

**Central Emergency Response
Fund: Review of First Year of
Operations**
Final Report

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List of Acronyms

CA	Consolidated Appeal
CAP	Consolidated Appeal Process
CERF	Formerly the Central Emergency Revolving Fund, now the Central Emergency Response Fund
CIDA	Canadian International Development Agency
ERC	Emergency Relief Coordinator
FAO	Food and Agriculture Organization
GA	General Assembly
GHD	Good Humanitarian Donorship
HC/RC	Humanitarian Coordinator/Resident Coordinator
HHR	<i>Humanitarian Response Review</i>
IASC	Inter-Agency Steering Committee
IOM	International Organization for Migration
JPO	Junior Professional Officer
LOU	Letter of Understanding
NGO	Non-governmental organization
OCHA	Office for the Coordination of Humanitarian Affairs
TORs	Terms of Reference
UN	United Nations
UNCT	United Nations Country Teams
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
WFP	World Food Programme
WHO	World Health Organization



Executive Summary

This report reflects the results of a review of the first year of operations of the Central Emergency Response Fund (CERF). The Canadian International Development Agency (CIDA) contracted Goss Gilroy Inc. (GGI) to carry out this review between January and April 2007. This review was primarily a desk review, focusing on processes and systems, rather than a systematic assessment of results. The review include a document review and interviews with 37 key stakeholders: Government of Canada (3), Office for the Coordination of Humanitarian Affairs (OCHA) (14), Bilateral donors (9), UN agencies (8) and others, including NGO, national government and UN mission (3). At the same time as this review was being carried out, OCHA commissioned an interim review that would focus on case studies to be conducted in selected countries that had received CERF funding. Information from this OCHA review will complement the information in the CIDA review.

Central Emergency Response Fund

The CERF was set up under the General Assembly (GA) Resolution 60/124 of 15 December 2005, expanding the former Central Emergency *Revolving* Fund with a grant component with the following objectives:

- To promote early action and response to reduce loss of life;
- To enhance response to time-critical humanitarian requirements; and
- To strengthen core elements of humanitarian response in under-funded crises.

The CERF, which is administered by the Emergency Relief Coordinator (ERC), supported by a small New York-based Secretariat housed in OCHA, includes two components: a loan facility of up to \$50 million and a grant facility with a target ceiling of up to \$450 million. Funding from the grant facility is split into two windows: rapid response window and under-funded emergencies window.

Only UN agencies and the International Office of Migration (IOM)¹ are eligible to apply for funding under the grant facility of the CERF.² Based on the

¹ Throughout this report, the term “UN agencies” is used to refer to these agencies and the IOM.

² OCHA cannot apply for grant funding, but is eligible for a CERF loan.



procedures and guidelines developed over the first year of operation, the key criteria for CERF funding includes the following:

- Projects must be developed at the country-level and endorsed by the Humanitarian Coordinator/Resident Coordinator (HC/RC);
- Projects must be needs-based;
- Projects must include only life-saving activities; and
- CERF must be an emergency funding source – that is, all other donor and agency and donor funds have been exhausted before applying for CERF funding; and
- Projects must respect the fund commitment deadlines.³

Results

The key result of the CERF in its first year of operations was that OCHA was able to establish the overall administrative framework for the Fund while, at the same time, disbursing CERF funds. Most respondents were very positive about the concept of the CERF and the grants to date. However, in order to achieve these results, OCHA had to secure donor pledges, develop the administrative infrastructure and then make the first disbursements.

In 2006, the paid contributions – \$US 298.6 million – reportedly exceeded OCHA’s expectations. There were paid pledges from 50 countries and two other organizations (one local government and one NGO), including some non-traditional donors. The initial pledges for 2007 look promising, with an increase in the contributions from the top ten donors from 2006 and two countries (Canada and the United States) yet to pledge.

In 2006, funds were provided to nine UN agencies (including the International Organization for Migration) and were used for humanitarian responses in 35 countries. As of April 2007, the CERF has funded 468 projects. As announced by the ERC, 70% of the CERF funding was used for the rapid response window and the remaining 30% for the under-funded window. These fund have already reportedly contributed to addressing humanitarian needs (as defined by

³ Funds allocated under the rapid response window must be committed within three months following disbursement from CERF. Funds allocated from the under the under-funded window must be committed by 31 December of the year the funds were granted. An exception was made for funds allocated in 2006 from the under-funded window, which allows CERF receiving agencies to commit the funds by 30 June 2007.



country-level teams and at OCHA HQ). Examples are provided in CERF documents of CERF contributions to:

- Supporting humanitarian response in the early days of a disaster;
- Providing the infrastructure to support a humanitarian response);
- Mitigating the impact of disasters on lives; and
- Accelerating the implementation of priority life-saving programmes in under-funded emergencies.

During the first year, OCHA has developed the infrastructure for the administration of the CERF, including developing and revising, as required:

- Administrative tools (procedures, criteria and guidelines and project submission and agreement templates);
- Reporting mechanisms and tools for agency and country-level reporting;
- Information sharing/advocacy materials, including the CERF website, which is the primary reporting tool for the CERF;
- Training materials to support ongoing HC training and Train-the-Trainer training for UN agencies in HQ and the field; and
- Consultation mechanisms, including an *ad hoc* group of Inter-Agency Standing Committee agencies and the CERF Advisory Group, which provides policy guidance and expert advice for the CERF.

CERF Issues

While the infrastructure and disbursements have been welcomed, there are a number of outstanding issues with respect to the CERF design and implementation:

- The absence of a clear policy framework and the lack of transparency and clarity on definitions of key concepts, such as “life saving,” “under-funded” and “donor of last resort”;
- Frustrations of the UN agencies with the existing financial agreements and reporting that, if not resolved, risk undermining the timely response to humanitarian crises;
- The lack of a CERF performance framework that would define key results, identify the information to be collected on an ongoing basis, identify

baseline data for key variables, develop methodologies for addressing some of the more challenging issues (for example, additionality) and identify external reporting mechanisms – particularly for the CERF donors;

- The extent to which value is provided for the administrative costs of the UN Secretariat and the UN agencies;
- The limited capacity of the CERF Secretariat to manage the portfolio of projects; and
- Links to other funding mechanisms.

The GA set up the CERF such that only UN agencies were eligible to receive funds directly. However, the role of NGOs in the CERF and their lack of direct access to the Fund has been the subject of considerable and continuing debate.

Recommendations

Some recommendations for change can be addressed now. However, most issues need to be further researched (particularly through the collection of information on CERF implementation at the field level). This can be carried through the current OCHA interim review of the CERF, as well as the General Assembly-mandated review to be conducted in 2008, which will be based on slightly longer-term experience with the CERF.

It is recommended that OCHA:

- Develop urgently a CERF performance framework in order to ensure that adequate information is being made available for ongoing reporting on the CERF and that the General Assembly-mandated evaluation of the CERF in 2008 can effectively address the key issues for the Fund (Recommendation 2);
- Ensure that the General Assembly-mandated evaluation address the following issues:
 - ▶ Value provided for the administrative fees retained by the UN Secretariat and the UN agencies; and
 - ▶ Role of the NGOs in the CERF and their access to CERF funds (Recommendation 4); and
- Address the following issues with the additional information that will be available about the CERF implementation from the field perspective after the completion of the interim review:



- ▶ The need for a clear policy framework that links the overall requirements of the General Assembly Resolution with the specific Fund criteria;
- ▶ The need for greater transparency and/or clarity on CERF definitions and funding criteria; and
- ▶ The relationship between the CERF and other humanitarian response funding mechanisms (Recommendation 5).

It is recommended that CIDA, in consultation with other bilateral donors, and the CERF Advisory Group:

- Encourage the resolution of the issues with the financial arrangements with the CERF to encourage adherence to the practices of Good Humanitarian Donorship (Recommendation 1); and
- Encourage OCHA to provide adequate resources for the CERF Secretariat, particularly in light of the over \$6 million in programme support costs provided from the CERF expenditures. (Recommendation 3).

1.0 Introduction

This report reflects the results of a desk review of the first year of operations of the Central Emergency Response Fund (CERF). The CERF is managed by the United Nation's (UN) Office for the Coordination of Humanitarian Affairs (OCHA). The current CERF is an expansion of the previous Central Emergency *Revolving* Fund, also managed by OCHA, which included only a loan window for UN agencies. The revised CERF, which includes a grant component, was launched in March 2006 and, as a result, this review was conducted when the CERF had been in operation for just one year.

The Canadian International Development Agency (CIDA) contracted Goss Gilroy Inc. (GGI) to carry out this review. The work was carried out, and this report written, by a GGI consultant between January and April 2007. However, the report also benefited from the insights of Max Glaser, a consultant in humanitarian operations engaged for an OCHA-funded interim review of the CERF.

This report is organized into the following section:

- Section 1.0 – a brief overview of the review methodology and a description of the CERF;
- Section 2.0 – a presentation of the results of the first year of CERF's operation;
- Section 3.0 – a presentation of the challenges that the CERF is currently facing; and
- Section 4.0 – conclusions and recommendations

1.1 Review Methodology

The review was carried out according to Terms of Reference (TORs) developed by CIDA (see Appendix A). At the same time as this review was being carried out, OCHA was developing TORs for its own interim independent review of CERF's first year. In order to avoid duplication between the two reviews, it was determined that the CIDA-funded review would be primarily a desk review, focusing on CERF processes and systems more than a systematic assessment of results. On the other hand, the OCHA-funded review would focus more on data collection at the field level, with case studies to be conducted in selected countries that had received CERF

funding.

As a result, the methodology for this desk review was based on two data collection methods:

- A review of key documents provided by CIDA and OCHA, which included, among others:
 - ▶ Information from OCHA, CERF and other web sites (including CERF statistics, application tools, CERF reports),
 - ▶ OCHA annual reports,
 - ▶ Commentaries and reviews on the CERF by other organizations,
 - ▶ Evaluations of humanitarian financing mechanisms and real-time evaluation of humanitarian responses in countries that received CERF funding; and
- Interviews with key stakeholders – some of which were conducted in-person in Ottawa and New York and the others by telephone. In total, 21 interviews were conducted, covering 37 key informants:
 - ▶ Government of Canada (3)
 - ▶ OCHA (14)
 - ▶ Bilateral donors (9)
 - ▶ UN agencies (8)
 - ▶ Others, including NGO, national government and UN mission (3).

Lists of the documents reviewed and the stakeholders interviewed are provided in Appendices B and C.

1.2 Central Emergency Response Fund

The CERF was set up under the General Assembly (GA) Resolution 60/124 of 15 December 2005, expanding the former Central Emergency *Revolving* Fund. The three objectives of the CERF are to:

- Promote early action and response to reduce loss of life;
- Enhance response to time-critical humanitarian requirements; and
- Strengthen core elements of humanitarian response in under-funded crises.

The CERF includes two components: a loan facility of up to \$50 million and a grant

facility with a target ceiling of up to \$450 million (a target to be reached by 2008). Funding from the grant facility is split into two windows: rapid response window and under-funded emergencies window. The ERC has allocated two-thirds of the Fund to rapid response and one-third to existing under-funded emergencies, while maintaining a minimum reserve of \$30 million (the maximum allocation for a single emergency under the rapid response window).

Only UN agencies and the International Office of Migration (IOM)⁴ are eligible to apply for funding under the grant facility of the CERF.⁵ Based on the procedures and guidelines developed over the first year of operation, the key criteria for CERF funding includes the following:

- Projects must be developed at the country-level and endorsed by the HC/RC;
- Projects must be needs-based;
- Projects must include only life-saving activities; and
- CERF must be an emergency funding source – that is, all other donor and agency and donor funds have been exhausted before applying for CERF funding; and
- Projects must respect the fund commitment deadlines.⁶

The CERF is administered by the Emergency Relief Coordinator (ERC), who is supported by a small New York-based Secretariat housed in OCHA. The process for identifying priority needs at the country level is slightly different for the two windows. For the under-funded window, a preliminary allocation of funding is made to countries by the ERC twice a year, based on the analysis of funding levels of Consolidated Appeals and recommendations received from UN Agencies and IOM for countries without a Consolidated Appeal.⁷ ECHO Global Needs Assessment scores, IASC early warning analysis and humanitarian aid per affected beneficiary are also taken into account. Under-funded resources may also be allocated for emergencies without an appeal, or to severely under-funded sectors in otherwise well-funded appeals. HCs/RCs in the eligible countries are then asked to identify the priority under-funded life-saving projects for the CERF funding.

⁴ Throughout this report, the term “UN agencies” is used to refer to these agencies and the IOM.

⁵ OCHA cannot apply for grant funding, but is eligible for a CERF loan.

⁶ Funds allocated under the rapid response window must be committed within three months following disbursement from CERF. Funds allocated from the under the under-funded window must be committed by 31 December of the year the funds were granted. An exception was made for funds allocated in 2006 from the under-funded window, which allows CERF receiving agencies to commit the funds by 30 June 2007.

⁷ The consultation process is institutionalized through the inter-agency meetings on the CERF, which is composed of members of the IASC.

At this point, the process is similar to that for the rapid response window. At the country level, it is expected that the HC/RC will coordinate the engagement of agencies involved in the IASC, in consultation with cluster leads and NGOs. This group develops recommendations for priority projects for either of the two grant windows and the submission to the ERC comes from the HC/RC.

The project proposals are reviewed at OCHA's HQ by CERF Secretariat staff and staff of the Coordination and Response Division (desk officers) and final recommendations are prepared by the Secretariat for the approval of the ERC.

Once the ERC has committed CERF funding to a project, a Letter of Understanding (LOU) is developed for sign off by senior managers at both the agency and OCHA at the HQ level. The LOU provides details on the specific project activities and funding and reflects the regular reporting requirements for all projects.

Once the LOU has been signed the funds are disbursed to the agencies' HQ and, from there to the field. While NGOs cannot apply for funds directly, many NGOs are involved in the implementation of CERF-funded projects as partners or contractors.

2.0 CERF Results

The key result of the CERF in its first year of operations was that OCHA was able to establish the overall administrative framework for the Fund while, at the same time, disbursing CERF funds. The Emergency Relief Coordinator (ERC) reportedly made a commitment that OCHA would not sit on CERF funds while the Fund was being established. As a result, the CERF was officially launched on 9 March 2006 and disbursed its first grants on 24 March.

This section focuses on the preliminary results of the CERF and the processes set up to achieve these results. It provides preliminary results with respect to funding from the Fund's two funding windows (Section 2.1) and the impact on the humanitarian response system (Section 2.2). However, in order to achieve these results, OCHA had to secure donor pledges (Section 2.3), develop the administrative infrastructure and then make the first disbursements (including receiving, reviewing and approving CERF project applications and setting up grant agreements) (Section 2.4).

However, there were also challenges in the first year and these are addressed in Section 3.0. This section ends with a short discussion of the loan component of the CERF (Section 2.5).

2.1 Achievement of CERF Objectives

2.1.1 Overview of CERF Funding

In order to set the context for the achievement of CERF objectives, this first section provides an overview of the CERF funding.

In 2006, CERF grants were provided to nine agencies – the largest recipient agency being the World Food Programme (WFP) with 42% of the funding (see Exhibit 1).



Agency	Funds Disbursed USD	Percentage of Total
WFP	\$108,070,267	41.7%
UNICEF	\$58,810,547	22.7%
UNHCR	\$34,135,238	13.2%
WHO	\$25,213,312	9.7%
FAO	\$17,610,755	6.8%
UNDP	\$8,733,103	3.4%
IOM	\$4,765,383	1.8%
UNFPA	\$1,738,880	0.7%
UNOPS	\$230,000	0.1%
Total	\$259,307,485	100.0%

Source: CERF website, <http://ochaonline2.un.org/Default.aspx?tabid=8770>

Over the whole period of the CERF,⁸ just over one-quarter (28%) of the funding was provided for projects in the food sector, with an additional one-fifth (21%) going to the health sector (see Exhibit 2).

Sector	Funds Disbursed USD	Percentage of Total
Food	\$112,353,937	27.6%
Health	\$84,741,151	20.8%
Multi-sector	\$53,373,781	13.1%
Coordination and support services	\$49,061,405	12.1%
Water and sanitation	\$32,082,497	7.9%
Agriculture	\$28,755,678	7.1%
Shelter and non-food items	\$26,038,214	6.4%
Protection/Human Rights/Rule of Law	\$14,047,347	3.5%
Education	\$4,070,050	1.0%
Security	\$1,321,406	0.3%
Mine Action	\$1,109,900	0.3%
Total	\$406,955,365	100.0%

Source: CERF website, <http://ochaonline2.un.org/Default.aspx?tabid=8770>

As noted above, the CERF has three objectives:

- Promote early action and response to reduce loss of life;
- Enhance response to time-critical requirements based on demonstrative needs;

⁸ Information on the allocations by sector for 2006 alone was not available on the CERF website at the time of writing.

and

- Strengthen the core elements of humanitarian response in under funded crises.

Grants to projects that are expected to contribute to the achievement of these objectives come from one of two CERF windows: the rapid response or the under-funded window.

2.1.2 Rapid Response Window

The rapid response window accounted for 70% of CERF disbursements in 2006 (see Exhibit 3).

Window	Funds Disbursed (\$US)	Percentage of Total
Rapid response window	182,425,720	70%
Under-funded window		
1st allocation	43,032,683	17%
2nd allocation	33,849,082	13%
Total	76,881,765	30%
Total	259,307,485	100%

Source: CERF website, <http://ochaonline2.un.org/Default.aspx?tabid=8770>

The major recipient countries were Sudan (20% of all rapid response funds), Afghanistan (18%) and Kenya (14%) (see Exhibit 4). These three countries accounted for just over half (52%) of all rapid response funding in 2006.

	\$ US	As % of total rapid response
Sudan	35,519,099	19.5%
Afghanistan	32,304,627	17.7%
Kenya	26,186,920	14.4%
Somalia	16,609,055	9.1%
Sri Lanka	9,998,966	5.5%
Ethiopia	8,972,986	4.9%
Niger	5,503,823	3.0%
Timor-Leste	5,547,931	3.0%
Lebanon	5,000,000	2.7%
occupied Palestinian territory	4,829,402	2.6%

Exhibit 4: Disbursements from Rapid Response Window, 2006		
	\$ US	As % of total rapid response
Iraq	3,998,590	2.2%
Eritrea	3,886,740	2.1%
Myanmar	3,803,740	2.1%
Chad	3,152,623	1.7%
Central African Republic	2,690,849	1.5%
Philippines	2,598,305	1.4%
Colombia	2,220,939	1.2%
Cote d'Ivoire	1,752,282	1.0%
Djibouti	1,905,355	1.0%
Indonesia	1,904,864	1.0%
Guinea-Bissau	1,361,531	0.7%
Syrian Arab Republic	1,177,096	0.6%
Jordan	1,000,000	0.5%
Cameroon	500,000	0.3%
	182,425,723	100.0%

Source: CERF website, <http://ochaonline2.un.org/Default.aspx?tabid=8770>

The focus of the rapid response window is to provide timely funding that will address the first two objectives: promote early action and reduce the loss of life and to enhance response to time-critical requirements. Yet key informants noted that disbursements in the first months were not timely – and certainly took considerably longer than the expected turnaround time of 72 hours. Indeed, the ERC noted in his report to the CERF Advisory Group in May 2006 that “for the initial disbursements under the CERF grant component, applications took a number of weeks to process as all of the documents were being used for the first time. The process has now been improved, review times reduced, and, in the future, trained OCHA field staff will help further reduce the timeline.”⁹

There is also mixed evidence, from evaluations of emergency responses that benefited from CERF funding, on the timeliness of that funding:

- In Kenya, the CERF mechanism became available only late in the emergency response. However, the several agencies did benefit from CERF funding and, accordingly to the evaluation, the funds were disbursed with a week of approval

⁹ “Central Emergency Response Fund: Meeting of the Advisory Group, Tuesday, 23 May 2006, New York, Meeting Notes”, p 3



of the funding.¹⁰

- In three emergency responses: Somalia, Ethiopia and the Horn of Africa, the CERF mechanism became available only after the launch of the emergency operations. However, evaluations of all three responses indicate that the disbursement of the CERF funds was slow.¹¹ In Somalia, for example, time from approval to disbursements of funds was, on average, 21 days for the first under-funded allocation and 67 days for the second.¹²

As noted earlier in the report, there were a number of factors that contributed to the initial delays:

- Lack of understanding of the CERF at the country level, resulting in errors in initial submissions for funding;
- Lack of clarity on the criteria for funding (e.g. interpretation of life saving and under-funded emergency); and
- Lack of agreement on the grant agreement tools, resulting in many changes being made to the templates and formats for key submission/agreement documents.

While the timeliness of decision-making and disbursing funds has reportedly improved, there is no data yet available from the Secretariat to reflect this improved timeliness. The Secretariat had preliminary data on time frames for the first grants, but it did not continue to document this information in a systematic fashion over the first year. As a result, Secretariat staff are now in the process of reconstituting the time frames for the whole first year of operations.

However, analysis carried out by the OCHA's CAP Section (see Exhibit 5) suggests that the CERF has contributed to more timely response to Flash Appeals. Prior to the implementation of the CERF, the median funding for a Flash Appeal after one month was barely 20%. Beginning in 2006, the median rises above 30% and all are above 20% (with the exception of the Ethiopia appeal).

In spite of the mixed views on the timeliness of the CERF funding, the ERC's report

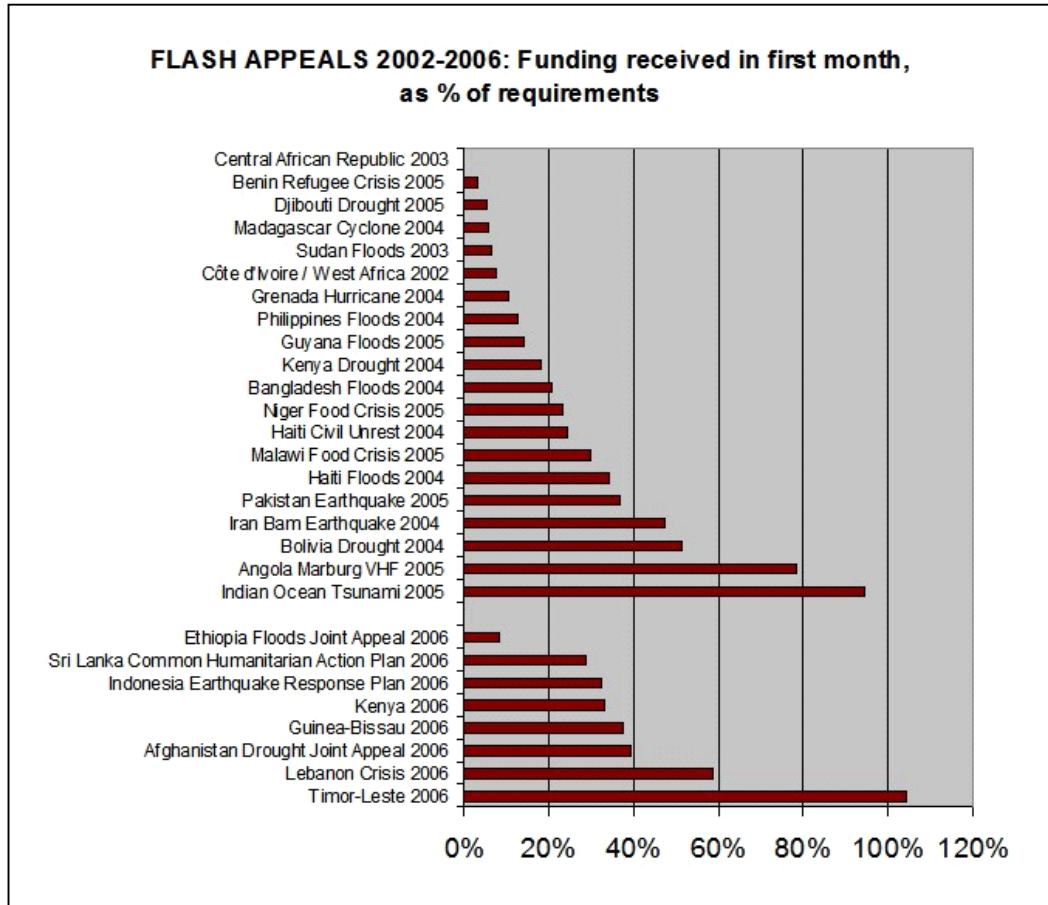
¹⁰ Kenya: RTE Mission 02/10 to 13/10/2006 (Final Report): Grünewald, F., Robins, K. et al., OCHA, December 13, 2006, p. 23

¹¹ "Real Time Evaluation of the Drought Response in the Horn of Africa: Regional Synthesis 13/08/2006 – 20/10/2006 (Final Report)": Grünewald, F, Robins, K. et al., December 16, 2006 and "Ethiopia: Real Time Evaluation of the 2006 Emergency Response (Final)": Grünewald, F, Robins, K. et al., December 12, 2006.

¹² "Somalia: Real Time Evaluation of the 2006 Emergency Response (Final)": Grünewald, F, Robins, K. et al. November 12, 2006, p. 20 and

to the Advisory Group (May 2006) and the report of the Secretary General to the GA (October 2006) provide examples of rapid responses funded by the CERF:

Exhibit 5: Funding for Flash Appeals



Source: OCHA, CAP Section

- In Timor-Leste, CERF rapid response funding allowed the United Nations Children’s Fund (UNICEF) to prevent the outbreak of waterborne diseases by supporting the immediate construction of twenty latrines in the camps during the first ten days of the emergency and allowed the IOM to accelerate the transportation of food and supplies to camps for internally displaced persons.¹³
- In Lebanon, CERF funding supported common logistics services to help agencies to jump-start a rapid response that included the transportation of humanitarian commodities into Lebanon, the mobilization of a significant trucking fleet to

¹³ “Central Emergency Response Fund: Report of the Secretary General,” 14 September 2006, p. 5 – 6

transport food and supplies to conflict affected communities, the chartering of an aircraft for the delivery of vehicles and ensuring an appropriate security structure to support all logistics operations.¹⁴

- In Ethiopia, CERF funding addressed unmet needs in the logistics and communications clusters and allowed for crucial field security operations to be implemented immediately in the Somali region.¹⁵
- In Niger, CERF funding allowed WFP to avoid a pipeline break in the supply of food that could have resulted in a great loss of life.¹⁶

Time critical support can also be facilitated through the use of UN agency internal emergency funds. See Section 3.7 for a discussion of how the CERF funding links to other humanitarian funding.

The use and impact of the CERF funding needs to be confirmed at the country level with specific attention being paid to the timing of the activities funded by the CERF grants.

2.1.3 Under-funded Window

Grants from the under-funded window are used to address the third CERF objective to strengthen the core elements of humanitarian response in under-funded crises.

Allocations to specific countries are made twice a year – once near the beginning of the year (based on information about the level of funding from the previous year) and then at the mid-point in the year. This ensures that funds are available for use in the current fiscal year. An initial allocation is made to each country deemed to have an under-funded emergency and HC/RCs, with the country teams, are invited to submit specific project proposals. (See Section 3.1.2 for a discussion of the issues related to the determination of an “under-funded” emergency.) Funding decisions are then made on these proposals.

As shown in Exhibit 1, 30% of CERF disbursements in 2006 came from the under-funded window. Nearly half the under-funded money (49%) went to the Democratic Republic of the Congo (see Exhibit 6). Other countries accounted for less than 10% of

¹⁴ Ibid, p. 6

¹⁵ Ibid

¹⁶ “Central Emergency Response Fund: Meeting of the Advisory Group, Tuesday, 23 May 2006, New York, Meeting Notes”, p 4



the under-funded window each.

Exhibit 6: Disbursements from Under-funded Window, 2006		
	US\$	As % of total under-funded
Democratic Republic of the Congo	38,000,000	49.4%
Chad	6,268,442	8.2%
Burundi	4,069,847	5.3%
Cote d'Ivoire	4,000,000	5.2%
Liberia	3,983,682	5.2%
Central African Republic	3,002,515	3.9%
Mauritania	2,075,604	2.7%
Burkina Faso	2,000,000	2.6%
Congo	2,000,000	2.6%
Eritrea	1,998,565	2.6%
Guinea	1,997,549	2.6%
Mali	1,985,598	2.6%
Zimbabwe	1,999,963	2.6%
Ethiopia	1,000,000	1.3%
Haiti	1,000,000	1.3%
Kenya	1,000,000	1.3%
Zambia	500,000	0.7%
	76,881,765	100.0%

Source: CERF website, <http://ochaonline2.un.org/Default.aspx?tabid=8770>

Specific examples of the contributions of under-funded window grants are reflected in the Secretary General's report to the GA (October 2006) and in evaluations of emergency responses:

- The large allocation to the Democratic Republic of the Congo allowed UN agencies to accelerate the implementation of priority life-saving programmes, including malaria control, cholera response, mine action activities and protection of internally displaced persons.¹⁷
- The under-funded window has allowed agencies to allocate funding to specifically under-funded sectors. In Zimbabwe, the majority of the funding was given in the food sector (as compared to shelter, education, agriculture and health). The disbursement of \$1 million from the CERF allowed the resident/humanitarian coordinator and country team to dedicate \$250,000 for emergency health response to successive, acute cholera outbreaks and \$250,000 for emergency temporary shelter. Similarly, in Côte d'Ivoire, where the health

¹⁷ "Central Emergency Response Fund: Report of the Secretary General," 14 September 2006, p. 7

sector was also severely under-funded, CERF funds enabled WHO to provide essential medical supplies and support vaccination campaigns for 500,000 internally displaced persons.¹⁸

As long as donor pledging to the CERF does not divert money away from other humanitarian actors in under-funded emergencies, the CERF funding will, by definition, increase resources for individual under-funded emergencies. However, it is not possible, with the information available, to determine definitively, at the aggregate level, whether CERF under-funded window has contributed to greater equity in humanitarian funding.

A comparison was made of the funding for CAs between 2002 and 2006. As shown in Exhibit 7, the ratio of funding for the bottom one-third of CAs in 2006 to the top two-thirds was 0.67.¹⁹ Only in 2005 was the ratio higher (0.71), but this year saw unprecedented funding for the Tsunami response. In 2006, with CERF funding, the ratio was higher than in the years between 2002 and 2004.

Source: ReliefWeb and CERF website. Analysis by author

	Top 2/3 of appeals -- percent funded	Bottom 1/3 of appeals -- percent funded	Ratio of bottom 1/3 to top 2/3
2002	70.5%	39.2%	0.56
2003	79.7%	39.5%	0.50
2004	71.6%	33.2%	0.46
2005	75.2%	53.6%	0.71
2006 (including CERF funding)	72.6%	48.7%	0.67

Although this analysis suggests that the CERF has contributed to more equity in humanitarian response funding, it can only be seen as a gross assessment of this phenomenon because there are serious methodological limitations to this analysis.²⁰

¹⁸ Ibid, p. 7 – 8

¹⁹ As equity in funding increases, the ratio should move closer to 1.

²⁰ There are five major limitations: Firstly, the definition of “under-funded crises” used by OCHA for implementation of the CERF is not based solely on the extent to which the CA is in the bottom one-third of funded appeals. It includes other information provided by stakeholders and data sources, which was not available to the author of this report. As a result, this analysis, however, cannot replicate the analysis based on this additional information. Secondly, the CA information used by OCHA in making country allocations and grant decisions is based on only the life-saving activities included in the appeal. It was not possible, for this review, to replicate this analysis, so it includes all CAP activities. Thirdly, the data was taken from ReliefWeb in March 2007, so does not reflect the information that was available for decision-making on CERF grants during 2006 and, in the case of some appeals, would actually include the CERF funding. It also means that, since some appeals remained open at the end of the year, there was a longer period of funds to accumulate for the 2002 to 2005 appeals than for the

In addition, it should be noted that the CERF funding for any under-funded emergency may not be enough to make a critical difference in terms of the coverage of existing needs, having provided no more than 9% of the requirements for any one appeal in 2006.

However, the impact that CERF funding has on the average level of funding for under-funded CAs is only part of the story of the impact of under-funded grants. Key informants identified other possible impacts of under-funded grants:

- Funding was provided to sectors (e.g. agriculture) and sub-sectors (e.g. reproductive health and gender based violence) that are often under-funded by donors, even in relatively well-funded emergencies;
- CERF grants may provide the seed money, attracting the attention of donors to under-funded appeals and potentially lead to an increase in funding from other donors and break the “vicious cycle” of under-funding; and
- Funding was provided to agencies that are not traditional humanitarian response agencies (e.g. FAO, WHO and UNFPA).

The use and impact of the under-funded window needs to be confirmed at the country level, with specific attention paid to the identification of the under-funded emergency and the implementation of priority projects.

2.2 Impact on Humanitarian System

While it is too early to assess the impact of the CERF on the overall humanitarian system, many key informants felt there was evidence, albeit anecdotal, to suggest that the CERF processes have had a positive impact on humanitarian reform – notably, strengthening the role of the HC/RC and sector coordination.

The CERF has reportedly increased the incentive to report. The requirement that all funding requests come from the HC/RC and be based on a collective identification of the priority needs at the country level has, reportedly, strengthened the hand of the HC/RC and given focus to the deliberations not only of the UNCTs, but also

2006 appeals. Fourthly, not all CERF funding from the under-funded window goes to appeals in the bottom one-third of funded appeals. Finally, it is based on limited information on CERF funding as it includes only one year of CERF funding from the under-funded window.

expanded country teams (including NGOs and, in some cases, national governments).

Evidence from the evaluation of the pooled funds used in the DRC and Sudan would suggest that any common funds could have this positive impact. The evaluation suggests that having a pooled fund, under the management of the HC has strengthened his/her authority to make strategic decisions about allocations, based on locally identified needs.²¹ The evaluation noted that “one of the strongest qualitative findings emerging from the study is that the cluster system of coordination has been strengthened and driven by the Common Funds mechanism. A recent policy paper on UN reform asserts that “country programmes can achieve limited coherence when the demand for coordination is high but the incentives to coordinate are weak. These are the problems the High Level Panel has been set up to solve.”²² The Common Funds has served as strong incentive for actors to engage in the clusters and the substance of its coordination work.”²³ Although this needs to be confirmed at the field level, it would be expected that the CERF would provide similar incentives at the country level.

2.3 Securing Pledges

When the Fund was set up, the GA called for the grant component to reach US\$ 450 million by 2008. The first year of CERF funding brought the Fund well on its way to achieving this goal. The paid contributions for 2006 – \$US 298.6 million – reportedly exceeded OCHA’s expectations. (See Appendix D for a list of all unpaid pledges and paid contributions for 2006 and early 2007.)

In 2006, there were paid pledges from 50 countries and two other organizations (one local government and one NGO). Many non-traditional donors contributed to the CERF.²⁴ Although the contributions of some of these non-traditional donors were small, they also include, in some cases nominal, contributions from CERF recipient countries (e.g. Indonesia and, in 2007, Lebanon and the Philippines).

²¹ “Common Funds for Humanitarian Action in Sudan and the Democratic Republic of Congo: Monitoring and Evaluation Study”, December 2006, p.15

²² Citation in the original document: Simon Maxwell, “Applying Best Practice from Public Expenditure Management to the Reform of UN Financing” (2006)

²³ “Common Funds for Humanitarian Action in Sudan and the Democratic Republic of Congo: Monitoring and Evaluation Study”, December 2006, p.17

²⁴ This is based on the number of donors (11 or 22% of all donors) that made paid contributions to the CERF that are not members of the Development Assistance Committee (DAC) of the Organization of Economic Cooperation and Development.

Initially there was an expectation that there would be considerable private donations to the CERF. However, this has not been the case. While the Donor and External Relations Section does have one staff person working on attracting private donations, it has proven difficult to attract private donations since many reportedly prefer to fund specific and visible projects, not channel money through the UN bureaucracy.

Some respondents felt that the first year of CERF contributions reflected a “honeymoon period” during which donors were willing to commit to the CERF, but that only in the longer-term would it be possible to determine the sustainability of CERF funding.

However, the early results for 2007 look promising for the CERF. As of 9 March 2007, the CERF had received commitments of \$US 341.6 million, with \$US 101.1 already paid. An analysis of the top ten donors from 2006 reflects that all but two (Canada and the United States) have already made pledges for 2007 and that the amount pledged by these eight has increased by 16%. Since 2006, an additional seventeen donors have made pledges for 2007; while nineteen of the 2006 paid contributors have not yet made a pledge for 2007.

It is impossible, with the information available, to know whether or not these contributions represent additional money, beyond what the donors were already contributing to other humanitarian response organizations or funds. Funding from some donors was additional (e.g. Sweden, United Kingdom, Norway, Ireland); whereas for others, it was only partially additional (e.g. Netherlands, United States).²⁵ The additionality of the CERF funding will be determined in the longer-term and, most likely, by assessing the impact at the country level. For example, there is some evidence from a recent evaluation of pool funding for humanitarian responses in the Democratic Republic of the Congo (DRC) and Sudan that contributions to pooled funds resulted in a small increase in overall funding to those two countries.²⁶

This issue of additionality is tied to the concern that, if donor funding to CERF is not additional to other humanitarian response funding, then donors may be diverting funding from other recipients – notably UN agencies and NGOs – to the CERF. A

²⁵ The UN Central Emergency Response Fund one year on: Briefing Paper. Oxfam. March 2007, p. 13

²⁶ *Common Funds for Humanitarian Action in Sudan and the Democratic Republic of Congo: Monitoring and Evaluation Study*. Center on International Cooperation/The Humanitarian Policy Group Overseas Development Institute, December 2006. The authors note the challenges of drawing conclusions on additionality but developed a methodology for doing this at the country level.

recent position paper produced by Save the Children (SCF) UK, raised this concern and cited a specific example of funding for the response to floods in east Africa in November 2006. “Save the Children sought out discussion with the UK Department for International Development (DFID) for preparedness work in northern Kenya. Even though Kenya is a high priority for DFID, as is preparedness work, there was no money available. All DFID spending had gone to the CERF, with additional new money going to the Kenyan Red Cross and UNHCR.”²⁷ It is difficult to determine, particularly at the global level, whether this is one example or illustrative of a trend.

A briefing paper produced by Oxfam International also makes this point. “... it has proved extremely difficult to confirm whether donor contributions to the CERF have consisted of ‘new’ or additional funding. The fear remains that CERF contributions could be funds diverted from other, bilateral humanitarian contributions and thus undermine two of the CERF’s key objectives: increasing the availability of aid, and improving results for people at risk through speedier humanitarian response.”²⁸

Since the issue of the additionality of the pledges will have to be addressed in the GA-mandated CERF evaluation, the CERF performance framework will need to include the development of a methodology for addressing this issue.

2.4 Development of CERF Infrastructure

During the first year, as OCHA was making decisions on the commitment of CERF funds, it was also putting in place the necessary infrastructure to manage the CERF. This included the development of:

- Administrative tools (including procedures, criteria and guidelines and project submission and agreement templates);
- Reporting mechanisms and tools;
- Information sharing/advocacy materials, including the CERF website;
- Training materials; and
- Consultation mechanisms.

Details on each are provided in the following sections. They focus primarily on the

²⁷ “Exclusion of NGOs: The fundamental flaw of the CERF”, Save the Children, January 29, 2007, p. 7

²⁸ Oxfam International, “The UN Central Emergency Response Fund one year on”, Oxfam Briefing Paper, March 2007, p. 3



achievements. Results in many of these areas are still facing challenges and these are discussed further in Section 3.0.

2.4.1 Administrative Tools

In the beginning there was very little guidance provided to the UN agencies and country teams on what would be funded under the CERF. The CERF policies were developed using a “case law” approach – that is, they were developed based on practices over the first year. This led to considerable confusion and frustration for some stakeholders. The lack of clarity led also, particularly in the first months, to errors in the submissions for funding – for example, submissions for direct funding for NGOs and submissions for non-life-saving activities. These errors contributed, in part, to significant delays in decision-making and disbursement of funds (see Section 2.3.1).

However, over the course of the year, OCHA has provided considerable guidance on the CERF, by developing:

- Background materials on the CERF;
- Application procedures for both the rapid response and under-funded windows;
- Definitions and criteria for key concepts, such as life-saving and under-funded emergency;
- Templates and models for project applications and budgets, HC/RC cover letters and Letters of Understanding (agreements); and
- A database for tracking the administrative procedures for CERF grants.

The current administrative guidance, some of which has been updated as recently as January/February 2007, is available on the CERF website.²⁹

In developing the guidance, the Secretariat demonstrated considerable flexibility in modifying and refining the administrative tools to meet the needs of the agencies and the field. For example, it:

- Agreed to accept the CAP project sheets for CERF submissions, although it had initially required specific CERF project sheets;

²⁹ Some materials are now also available in French.

- Modified the definitions of life-saving in response to feedback from the field and the agencies; and
- Made a number of changes to the Letters of Understanding (LOUs) to accommodate requests from the agencies.

However, in some cases, the frequency of change in itself (e.g. the multiple changes to the LOUs) has been frustrating for the agencies.

2.4.2 Reporting Mechanisms and Tools

In addition to the administrative tools, OCHA and the UN Controller's Office have developed mechanisms and tools for both narrative and financial reporting.

The narrative reporting on CERF-funded projects comes from two sources – the UN agencies and the HC/RC (on behalf of the country teams). The current requirements were developed by the Secretariat, in consultation with the UN agencies and country teams. The HQs of the UN agencies that have received grants are required to provide annually:

- The agency's regular annual narrative report on humanitarian operations (in early April) – These reports are to be provided using the UNDG or agency standard format and, as such, the requirement is consistent with the principles of Good Humanitarian Donorship (GHD).³⁰ A CERF Annual Narrative Report Template is also available as a guide. These reports are to focus on the impact and results of projects for which the agency has received CERF funds; and
- Information on lessons learned and analysis of the impact of the CERF on the agency as a whole (in mid-March), for input to the SG's report – The report should provide information on the impact of CERF funding on the agency's capacity to respond to rapid crises and to continue under-funded, life-saving activities, and lessons learned on accessing CERF funds.³¹

HC/RCs, on behalf of the country team, in countries receiving CERF funding, provide:

- Annual narrative report (mid-March) – The report should provide a broad

³⁰ Respecting the GHD call for standardized formats for reporting

³¹ "Central Emergency Response Fund: Reporting", Presentation, 10 January 2007



overview of the impact and results of CERF funding for each sector/cluster of the overall humanitarian response. It is developed using the template, “Use of the CERF: Report of the Humanitarian/Resident Coordinators.” It is expected to be a short (4 - 6 pages) narrative report with additional one-page success stories from the different clusters/sectors; and

- Mid-year progress report (1 August) – This is a mid-year review of the impact and results of the CERF funding on the sectors/clusters and is also based on the template, “Use of the CERF: Report of the Humanitarian/Resident Coordinators.”

The first submissions under these requirements were being received as the data collection for this evaluation was concluding and there was no opportunity to assess the quality of these reports from the first year of funding.

The financial reporting requirements, on the other hand, have been determined by the UN’s Controller’s Office and include annual interim certified financial statements (mid-February) and final certificated financial statements (end of June).

The Secretariat had the flexibility to define the narrative reporting requirements in a way that lessened the reporting burden on the UN agencies and the country teams. It agreed to accept the regular narrative reports that agencies provide to other donors, as negotiated in the United Nations Development Group, as part of the harmonization of donor reporting. However, it has not had any flexibility on the financial reporting requirements, as they are determined by the UN Office of the Controller. CERF disbursements are considered to be advances and are not reported as expenditures until financial income statements for the funds are received from the agencies. The Office of the Controller requires that expenditures to be reported in the same format used by the Office of Programme Planning, Budget and Accounts when reporting UN trust fund monies to the legislative bodies.³² The financial reporting requirements reportedly impose a significant burden on the agencies and there remain many issues to resolve in this area (see Section 3.3).

2.4.3 Information Materials

The key source of public information on the CERF is the CERF website. It is also the primary tool for donor reporting on the CERF. The web site was developed during the

³² The format includes three types of income information (receipts, interest and miscellaneous) and seven types of expenditure information (staff/other personnel expenses, travel, contractual services operating expenses, acquisitions, fellowships/grants/

first year and changes frequently. The Secretariat has made it a priority to ensure that information on the website is up-to-date, particularly with respect to CERF pledges and project funding. The information appears to be current and is continually changing to meet needs. The site also provides links to other related websites – for example, links to websites providing information on humanitarian reform, Consolidated Appeal Process (CAP) and Flash Appeals.

It serves as a good source of overall financial information on CERF disbursements, including analysis by funding window, country and UN agency, and allows users to access the information in a number of different ways. However, it provides only information on disbursements through grants, with no information on the actual use of the funds.

In addition, it provides only anecdotal, descriptive information on CERF-funded activities in each country. The quality and detail of this information varies from country to country and it is not possible to link the narrative information directly to the financial disbursements. As yet the web site provides limited information on CERF results. The information appears to be more geared to providing public information for promoting interest in the Fund than in providing systematic and comprehensive information on results for interested stakeholders, such as the donors. As the agency and country-level narrative reports become available, it is planned that they will be posted on the site, making available whatever results information is provided by the agencies and the HC/RCs. However, the implication of this is that, if the information is to be posted on a public website, the agency and country-level reports may focus more on public information than a real assessment of results that should include an assessment of not only achievements, but also the challenges and lessons learned.

Although a lot of information is available on the website, access to the site for new users is not easy and the site lacks a clear overall structure. The organization of material is not very intuitive and the links to, and within, the website are not clear.

The Secretariat has also developed other public materials on the CERF, including a CERF brochure and a newsletter.

2.4.4 CERF Training

One challenge for CERF implementation, particularly in first few months, was the limited understanding of CERF within agencies – both at the HQ and field levels. Indeed some agency representatives recognized in the interviews that they had not done enough to inform their field operations, within their own organizations, about the CERF. This was reflected in the poor quality of some original submissions for CERF funding. OCHA recognized that training would be the most effective way to improve the quality of submissions from the broad range of agencies and countries wanting to access CERF funding. Two approaches were taken:

- In collaboration with the Humanitarian Reform Support Unit, the Secretariat integrated training on the CERF into the regular training for HCs – This includes a half-day devoted to the CERF in a two-day training workshop, which has been delivered in five regions since the implementation of the CERF; and
- The Secretariat developed a “Training-of-Trainers” training package to develop the capacity of others to train agency staff in HQ and at the country-level – A package of training materials was developed and first delivered to NY-based agencies in January 2007, It is planned for delivery in Geneva in April and in the field in May/June 2007.

2.2.5 Consultation Mechanisms

The Inter-Agency Standing Committee (IASC), which includes key UN and non-UN stakeholders, is the primary mechanism for ensuring inter-agency coordination of humanitarian assistance. The two mandated IASC committees are the Principals and the IASC Working Groups. However, in order to ensure consultation on CERF implementation at the global level, an *ad hoc* group of working level representatives of IASC agencies (in New York and Europe) was established. It has been meeting biweekly over the year to address issues. It was at these meetings that key issues for the agencies – for example, the format for project submissions and narrative reporting and standard programme costs – were discussed.

The key formal consultative mechanism for the CERF is the Advisory Group. It is a group of experts tasked with providing “periodic policy guidance and expert advice to the United Nations Emergency Relief Coordinator (ERC) on the use and impact of the



Fund.”³³ The group is composed of twelve experts selected by OCHA, on the basis of suggestions from agencies and donors, including eight donor participants and four independent experts.³⁴ They participate for a two-year term as individuals, not as representatives of their organizations, and meet twice a year. Two meetings have been held to date. Agency representatives do not participate in the meetings but did participate in an informal meeting with Advisory Group members prior to its October 2006 meeting.

The establishment of the Group is an achievement, but interview respondents generally indicated that it was too early to assess impact of the Group. The first meeting was reportedly an introductory meeting (May 2006) so, to date, there has only been one meeting that respondents saw as substantive (October 2006). However, interview respondents provided mixed reviews of the participation at the meeting. A number of respondents noted the high level of experience of the Group’s members; while a few expressed disappointment in the level of the discussion at the meetings, indicating that some members were not sufficiently well-versed on humanitarian affairs and financing and/or the CERF. Some expected more substantive inputs from the Group.

It is difficult to determine if OCHA has responded to issues raised by the Group, as the notes of the meetings do not include specific recommendations on policy guidance, but rather suggestions of things for consideration or emphasis. The notes of the October 2006 meeting indicate, for example, that the Group “emphasized the importance of a field-driven approach in identifying and prioritizing life-saving activities for CERF funding and underscored the need for a flexible approach to the use of the CERF without compromising accountability.”³⁵ This statement underscores the difficult balance between criteria and flexibility, without giving direction to the Secretariat on a topic that is a well-recognized issue. An OCHA staff person expressed the view that perhaps OCHA needs to find better ways to engage the Group, in order to get better inputs.

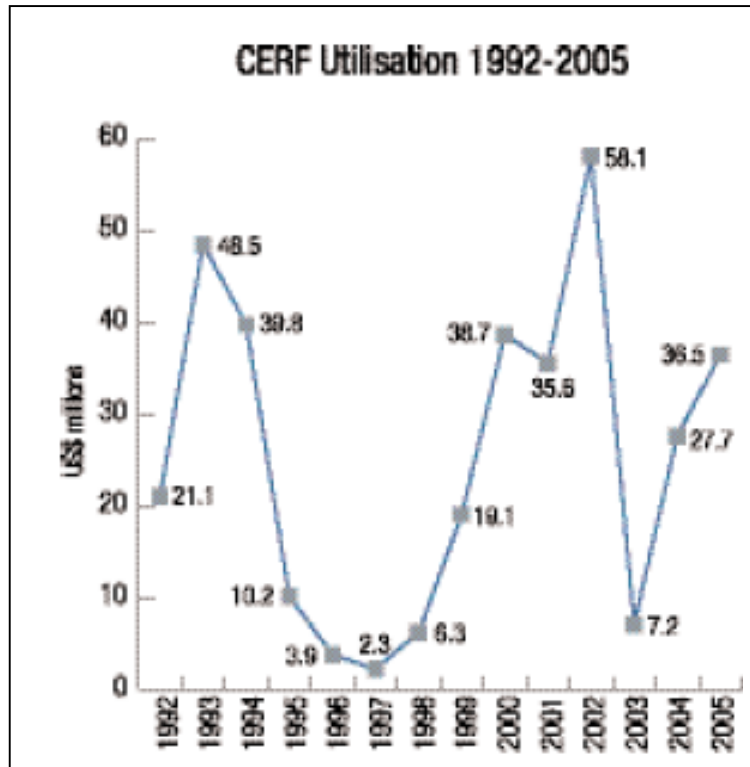
³³ Advisory Group Terms of Reference, p. 1

³⁴ There are also four alternative members who serve if a member is not available.

³⁵ “Meeting of the Advisory Group of the Central Emergency Response Fund, Geneva, 12 October 2006: Note of the Secretariat”, p. 1

2.5 CERF Loans

The CERF loan mechanism has existed since 1991. As can be seen in Exhibit 8, taken from the OCHA Annual Report 2005, the use of the loan mechanism has varied considerably over the years.³⁶



It is too early to determine the impact of the expansion of the CERF to include the grant component, on the use of the loan component. In 2006 (during which CERF grants were available for ten months of the year), the total loans were \$53.3 million and, to date in 2007, there have been loans of \$37.7 million (see Exhibit 9). The loan amount for 2006 is higher than the amount for 2005 but still within the range of the loan amounts for previous years. As a result, it is not possible to discern any trend in the impact of the grant component on the CERF loan component.

³⁶ OCHA Annual Report 2005: Activities and Use of Extrabudgetary Funds:
<http://ochaonline.un.org/DocView.asp?DocID=4624>

Exhibit 9: CERF Loan Disbursements, 2006 and 2007 (as of March 2007)				
Agency	Country	Amount of loan (\$US)	Disbursement date	
2006				
UNICEF	Sudan	7,500,000	19/01/2006	
UNICEF	Sudan	1,000,000	31/01/2006	
FAO	Sudan	8,422,337	15/02/2006	
DPKO/UNMAS	Sudan	1,000,000	24/02/2006	
UNICEF	Sudan	4,000,000	24/02/2006	
UNICEF	Sudan	6,300,000	24/03/2006	
WFP	Sudan	18,000,000	27/03/2006	
OCHA	Sudan	4,000,000	12/06/2006	
DPKO/UNMAS	Afghanistan	1,650,000	19/10/2006	
UNDP	Sudan (Juba)	1,400,000	11/12/2006	
Total		53,272,337		
2007				
DPKO/UNMAS	Sudan	3,000,000	22/01/2007	
WFP	Sudan	10,000,000	09/02/2007	
UNICEF	Sudan	15,000,000	10/03/2007	
FAO	Sudan	9,679,925	23/03/2007	
Total		37,679,925		

Source: CERF Secretariat, March 2007



3.0 CERF Issues

Although the CERF has achieved considerable results in its first year, by setting up the Fund while, at the same time, disbursing monies, there are many outstanding issues that either have not yet been resolved or need to be assessed further. Since the Fund has only been in operation for one year and it may be too early, for some issues, to know whether or not changes are required.

The key outstanding issues are of two types. Some issues relate to the design of CERF:

- Elaboration of CERF policies, definitions and funding criteria;
- Financial arrangements for the CERF; and
- Adequacy of CERF performance measurement.

Others relate to the implementation of the CERF in the first year:

- Administrative fees associated with the CERF; and
- Capacity of the Secretariat.

A final issue that has been the subject of considerable and continuing debate is the role of NGOs in the CERF and their lack of direct access to the Fund. This issue and the outstanding issues related to the CERF design and implementation are all discussed in greater detail in the following sections.

3.1 CERF Policies, Definitions and Criteria

The overall expectations of the CERF are outlined in the General Assembly's Resolution setting up the Fund. These expectations have then been translated directly into guidance notes and information on application procedures. There is no overall policy framework for the CERF. Procedures and guidance are reflected in the backgrounders, guidelines, application and training materials, but there is no clear statement that outlines explicitly the Fund's principles and links these to the Resolution and the specific criteria. To this extent, stakeholders have to base their understanding of the principles of the Fund on the specific definitions and criteria in the Fund procedures and guidelines.



These criteria have been developed over the first year of operations by OCHA, in consultation with other stakeholders. They developed and refined the definitions and interpretation of specific concepts and criteria for the CERF. Yet there has been, and continues to be, considerable debate on the definition of some CERF concepts and criteria. Information from the key informant interviews provided some insights on various components of the definitions and criteria, including:

- Definition of “life-saving”;
- Definition of “under-funded”;
- Requirement that CERF be the funder of last resort; and
- Project size, time limits for commitment of CERF funds and the number of CERF projects.

These are issues that OCHA and the donors need to continue to monitor as the definitions and criteria stabilize and are applied over the next year.

3.1.1 Definition of Life-saving

The primary criterion for CERF funding is that it must be used for life-saving activities. CERF documentation states that life-saving activities includes those that:

... within a short time span remedy, mitigate or avert direct physical harm or threats (whether violence, disease, or deprivation) to a population or major portion thereof; or, common humanitarian services necessary to enable core emergency humanitarian activities. Also permissible are common humanitarian services that are necessary to enable life-saving activities and the funding of the cluster lead function as long as the cluster lead is also using the CERF funds to implement life-saving activities.³⁷

However, there has been debate about how to interpret this definition. According to the CERF materials, the sectors most often considered life-saving are: food, health, protection, security, shelter/non-food items, water and sanitation, and multi-sector. The materials also state that preparedness, mitigation and prevention activities cannot be funded by the CERF. Yet they also specify that life-saving definition is “to be

³⁷ “CERF Training of Trainers: Defining Life-saving Activities according to CERF Criteria”, January 2007



applied flexibly by the RC/HC based on local circumstances.”³⁸

In reality, the application of this criterion has indeed been flexible – presumably in response to local circumstances. However, this has led to confusion about what is deemed to be life-saving. The interpretation for what is included in any of these sectors has changed and been flexible over the first year of the initiative. For example:

- While gender-based violence and reproductive health were not initially considered to be life-saving, that interpretation was modified to include these as life-saving activities, in some cases;
- Emergency education, to provide a safe environment for children, was included as a protection activity in Sudan; and
- Mitigation activities, such as vaccination programmes for Rift Valley fever affecting livestock in Kenya, to prevent loss of livelihood.

In order to clarify the application of the criterion, the Secretariat has developed examples of “definitely life saving,” “maybe, depending on the context” and “not life-saving.” While the Secretariat tries to more clearly define what belongs in each category, there is still considerable debate even about the wisdom of developing clearer criteria. While some respondents call for clearer criteria, some believe that more precise criteria will unduly limit the ability of Fund to be flexible and reduce the role of the country teams in defining the most appropriate uses of CERF funding at the country-level. On the other hand, developing more specific criteria would make decision-making easier and likely speed up the decision-making process.

External views on the definition of “life saving” are far from uniform. The Oxfam briefing paper on the CERF notes specifically that “... preventive action is not a direct CERF objective. However, a number of donors felt that, particularly in crisis-prone areas and in ongoing emergencies, it is just as important to prevent further problems as to respond to the immediate crisis. Other donors stated that the CERF should stick to its original mandate, as other mechanisms were designed and better placed to undertake preventive action.”³⁹

Further information is required on the implications of the definition of life-saving in

³⁸ “How to apply: CERF Grants for Rapid Response to Sudden Onset Emergencies”, 24 January 2007

³⁹ “The UN Central Emergency Response Fund one year on: Briefing Paper”, Oxfam. March 2007, p. 23

responding to needs at the country level.

3.1.2 Definition of “Under-funded”

Allocations to specific countries are made twice a year – at the beginning and mid-point of the year. An initial allocation is made to countries that fall into one of two categories: either a country with a CA or a country with an emergency, but with no appeal. The process for determining CA countries eligible for under-funded grants is based initially on status of the funding for the CA (based on information from the Financial Tracking System (FTS)). Initially, a mathematical formula is used to identify the bottom-third of funded CAs. This information is then supplemented with information gained from consultations with stakeholders (primarily through the *ad hoc* IASC group) and country teams. Other data, including information from needs assessment (for example, the ECHO Global Needs Assessment data) are also used to supplement the CA information. All the information is used to allocate under-funded window resources to countries with CAs. A similar process is used for identifying non-CA countries, but information on needs has to come from the country-level and/or the UN agencies.

There are many reasons put forward to explain why a purely mathematical formula is not adequate. One challenge of identifying under-funded emergencies is the weakness of information available for decision-making. The starting point is the CA, yet some donors note that CAs may be inflated or not based on a real identification of the priority needs.⁴⁰ (However, the situation may be improving. A recent desk study carried out for CIDA compared CAs prepared in 2000 to those prepared in 2006. It found some improvements in the documents, including an increased use of evidence-based needs assessment, better processes for identify the priority sectors and projects and stronger sector response plans.⁴¹) A mathematical formula also cannot take into account the absorptive capacity of the actors working at the country level.

Initially, it was expected that the under-funded window would support primarily those

⁴⁰ The evaluation report on the common funds in the DRC and Sudan noted that “Donors in both countries have complained that the Plans are overstuffed, and that funding requirements are set unrealistically high...” It noted also that “Most critically, both Sudan and DRC suffer from lack of empirical baseline data, the absence of which makes it impossible to set impact indicators. The Plans do not include a systematic analysis, by region and sector, of the number of beneficiaries and their current status in terms of health, nutrition, shelter, security, and other vital areas.” “Common Funds for Humanitarian Action in Sudan and the Democratic Republic of Congo: Monitoring and Evaluation Study”, December 2006, p.16

⁴¹ “Desk Review of the 2006 Consolidated Appeals (Final Report)”, Gander, Catherine, February 27, 2006. This review also noted improvements in the reporting of donor funding to humanitarian assistance to the FTS.

countries in the bottom one-third of funded CAs. However, the addition of other elements in the analysis (information from stakeholders and other needs assessment tools) means that there is not necessarily a direct link between a CERF under-funded grant and the bottom third of under-funded CAs. The actual allocation of resources in 2006 reflects the broader definition of “under-funded.” There were seventeen CAs in 2006.⁴² Overall, the CERF provided funding for seventeen countries from its under-funded window, of which:

- Nine were for countries with CAs (accounting for 85% of funding from under-funded window); and
- Eight for countries without CAs (accounting for 15% of the under-funded window).

In 2006, CERF funded five of the six CAP appeals in the bottom one-third of CAs.⁴³ However, it also funded four appeals in the top two-thirds of funded appeals. By far the largest portion of the under-funded grants went to countries with appeals in the bottom one-third of funded appeals – 68% of all under-funded grants – and these grants accounted for between 3% and 9% of the requirements of the appeal. An additional 17% went to appeals in the top two-thirds of funded appeals, providing between less than 1% and 8% of the requirements of the appeal. A further 15% of the under-funded window went to non-CA countries.

There is considerable debate about the transparency of the decision-making process for under-funded grants. Flexibility in being able to use information from various sources for making decisions about under-funded grants may result in more appropriate decisions to address local needs, but it also reduces transparency and makes it difficult for observers to anticipate how decisions will be made. It will also make it difficult to demonstrate that the Fund has achieved the expected result of increasing the equity between well-funded and under-funded emergencies.

3.1.3 Funder of Last Resort

The CERF materials specifically indicate that the CERF should be funder of “last resort.” Agencies should only be looking for CERF funding when no other funding sources are immediately available. The application of this criterion is clear in the case

⁴² ReliefWeb, <http://ocha.unog.ch/>

⁴³ Information from ReliefWeb (<http://ocha.unog.ch/>), as of 24 March 2007, based on CA requirements as of July 2006



of the under-funded window. The under-funded window is used for emergencies that have demonstrably not been adequately funded by other donors, by definition.

However, the application is less clear for the rapid response window. The messages about the application of this criterion for rapid response grants are more mixed. There are general statements that CERF funding should only be sought once country teams know what is likely to come from other donors. Some respondents also indicated that UN agencies were expected to use their internal emergency funds before accessing CERF funding. However, this concept of funder of “last resort” for the rapid response window is somewhat inconsistent with goal of having CERF funds promote early response in an emergency. Delaying to assess the availability of funding from other donors or waiting until internal resources have been used may jeopardize the opportunity for CERF to provide a rapid response.

3.1.4 Project Size, Time Limits for Commitments and Number of Projects

Current CERF materials indicate that the minimum project size is \$100K.⁴⁴ There has been discussion about increasing the minimum to \$250K. However, most key informants expressed concern about this option as it might limit the extent to which smaller UN agencies, with less absorptive capacity, can access the Fund and might reduce opportunities for innovative projects.

The minimum project size would appear to be consistent with the time limits for the commitments of CERF funds – particularly for the rapid response window, for which funds have to be committed within three months. In addition, these requirements appear also to be consistent with a narrow definition of “life saving” activities. However, they may not be consistent with a broader definition of “life-saving” that allows for the inclusion of funding for mitigation activities (e.g. in the agriculture sector, where project implementation may be defined by yearly cycles) or be consistent with activities that require capacity building. The evaluation of the humanitarian response in Kenya noted that this timeframe does not suit non-implementing agencies, like the Food and Agriculture Organization (FAO), which is “... targeting critical animal health, destocking and redistribution through government services or NGO partners which require sufficient mobilization time and capacity building.”⁴⁵ The Oxfam briefing paper makes a similar point, noting that “Some

⁴⁴ “How to apply: 3rd CERF allocation to under-funded emergencies”, February 2007

⁴⁵ “Kenya: RTE Mission 02/10 to 13/10/2006 (Final Report)”, Grünewald, F., Robins, K. et al., OCHA, December 13, 2006, p.



agencies also criticised the relatively rigid implementation timeline, as this prohibited responses to rapidly changing environments.”⁴⁶

The time frames for committing funds and the minimum project size also has an impact on the number of CERF projects funded. As of 5 April 2007, the CERF had approved 468 projects, disbursing \$US 389.2 million – for an average project size of just over \$800K.⁴⁷ Some donor respondents expressed concern about the number of projects being funded by the CERF, although all respondents did not share this concern. For those concerned, the issue is whether the CERF Secretariat has adequate capacity to manage such a high volume of projects.

As noted above, the number of projects is driven by external factors such as the minimum project size and time frames for commitments but, even more significantly, by the fact that, particularly for the under-funded window, the projects are often defined not specifically for the CERF, but as part of the process of developing the CA and Flash Appeal documents. It was agreed with the agencies that the projects defined in the CA or Flash Appeal would be the basis for applying for CERF funds, making the number of projects, under the current design of the CERF, beyond the control of the Secretariat. This remains an issue to be addressed in the broader context of humanitarian reform.

The number of projects does raise a significant capacity issue for the Secretariat and the Controller’s Office in terms of the management of the CERF – including the timeliness of approval and disbursement of funds and, eventually, the monitoring of projects. See Section 3.6 for a discussion of Secretariat capacity.

One respondent suggested that, if the CERF were to be redesigned, it should fund “thematically” or “sectorally” – making the HC/RC or the sector/cluster leads responsible for allocating funds within a given humanitarian response and within ceilings set by OCHA. This would be more consistent with GHD practices. However, much more needs to be known about the dynamics of decision-making at the field level, including the roles of the HC/RCs and the cluster/sector leads, before such a suggestion could be considered.

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⁴⁶ “The UN Central Emergency Response Fund one year on: Briefing Paper”, Oxfam. March 2007, p. 16

⁴⁷ As of 4 April 2007 <http://ochaonline2.un.org/Default.aspx?tabid=8770> Note that the number of grant agreements may be less than the number of projects, as one agreement may cover several projects with the same agency in the same country.



3.1.5 Country-level and Needs-based Decision-making

The discussion in the earlier sections about the definitions of “life-saving” and “under-funded” points to an additional challenge in the design of the CERF. The Fund guidelines clearly state that the priorities for CERF funding are identified by the field level, under the leadership of the HC/RC and should be based on demonstrable needs. Since there are not sufficient resources in the Fund to fund all identified needs, choices have to be made. The challenge for all actors is the lack of quantifiable and comparable information that allows for a transparent comparison of needs across emergencies.

Given that it is generally agreed that there is inadequate quantitative information for identifying and comparing needs across and within countries, the CERF decision-making process is based on considerable qualitative information gleaned from different sources. There is a fine balancing act between the role played by the field and HQ levels in this decision-making process. This has a number of implications. The decision on country allocations for the under-funded window are made at HQ. The extent to which HC/RCs and their country teams are able to influence the allocation decisions across countries is not clear and will have to be determined through data collection at the field level.

The approach taken by the CERF Secretariat to developing recommendations on specific project grants has been one of negotiation, in order to identify the best possible outcome for the country. Recognizing that it would be inappropriate for programme officers at HQ to reject summarily proposals from HC/RCs, the Secretariat has taken a more collaborative approach, trying to identify ways in which to improve apparently insufficient proposals, so that they can be funded. This collaborative approach has reportedly come at the cost of timeliness for some decisions.

In the absence of clear, transparent quantitative information to identify needs and the priorities of different projects, the balance between field and HQ influence on decision-making will continue to be an issue to monitor, particularly in light of concerns expressed by some respondents about the concentration of power in the hands of the HC/RC and the sector/cluster leads.

3.2 Financial Arrangements

Probably one of the most critical and challenging outstanding issues with respect to the CERF design is the financial arrangement for the Fund, which is defined in accordance with the United Nations Financial Regulations and Rules.⁴⁸ The frustration at the lack of resolution of these issues led some respondents to question the rationale for hosting a rapid response funding mechanism in an agency subject to UN Secretariat administrative rules.

The two major concerns are the need to shorten the process for finalizing funding agreements (LOUs) and revise the financial reporting requirements. Currently an LOU has to be signed for each grant with signatures required at senior levels of the two organizations (UN and agency). The time required to do this contributes to delays in disbursing CERF funds. For some months, the agencies have been proposing the option of an umbrella LOU between the UN and each agency. Under this arrangement, once an umbrella agreement has been signed, only a short project agreement would be required for each grant and could be signed by less senior staff. This would potentially speed up the disbursement of funds. In addition, the development of an umbrella LOU would be consistent with GHD practices, which call for flexible funding arrangements that are consistent with both a timely response and keeping administrative burdens in line with capacity.

The second issue is related to financial reporting. The Controller's Office's current financial reporting requirements for the UN agencies are reportedly different from those required by bilateral donors funding the same agencies. These are reportedly more onerous and prone to error because reports cannot be generated by the agencies' information systems and require manual calculations. The agencies financial systems have reportedly been harmonized to provide standard reports to donors under the UN efforts to harmonize reporting. The UN Controller's Office indicated that the reports required for the CERF are consistent with reports required for the administration of all UN trust funds and that key CERF donors are already using this reporting format for other trust funds, such as the UN Human Security Trust Fund.

In spite of several conference calls held with the UN Controller's Office and some agencies, these are areas in which it has not been able to adapt the processes in

⁴⁸ As approved by the General Assembly and promulgated by the Secretary General



response to agency concerns. The CERF Secretariat has tried to negotiate a solution with the agencies and the Controller's Office but, so far, it has not been successful and the financial arrangements remain an outstanding issue for the agencies, which are frustrated with the reported lack of responsiveness. The lack of resolution of these issues risks undermining a key component of the CERF – timely response to humanitarian crises.

3.3 Performance Measurement

The Resolution setting up the expanded CERF requires that an independent evaluation of the CERF be conducted at the end of two years of operations. In order to contribute to this review and to provide accountability to the donors for CERF funds, financial and narrative reporting requirements have been put in place for the UN agencies and the HC/RCS, covering all CERF funding (see Section 2.4.2). In addition, OCHA has specific reporting requirements and prepares the annual Secretary General's report to the General Assembly.

However, there is, as yet, no overall framework for CERF performance measurement. The issue of performance measurement has been raised at both meetings of the CERF Advisory Group. At its meeting in May 2006, the Group raised questions about results (e.g. the number of beneficiaries targeted, impact of the fund, outcomes and results-based management, timeliness of disbursements). The Group "reiterated the need to be able to analyse "results" versus "outputs," as a means for assessing CERF performance and for maintaining its credibility among its supporters."⁴⁹ At its October 2006 meeting, the Group commended the Secretariat on efforts to establish a performance and accountability framework, urged the Secretariat to build on the work being done in participating agencies in order to build a common framework and welcomed the fact that an independent review was planned in early 2007. However, to date, not a lot of progress has been made on establishing the overall performance framework (in spite of the fact that a number of the components of a framework are in place).

In 2006, OCHA undertook to strengthen its strategic planning process to contribute to better management of, and reporting on, results. It is currently developing annual work plans to reflect how each organizational unit will contribute to the achievement

⁴⁹ "Central Emergency Response Fund, Meeting Of The Advisory Group, Tuesday, 23 May 2006, New York: Meeting Notes"



of the Office’s strategic goal and objectives. OCHA’s first goal is “Consolidated humanitarian reform that ensures adequate and relevant humanitarian response” and, under this, its first objective is “Properly functioning and supported CERF.” OCHA is currently developing the indicators to measure how the organizational units contribute to this objective. However, these indicators are expected to focus on outputs and immediate results, as the information will also be used for personnel appraisals.

In addition, the Evaluation and Studies Section of OCHA initiated a review of the first year of CERF operations that will focus on the operations and impact of the CERF at the field level and, hence is complementary to this desk review funded by CIDA. The CERF Secretariat also hosted a workshop (funded by CIDA) that focused on the development of a CERF logic model and the identification of potential indicators for key CERF outputs and outcomes – all useful components for a performance framework.

Since there is, as yet, no overall performance measurement framework, there are gaps in the information that has been collected about CERF operations (e.g. the lack of systematic tracking of timeframe data) and no reflection of how the various components of monitoring and evaluation within OCHA and the UN agencies are linked, whether or not they will be sufficient to measure CERF results or how other components (e.g. real-time or other emergency-level evaluations) might contribute to the assessment of results. The reality is that there is, as yet, no clear agreement on the appropriate level for reporting results or on common indicators for measuring results.

The current agreements with the agencies and the HC/RCs will provide the Secretariat with information on the overall impact of the Fund on the UN agencies and information on emergency-wide results at the country level. While the narrative reporting requirements seem reasonable and will provide examples of results, they will not provide systematic information on results at the project level.⁵⁰ The Oxfam briefing paper notes that “... meaningful impact assessment depends on agencies’ willingness to provide standardised data at the project level. It has been argued that any more burdensome reporting requirements might reduce the speed of project implementation. With some significant exceptions, donors have so far officially shown little interest in monitoring how their money is spent or whether it achieves its objective in addressing humanitarian need. For the time being, the majority of donors

⁵⁰ Until the first country-level reports are available, it is not clear the level of detail that will be provided in these short reports or the quality of the data to support them.

seem satisfied with CERF reporting and await the forthcoming external evaluation.”⁵¹

Without a performance framework, it will be difficult to conduct the GA-mandated evaluation next year. A framework is required to:

- Define key results – as yet, there is no apparent clarity on the expectations of donors with respect to results reporting and, as a result, it is impossible to know if the current approach will provide adequate information on CERF results;
- Identify the information that needs to be collected on an ongoing basis (such as time frame data);
- Identify baseline date for key variables (such a timeliness, concept of under-funded emergencies);
- Develop methodologies for addressing some of the more challenging issues, such as additionality and how to assess the impact on beneficiaries; and
- Identify the external reporting mechanisms, particularly for the CERF donors.

The evaluation of the common funds used in the DRC and Sudan noted that monitoring and evaluation was very unclear and there was a diffuse accountability.⁵² If this is the challenge of measuring the performance of common funds, then the CERF is likely to face the same challenge, with HC/RCs being reluctant to use performance measurement as a mechanism to “police” agencies but, at the same time, being accountable for the collective implementation of common funds.

The development of performance and accountability framework is identified as a priority for the CERF in 2007.⁵³

3.4 CERF Administrative Costs

The administrative costs associated with the CERF are an issue that has been raised most critically by the NGOs.⁵⁴ Administrative costs – all of which detract from funding that is available for beneficiaries – are incurred at three levels:

⁵¹ “The UN Central Emergency Response Fund one year on”, Oxfam Briefing Paper, March 2007, p. 18

⁵² “Common Funds for Humanitarian Action in Sudan and the Democratic Republic of Congo: Monitoring and Evaluation Study”, Center on International Cooperation/The Humanitarian Policy Group Overseas Development Institute, December 2006, p. 26

⁵³ “Central Emergency Response Fund: Briefing Paper on the use of CERF in 2007” (internal document)

⁵⁴ See the two critiques of the first year of CERF operations prepared by Save the Children UK and Oxfam International.



- UN Secretariat – 3% of all project expenditures;
- UN agencies – 7% of the project amount; and
- If funds are disbursed to NGOs for implementation, overhead costs, as determined by the NGO.

UN Secretariat Programme Support Costs

The UN is entitled to retain 3% of all CERF funds expended, to cover administrative costs.⁵⁵ According to the OCHA 2005 Annual Report, this money goes into a Special Account for Programme Support to cover UN Secretariat costs as a whole and the “use of such resources is limited to areas where a demonstrable relationship exists between the activities which generated the programme support revenue and the supporting activities. They cannot be used to fund substantive activities and can only be used for administrative support functions, finance, personnel and common services.”⁵⁶ As of April 2007, the UN Office of the Controller had identified approximately \$6.6 million for programme support costs that will become available once all expenditures are finalized.

Over time, the administrative fees generated by CERF expenditures would be in the order of magnitude of \$8 - \$13 million a year.⁵⁷ It remains to be seen if these programme support costs will be available for the use of OCHA and, if so, how they will be used. Presumably, they would be used to fund the Secretariat. However, since they would possibly contribute generally to OCHA overheads, they would also support the other HQ units and field operations, without which it would not be possible to operate the CERF.

It is difficult to draw conclusions about the administrative fees, as a cost to the CERF, without considering them in the context of the added value that the UN and/or OCHA brings to the CERF and the savings that other components of the humanitarian system may realize as a result of the existence of the CERF. Establishing a multilateral mechanism, like the CERF, means that individual donor decision-making on humanitarian financial assistance is replaced by multilateral decision-making, presumably based on the belief that there is added value in the engagement of a

⁵⁵ Note that 3% is taken only once the funds are expended – that is, they have been spent and reported on by the implementing UN agencies. For some other funds, the percentage of Programme Support costs can be between 5% and 13%.

⁵⁶ OCHA Annual Report 2005: Activities And Use Of Extrabudgetary Funds, United Nations Office for the Coordination of Humanitarian Affairs, p. 19

⁵⁷ Based on 3% of \$259M (expenditures in 2006) and up to \$420M (for the full amount of expected CERF pledges for the grant component, less a reserve of \$30M)

broader group of stakeholders in the identification of priorities for humanitarian funding (including both country teams and OCHA HQ staff). In addition, the shift in decision-making may also reduce transaction costs for the individual donors. If this added value is worth 3% to the donors and, ultimately, to the beneficiaries, as a result of better decision-making, then the 3% of project expenditures is good value. The ultimate decision on the value of the 3% will be determined by the effectiveness and efficiency of the CERF in the long-term.

UN Agency Programme Support Costs

In addition to the 3% of project expenditures retained by the UN, each UN agency that receives a CERF grant is entitled to retain 7% of the project amount as project support costs.⁵⁸ This amount was negotiated with the UN agencies and is the same for all agencies. As with the 3% retained by the UN, the value of the project support costs retained by the UN agencies can only be assessed in light of the value added of the UN agencies in the expenditure of the CERF funding. It was beyond the scope of this review to assess the value added by the UN agencies, but any assessment would have to take into account that some agencies are implementing programming themselves; whereas others are channelling the funding through NGOs, which are responsible for the humanitarian response activities. Yet the project support costs are the same for all agencies, regardless of the use of the funds.

NGO Administrative Fees

The Oxfam briefing paper suggests that the NGOs can charge a maximum of 7% for overhead costs.⁵⁹ However, some respondents indicated that, in reality, it is difficult to determine the actual overhead costs of NGOs, since currently bilateral donors are accepting a wide range of administrative costs and, in addition, overhead costs can be built into the programme costs covered under the project funding.

⁵⁸ The total funding that the agency requests includes the project support cost, which is calculated as a percentage of the allocated project amount, not as a percentage of the total CERF amount.

⁵⁹ "The UN Central Emergency Response Fund one year on", Oxfam Briefing Paper, March 2007, p. 12

3.5 Capacity of the Secretariat

Secretariat currently includes five posts – including a Chief (P5 position) and three officers (P3/P4) – including one finance and two programme officers⁶⁰ – and one administrative person. In addition, there is a Danish Junior Professional Officer (JPO).

Initially the ERC envisioned that the Fund could be managed with a minimal staff. This appears to have been based on the assumption that there would be considerable support from other units with OCHA and did not take into account the work required to set up the Fund. Most interview respondents felt that the Secretariat were seriously under-staffed in the first year. There are number of things that have contributed to its workload over the past year:

- The need to negotiate and develop the CERF infrastructure, while at the same time disbursing funds;
- The high volume of CERF projects – over 460 projects to date;
- The approach taken by the Secretariat to work extensively with country teams and UN agencies to shape submissions into projects than can be funded by the CERF; and
- The high level of scrutiny of the CERF and the concomitant requests for information on the Fund.

The Secretariat's budget for 2006 (10 month period) was about \$US 1 million and was increased to about \$1.7 million for 2007 because it covers a full fiscal year. The Secretariat has requested additional posts, but the decision on this request is still pending.

As noted in Section 3.5, the UN Secretariat retains 3% of CERF expenditures. This provides a multimillion-dollar account for programme support and should support the development of a CERF Secretariat with adequate capacity to manage the Fund. As of April 2007, over \$6 million has been identified for programme support costs – an amount that would, at least in the view of the donors, in theory cover an adequate number of posts for the Secretariat.

⁶⁰ As a result of a recent departure, one programme officer position is currently staffed by a staff person on secondment from

The capacity of the Secretariat is enhanced by support from other OCHA units – including the Advocacy and Information Management Branch (for advocacy and set up of information systems), the Donor and External Relations Sector (for fund-raising), Coordination and Response Division (allocation of under-funded window and project review of both, rapid response and under-funded applications) and Policy Development and Studies Branch (policy/procedure development, evaluations). However, these relationships have not yet been formally defined. The Secretariat is currently developing Standard Operating Procedures (SOPs) to define more formally the roles of various players. This will help to clarify the roles of the Secretariat and the resources needed to fulfill these roles. As the expectations of the role of the Secretariat become clearer, it will be in a stronger position to justify the resources required to manage the CERF.

3.6 Links to Other Funding Mechanisms

Exhibit 10 on the following page provides a summary of other multilateral humanitarian funding mechanisms, including internal UN agency emergency funds.

The CERF has worked in tandem with several of these funds. CERF funding was included in the Common Humanitarian Fund (CHF) in the DRC and Sudan. Commitments of CERF funding have provided a cash flow mechanism that allowed WFP to use internal resources from its Immediate Response Account (IRA) on the understanding that these internal funds would be replenished with CERF funds when they are disbursed.

On the other hand, CERF has worked in a different way with UNICEF's Emergency Programme Fund. The EPF, reportedly, cannot be replenished by the CERF. Since the EPF can disburse funds very quickly, it has reportedly been used for quick response in a rapid onset emergency and the CERF funding has filled the space between this rapid response and the disbursement of other donor funding.

Exhibit 10: Summary of Multilateral Humanitarian Assistance Funding Mechanisms

Characteristic	Central Emergency Response Fund (CERF)	Emergency Response Funds (ERF) ⁶¹	Common Humanitarian Fund (CHF)*	UN agency internal emergency funds
Decision-making	ERC – based on recommendations from the HC/RC and on priority-setting activities at the country level (UN agencies and, at times, NGOs)	HC, after approval by country-level advisory boards including UN agencies and, at times, NGOs	HC, based on recommendations from advisory boards (field-level actors)	Agencies
Donors	Multiple donors	Usually, but not always, multiple donors	Multiple donors	Multiple donors
Recipients	UN agencies and IOM; NGOs only indirectly (funds channelled through UN agencies)	Mainly NGOs, both international and national, but also funded UN agencies	UN agencies and NGOs, but NGOs limited by need to advance funding. NGO funding through UNDP as Participating UN Organization for the NGOs	UNICEF EPF: loans to national governments against donor contributions, if donations not received, convert to permanent, non-reimbursable grant WFP IRA: revolving fund for purchase and shipment of large quantities of food at short notice
Focus	Life-saving activities in rapid onset emergencies and under-funded emergencies	Urgent and unforeseen humanitarian needs (e.g. often not in the CA). Covers wide range of activities, including capacity building, rehabilitation. Target small, localized initiatives	Focus on large, complex emergencies. Fund allocation process determines priority needs – may be urgent/life-saving, early recovery/ transition	Initiate response within hours of emergency
Resources/pledges	\$US 298.6 million paid contributions in 2006	Range \$US 2.6 million - \$US 24.5 million (time frames – 8 months to 6.5 years)	Sudan – \$US 143M; DRC – \$US 100M	UNICEF EPF: increased to \$75M for next biennium
Scale of funding	Small to large-scale funding (largest \$38m for one country, single project grants ranged from \$100K to \$11.5M, average project	Small scale support for critical and gap-filling activities. Range \$US 20K – \$100K		WFP IRA: disburse up to \$500K in first 12 – 24 hours and up to \$10 – 12M within first couple of weeks. Fund

⁶¹ Emergency Response Funds (ERF) are funds established at the county level, managed by OCHA, which include contributions from more than one bilateral donor. They have been in existence since 1997 and aim to provide rapid and flexible funding to in-country stakeholders (primarily NGOs) to address unforeseen humanitarian needs. As of January 2007, the funds had disbursing US\$64.49 million and financed 538 projects. A recent review of ERFs noted that they were developed in an *ad hoc* manner so, while there are commonalities across funds, there are also many differences. (See *Review of OCHA Emergency Response Funds (ERFs)*: OCHA, January 2007.)



Characteristic	Central Emergency Response Fund (CERF)	Emergency Response Funds (ERF) ⁶¹	Common Humanitarian Fund (CHF)*	UN agency internal emergency funds
	size \$800K in 2006)			replenished as donor funding received
Time limits	3 month to commit funds from rapid response window; until mid-year in the year following the grant of funds from the under-funded window	No set limit on commitment of funds, but 6 month time limit on projects following signing of grant agreement		
Relationship to CAP	Projects based usually, but not always identified in the CA or Flash Appeal	Sometimes included in CA as a project; sometimes not	Funds only projects within the CA (or equivalent)	
Conditions				UNICEF EPF cannot be replenished by the CERF WFP IRA can, and needs to, be replenished
Other comments		Wide variation in the nature of the funds. May have multiple ERFs in the same country	Included a specific type of ERF – Rapid Response Reserve (managed by UNICEF and OCHA)	Agency funds: UNICEF – Emergency Programme Fund (EPF) WFP Immediate Response Account (IRA)

Sources: “Review of OCHA Emergency Response Funds (ERFs)”, OCHA, January 2007; “Central Emergency Response Fund: The CERF and its relationship to other humanitarian funding mechanisms: Discussion paper (Draft)”, presented to the CERF Advisory Board, undated; “OCHA: Humanitarian Financing Workshop paper”, January 9 - 10, 2007;

* Based on the experience in Sudan and the DRC

The relationship among the various funding mechanisms and the relationship between the CERF and the agencies' internal emergency funds need to be explored further. If the CERF is intended to be a funder of last resort then, in theory, CERF funds should not be used to replenish internal emergency funds. On the other hand, it may play a critical complementary role with UN agency internal funds. Further exploration of the interaction between the various funding mechanisms at the country level is required.

3.7 Role of NGOs

Perhaps the issue that has attracted the most attention in the first year of CERF's operation is the concern expressed, not only by the NGO community, but also by other stakeholders (including donors and OCHA staff), about the lack of direct access by NGOs to CERF funds.⁶² Although the GA specifically set up the CERF this way, the decision has not been readily accepted by at least some international NGOs.

There was an expectation that NGOs would play two roles in the CERF: be involved in consultations and/or decision-making at the country level on the use of CERF funds; and be the recipients of CERF funding as implementing partners for UN agencies. Data analyzed by Oxfam for the first few months of the CERF indicated that over the first five months, five of the six agencies that received CERF grants worked with between three and fifty-six NGOs (including both international and national NGOs) each.⁶³

The concerns expressed in two recent critiques of the CERF and in the key informant interview begin with the assumption that NGOs not only have the greatest humanitarian response operational capacity, but also are the most effective and timely mechanism for providing humanitarian response. Respondents indicated that the current situation, which requires NGOs to access CERF funds as implementing partners for UN agencies, carries a number of risks:

- Increased overall administrative costs, since the NGO administrative costs have to be added on to the administrative costs incurred by both the UN agencies and

⁶² See *Exclusion of NGOs: The fundamental flaw of the CERF*: Save the Children, January 29, 2007 and Oxfam International, "The UN Central Emergency Response Fund one year on", Oxfam Briefing Paper, March 2007

⁶³ "The UN Central Emergency Response Fund one year on", Oxfam Briefing Paper, March 2007, p. 15. Data was not available for FAO, which had also accessed CERF funds.



the UN Secretariat (see Section 3.5 for a discussion of the CERF administrative costs);

- Delays in the provision of humanitarian assistance because of possible inefficiencies in the forward disbursement of CERF funds;
- Risk of NGOs becoming on funding from UN agencies, thus reducing their independence; and
- Concern that funding to the CERF will not be additional funding but will, in fact, result in donors diverting bilateral funding from NGOs to the CERF.

On the other hand, interview respondents were asked to reflect on the option of NGO access to CERF funds and a range of concerns were raised:

- One goal of the CERF was to strengthen multilateral humanitarian response, including supporting humanitarian reform, and funding NGOs directly would not contribute to this goal. Related to this is the challenge of integrating NGOs into coordination mechanisms at country level, both in terms of the NGO independence and the issue of capacity and willingness of some NGOs to engage fully in coordination mechanisms;
- It was considered unlikely that GA would accept NGO access to the CERF because of a mistrust of the NGO community, particularly by some member states;
- It raised the difficult question of which NGOs would be eligible – whether it would only be open to international NGOs or whether national NGOs would be eligible. This then raised the question of whether funding to national governments would be an option;
- The CERF represents only a small percentage of all humanitarian funding – in 2006, CERF funding accounted for 3.6% of all donor funding⁶⁴ – and there are other sources of pooled funds for which NGOs are eligible to apply (see Section 3.7 for a summary of other funds); and
- Questions were raised about the challenges to the independence of, and security risk to, NGOs if they become associated with or dependent on UN funding.⁶⁵

While not all interview respondents were in favour of promoting NGO direct access

⁶⁴ CERF website, <http://ochaonline2.un.org/Default.aspx?tabid=8770> and ReliefWeb <http://ocha.unog.ch/fts2/pageloader.aspx?page=emerg-globalOverview&Year=2007>

⁶⁵ Although this point appears to be raised by both those in favour of, and opposed to, access by NGOs

to the CERF, at this time, some are in favour of making the case and advocating for this, at least in the longer-term.

However, all respondents believed that NGOs should (and, in some countries, do reportedly) play a significant role in defining priorities for CERF funding at the country level. They also believe that NGOs should continue to receive substantial funds from UN agencies (as partners or contractors). While it is generally accepted that this is the case, the agencies (in spite of requests from the CERF Secretariat) have been generally unable to provide data on the percent of CERF funds going to NGOs.



4.0 Summary and Recommendations

The CERF is well on track to achieving its expected results. Most respondents were very positive about the concept of the CERF, its infrastructure and the grants to date. Respondents were positive about the extent to which the Fund has been funded, established and disbursed funds in its first year.

In 2006, the paid contributions – \$US 298.6 million – reportedly exceeded OCHA’s expectations. There were paid pledges from 50 countries and two other organizations (one local government and one NGO). There were also many non-traditional donors that contributed to the CERF, although some of these contributions were small. The initial pledges for 2007 look promising, with an increase in the contributions from the top ten donors from 2006 and two countries (Canada and the United States) yet to pledge. However, it is not possible, with the information available, to determine to what extent the CERF contributions are additional to other humanitarian response funding already being provided by the CERF donors.

In 2006, funds were provided to nine UN agencies, including the IOM, and were used for humanitarian responses in 35 countries. As of April 2007, the CERF has funded 468 projects. As announced by the ERC, 70% of the CERF funding was used for the rapid response window and the remaining 30% for the under-funded window. These funds have already reportedly contributed to addressing humanitarian needs (as defined by country-level teams and at OCHA HQ). Examples are provided in CERF documents of CERF contributions to:

- Supporting humanitarian response in the early days of a disaster – for example, the construction of latrines after flooding (Timor Leste). While the time frames for CERF decisions and disbursements has been very varied over the year, in general, the time frames are reportedly improving;
- Providing the infrastructure to support a humanitarian response – for example, providing logistics and communications support for field security operations (Ethiopia) and transportation for humanitarian commodities (Lebanon and Timor Leste);
- Mitigating the impact of disasters on lives – for example, the vaccination of cattle (Kenya);



- Providing nearly half the under-funded allocations to the Democratic Republic of the Congo to accelerate the implementation of priority life-saving programmes; and
- Using the under-funded window to support specifically under-funded sectors, even within well-funded appeals.

This feedback on results is based primarily on the perspective of HQ staff, although in some cases informed by anecdotal information from the field level. The upcoming OCHA-funded review of the CERF will focus more on the experience of the CERF at the country level and complement the information in this review.

During the first year, OCHA has developed the infrastructure for the administration of the CERF. This included developing:

- Administrative tools – Initially there were no guidelines for the disbursement of the CERF funds. Over the course of the year, procedures, criteria and guidelines and project submission and agreement templates have been developed and revised, many in consultation with the UN agencies at the HQ level;
- Reporting mechanisms and tools – General guidance for reporting on CERF funding at the agency and country level has also been developed. Reports on the first year of funding were due as this report was being written;
- Information sharing/advocacy materials – These include the CERF website, which is the primary reporting tool for the CERF and includes detailed information on the disbursements, but includes only anecdotal narrative information on the CERF-funded projects;
- Training materials – An initial issue for the implementation of the CERF was the limited information on the Fund at the country level so, as a result, the Secretariat developed training tools to integrate information on the CERF into ongoing HC training and to develop Train-the-Trainer tools for implementation with UN agencies in HQ and in the field; and
- Consultation mechanisms – Operational consultants were conducted with an ad hoc group of representatives to IASC agencies. The formal consultative mechanism established for the CERF is the Advisory Group, which provides policy guidance and expert advice for the CERF.

While this infrastructure has been welcomed, the delays and the revisions of tools and



policies has also been the source of frustration, primarily for the UN agencies at both the HQ and field levels. Both the respondents and the documents identified outstanding issues with the Fund – some of which need to be addressed more urgently than others. The key issues that have to be addressed in the short-term are:

- Resolving the issues with respect to the financial arrangements (umbrella LOUs, financial reporting);
- Development of, and agreement on, a CERF performance framework; and
- Understanding and responding to the capacity issues in the Secretariat.

Recommendation 1:

It is recommended that CIDA, in consultation with other bilateral donors, and the CERF Advisory Group, encourage the resolution of the issues with the financial arrangements with the CERF to encourage adherence to the practices of Good Humanitarian Donorship.

Recommendation 2:

It is recommended that OCHA develop urgently a CERF performance framework in order to ensure that adequate information is being made available for ongoing reporting on the CERF and that the General Assembly-mandated evaluation of the CERF in 2008 can effectively address the key issues for the Fund.

Recommendation 3:

It is recommended that CIDA, in consultation with other bilateral donors, and the CERF Advisory Group, encourage OCHA to provide adequate resources for the CERF Secretariat, particularly in light of the over \$6 million in programme support costs provided from the CERF expenditures.

Either more research or more time is required to assess fully the implications of other longer-term issues, including:

- The appropriateness of the administrative fees associated with the CERF;
- The role of NGOs in the CERF and their access to CERF funds;
- The need for a clear policy framework;
- The need for greater transparency and/or clarity on CERF definitions and funding criteria; and
- The relationship between the CERF and other humanitarian response funding mechanisms.



Given that the CERF infrastructure has been evolving over the first year and is now beginning to stabilize, it is not feasible to consider addressing these issues until further information is available. This information will come from two sources:

- The interim review currently being conducted by OCHA that involves case studies in selected countries that have received CERF funding. This review will provide information on the implementation of the CERF at the field level – information that was not available for this desk review; and
- The General Assembly-mandated CERF review to be conducted in 2008, which will be conducted when the CERF has been running for two years, providing more opportunity to see the longer-term impact of the Fund.

Recommendation 4:

It is recommended that, OCHA ensure that the General Assembly-mandated evaluation address the following issues:

- Value provided for the administrative fees retained by the UN Secretariat and the UN agencies; and
- Role of the NGOs in the CERF and their access to CERF funds.

While a number of issues have been raised with respect to the CERF processes at the field level, the scope of this review did not include an assessment of the operations or impact of the CERF at the field level. Assessing these issues at the field level will be the focus of the OCHA-funded review of the CERF currently being conducted.

Since, by definition, CERF shifts responsibility for making decisions about what to fund in an emergency from individual donors to OCHA at HQ and in the field (supported by the country teams), particular attention needs to be paid to understanding the dynamics of decision-making at country level.

Recommendation 5:

It is recommended that, OCHA address the following issues with the additional information that will be available about the CERF implementation from the field perspective after the completion of the interim review:

- The need for a clear policy framework that links the overall requirements of the General Assembly Resolution with the specific Fund criteria;
- The need for greater transparency and/or clarity on CERF definitions and



funding criteria; and

- The relationship between the CERF and other humanitarian response funding mechanisms.



Appendix A: Review Terms of Reference

CIDA: DRAFT TORS FOR CERF

Issue

The Minister for CIDA and the Treasury Board Secretariat (TBS) approved a one-time only \$24.4 million grant in April 2006 to the Central Emergency Response Fund (CERF) of the United Nations in order to enhance timeliness and equity in global humanitarian response. Under the terms of the approval, if CIDA wished to secure multi-year funding for the CERF, it was required to return to the Treasury Board Secretariat with a second TB submission, including a fully-developed RRMAF (Results- and Risk-based Management Assessment Framework). To date, both the TB submission and the RRMAF have been prepared, in draft form. In addition, CIDA was instructed to also present, in the TB submission, first year performance data for the CERF. At the same time, it is important to note that OCHA as well as other donors recognize the need for the timely development and testing of an evaluation framework to improve accountability and provide Fund administrators with the required information to effectively and efficiently manage the substantial resources at their disposal. As such, CIDA requires the assistance of an evaluation expert to review and revise the RRMAF and, using the evaluation framework and indicators contained therein, undertake a preliminary review of the CERF's performance.

Context

In 2004, the UN Emergency Relief Coordinator (ERC), Jan Egeland, commissioned the Humanitarian Response Review (HRR) to articulate the current issues facing humanitarian action. These included challenges such as gaps in response, inequity in funding across emergencies and the need for strengthened coordination. The recommendations from the HRR pointed to three broad strands of reform, which are currently underway: strengthening of the Humanitarian Coordinator system; establishment and implementation of the cluster coordination approach to address existing gaps in humanitarian response, and the need to establish a flexible, rapid response mechanism to be able to quickly support new crises and provide support for emergencies which traditionally receive less attention. This latter recommendation was taken forward in the form of an upgraded Central Emergency Response Fund, consisting of voluntary contributions from donors and rooted in the office of the ERC.

The United Nations General Assembly Resolution 60/124 of 15 December 2005



upgraded the Central Emergency Revolving Fund from a US\$50 million lending pool into a Central Emergency Response Fund, by including a grant element of up to US\$450 million (based on voluntary contributions from donors). The original CERF was established as one of the central pillars of improved humanitarian response by providing a facility to ensure rapid disbursement of funds in response to crises. However, the requirement for reimbursement of the loaned funds effectively limited its use to high profile emergencies where donors were more likely to give indications that funding was forthcoming.

The original CERF also failed to address the inequity in humanitarian funding, whereby donors tended to allocate funding disproportionately to certain emergencies, rather than according to need. This failing was recognized in the Humanitarian Response Review, commissioned by OCHA in 2004 to outline gaps in the humanitarian system, which pointed to the need for alternative approach to help reduce the inequity in funding across emergencies.

The new \$500 million (including the pre-existing grant component) CERF is therefore meant to provide a facility to respond immediately to new rapid-onset crises, as well as providing resources to those emergencies that have received the least funding in proportion to needs identified in their CAPs (Consolidated Appeals Process). The general target for the CERF is that two-thirds of the fund would be reserved for rapid-onset crises, while one-third would be allocated towards under-funded emergencies, as determined by the proportion of funding for each respective CAP. The United Nations General Assembly (resolution 60/124) has defined three specific objectives for the Fund:

1. Promoting early action and response to reduce loss of life
2. Enhancing response to time-critical requirements based on demonstrative need
3. Strengthening the core elements of humanitarian response in under-funded crises.

Presently, there are no specific indicators identified to measure Fund performance against these three objectives. The first year is meant to serve as a pilot phase during which OCHA, in consultation with UN member states and the Advisory Group, will establish those performance indicators.



PROJECT PROPOSAL

1. Scope and Focus

This preliminary review is considered to encompass the first year of operation of the upgraded CERF, from inception in March 2006 to December 2006. Although three broad objectives have been defined for the CERF, there is a need to develop an evaluative framework and a set of appropriate indicators against which performance can be measured. This review will be based on an assessment of existing documentation and interviews with key stakeholders, and will be used to inform future commitments from Canada to the CERF. It will also be used to provide guidance to the UN/OCHA, UN Agencies and the Advisory Group on issues of concern and recommendations for improving processes relating to the implementation and allocation of CERF funds.

Canada is interested in measuring the performance and impact of the CERF through two lenses: 1) Through its contribution to the strengthening of the humanitarian system; and 2) Through the administrative practices of the UN/OCHA in managing and implementing the CERF.

A review of the contribution of the CERF to the strengthening of the humanitarian system must take into consideration the three objectives (noted above) of the Fund as defined by the UN General Assembly.

The review will take place in parallel with OCHA's external review of the CERF, due for completion by 30 April 2007. As such, the consultant will be expected to liaise with OCHA's Evaluation and Studies Section to share and exchange information relating to each respective study, as appropriate, in order to avoid duplication of effort.

Specifically the consultant will be required to:

- 1) Review and revise the content of the RRMAF;
- 2) In collaboration with CIDA, liaise with OCHA and other donors to review and revise the draft evaluation framework contained in the RRMAF to improve its technical rigour and obtain approval / buy-in for this approach;
- 3) Refine or develop new indicators to be included in the evaluation framework as required;
- 4) Using the performance framework to guide the collection of preliminary data, test the framework;
- 5) Revise the performance framework based on experience of the testing phase;



- 6) Analyse collected data and synthesize findings in a brief report highlighting CERF performance in its first year of operation. The report or its content will be shared with OCHA, UN agencies, the Advisory Board and other donors and will form the basis for reporting CERF performance in the TB submission.
- 7) Advise on the design and the development of the TOR of the external review of the CERF

2. Methodology

The consultant will be expected to: a) Review documents, including the original TB submission for the CERF, the draft RRMAF developed by CIDA/HAPS, CERF proposals and reports, and relevant correspondence; b) interview in person or by telephone key stakeholders, including staff of CIDA/HAPS, DFAIT, OCHA, the UN Controller's Office, UN agencies, international NGOs, and field personnel and c) engage CERF staff through a one-day participatory planning session and the development of an OCHA-owned RRMAF.

3. Accountabilities and Responsibilities

This review will be financed and led by the Humanitarian Assistance, Peace and Security Directorate (HAPS). The exercise will be managed by the Manager, Strategic Planning and Policy Group (SPPG) of HAPS.

The Manager, SPPG, will be responsible for providing guidance and recommendations throughout all phases of the execution of the evaluation.

The Consultant is responsible for:

1. The day-to-day management of activities
2. Regular progress reporting to the Manager, HAPS/SPPG
3. The production of deliverables in accordance with the following section titled "Deliverables".

4. Deliverables

4.1 The consultant is responsible for preparing:

- a) A draft and final work plan
- b) A draft and final RRMAF to be included in the Treasury Board Submission for further funding of the CERF, including appropriate objectives, outcomes, outputs and indicators
- c) A draft and final review of the CERF based on indicators developed in the RRMAF.



- d) Draft TOR for the planned external review of the CERF
- 4.2 The 2-5 page Work Plan will be produced as agreed with the Manager, HAPS/SPPG.
- 4.3 The review will be guided by the requirements of the Treasury Board Secretariat (TBS) guidelines for an RRMAF (Results and Risk-based Management Assessment Framework), and the final format and Table of Contents of the review will be agreed during work planning with the Manager, HAPS/SPPG. It is anticipated, however, that the report will include, *inter alia*, the following components: a brief overview of CERF allocations; expectations of the review; scope and focus of the review; and a performance framework (to be based, and revised as required, on the framework in the original TBS submission) - including questions and sub-questions, indicators, and information sources.
- 4.4 These deliverables are to be:
- Prepared in English or French;
 - Submitted to CIDA electronically and/or on diskette;
 - Submitted in hard copy format (5 copies)
 - All reports are to be submitted to the Manager, HAPS/SPPG.

5. Schedule

The draft 2-5 page work plan will be delivered within 2 weeks of signature of the contract, and the final work plan will be delivered within one week of receipt of CIDA's comments.

The draft RRMAF is to be delivered by 31 January 2007, and the final RMAF by 31 March 2007.

The draft TOR for the external review is to be delivered by 15 February 2007.

The draft review is to be submitted by 28 February 2007, and the final report by 31 March 2007.

6. Evaluator Qualifications

The work will be done by a senior consultant, who is expected to be:

- A reliable and effective evaluation manager with extensive experience in creating performance measurement and evaluation tools
- Fluent in English



- Familiar with humanitarian issues, policies and the international architecture for humanitarian assistance
- Experienced in working with Treasury Board submissions and Results- and Risk-based Management Assessment Frameworks

Composition of Evaluation Team

The contracted evaluation team from Goss Gilroy will be comprised of Ted Freeman and Sheila Faure.

7. Level of Effort

Develop draft work plan	0.5 days
Review background documents	3 days
Preliminary review of RRMAF	1 day
Workshop with OCHA staff	1 day
Draft TORs for OCHA ext. review	1 day
Interviews and collection of data	7 days
Analysis of data	2 days
Revision of RRMAF	1 day
Preparation of draft report	4 days
Finalization of report	1 day
Travel to New York	2 day
Total	23.5 days



Appendix B: List of Key Documents

Central Emergency Response Fund: Briefing Paper on the use of CERF in 2007 (internal paper)

Central Emergency Response Fund: The CERF and its relationship to other humanitarian funding mechanisms: Discussion paper (Draft), presented to the CERF Advisory Board, undated

Common Funds for Humanitarian Action in Sudan and the Democratic Republic of Congo: Monitoring and Evaluation Study. Center on International Cooperation/The Humanitarian Policy Group Overseas Development Institute, December 2006.

Desk Review of the 2006 Consolidated Appeals (Final Report): Gander, Catherine, February 27, 2006.

Ethiopia: Real Time Evaluation of the 2006 Emergency Response (Final): Grünewald, F, Robins, K. *et al.*, December 12, 2006.

Exclusion of NGOs: The fundamental flaw of the CERF: Save the Children, January 29, 2007.

Humanitarian Financing Workshop (slide deck). Addis, January 9-10, 2007.

Kenya: RTE Mission 02/10 to 13/10/2006 (Final Report): Grünewald, F., Robins, K. *et al.*, OCHA, December 13, 2006.

OCHA Annual Report 2004: Activities and Use of Extrabudgetary Funds:
<http://ochaonline.un.org/DocView.asp?DocID=3296>

OCHA Annual Report 2005: Activities and Use of Extrabudgetary Funds:
<http://ochaonline.un.org/DocView.asp?DocID=4624>

OCHA: Humanitarian Financing Workshop paper. January 9-10, 2007.

Real Time Evaluation of the Drought Response in the Horn of Africa: Regional



Synthesis 13/08/2006 – 20/10/2006 (Final Report): Grünewald, F, Robins, K. *et al.*, December 16, 2006.

Review of OCHA Emergency Response Funds (ERFs): OCHA, January 2007.

Somalia: Real Time Evaluation of the 2006 Emergency Response (Final): Grünewald, F, Robins, K. *et al.* November 12, 2006.

The UN Central Emergency Response Fund one year on: Briefing Paper. Oxfam. March 2007.

“Central Emergency Response Fund, Meeting Of the Advisory Group, Tuesday, 23 May 2006, New York: Meeting Notes”

“Meeting of the Advisory Group of the Central Emergency Response Fund, Geneva, 12 October 2006: Note of the Secretariat”

CERF web site materials

CERF Statistics – by sector, country, agency, window

Application Tool Kit

CERF: An Overview (last update: Jan. 2007)

CERF Application Template (last update: 22 March 2007)

Guidelines for Grant Component (PDF) (last update: July 2006)

CERF and NGOs: Challenges and Case Studies (Jan. 2007)

How to Apply to the CERF - Under-funded Emergencies (last update: Feb. 2007)

[Click here for French](#)

Criteria and Procedures for Under-funded Emergencies (Third allocation, Feb. - Mar. 2007) [Click here for French](#)

CERF Technical Guidelines and Application Template for Under-funded Grants

How to Apply to the CERF - Rapid Response (last update: 24 Jan. 2007)

CERF Administration (PowerPoint - Jan. 2007)

Model Letter of Understanding (Nov. 2006)

Project and Budget Template (July 2006), including PSC Calculation Guidance

CERF and the CAP (PowerPoint - Jan. 2007)

Cheat Sheet: Appeals and the CERF (July 2006)



Flash Appeal Guidelines (Oct. 2006)

UN Secretary-General's documents

Strengthening of the Coordination of Emergency Humanitarian Assistance (GA Resolution of 8 Dec 2006) [Click here for all official UN languages](#)

Establishment and operation of the CERF (Secretary-General's Bulletin on 10 Oct. 2006)

Central Emergency Response Fund (Secretary-General's Report of 14 Sep 2006)

Strengthening of the Coordination of Emergency Humanitarian Assistance (GA Resolution of 8 March 2006)

Improvement of the CERF (Secretary-General's Report of 20 Oct. 2005)

Training documents

Achieving a Properly Functioning and Supported CERF (PowerPoint - Jan. 2007)

Defining CERF Life-saving Criteria (PowerPoint - Jan. 2007)

Hurricane Zane Simulation

The CERF Underfunded Process (PowerPoint - Jan. 2007)

CERF Reporting Guidelines (PowerPoint - Jan. 2007)

Example of HC/RC cover letter (Darfur, May 2006)



Appendix C: List of Interview Respondents

Government of Canada

Catherine Bragg	Director General, Humanitarian Affairs, Peace and Security Division, CIDA
Victor Carvell	Counsellor, Canadian Permanent Mission to the UN, Geneva
Jessica Blitt*	Second Secretary (Human Rights and Humanitarian Affairs) Permanent Mission of Canada to the UN

OCHA

Margareta Wahlstrom	Assistant Secretary General for Humanitarian Affairs and Deputy Emergency Relief Coordinator
Rashid Khalikov	Director, OCHA New York
David Kaatrud	Director, Coordination and Response Division
Steve O'Malley	Chief Of Section for Africa 1, Coordination and Response Division
Susanne Frueh	Chief, Evaluation and Studies Section
Christina Bennett	Humanitarian Affairs Officer, Policy Development and Studies Branch
Robert Smith	CAP Section (Geneva)

CERF Secretariat

Rudolph Muller	Chief
Kristina Koch*	Programme Officer
Carolyn Moysenko*	Finance Officer
Janet Puhalic*	Programme Officer
Channe Lindstrom	Associate Expert
Claire White*	

UN Controller's Office

Moses Bamuwanye‡

Donors

Terri Toyota	Chief, ODMP, Programme Management Division, WFP (Rome)
Treena Huang	Liaison Officer, WFP (New York)
Gary Stahl	Deputy Director, Program Funding Office, UNICEF
Lucia Elmi	Project Officer, Humanitarian Support Unit, Emergency Programmes Office, UNICEF
Brian Gorlick	Senior Policy Advisory, UNHCR (New York)
Lene Christiansen	Resource Mobilization Advisor, IERD, UNFPA



Pam Delargy	Head, Humanitarian Response Unit, UNFPA
David MacFarlane	FAO (Rome)
Richard China	FAO (Rome)
Donors	
Glyn Taylor	DFID (London)
Mikael Lindvall	SIDA (Stockholm)
Michael Curtis*	Permanent Mission of the European Commission to the UN
Laura Johansen*	Permanent Mission of the UK to the UN
Tetsuji Miyamoto*	First Secretary, Permanent Mission of Japan to the UN
Ted Maly*	Permanent Mission of the United States to the UN
Dirk-Jan Nieuwenhuis*	First Secretary, Permanent Mission of the Netherlands to the UN
Tom Tyrihjell*	Counsellor, Permanent Mission of Norway to the UN
Others	
Toby Porter	SCF-UK
Dennis Johnson	Head, Humanitarian Coordination Section, UN Mission in Liberia
Bakri Beck	Acting Deputy for Emergency Response, National Coordinating Board for Natural Disaster Relief and Refugees, Indonesia

* Interviewed in a group donor meeting

‡ Interview was not completed – respondent agreed to follow-up with written responses to questions. These have not yet been received

Appendix D: CERF Pledges, 2006 and 2007

Pledges to Central Emergency Response Fund, 2006 and 2007 (as of 9 March 2007)

Name*	2006		2007	
	Unpaid Pledges (US\$)	Paid Contributions (US\$)	Unpaid Pledges (US\$)	Paid Contributions (US\$)
Governments				
1 United Kingdom		69,928,000	83,232,000	
2 Netherlands		51,860,000	53,300,000	
3 Sweden		41,093,250	22,996,002	29,003,998
4 Norway		29,993,971		55,066,049
5 Canada		21,941,309		
6 Ireland		12,601,974	26,000,000	
7 United States		10,000,000		
8 Spain		9,999,984	19,953,000	
9 Denmark		8,401,243		8,742,384
10 Australia		7,600,000	7,908,000	
11 Japan		7,500,000		
12 Finland		5,154,000	6,670,000	
13 Republic of Korea		5,000,000		
14 Luxemburg		4,000,000	5,320,800	
15 Switzerland		3,928,097	8,375,000	
16 Belgium		2,666,194	2,929,740	
17 Qatar		2,000,000		
18 India		1,000,000		1,000,000
19 France		1,263,800		
20 China	1,000,000		1,000,000	
21 Saudi Arabia	50,000		50,000	
22 Turkey		300,000		300,000
23 South Africa		288,577	256,410	
24 Portugal		254,220	260,000	
25 Poland		250,000		
26 Kuwait		200,000		
27 Iceland		150,000		250,000
28 Czech Republic		113,302	115,000	
29 Liechtenstein		100,000	125,625	
30 Greece	100,000			
31 Nigeria		100,000		
32 Estonia		52,102	38,000	



Pledges to Central Emergency Response Fund, 2006 and 2007 (as of 9 March 2007)				
Name*	2006		2007	
	Unpaid Pledges (US\$)	Paid Contributions (US\$)	Unpaid Pledges (US\$)	Paid Contributions (US\$)
33 Indonesia		50,000	100,000	
34 Malaysia		50,000	100,000	
35 Mexico		50,000		
36 Andorra		25,440	25,440	
37 Kazakhstan		25,000		
38 Monaco		25,000	35,000	
39 Azerbaijan		25,000		
40 Pakistan		25,000		
41 Trinidad & Tobago		25,000	20,000	
42 Egypt		15,000	15,000	
43 Grenada		10,000		
44 Slovenia		10,000	10,000	
45 Sri Lanka		10,000		
46 Thailand		10,000	10,000	
47 Antigua & Barbuda		5,000		
48 Armenia		5,000		
49 Bangladesh		5,000		
50 Croatia		5,000		20,000
51 Morocco		5,000		
52 Djibouti	2,000		2,000	
53 Germany			53,500	6,597,500
54 New Zealand			1,000,000	
55 Bahamas			50,000	
56 Brunei				50,000
57 Chile			30,000	
58 Cyprus				30,000
59 Israel			15,000	15,000
60 Ecuador				20,000
61 Algeria				10,000
62 Bulgaria				10,000
63 Hungary			10,000	
64 Malta				10,000
65 Philippines			5,000	
66 Jamaica			5,000	
67 Lebanon			3,000	
68 El Salvador			2,000	
69 Maldives			1,000	
Corporations, Individuals and Others				
1 Hyogo Prefecture, Japan		424,989	425,222	



Pledges to Central Emergency Response Fund, 2006 and 2007 (as of 9 March 2007)				
Name*	2006		2007	
	Unpaid Pledges (US\$)	Paid Contributions (US\$)	Unpaid Pledges (US\$)	Paid Contributions (US\$)
2 Disaster Resource Network		10,000	10,000	
3 Humanity First			10,000	
Sub-total	1,152,000	298,692,453	240,466,739	101,124,931
Total Pledged	299,844,453		341,591,670	

* Order based on pledge amount for 2006

Source: CERF website, <http://ochaonline2.un.org/Default.aspx?tabid=8770>

