

**FOR INFORMATION AND INPUT**

**BM.03/DOC.08: UPDATE ON THE ACCELERATED FUNDING MECHANISM**

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**1. PURPOSE**

The purpose of this paper is to update the Governing Board (the “Board”) on the Accelerated Funding Mechanism (“AFM”), which has not yet been launched; and seek initial feedback on a series of proposals to advance the AFM, including a revised focus on ‘mobile populations’.

**2. UPDATE**

2.1 At the 1<sup>st</sup> Board Meeting in November 2014, the Board, in decision BM.01/DEC.06, welcomed the GCERF Secretariat’s proposal for an Accelerated Funding Mechanism ‘...to provide an efficient and effective way for the global community to provide fast and flexible support to projects responding to the recent escalation in violent extremism worldwide and its current manifestations...’. At the time this included an immediate focus on the challenges posed by *Da’esh*/ISIL, although there was some discussion about maintaining some flexibility.

2.2 The AFM was intended to provide small grants of between USD 10,000 – 100,000 to support projects of non-governmental organisations, primarily national and community-based organisations, and sub-national governmental authorities, of between 3-12 months duration. An indicative list of eligible countries was presented, mainly in the Middle East and North Africa, Central Asia, and South East Europe. Some of the indicative projects proposed at the time included counter-messaging, capacity-building among civil society, promoting tolerance and diversity, and facilitating dialogue. An accelerated process for grant applications, due diligence and funding recommendations was also proposed (see BM.01/DOC.05).

2.3 The launch of the AFM was approved, subject to securing requisite funding, defined in BM.01/DOC.07 as USD 3.5 million in 2015 and USD 3.5 million in 2016, also providing for dedicated Secretariat capacity to launch the AFM. At the moment the only contribution secured for the AFM is NOK 1,850,000 (approximately USD 210,000) from the Government of Norway. The European Union (EU) has indicated that ten percent of its GCERF contribution for 2016 will be for the AFM, amounting to EUR 200,000, and the Government of the United States has indicated a contribution of USD 500,000 from its grant to GCERF for 2016. In total these contributions once secured would amount to about USD 920,000 for 2016.

2.4 It may be worth reflecting briefly on the quite surprising lack of support to date for the AFM. One reason may be a preference by the current GCERF donors to focus on its core business, the Core Funding Mechanism (“CFM”). The CFM was based on the negotiated outcome of a series of Steering Group meetings in advance of the establishment of GCERF, and was therefore better known and probably more readily acceptable by stakeholders involved in those meetings.

Second, it may be that donors are waiting for results from the CFM before extending their support to new initiatives. The current Board meeting establishes the relevance, effectiveness, and added value of the CFM (BM.03/DOC.02.). Third, it may be argued that over the past year, and in large part due to momentum and exposure from high-level international summits to address the rise of ISIL and similar groups, there has been a proliferation of new activities by government, civil society, and corporate entities, although none to address the community-level funding gap that is the purpose of GCERF.

### **3. ADVANCING THE AFM**

3.1 The rationale for the AFM remains. It adheres to the GCERF mandate, namely to fund preventive initiatives at the community level, and is thus a legitimate extension. It provides a more direct and immediate method of funding than the CFM, and helps constitute an integrated portfolio. It extends GCERF's footprint, reinforcing its global reach, relevance, and impact.

3.2 On the flipside, the current status of the AFM poses a reputational risk. The AFM was launched at the inception of GCERF and in response to a proposal by U.S. Secretary of State John Kerry at the 5<sup>th</sup> Ministerial meeting of the Global Counterterrorism Forum. It was assumed that a focus on anti-ISIL projects was intuitively more appealing than the more strategic and longer-term investment of the CFM. Yet it has not yet been launched due to not reaching the requisite level of funding. What is more, the limited funds for the AFM from one and prospectively three donors are currently in suspense.

3.3 A clear direction and strategy is required for the AFM, in order to allow it to be launched, or retired, within the next 12 months. Three options presented here are: (i) to intensify efforts to launch the AFM in its current form; (ii) to seek to amalgamate the AFM with the CFM; and (iii) to re-orient the AFM towards a clearer international funding gap. The Secretariat's current preferred option is the third.

3.4 Several steps are required to intensify efforts to launch the AFM in its current form, including further elaboration of the AFM proposal, more active publicity by the Secretariat and Board, and a dedicated resource mobilisation strategy. Clearly all of these steps require additional and dedicated capacity at the Secretariat. A second option is to retire the AFM and focus GCERF on its CFM. The potential reputational damage would need to be managed. Negotiation with the Government of Norway and potentially the EU and US would also be required, with the preference for those grant funds currently dedicated to the AFM to now be diverted to the CFM.

3.5 The Secretariat's preferred option, outlined in the next section, would be to re-orient the AFM, in recognition of its continuing relevance, but the dwindling opportunity to add value to anti-ISIL initiatives. Specifically, the Secretariat proposes a focus on mobile populations.

#### **4. MOBILE POPULATIONS**

4.1 Any discussion of potential intersections between migration and violent extremism is politically sensitive, especially in the current European context. Nevertheless there is a quite strong evidence base to suggest that mobile populations may be especially vulnerable to radicalization to violent extremist agendas, especially the youth, especially in camp environments, and especially in situations of protracted displacement.

4.2 There would be a number of potential advantages for GCERF to develop the AFM as a dedicated funding stream in this area. First, it would demonstrate GCERF to be an agile and responsive institution. Migration, and its potential security implications, is at the top of the political agenda at the moment and likely to remain so for the next few years. Second, initial soundings indicate that preventing and countering violent extremism remains largely a gap in current projects among mobile populations, most of which are focusing on humanitarian assistance or longer-term development. Third, initial discussions with a number of potential donors have indicated interest and the availability of funding.

4.3 A further advantage would be that the basis for the AFM, as approved by the Board, is still valid. The types of projects envisaged, the potential target countries, and the funding mechanism, would all still apply. In many countries, what is more, mobile populations are susceptible to recruitment by ISIL and its affiliates, and so a relevance to the origins of the AFM could also be maintained. In effect this proposal would be to narrow the focus of the AFM onto a population considered especially vulnerable to radicalization to violent extremist agendas including by ISIL, and among whom very little P/CVE work is currently taking place.

4.4 Thus envisaged, the AFM may be portrayed as a 'rapid response' mechanism for emerging issues, currently the refugee 'crisis', but to be re-defined as appropriate in the future.

4.5 Clearly the proposal requires further refinement, for example with regards to geographical scope and project focus. A certain degree of 'de-conflicting' with the CFM may also be required where needs assessments identify mobile populations as a priority, as is currently the case for the Bangladesh National Application.

4.6 The same reservations as noted for continuing the AFM in its current form above also apply to this proposal. Dedicated Secretariat resources are required, and are currently unavailable, in order to launch the AFM. It is possible however to build on existing research, expertise, and networks at the Secretariat to prepare a full proposal for Board approval in early 2016.

#### **5. QUESTIONS FOR DISCUSSION**

This paper is intended both to update the Board on the AFM, and elicit initial feedback on a number of proposals for advancing it. In order to help guide discussion at the Board meeting, a number of questions for discussion include:

- What are the relative merits of the three proposals presented here – to reinforce the AFM in its current form, integrate it into the CFM, or re-orient it?
- Are there other proposals to advance the AFM?
- What are the advantages and disadvantages of the proposal for a new focus on mobile populations?
- How realistic will it be to raise the required funds?
- Are there other pressing issues/populations where the AFM might focus?