



ECOSOC HUMANITARIAN AFFAIRS SEGMENT

UN HEADQUARTERS, NEW YORK 19-21 June 2018

Title:

Unlocking private sector innovation and financing

Sponsors and Organizers:

USAID, European Union and ODI

Date and Time: Thursday, 21 June 2018, 8:30 - 9:45

Place: Conference Room E, UN Secretariat, New York

This is one of the side-events to be convened during the ECOSOC Humanitarian Affairs Segment, in keeping with this year's theme: *Restoring humanity, respecting human dignity and leaving no one behind: working together to reduce people's humanitarian need, risk and vulnerability.*

Background and objectives

Traditional donor funding, which accounts for three quarters of humanitarian assistance globally, is stretched beyond capacity. A whole-of-system approach is required that considers both how to strengthen existing grant mechanisms and opportunities to leverage additional resources, while also bringing new cost-efficient solutions to scale. To achieve these objectives, additional attention should be focused on innovation and private sector engagement.

Public - private partnerships can support the co-creation of innovative solutions to address humanitarian challenges, to deliver results with greater cost-effectiveness. Humanitarians have a deep understanding of areas where new solutions are needed, while businesses can contribute expertise and technology to design, test and scale new solutions to better address humanitarian needs. More is needed to fully exploit the immense potential of such partnerships. Humanitarian stakeholders are taking actions to support innovation through inclusive approaches and partnerships; for example, the Humanitarian Grand Challenge [Creating Hope in Conflict](#) (launched by USAID, DFID and Grand Challenges Canada) and the innovation prize on [Affordable High-Tech for Humanitarian Aid](#) (launched by the European Commission).

In recent years, the humanitarian sector has also developed innovative financial solutions with the private sector, as seen in humanitarian impact bonds and new risk financing instruments. But, as the Emergency Relief Coordinator discussed recently in Dublin, we need to explore other forms of risk sharing with the private sector, and ways to leverage additional financial resources from them. Research by the Humanitarian Policy Group (HPG) draws out the immense potential of public-private partnerships to harness the necessary capital, knowledge and networks to mitigate fragility and shoulder

the costs of reconstruction after conflict. But more is needed to determine what needs to happen to scale up these financing solutions with the private sector across a spectrum of short and long-term needs.

The goal of this event is to identify opportunities for the private sector to fully invest in humanitarian action, and also the barriers preventing scaled up engagement, including the challenges of aligning different objectives and business models while considering issues of sustainability and profit. The session aims to debunk the hype around public-private partnerships, and map out concrete initiatives to improve collaboration between different actors. With around 2 billion people in countries affected by fragility, conflict, and violence, more effective private sector investment will be critical to assist those furthest left behind.

Discussion points

What can we learn from successful examples of private sector innovation? What are the ingredients contributing to success? What doesn't work? How context-specific do partnerships need to be? What is the role of the local/regional private sector compared to international/multinational?

What are the risks of private sector involvement, particularly relating to principled and responsible action, and how can they be mitigated?

How can investment approaches be scaled up in humanitarian contexts, harnessing private sector financing?

What role does concessional/grant funding play in leveraging and derisking private sector investment in fragile contexts through blended finance?

Intended outcomes/conclusions/recommendations

This side-event aims to generate a series of practical proposals for more radical and transformative change, while further elaborating to a broader humanitarian audience the opportunities and challenges of engaging with the private sector.

Format

A moderated conversation among panel members will explore the key issues, with Q&A from the floor.

Chair and moderator:

- co-chaired by;
 - Monique Pariat, Director-General for Humanitarian Aid and Civil Protection, European Commission and
 - Karen Freeman, Senior Deputy Assistant Administrator for the Bureau for Democracy, Conflict, and Humanitarian Assistance, USAID.
- moderated by Barnaby Willitts-King, Senior Research Fellow at the Humanitarian Policy Group.

Panel composition:

- Dr Philippe Spoerri, Head of Delegation, ICRC Delegation to the United Nations in New York

- Henry McLoughlin, Director, Corporate Development, Capricorn Investment Group
- John Kluge, Founder and Managing Partner, Alight Fund

Concluding remarks

- Mark Lowcock, USG for Humanitarian Affairs, UN OCHA

Background Material

[Market-based solutions and innovative finance: new approaches to address humanitarian needs: report of WEF/ODI workshop](#)

Private sector engagement in complex emergencies: case studies from Yemen and southern Somalia, ODI 2017.

<https://www.odi.org/publications/10720-private-sector-engagement-complex-emergencies-case-studies-yemen-and-southern-somalia>

Humanitarian crises, emergency preparedness and response: the role of business and the private sector - Final report,

<https://www.odi.org/publications/8534-private-sector-business-companies-humanitarian-emergencies-disasters-csr>

Humanitarian Grand Challenge [Creating Hope in Conflict](#) (launched by USAID, DFID and Grand Challenges Canada)

Innovation prize on [Affordable High-Tech for Humanitarian Aid](#) (launched by the European Commission).

Contact

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