

Extraordinary GSC Donors Consultation Group meeting - Meeting notes

Date – 7 February 2025

Participants

GSC DCG, GSC SAG

Agenda:

1. Preliminary overview of impact of the stop-work order
2. Updates from Donors
3. Ways forward: discussion

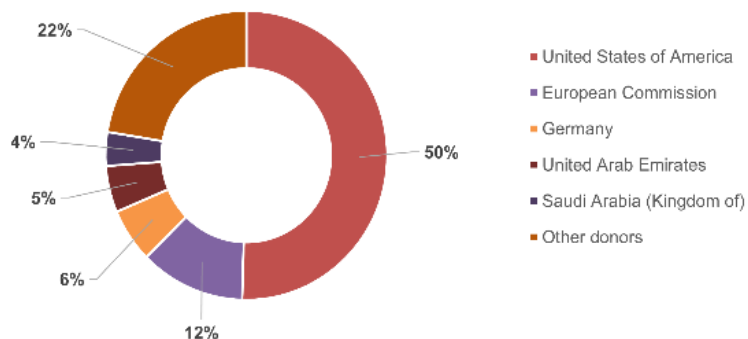
Action points:

- All participants to share contacts of donors that could be interested in participating in following meetings
- Global cluster coordinators to discuss with SAG the final status of the harmonized definition to life-saving shelter and way forward
- Global cluster coordinators to organize a GSC partners meeting

1. Preliminary overview of impact of the US stop-work order

1.1 Overall impact on shelter sector

2024 funding sources for Emergency Shelter and NFI sector



in 2024, US funded 50% of the shelter responses in the countries with activated clusters and cluster like mechanisms. USAID freeze will strongly impact shelter and NFI responses in all countries.

country-level responses

- Country clusters have replied to a GSC survey overall, have reported their partners depended in 2024 on USAID funding between 30% and 50% in most cases, and for some, this goes up to 60% or even 91%. The three highest cases reported so far have been DRC (91% and 1.6M people in need of shelter and NFI estimated to be affected), Nigeria (70% and 1.4M people in need of shelter and NFI estimated to be affected) and Mozambique (62% and 148,000 hh estimated to be unattended).

1.2 Impact on

- The stop-work order has important implication is not only delaying the response, but it will also create significant constraints to the floods response expected during the rainy season (delays in procurement will hamper the window of opportunity to transport before the rains the stocks to the areas that will be inaccessible due to the rains). There is a strong impact also on the trust in humanitarian actors and some countries have flagged severe operational consequences due to loss of trained staff and vendor relationships
- 10 country clusters out of 13 clusters that replied to the survey so far, confirmed their coordination team structure will be affected

1.3 Impact on SAG agencies

- Several agencies shared the concern about the impact not only on the shelter programs that have been totally or partially frozen but also the additional impact on the operational capacity due to reduction in other programs with which they had shared costs.
- Some organizations are planning strong downsizing measures.
- Some agencies confirmed they are slowly receiving waivers for life-saving activities but still it is needed more clarity to be able to plan accordingly.
- The stop-work order stopped all payments, therefore, even with waivers organizations have liquidity issues and may need to suspend their activities.

1.4 Impact on GSC Support Team

- BHA Funding 1M USD until Sept 2025 which is 40% of the total GSC ST budget – 2,55M
- 18 out of 25 staff are directly impacted
- Financial impact on staffing cost for 90 days (from 24th Jan) is 400,000 CHF

2. Updates from Donors

- It was acknowledged the need to have this meeting and mentioned the need to repeat it in 2 weeks, once there is more information available from all the parties. Some possibilities to invite new donors to the coming calls.
- This situation is a humanitarian emergency on its own.
- It is not only about the the funds but also about he extraordinary capacity that is not allowed now to contribute.
- Synergies between sectors are more important than ever.

3. Ways forward: discussion

There are ongoing discussions about improving efficiency in the humanitarian sector, and we will continue to engage in them. However, efficiency alone is not enough—the Shelter Cluster sector needs more funding. Significant gaps existed even before this situation, and the GSC will continue to advocate for the right to shelter.

There is also shared concern about thematic areas heavily impacted by this executive order, such as gender, environment, and climate change. The need to continue working in these areas is well recognized and the need to find donors who will support.

Solutions from the start and durable approaches will suffer incredibly this decision. The waiver will allow only very short-term emergency response, and all the work developed in the past years to develop frameworks and will suffer significantly.

There is a need to prepare a contingency plan beyond the 90 days.

The impact of shelter on other sectoral objectives, such as education, health.. can be very useful for donors for advocacy for shelter.