

STRATEGIC EVALUATION

WFP'S Use of Pooled Funds for Humanitarian Preparedness and Response (2009- 2013): A Strategic Evaluation **Annexes - Volume II**

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Annex 1: Evaluation Terms of Reference

1. Background

1.1 Introduction

1. Strategic Evaluations focus on strategic and systemic issues of corporate relevance, including new WFP strategic direction and associated policy, operations and activities. They evaluate the quality of the work being done related to the new strategic direction, its results, and seek to explain why and how these results occurred.

2. This evaluation is part of a series of three strategic evaluations¹ addressing the theme of emergency preparedness and response (EPR). This evaluation will analyse the use and benefits of pooled funds (PF) in WFP's preparedness and response, including its work with implementing and coordination partners. The PF included in the evaluation are: the Central Emergency Response Fund (CERF), the Emergency Response Funds (ERF) and the common humanitarian funds (CHF).

3. The Terms of Reference (TOR) were prepared by the WFP Office of Evaluation (OEV) evaluation manager Anne-Claire Luzot, Senior Evaluation Officer, based on a document review and exchanges with internal and external stakeholders.

4. The purpose of these TOR is to provide key information to stakeholders about the proposed evaluation, to guide the evaluation team and specify expectations that the evaluation team should fulfil. The TOR are structured as follows: Chapter 1 provides information on the context; Chapter 2 includes the rationale, objectives, stakeholders and main users of the evaluation; Chapter 3 presents an overview of the various PFs' utilisation in WFP as well as the scope of the evaluation; Chapter 4 deals with the evaluation approach and methodology; and Chapter 5 indicates how the evaluation will be organized.

5. The Annexes include the list of people met, the bibliography, a preliminary list of country selection criteria, the reference groups' membership and other key information.

1.2 Context

6. In 2003, 17 donors endorsed the Principles and Good Practice of Good Humanitarian Donorship. These were drawn up to enhance the coherence and effectiveness of donor action, as well as their accountability to beneficiaries, implementing organisations and domestic constituencies, with regard to funding, coordination, follow-up and evaluation².

7. Following this initiative, the humanitarian reform induced, among others, major developments in the humanitarian financing. In an effort to enhance its predictability and reliability, several PFs mechanisms were set up or strengthened over the period. The PFs rely on donors providing un-earmarked contributions to a common source from which allocations are made. While the CERF can cover all

¹The other two evaluations are the evaluation of the joint FAO/WFP Global Food Security Cluster and the evaluation of the Preparedness and Response Enhancement Programme.

²For further details see <http://www.goodhumanitarianandonorship.org/gns/home.aspx>

countries affected by an emergency, the CHF and ERFs are country-based PFs that respond to specific humanitarian situations, currently, in 18 countries³.

8. **Pooled Funds Objectives.** The CERF and CHF were both set up as a result of the humanitarian reform agenda, while the ERF exists since 1997. Each PF has its own objectives and characteristics but they also share common aspects as shown in their results frameworks (See table 1 below and for further details see Annex 5). Indeed, all these funds are meant to address critical humanitarian needs in a timely, coordinated and predictable manner. Effective partnership is at the core of all PFs.

Table 1: Key facts about the PFs

	CERF	CHF	ERF
Established in	2005	2006	1997
Objectives⁴	Promote early action and response to reduce loss of life; enhance response to time critical requirements; and strengthen core elements of humanitarian response in underfunded crises. ⁵	Provide early and predictable funding for their response to critical humanitarian needs.	Provide rapid and flexible funding for unforeseen, sudden-onset humanitarian emergencies.
Management	Centrally managed	Country based	Country based
Main recipients	United Nations agencies and the International Organisation on Migration (IOM)	United Nations agencies and the non-governmental organisations (NGOs)	NGOs

9. **Allocations and Funding.** Globally, the CERF and CHF disburse the largest allocations and both are regularly increasing as shown in Figures 1 and 2. The CERF can provide funding through loans (minimal amount) and grants. Within the grants, the Rapid Response Window represents about 70% of allocations and the Underfunded Emergencies Window, about 30% (see Figure 3). Allocations to PFs represent between 5 and 7% of the total yearly humanitarian funding.

Figure 1: Proportion of CERF-CHF-ERF global allocations (cumulative 2009-2013)

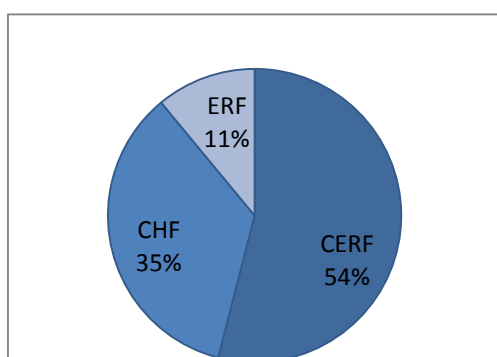
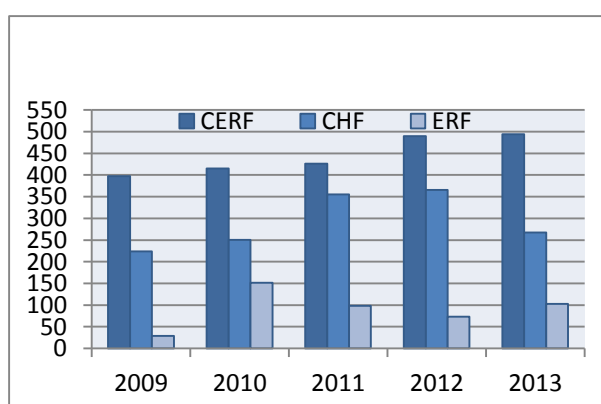


Figure 2: Yearly global allocations of CERF-CHF-ERF (US\$ mln)

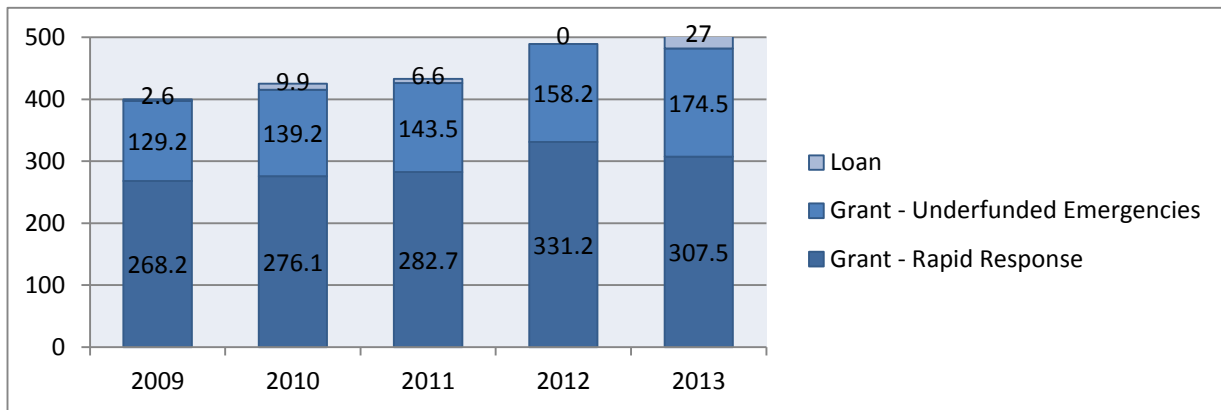


³For further details on the PF see Annex 5

⁴CERF, CHF and ERF logical frameworks are available in Annex 5.

⁵It has to be noted that the CERF Performance and accountability framework included in Annex 5 is currently under review.

Figure 3: Yearly distribution of CERF global allocations (US\$ mln)



Sources: OCHA-CERF website (<http://www.unocha.org/cerf/cerf-worldwide/allocations-window>;
<http://www.unocha.org/cerf/resources/information-products/annual-reports>).

10. As shown in Figure 4, WFP has been consistently the largest PF recipient alongside with UNICEF. The main donors to these three PF are the United Kingdom, Sweden, Norway and the Netherlands (Figure 5).

Figure 4: Top-5 Recipient Agencies of CERF-CHF-ERF (yearly in US\$ mln)

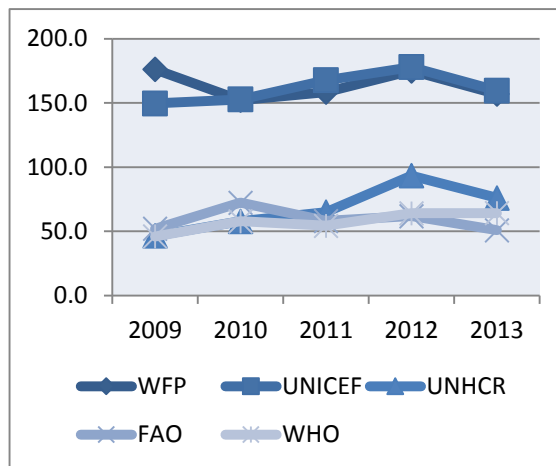
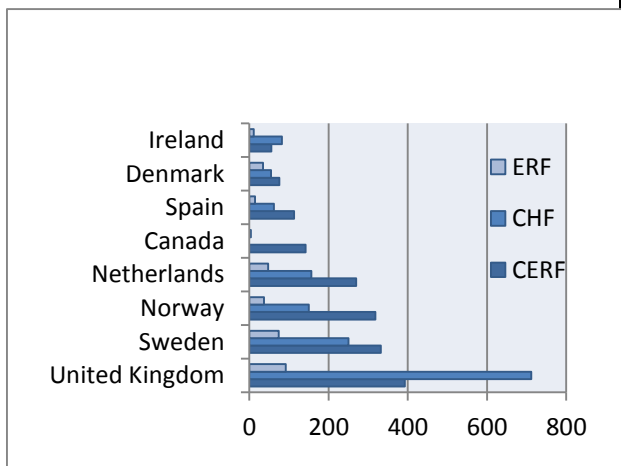


Figure 5: Top-5 Donors to CERF-CHF-ERF (Cumulative 2009-2013 in US\$ mln)



Source: Based on data from OCHA Financial Tracking Service (<http://fts.unocha.org>)

11. **Roles and Responsibilities.** The CERF is centrally managed by the United Nations Emergency Relief Coordinator (ERC) supported by the CERF secretariat. Immediately following a disaster, the United Nations Resident Coordinator or Humanitarian Coordinator (RC/HC) can make a CERF application for humanitarian funding for priority, life-saving activities. The CHF⁶ and ERF, being country based, are under the humanitarian coordinator's (HC) authority and managed by the Office for the Coordination of Humanitarian Affairs (OCHA). In these cases, the HC can immediately release available funds upon agreed priorities at the country level. While the CERF is only accessible by United Nations agencies, the CHF is also open to NGOs and the main ERF recipients are NGO partners.

⁶To be noted that the CHF financial management is under the responsibility of the United Nations Development Programme (UNDP) through the Multi-Partner Trust Fund (MPTF) Office

12. **Pooled Funds Transaction Costs.** A 2009 study⁷, coordinated by UNICEF on behalf of FAO, UNHCR, WFP and UNICEF, defined the transaction costs associated with PFs as “*the cumulative cost of adapting to, and integrating, the specific characteristics of the humanitarian PFs, both in terms of time, energy and money spent, and in terms of opportunities missed*”. While recognizing the impact of PFs on the work of donors, United Nations agencies and NGOs, the study identified a number of challenges associated with their transaction costs briefly summarised below:

- “An accelerated decentralisation of resource mobilisation from Headquarters (HQ) to field, increased workload and competency demands on human resources. While traditional resource mobilisation mechanisms are maintained, new management models are created in parallel to deal with the actions required in the countries. This means to develop or enhance Agencies’ capacity to compete for funds at the country level. This also leads to the emergence of two parallel reporting systems to meet both the donors and the PFs’ requirements.
- Shift in accountability from donors to the PF recipients. In pooling resources for humanitarian actions, donors are giving up a large part of their direct oversight role, largely transferring it to the PFs recipients.
- Weakened predictability of funding at individual agency level. While overall annual allocations from humanitarian PFs can be predicted, no agency can actually predict what their share will be.
- Difficulties in balancing a participatory approach with the need to plan strategically. Allocations are very often piecemeal rather than strategic. It places pressure on the cluster leads, thereby testing the limits of democratic and transparent management.
- Irreversible interdependency of the cluster approach and the PF, handicapped by conflicting management assumptions. Collegial and authoritative management styles demanded by the two respective underlying reform concepts are somehow challenging to reconcile”⁸.

13. **Pooled funds global evaluations.** United Nations OCHA commissioned a global evaluation of each PF over the last few years: the CERF and the CHF in 2011 and the ERF in 2013. These evaluations’ key conclusions and recommendations are informing the TOR. In particular:

- 2011 CERF evaluation⁹: the importance to assess United Nations agencies’ use of funds, to determine what internal factors, including partnership policies and practices, influence the effectiveness of CERF projects; the timeliness of funds disbursements to implementing partners; and use of internal advance mechanisms to establish interactivity and complementarities between these and the CERF to speed up start-up of response.

⁷D. Salomons, 2009, ‘A study of transaction costs associated with humanitarian pooled funds’, The Praxis Group LTD.

⁸Summarized from D. Salomons, 2009, ‘A study of transaction costs associated with humanitarian pooled funds’, The Praxis Group LTD

⁹For further details see Channel Research, 2011, ‘5-Year Evaluation of the Central Emergency Response Fund’.

- 2011 CHF evaluation¹⁰: the articulation between the various PF within a country, timeliness of funds utilisation and appropriate understanding by the agencies of CHF objectives and procedures.
- 2013 ERF evaluation¹¹: the appropriateness of use versus ERF objectives and the progress made in terms of performance standards development for monitoring purpose.

14. **The Transformative Agenda and the Humanitarian Reform.** The recognition by the ERC in 2009 for a strengthened inter-agency programming cycle, led to an inter-agency agreement on coordinated needs assessment which has been codified and is being rolled out globally. Within the humanitarian programming cycle, all CAPs (now called strategic response plans) are more evidence based and are screened to promote gender equality in programme design. CERF and country-based pooled-fund processes are aligned with needs assessments and priorities set out in CAP and flash appeals. The focus on improved programme cycle management is a priority for the Transformative Agenda (TA) launched by the Inter-Agency Standing Committee (IASC). Initiated in 2011, the TA establishes parameters for improved collective action in humanitarian emergencies, which include empowering country-level leadership strengthening coordination mechanisms, improving the humanitarian programme cycle and becoming more accountable to affected populations. It also defines clear triggers for CERF allocations in the context of Level 3 emergencies.

2. Reasons for the Evaluation

2.1 Rationale

15. As mentioned earlier, the CERF evaluation recommended that the United Nations agencies “conduct an evaluation of their use of the CERF funds (within the following 18 months) to determine what internal factors, including partnership policies and practices, influence the effectiveness of CERF projects”. Since then, FAO and IOM conducted such evaluations and UNHCR is doing one at the moment.

16. During the 2011 second session of the WFP Executive Board (EB), discussions around the Paper “Efficiency at WFP”, led the EB to urge WFP “to consider evaluating the efficiencies resulting from its use of disbursements from the CERF and other pooled funds”. To address these requests, OEV included in its work-plan the evaluation of WFP’s use of pooled funds (CERF, CHF and ERF) for humanitarian preparedness and response.

17. The evaluation is intended to provide a strategic analysis of the use and benefits of pooled funds in WFP’s emergency preparedness and response (as an operational agency and as a cluster lead), within the context of the good humanitarian donorship and of the transformative agenda. This evaluation will assess the added value of and challenges associated with each PF to WFP’s response to emergency, including its work with implementing and coordination partners, in countries and globally. It will also assess how the PFs are used together with WFP internal financing mechanisms¹².

¹⁰For further details see Channel Research 2011, Evaluation of the Common Humanitarian Fund’.

¹¹For further details see UNIVERSALIA, 2013, ‘The global evaluation of the Emergency Response Fund’.

¹²For further details on these internal mechanisms, see Evaluation Question 3.

18. The inclusion of three PFs in the evaluation scope will provide a unique opportunity to analyse their complementarity and coherence at country level from a single agency perspective.

2.2 Objectives

19. All evaluations serve the dual objectives of accountability and learning. As such the evaluation will:

- Assess and report on WFP's use of pooled funds for humanitarian preparedness and response; Analyse their potential added value and possible challenges (for instance transaction costs) to the effectiveness and efficiency of WFP's response as an operational agency and cluster lead (accountability); and
- Analyse the internal and external factors affecting the use of these funds, the efficiency gains and the role of partnership; Assess the complementarity, coherence and coordination of all three PF's from a single agency's perspective in so far as overall contribution to enhanced emergency and preparedness response can be adduced (learning).

20. While the initiative for this evaluation came from a request to account for the use of the PFs by WFP, this is also a unique opportunity for WFP to contribute strategically to their relevance and usefulness within the transformative agenda and the good humanitarian donorship, by providing evidence, from a single agency's perspective, of the actual added value of these PFs.

2.3 Stakeholders and Users of the Evaluation

21. It is expected that the evaluation team will undertake a full stakeholder¹³ analysis during the inception phase of the evaluation. Members of various stakeholder groups will also be part of the evaluation reference and advisory groups (for further details see Annex 7). Internal and external stakeholders have initially been identified as follows:

22. **Internal stakeholders.** WFP Management and the Executive Board are the primary audience to the evaluation as recipients of, and donors to the PFs. In WFP, Budget, Finance, Inter-Agency Partnerships and Government Partnerships are key corporate stakeholders alongside the global cluster coordinators (Logistics, Emergency Telecommunications and Food Security) and all the country offices (COs) accessing these PFs. Indeed, the preparation of funding requests, coordination with other partners responding to the emergencies and allocations and implementation are all country based. They will be expected to inform the evaluation throughout its process.

23. **External stakeholders.** At global level OCHA, the CERF secretariat, the MPTF Office and the IASC humanitarian financing task team are key stakeholders considering their roles in the PF management at various levels. Similarly at country level the HC/RC and the partner agencies in the humanitarian response are the key stakeholders. The PF working Group of donor agencies, in particular the United Kingdom, Sweden, Norway and The Netherlands, who are major contributors, will certainly have a keen interest in the evaluation findings as these will be part of their evidence base for their future contributions to and expectations from the PFs. All these

¹³To be noted that considering the subject of the evaluation a gender sensitive stakeholder analysis is not possible.

external stakeholders will also be key informants to the evaluation and will be expected to contribute their perspective on the PFs and their use by WFP.

24. **Expected users.** The primary expected users are: i) WFP management who will be responsible for taking action, on the basis of the evidence and recommendations provided by the evaluation, to further improve its use of the PF; ii) Donors supporting the PFs, who will be informed in a transparent and credible manner on the results achieved with their support; and iii) WFP Executive Board, who will have the opportunity to review and discuss the evaluation conclusions and recommendations as well as the corresponding Management Response.

25. Another important audience for this evaluation are OCHA, the CERF secretariat, the IASC Humanitarian Financing Task Team, the PF Working Group and the key actors of humanitarian response in countries.

3. Subject of the Evaluation

3.1 Pooled Funds in WFP ¹⁴

26. WFP is an active player in the humanitarian reform and is active in the IASC Humanitarian Financing Task Team, whose main objective is to review potential of the current funding architecture to respond to the evolving nature of humanitarian action.

27. The CERF is the seventh¹⁵ largest contributor to WFP and WFP is the largest recipient agency, representing between 25% and 30% of CERF yearly funding allocations as shown in Table 2. WFP also receives funding from the CHF in all countries (between 3 and 5) where there is a CHF active. Funding from ERF is much more limited.

Table 2: Summary of pooled funding since 2010¹⁶

	2010	2011	2012	2013
CERF				
Total CERF funding to United Nations agencies	415,223,792	426,157,020	477,342,407	493,916,966
Total CERF funding to WFP	120,284,949	126,152,447	136,788,354	139,556,192
Proportion of WFP in total CERF funding to United Nations agencies	29.0%	29.6%	28.7%	28.3%
Number of WFP recipient countries of CERF	32	38	40	40
CHF				
Total CHF funding to United Nations agencies	139,655,842	158,006,293	169,533,964	117,799,732
Total CHF funding to WFP	20,223,674	26,043,866	32,907,068	11,161,096
Proportion of WFP in total CHF funding to United Nations agencies	14.5%	16.5%	19.4%	9.5%
Number of WFP recipient countries of CHF	3	4	5	5
ERF				
Total ERF funding to United Nations agencies	64,745,140	21,743,274	22,174,148	31,934,859

¹⁴For further data tables see Annex 4.

¹⁵WFP Government Partnership Division data.

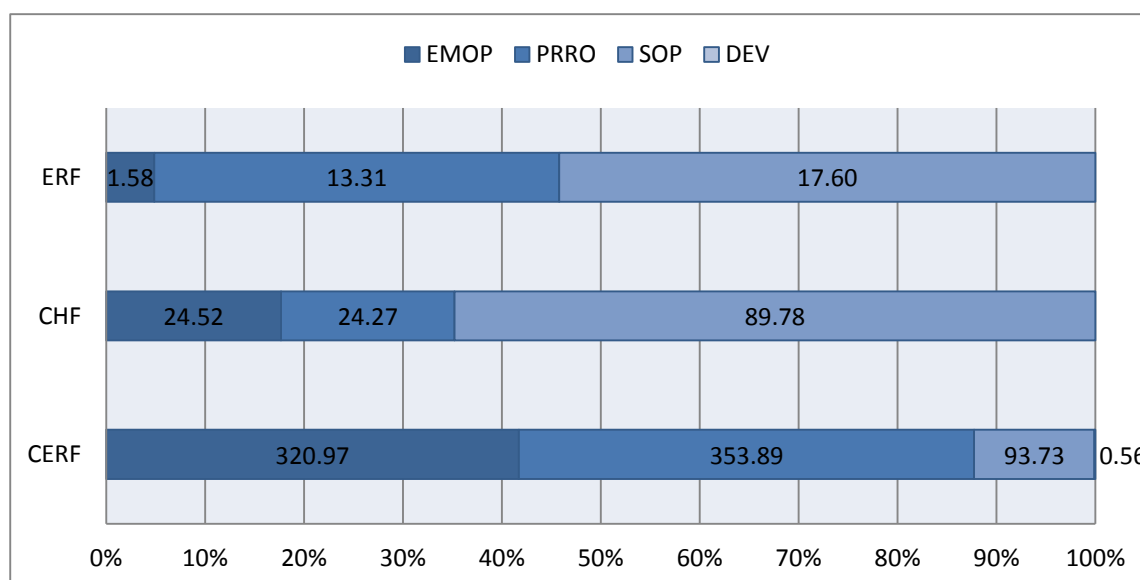
¹⁶No data for 2009 as there was no disaggregation available for the CHF and the ERF

	2010	2011	2012	2013
Total ERF funding to WFP	11,809,950	6,311,805	6,388,743	6,239,327
Proportion of WFP in total ERF funding to United Nations agencies	18.2%	29.0%	28.8%	19.5%
Number of WFP recipient countries of ERF	0	2	3	4

Sources: Financial Tracking Service (FTS) - OCHA [<http://fts.unocha.org>] and WFP Donor Contribution & Forecast Stats (weekly data retrieved on 19 January 2014)

28. WFP considers that the PFs “have helped WFP to harmonize responses, to increase sectoral coverage of needs and to improve field level coordination. They mainly support food operations, but also WFP’s leadership of the logistics and emergency telecommunication cluster”¹⁷. The majority of funding logically supports Emergency Operations (EMOP), Protracted Relief and Rehabilitation Operations (PRRO) and the Special Operations (SOP).

Figure 6: Distribution of PF funding (US\$ mln) by type of WFP operations (2009-2013)

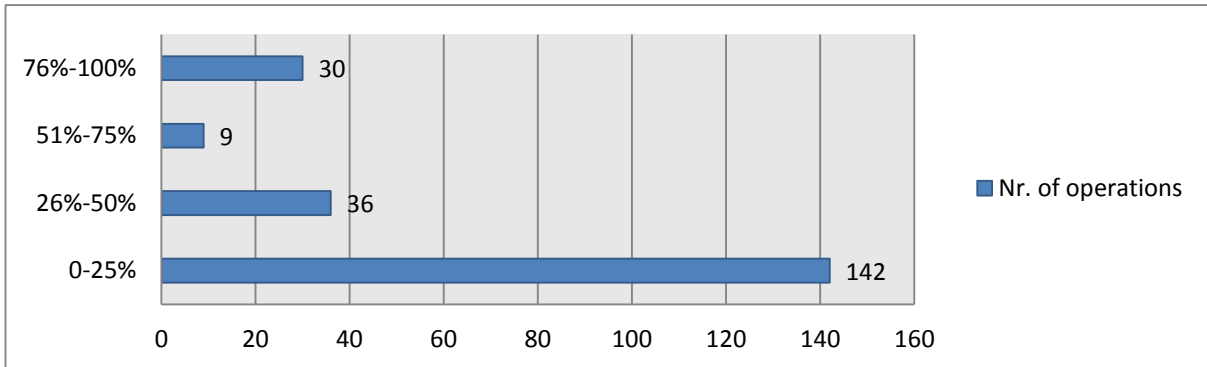


Source: WFP Donor Contribution & Forecast Stats as of 19 January 2014

29. On average, the CERF contributions represent 30% of the total directed multilateral contributions of the corresponding WFP operations; the CHF contributions represent 15% and the ERF, 7%. Figure 7 below shows that this proportion can vary greatly from operation to operation. For instance, out of a total of 217 operations which have received PFs contribution over the period 2009-2013, 142 of them received PFs contributions representing between 0 and 25% of the total directed multilateral contributions. Only 30 operations benefitted from PFs contribution amounting between 76 and 100% of the total directed multilateral contributions.

¹⁷WFP, EB.1/2010/5-C, ‘WFP’s Role in Humanitarian Assistance System’.

Figure 7: Proportion of CERF-CHF-ERF contributions in total directed multilateral contributions of WFP operations (2009-2013)



Source: WFP Donor Contribution & Forecast Stats as of 19 January 2014

30. WFP as a cluster (co)lead agency is also accessing some PFs to ensure provision of cluster services¹⁸ through some of its special operations.

3.2 Scope of the Evaluation

31. The evaluation will assess the extent to which WFP's use of the PF is aligned with their respective strategic intent (as described in their logical / results frameworks available in Annex 5). In particular, the assessment of timeliness, predictability, quality and partnerships will be prioritized. It will also take note of the progress made in overall implementation of these PFs following the recent global evaluations results and recommendations.

32. To the extent possible, the evaluation will distinguish between PF received for its own operations and those accessed to ensure provision of cluster activities.

33. This evaluation covers the period 2009 to 2013 and the 62 countries which received CERF, CHF and ERF funding over the period. Though PFs were established prior to 2009, a 5-year evaluation period is considered adequate to identify relevant trends and key issues to meaningfully inform the evaluation. If, in some countries selected for the case studies, there are other active humanitarian PFs (that WFP is accessing or not) these will also be included in the analysis¹⁹, to understand the added value for WFP to use them or not.

34. The evaluation will take into consideration the findings, conclusions and recommendations of the various global PFs evaluations which took place during the period under consideration. It will also take into consideration the on-going CHF global evaluation initiated by OCHA to maximise complementarity between both exercises and to avoid duplication of efforts²⁰. The evaluation will also liaise with the United Nations High Commission for Refugees (HCR) who is also planning an evaluation of its use of the CERF. After consultation with UNHCR and OCHA evaluation colleagues, it was decided to keep each other informed of our respective

¹⁸WFP is jointly conducting with FAO a joint evaluation of the Food Security Clusters. It will assess the ability of the cluster to leverage funds for the cluster activities and to some extent the ability to leverage funds for cluster partners,

¹⁹Information on humanitarian PFs active in countries is available here: <http://mptf.undp.org/factsheet/agency/002065>

²⁰Consultations with OCHA Office of Evaluation led to the conclusion that, considering the specific expectations of each evaluation, they could not be undertaken jointly. It has nevertheless been agreed that both Offices of Evaluations would keep each other informed of the progress and time their respective missions in countries in such a way that they would happen at the same time in order to reduce demands on the time of the stakeholders in countries whenever relevant.

progress. However, the scopes and approaches being different, there were no efficiency gains to conduct joint evaluations²¹.

35. Considering the low average contributions of the PF to specific operations, the evaluation will not assess the overall effectiveness of PF supported WFP operations (as recommended by the 2011 five-year evaluation of CERF). It is indeed impossible to establish any causal link between operation results and PF contributions. For the 11.5% of the operations where the PF contributions represented 100% of the directed multilateral funding, the evaluation will assess the rationale for this, and ensure that the countries selected for the desk review will include some of these operations.

36. The nature of this evaluation does provide very limited scope to examine gender dimension. It will however be given due attention whenever possible within specific evaluation questions.

4. Evaluation Approach, Questions and Methodology

4.1 Evaluation Approach

37. It is proposed to undertake a theory-based evaluation using the relevant elements of each PF logical/result frameworks to guide the evaluation design, approach and key evaluation questions. The methodological approach and associated tools will, to the extent possible, assess a series of cases (country-level humanitarian financing) on a range of key results and performance measures. With the overall limitations to evaluability described below, the evaluation will use a mix of methods to answer the evaluation questions.

4.2 Evaluability Assessment

Evaluability is the extent to which an activity or a programme can be evaluated in a reliable and credible fashion. It necessitates that a policy, intervention or operation provides: (a) a clear description of the situation before or at its start that can be used as reference point to determine or measure change; (b) a clear statement of intended outcomes, i.e. the desired changes that should be observable once implementation is under way or completed; (c) a set of clearly defined and appropriate indicators with which to measure changes; and (d) a defined timeframe by which outcomes should be occurring.

38. A preliminary evaluability assessment informs the TOR. At the inception stage, the evaluation team will have to review this preliminary assessment and critically assess data availability and quality to inform its choice of evaluation methods to address each of the evaluation questions developed in section 4.3.

39. This evaluation, for the reasons explained earlier, will not attempt to undertake a systematic analysis of the results achieved within the operations supported by PF. Furthermore, as WFP was receiving contributions from the PFs prior to 2009, it will not be possible to compare the situation before and after the evaluation period. Finally, 81% of WFP countries received PFs contributions over the proposed evaluation period. The remaining countries have not been facing major emergencies over the evaluation period and therefore cannot serve as counterfactual to analyse effectiveness of PFs' use

²¹In order to ensure complementarity and avoid duplication, WFP is including both OCHA and UNHCR evaluation colleagues in the external advisory group of this evaluation (see Annex 7).

by WFP. Compensating somewhat the absence of counterfactual, the recent global PFs evaluations and key studies will serve as benchmarks for this evaluation.

40. The evaluation will focus on the potential added value for WFP to access these PFs and on some of their key expected outcomes identified in their respective result frameworks such as timeliness, predictability and partnerships. The evaluation will also assess the complementarity, coherence and coordination between the PFs from a single agency perspective. Each of these outcomes will be assessed through specific indicators to be defined during the inception phase in the evaluation matrix to be developed around each of the evaluation questions in section 4.3. The analysis of efficiency and, in particular of transaction costs, will primarily be qualitative following the definition developed in the 2009 study referred to in section 1.2.

41. The evaluation will have to rely on both quantitative and qualitative data. While some are available globally, others are mainly found at country level. For instance, a large number of these financial data are available globally in the Financial Tracking Service maintained by OCHA and the MPTF office gateway²². Within WFP, the Standard Project Reports, the weekly Contributions database and WINGS II will also be very important sources of information. On the other hand, the narrative of emergency reporting and other reporting/monitoring documents are usually only available at country level. Considering the large amount of countries covered by the evaluation, it is neither possible within the time and budget available nor necessary to address meaningfully the evaluation questions developed below, to undertake a comprehensive analysis of all the PFs contributions in the 62 countries. Instead, it is proposed to undertake a three-stage approach as developed in section 4.4. Both qualitative and quantitative data will be used at these three stages to address each evaluation question.

4.3 Evaluation Questions

Important to note: while as formulated the evaluation questions do not differentiate between the PFs, it will be important that when addressing the evaluation questions, the evaluation team does make, whenever relevant, the distinction between the three PFs covered by the evaluation.

42. Overarching question: Is there an added value for WFP to access the PFs both as an operational agency and as a cluster lead? If yes, what does it consist of? If not, why?

1. Do the PF add value to WFP's effective humanitarian preparedness and response, especially in the context of objectives of the current humanitarian reforms under the transformative agenda?
2. Do they add value compared to other sources of funding?
3. Do they add value compared to WFP advance financing mechanisms such as the Immediate Response Account (IRA)²³, Forward Purchase Facility (FPF)²⁴ and the Working Capital Financing (WCF)²⁵?

²²<http://fts.unocha.org/> and <http://mptf.undp.org/factsheet/agency/002065>

²³The IRA is a multilateral fund facility that enables WFP to provide immediate food aid, as well as fund logistical and other non-food costs, in an emergency situation. It is a revolving account to which donors make cash contributions (Extract from WFP Programme Guidance Manual)

²⁴The Forward Purchase Facility (FPF) enables WFP to: i) improve the on-time delivery of food by reducing supply lead-times; ii) Procure commodities at the best time or season; and iii) Shorten the response time (during emergency response). It is a mechanism to procure commodities based on the aggregated global demand in advance of a confirmed contribution. FPF stocks are considered global WFP inventory and may only be released to a project against a confirmed contribution or an advance financing grant. (FPF intranet page)

²⁵It is an advance funding mechanism authorizing spending against forecasted contributions rather than confirmed contributions,

For each of these questions the evaluation will assess if there is or not a value added for WFP and explain what it is, if there is some added value, and in cases some PFs do not add value, why is it the case.

43. What is the contribution of the PF to quality WFP interventions and to enable WFP as cluster lead agency?

- Appropriateness:
 4. Is WFP's use of PFs strategically relevant to meet the requirements of a humanitarian response (including setting up and running cluster activities) in line with WFP's mandate and the objectives set-up by the three PFs under consideration?
 5. Are the PF allocations to WFP aligned with WFP's needs and requirements? Are some PFs better suited to some WFP programme categories or types of activities?
- Timeliness :
 6. How timely are the requests, decisions and confirmations (to be compared also with other funding sources) compared with the expressed/prioritised humanitarian needs?
 7. What is the ability of WFP to spend the funds received in a timely manner (requests for grant extension and return of funds)?
 8. What is the timeliness (and volumes, to the extent possible) of PFs released by WFP to cooperating partners?
 9. Are the PFs contributions predictable? How do they influence the access to internal advance financing mechanisms and therefore increase the timeliness of response?
- Utilisation:
 10. What are the PF mainly used for? (Types of interventions supported (WFP programme categories – cluster activities), types of activities within interventions, gender dimension, consistency between plans and reporting, etc.).

44. How do the PFs partnership and coordination mechanisms contribute to WFP's capacity to prepare and respond to emergencies effectively and efficiently?

11. From WFP's perspective, what is the level of coherence with/complementarity between various PFs within a country? (More than 60 WFP countries receive the CERF contributions. Among them, 5 countries are recipients from the CHF and the CERF and another 4 from the ERF and the CERF). When active at the same time in a country, do they contribute to improved effectiveness and efficiency of WFP's response?
12. To what extent do the existing partnerships and coordination mechanisms (Humanitarian / Resident Coordinator, clusters other participating agencies, implementing partners, country versus global levels) affect WFP's access (competition, complementarity) to and use of PFs (focus on WFP operations, on clusters activities, participation to larger response)?

to maximize, on-time availability of food aid (Directive OD/2005/005).

45. What are the main contributing/explanatory factors affecting WFP's effective and efficient use of the PFs?

13. Do specific WFP policies, standard procedures and fundraising guidelines facilitate a systematic, harmonized and relevant use of PFs? Do they guide adequately the discussion with the United Nations or Humanitarian Country Team, thereby facilitating WFP access to the PFs?
14. How do the PFs transactions' costs²⁶ (especially in terms of reporting requirements, coordination, negotiations, administrative and financial monitoring, earmarking, etc.) compare with those of other sources of funding?
15. What are the roles of WFP's COs, RBs and HQ in submitting PFs proposals? Is a transparent and effective communication and coordination mechanisms in place? Including (programme and finance) reporting?
16. From a WFP perspective, how transparent is the decision-making process to allocate contributions to various agencies?
17. What is the performance of the existing WFP and other stakeholders' M&E systems to track results?

46. Closing question: lessons learned

18. What are the main lessons learned for WFP, in terms of accessing and using the PFs, to prepare and respond effectively and efficiently to emergencies?
19. From a single agency perspective, what are the main lessons to be shared with OCHA at global and country level in terms of the PFs coordination, complementarity and coherence?
20. What are the main lessons learned to further strengthen the current humanitarian reform initiative and the good humanitarian donorship?

4.4 Methodology

47. **Participation.** The approach followed from the onset of the evaluation will be as participative as possible. Stakeholders will participate to the evaluation through discussions, consultations and comments on draft documents. Some stakeholders will also reply to the recommendations made by the evaluation in the Management Response to be presented to the Executive Board together with the evaluation report. In gathering data and views from stakeholders, the evaluation team will ensure that it considers a cross-section of stakeholders with potentially diverse views to ensure that the evaluation findings are as impartial/representative as possible.

48. **Methodology.** The evaluation team at the inception stage will develop the most rigorous and transparent methodology to address the evaluation questions in a way that serves the dual objectives of accountability and learning. The methodology should:

- Be geared towards addressing the evaluation questions presented in section 4.3.
- Take into account the limitations to evaluability pointed out in 4.2 as well as budget and time constraints.

49. The methodology should demonstrate impartiality and lack of biases by relying on a cross-section of information sources (from various stakeholder groups) and using

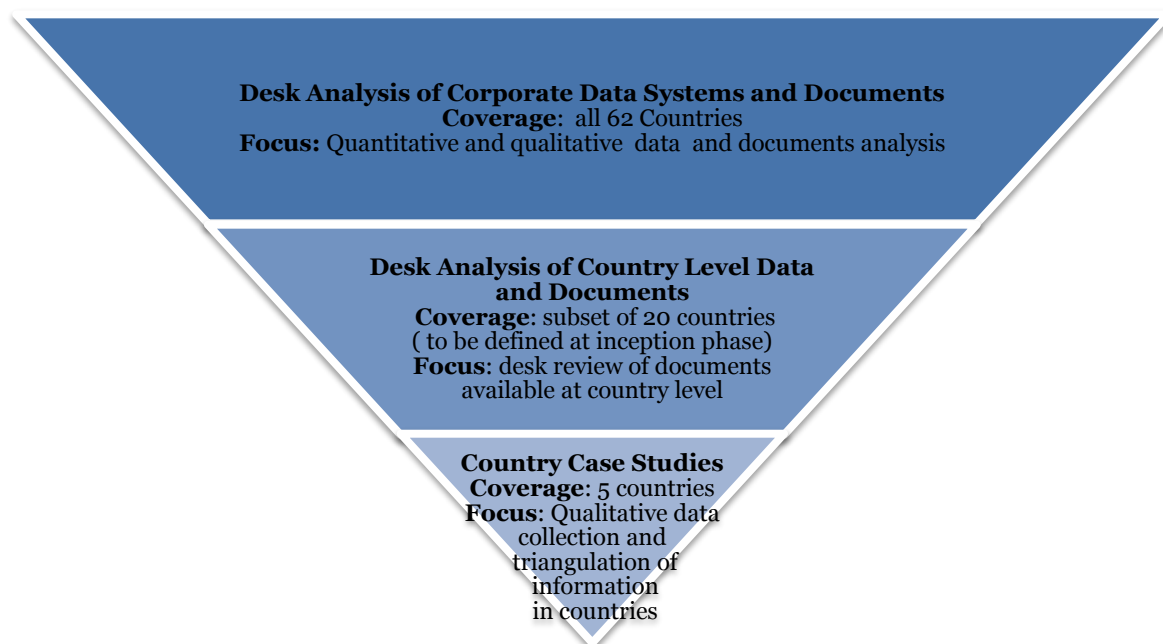
²⁶ For further details on transaction costs please refer to Para 12.

a mixed methodological approach (e.g. quantitative, qualitative and participatory) to ensure triangulation of information through a variety of means.

50. **Benchmarking.** It will be used to locate WFP's efforts within those of the wider humanitarian response, focusing on the identification of commonalities and differences and on the extraction of learning and good practice.

51. **Data collection and analysis.** Considering the nature and diversified locations of the data required to address the evaluation questions, it is proposed to follow a 3-stage approach as described below.

Figure 8: 3-stage approach data collection and analysis



Stage 1 – Desk analysis of corporate data systems and documents: The evaluation will start with a review of the relevant literature related to humanitarian financing, the PFs (studies, evaluations, etc.) as well as the recent evolution as translated in the transformative agenda. This will inform the benchmarking exercise.

Some quantitative data collection and analysis will cover the 62 countries which benefited from PFs during the period 2009 to 2013. The FTS, the MPTF office gateway and the Standard Project Reports do provide a lot of data covering the 62 countries. The data available in these corporate systems will inform the volume and weight of various PFs compared with other contributions, the type of operations supported, the ability of WFP to use the funds within their respective windows of expenditures, the use of PFs as collaterals to internal advance mechanisms, etc. While this level of analysis will provide some insights to the PFs timeliness and use it will need to be completed by more in depth analysis taking place in stages 2 and 3.

Stage 2 – Desk analysis of country level data and documents: the evaluation team will, at the inception phase, on the basis of transparent selection criteria, identify a subset of countries (about 20) for a more in-depth analysis of relevant country level documents and data such as the Consolidated Appeal

Process (CAPs), the monitoring and evaluation reports, the contributions' timelines, etc.

The country selection criteria should include the following: geographic regions, types of PF, funding windows within the CERF, size of contributions, proportion of contribution to size of operations, types of operations supported, COs size, etc. The 62 countries are mapped against these criteria in Annex 6 allowing for the pre-identification of a certain number of countries. Countries²⁷ having a CHF or an ERF will all be included in the desk study as well as those with a level 3 system-wide emergency²⁸. The final selection will be confirmed during the inception phase.

The evaluation team will proceed to a systematic analysis of documents and data sets for each of the 20 selected countries. This analysis will complement the evidence generated at stage 1 and will provide additional evidence to inform evaluation questions which could not be covered at that stage. It will start informing, in particular, the questions related to the appropriateness and use of PFs, those related to the partnership and coordination mechanisms as well as the questions focusing on the transaction costs.

Stage 3 - Country case studies: Finally, the evaluation team will proceed to an in-depth analysis of the added value of the PFs in 4 to 5 of the countries which were included in stage 2. The evaluation will undertake 4 to 5 country visits to inform these country case studies. Countries visited will be purposefully selected on the basis of findings and information gaps identified during stages 1 and 2. The final list of countries to be visited will be finalised jointly with OEV ensuring that diversity of experience is well captured. One of the countries selected should have a CHF²⁹. The country visits will focus on meeting key stakeholders to the emergency responses: WFP colleagues, main humanitarian actors (humanitarian coordinators, United Nations agencies, Clusters, donors, NGOs, etc.). The main purpose of these visits will be to triangulate the evidence generated through stages 1 and 2 and to fill any information gaps and will mainly focus on the evaluation questions related to partnership and coordination mechanisms and linkages with transformative agenda and on those related to the factors contributing to effective use of the PFs.

52. The number of countries to be covered in stages 2 and 3 takes into account the overall number of countries having benefited from the PFs as well as the evaluation's time and budget constraints.

53. The evaluation team will also proceed to key informant phone interviews and explore the possibility of undertaking an on-line survey.

54. Primary data collection will be guided by potential gaps in the information available to address the evaluation questions, triangulation purposes as well as by budget and time limitations. Data, whenever relevant and possible, will be disaggregated by sex.

²⁷Central African Republic, Colombia, Democratic Republic of Congo, Ethiopia, Haiti, Iraq, Republic of South Sudan, Somalia, Sudan, Syria, Yemen and Zimbabwe.

²⁸The Philippines (Central African Republic, South Sudan and Syria already included).

²⁹As mentioned earlier all efforts will be made to have this mission timed with one of the country visits planned within the CHF global evaluation happening at the same time.

4.5 Quality Assurance

55. WFP's evaluation quality assurance system (EQAS) is based on the UNEG norms and standards and good practice of the international evaluation community (ALNAP and DAC). It sets out processes with in-built steps for quality assurance and templates for evaluation products. It also includes quality assurance of evaluation reports (inception, full and summary reports) based on standardised checklists. EQAS will be systematically applied during the course of this evaluation and relevant documents will be provided to the evaluation team. The evaluation manager will conduct the first level quality assurance, while the OEV Director will conduct the second level review. This quality assurance process does not interfere with the views and independence of the evaluation team, but ensures the report provides the necessary evidence in a clear and convincing way and draws its conclusions on that basis.

56. The evaluation team will be required to ensure the quality of data (validity, consistency and accuracy) throughout the analytical and reporting phases. The team will be backstopped by their firm under Long Term Agreement with OEV which is responsible for ensuring high quality evaluation process and deliverables as detailed in EQAS.

57. To enhance the quality and credibility of this evaluation, an external advisory group has been created. It is composed of relevant external stakeholders from relevant United Nations agencies as well as of key donors to the PFs being evaluated. This external advisory group will comment on the draft TOR, inception and evaluation reports.

5. Organization of the Evaluation

5.1 Phases and Deliverables

Preparation

58. These TOR are prepared following the EQAS templates. The final version of the TOR takes into consideration results of consultations with key internal and external stakeholders (for further details see section 5.3)

⇒ **Final TOR**

Inception phase

59. The inception phase will start with a first review of key documents prior to the inception mission to HQ. The mission to HQ will be completed by a joint inception mission by the Team Leader (TL) and Evaluation Manager (EM). The inception mission should take place in a country having benefited from both the CERF and the CHF. During the inception phase the evaluation team will assess the various logical / results frameworks and their underlying Theory of Change. The inception report will close this phase. Its draft will be quality assured by OEV and shared with the Internal Reference Group (IRG) and other internal stakeholders for their feedback.

⇒ **Inception Report (IR)** to be prepared according to EQAS template, it focuses on methodological and planning elements. It will present, taking into account the various logical / results frameworks and the evaluation questions, a detailed evaluation framework and the evaluation matrix. The evaluation team will also

strengthen the stakeholder analysis and include an assessment of the reliability of the data. It will identify the countries to be included in the desk review with corresponding criteria and justification used for their selection³⁰. It will also identify the potential countries to be visited (including rationale for the choice). Data collection tools and approaches to be used for the desk review and field visits will be clearly identified and related to the evaluation matrix.

Documents and data review

60. This phase will cover stage 1 and 2 of the proposed data collection approach described earlier.

Country visits

61. The evaluation team will conduct one-week missions in 4 to 5 countries as part of the stage 3 of the data collection and analysis approach presented earlier. They will start with a joint pilot mission and then will continue separately in each country. The pilot mission will be the opportunity to ensure that team members do apply the methodology in the same way. Each mission will start with a briefing and end with a debriefing with the CO and key stakeholders on the key findings. The EM and members of the internal reference group may connect via teleconference. The country missions will include meetings with key partners. Considering the nature of the evaluation there are no expectations of field work or direct engagement with the final beneficiaries.

⇒ **Aide memoire** of key findings to be prepared at the end of each country mission to be used to support the debriefing with the stakeholders.

Reporting and communicating

62. This phase is dedicated to the in-depth analysis of the results of the data and documents analysis and of the data collected through the field work. The results of this analysis will be presented in the Evaluation Report (ER).

63. This phase will include a workshop with the Internal Reference Group and other key internal stakeholders. This will be the opportunity for the stakeholders to have an exchange around the main findings, conclusions and preliminary recommendations presented by the evaluation team. It will take place once these stakeholders will have seen a first draft of the Evaluation Report.

64. Draft 1 Evaluation Report will be cleared by OEV/D before being circulated with internal stakeholders. Draft 1.1 of the Evaluation Report will be circulated to the EAG. Draft 2 of the ER and draft 1 of the Summary Evaluation Report (SER) will be cleared by OEV/Dir before being shared with the Executive Management Group (EMG). The OEV/Dir does the final approval of both the ER and the SER following final revisions of both documents by the evaluation team

⇒ **Evaluation Report** will be prepared according to the EQAS template; it will provide an assessment of the results according to the evaluation questions identified in section 4.3. It will include conclusions based on the evidence generated in the findings and draw actionable recommendations.

³⁰A primary list of selection criteria is available in Annex 6.

⇒ **Summary Evaluation Report** will be based on the executive summary of the evaluation report and will follow the relevant EQAS template.

65. *To be noted: Submission of revised versions of any of the deliverables by the evaluation team will be accompanied by feedback on each comment provided. This feedback will succinctly summarize if and how comments were addressed and if they were not it will justify why.*

Follow up for EB 1/ 2015

66. This will mainly include the summary evaluation report and the finalisation of the Management Response to the evaluation recommendations, initiated as soon as the recommendations become available.

Table 3: Timeline summary of the key evaluation milestones³¹

Main Phases	Timeline	Tasks and Deliverables
1. Preparatory	Nov 2013 – Jan 2014	<ul style="list-style-type: none"> Last draft and Final TOR following consultations with various stakeholders as described in 5.3 Evaluation Team and/or firm selection & contract.
2. Inception	Feb – April 2014	<ul style="list-style-type: none"> Briefing at HQ Inception Mission Inception report.
3. Documents and data review	May 2014	<ul style="list-style-type: none"> Review corporate documents and databases Conduct analysis of country level data for a subset of countries
4. Country visits	May - June 2014	<ul style="list-style-type: none"> Pilot mission Evaluation missions and data collection Exit debriefing after each mission and after completion of field work Analysis
5. Reporting / communication	July - Nov 2014	<ul style="list-style-type: none"> Report Drafting Comments Process Workshops with internal stakeholders Final evaluation report
6. EB follow up For EB.1 /2015		<ul style="list-style-type: none"> Summary Evaluation Report editing/Evaluation Report formatting Management Response and EB Preparation

5.2 Evaluation Team

67. To ensure the independence of the evaluation and the credibility of the findings, the evaluation will be conducted by a team of external consultants identified through a transparent selection process. The team will include about 3 members with an appropriate balance of expertise in evaluation methodologies and relevant technical skills as detailed below.

³¹Detailed timeline available in Annex 1.

68. The Team Leader will report to the Evaluation Manager. S/he will have strong evaluation experience in international development. S/he will be knowledgeable about Emergency Response, CAPs, the CERF and other PFs and their functioning in countries.

69. His/her primary responsibility will be: setting out the methodology and approach; guiding and managing the team during each phase of the evaluation process; consolidating and quality assuring team members' contribution to the evaluation deliverables; representing the evaluation team in meetings with stakeholders and delivering the reports aligned to EQAS.

70. Team members report to the team leader. They should collectively have strong expertise in: emergency response; humanitarian financing; economic (efficiency) and financial analysis; and ability to process large amount of qualitative and quantitative data.

71. Team members should have good interpersonal skills, ability to work effectively as part of a team and good analytical and writing skills. The report will be written in English.

72. Members of the team will act impartially and respect the code of conduct of the profession notably the 2005 UNEG norms and Standards and the 2007 UNEG ethical guidelines.

5.3 Roles and Responsibilities

73. This evaluation is managed by OEV. Anne-Claire Luzot, Senior Evaluation Officer, has been appointed as evaluation manager. The Evaluation manager has not worked on issues associated with the subject of the evaluation in the past. S/he is responsible for drafting the TOR; selecting and contracting the evaluation team; preparing and managing the budget; setting up the review group; organizing the team briefing in HQ; assisting in the preparation of the field missions; conducting the first level quality assurance of the evaluation products and consolidating comments from stakeholders on the various evaluation products. S/he will also be the main interlocutor between the evaluation team, represented by the team leader, and WFP counterparts to ensure a smooth implementation process.

74. Two key stakeholders groups have been constituted for the purpose of this evaluation³².

- Internal Reference Group (IRG): composed of key stakeholders in WFP, they will be the first line of consultations on all draft documents (TOR, IR and ER).
- External Advisory Group (AEG): composed of key stakeholders to the PFs from other United Nations agencies and from the donors, they will be consulted on the TOR and the ER.

75. WFP stakeholders at CO, RB and HQ levels are expected to provide information necessary to the evaluation; be available to the evaluation team to discuss the programme, its performance and results; facilitate the evaluation team's contacts with stakeholders for country visits; set up meetings and field visits, organise for interpretation if required and provide logistic support during the fieldwork. A detailed

³² See Annex 7 for membership of each group.

consultation schedule will be presented by the evaluation team in the Inception Report.

76. The WFP Performance Management and Monitoring Division (RMP) will be responsible for coordinating the Management Response to the evaluation and concerned stakeholders will be required to provide inputs.

77. The COs selected for country visits will also be responsible to set up meetings, assist in the identification of sites to visit, provide administrative support, facilitate logistics of the field work and identify a translator if required. To ensure the independence of the evaluation, WFP staff will not be part of the evaluation team or participate in meetings where their presence could bias the responses of the stakeholders.

5.4 Communication

78. A communication plan will be developed during the inception phase and articulated around the following elements:

79. **Briefs.** To facilitate communication about the evaluation process, the evaluation manager will prepare briefs on the TOR and inception report to be shared with relevant stakeholders for information prior to visits or interviews.

80. **Briefings and debriefings.** These will be organised all along the evaluation process especially at the inception stage as well as at the start and end of each country visit.

81. **Workshop.** In order to elicit feedback on the findings and exchanges around the conclusions emerging from the data analysis a first workshop will be organised with the Internal Reference Group and the External Advisory Group.

82. **Dissemination of the findings.** As mentioned earlier, a SER and an evaluation brief will be prepared by the evaluation manager to enhance the dissemination of the findings. The ER, SER, the Management Response and the evaluation brief will be public and posted on the WFP external website (www.wfp.org/evaluation).

5.5 Budget

83. The evaluation will be financed from OEV's Programme Support and Administrative budget. Based on the team composition presented in section 5.2, the total cost of the evaluation is US\$265,552, excluding OEV's costs.

Annex 2: Methodology

1. The evaluation was conducted between February and July 2014, by a core team of four members, with a further two individuals undertaking internal Quality Assurance.³³ An initial inception phase provided an opportunity to define the scope, methodology and tools of the evaluation. It consisted of an Inception Briefing in WFP Rome, a literature review, initial data assembly and interviews, and an Inception Mission to Sudan undertaken by the Team Leader and Evaluation Manager.

2. The inception phase also provided the opportunity to revise the Evaluation Questions (EQs) from their formulation in the TOR to their final formulation as presented in Annex 4. Table 1 below details the changes made and provides the reasons behind the changes. The revised EQs and SEQs continue to meet the expectations of the ToR, whilst adding additional areas of enquiry that are consistent with the intervention logic.

³³ In particular, quality assurance panel is responsible for reviewing deliverables before submission to WFP Office of Evaluation (OEV), ensuring the relevance, credibility and practicality of the evaluation' approach and of its findings, and confirming that deliverables satisfy Evaluation Quality Assurance System (EQAS) standards.

Table 1: Evaluation Questions and Explanation of Revisions

Original Evaluation Question	Explanation for Change	Revised Formulation
<p><i>Important to note: while as formulated the evaluation questions do not differentiate between the PFs, it will be important that when addressing the evaluation questions, the evaluation team does make, whenever relevant, the distinction between the three PFs covered by the evaluation.</i></p>	<p>This observation remains highly relevant. However, it became clear in the inception mission that it is necessary to further disaggregate the analysis by the funding 'windows' within the PFs as these have very different objectives.</p>	<p>Where appropriate all evaluation questions will be disaggregated by PF and window:</p> <ul style="list-style-type: none"> • CERF Rapid Response Window • CERF Underfunded Window • CHF Standard Allocation • CHF Emergency Allocation • CHF Special Allocation (where applicable) • ERF
<p>Overarching Question: Is there an added value for WFP to access the PFs both as an operational agency and as a cluster lead? If yes, what does it consist of? If not, why?</p> <p>1. Do the PF add value to WFP’s effective humanitarian preparedness and response, especially in the context of objectives of the current humanitarian reforms under the transformative agenda?</p> <p>2. Do they add value compared to other sources of funding?</p> <p>3. Do they add value compared to WFP advance financing mechanisms such as the</p>	<p>The EQ is used to frame the over-arching conclusions, drawing on evidence gathered across the EQs.</p> <p>Unique elements of the EQ have been reframed to focus on the comparative advantages of PFs compared to alternative sources of financing; internal, multi-lateral, bi-lateral and between PFs. This facilitates a more structured analysis on the range of financing tools available to WFP and how PFs fit in.</p>	<p>2. Is there an added value of PFs compared to other sources of WFP funding? 2.1 What are the comparative advantages of PFs and WFPs internal advance financing mechanisms? Are PFs used to quick start operations?</p> <p>2.2 What are the complementarities between (undirected) multi-lateral funding and PFs?</p> <p>2.3 Are there complementarities between PFs and directed multi-lateral funding?</p> <p>2.4 From a WFP perspective, what is the level of coherence and complementarity between various PFs within a country? When active at the same time in a country, do they</p>

Original Evaluation Question	Explanation for Change	Revised Formulation
<p>Immediate Response Account (IRA), Forward Purchase Facility (FPF) and the Working Capital Financing (WCF)?</p>		<p>contribute to improved effectiveness and efficiency of WFP's response?</p>
<p>What is the contribution of the PF to quality WFP interventions and to enable WFP as cluster lead agency?</p> <p>Appropriateness:</p> <p>4. Is WFP's use of PFs strategically relevant to meet the requirements of a humanitarian response (including setting up and running cluster activities) in line with WFPs mandate and the objectives set-up by the three PFs under consideration?</p> <p>5. Are the PF allocations to WFP aligned with WFP's needs and requirements? Are some PFs better suited to some WFP programme categories or types of activities?</p> <p>Timeliness:</p> <p>6. How timely are the requests, decisions and confirmations (to be compared also with other funding sources) compared with the expressed/prioritised humanitarian needs?</p>	<p>A re-ordering suggested, as it makes more sense to answer question 10 on how PFs are used, prior to answering questions on appropriateness and timeliness.</p> <p>Part of the wording of the sub-question has been extracted to define indicators. The question on monitoring and reporting is dealt with in a later EQ.</p> <p>Addition of sub-question on the extent to which PFs encourage the appropriate inclusion of gender issues in its operations.</p> <p>Rephrase sub EQ 6 to focus on rapid response or emergency windows.</p> <p>Part of sub-question 9 relating to advance financing has been moved to a new, consolidated EQ 2 on financing tools.</p>	<p>1. What is the contribution of PF financing to quality WFP interventions and to enable WFP as a cluster lead agency?</p> <p>1.1 What is the PF used for by WFP?</p> <p>1.2 To what extent do PFs promote the appropriate consideration of gender in WFP's operations?</p> <p>1.3 Is WFP's use of PFs strategically relevant to meet the requirements of a humanitarian response (including setting up and running cluster activities), in line with WFP's mandate and the objectives set-up by the three PFs under consideration?</p> <p>1.4 Are the PF allocations to WFP aligned with WFP's needs and requirements? Are some PFs better suited to some WFP programme categories or types of activities?</p> <p>1.5 How timely are the funding submissions, decisions and disbursements from the rapid response/ emergency windows? How does</p>

Original Evaluation Question	Explanation for Change	Revised Formulation
<p>7. What is the ability of WFP to spend the funds received in a timely manner (requests for grant extension and return of funds)?</p> <p>8. What is the timeliness (and volumes, to the extent possible) of PFs released by WFP to cooperating partners?</p> <p>9. Are the PFs contributions predictable? How do they influence the access to internal advance financing mechanisms and therefore increase the timeliness of response?</p> <p>Utilisation:</p> <p>10. What are the PF mainly used for? (Types of interventions supported (WFP programme categories – cluster activities), types of activities within interventions, gender dimension, consistency between plans and reporting, etc.).</p>		<p>the timeliness of PFs compare to directed multi-lateral donors?</p> <p>1.6 What is the ability of WFP to spend the allocated funds in a timely manner?</p> <p>1.7 What is the timeliness (and volumes, to the extent possible) of PFs released by WFP to cooperating partners?</p> <p>1.8 What are the effects of PFs on the predictability of funding?</p>
<p>How do the PFs partnership and coordination mechanisms contribute to WFP’s capacity to prepare and respond to emergencies effectively and efficiently?</p> <p>11. From WFP’s perspective, what is the level of coherence with/complementarity between various PFs within a country? (More than 60 WFP countries receive the CERF</p>	<p>Sub EQ 11 has been moved and grouped with the new/revised EQ on interactions between different funding sources.</p> <p>Additional sub EQ added on how WFP's responsibilities within the cluster for the management of PFs is impacting on the</p>	<p>3. How do the PFs partnership and coordination mechanisms contribute to WFP’s capacity to prepare and respond to emergencies?</p> <p>3.1 To what extent does participation in the HCT, joint planning and strategy and cluster</p>

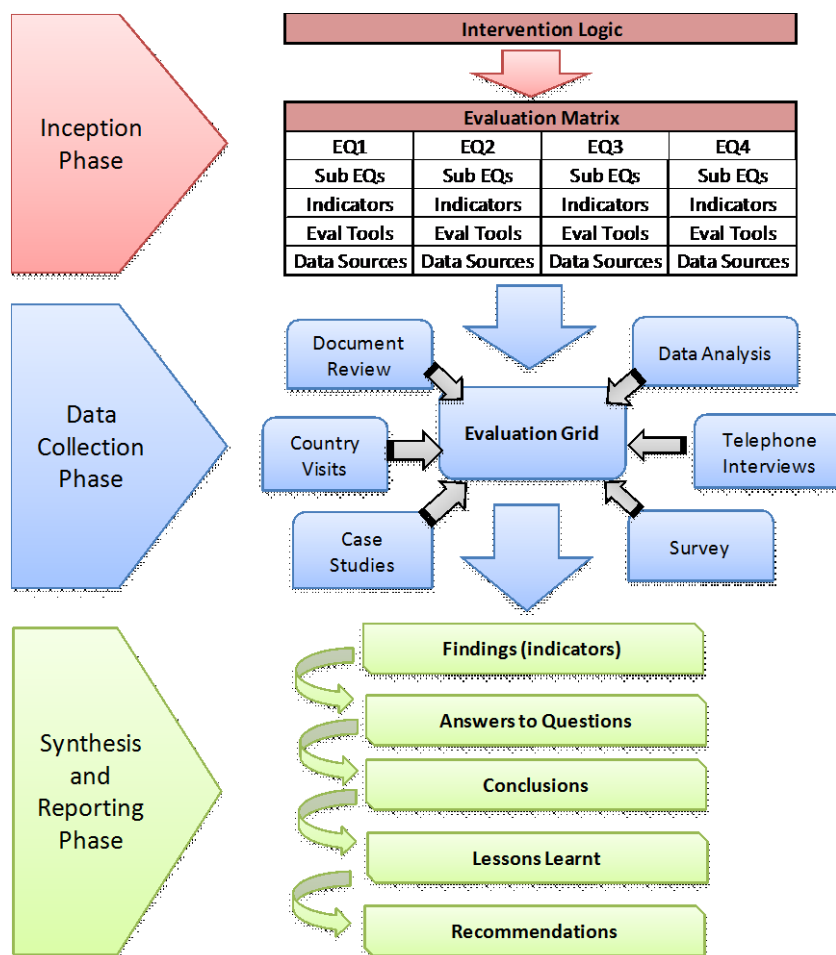
Original Evaluation Question	Explanation for Change	Revised Formulation
<p>contributions. Among them, 5 countries are recipients from the CHF and the CERF and another 4 from the ERF and the CERF). When active at the same time in a country, do they contribute to improved effectiveness and efficiency of WFP's response?</p> <p>12. To what extent do the existing partnerships and coordination mechanisms (Humanitarian / Resident Coordinator, clusters other participating agencies, implementing partners, country versus global levels) affect WFP's access (competition, complementarity) to and use of PFs (focus on WFP operations, on clusters activities, participation to larger response)?</p>	<p>clusters' information sharing and coordination functions.</p> <p>Additional sub EQ added on whether the PF (as part of the humanitarian reforms) is influencing WFP's broader relationship with its' implementing partners.</p>	<p>coordination influence WFP's access to, and use of, PFs?</p> <p>3.2 How does the cluster responsibility for the use of PFs enhance or impede the other coordination functions of the clusters where WFP bears (co) leadership responsibility?</p> <p>3.3 How does the use of PFs influence WFP's relationship with its implementing partners?</p>
<p>What are the main contributing/explanatory factors affecting WFP's effective and efficient use of the PFs?</p> <p>13. Do specific WFP policies, standard procedures and fundraising guidelines facilitate a systematic, harmonized and relevant use of PFs? Do they guide adequately the discussion with the United Nations or Humanitarian Country Team, thereby facilitating WFP access to the PFs?</p> <p>14. How do the PFs transactions' costs (especially in terms of reporting</p>	<p>Rephrase sub EQ 17 as 'How do the reporting requirements for PF compare to standard WFP donor accountability processes'. The emphasis here is placed on the analysis of the system requirements and their implications, rather than evaluating performance.</p>	<p>4. What are the main contributing/explanatory factors affecting WFP's effective and efficient use of the PFs?</p> <p>4.1 Do specific WFP policies, standard procedures and fundraising guidelines facilitate a systematic, harmonized and relevant approach to PFs? Do they adequately guide discussions with the PF management structures?</p> <p>4.2 Is a transparent and effective internal communication and coordination</p>

Original Evaluation Question	Explanation for Change	Revised Formulation
<p>requirements, coordination, negotiations, administrative and financial monitoring, earmarking, etc.) compare with those of other sources of funding?</p> <p>15. What are the roles of WFP's COs, RBs and HQ in submitting PFs proposals? Is a transparent and effective communication and coordination mechanisms in place? Including (programme and finance) reporting?</p> <p>16. From a WFP perspective, how transparent is the decision-making process to allocate contributions to various agencies?</p> <p>17. What is the performance of the existing WFP and other stakeholders' M&E systems to track results?</p>		<p>mechanisms in place for proposal development?</p> <p>4.3 How transparent is the decision-making process to allocate contributions to various recipients (including L3 system-wide emergencies)?</p> <p>4.4 How do the monitoring and reporting requirements for PF compare to standard WFP donor accountability processes?</p> <p>4.5 How do the PFs transactions' costs (especially in terms of reporting requirements, coordination, negotiations, administrative and financial monitoring, earmarking, etc.) compare with those of other sources of funding?</p>

Original Evaluation Question	Explanation for Change	Revised Formulation
<p>Closing question: lessons learned</p> <p>18. What are the main lessons learned for WFP, in terms of accessing and using the PFs, to prepare and respond effectively and efficiently to emergencies?</p> <p>19. From a single agency perspective, what are the main lessons to be shared with OCHA at global and country level in terms of the PFs coordination, complementarity and coherence?</p> <p>20. What are the main lessons learned to further strengthen the current humanitarian reform initiative and the good humanitarian donorship?</p>	<p>EQ will be addressed through a) lessons learned boxes integrated throughout the findings, and b) a section within the conclusions drawing together key lessons learned.</p>	<p>N/A</p>

3. The overall methodological approach adopted by the evaluation team is summarized in Figure 1. This shows the sequencing and interrelationship of activities under each of the three main phases of the evaluation. The approaches to each of these phases are detailed in this annex.

Figure 1: Methodological Approach³⁴



4. WFP has not articulated a strategic approach – with an associated intervention logic or theory of change – regarding the use of PFs. However, each of the three PFs has its own agreed intervention logic (see Annex 3). The starting point for the evaluation was the extent to which the generic logic of the PF mechanism has been realized at the agency level, with demonstrable links between the inputs, outputs and operational effects of PFs.³⁵

5. Therefore, this study evaluates the performance of each of the three PFs against their specific intervention logic. However, there are significant commonalities between the models (see Table 2) which has been used to develop a coherent set of

³⁴To clarify the difference between the evaluation matrix and the evaluation grid: the evaluation matrix shows the full list of evaluation questions and the associated indicators, tools used for data collection and data sources. The evaluation grid is used to triangulate all information collected through the data collection phase, compiling information in a consolidated grid structured by evaluation question, sub-questions and indicators.

³⁵ Operational impact is judged to lie outside of the scope of this evaluation (see section 1.1).

evaluation questions applicable across all three PFs. At the highest level all logics focus on meeting critical humanitarian needs and saving lives.

Table 2: Common Elements of PF Intervention Logics

	Inclusion of themes	CERF	CHF	ERF
Outcomes & Outputs	Improved coverage, critical gaps filled	X	X	X
	Timely response	X	X	
	Improved predictability of funding	X		
	Quality response	X	X	
	Humanitarian planning, leadership and coordination strengthened	X	X	X
	Humanitarian reform/ transformative agenda supported	X	X	
	Strengthened partnerships	X	X	X
	Strengthened United Nations / NGO capacities	X		X
	Coherent response		X	
Inputs	Timely and adequate funding	X	X	X
	OCHA UNDP management capacity		X	
	Humanitarian coordinator, clusters		X	
	Need assessments		X	X
	Strategic response plan		X	X
	Transparent and inclusive decision making	X	X	
	Timely, streamlined allocations	X	X	
	M&E and quality assurance systems	X	X	

6. The evaluation also provided an opportunity to look beyond the performance of PFs against the established PF logic by adopting a 'user' agency perspective, by considering the extent to which PFs fit with WFP's strategic interests and needs.

7. Stakeholder perspectives were systematically incorporated within the evaluation design. The six evaluation tools consulted all identified key stakeholders. In nearly all cases stakeholder perspectives were captured using multiple tools, allowing triangulation of findings. Table 3 below indicates the main intersections with different stakeholder groups to demonstrate that there is adequate coverage of these different perspectives.

Table 3: Stakeholder Groups Referenced by Evaluation Tool

Evaluation Tools	WFP HQ	WFP CO	WFP RB	Donors	OCHA / UNDP	United Nations Agencies	Implementing Partners
Document Review	X	X			X		
Data Analysis	X	X			X	X	
Telephone Interviews			X	X	X		X
Case Studies	X						
Survey		X					
Country Visits		X		X	X	X	X

8. The ToR highlighted the need for a strong analysis of efficiency, which is specifically linked to the question of transaction costs. In defining a methodological approach the evaluation took note of the EQAS guidance on the analysis of efficiency. The three main tools the note describes are: (a) cost-effectiveness analysis; (b) identification of unit costs; and (c) Specific Evaluation Questions. The main approach to efficiency analysis was the use of Specific Evaluation Questions. These provided qualitative information on relative transaction costs for WFP of PFs compared to directed multilateral funds, trends in these transaction costs and a contextual analysis of the changes in transaction costs for other stakeholders (including donors and implementing partners). As a supportive approach, where possible the evaluation attempted to establish unit cost benchmarking – to determine \$ cost of staff per \$ of aid resources secured; comparing the PFs to other directed multilateral donor funds. Cost effectiveness analysis was not practical or relevant.³⁶

9. The relationship of the main Evaluation Questions to the Active Learning Network for Accountability and Performance in Humanitarian Action (ALNAP) humanitarian evaluation criteria is shown in Table 4 below. All evaluation criteria are included with the exception of impact, which fell outside of the evaluation scope. The main focus of the evaluation was on relevance, coverage, efficiency and effectiveness.

³⁶Cost-effectiveness analysis (CEA) is a technique that calculates and compares the cost per unit of results, called cost-effectiveness ratio (CER), across alternatives. All the relevant costs incurred to achieve a particular result must be included. Cost effectiveness analysis is clearly not practical or relevant in this instance: it is data intensive and time consuming; it is most applicable in cases where operations are standardised and predictable ex ante; and would not help in addressing the issues of activities-level efficiency that are most relevant to the assessment of pool fund arrangements.

Table 4: Relationship of EQs to Evaluation Criteria

Evaluation Questions	Evaluation Criteria
1. What is the contribution of PF financing to quality WFP interventions and to enable WFP as a cluster lead agency?	Relevance, Coverage, Effectiveness
2. Is there an added value of PFs compared to other sources of WFP funding?	Relevance, Coverage, Efficiency, Effectiveness
3. How do the PFs' partnership and coordination mechanisms contribute to WFP's capacity to prepare and respond to emergencies?	Relevance, Coherence, Connectedness, Efficiency, Effectiveness
4. What are the main contributing/explanatory factors affecting WFP's effective and efficient use of the PFs?	Efficiency, Effectiveness

10. The evidence base was constructed using the data collection tools outlined in Box 1.

(i) **HQ level document review:** a literature review of key HQ documentation was undertaken, including PF guidance materials, application and reporting procedures and templates; previous evaluations of pooled funds; WFP policies and strategies, operation documents and reports; WFP reports on disbursements timelines for the release of funds to implementing partners; WFP guidelines on the use of PFs; previous WFP evaluations.

(ii) **Secondary data analysis:** data from a number of internal sources, including WFP Information Network and Global System (WINGS), Weekly Contributions Data, Resource Situations, and Standard Project Reports (SPRs), were used to measure a variety of quantitative indicators, as defined in the evaluation matrix.

(iii) **Thematic case studies:** For three selected issues it was decided to undertake mini 'case studies', in view of the perceived strong potential interactions with the PFs. Found in Annexes 5, 6 and 7, they cover:

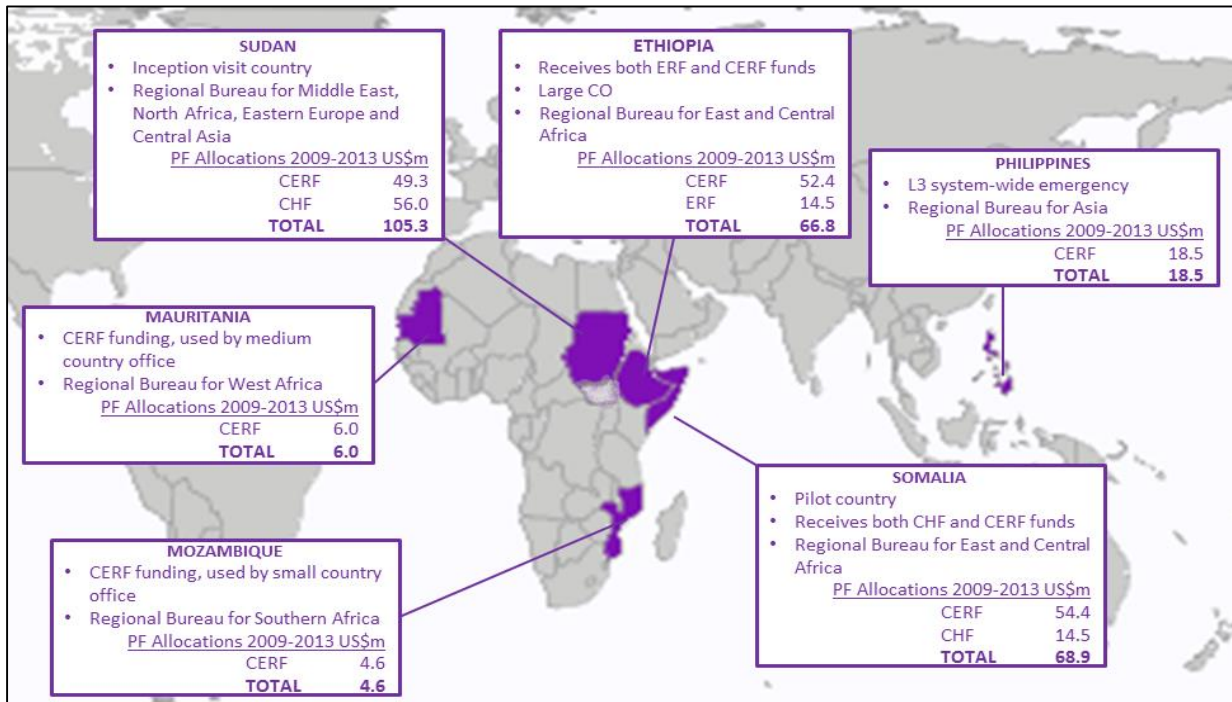
- (i) the United Nations Humanitarian Air Service (UNHAS), as an example of a common service provided by WFP which receives significant support from the PFs;
- (ii) WFP's internal advance financing mechanisms including the Immediate Response Account (IRA), the Working Capital Financing Facility (WCFF), and the Forward Purchase Facility (FPF), to understand the added value of PFs as compared to internal financing instruments, and the interaction between them; and
- (iii) twinning of in-kind and cash contributions, to investigate opportunities and constraints to using PFs to support it.

(iv) **Telephone interviews:** In addition to interviews undertaken during the initial inception briefing, and those from country visits, a further 16 telephone interviews were undertaken with the agencies responsible for pooled fund management, PF donors, and WFP regional staff. See Annex 8 for a full list of people consulted.

(v) **Survey of WFP Country Offices (COs):** The evaluation consulted WFP Country Offices (62 in total) that have received pooled funding over the reference period through an electronic survey (see Annex 9). This enabled a more structured and quantitative analysis of perception data on pooled funding. The survey, which consisted of 25 questions, predominantly multiple choice with rating scales where appropriate, focused on PF application processes, transaction costs, and the operational/strategic contribution of PFs.

(vi) **Country visits:** The evaluation team conducted five week-long country visits during the months of May and June, in addition to an inception visit during March, in order to understand the role of PFs within WFP's operations in a wide range of pre-defined contexts. Figure 2 identifies the case study countries and the reason for their selection (in addition to standard concerns over security, and availability of the CO). All missions concluded with a debriefing with the CO, RB and the IRG based on a PPT. An aide-memoire was also prepared and shared with the CO for their review.

Figure 2: Country studies conducted under the evaluation

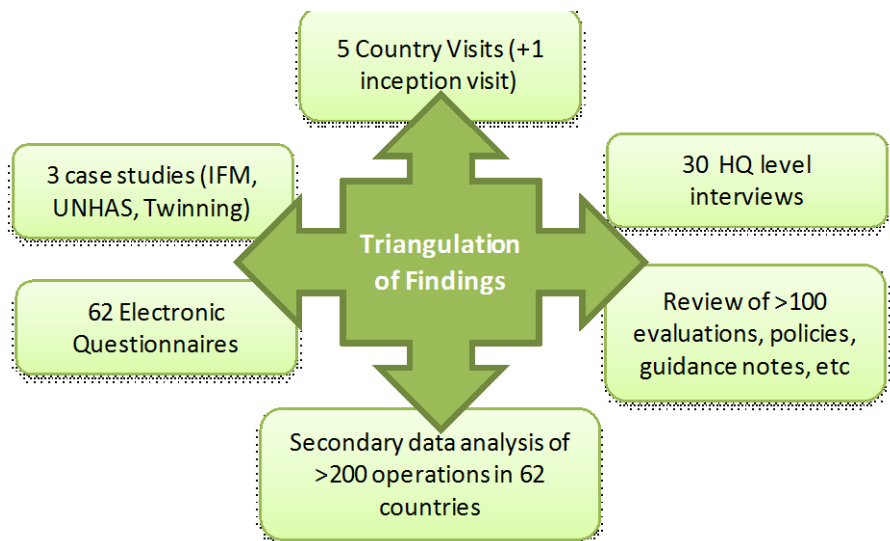


Synthesis and Reporting

11. The evaluation team triangulated all information collected through the data collection phase, compiling information in an evaluation grid structured by evaluation question, sub-questions and indicators. Evaluation findings were drawn after a thorough cross-checking and triangulation of all information related to each EQ.

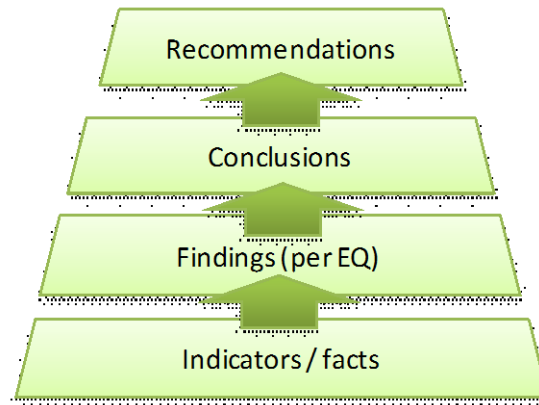
Figure 3: Triangulation of Findings

12. On the basis of the cross-checked evaluation findings, the team formulated answers to the evaluation questions. These answers informed the drafting of conclusions and recommendations. As described in Figure 4 below, each recommendation was based on the answers to EQs and



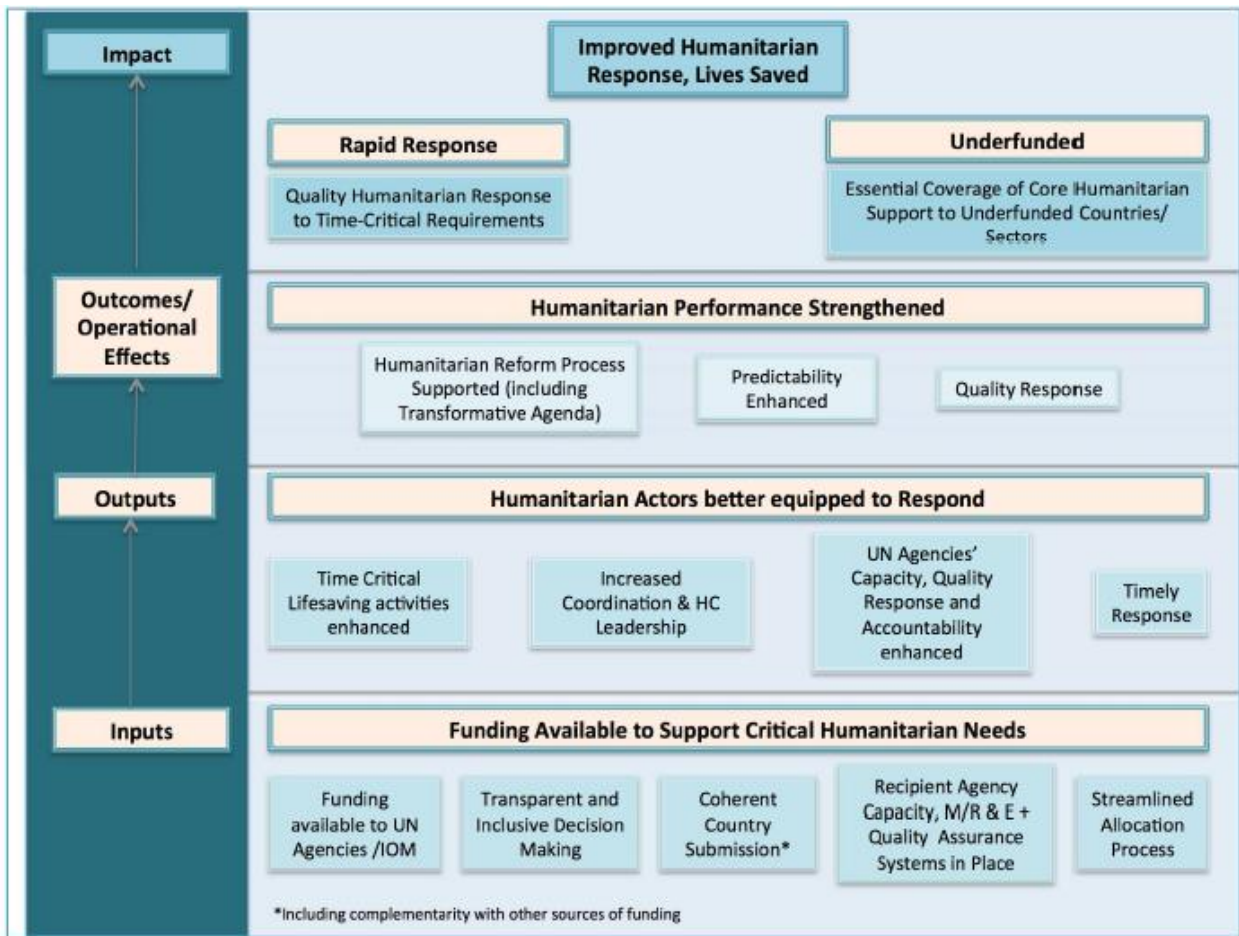
overall conclusions, which in turn was linked to evaluation findings per EQ and ultimately to the data collected. A systematic mapping of findings to conclusions to recommendations is presented in Annex 14.

Figure 4: Links between facts, findings, conclusions and recommendations



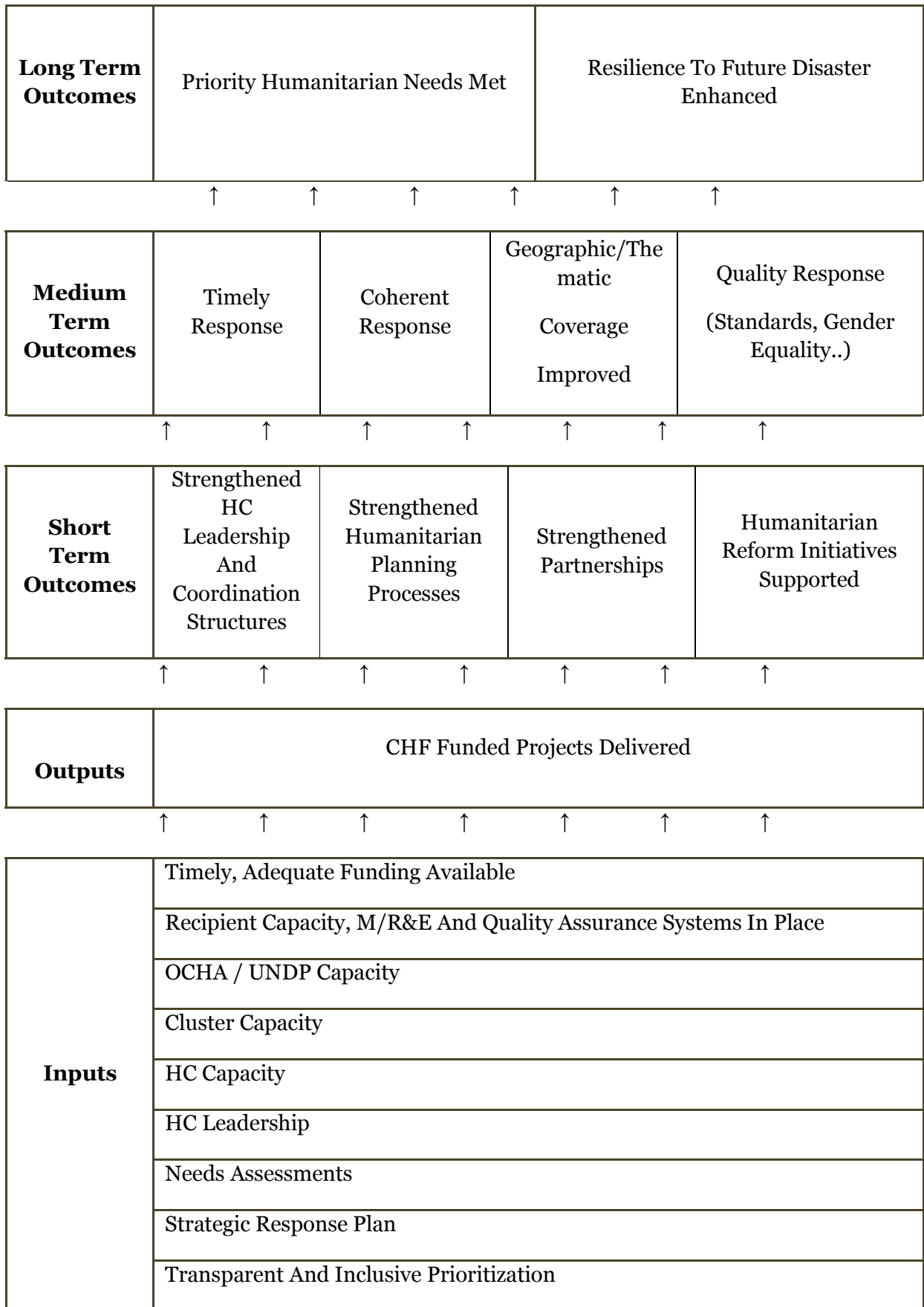
Annex 3: Logic Models of the Pooled Funds

Figure 1: Revised Logic Model for the Central Emergency Response Fund



Source: Hidalgo, 2013a, Review of the Central Emergency Response Fund (CERF) Performance and Accountability Framework.

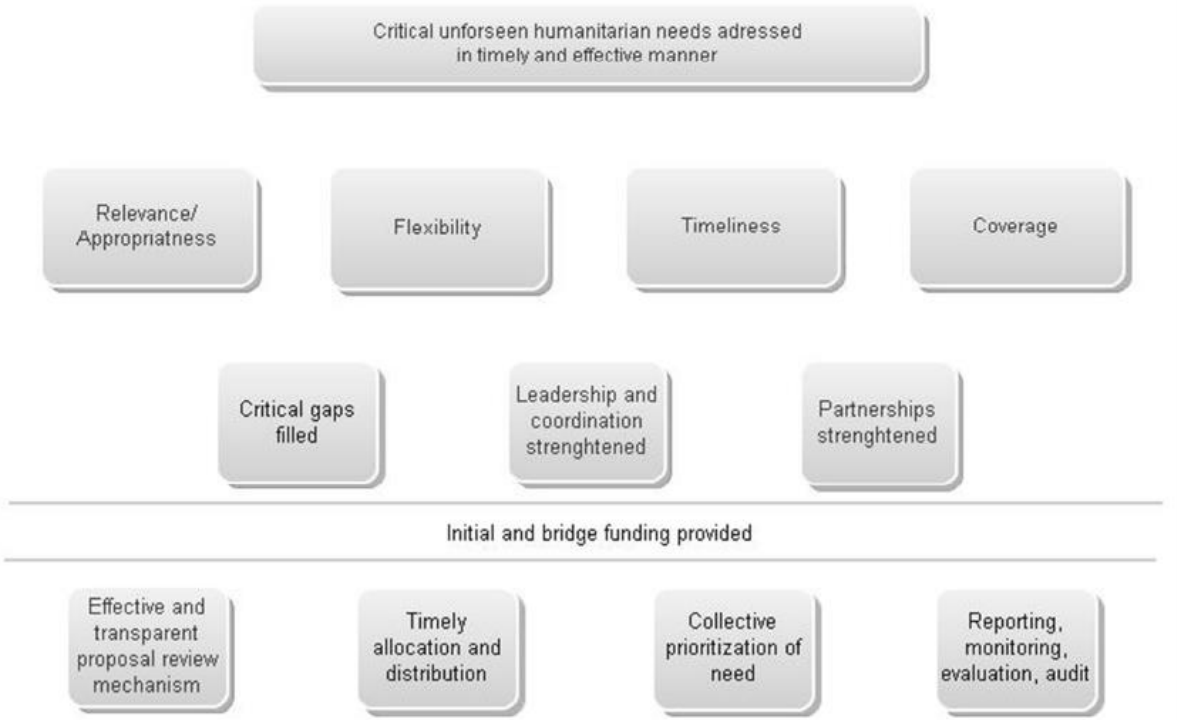
Figure 2: Results Hierarchy for CHF



	Timely Allocation Process	
	Efficient And Effective Disbursement Mechanism	
	Assumptions	Risks
	<ul style="list-style-type: none"> → Resources Are Available To Meet Needs → Adequate Recipient Capacity → Adequate OCHA/UNDP/HC Capacity → Strong Leadership And Coordination Structures (HC, Clusters) → Needs Assessments Identify Priority Humanitarian Needs → Good Understanding Of The Context, Vulnerability And Risks → High Quality Of The Strategic Response Plan → Inclusive And Transparent Prioritization And Allocation Processes → Efficient Disbursement → Projects Have Sufficient Mass To Achieve Outcomes → High Response Quality (Standards, Gender Aspects, Accountability To Affected Populations) → No Unanticipated Changes To The External Context 	<ul style="list-style-type: none"> → Lack Of Resources To Meet The Needs → Low Capacity Of Recipients → Low OCHA/UNDP Capacity → Weak HC Leadership → Low Cluster Capacity → Inadequate Needs Assessments → Inadequate Understanding Of Vulnerability And Risks → Low Quality Of The Strategic Response Plan → Insensitive To Real Needs And Priorities → Insensitive prioritization Process → Insensitive Allocation Process → Inefficient Disbursement → Projects Lack Mass To Achieve Outcomes → Low Response Quality → Access Constraints And Delivery Disruptions → Change In External Context → Overlap With Other Activities

Source: OCHA, TOR for CHF Evaluation

Figure 3: ERF Results Framework



Source: Universalia 2013

Annex 4: Full Evaluation Matrix

It is clear that it is necessary to disaggregate the analysis by the funding 'windows' within the PFs as these have very different objectives:

CERF:

- Rapid Response Window
- Underfunded Window

Country-based pooled funds:

- CHF Standard Allocation
- CHF Emergency Allocation
- CHF Special Allocation (where applicable)
- ERF

Where appropriate and possible all evaluation questions will be disaggregated by PF and window.

Evaluation Question	Sub-Question	Indicator	Evaluation Tool	Data Sources
1. What is the contribution of PF financing to quality WFP interventions and to enable WFP as a cluster lead agency?	1.1 What is the PF used for by WFP?	1.1.1 PF funds received by operation type (including cluster operations)	Data Analysis	Weekly contributions data
		1.1.2 Analysis of activities included in PF applications compared to activities in overall programme content	Country Visits, Survey	Interviews, Survey Responses
		1.1.3 Examples of rejected and modified applications for PFs	Country Visits, Survey	Interviews, Survey Responses
		1.1.4 Examples of criteria used by WFP in determining when (and when not) to apply for PFs	Country Visits, Survey, Case Studies	Interviews, Survey Responses

Evaluation Question	Sub-Question	Indicator	Evaluation Tool	Data Sources
	1.2 To what extent do PFs promote the appropriate consideration of gender in WFP's operations?	1.2.1 Gender conditionalities included in the PF guidelines for programme design, operation, monitoring and reporting	Document Review	PF guidance documents
		1.2.2 Benchmarking against gender conditionalities attached to funding from major multilateral donors	Country Visits, Telephone Calls, Survey	Interviews, Survey Responses
		1.2.3 Proportion of WFP PF submissions that include a gender specific analysis	Data Analysis, Survey, Case Studies	WFP CO PF applications, Survey Response
		1.2.4 Analysis of gender related activities included in PF applications compared to activities in overall programme content	Country Visits, Survey	Interviews, Survey Responses
	1.3 Is WFP's use of PFs strategically relevant to meet the requirements of a humanitarian response (including setting up and running cluster activities), in line with WFP's mandate and the objectives set-up by the three PFs under consideration?	1.3.1 Coherence between WFP policies, strategies and objectives of the three Pooled Funds	Document Review	PF guidance documents, WFP policies and guidance
		1.3.2 Stakeholder (internal and external) views on relevance of PFs to promoting WFP's strategic priorities at country level	Country Visits, Telephone Calls, Survey	Interviews, Survey Responses
	1.4 Are the PF allocations to WFP aligned with WFP's needs and requirements? Are some PFs better	1.4.1 Funding gap for operations receiving PFs compared to global average	Data Analysis	Resource situations, OCHA FTS
		1.4.2 Percentage contribution of PFs to approved budgets, by type of operation	Data Analysis	Resource situations

Evaluation Question	Sub-Question	Indicator	Evaluation Tool	Data Sources	
	suited to some WFP programme categories or types of activities?	1.4.3 Stakeholder views on utility of PFs in relation to specific operations & activities	Country Visits, Telephone Calls, Survey, Case Studies	Interviews, Survey Responses	
	1.5 How timely are the funding submissions, decisions and disbursements from the rapid response/emergency windows? How does the timeliness of PFs compare to directed multilateral donors?	1.5.1 Avg number of days between approval of IR-EMOP and confirmation of PFs (rapid response windows only) to a following EMOP. Avg number of days between approval of IR-EMOP and confirmation of directed multilateral funding to a following EMOP.		Data Analysis	SPA for date of IR-EMOPS and WINGS for confirmation of contributions
		1.5.2 Average number of days between submission of funding request and approval. Comparison with respective PF target disbursement times		Country Visits, Survey	Interviews, Survey Responses
		1.5.3 Stakeholder views on timeliness of rapid response PFs		Country Visits, Survey	Interviews, Survey Responses
		1.5.4 Examples of use of PFs (under funded windows) to prevent critical pipeline breaks		Country Visits, Survey, Case Studies	Interviews, Survey Responses
	1.6 What is the ability of WFP to spend the allocated funds in a timely manner?	1.6.1 Number & proportion of PF grants that apply for a No Cost Extension		Data Analysis	WINGS
		1.6.2 Return of PFs (# of grants and amount)		Data Analysis	WINGS
		1.6.3 Views on cause of underspend (operational challenges or factors associated with the PF mechanism)		Country Visits, Survey	Interviews, Survey Responses
	1.7 What is the timeliness (and volumes, to the extent possible) of PFs released by	1.7.1 Proportion of PF funds received by implementing partners through Field Level Agreements (FLA)		Data Analysis	WINGS
		1.7.2 Implementing partner awareness of the source of funds used to finance FLA		Country Visits	Interviews

Evaluation Question	Sub-Question	Indicator	Evaluation Tool	Data Sources
	WFP to cooperating partners?	1.7.3 Time taken for WFP to disburse funds to implementing partners	Document Review	2009 review
		1.7.4 Average time for NGOs directly accessing PFs in comparison to receiving funds through WFP	Document Review, Data Analysis	CHF Evaluation Reports, OCHA/UNDP data
	1.8 What are the effects of PFs on the predictability of funding?	1.8.1 To what extent does the predictability of PF reduce the time wasted in unsuccessful applications?	Country Visits, Survey	Interviews, Survey Responses
		1.8.2 Is the duration of application and release processes predictable?	Country Visits, Survey	Interviews, Survey Responses
		1.8.3 Is the planning horizon of PFs conducive to efficiency?	Country Visits	Interviews
		1.8.4 Examples where WFP has come to rely on the one of the four 'non-predictable' funding modalities	Country Visits	Interviews
	2. Is there an added value of PFs compared to other sources of WFP funding?	2.1 What are the comparative advantages of PFs and WFPs internal advance financing mechanisms? Are PFs used to quickstart operations?	2.1.1 Number and type of operations (in evaluation universe) receiving internal advances, advance type. Relative size of PF contributions vs internal advances.	Data Review, Case Studies
2.1.2 Use of PF grants as collateral for internal advances and twinning (frequency and amount)			Data Review, Case Studies	WINGS
2.1.3 Examples of using rapid response window funding to initiate an operation			Country Visits, Survey	Interviews, Survey Responses
2.1.4 Sequencing of the use of PFs and internal financing mechanisms			Country Visits, Survey	Interviews, Survey Responses

Evaluation Question	Sub-Question	Indicator	Evaluation Tool	Data Sources
		2.1.5 Internal stakeholder views on the comparative advantages, and synergies, of PF vis-à-vis internal financing mechanisms	Country Visits, Survey, Case Studies	Interviews, Survey Responses
	2.2 What are the complementarities (or redundancies) between (undirected) multilateral funding and PFs?	2.2.1 Number of operations receiving undirected multilateral funding in evaluation universe (by type of operation and amount)	Data Review	Resource Situations
		2.2.2 Operations receiving funding from the same donors through PFs and undirected multilateral funding	Data Review	SPR (and WINGS if info not available in SPR)
		2.2.3 Stakeholder views on complementarities and comparative advantages of PF vis-à-vis undirected multilateral funding	Country Visits, Survey	Interviews, Survey Responses
	2.3 Are there complementarities between PFs and directed multilateral funding?	2.3.1 Operations receiving funding from the same donors through PFs and directed multilateral funding	Data Review	SPR (and WINGS if info not available in SPR)
		2.3.2 Views of donors and WFP on the justification and consequences of using multiple funding channels, including PFs	Telephone Calls, Country Visits	Interviews
		2.3.2 Examples of PFs being used to leverage funds from multilateral donors	Country Visits, Survey	Interviews, Survey Responses
	2.4 From a WFP perspective, what is the level of coherence and complementarity between various PFs within a country? When active at the same time in a country, do they contribute	2.4.1 Percentage of operations which simultaneously access CERF and country pooled funds	Data Review	Weekly Contributions Data
		2.4.2 Percentage of operations benefiting from disbursements from more than one CERF window	Data Review	Weekly Contributions Data, FTS
		2.4.3 Percentage of operations benefiting from disbursements from more than one CHF window	Country Visits, Data Review	Interviews, OCHA/UNDP data

Evaluation Question	Sub-Question	Indicator	Evaluation Tool	Data Sources
	to improved effectiveness and efficiency of WFP's response?	2.4.4 Stakeholder views on complementarities and overlaps between PFs simultaneously operating in the same country	Country Visits, Telephone Calls, Survey	Interviews, Survey Responses
3. How do the PFs partnership and coordination mechanisms contribute to WFP's capacity to prepare and respond to emergencies?	3.1 To what extent does participation in the HCT, joint planning and strategy and cluster coordination influence WFP's access to, and use of, PFs?	3.1.1 Examples of where the coordination mechanism of PFs has led to adapted content within WFP applications for PFs	Country Visits, Survey	Interviews, Survey Responses
		3.1.2 Examples of PF applications based on common needs assessments	Country Visits, Survey	Interviews, Survey Responses
		3.1.3 Examples of WFP self-limiting applications for PF based on partnership considerations	Country Visits, Survey	Interviews, Survey Responses
	3.2 How does the cluster responsibility for the use of PFs enhance or impede the other coordination functions of the clusters where WFP bears (co) leadership responsibility?	3.2.1 Stakeholder views on conflicts and synergies between cluster responsibilities for PF management and other coordination functions	Country Visits	Interviews
	3.3 How does the use of PFs influence WFP's relationship with its implementing partners?	3.3.1 Examples of coordinated applications with implementing partners to PFs	Country Visits	Interviews
		3.3.2 Stakeholder views on whether/how the PF mechanism modifies WFP's operational relationship with implementing partners	Country Visits	Interviews
		4.1 Do specific WFP policies, standard	4.1.4 WFP funding guidelines and policies provide adapted advice on PFs	Document Review

Evaluation Question	Sub-Question	Indicator	Evaluation Tool	Data Sources
4. What are the main contributing/explanatory factors affecting WFP's effective and efficient use of the PFs?	procedures and fundraising guidelines facilitate a systematic, harmonized and relevant approach to PFs? Do they adequately guide discussions with the PF management structures?	4.1.2 Awareness of, and use by, WFP staff of relevant funding guidelines and policies	Country Visits, Survey, Case Studies	Interviews, Survey Responses
		4.1.3 Stakeholder views on the utility of funding guidelines and policies and use of alternative sources of information	Country Visits, Survey, Case Studies	Interviews, Survey Responses
	4.2 Is a transparent and effective internal communication and coordination mechanisms in place for proposal development?	4.2.1 Division of responsibility between COs, RBs and HQ in developing and submitting PFs proposals	Country Visits, Telephone Calls, Survey	Interviews, Survey Responses
		4.2.2 Division of responsibility between Programme and Finance divisions	Country Visits	Interviews
	4.3 Is the allocation process aligned to meeting the PF objectives?	4.3.1 Decision making process meet the requirement for transparency as laid out in the Funds' allocation guidance	Country Visits	Interviews
		4.3.2 Decision making processes are inclusive of relevant stakeholders	Country Visits, Survey	Interviews, Survey Responses
		4.3.3 Traceable use of needs assessment data in allocation process	Country Visits, Survey	Interviews, Survey Responses

Evaluation Question	Sub-Question	Indicator	Evaluation Tool	Data Sources
		4.3.4 Stakeholder views of alignment of decision making to PF objectives	Country Visits, Survey	Interviews, Survey Responses
	4.4 How do the monitoring and reporting requirements for PF compare to standard WFP donor accountability processes?	4.4.1 Guidance available for monitoring and reporting on use of PFs	Document Review	WFP Guidelines
		4.4.2 Stakeholder views on costs/benefits of PF monitoring and reporting requirements	Country Visits, Survey	Interviews, Survey Responses
	4.5 How do the PFs transactions' costs (especially in terms of reporting requirements, coordination, negotiations, administrative and financial monitoring, earmarking, etc.) compare with those of other sources of funding?	4.5.1 Stakeholder views on the relative transactions costs of PFs compared to directed multilateral donor funds	Country Visits, Survey, Telephone Interviews	Interviews
		4.5.2 Stakeholder views on changes in transaction costs elsewhere in the system (donors, fund managers, implementing partners) and system level changes in transaction costs	Country Visits, Survey, Telephone Interviews	Interviews
		4.5.3 Stakeholder views on trends in WFP PF transaction costs	Country Visits, Survey, Telephone Interviews	Interviews
		4.5.1 Benchmarking of transaction costs for Pooled Funds against directed multilateral donor funds	Country Visits	Interviews

Annex 5: Case Study – Advance Financing Mechanisms

Rationale for study

1. The ability to respond rapidly is a core organisational concern for WFP and accessing pooled funds is one way in which WFP tries to achieve this, designed as they are with the common objective of enabling rapid and timely response. However, pooled funds are certainly not the only means WFP has at its disposal to improve timeliness: a series of internal advance financing mechanisms, modelled on private sector solutions, seek to improve timeliness by providing funding and other resources in anticipation of donor contributions, thereby reducing the delay between identification of a requirement and the delivery of assistance. Investigating the synergies, redundancies and comparative strengths between the pooled funds and the internal advance financing mechanisms from the perspective of WFP is the purpose of this thematic case study.

Overview of WFP’s Advance Financing Mechanisms

2. WFP relies on a funding model which depends on voluntary contributions, 90 per cent of which are directed to particular operations, and which can vary significantly from month to month (WFP, 2012a). This lack of flexibility and predictability undermines WFP’s ability to respond to emergencies in a timely manner; it delays the point at which food purchase orders can be made (pending confirmation of a suitable contribution), leaves operations vulnerable to pipeline breaks, and undermines the ability of country offices to plan over longer horizons (ibid). In response to this, WFP has introduced two advance financing mechanisms which enable WFP to provide funds in advance of securing contributions with the intention that these will be repaid once donor contributions are received. These are the Immediate Response Account (IRA) and the Working Capital Financing (WCF) Facility.

Immediate Response Account

3. The IRA is a flexible, revolving multilateral funding mechanism, replenished by direct donor contributions, that enables WFP to provide funding advances to projects for emergency needs and emergency preparedness activities. Advances from the IRA are given without any collateral requirement, making them relatively high-risk, and therefore they are only issued in urgent situations, typically within the initial three months of an emergency or later in such circumstances where the advance would prevent critical shortfalls in “life-threatening” situations. Limited IRA funding is also available for specific disaster preparedness activities, when there is a need for pre-investment in needs assessment and when there is no alternative and viable funding source (WFP, 2013a).

4. IRA advances are loans, and are expected to be repaid from first eligible donor contributions received; however, if no donor funding is forthcoming, the loan can be regarded as a permanent non-reimbursable grant, with the intention that the facility is replenished by direct contributions from donors (WFP, 2013b; WFP, 2014a; WFP, 2013a).

Working Capital Financing Facility (WCF)

5. The WCF provides advance resources on the basis of forecasted contributions. It has two main components: i) Traditional Advance Financing, which supplies financial advances directly to projects and corporate services with forecasted

contributions; and ii) the Forward Purchase Facility, which purchases food in advance of requests from projects, building up an inventory which is ready to sell to projects when the need arises.

(i) Traditional Advance Financing

6. The traditional advance financing component of the WCF enables projects to access funding in the form of loans, using forecast contributions as collateral. Once a forecast contribution is confirmed, the project repays the advance (and if it cannot, the WCF is backed by the Operational Reserve which can absorb the write-off). The advance reduces the time between a donor's expression of interest in contributing to an operation and the delivery of food and services to beneficiaries, on average by 37% (WFP, 2012b). As such, the mechanism helps COs avert pipeline breaks by enabling them to continue to implement their operations, and is also particularly effective during project start-up for covering immediate costs. This component of the WCF also provides advance financing for corporate services such as the Global Vehicle Leasing Pool and the new Capital Budgeting Facility (WFP, 2014a).

7. By using forecast contributions as collateral, wherein the degree of probability of the contribution dictates the relative size of the advance, traditional advance financing from the WCF is lower risk than the IRA. Since 2004, nearly US\$3.0 billion has been advanced; the only write-off was US\$5.9 million in 2005 in the pilot phase against a protracted relief and recovery operation in the Democratic Republic of the Congo. This track record means the mechanism is currently approved to provide advances against the Operational Reserve at a leverage ratio of 6:1 (WFP, 2014a; WFP, 2012a).

(ii) Forward Purchase Facility

8. The FPF enables WFP to purchase food in advance of requests from projects, and maintain food inventories in continuous supply lines for pre-determined geographic zones. When the need arises, food is released to projects on receipt of confirmed contributions, or advances from the WCF or IRA. The immediate availability of stocks under the FPF reduces supply lead-times (typically by 75%), accelerating food deliveries. Other advantages are seen to include enabling procurement of food at advantageous times, supporting emergency responses with strategically located food inventories (such as in Ethiopia – to respond to the chronic food security needs there); exploiting economies of scale; and stimulating local processed food production capacities. The FPF is administered through a special account with funding allocated from the WCF, in addition to seed financing from CIDA. Stocks are replenished in the light of aggregate demand, projected shortfalls and resource projections.

9. As with other mechanisms, there is a degree of risk associated with FPF: funding may not materialise, or may do so with conditions which rule out use of FPF (such as procurement restrictions, or branding visibility requirements), or consignments may spoil (although WFP insure against this). Overall, the risk related to the FPF is considered medium, based on global and regional forecasts of contributions and the successful track record of FPF purchases and sales to projects (WFP, 2012a; WFP, 2014a).

Table 1: Key characteristics of Advance Financing Mechanisms (2013)³⁷

Characteristic	IRA	WCF: Traditional Advance Financing	WCF: Forward Purchasing Facility
Established	1991	2005	2008
Purpose	Immediate assistance in early onset/impending emergencies.	Loans to projects with forecasted contributions as collateral.	Food purchasing in advance of requests from projects on basis of aggregated needs.
Distribution of advances by operation type (2013)	EMOP: 43% IR-EMOPS: 5.8% PRRO: 46.8% DEV/CP: 0% SO: 3.6% Corporate Services: 0%	EMOP: 67.1% IR-EMOP: 0% PRRO: 17.3% DEV/CP: 7.1% SO: 2.4% Corporate Services: 6.1%	
Ceiling of funds available (2013)	US\$70m	US\$257m ³⁸	US\$350m
Collateral Requirement	No	Yes: loans usually secured against high and medium probability forecasts for income	Upfront financing is required to purchase from FPF (IRA and WCF advances can be used for this purpose. FPF stock purchases are backed by analysis of aggregated regional needs and forecast income.
Associated risk for WFP	High	Medium/low	Medium
Leverage ratio	1:1	6:1	6:1

Sources: WFP, 2010a; WFP, 2012a; WFP, 2014a; WFP, 2014c; BCG, 2014

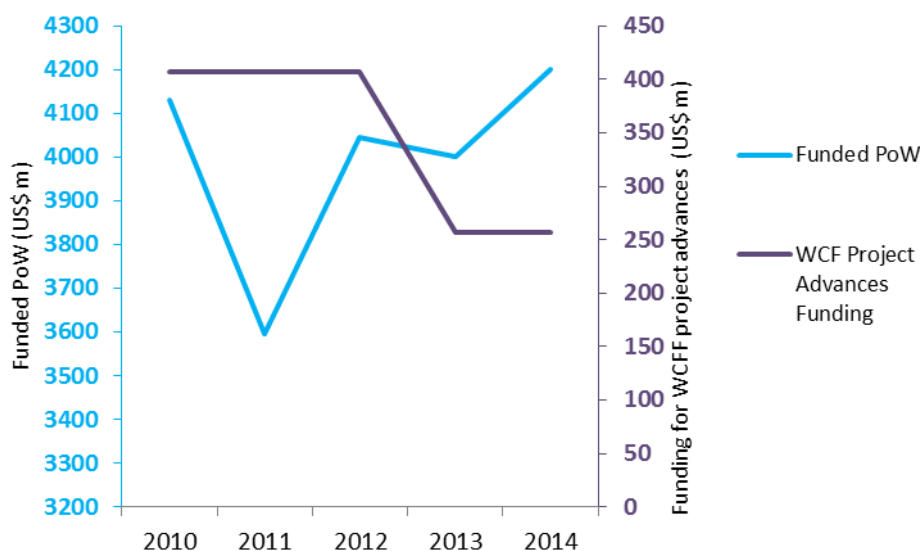
10. Although WFP's advance financing mechanisms have facilitated significant reductions in the delay between the initial identification of needs and delivery of assistance, nonetheless, the organisation's funding model remains piecemeal and fragmented which continues to undermine country offices' ability to plan and implement effectively. Demand for advances has grown in recent years, due to growing country office familiarity with the processes, improvements in contribution forecasts, as well as the frequency of emergencies. An ongoing financial framework review has shown, supply of available advance financing has not grown in line with WFP's increasing programme of work. As Figure 1 below depicts, the current ceiling for WCF advances to projects stands at US\$257m in 2014, which is equivalent to 6% of the

³⁷ At the 2014 Annual Session of the EB in June 2014, the FPF was removed from the WCF facility and set up on its own as a "Global Commodity Management Facility" with a ceiling of US\$30m, backed by a dedicated US\$6m reserve. Corporate services financing was also taken out of the WCF and a separate ceiling of US\$70 M established for it. A new ceiling of US\$570m was approved for the WCF Facility, backed by the US\$95 million remaining in the operational reserve (i.e. maintaining the current leverage factor of 6:1). However, as these changes happened outside the timeframe of the evaluation, the 2013 configuration is referred to. (WFP, 2014n).

³⁸ Traditional advance financing + corporate services.

year’s projected funded programme of work (PoW). This is a marked decrease from the 2010 – 2012 period, when the ceiling for WCF advances to projects stood at an average of 10% of the PoW (WFP, 2014b; WFP, 2014c).

Figure 1: WCF against Funded Programme of Work 2010–2014



Source: WFP, 2014

11. An internal financial framework review is currently reviewing these challenges and coming up with a series of recommendations to increase the stability of financial flows. Consultations are ongoing, but initial proposals for the expansions of working capital include increasing the size of the Operational Reserve by appealing to donors for direct contributions (as CIDA did with the seed money), adjusting the leverage ratios (for instance, the WCF, which is seen as low risk, currently provides advances to projects against the operational reserve at a ratio of 6:1, but under the new proposals this could increase to 10:1), and introducing pooled-advance financing whereby loans can be made against a country office’s annual overall contribution forecast as collateral rather than project-specific donor contributions (WFP, 2014a).

Comparative advantages and complementarities between the advance financing mechanisms and the pooled funds

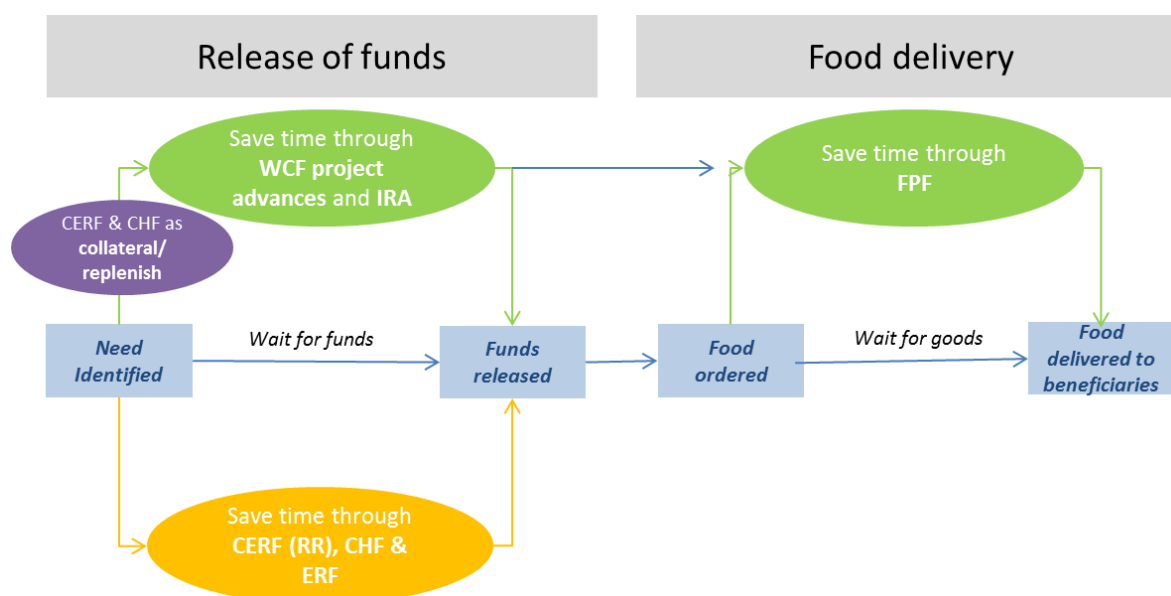
12. In terms of volume, internal advances are a more significant source of funding for these operations than the pooled funds (albeit as a loan rather than grant); on average, internal advances (WCF + IRA) are approximately 313% bigger than PF contributions as a whole³⁹.

13. The two sources of funding can also be compared in terms of timeliness. As noted above, WFP’s advance financing mechanisms seek to improve timeliness of response, an objective shared by the CERF (Rapid Response window), CHFs, and ERFs. As demonstrated in Figure 2, the pooled funds (orange oval) mirror the objectives of the IRA and the WCF traditional project advance component in that they seek to minimise the delay between the identification of need and the availability of donor contributions. The FPF, by contrast, reduces delays experienced later in the response cycle, namely supply lead times. Therefore, whilst it may be useful to

³⁹ Data from Resource Situations, analysis by Evaluation Team.

consider the timeliness advantages of the PFs as they stand against the WCF project lending and the IRA, the FPF is a complement rather than a possible substitute for PFs.

Figure 2: Role of Advance Finance Mechanisms and Pooled funds in the WFP Response Process



Source: adapted from BCG, 2014

14. Interviews with country office staff indicated that for country offices seeking urgent financing, WCF project advances and the IRA present a speedier funding source than the pooled funds. The application process is fairly straightforward, involving in most instances the completion of a Standard Advance Financing Request form (WFP, 2013a). The form itself is not overly complex, and requires COs to identify the primary purpose for the advance, beneficiary numbers and expected cost savings, a brief rationale, a pipeline report, repayment schedule and limited financial statements. Applications must demonstrate, to the extent possible, the availability of collateral to repay the advance, the probability of the funding and any associated conditions, which must be verified by the Regional Bureau. WCF applications were considered to be more time-consuming for country offices because there is added emphasis on this demonstration collateral, and for these reason applications to the WCF tend to be for larger grants, often backed by multiple forecasted grants as collateral from a variety of sources. Once submissions are made, the advance financing mechanisms aim to respond to requests within 72 hours (WFP, 2012a).

15. By way of comparison, the CERF, in its 2010 Performance Accountability Framework, sets itself a similar target of 3 days between final submission of a CERF grant request package from RC/HC and ERC decision (CERF, 2010). Progress towards meeting this target in recent years has been favourable; however, this masks an often incongruous period for finalising submissions, which in some countries took over 30 days (Channel Research, 2011a). There is evidence to suggest that CHF disbursements can be even slower, with delays of up to 6 months between the time when a project is submitted for CHF funding and fund disbursement following project approval (Goyder, 2011). For the ERFs, the equivalent period is found to take between 45 and

70 days, with the complete timeframe between identification of the problem to project approval taking four to eight weeks (Universalia, 2013). Against this backdrop, WCF and IRA loans present a first response flow of funds that can be realised in the first days and weeks of a need arising, in a way that the pooled funds often cannot. This was echoed in the interviews with country offices (including Somalia and Ethiopia) who concluded that whilst the CERF’s RR window had in their experience been relatively fast (compared to directed multilateral), PFs were nonetheless not a substitute for advance financing mechanisms.

16. To recognise that WFP’s internal advance financing mechanisms outperform the pooled funds in terms of volume, rapidity and ease of access, is not to conclude that this renders the pooled funds redundant. WFP’s operations are historically chronically underfunded (between 2010 and 2013, only 61% of WFP’s programme needs were funded), and in emergency situations WFP looks to maximise rapid financing in particular. As such, internal advances and pooled funding may be considered complementary flows, rather than alternatives. Indeed, as demonstrated in Table 2 below, the vast majority of operations under consideration which received CERF funding also received internal advances; this is true also for CHF-funded projects and ERF-funded projects, but by a lesser margin.

Table 2: Number of operations receiving pooled funding and internal advances (2009 – 2013)

	CERF	CHF	ERF
Total number of operations	203	31	16
<i>...of which received internal advances</i>	159	18	11
<i>...of which did not receive internal advances</i>	44	13	5
% of operations receiving internal advances	78%	58%	69%

Source: data from Resource situations, analysis by evaluation team.

17. The significant overlap between funders of the pooled funds and the internal advance mechanisms (specifically the IRA), as shown in Table 3 below, demonstrates that WFP’s donors see concurrent value in both streams of financing. This is in part because the objectives of the pooled funds are broader than just rapid response, but they also set out to strengthen humanitarian planning, leadership and coordination by reinforcing the role of the Humanitarian Coordinator and the cluster system. The advance financing mechanisms, being internal to WFP, do not serve this purpose. The Underfunded Emergencies window of the CERF provides a further objective of filling critical gaps as a “donor of last resort”, something the internal financing advances are not designed to do, as lending instruments to be reimbursed by the next suitable donor contribution.

Table 3: Comparison of 10 largest PF donors with IRA donors (2009 – 2013)

	Ranking		Total Contributions	
	Pooled Funds	IRA	Pooled Funds	IRA
United Kingdom	1	8	1,169,183,37	11,043,222
Sweden	2	3	659,445,554	25,181,822
Norway	3	1	505,217,000	62,948,512
Netherlands	4	11	474,403,463	3,384,859
Spain	5	10	189,311,496	4,484,659
Denmark	6	6	163,096,475	16,446,128
Ireland	7	9	149,028,522	10,838,235
Canada ⁴⁰	8	2	145,768,893	29,876,810
Germany	9	7	125,920,349	11,818,331
Australia	10	16	122,906,214	512,178

Source: OCHA Financial Tracking Service [<http://fts.unocha.org/>], accessed 5th March 2014; WFP, 2014. Ranking is in terms of total contributions (2009 – 2013).

18. Given that the internal financing mechanisms and the pooled funds should not be considered alternatives, the focus of the next section turns to synergies of the two funding streams, and considers the added value of the pooled funds to WFP’s use of advance financing.

The use of Pooled Funds as collateral for the Advance Financing Mechanisms

19. In addition to providing an additional source of rapid financing for WFP’s operations, the pooled funds interact with the internal financing advances to augment their utilisation. Where pooled funding is forecasted, it can be used for formal collateral required under the WCF, or similarly can reimburse IRA advances (although in such cases formal collateral is not required). An advance backed by a forecasted PF contribution can also be used to purchase food from the FPF. By interacting with the advance financing mechanisms in this manner, as depicted in the purple oval in Figure 2 above, the PFs promote early action and act as a driver for launching strategic emergency response.

20. Data extracted from WINGS indicate that PF grants totalling US\$179.4m have been used either to repay, or as collateral against, internal advances totalling US\$158m for the operations in the data universe.⁴¹ This represents 22% of the total pooled funding received over the period, indicating that whilst this is an active function of the PFs for WFP, it isn’t a primary one.

21. The CERF accounted for 83% of pooled fund grants (by volume) which were used as collateral over the evaluation period (over 75% of which came from the RR window). 13% of pooled fund collateral grants (by volume) originated from the CHF. ERFs are not normally allowed to be used for collateral; only in one case has WFP used an ERF for such a purpose, for a SOP in Haiti in 2010.

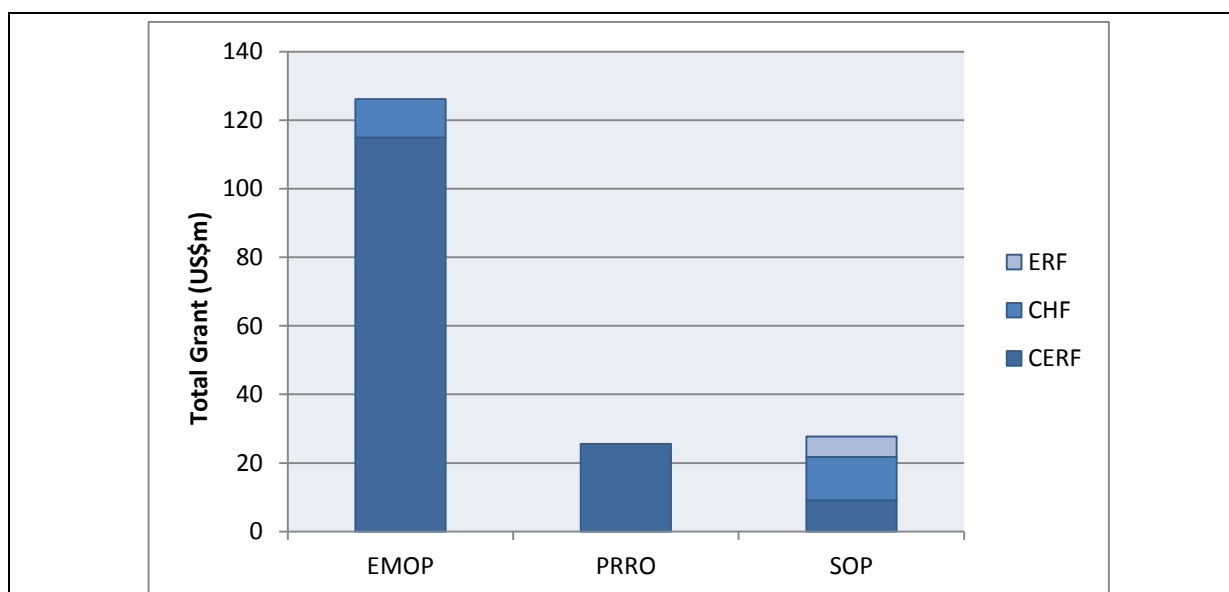
⁴⁰ CIDA also provided seed money for the FPF.

⁴¹ The universe of data is defined as all operations that received a PF contribution between 2009 and 2013.

22. For 35% of the pooled fund grants associated with the internal advances, the data provided was not detailed enough to specify which of the mechanisms it was used for (IRA or WCF). Of the remaining 65%, the majority was used as collateral against the WCF (US\$86.5m), with smaller levels (US\$29.5m) being used to reimburse the IRA.

23. As indicated in Figure 3 below, the majority of pooled fund collateral grants between 2009 and 2013 were associated with EMOPs (70%), with 14% and 15% going to PRROs and SOPs respectively.

Figure 3 CERF, CHF and ERF Collateral Grants by Operation Type (2009 – 2013)



Source: WINGS

24. Whilst this the ability to interact with internal advances in this way is a useful characteristic of pooled funds, they are not unique in this respect: bilateral and directed multilateral funding, when forecasted, can also be used in this manner (and as noted above, Country Offices will often group a number of expected donor contributions as collateral for one WCF application). The pooled funds' relative suitability for this purpose depends on, inter alia, how early a forecast of sufficient-probability can be provided, but predictability is not a central feature of the pooled funds in so much as they prioritise gap filling and timely response over unforeseen emergencies. As noted in a 2010 Executive Board paper on WFP's role in the humanitarian assistance system, "WFP's internal advance financing mechanisms rely on income forecasting, which is a challenging task for funding received through common funds" (WFP, 2010b).

25. One distinct advantage of using the pooled funds for collateral is that they are less risk averse than some of WFP's direct bilateral donors, in the sense that they are able to interact with internal advance mechanisms in the manner described above, and as such they provide the added value of bestowing this flexibility of purpose on contributing donors' funds. Table 4 below presents the preferences of the top 10 donors to the pooled funds in terms of whether they permit the use of their direct bilateral contributions for IRA revolvment or WCF collateral. In a number of cases the donor does not allow its direct contributions to be used for one or either of these functions, and in other instances it assessed on a case-by-case basis. As such, the

pooled funds are enabling WFP to indirectly access funding sources for the internal financing mechanisms, which may otherwise be closed to them.

Table 4: Donors’ bilateral preferences regarding support to IRA & WCF

Donor	Allows IRA Revolvement	Allows WCF
United Kingdom	Case by case	Case by case
Sweden	FA: Yes	FA: Yes
	Sida: Case by case	Sida: Case by case
Norway	Yes	Yes
Netherlands	Yes	Yes
Spain	No	Case by case
Denmark	Yes	Yes
Ireland	Yes	Yes
Canada	No	Case by case
Germany	BMZ, KFW: No	BMZ: Case by case
	FO: Yes	KFW, FO: Yes
Australia	Case by case	Case by case

Source: WFP, 2014d

Opportunities for improving interaction between the Pooled Funds and Advance Financing Mechanisms

26. Whilst there is clear evidence that the pooled funds support WFP’s efficient use of internal advances, a number of opportunities to refine this role have been identified.

27. The internal advances have been shown to improve WFP’s efficiency and timeliness of WFP’s response; but their ability to serve this purpose depends on the use of donor contributions as collateral and for replenishment. A key advantage of the CERF and CHF is their flexibility to be used for this purpose and the tolerance to risk that this infers. In an effort to safeguard and enhance this quality of the PFs, WFP should emphasise the importance of this function to the funds’ secretariats and donors, and share the impressive recovery track record of the mechanisms (see paragraph 7 above). Similarly, COs with an active ERF should seek to identify and address any obstacles to it being utilised in a similar manner. Closer interrogation of the exceptional case in Haiti where ERF funding was used as collateral against an advance for a logistics and telecommunications operation in response to the earthquake would be key to this.

28. Under the ongoing financial framework review a new method for assessing collateral is being discussed wherein “pooled” advance financing would utilize a country’s annual resourcing trends as collateral rather than project-specific contributions (WFP, 2014b). Given that pooled funds are relatively more difficult to forecast than other donor contributions, this could enable more efficient engagement between the two funding sources; advance applications would not be held hostage to a PF commitment, but once a PF contribution is received, it could still be used to repay an advance, as its inherent flexibility allows.

Conclusion

29. There is evidence to suggest that for WFP to be able to respond to needs in a timely manner, its own internal advance financing mechanisms are a more important

source of rapid financing than the pooled funds, both in terms of volume of resources and ease and speed of access. However, there are key complementarities between the pooled funds and internal advances which should not be overlooked. Specifically, WFP frequently uses PF contributions (particularly CERF and CHF) as formal collateral or to reimburse internal advances, and in so doing the funds' flexibility and appetite for risk can be considered a comparative strength against many other directed multilateral funding channels. However, when playing this role within WFP's internal funding flows, the rapidity on which the pooled funds sell themselves is rendered of marginal importance: they are no longer timely in the sense of reaching beneficiaries, but are timely in the sense of paying off liabilities.

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Annex 6: Case Study – United Nations Humanitarian Air Service

Background/rationale

1. The United Nations Humanitarian Air Service (UNHAS) is a common service for United Nations (UN) agencies which can be used in the case of humanitarian emergencies. It provides an essential service in contexts where air travel is difficult/does not exist and/or where security is an issue. The service is managed by the World Food Programme (WFP), as part of its role as head of the logistics cluster under the humanitarian coordination system.

2. This case study examines and discusses how UNHAS interacts with the WFP Humanitarian Pool Funds (PF) in different contexts. Information from this case study comes from review of documentation (see bibliography) and from the country studies that were conducted in the context of this PF evaluation.

Overview of objectives and organizational arrangements

3. UNHAS was established in 2003. The first UNHAS services were launched in early 2004. The objective of UNHAS is to ensure that humanitarian personnel and goods reach affected populations in a timely and safe manner.

4. In some countries UNHAS is the only operational air service to support humanitarian operations in the country (e.g. in Mauritania). In other countries (e.g. Somalia) other options, including commercial flights, are available but do not meet the required international and United Nations (UN) standards of safety and reliability.

5. Over the years since its establishment, UNHAS has become, in particular contexts, a primary and important, means of air transport for the global humanitarian community. It provides services to United Nations agencies, but also the multitude of local and international Non-Governmental Organizations (NGOs) that do much of the delivery of humanitarian relief and services on the ground.

6. UNHAS operates a system of leasing of aircraft and flight personnel. It maintains a data base of service providers that it can draw on in case of need. UNHAS also has fixed staff at country level, who are responsible for the day-to-day management.

7. At the start of the evaluation period in 2009, UNHAS operated in nine countries. In 2014, UNHAS was operating in 14 countries: Afghanistan, Central African Republic (CAR), Chad, Democratic Republic of Congo (DRC), Ethiopia, Mali, Mauritania, Niger, Somalia/Kenya, Republic of South Sudan (ROSS), Sudan and Yemen. The UNHAS operation in the Philippines, initiated in November 2013 in response to Typhoon Haiyan, was discontinued as of February 2014 (WFP, 2014b).

8. Services in country operate on the basis of an established flight schedule which includes specific destinations, and which may be modified to reflect changes in the local situation and needs. In practice NGOs make up over half or more of the users of UNHAS (Ugwu, 2013).

9. Institutionally, UNHAS is the responsibility of WFP, and is part of WFP Aviation Services (WFP, 2013a). UNHAS constitutes the bulk of WFP Aviation core Services (approximately 80%). The decision to establish an UNHAS operation is made by the Humanitarian Coordinator (HC) at country level in coordination with the Humanitarian Country Team (HCT).

10. WFP Air Transport Policies require the establishment of an UNHAS Steering Committee (SC), as well as an UNHAS User Group (UG) in countries where UNHAS is operating. These structures oversee the operation of UNHAS at country level, and ensure resource mobilization. The SC provides general guidance and takes a lead in resource mobilisation. The UG has a support role and oversees day-to-day operations.

UNHAS funding

11. UNHAS operational costs cover expenses related to staffing, aircraft positioning, ensuring passenger safety and security, and rehabilitating local air transport infrastructure as required (WFP, 2014b). In Mauritania, for example, the start-up of the UNHAS services in 2011 was secured through funding from CERF for the extension of a critically important airstrip.

12. Aircraft leases, fuel and staff, together account for the vast majority of the total UNHAS costs. A recent study of South Sudan illustrates the extent to which these costs dominate the budget. In this case these three budget lines combined totalled 90 percent of the total cost of operations (Corsino, 2013).

13. The overall budget to implement the UNHAS Special Operations was estimated at approximately US\$215 million in 2014 (WFP, 2014b). At country level, budgets and corresponding costs will vary depending on the size of the operation and differences in operating costs. For example, in Somalia the total costs in 2014 were estimated at US\$2.2 million per month. In Mauritania, the operation was much smaller, amounting to less than US\$10 million per year.

14. Globally, funding for UNHAS comes from a large range of donors which includes (not in order of priority): Australia, Belgium, Canada, Denmark, the European Union (EU), Finland, France, Germany, Ireland, Italy, the Netherlands, Sweden, Switzerland, the United Kingdom (UK), UNHCR, UN CERF, UN CHF, the United States of America (USA), etc. Some country UNHAS operations receive support from a large number of donors (e.g. Mauritania), in other countries the donor resource base has been smaller (e.g. Somalia).

15. To provide support to the UNHAS operations at country level and to improve the management of services WFP has established an Aviation Special Operations Account. In addition, in most countries part of the costs for UNHAS are covered through cost-recovery schemes. Globally, the expected income from cost recovery for UNHAS averages 30% of the requirements (WFP, 2014b).

16. Cost recovery is practiced for reasons related to funding requirements. It also ensures that services are not abused by requiring at least a nominal fee (e.g. in Mauritania).

17. In practice, there is a large variation in the amount of costs recovered. For example, in the CAR Government regulations do not permit cost recovery for humanitarian endeavours (Corsino, 2013). This contrasts with Somalia, where 60% of the budget comes from cost recovery, and the remaining 40% are funded by donors (this is also the country with the highest cost recovery rate).

18. The arguments as to the need for costs recovery to support the financial requirements of UNHAS operations are wide ranging. However, there was a consistent message that as a necessary service for immediate life-saving response it is critical that UNHAS has a level of guaranteed resources (WFP, 2014b; Corsino, 2013). The case studies underscored that the degree to which this then covers the non-essential

services, and what exactly these services entail, remains a point of considerable discussion.

19. Fundraising for UNHAS is the explicit responsibility of the UNHAS SC, with the support of the UG, at country level. In practice the lack of predictable funding has meant that UNHAS has had to function on a hand-to-mouth basis – “a challenging aspect of UNHAS management for WFP” (Corsino 2013).

20. This has had relatively predictable implications for the operations of UNHAS, and these were also apparent to the evaluation team in the case study countries where UNHAS is present (Mauritania, Somalia, and Sudan). A particular challenge is that service management becomes more complex and that countries may miss out on “*more favorable contract arrangements for aircraft, fuel and staff*” (Corsino, 2013, p.8).

21. Recent WFP guidance (in the form of WFP’s Aviation Strategic Plan) explicitly recognizes these challenges as well as other contextual issues (such as donor fatigue). WFP’s aviation strategy thus foresees an explicit focus on the diversification of the donor base over the next three years (2013–2015) by:

- Adopting a market-based approach to strategically identify new government donors and nurture;
- Forging strategic partnerships with private sector entities in aviation-related industries (airlines, airports etc.) ... to raise funds (and) to tap into potential in-kind opportunities such as capacity building;
- Cultivating current government donors to secure core funding and potentially grow relationships (WFP 2013a, p.5).

22. WFP also bears costs related to UNHAS resource mobilization. Direct costs are the staff efforts made in assessing donor capacities and preferences, drafting proposals and directly contacting donors and negotiating contributions. There is also an indirect cost: “*In some cases contributions made to UNHAS may be fungible, meaning the donor has designated an amount to be allotted to WFP for any chosen purpose, part of which the organisation must occasionally direct to UNHAS ... to allow operations to continue*” (Corsino, 2013, p.13).

UNHAS Achievements

23. UNHAS operations have grown over the evaluation period. UNHAS data indicate that in 2014 over 1200 humanitarian organizations (WFP 2014b) relied on UNHAS. The growth of UNHAS is reflected in the budget and other figures. In 2009, UNHAS had a projected budget of US\$160 million for nine operations. By 2014 the projected budget had grown to US\$214 million.

24. Since 2007, WFP Aviation has embarked on various initiatives to ensure that UNHAS continues to cater to the needs of the humanitarian community, with an emphasis on enhancing UNHAS-client outreach. These include:

- Strengthening the management structure of WFP Aviation both at headquarters and in field operations;
- Designing a succinct training plan to enhance staff capacity;
- Fostering higher standards across UNHAS operations through a consolidated Quality Management System (QMS);

- Reinforcing the Aviation Safety Unit (ASU) structure to promote safety standards across air operators and other service providers through a continuous monitoring approach;
- Investing in systems and procedures to ensure efficient, safe and reliable service provision to the users. (WFP, 2013b).

25. Anecdotal evidence from the case study countries, as well as from selected reports, indicates that these strategies appear to be bearing fruit. Interviews highlighted that UNHAS has become more explicit in terms of its efforts at resource mobilization. WFP Aviation at HQ level now includes dedicated donor officers. Every two months UNHAS Special Operations (SO) are identified that require funding, and specific fundraising efforts are then put in place (cf. WFP, 2014b). Efforts at raising donor funding are also replicated at country level. Interviews in the case study countries highlighted that a stronger UNHAS HQ intervention in recent years has really helped. It has resulted in a substantial degree of reorganization, in more structured supporting of country efforts, and in strategic and deliberate efforts at enhancing predictability of funding. In addition, clients of UNHAS express a good level of satisfaction with the services (Corsino, 2013; also supported by case studies). UNHAS SCs at country level are reported to work well. The same applies to UNHAS UG although with variations by context. As is often the case in these situations, the commitment of WFP Representatives to UNHAS is an important factor.

Donor support to UNHAS

26. Funding for UNHAS comes from donors and from cost recovery. The case study gives salience to wide-ranging, positions among donors on UNHAS.

27. Some donors are concerned with the continuity of UNHAS – and in line with this concern are prepared to make substantial regular and/or ad hoc contributions directly to ensure the service is not interrupted. Various examples of such contributions were mentioned in Somalia and in Mauritania as having ensured continuity of services at critical times.

28. However, other donors interviewed in the context of this evaluation maintained that their contribution to the CHF is an appropriate and sufficient means to support UNHAS. This matches the finding of the in-depth study by Corsino (2013) of UNHAS in South Sudan.

29. Yet other donors are committed to providing support through WFP's multilateral resourcing window and clearly see this as a preferred means of support.

30. Finally, a fourth opinion related to donors that oversee development resource windows is also in evidence. These donors *“largely remain silent regarding their obligation to support the air service that their programmes often rely on”* (Corsino, 2013). In some cases the same donor engages with UNHAS through two or more of these options.

31. The resulting ‘stalemate’ in terms of how to deal consistently with UNHAS has meant that there is as of yet no clear donor strategy for the funding of UNHAS, and that threats of interruption of services are frequent, and often the only effective strategy for ‘securing’ funds. The lack of strategy has also had other consequences: *“These varying views have created resentment amongst some – especially those contributing directly to UNHAS – as they believe their contributions are subsidising*

the programmes of others” (ibid), a view that was also expressed to this evaluation in interviews with donors.

Interaction with the Pooled Funds

32. UNHAS has been a consistent beneficiary of PF. In 2008, for example, CERF was the largest donor to UNHAS, followed by the European Commission’s (EC) Humanitarian Aid Department, the United States of America (USA), the United Kingdom, Canada, Spain and the Netherlands.

33. Data from Somalia similarly illustrate the importance of PF. Combined CERF/CHF funding was found to have provided US\$5.5 million since 2011, corresponding to just under 2 million a year, out of a total annual budget of approximately 26 million, representing 15% of the support to the country (Corsino, 2013).

34. PF are thus ‘disproportionately’ relevant for SOs and within these especially for air services. In Ethiopia the proportion of PF out of total contributions was 25% for UNHAS, whilst the PF overall contributed only 1.4% to operations in that country under the PRRO.

35. Interviews underscored that a part of the attraction of PFs comes from the fact that PFs are easier to negotiate and access than donor funding which will require more detailed and elaborate proposals. The bi-annual funding application process further enhances the ‘predictability’ of these funds (as noted by interviewees from Somalia).

36. The manner in which PFs provide support varies. In some countries UNHAS gets a specific allocation through the PF (in this case from the CHF, e.g. in South Sudan and the DRC). In other countries no such priority is accorded, and UNHAS ‘bids’ together with other agencies/organizations for PF. This may be to cover a funding gap (e.g. in Somalia through the Under Funded (UF) window of the CHF), or for the start-up of activities, as in Mauritania. The different forms of support depend on the context and the local needs, but also on the regulations/guidelines for the use of the PF. In some countries the possibility of a standard allocation through the CHF has been on the agenda various times but without a clear decision (CHF Somalia, 2010).

37. CERF guidelines for UNHAS (CERF, 2009) specify clearly that CERF funding cannot be used for recurrent costs. They also indicate that CERF can be applied for only if one (or more) of the following conditions applies:

- When new air operations are being established in a country or region (as was the case for Mauritania from the case study);
- When there is a need to scale up operations – to a higher frequency, or using different means – due to a deteriorating humanitarian situation;
- When there is a justified need for increased operational capacity due to changes in the security phase in an on-going humanitarian operation (CERF, 2009).

38. For an underfunded operation, CERF funds can also be requested but efforts that were made to secure funding need to be explained in the application as well as the reasons why UNHAS was underfunded (CERF, 2009).

39. Thus CERF funding can provide additional resources but should not be a substitute. And while PF may be used for initial funding, and in some cases for filling funding gaps, it is often insufficient to maintain a consistent air service (WFP, 2010).

40. Other guidance will also be in place at country level, for example with respect to the funding to humanitarian efforts overall (the case of the CAR where the Government does not want cost recovery to be part of the funding of humanitarian work), as well as the decisions of the HCT and the humanitarian clusters on how funding from the CHF can be used (which is a local decision and for which there is no specific global guidance that relates to UNHAS). Ethiopia presented an interesting case study in this respect, as the Humanitarian Reform Fund (HRF) explicitly excludes consideration of financing relief food (given that the requirements for this would quickly swamp the capacities of the fund) leaving room for supporting niche activities such as UNHAS. This contributes to the important role that PFs play in supporting UNHAS.

41. Another important ‘bridging’ funding resource is WFP’s Working Capital Fund (WCF). As is the case for the PF overall (see main evaluation report) the WCF plays a critical role in responding quickly to cover funding gaps. However, a ‘reasonable’ degree of certainty of forthcoming funding needs to be provided as ‘collateral’ for the fund to be released. Thus the pressure of filling the funding gap remains and the WCF essentially functions as an effective mechanism for smoothing over the erratic nature of funding.

Challenges

42. UNHAS provides an agreed important service for the humanitarian community. Nonetheless various challenges persist that affect the functioning and the sustainability of UNHAS.

43. Among these, funding, and especially the unpredictability of the funding stream, is the most critical. Funding is particularly problematic at the beginning of the year, as most funding contributions are only confirmed in March/April.

44. The uncertainties around funding affect, among other things, the duration of the leasing arrangement (shorter-term contracts being the norm). To protect against the erratic resourcing environment, leases bear a clause that allows termination with 15 days’ advance notice. In most contexts this has also meant periodic threats to close down the UNHAS services, which are usually rescued at the last minute by commitments from donors.

45. While it was not possible to obtain clear figures at global level of costs savings from longer leases (i.e. 12 months, or more), interviewees mentioned that longer leases (12 months) would result in cost savings of 10–15% (Somalia, Mauritania, and supported by Corsino, 2013), which was confirmed in the HQ-level interviews. In some countries, longer leases are engaged in spite of the uncertain funding environment on the assumption that money will eventually emerge. This presents a risk to WFP, which WFP staff argue is not reasonable given the common nature of the services for the whole humanitarian effort.

46. Evidence from the country studies and from the documentation also suggests that the funding situation for UNHAS has become more critical as the global funding context has become more challenging and a level of ‘donor fatigue’ with recurring humanitarian crises in the same geographical (and political) contexts has become apparent. This has increased the pressure (from some quarters, in particular from donors) to seek higher cost recovery (Corsino, 2013).

47. Cost recovery efforts also put considerable financial strain on local NGOs (the main users of the UNHAS services). The reasons are various and are aptly summarized

in a detailed study of UNHAS in South Sudan (Corsino, 2013), which noted that: *“Perhaps the greatest disadvantage to a more extensive fare recovery approach is that it may prohibit some organisations, likely the smallest with the narrowest resource bases, from participating. Ironically, these are often entities that operate in the most remote areas and hence may bear a higher transport cost burden than those working in more accessible locations. Further disadvantages are the risk that resources transferred to project budgets for air transport may end up being used for other purposes; that differential fare recovery may prove cumbersome and demand a more complex administration than a flat rate fare structure; and that there may be less predictability of resource availability, at least in the short run.”* (Corsino, 2013, p.18). Cost recovery is also for other reasons not always feasible. This includes where sudden emergencies, or a sudden scale up of the emergency situation, require rapid and life-saving interventions, or where Governments do not permit cost recovery by humanitarian agencies (e.g. the CAR).

48. A final, but not inconsiderable challenge, relates to the varying degrees of ownership by WFP of UNHAS. For WFP globally, but specifically at country level, guaranteeing the sustainability of UNHAS requires investment of staff time, including at senior level, to mobilize commitment and funding. The level of personal commitment of individual staff, and of the WFP country director/representative (CD/CR) and local interpretations of how to address this, are critical.

Final considerations

49. UNHAS provides an essential service to the whole humanitarian community, providing access to remote and insecure areas. An important characteristic is the capacity to rapidly scale up in the case of need.

50. In spite of the recognition of its importance there continues to be an absence of a policy across the agencies and organizations on how to support UNHAS, and on how to achieve maximum efficiency and cost-effectiveness. Within WFP efforts have been made to improve quality and sustainability, including by resorting to the WCF, investing in fundraising globally and at country level, improving the management of UNHAS, conducting studies on UNHAS operations and functioning at country level, and further examining options for cost recovery.

51. PFs have been an important source of funding for UNHAS, offering flexibility and predictability, as well as (comparatively) low transaction costs. Thus PFs have at times played a critical role in filling funding gaps for start-up of UNHAS services, when the emergency context has changed, or when there have been threats of interruption of services. PFs have contributed, through the humanitarian cluster system, to joint discussion, and to greater clarity around the launching, financing, managing and terminating UNHAS operations.

52. Perspectives on UNHAS financial support are not shared by donors. While the value of the UNHAS service appears to be clearly recognized, there is no consensus on how UNHAS should be funded and from what kind of sources. Nor is there a consensus on the desirability of finding a common approach to funding. At country level too, there has been an inconsistent approach to support of UNHAS by PF mechanisms, i.e. in some countries UNHAS is a priority beneficiary of funding (in recognition of the common and essential nature of the service) in others not at all, or not always to the same extent. The CD/RC relations have been a determining factor in this respect, as well as sensitization of local partners. Harmonization of the approach across countries – for example through discussions at global level on CERF/CHF – has not taken place.

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Annex 7: Case Study – Twinning

Background/rationale

1. Twinning is the matching of contributions between two partners, and in particular the matching of an ‘in-kind’ (food) contribution by the Government of a Low- or Middle-Income Country (LIC or MIC) to the financial contribution of a donor. The cash component is essential because it pays for transportation and transportation-related costs which are essential to ensure that the food reaches its destination.

2. Twinning arrangements first emerged in the mid-2000s (Powell, 2006) and started on a very modest scale. This paper reviews how twinning has been used by the World Food Programme and discusses some specific examples of the use of WFP Pooled Funds– in particular the Central Emergency Response Fund (CERF) for twinning. Constraints and opportunities, in particular relating to the use of PF for twinning, are highlighted. The paper concludes that while twinning is a small but growing component of WFP’s overall resource strategy, which has potential to be scaled up, the use of PF to support twinning is not likely to be feasible in the near future unless the two main partners in this engagement (CERF and WFP) reach an agreement on the payment of overhead costs.

WFP Resources

3. Between 2008 and 2012 average funding to WFP amounted to just over US\$4 billion per year (WFP, 2014a). Obtaining this volume of resources, to meet growing demands from natural and man-made disasters, requires a carefully calibrated resource strategy.

4. Twinning is one among a range of WFP’s resource strategies. Together these strategies ensure that WFP has funds at its disposal to fulfil its core mandate. The strategies are spread over (in 2012) six pillars:

- Pillar 1: Country-led resources from host governments, constituting 3.6 percent of WFP’s budget, just over US\$140 million;
- Pillar 2: Contributions from Emerging Economies (the Gulf, Middle East, BRICS), 2.3 percent, corresponding to US\$166.5 million;
- Pillar 3: Various Thematic Funds, including the Millennium Development (MDG) fund, the Central Emergency Response Fund (CERF), the GEF, and the Peace-building fund – 5.4 percent (just over US\$210 million);
- Pillars 4 and 5: Traditional Donors’ and new Channels from the Organization for Economic Cooperation and Development (OECD) Donors (the European Union (EU) Food Facility, the World Bank (WB) GAFSP, Bilateral Desks, Debt Swapping, Twinning), totalling 85.4 percent, or US\$3.3 billion;
- Pillar 6: The Private Sector, with 1.4 percent or US\$54.5 million (WFP, 2014a).

5. Over the years, the contribution in cash as a proportion of WFP’s overall resources has seen a gradual increase. This has given WFP a degree of flexibility, for example in experimenting with strategies such as cash & vouchers. The increase in cash resources can be seen by comparing the percentage of cash contributions in the early 2000s – which were at roughly one third of WFP’s overall resources – with the more recent cash contribution figures (in 2013) where 60 percent of WFP’s funding resources were provided in the form of cash contributions.

Twinning within the overall WFP context

6. Nonetheless, food contributions from donors continue to be an important avenue for WFP's assistance. Traditionally food was either donated by donors or purchased by WFP. However, the past years have seen a diversification of WFP 'tools'. This has included the use of cash transfers and vouchers, in lieu of straightforward food provision, giving food beneficiaries a degree of autonomy in deciding what specific food to purchase.

7. In parallel, WFP has adopted a number of innovation strategies which it seeks to use to diversify and strengthen its resource base – in a context where funding resources are more limited. Twinning is one of WFP's explicit resource strategies which include:

- *“Increase funding predictability: Strategic Partnership Agreement – ensures that the resource partner and WFP focus on mutual priorities and ensures continued implementation of programmes;*
- *Smooth out the resource pipeline: Advance financing – allows WFP to spend in advance so projects run smoothly and minimize disruptions to projects caused by a non-linear resource supply;*
- *Front load the food pipeline – Forward Purchase Facility (FPF) – enables WFP to reduce the long lead times of international procurement;*
- *Broaden resource partner base: unlock potential of up-and-coming economies. Twinning has enabled WFP to receive locally grown commodities from host governments and leverage cash from traditional resource partners. Partnership with host governments and emerging economies is increasing through tools like debt swap for development” (WFP 2014b, p.10).*

8. Twinning as a modality allows for food contributions to be provided by countries that do not have the financial resources for transportation and handling costs, which ensure that food reaches the intended beneficiaries.

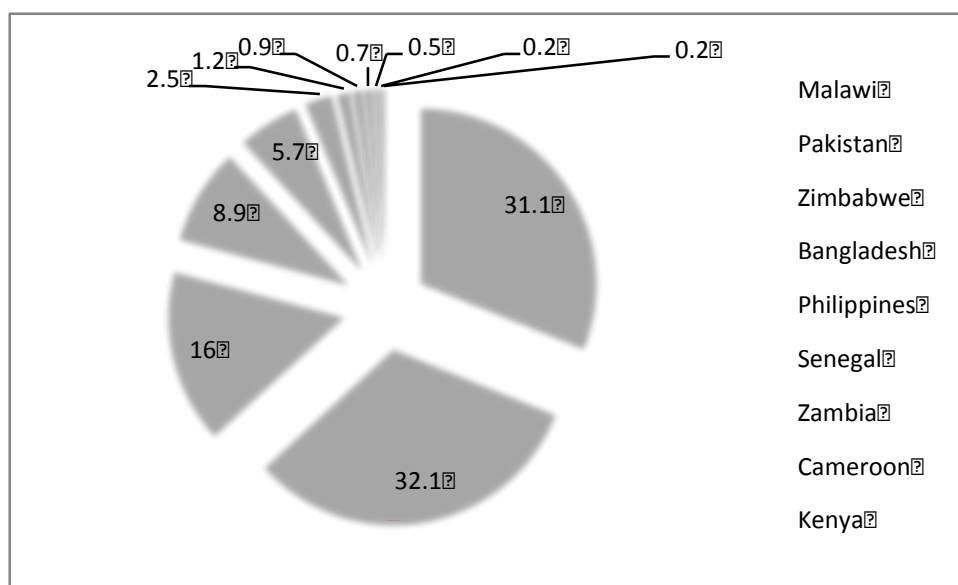
9. The volume of twinned in-kind donations to WFP has increased ten-fold in the past decade. Twinning emerged slowly at the start of the millennium as an experimental modality. In 2004 twinning arrangements resulted in the provision of just under 30,000 metric tons (MT) of food, a relatively small contribution (WFP, 2012).

10. By 2008, twinning had reached 84,000 MT and grew rapidly to 350,000 MT in 2012. The last four years have thus seen an exponential increase in the contribution of twinning to the overall portfolio of WFP. In 2011, twinning partnerships yielded over 250 million US\$ to WFP operations, and they constituted 6 percent of total contributions in 2012 (WFP, 2013), growing to 8.4 percent in 2013 (WFP, 2014b) As part of the twinning arrangements, the cash contributions through twinning arrangements rose US\$13 million in 2008 to US\$190 million in 2012. The cash element of twinning contributions varies, but constitutes about 40 percent of the total value of the commodities.

11. Fourteen countries have provided the bulk of the food contributions through twinning arrangements in the last five years. This has included Bangladesh, Burkina Faso, Cambodia, Cameroon, the DRC, Ethiopia, Kenya, Malawi, Mali, Pakistan, the Philippines, Sao Tome and Principe, Sri Lanka and Zambia. 377,000 MT of food has been successfully twinned through this contribution. A further 13 countries where

WFP has operations donated smaller amounts of food, totalling 60,000 MT (namely Cuba, Egypt, India, Iraq, Jordan, Morocco, Mozambique, Namibia, Zambia, South Sudan, Sri Lanka, Sudan and Tanzania) (WFP, 2012).

Figure 1: Twinning Host Countries by Tonnage (represented as a percentage) in 2012 (WFP, 2012 a)



12. Cash for twinning has come from a very wide range of donors, namely: Australia, Belgium, Canada, Cuba, the Czech Republic, Finland, Germany, Honduras, Italy, Japan, Luxembourg, Mexico, Namibia, Nepal, New Zealand, Norway, the Republic of Congo (RoC), the Republic of Korea, Saudi Arabia, Spain, Switzerland, the United Kingdom (UK) the United States of America (USA); ECHO, the United Nation’s Central Emergency Response Fund (CERF), UNICEF and the private sector. WFP’s Emerging Donor Matching Fund has also been a key source of twinning cash (WFP, 2012). A number of these donors are also top funding donors to WFP, including in order of importance: The USA (45% of total funding to WFP in 2012); the EC (12%) and Canada (11%).

13. Examples of twinning arrangements include:

- *Brazil/Spain twinning for food provision to emergency situations:* A US\$70 million twinning partnership between the governments of Brazil and Spain is one of the biggest twinning arrangements that WFP has entered into. This arrangement sees Brazil providing the in-kind food and Spain the cash support, and is illustrative of the growing trend in twinning arrangements. This twinning contribution has resulted in the provision of 55,500 MT of commodities in seven countries: Haiti, Honduras, Chad, Mozambique, Somalia, Sudan and Zimbabwe. Spanish cash contributions have also been used for other in-kind donors, including Cuba, India, Thailand, Kenya and Sudan. Spain has also supported the establishment of a strategic WFP humanitarian hub in Las Palmas that will facilitate the trans-shipment of large food assistance cargos and help cut operational costs, potentially contributing to reducing the cash component of twinning arrangements.

- *Brazil and ECHO twinning for drought relief in the Sahel:* The European Community Humanitarian Office (ECHO) has provided EUR 5 million in cash for the delivery of 12,000 MT of Brazilian commodities to provide relief from the 2011/2012 drought in the Gambia and Senegal.
- *Pakistan and USAID twinning for fortified wheat production and distribution in India:* This Twinning Programme is a partnership between the Government of Pakistan, WFP, and the USA. Under this programme wheat donated by the Government of Pakistan is transformed into fortified wheat flour and distributed to Internally Displaced Persons (IDP) in India. The USAID contribution was used to cover the costs of milling, fortification, storage, transportation, and distribution of wheat flour, between 2012 and 2013. USAID has been the largest international donor to the program, providing a total of US\$31 million in support (WFP, 2012).

Advantages and constraints of Twinning

Advantages

14. There is a range of advantages to twinning. These were highlighted in the documentation reviewed by the evaluation team, and – to a more limited extent – in some of the interviews that were conducted in the case study countries that were visited by the evaluation team. The most frequently mentioned advantages include:

- Twinning allows Governments of LDCs and MICs to take responsibility for providing support to humanitarian, relief and recovery actions.
- Twinning diversifies the discussion around humanitarian issues. Because it provides access to new resources it also can contribute to longer-term sustainability (Powell, 2006).
- Twinning broadens the base of donors for WFP – important in the currently more difficult funding context.
- Twinning boosts the availability of food.
- Twinning fosters South-South and triangular cooperation and burden-sharing by non-traditional partners.
- Twinning enables governments to maximize investment opportunities in their national programmes (WFP, 2012).

Challenges/Constraints

15. Many of the constraints of twinning mirror those that have been typical of in-kind contributions. Thus, twinning does not offer the same flexibility as cash contributions, which can be used flexibly and adapted to the types of food and expenses that are most appropriate for given situations.

16. Depending on the location of the food the costs and logistics can be more complex. Time-frames are also reported to be longer.

Twinning for PF contributions

17. Twinning is handled at HQ level by WFP. Of the three PFs which this evaluation has examined – CERF, the Emergency Response Fund (ERF), and the Common Humanitarian Fund (CHF) – CERF is the only one that has been used for twinning.

18. Examples of the use of CERF funds for twinning include:

- In Somalia in 2011 the CERF was used to meet the distribution costs of 30,000MT of Brazilian food commodities and the distribution costs of plumpynut donated by the International Committee of the Red Cross (ICRC) (Somalia case study). The twinning arrangement consisted of a tripartite agreement between US, Brazil and WFP.
- In the Philippines the CERF was used to support a Government of Philippines food donation to WFP (Philippines case study).
- Sri Lanka and Brazil – in 2012 Brazil provided an in-kind contribution of 3,089 MT of rice and 800 MT of beans. WFP was able to use CERF funding twinning the in-kind donation to support Vulnerable Group Feeding (VGF) for IDPs in camps and returnees, Soft Food for Work (SFFW) for returnees in transition from relief to early recovery, Food for Assets (FFA) and Food for Training (FFT), for returnees engaged in rehabilitation of livelihoods and the School Meal Programme (SMP) for students in the former conflict-affected areas (WFP, 2012).

19. The CERF funding offers potential advantages in terms of providing the flexibility of drawing on funds that are readily available, for which application guidelines are clear, and which do not require the elaboration of fundraising strategies and proposals that may be different depending on individual donors.

20. Challenges to the use of PFs for twinning arrangements centre on to the short time window of these emergency related funds which have fairly short TODs (terminal obligation dates) and TDCs (terminal disbursement dates). In practice this means that twinning arrangements under CERF are often not completed within the 6-month window.

21. While this is a constraint that can potentially be overcome – given the possibility of requesting an extension for implementation or looking into other mechanisms that WFP has in place for speeding up its delivery of food supplies – the larger and more structural constraint related to the use of the PFs for twinning is that WFP and CERF have failed to agree on a common position regarding the overhead costs for the twinning arrangements. Under twinning agreements, donors pay a 7% overhead (WFP’s conventional charge) over the total value of the grant (food plus cash component).

22. However, the PFs have clarified that the 7% overhead should be limited to the cash portion (the CERF position), rather than paid on the total value of the donated goods and associated costs (WFP’s position). WFP needs to recapture the full associated costs of the donation, and consequently would still need to identify a second cash donor to meet the full ISC costs. The CERF secretariat is guided by the United Nations financial regulations and rules and as such, a project support cost expenditure on a component that is not attributable to CERF is unacceptable. WFP contended that the use of PF for this purpose is still a cost-effective way of leveraging impact.

Summary and reflections

23. PFs provided WFP with several grants to support twinning operations. This was viewed as important given CERF’s flexible application procedures, and also the time-consuming nature of finding individual multilateral donors who are willing to allow their contributions to support twinning.

24. However, the use of CERF funding for this purpose has effectively stopped. WFP needs to recapture the full associated costs of the donation. CERF has made clear that it is not in a position to support these costs and significant amounts used to support WFP headquarter (HQ) costs. WFP, however, contends that the use of PFs for this purpose is still a cost-effective way of leveraging impact as the food in this case is a donation rather than being purchased on the local or international market.

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Annex 8: List of People Met

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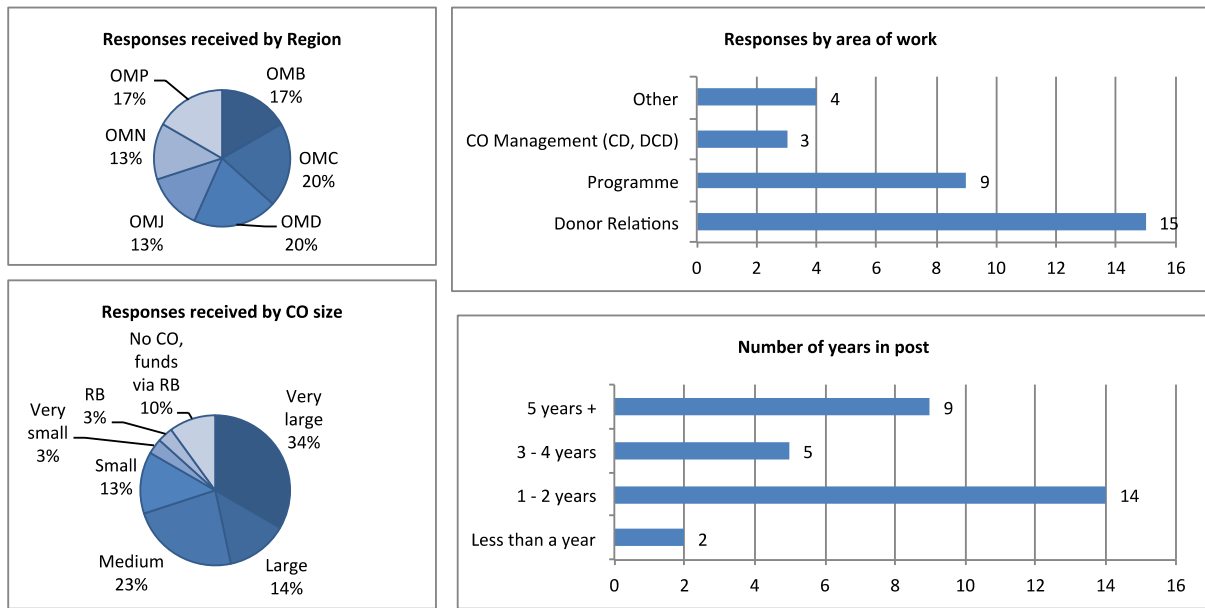
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Annex 9: Survey Results

1. In order to reflect the views of all WFP Country Offices and Regional Bureaux that received Pooled Funds 2009-2013, a survey was created to garner wider opinion.
2. The main body of this survey was organised in three sections, designed to bring out different aspects of dealing with Pooled Funds:
 1. Application process;
 2. Transaction costs;
 3. Operational and strategic contribution of Pooled Funds.
3. The survey was developed on Adobe Forms Central and could be filled in and submitted either as a pdf or directly through a web-link. WFP HQ also provided input to the draft prior to the circulation of the survey.
4. The survey was sent to all country and regional offices that had been a recipient of pooled funding in the time-frame (2009-13), including country offices which had received funding via a regional office: this amounted to 62 country offices and 6 regional bureaux.
5. Thirty responses were received in total, representing a 44% response rate.
6. The survey consisted of multiple choice questions and open questions requiring a qualitative, written answer. Only the quantitative answers are given in this annex. The qualitative answers have been taken into account by the team when assessing the findings.
7. Please note: all graphs and tables within this Annex are based on Survey response data only, with only limited data cleaning required. The data cleaning consisted principally of: summing the responses for ERF and CHF into one category – Country-based pooled funds (PFs); excluding from analysis responses for ERF/CHF given by countries without access to that fund; analysing responses in order to categorise them, for example, linking the Country Office with its region and the size of the office for analysis purposes; excluding some of the “not applicable” responses from the analysis in order to more clearly see the patterns emerging from the data.
8. The survey commenced with some brief questions on background information of the participants.
9. The graphs below show the profile of the survey respondents. They were geographically diverse, being fairly evenly spread between six regions, and were diverse in the size of the country office⁴². The vast majority of respondents worked in Donor relations or Programme departments, and almost half had been in their current post for 1-2 years, while the same number had been in post for long, and only two respondents had been in post for less than a year.

⁴² The size of the CO was as defined by WFP in the TOR.

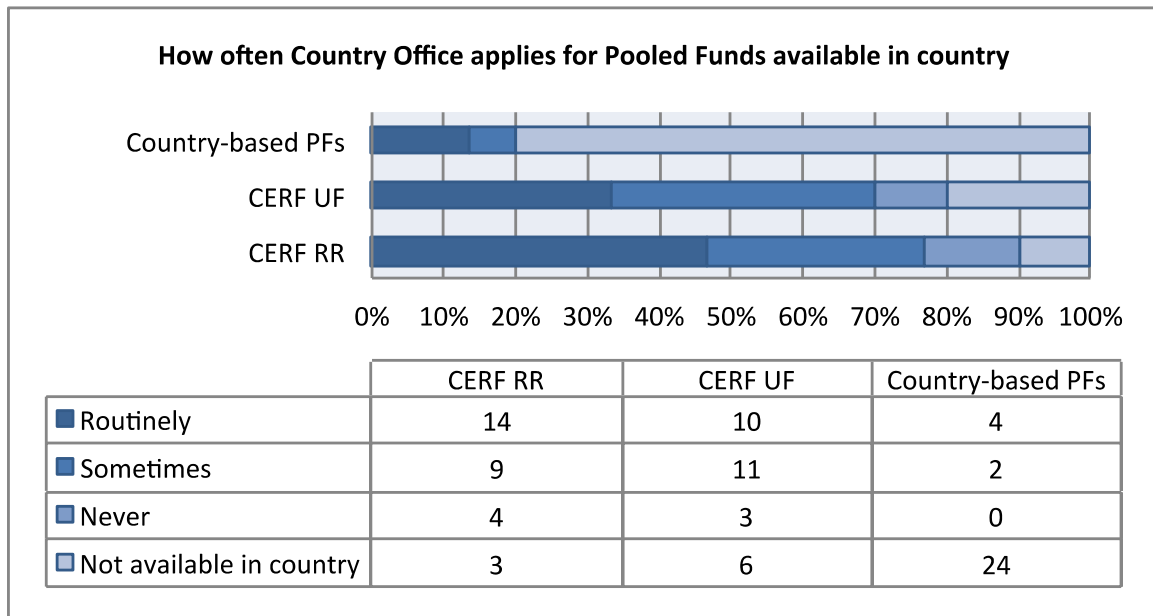
Figure 1: Profile of survey respondents



10. A large majority of the respondents, 77%, had accessed the CERF through its rapid response (RR) window, with almost half (47%) doing so “routinely” and a further 30% doing so “sometimes”. The CERF under-funded emergencies (UF) window had fewer respondents accessing it “routinely” (33%) but slightly more accessing it “sometimes” (37%). 43% accessed both the RR and UF windows.

11. The country-based PFs, that is, the CHF and ERF, were accessed by fewer respondents as they are available in a limited number of countries. These results are illustrated in the graph and table below.

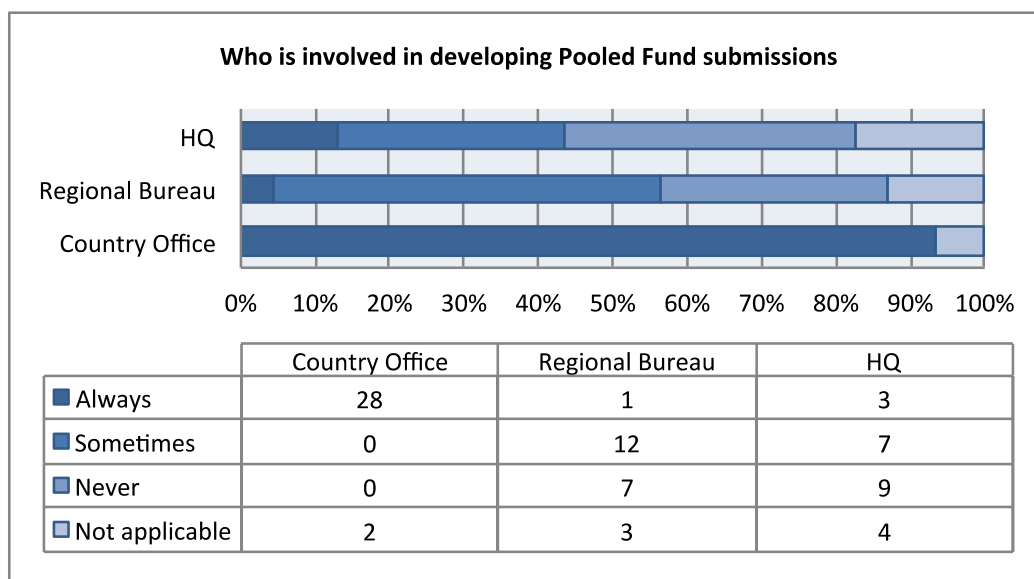
Figure 2: Pooled funds applied for in country



12. In terms of who was involved in developing pooled fund submissions, the Country Office was always involved (except when “not applicable”), while the majority of those responding to this question stated that the Regional Bureau was “sometimes”

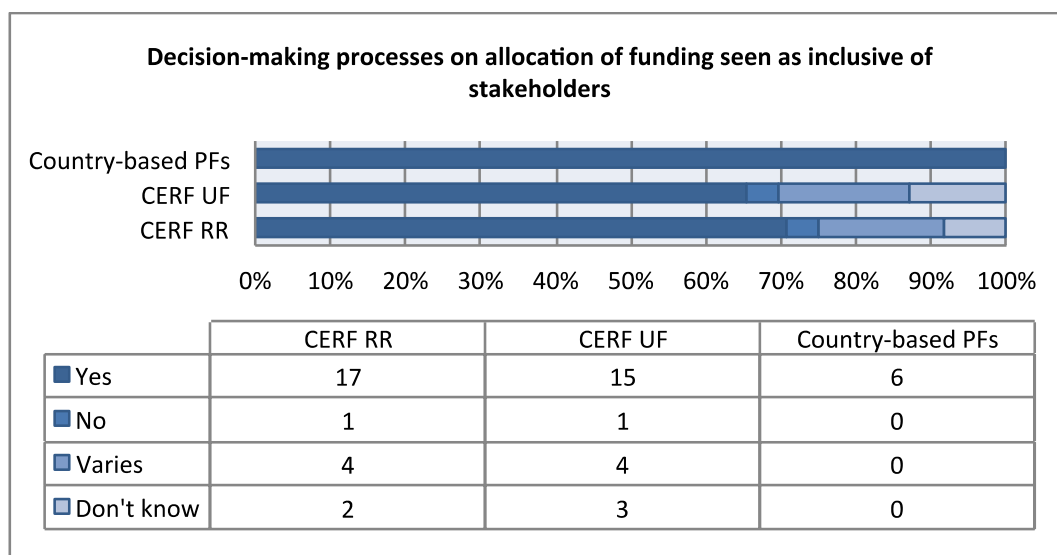
involved and a significant proportion stated it was “never” involved. A minority (14%) stated that the HQ was “always” involved, with a further 33% stating it was “sometimes” involved, and 43% stating it was “never” involved.

Figure 3: Development of PF submissions: who is involved



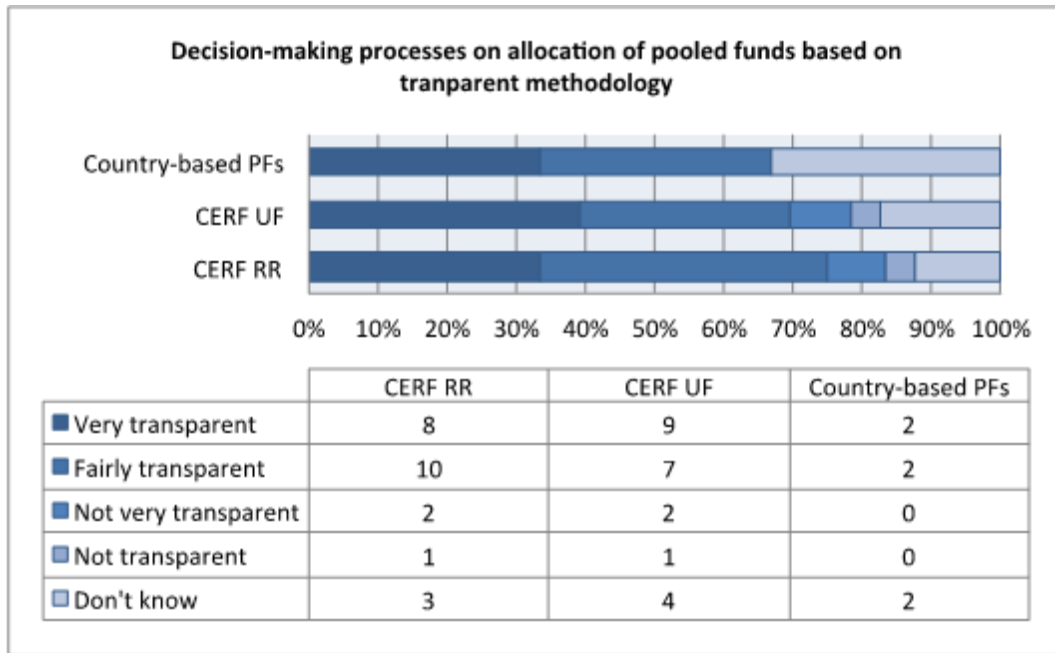
13. On whether funding allocation decisions were seen as inclusive of stakeholders, a majority responded positively for each fund, with 71% responding “yes” for the CERF-RR, 65% for the CERF-UF, while the country-based PFs garnered 100% “yes” responses to this question, as is shown in the graph and table below.

Figure 4: Decision-making: inclusive of stakeholders



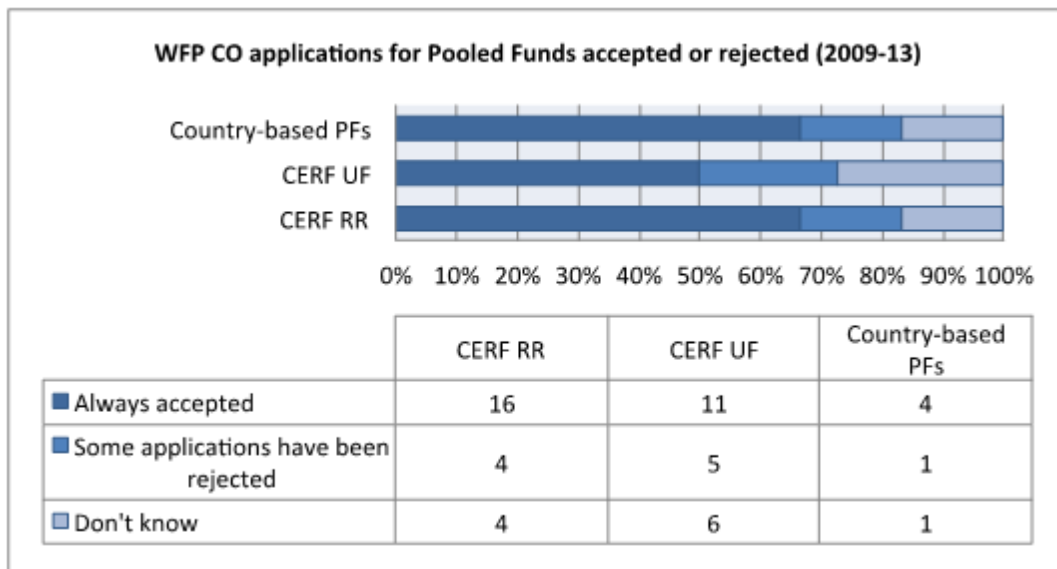
14. Similarly, in terms of transparency of decision-making processes on the allocation of funding, the vast majority stated that the processes were “very transparent” or “fairly transparent” (between 66%-75% of responses, excluding “not applicable”).

Figure 5: Decision-making: transparency



15. A positive result was also recorded for the number of WFP applications to PFs accepted, with 67% of applications “always accepted” for both the CERF-RR and the Country-based PFs and only 17% saying that “some applications have been rejected” (these percentages exclude respondents who selected “not applicable”). The success rate for the CERF UF seems to have been slightly lower, with 50% stating applications are “always accepted” and 23% stating that some had been rejected.

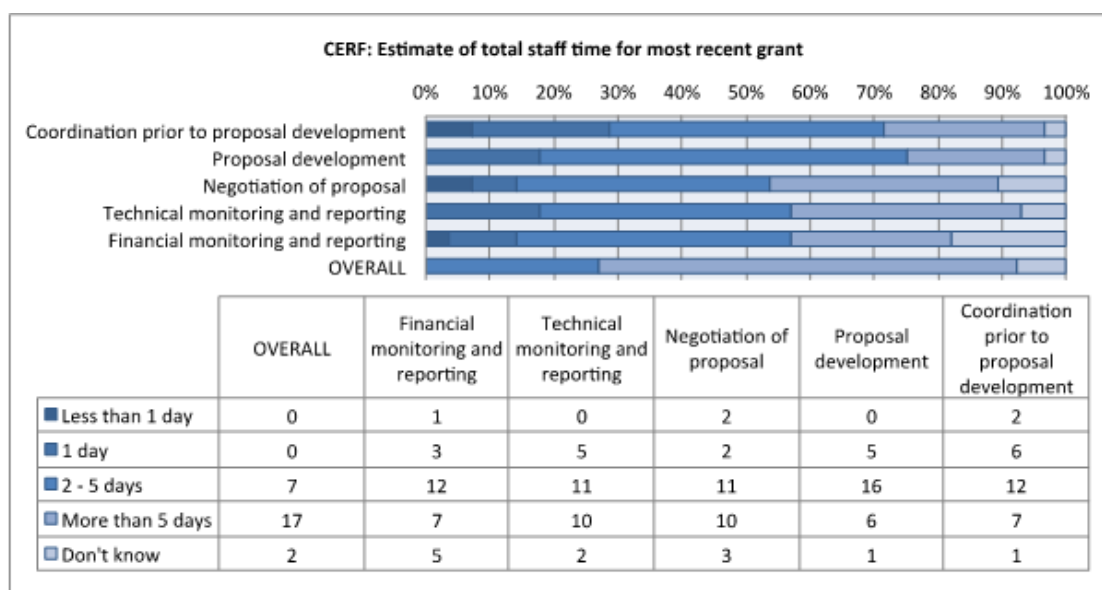
Figure 6: WFP applications for PFs accepted or rejected



16. The question on staff time for proposal development, monitoring and reporting gave fairly high estimates for each part of the process for a CERF grant, with the vast majority stating that either 2–5 days or 5+ days were spent on each of the five parts of the process (coordination prior to proposal development, proposal development,

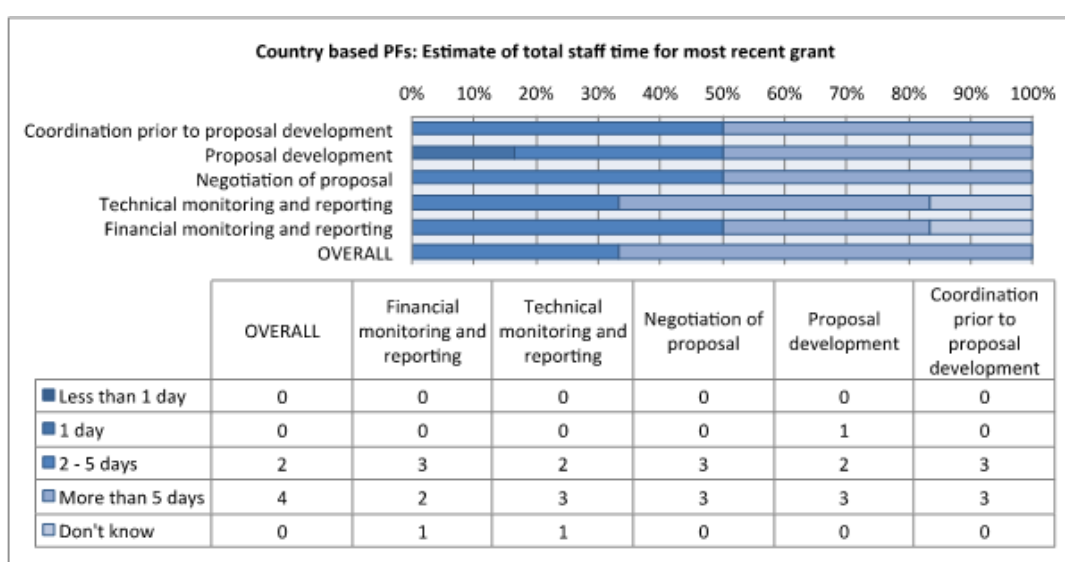
negotiation of proposal, technical monitoring and reporting, and financial monitoring and reporting), though, somewhat at odds with this, a substantial minority (27%) put the overall process at 2-5 days, though the majority (65%) stated 5+ days.

Figure 7: Estimate of staff time for CERF grant



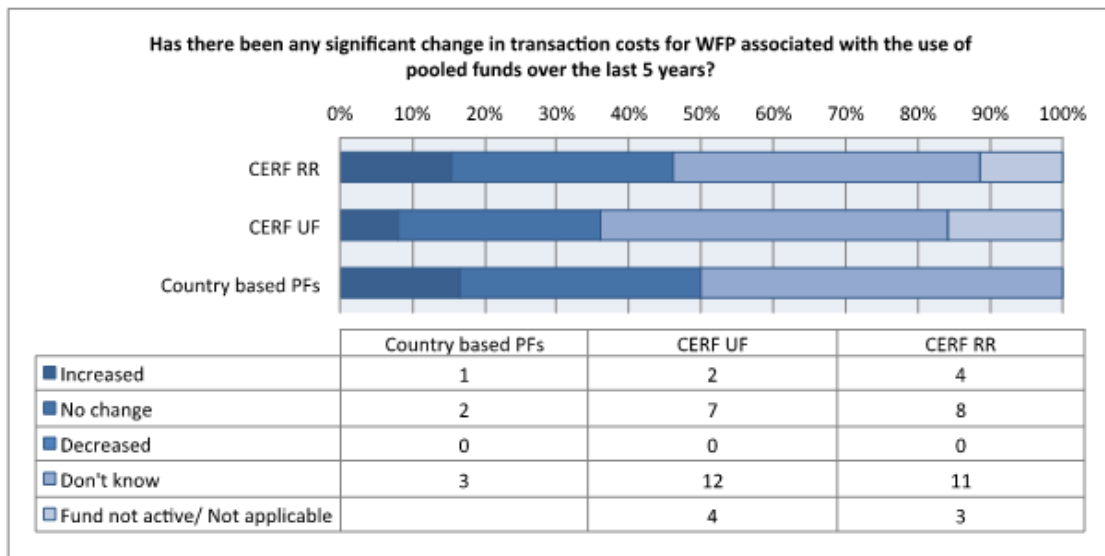
17. A similar pattern, though slightly more extreme in its estimates, is shown for the Country-based grants, with almost a unanimous vote for 2-5 and 5 + days for every part of the process of proposal development, monitoring and reporting, though once again a substantial minority (33%) put the whole process “Overall” at 2-5 days which must surely be less than the sum of the parts.

Figure 8: Estimate of staff time for Country-based PF grant



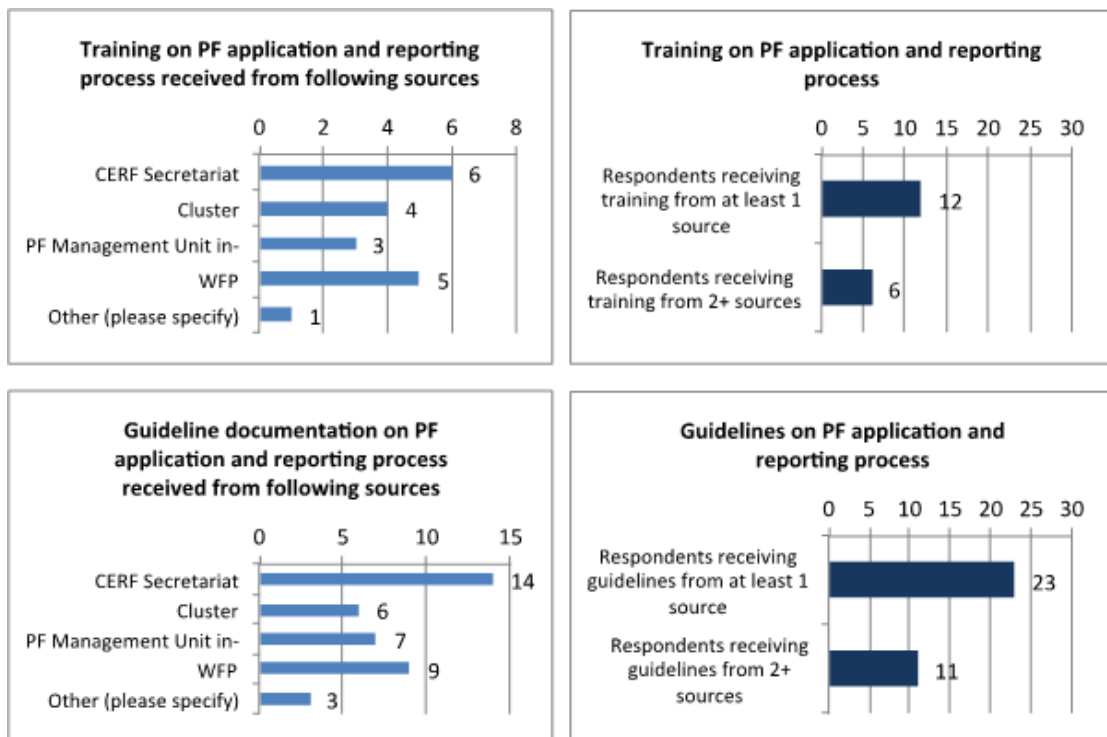
18. In terms of whether transaction costs had increased or decreased from 2009 to 2013, there were no responses claiming a decrease; however, “don’t know” was the most popular response across all funds followed by “no change” with only a small minority claiming an increase.

Figure 9: WFP change in transaction costs



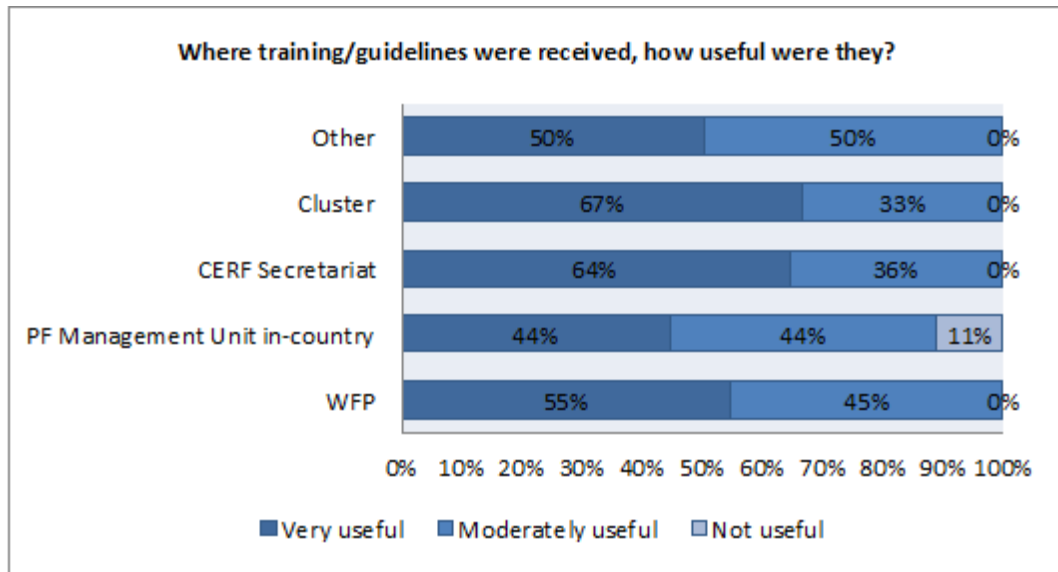
19. Training on PFs appears to have been patchy, with only 12 (of 30) respondents having receiving training, though of those, half had received training from more than one source. Guidelines were more commonly received, with 23 (of 30) stating that they had received guidelines, and 11 of which received them from more than one source. For both training and guidance, the CERF Secretariat was the most common source, followed by WFP.

Figure 10: Training and guidance provided on PFs



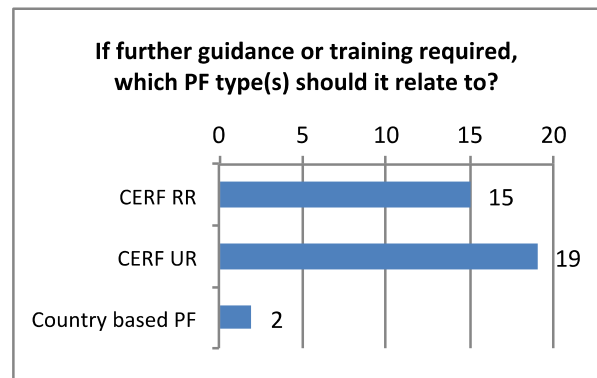
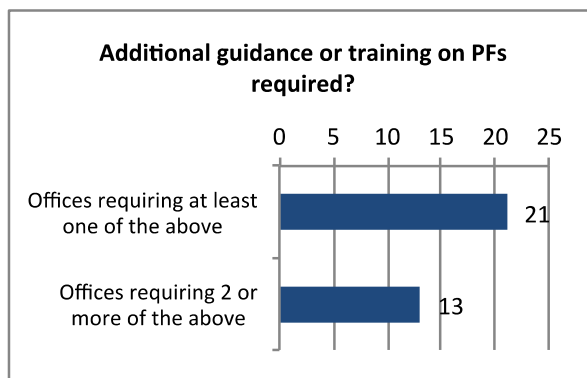
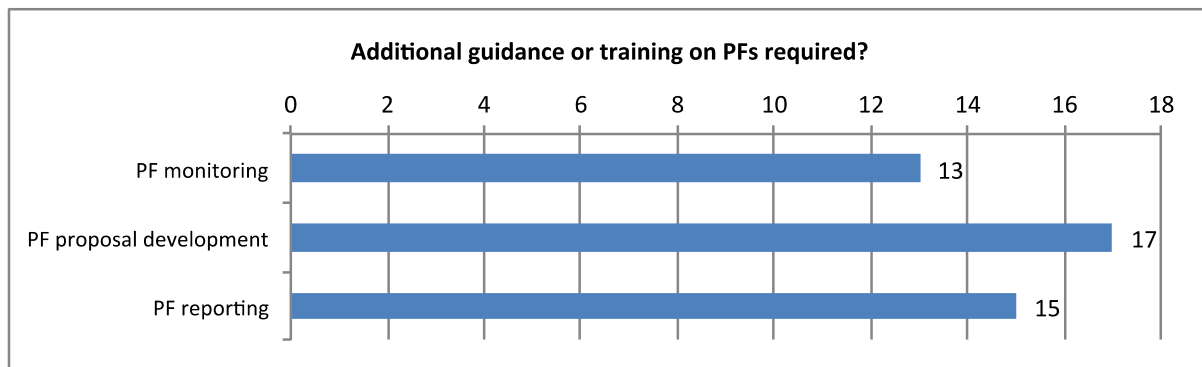
20. However, for those that did receive training or guidance, it appears to have been moderately to very useful for the overwhelming majority.

Figure 11: Usefulness of training or guidelines received



21. The majority of respondents stated that further guidance or training would be useful in PF proposal development, PF reporting and PF monitoring.

Figure 12: Areas where additional training or guidance is required



22. In terms of training on specific pooled funds, CERF UF was the most frequently requested (19 respondents), followed by CERF RR (15 respondents).

23. The figures given above for Country-based PFs includes only Country Offices which have access to CHF or ERF. However, in addition, 6 Country Offices without access to Country-based PFs requested training on them. This might indicate that

training/guidance for Country-based PFs is fairly good, but also that there is some confusion or lack of knowledge about them in countries that do not have them.

24. The impacts and effects of the different funds was a key question. This was addressed separately for CERF and for the Country-based PFs.

25. For CERF, the majority agreed or strongly agreed that the following impacts had occurred in country:

- Critical gaps filled in the coverage of WFP's core programmes (83%)
- Improved timeliness of WFP's response (71%)
- Improved ability of WFP to respond flexibly (including to unforeseen needs) (69%)
- Improved quality of WFP's humanitarian response (61%)
- Improved WFP's partnerships with other United Nations agencies (57%)
- Reinforced overall leadership of the HC (52%)

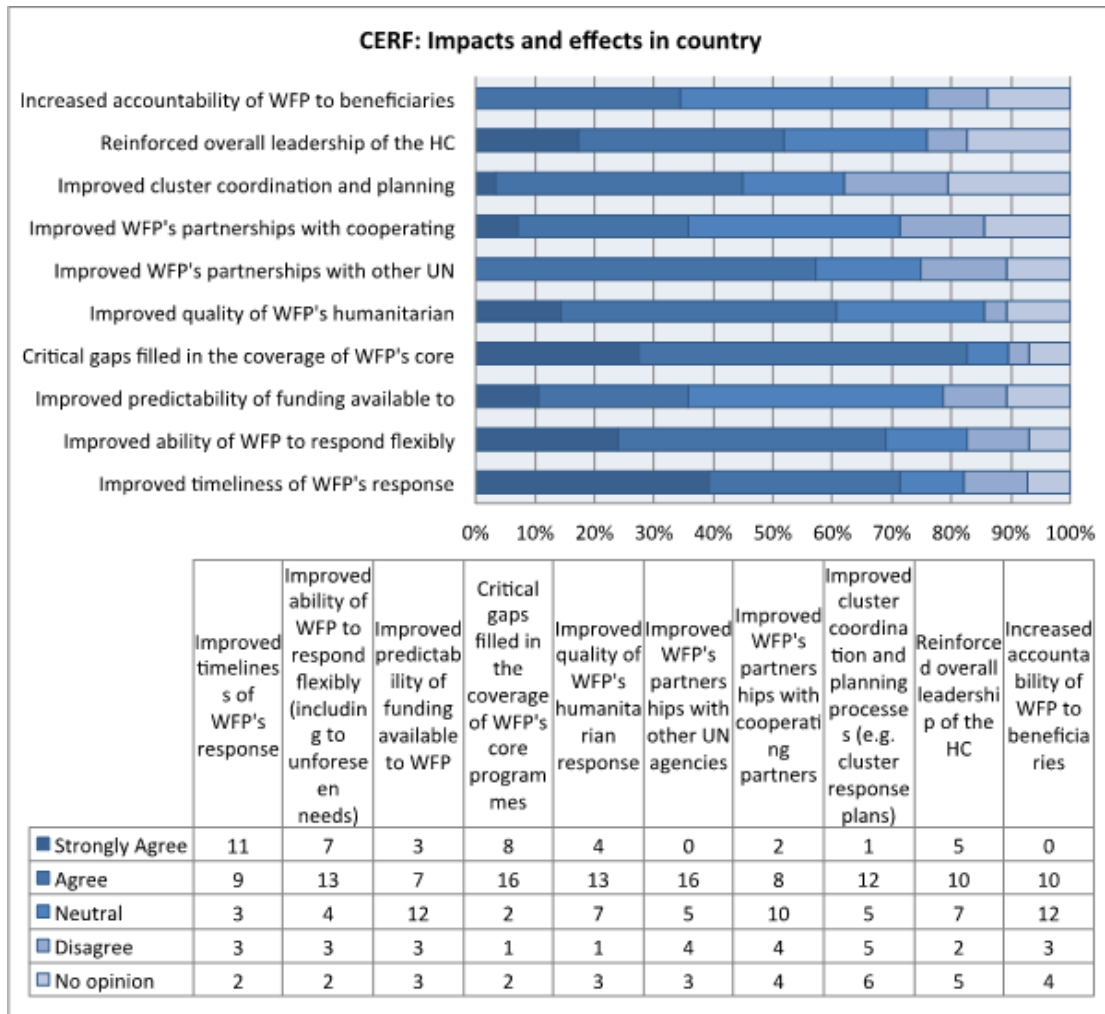
26. Other possible impacts had more mixed or neutral votes. 45% agreed or strongly agreed that the CERF had improved cluster coordination and planning, with the remainder fairly evenly divided between “No opinion” (21%), “Neutral” (17%) and “Disagree” (17%).

27. Around a third agreed or strongly agreed that the following impacts were present in-country due to the CERF:

- Improved predictability of funding available to WFP (36%)
- Improved WFP's partnerships with cooperating partners (36%)
- Increased accountability of WFP to beneficiaries (34%)

But a similar or slightly greater percentage put it as “Neutral”. Only a small proportion, between 10-14%, “Disagreed” that these were effects of the CERF.

Figure 13: Impacts and effects of CERF in country



28. For the Country-based PFs the majority agreed or strongly agreed that the following impacts had occurred in country:

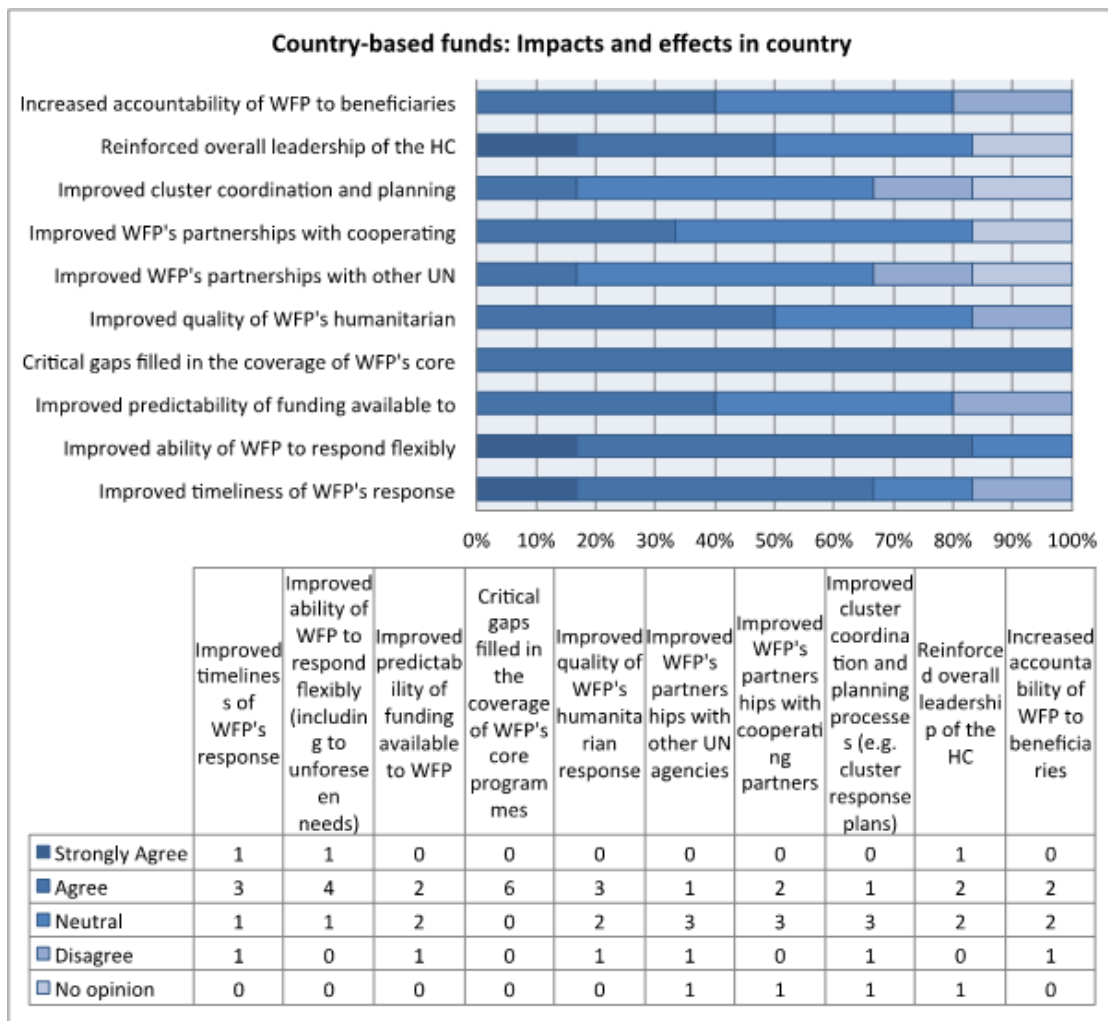
- Critical gaps filled in the coverage of WFP's core programmes (100%)
- Improved ability of WFP to respond flexibly (including to unforeseen needs) (83%)
- Improved timeliness of WFP's response (67%)

29. With exactly half of the respondents agreeing that the following effects had occurred:

- Reinforced overall leadership of the HC (50%)
- Improved quality of WFP's humanitarian response (50%)

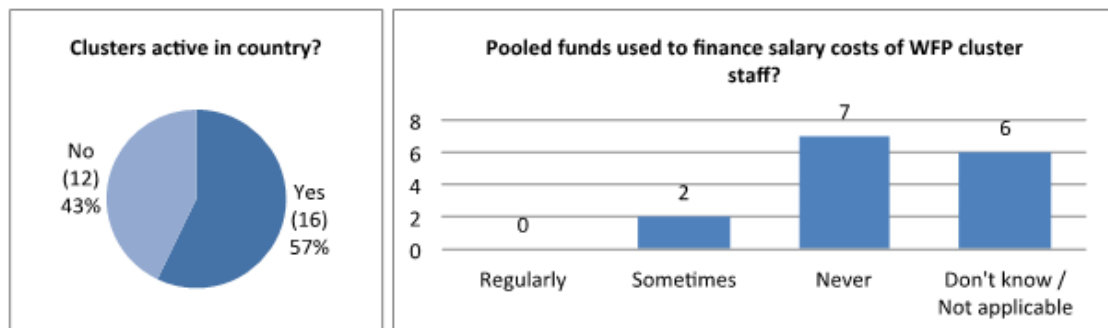
30. Again, of the impacts cited that remained, the response was fairly even between agreement or neutral, with only 20% "Disagreeing", which, for this small sample (for the Country-based PFs), amounted to 1 of the 6 respondents.

Figure 14: Impacts and effects of Country-based funds in country



31. It appears from the questionnaire that PFs are rarely used to finance salaries of WFP cluster staff (or, if it is thus used, it is not well known) as is shown in the following graphs where only 2 respondents stated that this “sometimes” occurred.

Figure 15: Use of PFs to finance salaries of WFP cluster staff⁴³

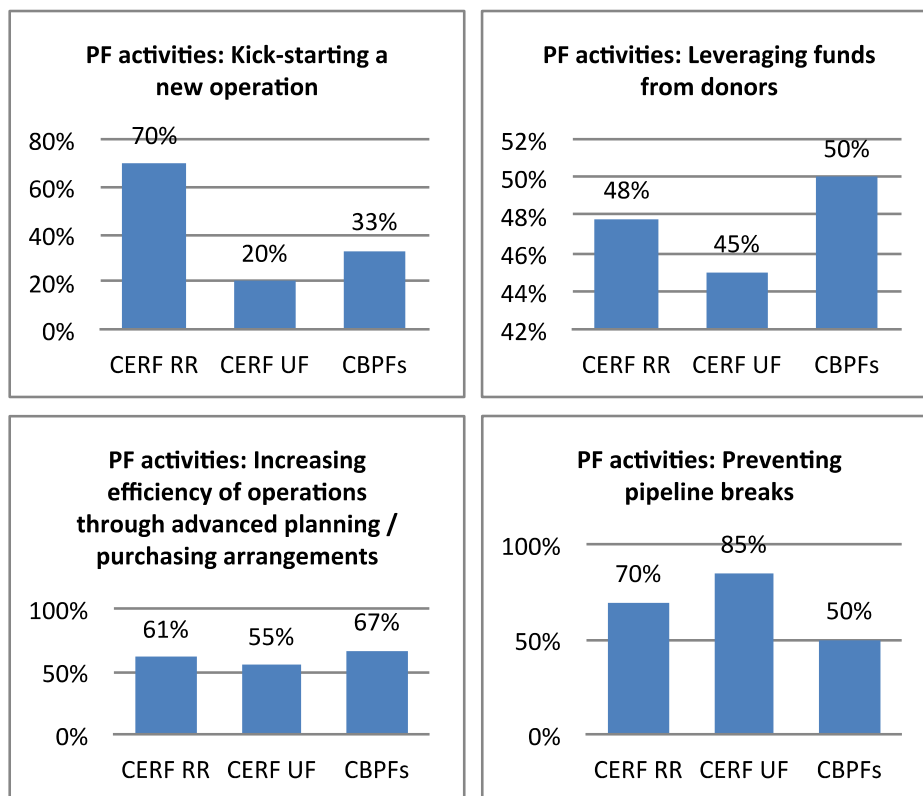


32. Finally, the survey gave some insight into the different activities done by each of the PFs. The CERF RR was found to be useful for the widest ranges of activities, in

⁴³ Note: while 16 respondents indicated that clusters were active in country, only 15 responded to the second part of the question on whether PFs were used to finance salary costs.

particular, kick-starting a new operation (16 of 23 respondents who use CERF RR, or 70%), preventing pipeline breaks (70%), increasing efficiency of operations through advanced planning / purchasing arrangements (60%) and leveraging funds from donors (48%). The survey indicated that CERF UF was particularly useful for preventing pipeline breaks (17 of 21 respondents who use CERF UF, or 81%), and was also useful for increasing efficiency (52%) and leveraging funds from donors (43%) but was less used for kick-starting new operations.

Figure 16: PF activities



33. The Country-based PFs – CHF and ERF – appeared to be most used for increasing the efficiency of operations (67%), while 50% of the relevant respondents found it useful for leveraging funds from donors and preventing pipeline breaks, and only 33% found them useful for kick-starting new operations; however, the numbers involved for country-based PFs are quite small so these figures should be viewed as broadly indicative only.

Survey

This survey will provide information for a strategic review of WFP's use of Pooled Funds (CERF, CHF and ERF) 2009 - 2013.

OEV has commissioned a Strategic Evaluation of WFP's use of Pooled Funds (CERF, CHFs and ERFs) for humanitarian preparedness and response.

This review is being conducted by Mokoro Ltd. on behalf of WFP. We would greatly appreciate your collaboration on this survey in order to reflect the views of all WFP Country Offices that have received Pooled Funds 2009-2013. The main body of the questionnaire is divided into three sections, designed to bring out different aspects of dealing with Pooled Funds:

1. Application process 2. Transaction costs 3. Operational and strategic contribution of Pooled Funds

Practical guidance:

The survey consists of approximately 25 questions on your opinion of the use of Pooled Funds. Please allow 20 - 30 minutes to complete the questionnaire.

NB Quantitative data on the use of PFs by your Country Office has been extracted directly from WINGS and is not requested in the Questionnaire.

We would ask for your cooperation in completing this survey by Wednesday 4th June.

Answers to the questionnaire will be treated in an aggregate manner. Comments received will only be quoted in an anonymised form.

For any questions or additional information please contact:

Anne-Claire Luzot, Senior Evaluation Officer, Office of Evaluation, WFP phone: +39/06/6513 2509; mobile: +39/345 92 87 232 anneclaire.luzot@wfp.org

Thank you in advance for your time and collaboration. This is much appreciated.

Section 0: Background information

Note that the individual survey responses will be held in confidence and accessible to the research team only. An asterisk* denotes a required field.

0.1 Which Country/ Region do these responses apply to? (Answers should apply to the use of PFs in your current posting. Therefore you may wish to consult with colleagues in the office in answering these questions.)

0.2 E-mail address (only to be used for confirmation of receipt and in case clarification on answers is needed):

0.3. a Area of work 0.3.b If area of work is not listed, please specify

0.4 Number of years in post: Less than a year /1 - 2 years /3 - 4 years /5 years +

0.5 Pooled funds accessed by your office during 2009-2013 (please tick all that apply):

- Central Emergency Response Fund - Rapid Response window (CERF-RR)
- Central Emergency Response Fund - Under-Funded emergencies window (CERF-UF)
- Common Humanitarian Fund (CHF)
- Emergency Response Fund (ERF)

Section 1: Application Process

1.1 How often does your Country Office apply for the Pooled Funds available in country? (Note: CERF is understood as "available" where the CERF secretariat has confirmed an envelope of resources to the country.)

	Routinely	Sometimes	Never	Not available in country
CERF RR				
CERF UF				
CHF				
ERF				

1.2 If answer is SOMETIMES or NEVER please elaborate on reasons why available pooled funds are not applied for.

1.3. a Who is involved in developing your Pooled Fund submissions?

	Always	Sometimes	Never	Not applicable
Country Office				
Regional Bureau				
HQ				

1.3. b Does this vary significantly by Pooled Fund type (i.e. CERF/CHF/ERF)?

Yes / No

1.3. c If YES, please elaborate.

1.4 In your experience of each of the pooled funds, are decision-making processes concerning the allocation of funding widely inclusive of relevant stakeholders?

	Yes	No	Varies	Don't know	Fund not active / Not applicable
CERF RR					
CERF UF					
CHF					
ERF					

1.5. Are decision-making processes concerning the allocation of pooled funds based on a transparent methodology?

	Very transparent	Fairly transparent	Not very transparent	Not transparent	Don't know	Fund not active / Not applicable
CERF RR						
CERF UF						
CHF						
ERF						

1.6. a To your knowledge have WFP CO applications for Pooled Funds over the reference period (2009 – 2013) been accepted or rejected?

	Always accepted	Some applications have been rejected	Don't know	Fund not active / Not applicable
CERF RR				
CERF UF				
CHF				
ERF				

1.6. b Please elaborate on reasons for any rejected applications and type of adjustments required, specifying each time the relevant fund. In hindsight, do you consider that these rejections or adjustments were justified?

Section 2: Transaction Costs

2.1. i For countries accessing CERF:

With respect to the most recent CERF grant, please provide a rough estimate of total staff time (i.e. for CO as a whole) associated with PF proposal development, monitoring and reporting.

NB Please include only incremental time spent on WFP PF grant processes, not general cluster coordination responsibilities, standard programme monitoring etc.

	Less than 1 day	1 day	2 - 5 days	More than 5 days	Don't know
Coordination prior to proposal development					
Proposal development					
Negotiation of proposal					
Technical monitoring and reporting					
Financial monitoring and reporting					
OVERALL					

2.1. ii For countries accessing CHF:

With respect to the most recent CHF grant, please provide a rough estimate of total staff time (i.e. for CO as a whole) associated with PF proposal development, monitoring and reporting.

NB Please include only incremental time spent on WFP PF grant processes, not general cluster coordination responsibilities, standard programme monitoring etc.

	Less than 1 day	1 day	2 - 5 days	More than 5 days	Don't know
Coordination prior to proposal development					
Proposal development					
Negotiation of proposal					
Technical monitoring and reporting					
Financial monitoring and reporting					
OVERALL					

2.1. iii For countries accessing ERF:

With respect to the most recent ERF grant, please provide a rough estimate of total staff time (i.e. for CO as a whole) associated with PF proposal development, monitoring and reporting.

NB Please include only incremental time spent on WFP PF grant processes, not general cluster coordination responsibilities, standard programme monitoring etc.

	Less than 1 day	1 day	2 - 5 days	More than 5 days	Don't know
Coordination prior to proposal development					
Proposal development					
Negotiation of proposal					
Technical monitoring and reporting					
Financial monitoring and reporting					
OVERALL					

2.2. a Has there been any significant change in the transaction costs for WFP associated with the use of pooled funds over the last 5 years?

	Increased	No change	Decreased	Don't know	Fund not active/ Not applicable
CERF RR					
CERF UF					
CHF					
ERF					

2.2. b Please explain any significant changes:

2.3. a Have you received training on the PF application and reporting process from any of the following (please tick all that apply):

- WFP
- PF Management Unit in-country
- CERF Secretariat

- Cluster
- Other (please specify)

2.3. b Have you received guideline documentation on the PF application and reporting process from any of the following (please tick all that apply):

- WFP
- PF Management Unit in-country
- CERF Secretariat
- Cluster
- Other (please specify)

2.3. c If training or guidelines received from another source, please specify below:

2.4. How useful did you find the training or guidelines from the following sources?

	Very useful	Moderately useful	Not useful	Not applicable / none received
WFP				
PF Management Unit in-country				
CERF Secretariat				
Cluster				
Other				

2.5. a Does your office require additional guidance or training in the following pooled fund-related areas? (Please tick all that apply)

- PF proposal development
- PF monitoring
- PF reporting
- Other

2.5. b If any further guidance or training is required, which type(s) of PF should it relate to? (Please tick all that apply)

- CERF RR
- CERF UR
- CHF
- ERF

Section 3: Operational and strategic contribution of Pooled Funds

3.1. i For countries accessing CERF

Do you agree or disagree that CERF funding has had the following impacts or effects in your country:

	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Improved timeliness of WFP's response						
Improved ability of WFP to respond flexibly (including to unforeseen needs)						
Improved predictability of funding available to WFP						
Critical gaps filled in the coverage of WFP's core programmes						
Improved quality of WFP's humanitarian response						
Improved WFP's partnerships with other UN agencies						
Improved WFP's partnerships with cooperating partners						
Improved cluster coordination and planning processes (e.g. cluster response plans)						
Reinforced overall leadership of the HC						
Increased accountability of WFP to beneficiaries						

3.1. ii For countries accessing CHF

Do you agree or disagree that CHF funding has had the following impacts or effects in your country:

	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Improved timeliness of WFP's response						
Improved ability of WFP to respond flexibly (including to unforeseen needs)						
Improved predictability of funding available to WFP						
Critical gaps filled in the coverage of WFP's core programmes						
Improved quality of WFP's humanitarian response						
Improved WFP's partnerships with other UN agencies						
Improved WFP's partnerships with cooperating partners						
Improved cluster coordination and planning processes (e.g. cluster response plans)						
Reinforced overall leadership of the HC						
Increased accountability of WFP to beneficiaries						

3.1. iii For countries accessing ERF

Do you agree or disagree that ERF funding has had the following impacts or effects in your country:

	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Improved timeliness of WFP's response						
Improved ability of WFP to respond flexibly (including to unforeseen needs)						
Improved predictability of funding available to WFP						
Critical gaps filled in the coverage of WFP's core programmes						
Improved quality of WFP's humanitarian response						
Improved WFP's partnerships with other UN agencies						
Improved WFP's partnerships with cooperating partners						
Improved cluster coordination and planning processes (e.g. cluster response plans)						
Reinforced overall leadership of the HC						
Increased accountability of WFP to beneficiaries						

3.2. a Are clusters active in your country of work?

- Yes
- No

3.2. b If YES, have PFs been used to finance the salary costs of WFP cluster staff?

3.3. In your experience, what of the following activities have pooled funds been used for (please tick all that apply for the relevant fund):

i. Kick-starting a new operation

- CERF RR
- CERF UF
- CHF
- ERF

ii. Leveraging funds from donors

- CERF RR
- CERF UF
- CHF
- ERF

iii. Increasing the efficiency of operations through advanced planning / purchasing arrangements

- CERF RR
- CERF UF
- CHF
- ERF

iv. Preventing pipeline breaks

- CERF RR
- CERF UF
- CHF
- ERF

3.4. Any other strategic uses of PFs that you would like to mention?

3.5. Is there any other comment you would like to make?

We sincerely thank you for the time spent on filling this survey.

Annex 10: Global Data on Pooled Funds

Global Allocations

Table 1: Total allocations of CERF-CHF-ERF in 2009-2013 (US \$m)

	2009	2010	2011	2012	2013	Total	%
CERF	369.3	415.2	426.2	477.3	493.5	2,181.5	53%
CHF	223.6	250.7	355.3	365.8	267.4	1,462.9	36%
ERF	28.6	151.3	98.6	72.9	108.0	459.5	11%
Total	621.5	817.2	880.1	916.1	869.0	4,103.9	

Source: OCHA Financial Tracking Service [<http://fts.unocha.org/>], accessed 5th March 2014.

Figure 1: Total allocations of CERF-CHF-ERF in 2009-2013 (US \$m)

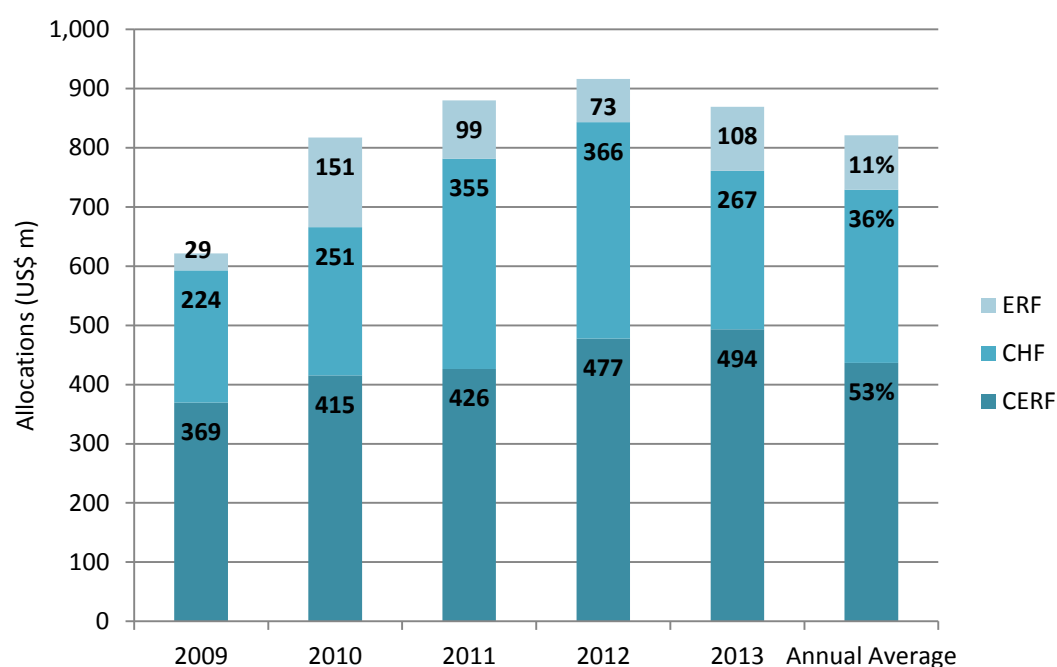
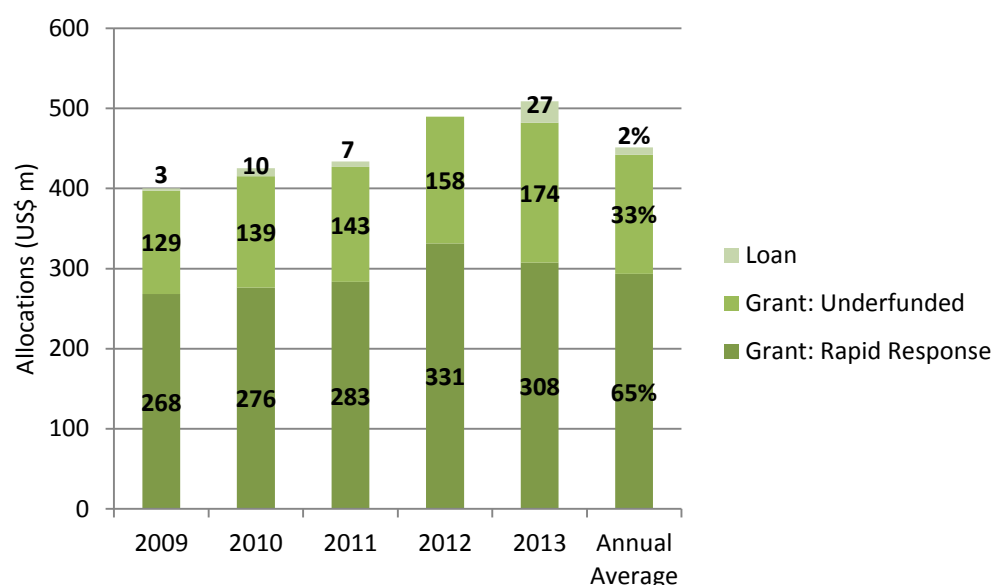


Table 2: CERF allocations by window 2009 - 2013 (US \$m)

	2009	2010	2011	2012	2013	Total	%
Grant: Rapid Response	268.2	276.1	283.5	331.3	307.5	1466.6	65%
Grant: Underfunded	129.2	139.2	143.5	158.2	174.5	744.5	33%
Loan	2.6	9.9	6.6	0.0	27.0	46.1	2%

Source: For grants - OCHA-CERF website [<http://www.unocha.org/cerf/cerf-worldwide/allocations-window/>]; For loans - <http://www.unocha.org/cerf/resources/information-products/annual-reports/>; http://reliefweb.int/sites/reliefweb.int/files/resources/CERF_2013_summary_o.pdf

Figure 2: CERF allocations by window 2009 - 2013 (US \$m)

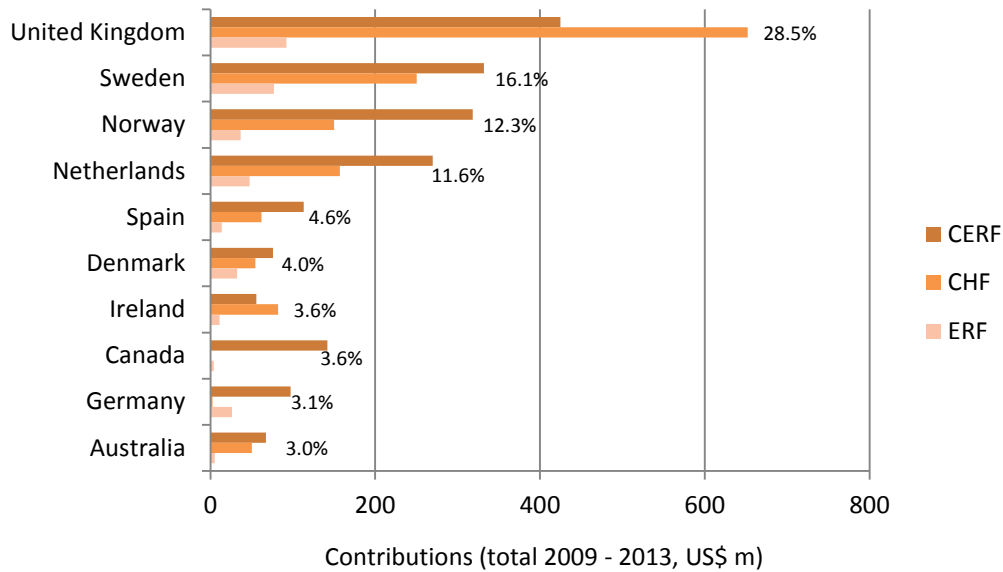
Global Contributions

Table 3: Top 10 Donors to the Pooled Funds (total 2009–2013, US \$m)

#	Donor	CERF	CHF	ERF	Total	%
1	United Kingdom	424.9	652.0	92.2	1169.2	28.5%
2	Sweden	332.0	250.4	77.0	659.4	16.1%
3	Norway	318.4	150.0	36.8	505.2	12.3%
4	Netherlands	269.7	157.0	47.7	474.4	11.6%
5	Spain	113.3	62.1	13.9	189.3	4.6%
6	Denmark	75.9	54.7	32.4	163.1	4.0%
7	Ireland	55.9	82.2	10.9	149.0	3.6%
8	Canada	141.9	0.0	3.9	145.8	3.6%
9	Germany	97.3	2.5	26.0	125.9	3.1%
10	Australia	67.6	50.1	5.2	122.9	3.0%
~	Other	284.5	1.8	113.3	399.6	9.7%
	Total Contributions	2181.5	1462.9	459.5	4103.9	100.0%

Source: OCHA Financial Tracking Service [<http://fts.unocha.org/>], accessed 5th March 2014.

Figure 3: Top 10 Donors to the Pooled Funds (total 2009–2013, US \$m)



Note: percentages at the end of the bar reflect Top 10 donors' total contribution (CERF + CHF + ERF) as a percentage of total contributions to the Pooled Funds from all donors over the period

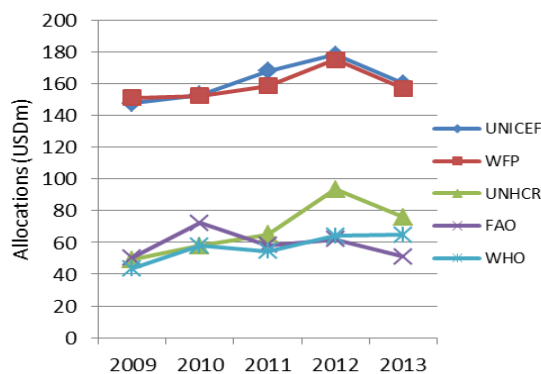
Recipients

Table 4: Top five recipient agencies of the pooled funds 2009 – 2013 (CERF, CHF and ERF total, US \$m)

#	Agency	2009	2010	2011	2012	2013	Total	Agency allocation as % of total PF allocations
1	UNICEF	147.6	152.7	167.7	178.0	160.0	806.0	19.6%
2	WFP	151.1	152.3	158.5	175.1	157.0	793.9*	19.3%
3	UNHCR	49.3	57.9	64.9	93.4	76.1	341.5	8.3%
4	FAO	50.6	72.3	58.1	61.8	50.9	293.7	7.2%
5	WHO	43.6	57.9	54.4	64.1	64.7	284.7	6.9%

Source: OCHA Financial Tracking Service [<http://fts.unocha.org/>], accessed 5th March 2014.⁴⁴

Figure 4: Top five recipient agencies of the pooled funds 2009 - 2013 (US \$m)



⁴⁴See main report regarding the discrepancy between OCHA FTS statistics and WFP's internal statistics regarding the level of pooled funding received by WFP between 2009–2011. For the purpose of cross-agency comparison and analysis at the global PF level, OCHA FTS statistics are employed in this annex.

Table 5: Share of pooled funding in total humanitarian contributions for the top 5 recipient agencies (2009–2013 total, US \$m)

#	Agency	CERF	CHF	ERF	Total (PFs)	Total humanitarian contributions recd.*	PFs as % of total humanitarian aid recd.
1	UNICEF	550.2	231.4	24.5	806.0	4706.0	17.1%
2	WFP	649.1	114.6	30.2	793.9	20655.0	3.8%
3	UNHCR	277.3	62.3	1.9	341.5	8188.8	4.2%
4	FAO	196.4	87.3	10.0	293.7	1290.6	22.8%
5	WHO	224.8	48.9	11.0	284.7	873.9	32.6%

*as recorded in FTS, includes contributions to the Consolidated Appeal and additional contributions outside of the CAP. Source: OCHA Financial Tracking Service [<http://fts.unocha.org/>], accessed 5&6th March 2014.

Figure 5: Top 5 recipients of CERF-CHF-ERF (2009 – 2013 total, USD m)

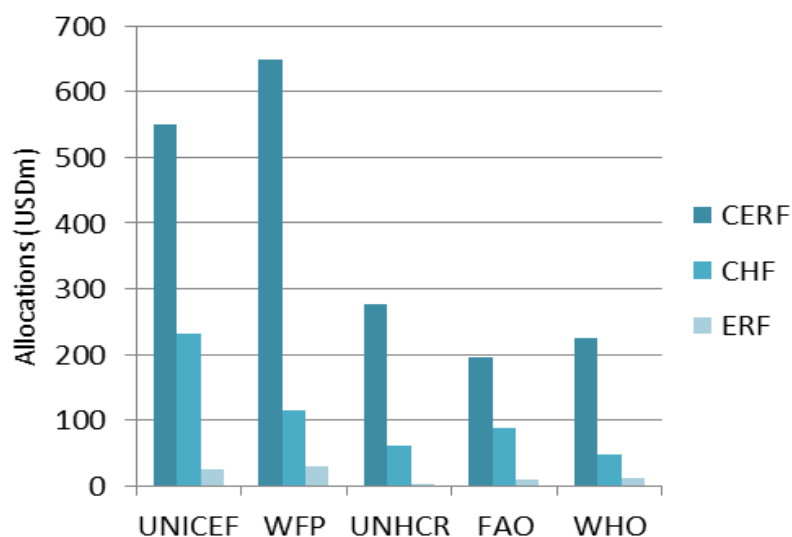


Table 6: Allocations of CHF and ERF by recipient organization type (2009–2013)

Organisation Type	% spread	
	CHF	ERF
NGOs	50.7%	65.7%
Private Organisations & Foundations	0.5%	2.0%
Red Cross/Red Crescent	0.3%	0.8%
United Nations Agencies	48.6%	31.5%

Source: OCHA Financial Tracking Service [<http://fts.unocha.org/>], accessed 6th March 2014.

Figure 6a: ERF allocations by recipient organization type (2009 – 2013)

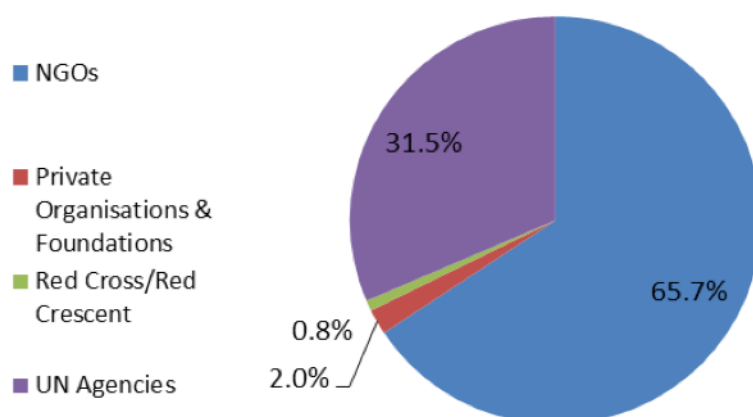
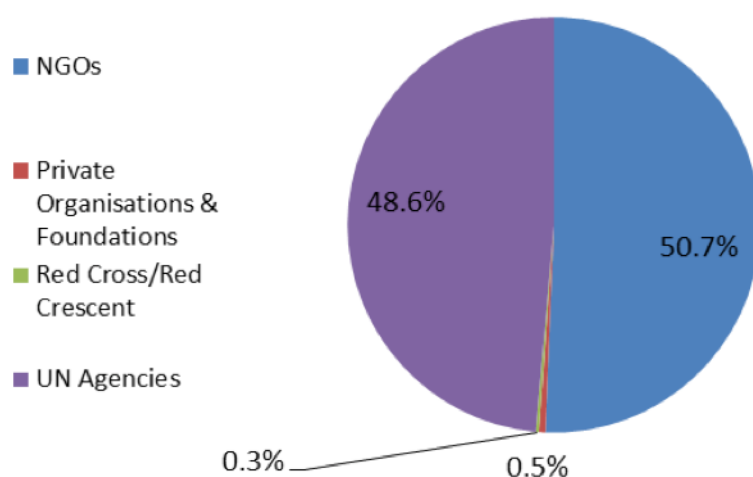


Figure 6b: CHF allocations by recipient organization type (2009 – 2013)



Sectoral Distribution

Table 7: Pooled Fund Allocations by Sector (2009 - 2013 total, US \$m)

IASC Standard Sector	CERF	CHF	ERF	Total PF Contributions	Total humanitarian funding	PFs as % of total humanitarian funding
Health	553.3	324.2	109.6	987.1	6,535.1	15.1%
Food	557.1	46.9	28.7	632.7	20,332.5	3.1%
Water & sanitation	226.4	216.7	85.6	528.7	2,615.8	20.2%
Agriculture	190.0	186.1	37.9	414.0	2,354.4	17.6%
Shelter & non-food items	163.0	140.2	63.8	367.1	2,682.9	13.7%
Coordination & support services	99.9	182.1	34.3	316.3	5,487.4	5.8%
Multi-sector	211.5	72.9	25.0	309.4	5,839.8	5.3%
Protection/human rights/RoL	90.2	95.8	18.2	204.2	1,981.1	10.3%
Education	29.0	84.4	12.4	125.8	1,084.9	11.6%
Sector not specified	31.0	71.4	17.1	119.6	18,112.3	0.7%
Economic recovery & infrastructure	22.3	22.3	26.4	71.0	1,884.0	3.8%
Mine action	3.1	13.5	0.5	17.1	868.0	2.0%
Safety & security of staff & operations	4.8	6.4	0.0	11.2	47.0	23.8%

Source: OCHA Financial Tracking Service [<http://fts.unocha.org/>], accessed 6th March 2014.
Distribution of pooled funds allocations by sector (2009 - 2013 total, US\$m)

Figure 7: Pooled funds allocations by sector (2009 – 2013 total, US \$m)

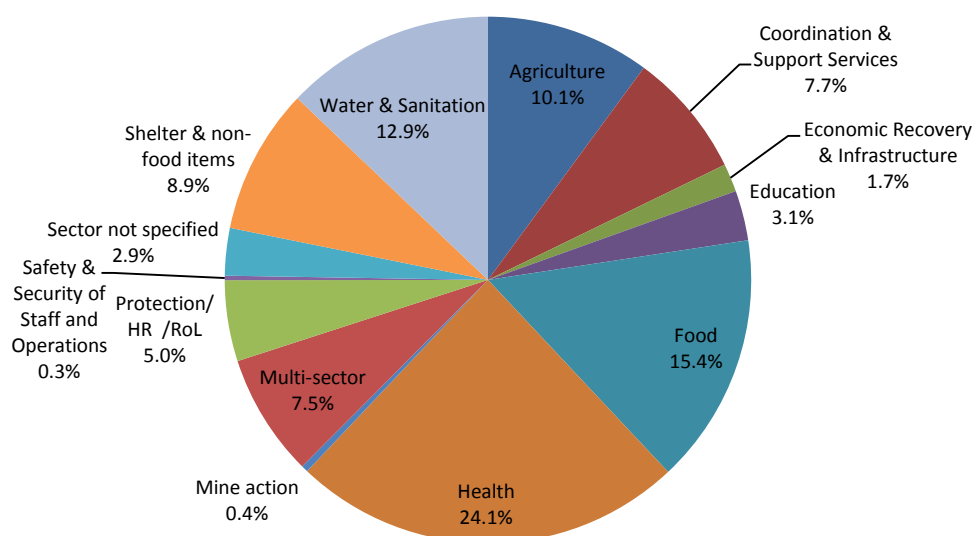
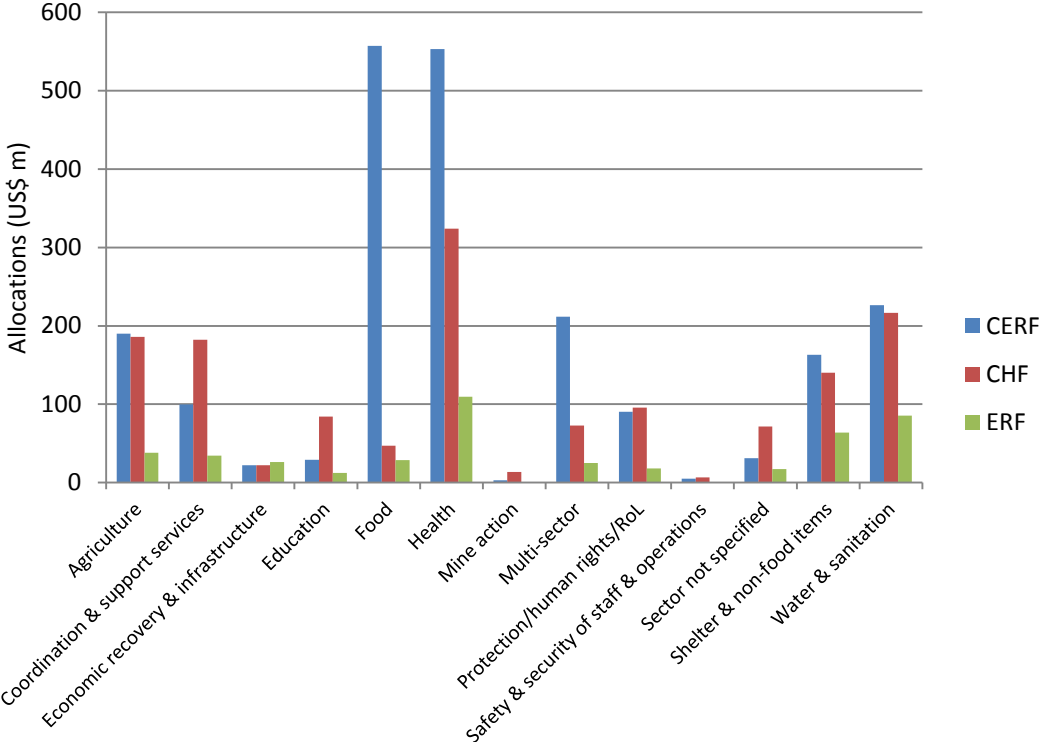


Figure 8: CERF – CHF – ERF allocations by sector (2009 – 2013 total, US \$m)



Annex 11: Summary of previous PF evaluation findings

1. This annex has been compiled to provide an efficient means for the whole team to familiarise themselves with the relevant prior PF evaluation literature. This consists of a consideration of evaluations and reviews performed on the three United Nations pooled funds over recent years, with relevant findings summarised and hypotheses highlighted. The CERF, CHF and ERF are introduced together and then considered singly by turn.

Overview of the three funds

2. Three OCHA-managed pooled funding mechanisms dominate the humanitarian aid architecture, namely the Central Emergency Response Fund (CERF), Common Humanitarian Funds (CHFs) and Emergency Response Funds (ERFs). Each PF has its own objectives and characteristics but they also share common aspects as shown in their results frameworks (see Annex 2, Table 2); all these funds are meant to address critical humanitarian needs in a timely, coordinated and predictable manner, and support effective partnerships.

Table 1: Characteristics of CERF, CHFs and ERFs

	CERF	CHR	ERF
Established	2005	2006	1997
Total number of funds (2013)	1 central fund	5 country funds	13 country funds
Funding structure	Unearmarked funding at global level Two windows: rapid response (RR) window is open for funding applications all year; underfunded emergencies (UF) window allocates funding twice a year	Unearmarked funding at country level Two windows: standard allocations window disburses twice a year; emergency reserve window is similar in function to an ERF	Unearmarked funding at country level Single funding window, generally open for funding applications all year
Objectives	RR: promote early action and response to reduce loss of life; help meet time-critical requirements UF: strengthen core elements of humanitarian response in underfunded crises	Provide early and predictable funding for critical humanitarian needs	Provide rapid and flexible funding for unforeseen, sudden-onset humanitarian emergencies

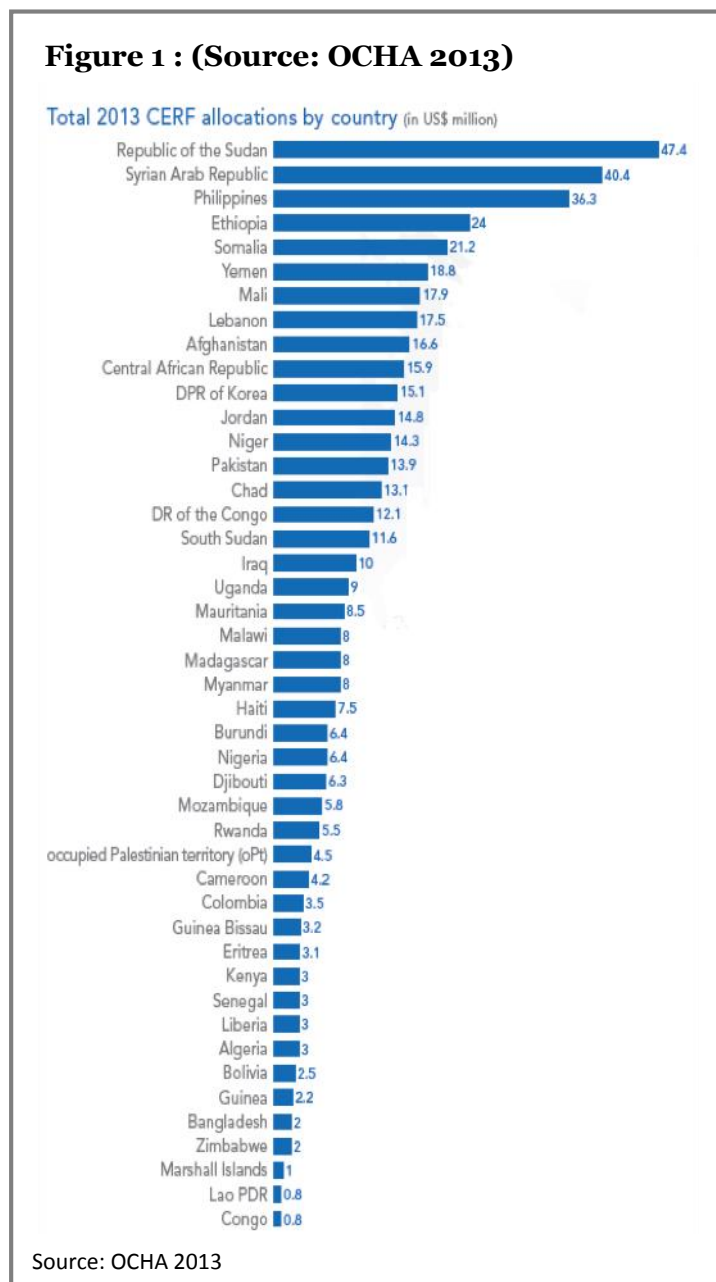
	CERF	CHR	ERF
Management	Centrally managed, by Under-Secretary-General for Humanitarian Affairs.	Country-based, under HC's authority, OCHA provide day-to-day management & UNDP MPTF Office undertakes financial administration	Country-based, under HC's authority, OCHA provide day to day management plus financial administration
Eligible recipients	United Nations and International Organization for Migration (IOM)	United Nations, IOM and non-governmental organizations (NGOs)	United Nations, IOM and – mainly – NGOs
Fund size (per year)	US\$450 million in grants – about two-thirds to RR and one-third to UF; US\$30 million in loans	US\$50–120 million per country	Less than US\$10 million per country
Grant size	Less than US\$1 million	Generally more than ERFs	Less than US\$500 000

3. Funds come from the voluntary contributions of over 126 countries and private-sector donors, though the country-based funds, CHF and ERFs, have a much smaller core support base. Decisions on prioritization of activities are undertaken by humanitarian actors on the ground. These priorities are organized into an appeal document and presented to Member States and other partners for funding. Generally there are two types of appeals: Consolidated Appeals (CAPs) developed on an annual basis in countries where there are on-going humanitarian needs; and Flash Appeals developed following a sudden-onset emergency such as a flood or an earthquake. CERF, CHF and ERF funding is recorded against these appeals. The existence of a CAP, or a CAP-equivalent, is often cited as a core condition for the creation of a CHF within a country. In addition, CERF funding goes to many countries without a framework appeal, particularly through the underfunded emergencies (UF) window.

4. Immediately following a disaster, the United Nations Resident Coordinator or Humanitarian Coordinator (RC/HC) can make a CERF application for humanitarian funding for priority, life-saving activities. The CHF and ERF, being country based, are under the humanitarian coordinator's (HC) authority and managed by the Office for the Coordination of Humanitarian Affairs (OCHA). In these cases, the HC can immediately release available funds upon agreed priorities at the country level.

5. Each of the three funds have undergone a range of evaluations from a variety of perspectives (including global-level, country-level, and agency-specific evaluations). The findings of these are detailed below in the individual discussions of each pooled fund. However in brief, the core findings can be summarised as follows:

- Purpose: Although the CERF adheres very strongly to its ‘life-saving criteria’, the question of whether CHF and ERFs should adopt a broader defining of humanitarian action, and fund preparedness and risk reduction activities has been raised.
- Transaction costs have been widely claimed to be lower with pooled funds (e.g. Scanteam, 2007). However, some studies have found that whilst this may be true for donors, costs are in fact being transferred to implementing agencies and country level clusters, rather than reduced absolutely (Ball and van Beijnum 2010, Channel Research, 2011a and 2011b).
- Timeliness & Utilisation: Lack of timeliness in approval of funding and transfer of the funds is a widespread cause for concern regarding pooled funds (Scanteam, 2007), and there exists a long recognised trade-off between timeliness on the one hand, and inclusivity and transparency on the other. Implementing agencies, particularly NGOs, complained that the bureaucracy of dealing with pooled funds adds significantly to the transaction costs (Universalia, 2013, Channel Research, 2011a and 2011b), and WFP have undertaken their own internal review of cooperating- partner invoice clearance times (WFP, 2012a). At the same time, a key advantage provided by pooled funds relates to the potential to serve as a guarantee for agencies using their own internal emergency funding reserves (Channel Research, 2011a).



- Accountability should, by design, be more unified under a pooled funding arrangement. In practice this means donors may have to give up a large part of their oversight, with accountability shifting to the recipient of funds (Salomons et al., 2009). A lack of effective M&E is commonly identified as a short-coming of pooled funding (Commings et al., 2013, Channel Research, 2011a and 2011b), and furthermore, as

pooled fund reporting systems have developed in parallel to existing (and maintained) traditional resource mobilisation mechanisms, agencies and NGOs have noted increased workloads as a result of the introduction of humanitarian pooled funds (Salomons et al., 2009). At the country level, UNDP and OCHA have a limited amount of responsibility, and usually a limited amount of capacity for project monitoring. Evaluation is beyond their remit and their technical capacity, leaving a gap in the system which has not been adequately filled.

- **Coordination:** Pooled funds have had a mixed impact on the cluster system. More agencies have become involved with clusters as a consequence of the availability of PFs through the cluster. However, managing the allocation process often poses major challenges for cluster lead agencies as it has not yet been matched by a commensurate transfer of human and financial resources to enable them to discharge these responsibilities (Channel Research, 2011b).

Central Emergency Response Fund (CERF)

6. The Central Emergency Response Fund (CERF) is a humanitarian fund established by the General Assembly in 2006 to enable more timely and reliable humanitarian assistance to those affected by natural disasters and armed conflicts. Key characteristics are outlined in Table 1 above.

7. The CERF has a grant facility of c.US\$450 million (depending on voluntary contributions received) and a loan facility of US\$30 million. The CERF is intended to complement existing humanitarian funding mechanisms, such as United Nations consolidated appeals. The CERF provides seed funds to jumpstart critical operations and fund life-saving programmes not yet covered by other donors.

8. The grant facility is used to allocate funds to United Nations operational agencies to address critical humanitarian needs based on priorities established under the leadership of the Resident/Humanitarian Coordinator in the field. The CERF's grant component has two elements: rapid response grants to promote early action and response to reduce loss of life, and to enhance response to time-critical requirements, and underfunded emergency grants to strengthen core elements of humanitarian response in underfunded crises.

9. The loan facility (formerly known as the Central Emergency Revolving Fund) is a cash flow mechanism, used to make loans to the United Nations agencies for emergency programmes based on indication that donor funding is forthcoming. Loans must be reimbursed within one year.

10. The following reviews and evaluations of the CERF are noted.⁴⁵ Key findings are summarised in Table 2:

- 2007 Interim review (Faure and Glasser, OCHA Commissioned)
- 2007 One year on review (Oxfam)
- 2008 2 year Evaluation (Barber et al., OCHA commissioned)
- 2009 Evaluation of the CERF support FAO Red Locusts control programme in Tanzania (Nyambo and Latchininsky, FAO commissioned)
- 2010 Evaluation of FAO Interventions Funded by the CERF, including 8 country case studies (Cossée, FAO commissioned)

⁴⁵ All of these evaluations have been compiled as an eLibrary which will be left with WFP at the conclusion of the consultancy.

- 2010 Independent Review of the Value Added of the Central Emergency Response Fund (CERF) in Kenya (Development Initiatives, commissioned by CERF secretariat)
- 2011 5 year Evaluation, including 12 standalone country case studies (Channel Research, OCHA commissioned)
- 2012 Independent Review of the Underfunded Emergencies Window (Taylor and Stoddard, commissioned by OCHA).

11. In addition the following country level studies of CERF performance are noted in the form of CERF Performance and Accountability Framework (PAF) reports:

- 2010 Chad Independent Review, John Watt
- 2010 Mauritania Independent Review, John Watt
- 2010 Sri Lanka Independent Review, John Watt
- 2011 Zimbabwe CERF Review Final Report, Tasneem Mowjee
- 2011 Ethiopia CERF Review Final Report, Tasneem Mowjee
- 2011 Colombia CERF Review Final Report, Glyn Taylor
- 2011 Bolivia CERF Review Final Report, Glyn Taylor
- 2012 Côte d'Ivoire, Liberia, and Ghana Final Report, Marie Spaak
- 2012 Horn of Africa Final Report, Glyn Taylor and Barnaby Willitts-King
- 2012 Ethiopia Final Report, Barnaby Willitts-King
- 2012 Djibouti Final Report, Barnaby Willitts-King
- 2012 Kenya Final Report, Glyn Taylor
- 2012 Philippines Final Report, Tasneem Mowjee
- 2012 Somalia Final Report, Glyn Taylor
- 2013 DRC PAF Review, Silvia Hidalgo
- 2013 Pakistan PAF Review, Andy Featherstone
- 2013 Sahel PAF Review, Marie Spaak
- 2013 Yemen PAF Review, Tasneem Mowjee

Table 2: Key findings from CERF evaluations

Theme	Key findings	Relevant source docs
Resource mobilisation	<ul style="list-style-type: none"> CERF has been successful in attracting significant contributions from a broad coalition of over 80 donors. The contributions from small states are encouraging and particular strength of CERF. Nevertheless, 85 percent of the funds received as of May 2008 came from seven top donors. 	<p>2007 Interim review</p> <p>2008 2 year review</p>
	<ul style="list-style-type: none"> Protracted long-term emergencies cannot effectively be addressed by short-term relief programmes. CERF funding can, however, highlight the plight of these countries and bridge crises in the short term through the provision of ‘seed’ funding. 	<p>2007 Oxfam review</p>
	<ul style="list-style-type: none"> CERF has increased the predictability of funding flows for new emergencies, even if this is less clearly the case for underfunded emergencies. 	<p>2007 Oxfam review</p>
	<ul style="list-style-type: none"> CERF has added value for United Nations agencies by providing funding early on in the year; filling funding gaps; enabling agencies to leverage funding from other donors; complementing other donor funds; and being flexible. 	<p>2010 Kenya review</p>
	<ul style="list-style-type: none"> Under-funded or ‘forgotten’ emergencies have benefited from the availability of extra funding. However, in cases of extreme under-funding, CERF allocations have been too small to contribute significantly to a more equitable global response. 	<p>2011 5 year evaluation</p>
	<ul style="list-style-type: none"> The CERF RR grants in May were quite small when taking into account the amount of funding that the United Nations agencies had already received in the previous four months for their programmes in Chad. The CERF made six grants for five agencies totalling a little under US\$2 million against over US\$200 million already received. The added value of the CERF grants lay in them being focused exclusively on the southern crisis and enabled United Nations Agencies to improve the levels of support available for new arrivals from the Central African Republic. The CERF UF grants in September of US\$5.46 million cannot really be said to fill a time critical gap as over US\$326 million had been received by the United Nations agencies by this stage. However, many sectors were under-funded and therefore the UF grants gave good and timely support. 	<p>2010 Chad PAF Review</p>
	<ul style="list-style-type: none"> Agencies do not specifically use the CERF as a fundraising tool with their donors and it’s not clear that this would be effective with all donors. For example, the European Commission Humanitarian Aid Department (ECHO) made it clear that with the CERF and each individual Agency’s internal disaster response funding able to give immediate life-saving support to any situation they are able to wait and decide with better information available to what level they will also give support. 	<p>2010 Sri Lanka PAF Review</p>
	<ul style="list-style-type: none"> CERF funding has added value for United Nations agencies and IOM in several ways: by providing timely funding for emergency response, by funding severely under-funded sectors, by providing funding early on in the year (through the first UF allocation), by enabling agencies to leverage funding from other donors, by complementing other donor 	<p>2011 Zimbabwe PAF Review</p>

Theme	Key findings	Relevant source docs
	<p>funding, by providing flexible funding and by increasing the credibility of the United Nations system with the government.</p>	
	<ul style="list-style-type: none"> • UF funding has added value for recipient agencies by: filling funding gaps; providing funding early on in the year; complementing the country-level Humanitarian Response Fund (HRF); enabling agencies to leverage funding from other donors; supporting a response capacity; being a straightforward funding mechanism that focuses on addressing gaps in meeting needs. 	<p>2011 Ethiopia PAF Review</p>
	<ul style="list-style-type: none"> • The coastal areas on Colombia, especially the Pacific Coast, are perceived to be underserved. The CERF goes some way to filling this gap in service provision and is perceived as important. Fund was used successfully to fill programmatic gaps and to expand the coverage of key services. 	<p>2011 Colombia PAF Review</p>
	<ul style="list-style-type: none"> • The CERF is perceived to fill a number of gaps and there is anecdotal evidence to suggest that it was used for a range of important interventions for flood-affected populations in 2010, whether or not these interventions were the most time critical. 	<p>2011 Bolivia PAF Review</p>
	<ul style="list-style-type: none"> • The CERF is perceived as an invaluable funding mechanism in all countries, because it is reliable, flexible, rapid, and straightforward and it comes at critical times. • There is no clear evidence that CERF funding made it easier for agencies to leverage additional funding from donors for their projects, even though a number of emergency projects did receive subsequent donor contributions. A few international NGOs in Côte d’Ivoire indicated a possible leveraging effect for activities carried out with CERF funds. 	<p>2012 Côte d’Ivoire, Liberia, and Ghana PAF Review</p>
	<ul style="list-style-type: none"> • Overall, CERF contributed 5 percent of the humanitarian requirements set out in the 2011 regional humanitarian requirements document for the Horn of Africa. The percentage of actual funding received contributed by CERF ranges from 3 to 18 percent in the different countries as shown in Figure 2. This demonstrates the varying significance of CERF as a donor in the countries, ranging from Djibouti, where CERF was the largest humanitarian donor in 2011, to Kenya, where it was the eighth largest. 	<p>2012 Horn of Africa PAF Review</p>
	<ul style="list-style-type: none"> • CERF is a major though not the largest donor in Ethiopia, and its importance increased in 2011. It adds value in terms of absolute availability of resources, filling gaps in time and in specific underfunded sectors. CERF responds in a timely manner, meeting PAF performance benchmarks. 	<p>2012 Ethiopia PAF Review</p>
	<ul style="list-style-type: none"> • CERF acts as donor of last resort in resource scarce environment – few donors have prioritised Djibouti, partly due to perceptions of stability in the country. Has been gap filling– timely availability of funds has been important as well as their absolute level, and leveraging other funds – in a donor-scarce environment, CERF sent an important signal to other donors of the need for additional funding. 	<p>2012 Djibouti PAF Review</p>
	<ul style="list-style-type: none"> • The CERF has added value by providing timely and flexible funding for emergency response, by enabling agencies to leverage other funding, by complementing other donor funding and setting an example to other donors, and by supporting a response to a “forgotten” crisis and filling critical gaps. 	<p>2012 Philippines PAF Review</p>

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> The extent to which the CERF is viewed as an internal funding stream for the larger United Nations humanitarian Agencies was very apparent in Somalia. Allocations from the UF were made in conjunction with the CHF and as such, through a gap analysis. Allocations from both windows were perceived to have filled gaps, including the need for significant expansions, within the programmatic responses of United Nations agencies. The large allocations to WFP and UNICEF were used to fill large pipeline gaps caused, in part, by the large funding deficits at the time. Other CERF recipients, notably WHO and FAO were felt that they were able to use CERF funding from both windows to fill critical gaps. 	2012 Somalia PAF Review
	<ul style="list-style-type: none"> For several United Nations agencies, CERF serves as a primary source of funding, without which their presence outside Kinshasa would be limited. CERF allocations helped fill gaps and provide a better balance of humanitarian aid within the country and, in certain cases, improve the overall efficiency of certain projects. 	2013 DRC PAF Review
	<ul style="list-style-type: none"> Considered as the fund of first response, the CERF has been successful in providing timely and much-needed assistance for a variety of humanitarian crises across both the UF and RR windows. In addition to meeting needs, results suggest that the fund has also assisted in leveraging donor funding for what are often considered to be hard-to-fund humanitarian responses. 	2013 Pakistan PF Review
	<ul style="list-style-type: none"> The CERF has added value to the humanitarian response of United Nations agencies and IOM in several ways: by supporting a timely response to acute emergencies, by enabling agencies to leverage other funding, by complementing other donor funding, by filling critical gaps and funding activities that other donors are unwilling to support, by enabling agencies to establish a presence in conflict-affected areas, which increased the United Nations' credibility with the government, and by enabling agencies to expand activities to new areas. 	2013 Yemen PAF Review
Timeliness of disbursements	<ul style="list-style-type: none"> In the beginning, there were considerable delays to disbursements occurring at various points in the submission, review, approval and disbursement processes. In some cases much time was lost between the first reporting of the crisis, submission of applications to the CERF, and the start of field programmes. In other cases, the allocation of funding was made shortly after applications were received, yet it took far too long before the necessary Letter of Understanding (LoU) was completed and/or funds were disbursed. Funding was sometimes received only after the local situation had changed significantly or when the height of the crisis had passed. 	2007 Interim review 2007 Oxfam review
	<ul style="list-style-type: none"> 2008 review found improvement in timeliness, but Agreement on an umbrella Letter of Understanding between the Controller and each operational agency is urgently needed. 	2008 2 year review
	<ul style="list-style-type: none"> 2011 evaluation found that there has been a steady improvement in the speed of approval since 2008, and that the Rapid Response grant offered one of the most rapid funding mechanisms available to United Nations agencies. It enables the ERC to kick-start the international response to an emergency, to meet time-critical requirements and to intervene quickly in deteriorating situations, by funding essential enabling activities and key sectors. 	2011 5 year evaluation

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> • Pre-existing capacity of agencies is critical for timely response: When the operational agency receiving the CERF grant had good emergency capacity, the response to the emergency was generally timely. When the agency did not have the required capacity, the response was often delayed, in some cases, so much so that the assistance constituted a timely response to the following year's disaster. 	2008 2 year review
	<ul style="list-style-type: none"> • FAO committed almost US\$1million from FAO's own resources to recruit Red Locust experts for advice and technical support enabling it to responded positively and promptly to requests 	2009 FAO evaluation
	<ul style="list-style-type: none"> • The CERF promotes early action by serving as a guarantee for agencies using their own internal emergency funding reserves 	2011 5 year evaluation
	<ul style="list-style-type: none"> • The time between the final submission of the CERF grant request package from the RC/HC and the signature of the Emergency Relief Coordinator (ERC) was three days for the RR grants in May 2009. The most disturbing fact is the time it took from the date of the initial submission to the date of the final submission which was between 38 to 45 days. To support rapid response this is a very long negotiation period. • Bottlenecks in UF grant disbursements were noted, meaning UNICEF was waiting 13 days for a decision, and whilst they were able to use internal funds in the intervening period, this remains an issue of concern as non-availability of other agency internal funds could have led to a later delivery of life saving interventions. • Clearly the support from CERF is predictable when there is a new crisis and a rapid response is required. It is both predictable by the United Nations and some of the traditional donors, the latter not necessarily being a good thing as they take longer to respond requiring more information than they would otherwise have needed. This could be viewed as a negative due to the slowdown of funding from donors who support not just the United Nations but also NGOs who are not supported by the CERF. 	2010 Chad PAF review
	<ul style="list-style-type: none"> • The goal of CERF funding enabling a rapid humanitarian response was not achieved due to the 42-day period involved in completing the application. The majority of this time was taken up by negotiations between the RC/HC's office in Mauritania and the Office for the Coordination of Humanitarian Affairs (OCHA) regional office. At the time, the RC/HC's office was not aware that they could apply directly to the CERF Secretariat without an agreement with the OCHA regional office and that notification that the application was being made would be sufficient. It is not known how or why this situation arose but seems to be the process which was passed from CERF focal point to CERF focal point over the years where a number of people have covered this position. • The slow application process did not result in significant operational impediments for UNICEF and WFP who had their own funding and from other donors and were able to respond to the needs. However, the timing of the arrival of funds was critical for the programmes of the UNFPA, WHO and FAO in particular due to the constraints the latter faces as a result of the planting season. 	2010 Mauritania PAF review

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> The output from the CERF has allowed seven United Nations Agencies and IOM to respond with faster and therefore more effective humanitarian response systems. For most of the Agencies it has been enough to know that funding has been agreed and the level of that funding, which allows some Agencies to use their own internal funding immediately knowing that these funds can be replaced with CERF funding once it arrives. However, this is not true for all United Nations Agencies, and the timeliness is therefore reduced for this second group while the Letter of Understanding (LoU) is signed and finance codes allocated. 	2010 Sri Lanka PAF Review
	<ul style="list-style-type: none"> The review found that the CERF Secretariat is generally quick to approve final proposals and disburse funds. Timelines for projects funded in 2011 show that agencies may take one or two months to sign agreements with partners and disburse funds, though this does not seem to have delayed implementation in most cases. Although UF grants have a longer implementation period than Rapid Response grants, in Zimbabwe, all except one of the no-cost extension requests was for UF projects. Agencies made the largest number of requests in 2009, when they received the largest amount of CERF funding. This was due to a combination of internal administrative difficulties and the challenging operating environment. 	2011 Zimbabwe PAF Review
	<ul style="list-style-type: none"> For the RR, while there was a consensus that international response was slow when seen against the whole arc of the ‘winter’ floods of early 2010, there was recognition of the importance of the interventions, especially given the absence of a rapid or effective response by government in isolated areas. For the UF, where timing is perceived to be less of an issue, one significant delay was reported in arranging a sub-contracting arrangement with an INGO. 	2011 Colombia PAF Review
	<ul style="list-style-type: none"> Although many respondents described the CERF process as ‘quick’ in general, a vocal minority thought that the entire process was too slow and cumbersome for the funds to facilitate a lifesaving response as per the original intent of the Fund. 	2011 Bolivia PAF Review
	<ul style="list-style-type: none"> The CERF played an essential and timely role in enabling agencies to strengthen their response capacities and scale up the humanitarian response to address pressing life-saving needs across a broad range of sectors. 	
	<ul style="list-style-type: none"> The CERF secretariat was highly responsive to queries from RC/HCs and provided rapid comprehensive feedback on country submissions, including comments on project proposals (within a day or two). The CERF secretariat has generally met its 2011 performance benchmarks for the duration of the process from project submission to disbursement of funds in particular the 11-day benchmark for the time lapse between final project proposal and disbursement of funds. Once projects are submitted, the step requiring the most time is their revision, which in the sub-region has included reprioritizing needs and activities and reducing budgets because the amount made available by the CERF secretariat was lower than that requested initially. 	2012 Côte d’Ivoire, Liberia, and Ghana PAF Review
	<ul style="list-style-type: none"> There is a consistent picture across the four countries that CERF funds were timely in the sense of filling major funding shortfalls in the first half of 2011. However CERF funds arrived ‘only marginally, but critically ahead of the significant upswing in funding’ in July 2011. 	2012 Horn of Africa PAF Review

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> • There was a general consensus that the CERF rapid response requests could and should have been made earlier, but this did not occur for the following reasons. For the RR window, speed of process was prioritized over inclusivity of decision-making and transparency was consistently less than expected by CERF guidance. That the trade-off of speed over inclusivity works to the advantage of United Nations Agencies, through whom the bulk of funding flows and cements the sense of CERF as an internal United Nations funding channel. 	
	<ul style="list-style-type: none"> • Timeliness benchmarks on the CERF process are met in Djibouti, according to CERF Secretariat figures. Taken as a whole these show a rapid process once proposals have been finalised. The area of delay and some frustration expressed by some agencies in Djibouti is in finalising proposals to the satisfaction of the CERF Secretariat. However the average 11 days for finalisation of the proposal in 2011 is fast compared to many donor processes, and generally adds value and quality to proposals, as well as enhancing the credibility of CERF as a donor. 	2012 Djibouti PAF Review
	<ul style="list-style-type: none"> • The CERF secretariat met, or was close to meeting, tight deadlines for processing, especially for the RR window. When placed in the context of the drought response overall, the CERF can be acknowledged as having had an impact in disbursing money marginally ahead of the upswing of donor funding following the declaration of emergency. 	2012 Kenya PAF Review
	<ul style="list-style-type: none"> • The CERF secretariat has generally been quick to approve final proposals and disburse funds. This was particularly so for the response to Sendong. Agencies started responding to Sendong within 24 hours by diverting staff and resources from operations in central Mindanao in the early stages of the crisis. In some cases, this impacted on their ability to implement 2011 CERF UF grants or to start work on the 2012 UF grant. In one case, an agency had to return a CERF grant. The timeliness of onward funding to implementing partners varied according to whether agencies were able to use existing agreements or signed new ones. In general, though, agencies appeared to have completed project implementation by the CERF deadline and made no requests for no-cost extensions. 	2012 Philippines PAF Review
	<ul style="list-style-type: none"> • The use of the CERF in Somalia in 2011 has to be seen against the backdrop of a slow response on the part of the whole humanitarian system. In combination with the CHF, the UF grant at the beginning of the year went some way to offsetting a critical funding shortfall. Funds from the RR window came marginally, but critically, ahead of a general upswing in funds, due largely to responsive and quick processing by the CERF Secretariat. 	2012 Somalia PAF Review
	<ul style="list-style-type: none"> • CERF was not seen as a rapid donor-enabling early action because it funds United Nations agencies that, in turn, have to channel resources through implementing partners. 	2013 DRC PAF Review
	<ul style="list-style-type: none"> • CERF therefore enabled agencies to rapidly start or scale up operations to address key gaps in the response at a time when funding was still limited or unavailable, and while looking for additional funding. By enabling the United Nations to be active in the field and gain credibility and visibility, CERF funding helped mobilise additional funding from donors. However, in a few countries, agencies seem to have been insufficiently familiar or pro-active with respect to fund-raising and may have turned to CERF as a first resort for resource mobilization. 	2013 Sahel PAF Review

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> Overall, the CERF secretariat remains one of the timeliest donors. Based on the limited data available, it does not appear that the timeliness of onward funding to implementing partners was a major problem 	2013 Yemen PAF Review
Transaction costs	<ul style="list-style-type: none"> CERF found to reduce management burden and transaction costs for donors: Some donors indicated they find the CERF a convenient funding channel because it confers the management of funds to the United Nations, reducing their transaction costs, particularly for donors that have limited capacity in countries and/or regions to administer bilateral humanitarian funds 	2007 Interim review
Allocation process	<ul style="list-style-type: none"> The distinction between rapid response and under-funded appears to be unclear as countries with similar contexts received funding from both the rapid response and underfunded window. 	2007 Interim review
	<ul style="list-style-type: none"> The UF study concluded that where the UF and Rapid Response (RR) windows of the CERF are inevitably deployed in the same operational context, the most obvious application of the life-saving criteria effectively means that both windows will be drawn to the same immediate and urgent priorities, given a fair and inclusive process. The logic that the UF window should be set aside in these circumstances has been refuted in country studies for the CERF's Performance and Accountability Framework. 	2010 UF study
	<ul style="list-style-type: none"> Life-saving criterion: The lifesaving criterion has been defined very broadly to include immediate response activities in acute disasters, prevention activities and rehabilitation and early recovery activities. A rationale can be made that links all the funded activities to life saving. 	2007 Interim review
	<ul style="list-style-type: none"> The broad interpretation of the life-saving criterion was helpful to the United Nations agencies, as it allowed them to define projects to address country and context specific but this made the prioritization of proposals more difficult. 	2007 Interim review
	<ul style="list-style-type: none"> FAO evaluation finds that the life-saving criterion of the CERF should continue to be interpreted flexibly as a bulwark to focus the funds on humanitarian needs, including the protection of self-reliant livelihoods and food availability through time-critical agricultural interventions in accordance with CERF sectoral guidelines. 	FAO 2010 evaluation
	<ul style="list-style-type: none"> Some interviewees felt that those involved in CERF allocations were too focused on life-saving activities in a context of chronic and relatively predictable crisis, such as in Ethiopia, where applying the life-saving criteria flexibly could save as many, if not more, lives in the longer term. 	2011 Ethiopia PAF Review
	<ul style="list-style-type: none"> Needs assessment: The review also identified some challenges related to the availability of needs assessment information early on to support the CERF proposals particularly for the under-funded window. 	2007 Interim review
	<ul style="list-style-type: none"> The 2 year evaluation found that whilst CERF and other pooled funds have encouraged HCs and humanitarian country teams to conduct coordinated needs assessments there was also evidence of some United Nations country teams 'dividing the cake' in ways that were not transparent and did not reflect a genuine effort to identify key priorities. 	2008 2 year review

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> The FAO evaluation noted that there were few examples of true multi-sectoral and inter-agency need assessments, need assessments tended to remain sector-specific even though they were typically conducted by several agencies. Multi-stakeholder need assessments, by offsetting possible biases within each stakeholder, can promote a form of peer review and therefore buttress objectivity, accuracy and transparency in identifying needs and setting priorities. 	FAO 2010 evaluation
	<ul style="list-style-type: none"> A number of factors influence the quality of the decision-making processes for CERF grants. These include: an early agreement between the ERC and the RC/HC on the ‘envelope’ of funding to be made available, initially at least, from the CERF; a clear link between the early publication of a Flash Appeal and the allocation of funds from the CERF; the availability of trained OCHA and agency support staff during the process of preparing the flash appeal and CERF proposals; and the transparent use of sectoral coordination mechanisms, or clusters, to identify priority needs. 	2008 2 year review
	<ul style="list-style-type: none"> Well-functioning United Nations Country Teams and clusters can help reach consensus on priorities. A critical factor here is individuals, with United Nations RC/HC represents the most important actor. 	FAO 2010 evaluation
	<ul style="list-style-type: none"> Interviews in Nairobi revealed that the degree of inclusiveness and transparency of the CERF allocation process varies across sectors (Clusters), with the Nutrition Technical Forum cited as an example of good practice (the effectiveness of the sectors depends on the government co-chairs as well as the Cluster lead agency co-chair). 	2010 Kenya review
	<ul style="list-style-type: none"> UF window evaluation found, the data on which the country selection process is based may be the best available, but is beset by a number of acknowledged weaknesses. In all respects, these challenges have roots and implications well beyond the CERF. CAPs are broadly accepted to have improved unevenly post-reform. Partners remain engaged to varying degrees in different countries. Underlying all of these issues is the moral hazard at the centre of fundraising – the incentive to over ask and under report. It concludes that the methodologies for country selection should continue to consist of multiple ‘layers’ and rounds of analysis using the best available data, and in conjunction with subjective views from informed sources who are the most ‘honest brokers’ in the system, to compensate for poor quality and gaps in data. 	2012 UF evaluation
	<ul style="list-style-type: none"> New procedures and increasingly clear criteria have been introduced since 2008 generating a more equal playing field for the arbitration of proposals among agencies and there has been a steady improvement in the speed of approval since 2008. 	2011 5 year evaluation
	<ul style="list-style-type: none"> Issues relating to overhead charges concern the charge of 3 percent levied on all expenditures for programme support services on the part of the United Nations Secretariat, and the operational agencies overhead charge of up to 7 percent. 	2007 Interim review
	<ul style="list-style-type: none"> NGOs feel United Nations agencies routinely expect NGOs to implement their programmes without allowing them to charge a reasonable overhead. With many NGOs seeing major increases in the proportion of their funding coming from the United Nations, following the advent of CERF, CHFs and ERFs, this situation is “not sustainable”. 	2008 2 year review

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> The United Nations agencies in Colombia view the CERF (especially the under-funded window) as a proprietary funding channel. To date, the initial geographical and sectoral priorities for allocation of each under-funded round have been taken in an ad hoc group, the ‘CERF Task Force’; this group has consisted largely of United Nations Agencies who were recipients of the very first allocations of CERF funding. As such, the initial allocation decisions at national level has been very much Agency, rather than cluster-driven and partnership has been very much a secondary consideration. The absence at the national level of a consolidated appeal (CAP) or similar instrument has been one major factor in undermining the prospect of a more open allocation process. 	2011 Colombia PAF Review
	<ul style="list-style-type: none"> United Nations agencies viewed CERF processes as transparent and inclusive and most welcomed the requirement to construct an appeal jointly. By and large, NGOs were satisfied that their information inputs were sought at ‘mesa’ level and that had been kept informed of progress via the ‘UNETE ampliado’. In this sense, they felt that most parts of the allocation process were reasonably transparent. 	2011 Bolivia PAF Review
	<ul style="list-style-type: none"> The CERF secretariat responded positively to all country requests and is appreciated for its responsiveness and speed. Application formats are seen as well suited to emergency contexts and CERF guidance is regarded as helpful. 	2012 Côte d’Ivoire, Liberia, and Ghana PAF Review
	<ul style="list-style-type: none"> A limited role for Government in allocations, especially the RR window was noted. 	2012 Horn of Africa PAF Review
	<ul style="list-style-type: none"> The merit-based approach for allocating currently half of the under-funded grant is the foundation of a sound approach but there is room for further strengthening, particularly in terms of greater clarity and openness over the process and the rules. Increased scrutiny of proposal details was appropriate in terms of raising quality but agencies were not fully aware of specific policy changes. 	2012 Ethiopia PAF Review
	<ul style="list-style-type: none"> The main influences on allocation were relative priorities of need, past performance and implementation capacity. Interviewees pointed to a need for more guidance and support from the CERF Secretariat on how to manage the prioritisation process. While the allocation process intends to be inclusive, there is little room for broader inclusion as the NGO community is so small, so the UNCT is in practice the same as the HCT, and Government interaction is hampered by its limited capacity. 	2012 Djibouti PAF Review
	<ul style="list-style-type: none"> The CERF is well regarded by its interlocutors in government, although they play little part in the technical process of allocation. Donors, as in previous reports, feel relatively unsighted on CERF allocations. This stands in contrast to the ERF, a relatively small fund noted as having has a higher level of technical interaction with government and donors. 	2012 Kenya PAF Review

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> • United Nations agencies also identified challenges with CERF funding, primarily the difficulty of financing relevant training and capacity building. Agencies felt it would be helpful if the CERF secretariat made it clear early in the process if it did not intend to fund a project or line item. In addition, the CERF's inability to fund disaster preparedness in one of the world's most disaster-prone countries was proving difficult. Finally, agencies had found the application of the CERF's Life-Saving Criteria challenging in the protracted crisis context where it is difficult to distinguish between emergency and longer-term needs. • The extent to which CERF-recipient agency staff were familiar with CERF formats and guidance varied and there were three cases where agencies had not fully understood them. A number of agencies had sent staff members to the regional CERF training workshop and they had found this extremely helpful. 	2012 Philippines PAF Review
	<ul style="list-style-type: none"> • The CERF allocation process in DRC could ideally be more transparent and inclusive of other stakeholders, including donors. The decision-making process varied across allocations but was mostly carried out at a centralised level, where amounts per sector and per province were defined. In a large country like DRC, a fully inclusive process relying on the inter- and intra-cluster coordination framework would, however, not be feasible. The process would be too heavy and time-consuming for what are, in the context of DRC, few resources and funds that would invariably be spread too thin. Allocations were guided by life-saving criteria and contentiousness was limited. • There is little clarity, however, on what triggers a request for CERF funding which would help better define CERF objectives in DRC that are coherent with predefined benchmarks and make the process more predictable. 	2013 DRC PAF Review
	<ul style="list-style-type: none"> • The 2012 Under-funded Emergency (UF) application was considered as good practice and benefitted from a strong process. In contrast, allocation from the RR window, while being timely, appear to have omitted some humanitarian partners, particularly NGOs, whose presence could have been helpful in giving greater objectivity to the decision-making processes. • The prioritisation process for the CERF RR funding requires stronger leadership. • The CERF life-saving criteria should be more restrictively interpreted and additional detail should be given to guide discussions on eligibility. 	2013 Pakistan PF Review
	<ul style="list-style-type: none"> • The CERF life-saving criteria were adhered to and did not pose any particular problem. In countries without a permanent OCHA presence, OCHA staff on surge capacity from the regional office helped RCs and agencies understand the CERF life-saving criteria, provided comments on the draft submission and project proposals, and ensured the internal coherence of the requests. 	2013 Sahel PAF Review
	<ul style="list-style-type: none"> • The CERF's focus on lifesaving activities means that it is not able to fund recovery/rehabilitation activities or the underlying causes of vulnerability even though there is a risk that the failure to address this will result in a return to instability. From the CERF secretariat's perspective, rather than trying to extend the mandate of the CERF, agencies 	2013 Yemen PAF Review

Theme	Key findings	Relevant source docs
	<p>should draw the attention of donors to longer-term needs and ensure that the donors fulfil their responsibility to build on the short-term assistance that they are providing through the CERF.</p> <ul style="list-style-type: none"> • The main lesson learned from the UF allocation process in 2013 was that it is more effective and inclusive to allocate funding by cluster rather than by agency. At the end of the process, though, agencies were generally satisfied with the outcome of the process because the key priorities were funded and, with perhaps a couple of exceptions, the Cluster process had worked effectively. • The high turnover of staff made it very difficult for agencies to ensure that they were familiar with CERF guidance and requirements. As a result, there were two cases where agencies had not fully understood them, particularly when to apply for no cost extensions (NCEs). 	
Results at field level (effectiveness)	<ul style="list-style-type: none"> • Some projects are likely to have a more direct or immediate impact on beneficiaries than others, such as system strengthening or rehabilitation/reconstruction. 	2007 Interim review
	<ul style="list-style-type: none"> • The FAO evaluation concludes that FAO used its CERF funding to provide an important humanitarian contribution to communities affected by crises through time-critical interventions geared to protect self-reliant livelihoods. The most effective CERF-funded projects in the sample were those which provided surge capacity to actors with pre-existing field presence and emergency or development programmes, helping them address a particularly acute crisis or threat at a particular time. 	FAO 2010 evaluation
	<ul style="list-style-type: none"> • CERF has increased the coverage of humanitarian response, in particular by supporting less well funded common services such as transport and communications. 	2011 5 year evaluation
	<ul style="list-style-type: none"> • The sheer volume of projects supported by the CERF, their diversity, the number of agencies involved, and the inter-related nature of much funding make it very difficult to provide a statistically rigorous judgment on whether outcomes have been materially affected by the existence of CERF. 	2008 2 year review
	<ul style="list-style-type: none"> • The operational impact has allowed life-saving programming to start quickly and be more effective. In dollar terms it represents over 8.5 percent of humanitarian funding for Sri Lanka during 2009 with CERF being the third largest donor after the USA and Australia. All of the 31 CERF funded projects for Sri Lanka in 2009 were from the rapid response window and these funds have been critical in saving lives. 	2010 Sri Lanka PAF Review
	<ul style="list-style-type: none"> • While the CERF doubtless delivered some strong results across a range of sectors, the process and format which guides reporting does only a modest job of capturing these and should be strengthened. 	2013 Pakistan PF Review
	<ul style="list-style-type: none"> • Several INGO CERF critiques have expressed concern about the fact that NGOs do not have direct access to CERF funding and the lack of systematic information with respect to the forward disbursement of CERF funds to NGOs. 	2007 Interim review

Theme	Key findings	Relevant source docs
NGO access and engagement	<ul style="list-style-type: none"> Oxfam stated “NGOs often have greater operational capacity in the field and invaluable local knowledge, putting them in a better position than United Nations agencies to respond rapidly to an emergency. However, field data show that onward disbursement of CERF funds is all too often extremely slow and inefficient.” 	2008 2 year review
	<ul style="list-style-type: none"> 2008 evaluation recognizes that the addition of NGOs to the list of eligible organisations “is not feasible at the present time”. However, it suggests NGOs should take an active part in its decision-making processes, and should be able to access CERF funds via United Nations agencies more quickly, more predictably and with lower transaction costs than has been the case so far. 	Oxfam 2007 review
	<ul style="list-style-type: none"> NGOs face several constraints in delivering humanitarian assistance when they receive CERF funding channelled through United Nations agencies. These include: delays with funding agreements; funding in instalments; funding limits on programmes; limits on Indirect Support Costs (ISC); and limited flexibility. These are due to the standard internal procedures of United Nations agencies (many of which are not adapted to emergency situations) rather than CERF funding. 	2010 Kenya review
	<ul style="list-style-type: none"> 2011 evaluation notes that it is still a thorny issue, with an average gap of 2-3 months between disbursement by CERF and payment to NGO implementing partner. However it is less of an issue in countries where NGOs have access to CHF/ERF. 	2011 5 year evaluation
	<ul style="list-style-type: none"> The advent of CERF has not caused observable changes in the relationships with NGOs (where United Nations agencies had established relations with NGOs as implementing partners, it appeared they continued to do so). 	2007 Interim review
	<ul style="list-style-type: none"> The CERF has not yet led to an improvement in relationships with NGOs except in a small number of cases, where exceptional partnership arrangements have been put in place, and in some situations where CERF has provided timely funding to NGOs through ERFs. 	2008 2 year review
	<ul style="list-style-type: none"> If donors want to improve procedures for CERF funding to NGOs, one possible option is to examine whether and how to use OCHA as a pass-through mechanism. The UF study recommends increasing the transparency and objectivity of the UF process through the inclusion of INGOs in the country selection process. This could involve soliciting a consensus from the INGOs main coordinating bodies around priority, forgotten crises, and integrating this as an additional layer of analysis to inform the allocation decisions. 	2011 5 year evaluation 2012 UF study
	<ul style="list-style-type: none"> NGOs were largely positive about implementing CERF-funded projects but they identified challenges relating to funding restrictions, particularly indirect support costs. They were not always clear whether the CERF or agencies had imposed these restrictions. NGOs stated that CERF processes have proved stressful, partly due to unrealistic expectations of them as partners. A couple of them felt that they had been treated more as sub-contractors than as partners. 	2011 Zimbabwe PAF Review

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> Implementing partners do not always know or only learn at a very late stage (e.g. CERF annual reporting time) that they are carrying out activities with CERF funding. With respect to sub-agreements, the main difficulties encountered by implementing partners are the delays in finalising contracts as well as the time and effort lost in attempting to do so. These delays put them at financial risk since they have no certainty that their activities will be included in the agreement once formalised. In addition, delays in receiving the first transfer risks often puts implementing partners in a situation where they have to pre-finance operations. The type of country level coordination mechanisms in place was a decisive factor when it came to the involvement of non-United Nations actors, in particular NGOs, in CERF prioritization and decision-making processes at both the strategic and technical levels. In Burkina Faso, Mali, Mauritania and Senegal, Humanitarian Country Teams and sector coordination mechanisms were only formally established after the CERF allocations in response with the exception of Niger, 2011/2012 drought-related CERF processes did not involve non-United Nations actors and were insufficiently inclusive and transparent. NGO implementing partners were neither involved in project design and formulation nor coordinated in the framework of the projects, which was a missed opportunity to tap into their knowledge of local situations, needs, and opportunities and check the relevance and feasibility of proposed activities. 	<p>2011 Côte d'Ivoire, Liberia, and Ghana PAF Review</p> <p>2013 Sahel PAF Review</p>
Role of clusters	<ul style="list-style-type: none"> The clusters discuss the priorities and all relevant actors have the possibility of being included in this process. Some clusters may be functioning better than others based on the amount of input which is given. It is felt that the level of participation and information- sharing by some cluster members is not optimal. There is a feeling from some members of the United Nations country team is that they are always running after situations and are not able to get ahead of situations with strategic planning. On this basis, if each agency comes to the table with a shopping list of needs and gets a percentage of what they are asking for there is a danger of inflated demands. United Nations Agencies do use information from clusters for support to their decision making process but they also have their own teams around the country in regional offices who also have an influence on priorities. Cluster leads do not force participants to come up with priorities for submissions as might be hoped. Interviewees felt that the 2010 allocation process worked well because it included an element of competition (as the agencies requested more funding than was available and had to argue their case); there was collaboration between agencies because funding was allocated by sector, not agency; and the use of the HRF Review Board to discuss proposals reinforced complementarity with the HRF and other humanitarian funding. The main challenge with the process is that funding is allocated on the basis of needs or funding shortfalls without taking into consideration an agency's ability to deliver the proposed activities on time. The CERF alone provides too small an incentive to strengthen the role of the clusters. 	<p>2010 Chad PAF Review</p> <p>2011 Ethiopia PAF Review</p> <p>2011 Colombia PAF Review</p>

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> • ‘Clusterisation’ has been driven hard from the global level and HCs and OCHA have been told that is ‘non-negotiable’ for humanitarian responses. A standardised model for coordination cannot be brought into being at any cost, however, where sovereign governments perceive that their own systems are being duplicated or displaced. The system of ‘mesas de trabajo’ in Bolivia appears to be a reasonable working compromise. The absence of an inter-cluster mechanism is, however, problematic in terms of overall coordination, the logic model in the CERF’s PAF, and humanitarian reform more broadly. Although many respondents were positive about the way the CERF had strengthened intra-United Nations relations and relations between United Nations and government, this has not equated to strengthened humanitarian reform as globally understood. • The Humanitarian Coordinator, appointed in the second half of 2012, found that he could leverage CERF funding to make United Nations cluster lead agencies more responsible and accountable, and help them access additional funding. 	<p>2011 Bolivia PAF Review</p> <p>2013 DRC PAF Review</p>
Partnerships with Government	<ul style="list-style-type: none"> • The CERF has dramatically strengthened the capacity of RCs and HCs in their interactions with host governments. 	2008 2 year review
CERF organizational structures	<ul style="list-style-type: none"> • Secretariat was under-resourced at the outset: The initial assumption was that the Fund management would not be “heavy” but given increasing demands for more clarity on the guidelines, processes, criteria and reporting templates for the Fund during the first year the secretariat was under resourced. • The 2008 evaluation observed that the Secretariat needs sufficient staff with the requisite seniority and experience to interact effectively with RC/HCs and operational agencies. As a result it was expanded in 2008. • 2011 evaluation found a marked improvement in capacity and function of the secretariat following its expansion. The adoption of a service-oriented culture has significantly improved trust in the CERF, responsiveness has improved, as has transparency of criteria and information systems. Ongoing challenges include that posed by interagency completion, and monitoring, which is dependent on the quality of agencies’ reports. • CERF training was valued and guidance was useful and appropriate, but for more experienced fund managers a forum for deeper discussion of strategic and programming issues would be valuable. 	<p>2007 Interim review</p> <p>2008 2 year review</p> <p>2011 5 year evaluation</p> <p>2012 Ethiopia PAF Review</p>
Link to the humanitarian reform process	<ul style="list-style-type: none"> • CERF mechanisms acts as a catalyst for enhanced implementation of humanitarian reform processes where there is effective leadership and commitment to humanitarian reform. • 2007 review found that CERF process brought no significant change in the coordination per se: where coordination mechanisms functioned well before the introduction of the CERF, they continued to do so. Where this was not the case, the introduction of the CERF, as such, did not bring any observable change. 	<p>2011 5 year evaluation</p> <p>2007 Interim review</p>

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> The 2008 review finds that where clusters have been introduced appropriately as a form of enhanced sectoral coordination, under the leadership of an experienced HC, the interaction with the CERF has been positive, leading to improved decision-making, coordination and gap-filling. Where clusters have been introduced without proper training and preparation, they have either been rejected by governments or United Nations country teams, or poorly implemented. In these cases, CERF did not usually have a positive impact on decision-making and coordination of the humanitarian response. 	2008 2 year review
	<ul style="list-style-type: none"> The Kenya review found that the CERF has supported coordination (when sector groups come together to discuss priorities for CERF funding) and the HC's role in Kenya. It has played less of a role in strengthening partnership. Given the short-term nature and size of CERF funding, it appears to be unrealistic to expect it to strengthen humanitarian response capacity. 	2010 Kenya review
	<ul style="list-style-type: none"> Having the decision-making role on CERF applications does reinforce the position of the RC/HC. But this also requires a strategic plan for a country to ensure a clearly established focus 	2010 Chad PAF Review
	<ul style="list-style-type: none"> The CERF clearly promotes the position of the RC/HC within the United Nations system with the decision-making role in coordination of the United Nations country team (UNCT). 	2010 Mauritania PAF review
	<ul style="list-style-type: none"> It is considered by the majority of people interviewed that the role of the RC/HC is strengthened as a result of the CERF as is the coordination aspect of the clusters. Coordination and the cluster system are also supported by the way that priorities for CERF submissions are agreed. 	2010 Sri Lanka PAF Review
	<ul style="list-style-type: none"> Ethiopia's complex coordination structure and the fact that CERF funding is not generally discussed in sector Task Forces probably contributed to the view that the CERF does not help to strengthen coordination. However, CERF funding has strengthened the role of the Humanitarian Coordinator, enabling him to incentivise behavioural change amongst United Nations agencies and engage with the wider humanitarian community. 	2011 Ethiopia PAF Review
	<ul style="list-style-type: none"> The CERF has to varying extents strengthened the position of the RC/HCs by putting non-earmarked funding at their disposal at a critical time to use strategically. In Liberia, the CERF is likely to have facilitated the putting into practice of the multi-sector/sector coordination approach agreed upon for the humanitarian response. CERF grants have provided incentives for operational coordination and complementarities. The CERF has also strengthened inter-agency and inter-cluster/sector planning and coordination through the formulation and implementation of joint projects. 	2012 Côte d'Ivoire, Liberia, and Ghana PAF Review
	<ul style="list-style-type: none"> CERF has played a crucial role in catalysing the structures of humanitarian reform in Djibouti, which did not exist before 2011, and strengthening the HC's role in coordinating humanitarian action among agencies and advocating with the Government. 	2012 Djibouti PAF Review

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> • That the CAP and the clusters provide the over-arching frame work within which the CERF operates, is taken by some as evidence that the CERF supports reform indirectly. • CERF funding to Yemen had empowered the RC/HC to bring humanitarian actors together to plan responses in a coordinated manner. The RC/HC had also used CERF funding to encourage CERF recipient agencies to implement through local partners and thereby strengthen local humanitarian response capacity. The allocation of CERF funding through the clusters, particularly in 2012, had helped to strengthen their role, encouraging participation by local NGOs (especially local NGOs) and greater engagement by the government. 	<p>2012 Somalia PAF Review</p> <p>2013 Yemen PAF Review</p>
Link with other pooled funds	<ul style="list-style-type: none"> • In countries where there is a CHF, CERF funding integrates well into joint monitoring and planning of activities. In countries with ERFs, CERF and ERF processes tend to be managed separately; their integration could be developed to improve prioritisation and monitoring. • The ERF is run in close coordination with technical ministries of the government but there is little or no interaction between the ERF and the CERF. Within this context, the CERF can be considered an effective tool for the part of the system it principally serves, the United Nations led, sector based system for non-refugee programming. • Decision-making and project selection processes have not always been understood and the Good Humanitarian Donorship (GHD) group in DRC in particular found that there was little value in the CERF intervening in the country given the existence of CHF systems, which are considered more transparent and effective. • The current relationship between the ERF and CERF can best be described as coexistence rather than complementary; both fund similar work and while there are some examples of coordination of resources, they tend to be the exception rather than the norm. 	<p>2011 5 year evaluation</p> <p>2012 Kenya PAF Review</p> <p>2013 DRC PAF Review</p> <p>2013 Pakistan PF Review</p>
Accountability	<ul style="list-style-type: none"> • In the early stages there was a dearth of record-keeping and evaluation, making it difficult in many cases to judge the CERF's impact. • Whilst CERF has become more accountable over the years, a number of gaps remain including weaknesses in the flow of information (particularly when countries are overburdened by crises) and lack of independent evaluations by agencies (only FAO done to date). It relies on the submission of reports from agencies, the secretariat or HC or OCHA do not have a mandate for following up. Thus, CERF can only evaluate process and not results. • FAO evaluation notes that timeliness in reporting has been improving but remains an issue for all agencies. The Secretariat is not in a position to verify the veracity of those reports independently. • Kenya review finds that the CERF Secretariat has simplified both narrative and financial reporting formats since the CERF's inception and the United Nations agencies and IOM in Kenya found CERF proposals and reports very straightforward compared to other sources of funds 	<p>Oxfam 2007 review</p> <p>2011 5 year evaluation</p> <p>FAO 2010 evaluation</p> <p>2010 Kenya review</p>

Theme	Key findings	Relevant source docs
	<ul style="list-style-type: none"> While international aid agencies provide reports to their donors, a senior government representative in Kenya expressed frustration at the lack of information on what is being done with CERF and accountability to the government. 	2010 Kenya review
	<ul style="list-style-type: none"> A second set of weaknesses concerns reporting in the FTS. Carry overs, the transfer of unspent funding from one year to the next are increasing. The allocation of large grants at the end of financial years and the insistence that funding is reported in the year of allocation, rather than use, skews reporting. The ambiguous classification of funding as ‘Sector Not Yet Specified’ or the mostly UNHCR-driven category of ‘Multisector’ also makes analysis challenging, especially at the sub-national level. The larger United Nations agencies, with larger core humanitarian programmes report more consistently to FTS, but those with de-centralised budgeting structures continue to struggle to consolidate data for FTS, and there is no standard allocation of human resources devoted to reporting. 	2012 UF review
	<ul style="list-style-type: none"> The reports were not considered to be excessive as far as the amount of time required for completion or the amount of information required and useful in consolidating information. 	2010 Chad PAF Review
	<ul style="list-style-type: none"> The review found that WFP, UNICEF, UNHCR and IOM have the most detailed monitoring procedures. WHO, on the other hand, relies entirely on government and NGO reporting as it does not want to establish a parallel mechanism. Therefore, it provides financial support for government monitoring. Although the agencies monitor CERF projects, none of them had evaluated the projects, though a couple had undertaken evaluations of related programmes or activities. 	2011 Ethiopia PAF Review
	<ul style="list-style-type: none"> There was no evidence that vertical reporting and monitoring is inadequate, but it is possible to say that the CERF has had little operational impact on monitoring or evaluation. As with the technical processes involved in putting together CERF submissions, there was a general sense that United Nations Agencies had become accustomed to CERF process and had time to match it to internal systems. 	2011 Colombia PAF Review
	<ul style="list-style-type: none"> Simply put, ‘normal’ United Nations Agency field monitoring systems are in place and although project monitoring/reporting is often adapted to the CERF format, the Fund has little impact on accountability mechanisms per se. No examples of impact evaluation or multi-sectoral evaluation which included CERF funded projects were brought up. 	2011 Bolivia PAF Review
	<ul style="list-style-type: none"> Monitoring information remains largely internal, even though updates on project implementation may be a standard feature of coordination meetings. Both in Liberia and Côte d’Ivoire, HCs reinforced collective monitoring mechanisms in 2012, in particular at sector/cluster level, which suggests that this aspect of operations in 2011 was insufficiently developed to enable the HCs to exercise their CERF monitoring and reporting mandate. Many of the project summaries in the annual reports of the RC/HCs on the use of CERF grants in 2011 provide quantitative outputs rather than outcomes, which is adequate in the framework of short term emergency response projects. However, the expected outputs are not always indicated and in these cases it is difficult to get a clear picture 	2012 Côte d’Ivoire, Liberia, and Ghana PAF Review

Theme	Key findings	Relevant source docs
	<p>of the extent to which projects have achieved their objectives. These summaries often describe activities and fall short of providing quantitative outputs. Furthermore, the link between the objectives, indicators and activities included in the project proposal and the report is often weak.</p>	
	<ul style="list-style-type: none"> No perceived improvement in reporting and monitoring systems as a result of the application of the CERF. Normal monitoring systems and practices were in place and used to generate the CERF annual report. No additional, joint processes were applied as a result of CERF funding. 	2012 Kenya PAF Review
	<ul style="list-style-type: none"> Although CERF-recipient agencies require detailed reporting from NGO implementing partners, their submissions for the RC/HC's Annual Report on CERF funding in 2011 were weak, with incomplete or incorrect information and sections copied from proposals. Currently, the final RC/HC Annual Report is shared with the HCT but not the government. Though the report is available on the CERF website, the government and NGOs had little or no knowledge of the website. 	2012 Philippines PAF Review
	<ul style="list-style-type: none"> Given repeated experience of the CERF, most agencies were satisfied that they could construct reports to the CERF from their internal / existing monitoring and reporting systems and have not undertaken specific arrangements. By and large, the Funding Coordination Unit were happy with the quality and timeliness of agency reporting. In keeping with the very limited role of clusters in the CERF in Somalia, there were no joint, cluster led processes around reporting. There was no joint process in the HCT around reporting to the CERF and the report was not jointly discussed amongst United Nations agencies or with partners as part of the reporting process. 	2012 Somalia PAF Review
	<ul style="list-style-type: none"> Interviewees considered reporting and accountability with regards to the CERF to be weak and of less value as the information is not verifiable and there is limited participation and learning derived from the reporting exercise. The reporting process proved simpler than in previous years, but it remained challenging for OCHA DRC to compile the report given the predominant reliance on recipient agency reporting. 	2013 DRC PAF Review
	<ul style="list-style-type: none"> Agencies have standard monitoring, reporting and evaluation systems for measuring and reporting on results, but the effectiveness of the monitoring system in place and extent to which CERF projects were monitored could not be ascertained in the framework of this review. They seem to be of uneven strength. Even though CERF allocations supported an integrated response, there was little mutual accountability during project implementation. The RC/HC and HCT tend to only find out that projects are not implemented according to schedule when no-cost extension or reprogramming requests are submitted to the RC/HC for endorsement prior to their transmission to the CERF secretariat. 	2013 Sahel PAF Review

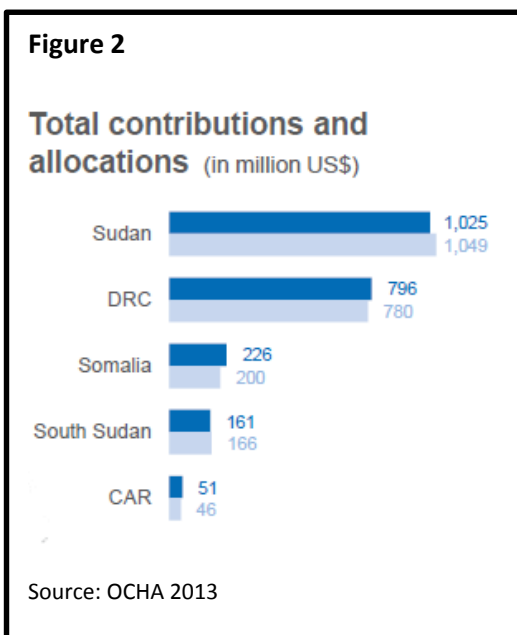
Common Humanitarian Funds (CHF)

12. The Common Humanitarian Funds were born out of the 2005 Humanitarian Reform, which called for improved timeliness of and accountability for humanitarian financing. The core characteristics are provided in Table 1. CHFs support cluster coordination and allow humanitarian coordinators (HC) to fund planned humanitarian response based on strategic planning and identification of needs in country. Disbursements from the CHFs are made available to United Nations (United Nations) agencies and non-governmental organisations (NGOs) that participate in the country's consolidated appeals process (CAP). A small proportion of a fund's budget, usually around 10 percent, is reserved for emergency response.

13. CHFs provide government donors with an opportunity to pool their unearmarked contributions to a specific country, to enable timely and reliable humanitarian assistance. For those donors that do not have a strong presence in country or in-depth country knowledge, CHFs offer a platform through which they can channel their funding. For donors with in-country representation, funding any of the five funds in operation can lessen the administrative burden associated with bilateral funding and can promote coordination of humanitarian interventions.

14. CHFs are under the authority of the Humanitarian Coordinator (HC), with support from OCHA and UNDP for the fund's day-to-day management and financial administration. An Advisory Board, which includes donor, United Nations and NGO representatives, advises the HC on policy and strategic issues.

15. CHF allocations are based on a consultative process that engages sector and cluster groups and other relevant stakeholders at the country level in a comprehensive prioritization exercise. CHFs typically undertake two standard-allocation rounds per year, which allocate the bulk of available funding. The HC can also launch special allocations to respond to specific needs or emergency contexts, as required. The size of a CHF varies by country (usually between US\$60 million and US\$120 million per year), but should be commensurate to the overall size of the humanitarian operation so that it can make the desired impact. CHFs are replenished through voluntary contributions, mainly from a small group of United Nations Member States. Contributions are received and managed by the UNDP Multi-Partner Trust Fund Office (MPTF).



16. There are distinct roles in the management and implementation of CHFs:

- The Administrative Agent concludes legal agreements for fund establishment, receives financial resources from contributors and then disburses such resources—in amounts approved by the fund's steering committee—among the implementing entities responsible for carrying out projects. The agent also holds and manages funds in trust, provides tools to ensure transparency and result tracking, and prepares consolidated programme and financial reports for the

steering committee and contributors. The administrative agent does not make project funding decisions.

- Fund operation is directed by a steering committee with the support of a secretariat.
- Fund implementation is the domain of implementing entities that receive financial resources directly from the fund through its administrative agent and manage them to carry out a range of agreed activities.

The division of responsibilities is shown in Table 3 below:

Table 3: Roles in the management and implementation of CHFs

	CHF	CERF	ERFs
Fund Administration	MPTF Office (all six CHFs), with some roles delegated to UNDP COs for the two oldest CHFs in DRC and Sudan	OCHA	OCHA
Fund Operations	HC/OCHA clusters	OCHA	OCHA
Fund Implementation	United Nations organisations (this may include OCHA and UNDP)		
Fund Implementation/NGOs (managing agent role with separate codes on GATEWAY)	UNDP county office (DRC, Sudan, CAR, South Sudan) OCHA (Somalia, Afghanistan)		

17. The MPTF Office administers all five CHF (including Somalia) operational as of end of 2013, as well as Afghanistan that was established in 2014. UNDP country offices play the role of managing (or management) agent in four of the six CHFs, in which capacity it takes on the programmatic and fiduciary responsibility for NGOs grants, that it administers; OCHA is the managing agent in the two other CHFs.

18. There are currently CHFs in five countries with on-going, large humanitarian operations as detailed in Table 4 below. The relative size is given in Figure 2.

Table 4: Summary of CHF (Source: Global Humanitarian Assistance profile 2012)

CHF	Lifespan	Number of donors	Notes
DRC	2006-present	11 governments	
Sudan	2006-present	8 governments	
CAR	2008-present	4 governments	ERF converted to CHF
Somalia	2010-present	13 governments	ERF converted to CHF

South Sudan	2011-present	2 governments	Split from Sudan CHF
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19. The following reviews and evaluations of the CHF are noted:

- 2006 Common Funds for Humanitarian Action Monitoring and Evaluation Study (Sudan and DRC) (Center on International Cooperation NYU and the Humanitarian Policy Group, commissioned by donor group)
- 2007 Evaluation of Common/Pooled Humanitarian Funds in DRC and Sudan (Willitts-Kings et al., commissioned by OCHA)
- 2009 Evaluation framework for CHF
- 2011 Evaluation of the CHF (with standalone CCSs in CAR, DRC and Sudan) (Channel Research, commissioned by OCHA)
- 2011 Scoping Study on Prospects for Integrating a Programme-Based Approach in CAPs and Common Humanitarian Funds (Stoddard, commissioned by UNHCR)
- 2013 Impact Evaluation of FAO's programme under the Common Humanitarian Fund (Larmoyer et al, commissioned by FAO)

Key findings of these documents are summarised in Table 5. In addition, a global evaluation of CHF is planned for 2014. Currently, a concept note and approach paper is available. A draft evaluation report is due in July 2014.

Table 5: Summary of findings of CHF evaluations

Theme	Key Findings	Source documents
Resource mobilisation	<ul style="list-style-type: none"> Although not by big leaps, Common Funds did contribute to increased volume of aid to the two countries by providing a convenient channel for donors to contribute proportionally greater amounts than previously. 	2006 M&E study DRC and Sudan
	<ul style="list-style-type: none"> It would lower transaction costs and enhance effectiveness if the CHF could exceptionally make multi-year grants to agencies where the clusters are able to make a strong case for such funding, perhaps in return for a higher level of monitoring. This would require donors to ‘front load’ their annual contributions more, and to consider making grants for up to two years at a time. 	2011 Evaluation
	<ul style="list-style-type: none"> Although it has not been demonstrated by numerical evidence, there is a strong sense among agencies that funding they ordinarily would have received bilaterally from certain large donors has been diverted into the common funds, where the agencies have to work much harder to receive a smaller share of it, and they can no longer count on donor additionality to their own programmes when they need it. This line of reasoning assumes that without the CHF the donors would still have stepped up their funding levels which is not assured (in fact, some CHF donors have stated that the existence of the multilateral funds enabled them to channel more funding than they would normally be able to manage in bilateral grants.) 	2011 PBA scoping study
	<ul style="list-style-type: none"> Provides donors without field presence or in-depth country knowledge with a platform through which they can channel their funding 	2011 GHA Review
Timeliness of disbursements	<ul style="list-style-type: none"> Although participating donors took pains to establish the new financing mechanism, their internal, home office funding mechanics did not change accordingly to enable them to frontload the Funds in the early part of the year. The goal of predictability of funding, therefore, was advanced little. 	2006 M&E study DRC and Sudan
	<ul style="list-style-type: none"> In relation to timeliness there are delays of up to 6 months between first between the time when a project is submitted for CHF funding, and actual fund disbursement following project approval. As NGOs have to complete more procedures than United Nations recipients, the period of time available to NGOs to implement projects is often no longer than 7 months, leading to the need for many No Cost Extensions (NCEs). 	2011 Evaluation
	<ul style="list-style-type: none"> In the FAO evaluation, while the quality of inputs was generally praised by most beneficiaries, issues were also noted related to FAO’s capacity to deliver timely inputs for agriculture, owing both to glitches in the FAO procurement processes, but also to the CHF system that cannot guarantee the delivery of funds for agencies to timely engage funds. 	2012 FAO Evaluation

Theme	Key Findings	Source documents
Relevance	<ul style="list-style-type: none"> • Donors should ensure funding for transition activities so that the Funds do not have to stretch to these and can focus on real emergency needs. Continued discussion is needed on how to define what constitutes humanitarian need. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> • As regards the scope of the CHF, there are differences in perception between donors on the extent to which the CHF can be used for ‘transitional’ or ‘recovery’ purposes: the reduction in the size of the CHF in all three countries has reduced the possibility of using the CHF for other than clearly humanitarian purposes, and there is a need for stronger linkages between the CHF and other Multi-donor Trust Funds (MDTFs) concerned with Recovery. • Given the fall in donor funding for the CHF, rather than widen its scope to recovery activities, HC and UNCT need to ensure more referrals from the CHF to other MDTFs concerned with recovery and stabilization. 	2011 Evaluation
	<ul style="list-style-type: none"> • The evaluation considered that an inadequate system to map priority needs related to the FSL sector was a cause for the sector being insufficiently strategic in its programming. 	2012 FAO Evaluation
Allocation process	<ul style="list-style-type: none"> • The allocation process poses the greatest risk to the credibility of the Funds and support from stakeholders. The decentralised allocation process depends on widely varying cluster capacity and significant weaknesses are likely to continue in the current system. • More detailed guidance is still needed from the centre on the allocation process. This should cover details of how to run meetings, voting systems, and how to assess whether activities are lifesaving. Sector/cluster leads should develop sector specific guidance. • Procedures should be streamlined so as to strike a balance between responsiveness and ensuring that only quality projects are funded. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> • The Advisory Boards should develop clearer guidance about what can be funded as lifesaving/humanitarian, and what recovery activities can be funded. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> • Problems identified in the allocation process include apparent conflict of interest issues, and difficulties faced by NGOs in access and participation. Moreover, some United Nations agencies that are not traditionally major players in humanitarian action seem to have benefited disproportionately from the mechanism in financial and visibility terms, showing huge jumps in funding from past years. This has raised questions as to whether the increased flows are being directed to the most capable actors, even if they do target priority areas. 	2006 M&E study DRC and Sudan

Theme	Key Findings	Source documents
	<ul style="list-style-type: none"> <li data-bbox="539 280 1749 379">• In relation to operational effectiveness and coherence a key feature of the CHF is that it is work in progress, and in all three countries there have been significant improvements made to the allocation of grants since 2007. <li data-bbox="539 383 1749 517">• In both Sudan and DRC the funds re-centralized the final allocation decision making with the HCs in the capitals after experimenting with regional/provincial level clusters making these decisions. This proved too much of a strain on the provincial cluster coordination system, and resulted in an overly granular allocation plan, which some judge to be attempts to ‘equally divide the pie’. <li data-bbox="539 520 1749 652">• While all the CHF’s underlying planning documents include higher-level strategic objectives it remains a project-based rather than a programme-based funding mechanism. Final funding allocations and reports are still made project by project. In addition although they contain ‘strategic objectives,’ these are put forward in broad terms, and expected outcomes are not clearly specified. 	<p data-bbox="1787 280 1977 308">2011 Evaluation</p> <p data-bbox="1787 383 2000 445">2011 PBA scoping study</p>
Role of NGOs	<ul style="list-style-type: none"> <li data-bbox="539 655 1749 927">• Many NGOs repeatedly expressed the concern that the mechanism is too United Nations-focused and top-down, choking off funding for NGOs or relegating them to the role of United Nations subcontractors. Although local NGO participation was limited in this first year, the mechanism shows potential for increasing the funding and capacity of these organizations, and enhancing overall response by promoting sustainability. On balance, there is no evidence to date that NGO humanitarian action in the two countries has been harmed by the Common Funds mechanism per se, but the system has failed to fully engage and utilize NGO capacities and gives insufficient weight to their primary implementing role. <li data-bbox="539 930 1749 1064">• For the most part INGOs have participated actively in the CHF’s and shown gains in overall in country funding as a result. Accustomed to the higher level of administrative requirements expected by donors for proposals and reporting, they seemingly have found the requirements of the pooled fund mechanisms less of a challenge than the United Nations agencies. <li data-bbox="539 1067 1749 1102">• CHF can be used to aid local capacity building by providing funding directly to local NGOS 	<p data-bbox="1787 655 1989 718">2006 M&E study DRC and Sudan</p> <p data-bbox="1787 930 2000 992">2011 PBA scoping study</p> <p data-bbox="1787 1067 2000 1094">2011 GHA Review</p>
Accountability	<ul style="list-style-type: none"> <li data-bbox="539 1129 1749 1228">• Monitoring and evaluation is very weak, both at strategic level – in terms of whether the Funds are having a positive impact – and programmatically, particularly for United Nations agencies. Current structures are ill-equipped to carry out these functions. <li data-bbox="539 1232 1749 1366">• The lack of monitoring remains the critical weakness of the CHF. DRC has gone furthest ahead in establishing a basic common reporting format together with an M&E function which involves visits to about 80 percent of the projects. However, the focus remains on management issues and whether or not outputs have been achieved, rather than the quality of these outputs or broader outcomes. 	<p data-bbox="1787 1129 2000 1192">2007 DRC and Sudan evaluation</p> <p data-bbox="1787 1232 1977 1259">2011 Evaluation</p>

Theme	Key Findings	Source documents
	<ul style="list-style-type: none"> • With most projects funded by multiple donors the problem is not a lack of monitoring data per se but a lack of consolidated analysis of all this data in a form which can be properly used by clusters when discussing the CHF allocations. • Simple Monitoring requirements for CHF recipients should be agreed across each cluster, and should be the same for all categories of partners. The performance of CHF recipients, both strong and weak, should affect future eligibility for CHF funding. 	
	<ul style="list-style-type: none"> • Pinning the pooled funding mechanisms to the organizational structure of cluster system has conflated financial accountability with accountability for results. A fund manager might necessarily need to know where and on what precise outputs the funding disbursements were spent. A strategic donor would be more concerned with final results, with less detail needed for expenditure that went into bringing about the results. 	2011 PBA scoping study
	<ul style="list-style-type: none"> • The FAO evaluation considered the lack of emphasis put on monitoring to be a strong shortcoming which undermined FAO's capacity to be a leader for the sector, and should be addressed. 	2012 FAO Evaluation
Role of Clusters	<ul style="list-style-type: none"> • Better training is needed for cluster/sector leads on their role and how to manage processes and agency investment is needed in Cluster leads with good technical capacity and coordination skills. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> • Clusters should be responsible for agreeing the criteria for project as well as strategic M&E and defining TORs for evaluations. This should be done by the cluster lead in consultation with cluster members. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> • The HC decision-making structures based in the cluster/sector system have been effective in mitigating inter-agency turf pressures as well as informing the process with crucial ground-level knowledge of needs and conditions. Having a formal structure also contributes to sustainability – mitigating fears that the system will be too dependent on strong personalities inhabiting the role of HC. However, cluster leadership has varied, and not all leads have actively engaged NGOs, and particularly local NGOs. 	2006 M&E study DRC and Sudan
	<ul style="list-style-type: none"> • CHF has had a mixed impact on the cluster system: more agencies have become involved with clusters, but the competition for CHF funding often poses major challenges for cluster leads and co-leads, and the transfer of CHF allocation responsibilities to clusters has not yet been matched by a commensurate transfer of human and financial resources to enable them to discharge these responsibilities 	2011 Evaluation

Theme	Key Findings	Source documents
	<ul style="list-style-type: none"> • While the CHF has required individual clusters to prioritize, overall prioritization between clusters is still problematic and requires strong humanitarian leadership. Though DRC has done the most to correct this deficiency, the major constraint faced by the three funds is the lack of basic feedback to Clusters and Advisory Boards on project outcomes, caused by the lack of monitoring and evaluation. • In theory, clusters should be able to agree on common outcomes and strategies for the sector, but in practice this does not always happen. For one thing, agencies may differ in their methodology and approach to a problem. If WFP's strategies derive from its annual food security assessments, and other actors use different criteria, it is not necessarily a straightforward process to bring them all together. If methods are rooted in global organisational policies, the reconciliation may have to be worked out at headquarters rather than by the clusters in country (a top-down approach that is currently happening in a collaborative effort between WFP and UNICEF on nutrition strategies). • Since the purpose of the clusters is to unify actors under common objectives for the sector as a whole, the cluster system is justifiably seen by some as a critical building block of a programme-based approach at the sectoral level. However the system does not adequately account for programmes that cut across sectors (e.g. UNHCR). 	<p>2011 Evaluation</p> <p>2011 PBA scoping study</p> <p>2011 PBA scoping study</p>
	<ul style="list-style-type: none"> • The performance of FAO as FSL sector/Cluster co-lead has been successful in terms of promoting good information sharing and dialogue among sector members and supported increased collaboration and dialogue between the aid community and relevant Government partners. With respect to fostering strategic sector planning, results are rather limited: though overlaps between agencies were generally avoided, sector planning still failed to be genuinely strategic with partners' interventions remaining rather individually managed. Related to its responsibilities to manage accountability and oversight over sector activities, FAO appears to have achieved poor results, as a result of a lack prioritization of this function. 	<p>2012 FAO Evaluation</p>
Transaction costs	<ul style="list-style-type: none"> • For donors the CHF has offered great savings on transaction costs, and has enabled them both to support humanitarian efforts in countries in which they might not be able to operate, and to reach a far greater range of actors, especially local NGOs, than would be possible through normal bilateral funding. However, both transaction costs and risks have also been transferred from donors to the clusters. • The review finds it to be an acceptable trade-off for the effectiveness gains made by devolving the humanitarian decision-making closer to the field, and while burdensome to many actors in the field, on balance has not detracted overmuch from substantive programming work 	<p>2011 Evaluation</p>

Theme	Key Findings	Source documents
	<ul style="list-style-type: none"> In order to reduce transaction costs and encourage more multi-sectoral projects involving local NGOs, there is a case for the CHF to encourage consortia of agencies to submit joint proposals under a single lead agency. 	
Management structures	<ul style="list-style-type: none"> The role of the Board is inconsistent and does not provide a sufficiently robust framework for balancing the personality of the HC – whether strong or weak. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> Sufficient staffing must be ensured and maintained: ‘The boat has been built while it is rowed down the river’, putting significant strain on individuals and leaving a legacy of inconsistent and changing systems. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> Funding of OCHA’s management of the funds should be transparent and covered directly by donors instead of reducing the amount of money available for beneficiaries. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> Given the number of projects, especially in the DRC and Sudan it is very difficult for OCHA, UNDP, and the Joint PF Unit staff in the DRC, as well as clusters to continue to cope with such an ever increasing workload, and the decline in funding has tended to exacerbate the competition for CHF funding between United Nations Agencies, INGOs, and local NGOs. 	2011 Evaluation
	<ul style="list-style-type: none"> UNDP stewardship of the funds was highly problematic. While it performed the Administrative Agency function adequately, as the NGO funding conduit it suffered from difficulties and delays stemming from its internal regulations and a contracting format inappropriate for humanitarian programming. During the pilot year, UNDP largely failed to meet expectations in its role as NGO partnering institution for the mechanism, in large part due to UNDP’s use of the NGO execution modality, as specified in the Funds’ TOR. 	2006 M&E study DRC and Sudan
	<ul style="list-style-type: none"> In the initial stages of the Funds, UNDP encountered several administrative difficulties with its MA role and its performance was disappointing, with slow disbursements, cumbersome systems, a lack of clarity over procedures. But, to UNDP’s credit, in both Sudan and DRC much progress has been made and most NGOs have a reasonably favourable experience with UNDP’s administration, although there are still delays with disbursements. Although UNDP has made a concerted effort to adapt its procedures, it is questionable whether it is fundamentally equipped to undertake programme management of humanitarian projects. Issues that remain to be addressed include legal contracting requirements, differences in interpretation of rules, speed of disbursement, and monitoring and evaluation. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> UNDP has worked hard to improve its performance as Managing Agent (MA) for NGO recipients, but is still not able to offer a comprehensive monitoring service to justify what it charges for this MA function. Other options to the current arrangement of UNDP acting as the Management Agent 	2011 Evaluation

Theme	Key Findings	Source documents
	<p>should be explored in order to ensure that the most efficient management model possible is in place. These options include OCHA taking on the MA role itself, or putting CHF management services out to competitive tender.</p>	
Results on ground (humanitarian outcomes)	<ul style="list-style-type: none"> • In relation to operational impact, the CHF has indeed ‘contributed to improvements in the humanitarian community’s ability to address critical humanitarian needs in a timely and effective manner. • Probably the strongest impacts of the CHF have been where HC’s have made strategic use of the Emergency Reserve, especially in the DRC. 	2011 Evaluation
	<ul style="list-style-type: none"> • The FAO assessment evidenced the following in terms of impact: support provided to farmers in the form of vegetable and groundnuts seeds generally had a remarkable impact on households’ food security. Support to cereals cultivation was also positive in helping households eat for longer from their own production. The evaluation judged that some of the positive changes could be to some extent attributed to the interventions supported by CHF funds, principally due to the positive effect on vulnerable households of free and improved seeds. 	2012 FAO Evaluation
Impact on humanitarian reform	<ul style="list-style-type: none"> • Overall the study concludes that the Common Fund mechanism has improved the process by which humanitarian response is planned, prioritized, and coordinated. It has also strengthened the position of the Humanitarian Coordinator, created strong incentives for coordination, and increased opportunities for actors to participate in a more coherent manner. As such it represents a significant step forward in international financing of humanitarian action. 	2006 M&E study DRC and Sudan
Coordination and connectedness	<ul style="list-style-type: none"> • The Funds (Sudan and DRC) have been allowed to evolve in different directions and have created different solutions for the same problems. Over the course of the next year, the Funds should harmonise where possible while retaining the flexibility to adapt to the local country and agency context. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> • More learning between Sudan and DRC would be valuable, led by a HQ support function. This is particularly important given the likely turnover of staff with considerable institutional knowledge. 	2007 DRC and Sudan evaluation
	<ul style="list-style-type: none"> • CHF displays a lack of coordination with other funds that operate in the same country 	2011 GHA Review
Sustainability	<ul style="list-style-type: none"> • Greater attention to sustainability is needed where the same needs (for example for water supplies, or rural roads in Eastern DRC) come up for funding every year. 	2011 Evaluation

Emergency Response Funds (ERFs)

20. Emergency Response Funds (ERFs) are country-based pooled funds that rapid and flexible funding to respond to unforeseen, sudden-onset humanitarian emergencies. Occasionally funding is provided emergency preparedness. Their key characteristics are provided in Table 1 above. ERFs predominantly fund NGOs (although United Nations agencies are also eligible) and actively support national NGOs. In recent years, the funds have increased direct allocations to NGO partners: they have provided almost three quarters of total 2011 funds to international NGOs and close to 20 percent directly to local NGOs.

21. ERFs allow Humanitarian Country Teams—who are best informed of the situation on the ground—to swiftly allocate resources where they are most needed. Humanitarian Coordinators (HCs) oversee the ERFs, while OCHA oversees the day-to-day management and financial administration. The HC makes decisions on ERF grants with the support of a Technical Review Board and the sector/cluster groups. An Advisory Board with donor, United Nations and NGO membership advises the HC on policy and strategic issues. ERFs are financed by governments and by private sector contributions, earmarked at the country level only.

22. There are currently 13 ERFs in operation, in Afghanistan, Colombia, DRC, Ethiopia, Haiti, Indonesia, Kenya, Myanmar, occupied Palestinian territory, Pakistan, Syria, Yemen and Zimbabwe.

23. The following reviews and evaluations of the ERFs are noted:

- 2007 Review of OCHA Emergency Response Funds (Angola, DRC, Ethiopia, Indonesia, Liberia and Somalia) (Mowjee and Randel, commissioned by OCHA)
- 2007 Global Humanitarian Assistance review of ERFs
- 2010 Audit report on OCHA's management of ERFs (United Nations Office of Internal Audit services)
- 2011 External Evaluation of the Haiti Emergency Relief & Response Fund (ERRF) 2008-2011 (Lezlie C. Morinière, commissioned by OCHA)
- 2011 Evaluation of the Pakistan Emergency Response Fund (Andy Featherstone, commissioned by OCHA)
- 2013 Global evaluation of Emergency Response Funds (including CCSs in Afghanistan, Colombia, Ethiopia, Indonesia and the Occupied Palestinian Territory) (Universalis, commissioned by OCHA)

Key findings of these documents are summarised in Table 6.

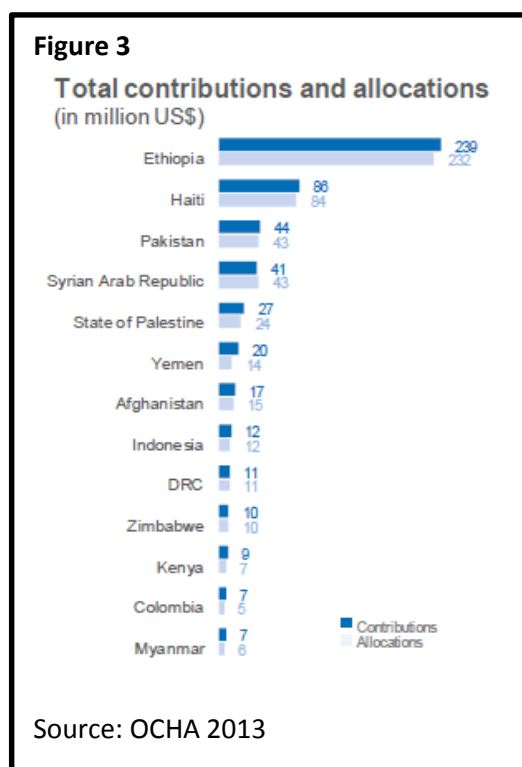


Table 6: Key results arising from ERF evaluations

Theme	Key findings	Source Documents
Resource mobilisation	<ul style="list-style-type: none"> Haiti/ERRF threw OCHA into the driver’s seat among major donors; with US\$80 million, ERRF was suddenly perceived by many as one of the “big-boys”. If volumes of this level were to become a trend for ERFs, it could entirely change the future face of OCHA—who must be poised to take on this new profile based on evolving perceptions of stakeholders. 	2011 Haiti review
	<ul style="list-style-type: none"> ERF is a convenient channel for humanitarian funding, especially into countries where donors have no presence. 	2011 Haiti review
	<ul style="list-style-type: none"> ERF has not been able to achieve its objective of being a catalytic instrument to mobilize resources, in part due to its relatively small size and project-by-project basis. ERF faces funding challenges in most instances. Many ERFs are either underfunded, or have lost the perception that they are relevant and thus have faced successive donor reductions. 	2013 Global Evaluation
Timeliness of disbursements	<ul style="list-style-type: none"> Although it was generally acknowledged that the ERFs were a comparatively rapid mechanism for the financing of emergency humanitarian activities, there remained unnecessary delays in the approval and financing of projects, largely the result of a lack of clarity and shared understanding on the precise roles and responsibilities between OCHA country offices and the OCHA Administrative Office in Geneva. 	2010 Audit Report
	<ul style="list-style-type: none"> The period from design to approval in Haiti was found to exceed 2 months, and “difficult to consider rapid”. Design consumes 48 percent of this time and Clearance another third (36 percent). Furthermore, retroactivity of expenses to the date of the HC endorsement ended in Nov 2010 and there is great concern from IPs that this will cause further delays. The Haiti ERRF was nonetheless rapid when it absolutely had to be following the earthquake and cholera outbreak. 	2011 Haiti Review
	<ul style="list-style-type: none"> In Pakistan, while disbursements were quicker than ERFs in other countries, the time taken for projects to be approved and funds to be disbursed was relatively lengthy, taking on average 63-days. While many communities found the assistance timely, there were some examples of time-critical projects which were compromised as a result of delays in the ERF review process. It is recommended that the ERF proposal has an additional section included in the template for time-sensitive projects where a deadline for decision-making can be noted, and a fast track funding process be introduced. 	2011 Pakistan Review
	<ul style="list-style-type: none"> While current approval procedures are necessary to ensure probity, they are generally not seen as sufficiently rapid, by NGOs in particular. Approval mechanisms and especially the way most Review Boards function were seen as inadequate to ensure 	2013 Global Evaluation

Theme	Key findings	Source Documents
	<p>congruity among projects and thus promote a stronger level of coordination.</p> <ul style="list-style-type: none"> The current ERF model, which does not permit capacity building for NGO applicants, may prolong the application process. 	
	<ul style="list-style-type: none"> The ERF fills an organizational gap in that it is one of the few United Nations mechanisms that can rapidly respond to NGO requests. Rapidity in the context of an ERF, however, does not mean being there first few days/a week after a crisis. The ERF cannot, nor should be seen as a true first responder. The very fact that it is designed to “fill gaps” and “unforeseen needs” implies the existence of a prior plan. 	2013 Global Evaluation
Effectiveness	<ul style="list-style-type: none"> Though interviewees had the impression that ERFs are flexible, some ERFs have introduced rules that make them inflexible and reduce their effectiveness. Examples include setting a low ceiling on project size in Indonesia, not allowing recipients to move more than 10 percent between budget lines, and not allowing recipients to purchase capital assets like communications equipment. At country level, an ERF should have sufficiently broad objectives to avoid setting up separate ERFs for different purposes. This will avoid confusion amongst recipients and an additional management burden for OCHA. 	2007 ERF Review
	<ul style="list-style-type: none"> Flexibility was the single most recognized quality of the Haiti/ERRF, followed by targeting of marginalized populations and relevance. ERRF derives its relevance by addressing evolving priority needs – as manifest in the evolution of project selection criteria with each new disaster event. 	2011 Haiti Review
Allocation process	<ul style="list-style-type: none"> In the Haiti case, following the 2010 earthquake, decisions were made to make allocations to United Nations agencies that were greatly in excess to usual ERRF mandate. Even if these exceptional envelopes were designed for eventual redistribution to NGO implementing partners (for which evidence was scant), they did not make humanitarian response any more rapid and their existence detracted from the mechanism mandate. 	2011 Haiti Review
	<ul style="list-style-type: none"> In Haiti the cluster coordination mechanism was successful in bringing to the surface appropriate proposals that meet identified needs. The ERRF management team took seriously their role of identifying needs and soliciting the right match of geographical and technical focus with partners that were able to produce positive results. 	2011 Haiti Review
	<ul style="list-style-type: none"> In Pakistan the ability to prioritise the use of the ERF has been hampered by a lack of information on humanitarian needs. 	2011 Pakistan Review

Theme	Key findings	Source Documents
	<ul style="list-style-type: none"> Feedback from communities about the relevance of ERF projects was overwhelmingly positive and a strong focus on gender ensured that the needs of women were often prioritised. While it negatively impacted on timeliness, the participation of the clusters in the review process strengthened the relevance of ERF-funded projects. New ERF Guidelines are making a difference in improving the ERF processes but require further clarifications. The new ERF Guidelines are likely to improve accuracy and timeliness of ERF processes. However, the effort to standardize brings with it the risk of over simplification in some instances or the reduction of necessary flexibility in others, and therefore a fully standardized approach may weaken the overall effectiveness of ERFs. 	2013 Global Evaluation
Role of NGOs	<ul style="list-style-type: none"> ERFs provided limited support to local NGOs (in the early period) even though they are often the first line of response in an emergency, may be the only organisations to access certain areas (in conflict situations) and are the implementers for almost all international NGOs and United Nations agencies. The 2-tranche model of financial disbursements adopted by the Pakistan ERF linked to the limited project monitoring capacity of the Secretariat and the lack of timely audits has undermined partnerships, particularly with NNGOs. The RAPID model of providing funding in 3 disbursements with the second disbursement contingent on a successful mid-term monitoring visit would allow the greatest chance of successful project outcomes. 	2007 ERF Review 2011 Pakistan Review
Results on ground (humanitarian outcomes)	<ul style="list-style-type: none"> If humanitarian response is categorised into immediate response, addressing on-going needs and post-crisis recovery, ERFs have provided greatest added value in the middle phase, by filling a range of gaps in humanitarian response, increasing humanitarian access and enabling NGOs to scale up their activities. The Haiti ERRF appears to be primed for success in meeting its objectives and outcomes. There is little doubt that the ERF offers a valuable source of support for those affected by crises in Pakistan. The results credited to the ERF are impressive but a more rigorous system to track outputs and monitor progress is required to ensure adequate control and credibility. The ERF mechanism is only making minimal contributions to resilience and disaster preparedness, due to the demand for more traditional emergency responses and the relatively small size of ERFs in general. 	2007 ERF Review 2011 Haiti Review 2011 Pakistan Review 2013 Global Evaluation

Theme	Key findings	Source Documents
	<ul style="list-style-type: none"> ERFs play a valued, albeit limited role, in supporting civil society to respond to unforeseen gaps in the overall humanitarian response. The ERF is a specialized tool that is best used when a sufficient critical mass of donor support is brought to bear in conditions of on-going or chronic emergency, combining both natural disasters and conflict causes, in rapidly developing or protracted situations. It appears to be less effective when used in prolonged crisis situations. 	2013 Global Evaluation
Impact on humanitarian reform	<ul style="list-style-type: none"> ERFs have strengthened OCHA's coordination role. This is because OCHA can not only identify unmet needs but also solicit proposals to meet them. The availability of funding also gives NGOs an incentive to participate in coordination meetings. Finally, having proposals reviewed by the advisory board avoids duplication and promotes collaboration between United Nations agencies and NGOs. 	2007 ERF Review
	<ul style="list-style-type: none"> Generally, the ERFs have made positive contributions to the effectiveness of humanitarian programming and leadership of the humanitarian response at the country level, albeit constrained by the small size of ERF interventions but there is ambiguity about where ERFs fit within the totality of the humanitarian response. 	2013 Global Evaluation
	<ul style="list-style-type: none"> The ERF process has made a limited but noticeable contribution to strengthening coordination and leadership. Strengthening humanitarian leadership, improving coordination and reinforcing OCHA at the country level are among the anticipated outcomes of the ERF mechanism. However, the ERF alone cannot be expected to make more than a modest contribution to humanitarian leadership and, as was pointed out, requires sufficient cash to influence some partners. 	2013 Global Evaluation
Coordination and connectedness	<ul style="list-style-type: none"> In some countries, OCHA offices have developed additional funds with different names for specific purposes, which has sometimes led to confusion about the remit of individual funds. 	2007 ERF Review
	<ul style="list-style-type: none"> OIOS considers that OCHA must continually review the overall objectives and purposes of each ERF to ensure that the types and scope of humanitarian activities funded by them do not duplicate or overlap with the activities of existing humanitarian and other mechanisms, but rather complement them or fill gaps not already addressed. In particular OCHA needs to ensure that the ERFs and CERF do not duplicate on United Nations funding and may need to explore whether ERFs should be restricted to NGOs. 	2010 Audit Report
	<ul style="list-style-type: none"> In Pakistan while the ERFs strengths lie in it being woven into the fabric of humanitarian coordination, there is the potential for the ERF to learn some important lessons about strengthening partnership and monitoring from OFDA's RAPID fund. 	2011 Pakistan Review

Theme	Key findings	Source Documents
Accountability	<ul style="list-style-type: none"> • Donors have limited engagement with ERFs in-country, often relying solely on OCHA's annual reporting even though some would like more feedback on the outcomes of ERF-funded projects. 	2007 ERF Review
	<ul style="list-style-type: none"> • Recipients found OCHA's reporting format straightforward but the requirement for monthly as well as interim and final reports is burdensome for small or short projects. OCHA's recent requirement that every ERF project is audited is expensive (the cost is covered by the ERF) and puts additional demands on pressurised NGO staff. 	2007 ERF Review
	<ul style="list-style-type: none"> • Although there have been recent efforts by some OCHA country offices at improving the quality of monitoring and reporting of ERF performance, OIOS found that there was a need for further attention to ongoing monitoring of ERF-funded projects and better use of information. Substantial information is provided by grant recipients on agreed project specific indicators and outcomes, however, this information was not systematically used by OCHA nor shared amongst other partners to improve decision-making. 	2010 Audit Report
	<ul style="list-style-type: none"> • Post grant monitoring of Haiti/ERRF projects has been unsystematic. A single M&E visit entails an investment of minimum 10 hours work. Finding the required 62 days at the right time within an ERRF officer's one year contract is a monumental task – one that would entail craftily planning roughly one visit every working week. 	2011 Haiti Review
	<ul style="list-style-type: none"> • In Pakistan the audit process has highlighted discrepancies between the ERF Guidelines and the Agreement which has caused considerable confusion amongst partners. It will be important to address this in future document revisions. 	2011 Pakistan Review
	<ul style="list-style-type: none"> • New approaches to audit are beginning to take effect and remedy a long-standing concern. • The project-based nature of the ERF mechanism has made it difficult to go beyond output reporting and address questions related to the impact of ERF activities. With very few exceptions, the country-based ERF mechanism has not undertaken evaluations to a sufficient degree, although several examples indicate that such country-level, project-based evaluations can be conducted if sufficient resources are allocated. • The absence of overall standards for quality of the management of the ERF process at the country level impedes OCHA's ability to manage the mechanism efficiently and effectively. 	2013 Global Evaluation
Management Structures	<ul style="list-style-type: none"> • In general OCHA had established processes at the country level for the assessment and approval of grants that were appropriate and adapted to the circumstances and purpose of these funds. However, there remained unnecessary delays in the approval and financing of projects, due to a lack of clarity and shared 	2010 Audit Report

Theme	Key findings	Source Documents
	<p>understanding on the precise roles and responsibilities between OCHA country offices and the OCHA Administrative Office in Geneva.</p> <ul style="list-style-type: none"> • There is a need to improve overall policy guidance to OCHA offices to improve the consistency, efficiency and effectiveness of management of ERFs across the funds. Although the recent establishment of the OCHA Funding Coordination Section in New York had already led to greater sharing of ideas, knowledge and tools on ERF management, there remains further work to be done on improving guidance, minimum standards and requirements 	
	<ul style="list-style-type: none"> • Haiti review finds that the ERRF management ToRs do not pay sufficient attention to proposal design, and CERF management (which draws on the same knowledge base required by ERRF). 	2011 Haiti Review
	<ul style="list-style-type: none"> • The Haiti ERRF is considered to be systematically under-resourced, managed by no more than two people at any given time despite being one of the largest ERFs. 	2011 Haiti Review
Transaction costs	<ul style="list-style-type: none"> • In Pakistan programme support costs were considered relatively modest and the support of the clusters played an important role in driving costs down. 	2011 Pakistan Review
	<ul style="list-style-type: none"> • OCHA appears to be a cost-efficient manager of ERF funds. As part of the Secretariat, OCHA charges a 3 percent 'Program Support Cost' fee (though its normal fee is 13 percent). This goes into OCHA's overall budget and is not related directly to ERF management costs. So some OCHA offices have charged an additional amount of US\$200-270,000 for administration costs in the field. The fact that some offices have chosen not to charge donors for field management costs makes ERFs more cost-efficient. OCHA needs to explore the staffing issue internally and decide under what circumstances it needs to levy an additional charge and should fully and transparently account for their use of these funds. 	2007 ERF Review
Sustainability	<ul style="list-style-type: none"> • ERFs tend not to have an exit strategy – their lifespan is determined by the presence of an OCHA office or the availability of funding. This may be because most ERFs have been initiated by donors but the issue needs to be recognised and addressed by existing ERFs. 	2007 ERF Review

Annex 12: Data on WFP Use of Pooled Funds

Datasets

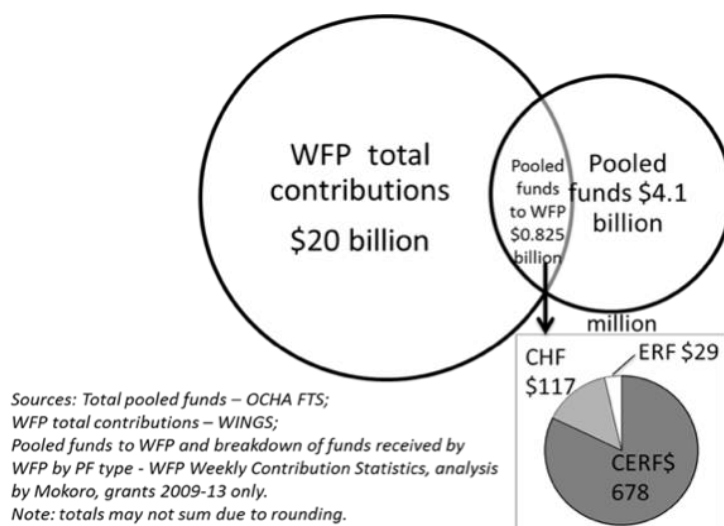
1. The team has considered two subsets of the Weekly Contributions data to gain an understanding of the data “Universe” (all the funds received by WFP from the three pooled funds considered). The first set includes all operations with CERF/CHF/ERF contributions in years 2009-2013, thus totals may include contributions in previous years. This dataset has been used when the team has needed to compare contributions from the three funds to WFP with total contributions received by WFP. However, it has the disadvantage that it includes some contributions from previous years, equating to slightly over 10% of the total. Therefore, where comparison has not been necessary, a subset of the above has been used which only includes grants issued within 2009-2013. Since this subset of the initial data most accurately reflects the timeframe under consideration, this dataset has been used wherever possible.

2. It is further noted that multilateral donations have not been taken into consideration as they derive from a separate data source (SPR). This has been used for specific analysis elsewhere in the report. In those instances, the data was given on an operations-level, so that it included grants issued prior to 2009 for operations that commenced prior to 2009 but continued into the timeframe considered.

Overview

3. Figure 1 below provides the context for the exploration of the data that is to follow. Over the time period considered, the WFP received approximately US\$20 billion⁴⁶ in contributions, of which 4% came from the pooled funds: CERF, CHF and ERF. Conversely, the pooled funds gave around 20% of their funds to WFP, and of this approximately US\$825 million,⁴⁷ over 80% derived from CERF funds.

**Figure 1: Pooled fund contributions 2009–2013
US\$millions¹**

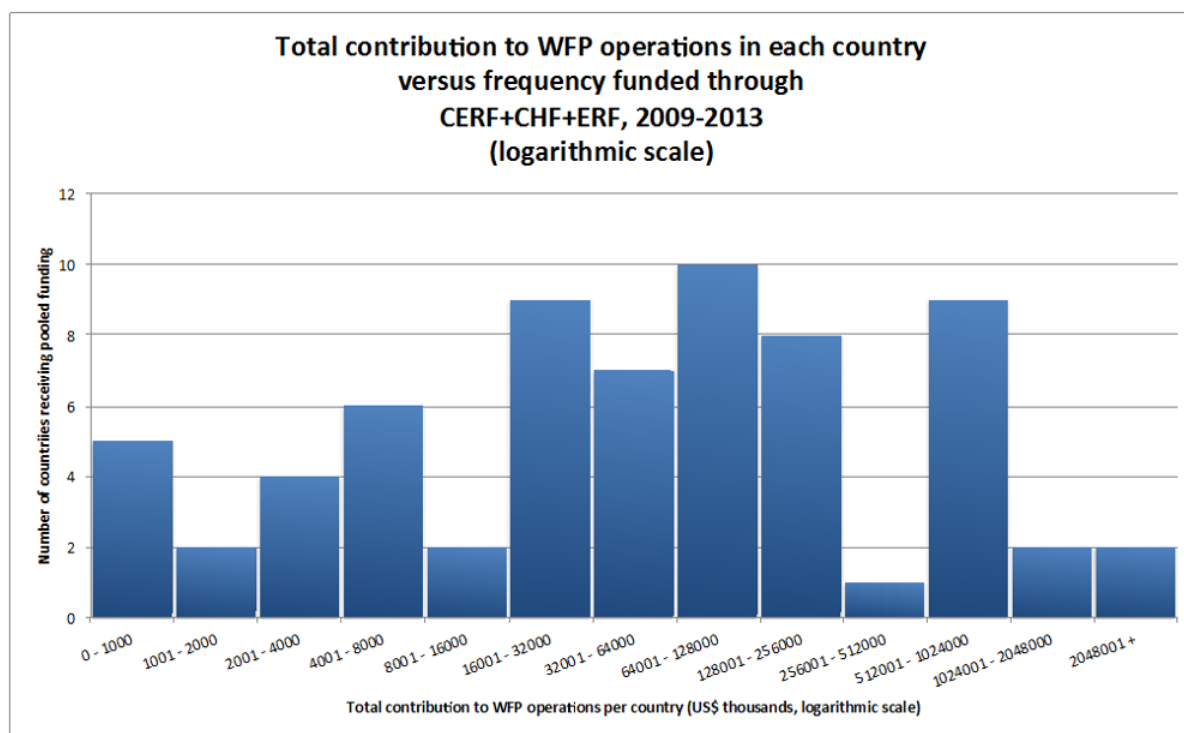


⁴⁶This number is derived from WINGS data available on the WFP website at <http://documents.wfp.org/stellent/groups/public/documents/research/wfp245536.pdf>. It is the amount of contributions received for all WFP operations in 2009-2013.

⁴⁷This number is derived from the team’s analysis of WCS data. It is rounded to the nearest million, in full it is US\$824,941,000.

4. The PFs contribute to country operations of various magnitudes, in terms of the total contributions received by each country, from less than US\$150,000 to more than US\$2 billion,⁴⁸ as Figure 2 below shows. Note the necessity of using a logarithmic scale which reflects the large range.

Figure 2: Histogram of total contributions to WFP country operations that are also funded through PFs

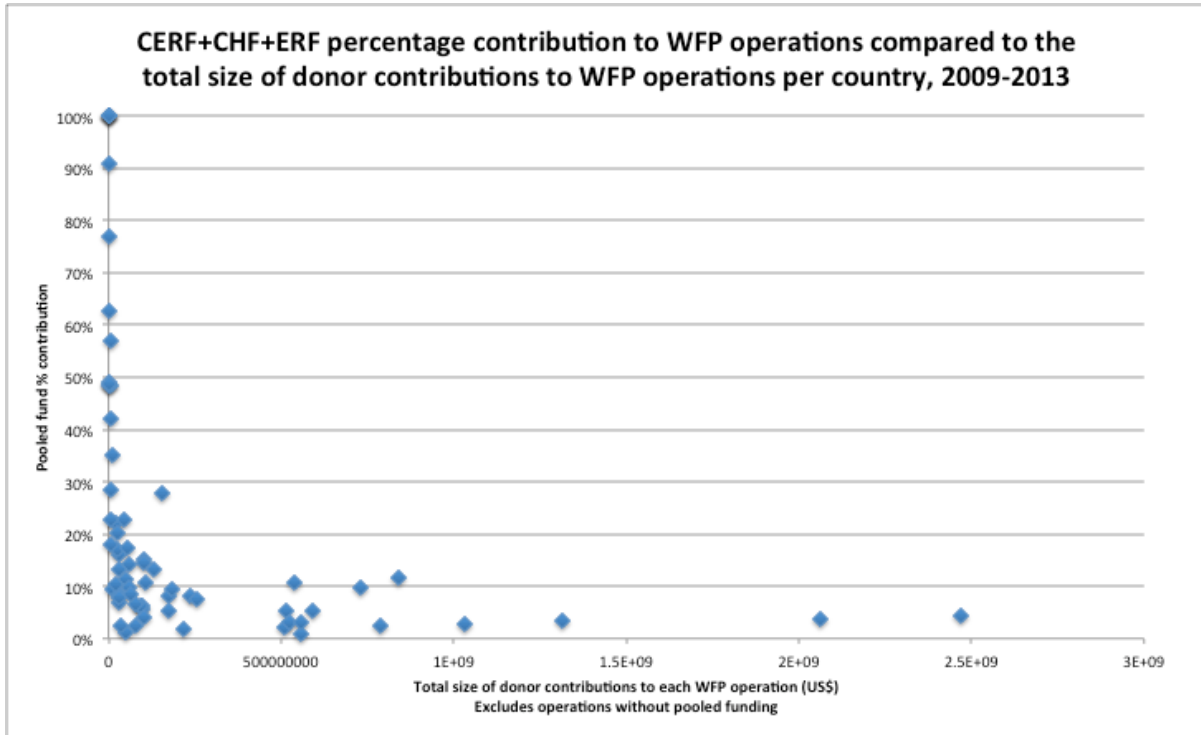


Source: Data based on WFP Weekly Contribution Statistics. All operations with CERF/CHF/ERF contributions in years 2009-2013 were considered thus totals may include contributions in previous years. Total contributions to WFP operations excludes multilateral contributions.

5. Considering the percentage of funding that the operations in each country receive from the three PFs compared with the total contributions received by the operations funded by PFs in that country, the distribution can clearly be seen to be skewed towards the smaller operations, with many of these smaller operations receiving a large percentage of funding from the PFs.

⁴⁸Contributions received for operations in Tanzania and Sudan respectively that received pooled funding.

Figure 3: Scatter diagram of size of contribution to WFP operations in country compared with percentage funded through PFs



Source: Data based on WFP Weekly Contribution Statistics. All operations with CERF/CHF/ERF contributions in years 2009-2013 were considered thus totals may include contributions in previous years. Total contributions to WFP operations excludes multilateral contributions. Some contributions appear to be zero due to the wide range considered.

6. In the time period considered, the 3 PFs supported 217 WFP operations. Their average contribution to the operation was US\$4.3 million, but ranged from as little as US\$15,718 to as much as US\$44,962,367.

Table 1: Overview of PF support to WFP from 2009 to 2013

	CERF	CHF	ERF	Grand Total
Number of PF grants to WFP	365	76	21	462
Number of operations supported by PFs	203	31	16	217
Average PF contribution per operation (US\$)	3,788,861	4,470,169	2,030,512	4,332,729
Min PF contribution per operation (US\$)	15,718	191,692	50,000	-
Max PF contribution per operation (US\$)	34,996,192	15,298,694	10,156,107	-

Source: WFP Weekly Contribution Statistics, grants 2009-2013 only. Note: totals may appear inconsistent with the sum of the individual parts as PF contributions to operations could come from more than one fund.

Constancies, trends and discontinuities: a consideration of the data over time

7. Considering first the total amount funded by each of the 3 PFs over the five years under consideration, no obvious pattern of growth or decline emerges, with contributions from each of the funds peaking in different years (2009, 2012 and 2010 for CERF, CHF and ERF respectively). Having said this, the overall picture is of slight decline in funding, with total funds received from the 3 PFs declining at the end of the period by an equivalent 2% annually over the five year period, though within the five years there has been more substantial decline and growth, and if 2010-2013 were considered instead, the picture would be one of growth. Of the 3 PFs, only the ERFs received more funds in 2013 than 2009, though again there is much variation from year to year.

Table 2: Contributions from the 3 PFs to WFP from 2009 to 2013 (US\$)

Year	CERF	CHF	ERF	Grand Total
2009	151,508,464	25,440,237	3,000,000	179,948,701
2010	120,284,949	21,045,337	10,548,868	151,879,154
2011	126,152,447	22,838,581	7,409,985	156,401,013
2012	136,788,354	30,259,428	3,313,038	170,360,820
2013	143,280,021	17,896,633	5,174,689	166,351,343
Grand Total	678,014,235	117,480,216	29,446,580	824,941,032
CAGR⁴⁹	-1%	-8%	15%	-2%

Source: WFP Weekly Contribution Statistics, grants 2009-2013 only.

8. The pooled funds have principally funded three types of WFP operation: emergency operations (EMOPs), which have received the largest amount over the period; protracted relief and recovery operations (PRROs) which has received the most funding in 2012 and 2013; and special operations (SOs), which receives approximately half the funding of EMOPs but has experienced the highest increase in funding with a compound annual growth rate (CAGR) of 4%.

⁴⁹ As a caveat, it should be noted that as the figures fluctuate significantly year to year, the CAGR would be quite different if a different base year or end year was selected.

Table 3: Contributions received by operation type from 2009 to 2013 (US\$)

Year	DEV	EMOP	PRRO	SO	Grand Total
2009		87,067,970	61,828,604	31,052,127	179,948,701
2010	377,558	67,198,366	44,786,419	39,516,811	151,879,154
2011	179,662	58,895,630	69,305,736	28,019,985	156,401,013
2012		63,149,799	70,298,927	36,912,093	170,360,820
2013		64,538,514	66,119,131	35,693,698	166,351,343
Grand Total	557,220	340,850,279	312,338,818	171,194,714	824,941,032
CAGR		-7%	2%	4%	-2%

Source: WFP Weekly Contribution Statistics, grants 2009-2013 only.

9. Considering the geographical spread, it is immediately apparent that the only region to have received increased funding from PFs over the period is OMC due to the situation in Syria. OMP by contrast have declined significantly with the Latin American and Caribbean Bureau ceasing to receive pooled funding in 2013, and funding decreasing to Colombia. Haiti received a large sum in 2010, but its funding in 2013 was similar to that received in 2009 (see Table 6 below for full details).

Table 4: Geographical spread of pooled funding by regional bureaux 2009–2013 (US\$)

Regional Bureau	2009	2010	2011	2012	2013	CAGR
OMN	57,940,202	8,625,271	62,277,528	35,052,233	44,489,220	-6%
OMC	29,644,415	33,997,102	25,812,202	23,923,782	47,611,250	13%
OMB	35,960,200	32,447,398	31,843,507	31,558,276	25,889,809	-8%
OMD	14,243,198	32,663,065	17,374,741	51,925,700	27,550,209	18%
OMJ	30,721,664	17,021,341	11,609,105	22,268,717	18,346,798	-12%
OMP	9,725,202	26,133,708	6,483,930	5,632,111	2,464,057	-29%
n/a		991269	1000000			
HQ	768,565					
Grand Total	179,948,701	151,879,154	156,401,013	170,360,820	166,351,343	-2%

Source: WFP Weekly Contribution Statistics, grants 2009-2013 only.

10. Finally, Table 5 considers the use of the CERF underfunded window where countries have used the window repeatedly over the time period considered. It is interesting to note that the 3 countries that utilise it the most, Ethiopia, Chad and DPR Korea, all have no CHF, but conversely worth noting that both DRC and CAR, which do have CHFs, also make frequent use of this window.

Table 5: Countries that have utilised the UF window 4 times or more, 2009–2013 (number of grants issued)

Country	2009	2010	2011	2012	2013	Total
Ethiopia	3	2	2	1	1	9
Chad	1	5		1	1	8
Democratic People's Republic of Korea	2	2	1	1	2	8
The Democratic Republic of the Congo	2	2		3		7
Djibouti	1	2	1	1	2	7
Central African Republic	2		2	2		6
Colombia	2	1	1	1	1	6
Niger	2	1	2		1	6
Myanmar	1	1	2		1	5
Somalia	1		1		3	5
Yemen	1	3			1	5
Côte d'Ivoire	1			3		4
Pakistan			1	1	2	4
Philippines		1		2	1	4
Zimbabwe	2		2			4

Source: WFP Weekly Contribution Statistics, grants 2009-2013 only.

Country data

11. Table 6 gives full data contributions given to countries 2009–2013, taking into account only grants issued within that time period. This can be compared with the table produced in Annex 6 of the TOR which gives comparative data but also includes grants issued prior to 2009 where an operation started before the time period under consideration but continued into it.

Table 6: Summary data of pooled funding by country (US\$ thousands)

Country	Regional bureau	DEV	EMOP	PRRO	SO	CERF	CHF	ERF	2009	2010	2011	2012	2013	Grand Total
Afghanistan	OMB			648	4,000	4,648						648	4,000	4,648
Algeria	OMC			2,073		2,073							2,073	2,073
Bangladesh	OMB			1,001		1,001							1,001	1,001
Benin	OMD		1,808			1,808				1,808				1,808
Bolivia	OMP		597	2,819		3,416				1,974	845		597	3,416
Burkina Faso	OMD		3,781	3,768		7,549			2,159	721		4,668		7,549
Burundi	OMN			5,557		5,557			1,320		1,300	788	2,149	5,557
Cambodia	OMB		2,508			2,508					2,508			2,508
Cameroon	OMD		3,350	1,362		4,711						4,150	562	4,711
Central African Republic	OMD		2,493	5,296	4,495	10,319	1,966		1,299		2,150	3,626	5,210	12,285
Chad	OMD		2,970	8,085	2,752	13,807			1,022	4,554	1,000	4,178	3,053	13,807
China	n/a		450			450				450				450
Colombia	OMP			6,159		5,909		250	2,691	1,720	748	300	701	6,159
Congo	OMJ		4,426	983	164	5,572			3,018	334		2,220		5,572
Congo, DR	OMJ		14,048	9,484	35,478	28,139	30,871		20,765	9,686	7,135	14,593	6,830	59,010
Côte d'Ivoire	OMD		8,288	485	1,106	9,880			400		6,454	3,025		9,880
Cuba	OMP		1,783			1,783						1,783		1,783
Djibouti	OMN			5,817		5,817			200	925	2,108	934	1,650	5,817
El Salvador	OMP		424			424			424					424
Ethiopia	OMN			62,545	4,303	52,388		14,459	9,697	5,857	27,528	9,121	14,646	66,848
Gambia	OMD		3,720			3,720			255	300		3,165		3,720
Ghana	OMD		1,006			1,006					1,006			1,006
Guinea	OMD			1,856		1,856				492			1,364	1,856
Guinea-Bissau	OMD		1,500	1,350		2,850							2,850	2,850
Haiti	OMP		4,974	5,132	18,750	18,307		10,549	2,500	21,227	2,498	1,466	1,166	28,856
Indonesia	OMB			1,992	500	2,492			2,492					2,492
Iran	OMC			1,500		1,500					1,500			1,500
Iraq	OMC			400	1,500	1,500		400		1,500	400			1,900
Kenya	OMN			27,319		27,319			13,842	849	11,642		986	27,319

Country	Regional bureau	DEV	EMOP	PRRO	SO	CERF	CHF	ERF	2009	2010	2011	2012	2013	Grand Total
Korea, DPR	OMB		26,688	16,739		43,427			12,294	6,996	10,399	7,123	6,616	43,427
Kyrgyzstan	OMC		2,307		664	2,971				2,971				2,971
Lao People's Democratic Republic	OMB			1,398		1,398			1,398					1,398
Latin America and Caribbean Bureau	OMP			8,604		8,604			4,111	1,213	2,393	887		8,604
Lesotho	OMJ	180	3,476	393		4,049			393		1,316	2,340		4,049
Liberia	OMD		600			600							600	600
Libya	n/a				1,000	1,000					1,000			1,000
Madagascar	OMJ		240	7,115		7,355			3,808		1,532	610	1,405	7,355
Malawi	OMJ		5,835			5,835							5,835	5,835
Mali	OMD		7,636	232	1,579	9,446				232		2,642	6,573	9,446
Mauritania	OMD	378	2,000	2,637	1,000	6,015			997	757		3,000	1,261	6,015
Middle East and East Europe Bureau	OMC		11,020		445	11,465					1,295	3,484	6,685	11,465
Mozambique	OMJ			3,860	714	4,574				2,001	264		2,309	4,574
Myanmar	OMB			12,794	360	13,154			1,100	3,830	1,224	6,050	950	13,154
Namibia	OMJ		80			80			16		64			80
Nepal	OMB			9,721		9,721			6,000	521	1,000	2,200		9,721
Niger	OMD		28,148	16,667	7,924	52,740			6,361	23,041	5,051	14,899	3,389	52,740
Pakistan	OMB		23,491	17,926	1,990	43,407			2,965	16,800	7,273	11,558	4,811	43,407
Palestine, State of	OMC		2,000	900	1,000	3,900			3,000		900			3,900
Paraguay	OMP		1,197			1,197						1,197		1,197
Philippines	OMB		6,597	5,709	6,239	18,545			4,612	713	2,193	2,515	8,512	18,545
Republic of South Sudan	OMN		11,285		16,381	13,551	14,115					14,150	13,516	27,666
Rwanda	OMN			2,233		2,233						695	1,538	2,233
Senegal	OMD			5,553		5,553						4,006	1,547	5,553
Somalia	OMN		48,696	10,733	9,476	54,381	14,525		32,881	995	19,700	7,533	7,796	68,906
Sri Lanka	OMB		2,999	14,400		17,399			5,100	3,588	7,246	1,465		17,399
Sudan	OMC		64,165		41,150	49,311	56,003		23,972	23,650	17,072	13,212	27,407	105,314

Country	Regional bureau	DEV	EMOP	PRRO	SO	CERF	CHF	ERF	2009	2010	2011	2012	2013	Grand Total
Swaziland	OMJ			1,320		1,320			1,320					1,320
Syrian Arab Republic	OMC		16,322		500	14,822		2,000	1,424		800	4,302	10,297	16,822
Tanzania, United Republic of	OMJ		145			145			145					145
Togo	OMD		1,083			1,083				759			324	1,083
Uganda	OMN			4,038		4,038						1,831	2,207	4,038
Uzbekistan	n/a		541			541				541				541
West Africa Bureau	OMD		5,062		3,788	8,850			1,750		1,714	4,567	819	8,850
WFP (HQ-Rome)	HQ				769	769			769					769
Yemen	OMC		11,113	2,551	2,324	14,700		1,289	2,193	5,876	3,845	2,926	1,148	15,988
Zimbabwe	OMJ			11,186	842	11,528		500	1,257	5,000	1,297	2,506	1,967	12,028
Grand Total		557	340,850	312,339	171,195	678,014	117,480	29,447	179,949	151,879	156,401	170,361	166,351	824,941

Annex 13: Principles of Partnership

Principles of Partnership

A Statement of Commitment

Endorsed by the Global Humanitarian Platform, 12 July 2007

The *Global Humanitarian Platform*, created in July 2006, brings together United Nations and non-United Nations humanitarian organizations on an equal footing.

- Striving to enhance the effectiveness of humanitarian action, based on an ethical obligation and accountability to the populations we serve,
- Acknowledging diversity as an asset of the humanitarian community and recognizing the interdependence among humanitarian organizations,
- Committed to building and nurturing an effective partnership,

... the organizations participating in the **Global Humanitarian Platform** agree to base their partnership on the following principles:

- **Equality**

Equality requires mutual respect between members of the partnership irrespective of size and power. The participants must respect each other's mandates, obligations and independence and recognize each other's constraints and commitments. Mutual respect must not preclude organizations from engaging in constructive dissent.

- **Transparency**

Transparency is achieved through dialogue (on equal footing), with an emphasis on early consultations and early sharing of information. Communications and transparency, including financial transparency, increase the level of trust among organizations.

- **Result-oriented approach**

Effective humanitarian action must be reality-based and action-oriented. This requires result-oriented coordination based on effective capabilities and concrete operational capacities.

- **Responsibility**

Humanitarian organizations have an ethical obligation to each other to accomplish their tasks responsibly, with integrity and in a relevant and appropriate way. They must make sure they commit to activities only when they have the means, competencies, skills, and capacity to deliver on their commitments. Decisive and robust prevention of abuses committed by humanitarians must also be a constant effort.

- **Complementarity**

The diversity of the humanitarian community is an asset if we build on our comparative advantages and complement each other's contributions. Local capacity is one of the main assets to enhance and on which to build. Whenever possible, humanitarian organizations should strive to make it an integral part in emergency response. Language and cultural barriers must be overcome.

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Annex 14: Mapping Findings – Conclusions – Recommendations

Recommendations	Conclusions	Findings
1. Maintain and strengthen the life-saving focus of PFs		
<p>1(a) Advocate with donors on maintaining a focus on life-saving across all PFs.</p>	<p>C2: From a WFP perspective there are strong arguments that favour retaining a clear focus on 'life-saving' criteria in PFs. Funding of associated areas of preparedness, resilience building and social assistance would be better met through complementary funding instruments, rather than diluting the focus of PFs.</p>	<p>F18: Important gaps remain related to the overall donor financing of food security that place unrealistic and unsustainable demands on the use of PFs. This includes using humanitarian operations (partly financed through PFs) to meet the needs of chronically food insecure caseloads.</p>
<p>1(b) Advocate with PF managers on establishing a compliance and monitoring mechanism to ensure that the life-saving criteria are respected in the HC/HPC prioritization process.</p>	<p>C2: From a WFP perspective there are strong arguments that favour retaining a clear focus on 'life-saving' criteria in PFs. Funding of associated areas of preparedness, resilience building and social assistance would be better met through complementary funding instruments, rather than diluting the focus of PFs.</p> <p>C11: Several aspects of the monitoring arrangements for PFs are weak or inappropriate. The increasing emphasis on providing disaggregated reports on the use of PFs at project level is demanding and adds little value. Equally there is</p>	<p>F6: PFs did not exhibit a comparative advantage in funding WFP for preparedness or resilience-building activities.</p>

Recommendations	Conclusions	Findings
	insufficient attention to assess the contribution of PFs to the broader goals of improved timeliness of response or the institutionalization of the humanitarian reforms.	
1(c) Advocate for a significant financial augmentation of the CERF RR window to enable it to contribute more effectively and at appropriate scale to the core needs of affected populations.		<p>F1: The largest proportion of the PFs provided to WFP has been used to support food distributions through EMOPs and PRROs. PFs only provide 4% of total contributions to these operations.</p> <p>F7: The CERF RR window has positively contributed to WFP's capacity to respond rapidly to unforeseen needs.</p> <p>F15: The introduction of PFs has provided additional resources to WFP. Overall, PFs have not been associated with diminished directed or undirected multilateral donations.</p> <p>F16: PFs are disbursed more rapidly than most directed multilateral funds and in a majority of cases are the first donor funds to be confirmed.</p>
2. Reduce the earmarking of grants from PFs		
2 (a) Advocate for enhancing the flexibility of PFs by aligning grant contributions with WFP operations, rather than project-level activities.	C6: Reconciling WFP's large-scale operations and the project funding model of PFs remains challenging. Earmarking of activities within WFP operations by the PF for adds transaction costs, constrains the	F11: PFs have helped to consolidate the use of the gender marker within the humanitarian system but had little influence on how WFP addressed gender within its programmes.

Recommendations	Conclusions	Findings
	flexibility of response and does little to improve the quality of the response.	<p>F33: The additional transaction costs for WFP to access PFs were found to be 3 – 7.5 days of CO staff time – or an average cost of US\$4,700 per grant.</p> <p>F34: There is an indication that transaction costs fell as the PFs became established, but then increased again.</p>
<p>3. Clarify the criteria for using grants from the CERF UF window</p>		
<p>3 (a) Review and adapt the criteria used by WFP to identify Under Funded emergencies to prioritize crises that are both underfunded (as opposed to experiencing temporary cash flow difficulties) and emergencies (as opposed to operations that address chronic poverty).</p>	<p>C1: PFs have made a positive contribution to WFP operations. The main added value of PFs comes from their relative timeliness, predictability and additionality. However, there is scope to further improve aspects of timeliness and predictability.</p>	<p>F10: The PFs did not make a strategic contribution to WFP's ability to respond to urgent needs in underfunded emergencies.</p>
<p>3 (b) Advocate with PF managers on clarifying the criteria for making allocations from the CERF UF window to forgotten emergencies.</p>	<p>C1: PFs have made a positive contribution to WFP operations. The main added value of PFs comes from their relative timeliness, predictability and additionality. However, there is scope to further improve aspects of timeliness and predictability.</p>	<p>F10: The PFs did not make a strategic contribution to WFP's ability to respond to urgent needs in underfunded emergencies.</p>

Recommendations	Conclusions	Findings
4. Increase the capacity of WFP to utilize PFs as collateral for the release of internal advances		
<p>4 (a) Building on existing mechanisms, increase the 'risk appetite' for using advance funds by using early forecasting of CERF contributions as a basis for releases. Consider the use generic forecasts and broader collateral, rather than firm forecasts of specific grants.</p>	<p>C1: PFs have made a positive contribution to WFP operations. The main added value of PFs comes from their relative timeliness, predictability and additionality. However, there is scope to further improve aspects of timeliness and predictability.</p> <p>C4: PFs play a useful complementary role in supporting the deployment of internal advances.</p>	<p>F8: In the case of urgent needs CERF RR grants could be mobilized within a week. However, the elapsed period between a sudden onset crisis and the confirmed availability of CERF RR funds was highly variable and averaged 55 days for sampled grants. Delays were associated with the steps in the process controlled by the HC/HCT.</p> <p>F12: Advance financing mechanisms established by WFP are extensively utilized by COs and exhibit comparative advantages of timeliness, volume and flexibility.</p> <p>F13: PFs are employed in conjunction with internal financing instruments and reinforce their function through providing additional financing, revolving the IRA, and providing collateral for the release of the WCF and cash to release food from the FPF.</p>
<p>4 (b) Support the establishment of clear definitions and protocols for activation of the CERF RR in L2 and L1 emergencies and advocate for their system-wide introduction.</p>	<p>C1: PFs have made a positive contribution to WFP operations. The main added value of PFs comes from their relative timeliness, predictability and additionality. However, there is scope to further improve aspects of timeliness and predictability.</p>	<p>F9: The predictability of CERF RR grants (in the event of an unforeseen emergency) was a key consideration in their effectiveness in supporting a timely response. The L3 protocols have improved the predictability in the role of the CERF RR in responding to large corporate emergencies.</p> <p>F16: PFs are disbursed more rapidly than most directed multilateral funds and in a majority of cases are the first donor funds to be confirmed.</p>

Recommendations	Conclusions	Findings
5. Enhance the contribution of PFs in supporting the operation of common services in emergencies		
5 (a) Advocate with the IASC principals for Inter- Agency review of funding of common services through all PFs (CERF and CBPFs)	C5: The PFs are well matched to funding common services operated by WFP on behalf of the humanitarian community. However, PF support to common services is uncertain, especially for on-going operational costs as opposed to start-up costs.	F4: PFs play a significant role in supporting the start-up costs of common services managed by WFP including UNHAS operations, common logistics services and pipelines, and shared operational hubs. However, PFs were not a predictable source of support for on-going operating costs.
5 (b) Advocate with the CERF Secretariat: i) to develop inclusive guidelines on the use of the CERF RR facility in financing all common services (not just UNHAS), including financing of cluster coordination costs; and ii) to specify the use of L3 CERF RR activation in financing the start-up of common services.	C5: The PFs are well matched to funding common services operated by WFP on behalf of the humanitarian community. However, PF support to common services is uncertain, especially for on-going operational costs as opposed to start-up costs.	F4: PFs play a significant role in supporting the start-up costs of common services managed by WFP including UNHAS operations, common logistics services and pipelines, and shared operational hubs. However, PFs were not a predictable source of support for on-going operating costs.
6 Consolidate fulfilment of WFP's coordination responsibilities, to improve support for effective use of PFs.		
6 (a) Clarify the corporate position and expectations regarding CO's responsibilities for cluster/sector coordination where WFP is the lead/co-lead, including performance targets and accountability arrangements.	C7: WFP has engaged more deeply with coordinated strategy development and project appraisal mechanisms in order to access PFs. However, this has not generally resulted in observable changes in the strategic or operational approach.	F14: Donors utilize a variety of funding channels to support WFP operations. Donors perceive that PFs not only reduced transaction costs, but also delivered a quality, coordinated response. F25: WFP PF operations have not embraced collective monitoring arrangements under the leadership of the clusters.

Recommendations	Conclusions	Findings
	<p>C8: The characteristics of PFs mean that they have had a mixed impact as a tool to promote coordination across the humanitarian system. PFs work best in reinforcing effective coordination structures, rather than solving the challenges of weak or absent systems.</p> <p>C9: PFs have limited comparative advantage in financing cluster coordination costs – including staff salaries – and at best play a supplementary role.</p>	<p>F26: WFP’s corporate commitment to humanitarian reforms is not always reflected at field level where coordination was seen as a lower priority by managers.</p> <p>F28: The PFs do not provide predictable support to meeting the staffing costs associated with operating the clusters.</p> <p>F29: PFs have not led to significant changes in the partnership between WFP and its cooperating partners in strategic planning processes.</p>
<p>6 (b) Ensure that the indicators on cluster performance included in the 2014-17 WFP Management Results Framework are incorporated into relevant Country Office performance plans, monitored and reported on the corporate level at appropriate times.</p>	<p>C7: WFP has engaged more deeply with coordinated strategy development and project appraisal mechanisms in order to access PFs. However, this has not generally resulted in observable changes in the strategic or operational approach.</p> <p>C8: The characteristics of PFs mean that they have had a mixed impact as a tool to promote coordination across the humanitarian system. PFs work best in reinforcing effective coordination structures, rather than solving the challenges of weak or absent systems.</p>	<p>F26: WFP’s corporate commitment to humanitarian reforms is not always reflected at field level where coordination was seen as a lower priority by managers.</p>

Recommendations	Conclusions	Findings
7. Define strategic and operational responsibilities for acquiring and reporting on the use of PF at all levels.		
<p>7(a) Define the respective roles and responsibilities of HQ units, RB and COs in managing the PF process to enhance the credibility of and accountability for the application process.</p>	<p>C10: There is a need for more clearly defined framework that defines the responsibility for the management of PF processes in WFP. The human resource provision, guidance and training of staff should also be strengthened.</p>	<p>F37: The formats for PF applications and reporting were found to be relatively straightforward, but the quality of PF applications and reports was found to be variable. The COs called on support from the RBs and HQ intermittently for strategic advice and quality control.</p> <p>F38: There is a demand for targeted additional guidance and training in specific areas.</p>
<p>7(b) Develop and implement a training package for both online and face to face delivery</p>	<p>C10: There is a need for more clearly defined framework that defines the responsibility for the management of PF processes in WFP. The human resource provision, guidance and training of staff should also be strengthened.</p>	<p>F37: The formats for PF applications and reporting were found to be relatively straightforward, but the quality of PF applications and reports was found to be variable. The COs called on support from the RBs and HQ intermittently for strategic advice and quality control.</p> <p>F38: There is a demand for targeted additional guidance and training in specific areas.</p>
8. Enhance the quality, efficiency and utility of monitoring and reporting on the use of PFs.		

Recommendations	Conclusions	Findings
<p>8 (a) Negotiate limiting the contents of narrative and financial reports to information that is necessary for the management of pooled funds and that justifies the additional transaction costs.</p> <p>8 (b) Review WFP Standard Project Reports to assess whether they could be aligned with a revised reporting format for pooled funding, and generally be considered fit for purpose by donors.</p>	<p>C6: Reconciling WFP's large-scale operations and the project funding model of PFs remains challenging. Earmarking of activities within WFP operations by the PF for adds transaction costs, constrains the flexibility of response and does little to improve the quality of the response.</p> <p>C11: Several aspects of the monitoring arrangements for PFs are weak or inappropriate. The increasing emphasis on providing disaggregated reports on the use of PFs at project level is demanding and adds little value. Equally there is insufficient attention to assess the contribution of PFs to the broader goals of improved timeliness of response or the institutionalization of the humanitarian reforms.</p>	<p>F25: WFP PF operations have not embraced collective monitoring arrangements under the leadership of the clusters.</p> <p>F30: There is an increasing demand for information by OCHA on the pass through of PFs to implementing partners for the purposes of improved risk management (by CBPFs) and enhanced visibility of indirect PF contributions to NGOs (by CERF). However, WFP systems are not designed to allocate and report on the use of PFs at the grant level for specific cooperating partners.</p> <p>F33: The additional transaction costs for WFP to access PFs were found to be 3 – 7.5 days of CO staff time – or an average cost of US\$4,700 per grant.</p>
<p>8 (c) Systematically apply the relevant corporate Key Performance Indicators (KPIs) from WFP's Management Results Framework to track the response time for sudden-onset emergencies and report on performance through the Annual Performance Report. Performance on the specific KPIs should be analysed in depth,</p>	<p>C11: Several aspects of the monitoring arrangements for PFs are weak or inappropriate. The increasing emphasis on providing disaggregated reports on the use of PFs at project level is demanding and adds little value. Equally there is insufficient attention to assess the contribution of PFs to the broader goals of improved timeliness of response or the</p>	<p>F8: In the case of urgent needs CERF RR grants could be mobilized within a week. However, the elapsed period between a sudden onset crisis and the confirmed availability of CERF RR funds was highly variable and averaged 55 days for sampled grants. Delays were associated with the steps in the process controlled by the HC/HCT.</p> <p>F31: A significant lag was reported between donor funds becoming available to WFP</p>

Recommendations	Conclusions	Findings
including by breaking down processes into sub-steps when relevant.	institutionalization of the humanitarian reforms.	(including but not exclusively PFs) and the contracting of WFP's cooperating partners.
8 (d) Advocate with OCHA for the clarification, monitoring and reporting of all steps (i.e. not just the CERF Secretariat responsibilities) taken to release CERF RR grants, including processes under the jurisdiction of the HC/HCT.	C11: Several aspects of the monitoring arrangements for PFs are weak or inappropriate. The increasing emphasis on providing disaggregated reports on the use of PFs at project level is demanding and adds little value. Equally there is insufficient attention to assess the contribution of PFs to the broader goals of improved timeliness of response or the institutionalization of the humanitarian reforms.	F8: In the case of urgent needs CERF RR grants could be mobilized within a week. However, the elapsed period between a sudden onset crisis and the confirmed availability of CERF RR funds was highly variable and averaged 55 days for sampled grants. Delays were associated with the steps in the process controlled by the HC/HCT.

Annex 15: Mapping Findings – Evaluation Questions

Evaluation Question and Sub-Questions	Section in evaluation report where findings on sub-EQ are presented
1. What is the contribution of PF financing to quality WFP interventions and to enable WFP as a cluster lead agency?	
1.1 What is the PF used for by WFP?	2.1.1
1.2 To what extent do PFs promote the appropriate consideration of gender in WFP's operations?	2.1.1
1.3 Is WFP's use of PFs strategically relevant to meet the requirements of a humanitarian response (including setting up and running cluster activities), in line with WFP's mandate and the objectives set-up by the three PFs under consideration?	2.1.2
1.4 Are the PF allocations to WFP aligned with WFP's needs and requirements? Are some PFs better suited to some WFP programme categories or types of activities?	2.1.1, 2.1.2, 2.1.3
1.5 How timely are the funding submissions, decisions and disbursements from the rapid response/ emergency windows? How does the timeliness of PFs compare to directed multi-lateral donors?	2.1.3, 2.2.2
1.6 What is the ability of WFP to spend the allocated funds in a timely manner?	2.4.3
1.7 What is the timeliness (and volumes, to the extent possible) of PFs released by WFP to cooperating partners?	2.3.3
1.8 What are the effects of PFs on the predictability of funding?	2.1.3
2. Is there an added value of PFs compared to other sources of WFP funding?	
2.1 What are the comparative advantages of PFs' and WFP's internal advance financing mechanisms? Are PFs used to quickstart operations?	2.2.1
2.2 What are the complementarities between (undirected) multi-lateral funding and PFs?	2.2.2
2.3 Are there complementarities between PFs and directed multi-lateral funding?	2.2.2
2.4 From a WFP perspective, what is the level of coherence and complementarity between various PFs within a country? When active at the same time in a country, do	2.2.3

Evaluation Question and Sub-Questions	Section in evaluation report where findings on sub-EQ are presented
they contribute to improved effectiveness and efficiency of WFP's response?	
3. How do the PFs partnership and coordination mechanisms contribute to WFP's capacity to prepare and respond to emergencies?	
3.1 To what extent does participation in the HCT, joint planning and strategy and cluster coordination influence WFP's access to, and use of, PFs?	2.3.1
3.2 How does the cluster responsibility for the use of PFs enhance or impede the other coordination functions of the clusters where WFP bears (co) leadership responsibility?	2.3.2
3.3 How does the use of PFs influence WFP's relationship with its implementing partners?	2.3.3
4. What are the main contributing/explanatory factors affecting WFP's effective and efficient use of the PFs?	
4.1 Do specific WFP policies, standard procedures and fundraising guidelines facilitate a systematic, harmonized and relevant approach to PFs? Do they adequately guide discussions with the PF management structures?	2.4.2
4.2 Is a transparent and effective internal communication and coordination mechanisms in place for proposal development?	2.4.2
4.3 Is the allocation process aligned to meeting the PF objectives?	2.4.2
4.4 How do the monitoring and reporting requirements for PF compare to standard WFP donor accountability processes?	2.4.2
4.5 How do the PFs transactions' costs (especially in terms of reporting requirements, coordination, negotiations, administrative and financial monitoring, earmarking, etc.) compare with those of other sources of funding?	2.4.1

Acronyms

AA	Administrative Agent
ALNAP	Active Learning Network for Accountability and Performance in Humanitarian Action
BMZ	Federal Ministry of Economic Cooperation and Development (Government of Germany)
CAP	Consolidated Appeals Process
CAGR	Compound Annual Growth Rate
CP	Cooperating Partner
CBPF	Country-based Pooled Fund
CCS	Country Case Studies
CD	Country Director
CERF	Central Emergency Response Fund
CHF	Common Humanitarian Funds
CIDA	Canadian International Development Agency
CO	WFP Country Office
DAC	Development Assistance Committee of OECD
DCD	Deputy Country Director
DFID	UK Department for International Development
DRC	Democratic Republic of Congo
DRR	Disaster Risk Reduction
EB	Executive Board (WFP)
EM	Evaluation Manager
EMOP	Emergency Operation
EQs	Evaluation Questions
EQAS	Evaluation Quality Assurance System
ER	Evaluation Report
ERF	Emergency Response Funds
FA	Ministry of Foreign Affairs
FAO	United Nations Food and Agriculture Organization
FCS	Funding Coordination Section (OCHA)
FLA	Field Level Agreement
FPF	Forward Purchasing Facility
FSL	Food Security and Livelihoods
FTS	Financial Tracking Service
GFD	General Food Distributions

GFSC	Global Food Security Cluster
GHD	Good Humanitarian Donorship
HC	Humanitarian Coordinator
HCT	Humanitarian Country Team
HPC	Humanitarian Programming Cycle
HRF	Humanitarian Response Fund
HQ	WFP Headquarters
IASC	Inter-Agency Standing Committee
ICRC	International Committee of the Red Cross
ICVA	International Council of Voluntary Agencies
IOM	International Organization for Migration
INGO	International Non-Government Agency
IR	Inception Report
IRA	Immediate Response Account
ISC	Indirect Support Costs
KfW	German Development Bank
LIC	Low income country
LOU	Letter of Understanding
MA	Managing Agent
MDTF	Multi Donor Trust Fund
MIC	Middle Income Country
MPTF	Multi Partner Trust Fund
MT	metric tonnes
NCE	No cost extension
NGO	Non-governmental organization
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
OEV	WFP Office of Evaluation
OIOS	Office of Internal Oversight Services (United Nations)
PAF	Performance and Accountability Framework
PF	Pooled Fund
PREP	Preparedness and Response Enhancement Programme
PRRO	Protracted Relief and Recovery Operation
PSNP	Productive Safety Net Programme (Ethiopia)
QA	Quality Assurance
RB	WFP Regional Bureau

RC	Resident Coordinator
RR	Rapid Response (CERF window)
SC	Steering Committee
SCG	Sectoral Coordination Group
SCHR	Steering Committee for Humanitarian Response
SEQs	Sub Evaluation Questions
SO	Special Operation
SIDA	Sida International Development Cooperation Agency
SPR	Standard Project Report
SRP	Strategic Response Plan
TA	Transformative Agenda
TDC	Terminal disbursement date
TL	(Evaluation) Team Leader
TOC	Terminal obligation date
TOR	Terms of reference
UF	Under Funded Emergencies (CERF window)
UG	User Group
UNHAS	United Nations Humanitarian Air Service
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNDP	United Nations Development Program
WCF	Working Capital Financing Facility
WFP	World Food Programme of the United Nations
WINGS II	WFP Information Network and Global System II

Office of Evaluation
www.wfp.org/evaluation



World Food Programme