years of relatively stable funding levels. This continues to represent significantly less than the annual financial appeals. Humanitarian funding is likely to spike even higher in 2019 with expenditures on the Ebola response outside of the HRP appeal process.

FTS Overview

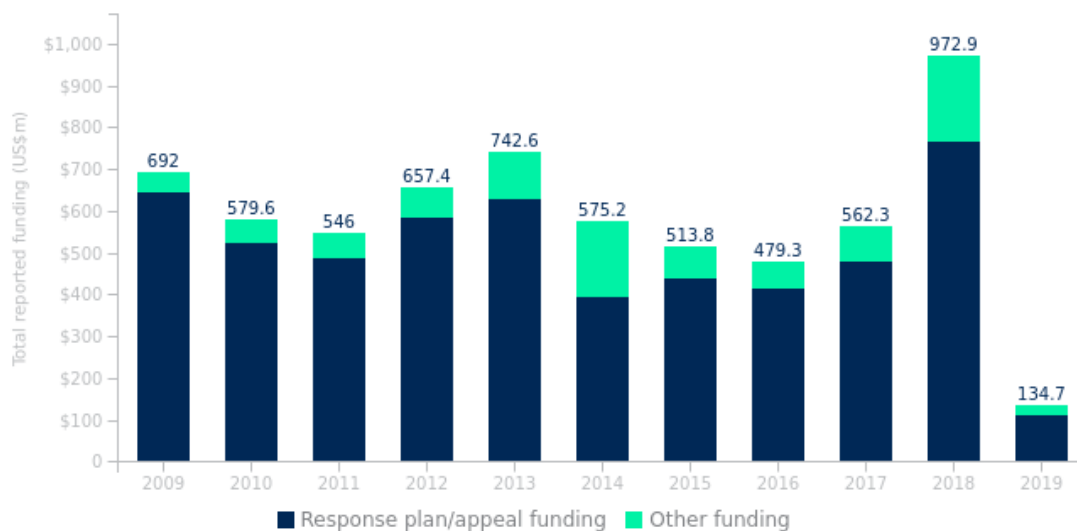
Democratic Republic of the Congo 2018



<https://fts.unocha.org/appeals/652/summary>

Funding trends inside and outside the response plan/appeal

11-APR-2019



Amounts shown for the current year (far right bar) are for the year to date. No data is shown in years where there was no plan/appeal.

5. Funding across the HDP Nexus

5.1. Nexus Funding

The lack of a common definition of what constitutes Nexus programming complicates discussions about what constitutes Nexus funding. In the DRC, where no Collective Outcomes have yet been established, there are nonetheless a range of programme activities that could qualify as humanitarian-development-peace Nexus approaches, although perhaps none that qualify as a full HDP Nexus approach. Taking the

narrower definition of funding for development/resilience activities that link-up with and reduce humanitarian needs allows for a more focused view of Nexus funding.

Several operational agencies, particularly in the food security sector and in some areas of refugee/IDP assistance, talked about integrated programming that combined both humanitarian and development components. It was not possible to map the scale of these interventions. Some actors also noted that a Nexus approach should be more than just joined-up programming; it should also have an intervention logic designed to decrease humanitarian needs over time. A resilience-building approach focused on decreasing recurrent humanitarian needs was discussed by interlocutors involved in two of the Nexus pilot initiatives under development that were examined as part of this study.

Several operational actors pointed out that a challenge to achieving a Nexus approach was not just the availability of funds, but the challenge of bringing together humanitarian, development and stabilization/peace donors. Given the different application time-lines, prioritization processes and long list of differing administrative procedures, achieving a Nexus approach was often seen as been too challenging to implement.

There is no pooled fund in the DRC to address Nexus type programming, either as a broad approach or for specific resilience building initiatives to address gaps between existing funding streams. The OCHA managed Humanitarian Fund (HF) in DRC is one of the few countries that is structured to give funding longer than 12 months. The Standard Allocation window, created in 2016, allows for funding of up to 24 months and has so far only been used once for activities which fall within the HRP. Likewise, the SSU stabilization fund is limited to activities strictly within the ISSS framework.

5.2. Flexible, multi-year funding

There have been recent global changes leading to increased multi-year humanitarian funding, and development funding windows which are more flexible and quick-responding, which are currently applicable in the DRC. They are however not widely used. Examples include:

- ECHO two-year contracts. ECHO is planning on extending the possible timeframes for contract lengths to 24 months with 2019 being the first eligible year. Additionally, funds between two subsequent HIPs could be combined in a single contract. ECHO in DRC noted that while the option for 2-year budgets is now on the table, they had concerns about loss of flexibility that came with longer-term commitments. Given the structure is just starting, it may take time for the advantages and disadvantages of this approach to be made clear. It is however an opportunity to create linkages between humanitarian and development donors by bridging to longer donor planning timeframes.
- Mutual Reliance Initiative (MRI). The MRI is a standardized administrative process which allows for donors to shift fund between their respective agencies in order to allow for one lead donor to take the lead on a specific project without requiring multiple layers of contracts. The MRI was initially developed by the European Investment Bank (EIB), AFD, and KfW. The EU has since undertaken a similar process for cooperation with these donors and GIZ has started working

on joining the network. While no specific examples were given in DRC, a positive example comes from a programme in Chad. The MRI framework was used as a bridge between ECHO and DEVCO support, with AFD stepping in to fund the gap between ECHO's short-term commitment windows and DEVCO's longer start-up procedures.

- Development donor rapid response windows. Few of the changes at a global level seem to be regularly used in the DRC yet. AFD is an example of a development donor that has a rapid response facility, for which projects are of a 15-month duration. In the DRC however, AFD usually aims for projects with a period of four years. Some other development donors are also moving towards increased flexibility, including Sweden and the Netherlands, and longer implementation periods (DfID).
- Humanitarian Fund multi-year funding. As mentioned, permission was granted in the DRC for projects up to two-years, one of the few countries where this has been allowed. However, this option has rarely been used.
- WB direct funding to multi-lateral bodies, including the UN system. Still a relatively recent development, this reflects both the WB's renewed commitment to addressing poverty in fragile contexts, and increased openness to partnerships. The WB's window for assistance linked to displacement is of particular relevance to Nexus approaches.

Despite the increase in availability of multi-year humanitarian donor mechanisms, these still represent a small percentage of the overall humanitarian funding in the DRC. Likewise, options for increased flexibility by some development donors has not seen a rapid increase in use of these structures. The dominant framework remains strong division between short term focused humanitarian funding, long-term development funding with substantially different prioritization criteria, and a third silo for stabilization funding.

After years of efforts to improve multi-year, flexible funding, the incremental achievements that have been made so far have been largely welcomed. However some donors and operational actors also expressed concern that multi-year humanitarian funding could decrease flexibility to respond to rapidly evolving crises, or decrease the amount of funding directed to humanitarian assistance. While some operational humanitarian actors requested increased multi-year funding that was also highly flexible, many donors were skeptical about giving away so much control. They also distinguished between administrative flexibility (which they had limited control over) and operational decision-making flexibility. Even with longer timeframes, limitations around the types of activities that can be undertaken have remained siloed. Thus, while there has been some evolution in flexibility of mechanisms, the impact on types of programming actually funded has been more limited. Multi-year funding also did not substantially change operational structures of implementing agencies, with programme design remaining annual and result-based rather than transformative and outcome-based.

This was particularly the case in North Kivu, where both humanitarian actors and donors reflected that humanitarian responses had become reactive and repetitive, with new approaches needed. The scale of unmet needs, and the pressure to respond to the Ebola crisis, detract from the ability to work towards joined-up programming. Despite the close proximity of humanitarian, development and stabilization funding

and programmes, small examples of increased funding flexibility alone do not seem to be enough to bring together different actors. In addition, the lack of a dedicated fund or lead donor actively pushing for Nexus approaches have left the financial incentives in favour of continuation of the status quo.

5.3. Linking development, humanitarian and stabilization funding

Organizations working in the humanitarian, development and stabilization sectors in the DRC each noted that their own sectors were significantly underfunded, with development and stabilization actors the most likely to point to the humanitarian sector as receiving disproportionately large support. These discussions, which are not unique to DRC, to a certain extent reflect the way funding is channeled. While development funding is significantly larger than humanitarian funding, particularly by ODA definitions, a much smaller fraction of this funding passes through the UN system and NGOs. In contrast the aligned stabilization funding spent against the ISSS frameworks is tiny compared to the MONUSCO peacekeeping budget, despite stabilization now having become one of the two main mission priorities.

The Nexus approach should be able to rise above these discussions and address how existing funding can be used more effectively to align prioritization and objectives to decrease recurring short-term needs through addressing resilience and root causes. Two different levels of approach exist to this. “Whole of Society” approaches propose a combined policy analysis across all financing sectors to optimize returns. A “joined-up programming” approach puts more of an emphasis on bringing together HDP initiatives to address gaps in resilience and stabilization to break the cycle of recurrent humanitarian expenditures.

None of the five countries visited as part of this study had yet developed a financing plan in support of either their Collective Outcomes or of the Nexus approach more generally. There were a range of positive examples not linked to a central planning process, although all along a HD Nexus, without including a peacebuilding component. These examples include donor led initiatives, such as the EU’s five pilot countries where they are ensuring ECHO projects link to DEVCO funding, highlighting the administrative barriers involved. They also involved initiatives led by operational agencies, where groups of actors worked together to combine different approaches, often in consortiums or with multiple donor backing. This latter approach is most similar to what is being considered by the regional pilot initiatives in the DRC.

One of the most successful funding structures in support of a Nexus approach was the Bekou Fund, an EU Trust fund in the Central African Republic. It provided multi-year funding agreements for programmes in areas outside of government control, something many development donors were willing to do (things may start to change with the start of the Khartoum peace agreement in February 2019). It also specifically targeted early-recovery activities with the intention of decreasing the need for humanitarian interventions. The Bekou fund became the major donor providing non-humanitarian assistance in these areas, and served as a catalyst of other development donors to also engage, including through low amounts of World Bank support.

6. Opportunities and Challenges

The DRC has taken a relatively unique approach to implementing the Nexus. This is in large part due to the allocation of a dedicated resource person who has been well situated to mobilize key stakeholders. As a result, there is stronger awareness and buy in from government, donors, and operational actors. The decision to launch pilot projects has also meant that there is a diversity of approaches to pushing forward with programming.

At the same time, as was intended, several of the major processes have yet to be completed. This includes discussions around the selection of Collective Outcomes. A related debate is around the scope and scale of how the Nexus approach is to be applied.

Given the size of the country, the differing contexts in different provinces, and the concentration of humanitarian and stabilization programmes in specific regions, there is a stark contrast between a “Whole of System” approach to the Nexus and a structure allows for specific, prioritized, decentralized action plans to be developed and implemented. This does not mean that they are mutually exclusive. Provincially based structures can be envisioned in regions with ongoing humanitarian and stabilization responses as well a centralized national plan. This immediately raises the question of how such structures would be resourced.

While working groups have been established with key stakeholders (government, donors) as well as regionally, what support structures would look like for the medium term remain undefined. Possible required support includes ways to address improved coordination, planning, prioritization, information management and monitoring. Existing structures will struggle to take on broader responsibility and greater workloads without more resources and clear direction. At the moment, no additional funds have been allocated.

As is the case globally, there is a significant gap between the organizational cultures of humanitarian and development actors in the DRC, particularly amongst some donors and some UN structures. This gap is evident in defining the degree of direct government lead in programming, as well as in methods for programme prioritization. The needs-based approach used by humanitarian actors stands in contrast to the government-led prioritization preferred by development actors. Even in areas where overlapping interests have led to humanitarian, development and stabilization actors to work in the same geographical areas, they have not usually encouraged coordinated and complementary approaches.

To achieve this, and to ensure that there is a coordinated effort to reduce humanitarian needs over the medium term, requires a shift in approach from all stakeholders. While the OECD DAC recommendations on the Nexus came out in February 2019 (OECD, 2019), it is too early for this to have translated into operational practice and donors have yet to take a leadership role encouraging Nexus approaches. Operational actors often pointed to the lack of funding incentives, and indeed the continued funding barriers, as reasons not to take the lead in investing in changing to programming modalities.

The pilot projects are a promising way to encourage new ways of cooperation by operational actors, government bodies and from the donor working group. While consultation with the SSU is ongoing, there remains a larger gap to fully include stabilization programming. The pilot initiatives also do not address how to fund Nexus approaches more systematically across relevant regions of the DRC.

There are global changes by several donors towards multi-year, flexible funding, as well as couple of examples specific to the DRC. This increased flexibility is relatively minor compared to the administrative firewalls between the largest funding mechanisms. Nonetheless, some of existing tools can already be used in a more targeted manner as long as there is improved coordination, and commonly agreed objectives and prioritization at the operational level.

1. Ways Forward

The following points should be taken under consideration made for furthering the Nexus approach in the DRC:

- A decision needs to be made on the scale and scope of the Nexus approach. A focus should be retained on the key objective of reducing humanitarian needs through mid-term investment in resilience programming.
- Encouraging systematic Nexus programming should be encouraged at several levels. This could include both centralized planning as well as decentralized and multi-sector initiatives.
- Both Collective Outcomes and broader Nexus approaches need support structures. These include:
 - Funding strategies. This may include dedicated funding (such as a pooled fund), alignment of other funding modalities, or funding for specific projects, including the pilots. The DAC recommendations are an opportunity to mobilize support.
 - Coordination structures. It is easier to build on existing structures with expanded role than to create new ones, as long as resources are sufficient. Some dedicated capacities are important, as well as the clear assignment of roles.
 - Information management/monitoring capacity. A system to monitor work by clusters + resilience + development in key areas would be easier to achieve than “whole of system” monitoring.
- Nexus programming requires donor leadership, as well as engagement by government and operational agencies. Donors need to coordinate at the national (and local) levels to decide on joint strategies to promote Nexus approaches and to encourage buy-in by other partners.
- Donors need to be clear as to the structural barriers hindering Nexus approaches and resilience programming in unstable areas, in order to be able to address them.
 - Inflexibility of both humanitarian and development donor structures was the most frequently cited reason for the lack of engagement in resilience activities in unstable areas. While some progress has been made to increase flexibility, successful examples such as pooled funds, consortium approaches, and alignment of objectives are options that can be more broadly adopted.

- Continued work needs to be done towards joint prioritization between humanitarian, development and stabilization actors.
- Stabilization is a central pillar for ensuring complementarities with both the mission and broader peacebuilding initiatives, especially given new the priority in MONSUCO's mandate. Concerns about negative impacts on humanitarian space can be addressed through joint planning and alignment of objectives rather than direct partnerships.

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