

ANALYSIS OF DATA FROM 2014 RC/HC REPORTS ON THE USE OF CERF FUNDS

SUB GRANTS UNDER 2014 CERF PROJECTS

[Preliminary draft analysis for CERF Advisory Group meeting 21-22 March 2016]



United Nations
CERF

10 YEARS OF
SAVING LIVES
TOGETHER

The introduction of a new CERF narrative reporting framework in 2013 has improved the overall quality of reporting by Resident and Humanitarian Coordinators on the use of CERF funds (RC/HC reports) and has allowed for a more systematic and timely analysis of the data and information provided in the reports. The CERF secretariat has analyzed key performance data from all RC/HC reports submitted for 2014 CERF grants (second year under the new reporting framework) and produced several briefing notes to present the findings of the analysis.

This briefing note summarizes information included in 2014 RC/HC reports on CERF funding sub-granted by recipient UN agencies¹ to NGOs and other partners for implementation. The reported sub-grant data does not include the value of in-kind arrangements.

In 2014, CERF allocated US\$ 461 million to 15 UN agencies responding to humanitarian crises in 45 countries. Some \$291 million were allocated from the CERF rapid response (RR) window to quickly start response operations in new or rapidly deteriorating humanitarian emergencies. The remaining \$170 million were allocated through the CERF underfunded emergencies (UFE) window to life-saving programmes in underfunded humanitarian crises.

In 2014, CERF funded a total of 589 projects that were part of 81 consolidated applications. Given the six-to-nine month implementation time frame of CERF grants followed by a three-month reporting period, the complete reports on all 81 allocations and the 589 CERF-funded projects in 2014 were only available at the beginning of 2016 for consolidation. The individual RC/HC reports used for the analysis included in this briefing note can be found on CERF's website.²

Agencies, under CERF grants in 2014, reported a total of 1,214 sub-grants to implementing partners. According to this information, 22.6 per cent of 2014 CERF funding (\$106 million out of \$471 million³) was sub-granted to agencies' implementing partners (IPs).

The sub-grant figures are based on self-reporting by each agency at the country level and there are no systems in place to verify this information at headquarters level. As such, these figures should be considered indicative only. However, the consistency in reported data year by year since 2011 indicates that the data are a good estimate of actual sub-grants.

¹ The terms "UN agencies", "UN agencies and IOM", and "agencies" are used interchangeably.

² www.unocha.org/cerf/partner-resources/grant-reports/grant-reports-2014

³ The sub-grant analysis is based on reports on all 2014 CERF applications despite that some of them also included projects approved in the last days of 2013 and in the first days of 2015. Hence, the overall 2014 allocation amount referenced in this note differs by \$10 million from the official CERF figure.

VOLUME OF 2014 SUB-GRANTS

In 2014, agencies sub-granted to Implementing Partners (IPs) \$106.3 million out of \$471 million received from CERF (23 per cent). Twelve per cent of all 2014 CERF funding was sub-granted to local partners (national NGOs, host governments and Red Cross/Red Crescent); and eleven per cent was sub-granted to international NGOs. The proportion of 2014 sub-granted CERF funding as compared to the total amount allocated is presented in the following chart.

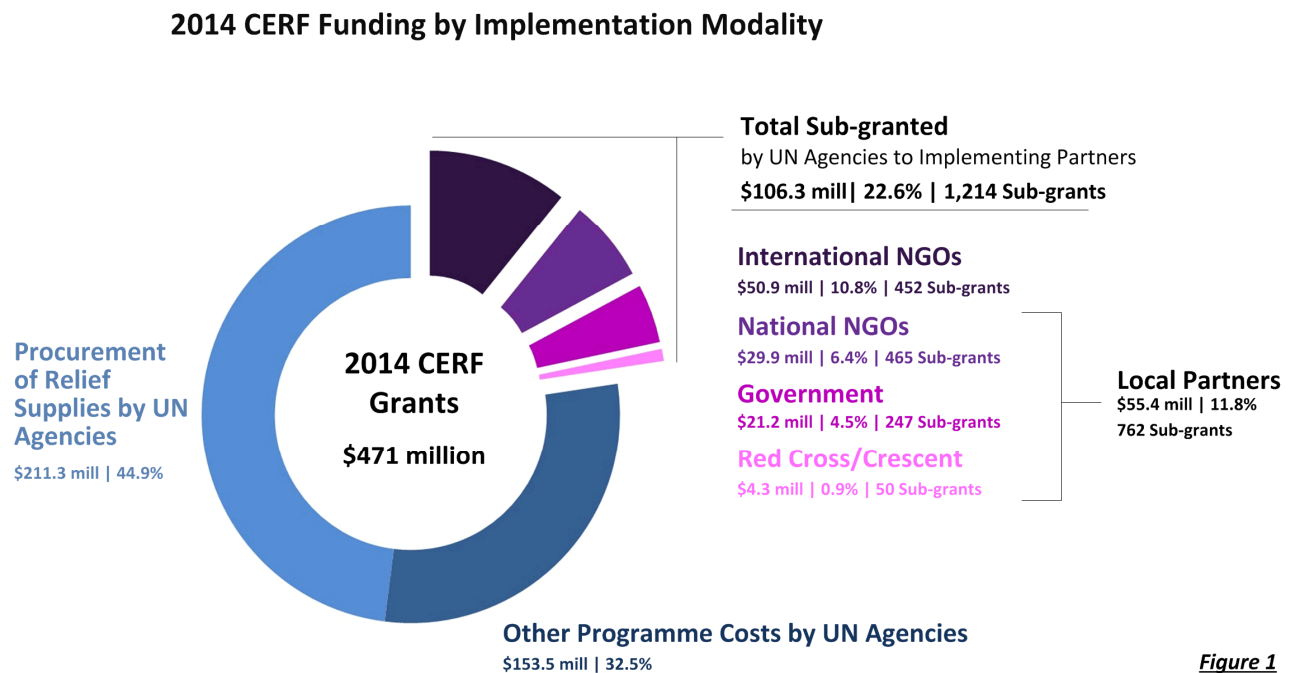


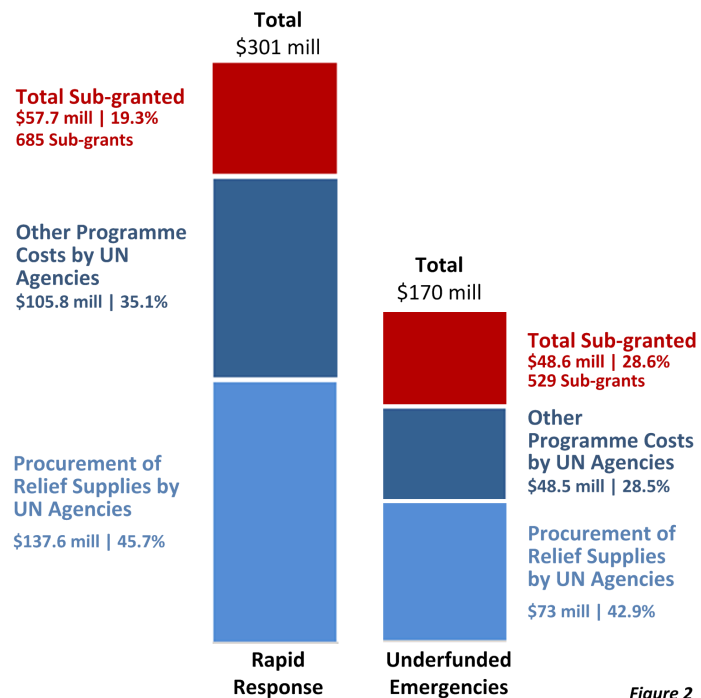
Figure 1

Apart from implementing sub-grants provided by UN Agencies, IPs also played an important role in distributing to beneficiaries relief supplies procured by UN Agencies using funding from CERF. According to the budget breakdown of all 2014 projects, 44.9 per cent of CERF funding or \$211.3 million was used by recipient agencies for procurement of relief supplies such as food, shelters or medicines.

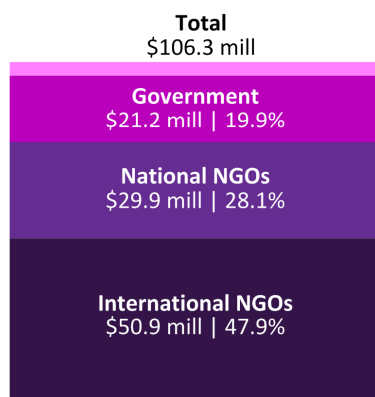
The proportion of sub-granted funding varied between the two CERF windows. While the overall sub-granted funding was 22.6 per cent for all 2014 CERF funds, the percentage was 19.3 for Rapid Response (RR) funding and 28.6 for funding for underfunded emergencies (UFE).

Out of \$106.3 million sub-granted in 2014 to IPs, \$55.4 million or 52.1 per cent was sub-granted to local partners, which included \$29.9 million (28.1 per cent) to national NGOs, \$21.2 million (19.9 per cent) to host governments and \$4.3 million (4.1 per cent) to Red Cross/Crescent societies. Another \$50.9 million or 47.9 per cent was sub-granted to International NGOs.

2014 CERF Funding by Window and Implementation Modality



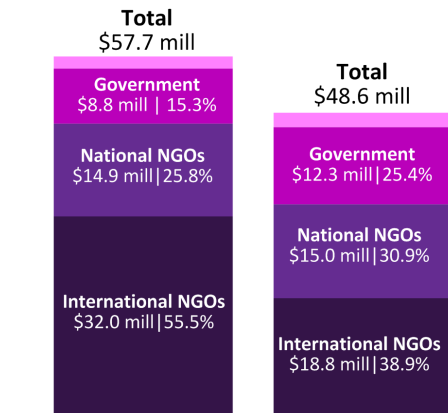
Volume of 2014 Sub-grants



All 2014 Sub-grants

Red Cross/Crescent: \$4.3 mill | 4.1%

Volume of 2014 Sub-grants by Window



2014 RR Sub-grants

2014 UFE Sub-grants

Red Cross/Crescent: RR - \$2.0 mill | 3.5%
UFE - \$2.3 mill | 4.8%

Figure 3

The proportion of sub-granted funding by partner type also differed between the two CERF windows. International NGOs were the largest recipients of rapid response funding, receiving \$32 million or 55.5 per cent of this funding; while local partners were the largest

recipients of funding for underfunded emergencies, receiving \$29.7 million or 61.1 per cent of this funding.

The total CERF sub-granted funding as reported by agencies has been on a steady increase in dollar terms over the past years with the total \$84 million in 2011, \$91 million in 2012, \$97 million in 2013, and \$106 million in 2014. As percentage of overall CERF funding, the sub-granted amount increased to the highest ever in 2014 to 22.6 from around 20 in the period 2011 – 2014. The proportions of sub-granted funding by partner type were comparable across years, with a spike in funding to international NGOs and a corresponding drop for national NGOs in 2012.

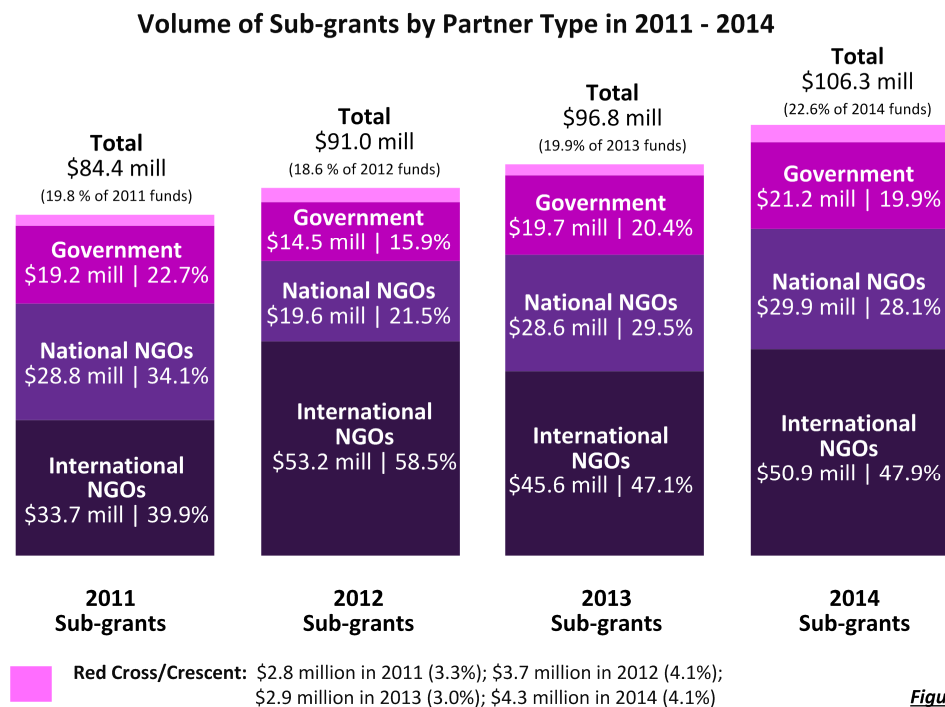


Figure 4

The number of sub-grants in 2014 increased as compared to previous years. Out of 1,214 sub-grants reported in total for 2014, national NGOs accounted for the largest number with 465 sub-grants, followed by international NGOs with 452. Host governments received 247 and the Red Cross/Red Crescent societies 50 sub-grants.

The average sub-grant size in 2014 for international NGOs (\$112,526) was nearly twice bigger than for local NGOs (\$64,229), hence although international NGOs received more funding through sub-grants, local NGOs received a higher number of sub-grants. The average sub-grant size for host governments was \$85,686 while for Red Cross/Crescent it was \$86,520.

Number and Size of Sub-grants by Partner Type in 2011 - 2014



Figure 5

All CERF recipient agencies, except UN Habitat and UNWRA, reported sub-grants in 2014. According to reported data, UNICEF, the second largest recipient of CERF funds in 2014, implemented the largest total amount through partners (\$48.4 million through 517 sub-grants). This amount accounted for 41 per cent of all CERF funding received by UNICEF in 2014. In comparison WFP, the largest CERF recipient reported \$8.8 million, or 6 per cent of received CERF funds as implemented through partners (in-kind arrangements, such as food, are not included in the reported figures).

2014 CERF Funding by Agency

	PROCUREMENT OF RELIEF SUPPLIES		OTHER PROGRAMME COSTS	SUB-GRANTS	TOTAL	SUB-GRANTED AMOUNT	NO. OF SUB-GRANTS
WFP	65.4%	28.2%	6.3%		\$140M	\$8.8M	248
UNICEF	32.5%	26.8%	40.6%		\$119M	\$48.4M	517
UNHCR		39.4%	22.3%	38.2%	\$55.2M	\$21.1M	98
IOM		26.3%	61.5%	12.2%	\$48.5M	\$5.9M	49
WHO		38.4%	42.3%	19.3%	\$46M	\$8.9M	82
FAO		58.8%	26.8%	14.4%	\$31.3M	\$4.5M	119
UNFPA		38.2%	36.4%	25.4%	\$15.4M	\$3.9M	70
UNDP		6.3%	53.3%	40.4%	\$8.1M	\$3.3M	17
UNRWA		93.5%	6.5%	0%	\$3M	\$0	0
UNOPS		6.7%	44.0%	49.4%	\$2.2M	\$1.1M	5
UN Habitat		70.8%	18.2%	11.0%	\$1.8M	\$0.17M	2
UN Women		6.0%	64.3%	29.7%	\$0.5M	\$0.16M	3
OHCHR		0%	100%	0%	\$0.4M	\$0	0
UNAIDS		40.7%	0.1%	59.2%	\$0.1M	\$0.06M	4

Figure 6

There were significant differences in the partner type profile of agencies' implementation of CERF grants in 2014. Forty-five per cent of funding sub-granted by UNICEF (the biggest provider of sub-grants) went to international NGOs, while 55 per cent went to local actors of which half was for government counterparts. UNHCR (second biggest provider of sub-grants) contracted 58 per cent of its sub-granted funding to international NGOs, 41 percent went to local partners of which the majority was to local NGOs and only 4 per cent to government partners.

WFP and FAO worked mostly with local NGOs providing to them nearly half of their sub-granted funding. UNDP's major implementing partners were host governments, which received 72 per cent of total UNDP's sub-granted funding.

Volume of 2014 Sub-grants by Agency and Partner Type

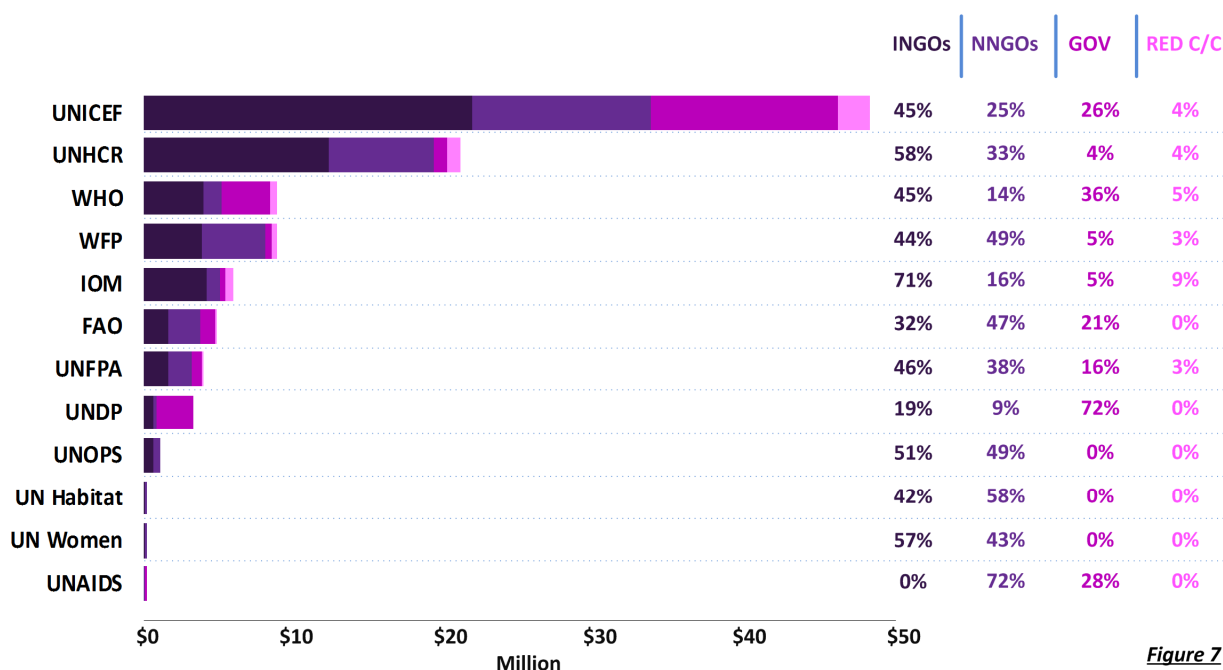


Figure 7

TIMING OF 2014 SUB-GRANTS

The quality of partnerships between CERF recipient agencies and their implementing partners is a priority issue for CERF and its donors. Given that 22.6 per cent of 2014 CERF funding was reported as having been sub-contracted by agencies to their implementing partners (IPs), the timeliness of sub-granting is a factor in determining the effectiveness of CERF-funded projects. While important for CERF project implementation the efficiency and effectiveness of sub-granting from agencies to their partners is a broader UN/NGO partnership issue and is not exclusive to CERF-funded projects.

Timeliness of sub-grants shall be understood in the context of overall project implementation, i.e. how and when are sub-grant procedures undertaken in relation to the implementation plans and requirements of the respective CERF projects. Speed and timing of sub-grants is therefore not an accurate reflection of the timeliness of sub-grants. However, in the absence of detailed information on individual sub-grants and given the high volume of data, information on timing can serve as a process indicator that may provide useful information for understanding implementation of CERF grants, when complementing qualitative data. The CERF secretariat therefore tracks and analyses the timing of CERF sub-grants from UN agencies to their implementing partners. The following two process indicators are tracked based on information reported by agencies in RC/HC reports:

Process Indicator 1 – Implementation Timing: Number of working days between the disbursement of funds from CERF to the recipient agency and implementation start of sub-granted activities by the agency's partner.

Process Indicator 2 – Disbursement Timing: Number of working days between the disbursement of funds from CERF to the recipient agency and the disbursement of the first instalment under the sub-grant from the agency to its implementing partner.

While the two indicators are closely related, the first one is considered more important because it focuses on the provision of CERF-funded assistance to people, whereas the second indicator focuses on when agencies process and disburse sub-grants.

As outlined above, while these indicators are useful for understanding how CERF projects are implemented, and to some degree for identifying potential bottlenecks and inefficiencies, they cannot be used for directly measuring performance of sub-granting procedures. Each sub-grant should be considered within a given context to fully understand the data. A long sub-granting process could be the result of delays in partnership processes between an agency and its implementing partner, but it could also reflect the planned timing of project implementation according to the nature of the specific project, which would not indicate any delay in project delivery. The data will not necessarily reveal this and the analysis in this section should be considered bearing this in mind. To ensure a fuller understanding of CERF project delivery through implementing partners the CERF secretariat therefore works closely with recipient agencies on gathering qualitative information related to their partnerships under CERF grants. Partnership issues are also explored in evaluations of CERF's operations in specific emergencies.

The timing analysis included in this section focuses on Rapid Response (RR) sub-grants only. These sub-grants have six months implementation period and their timing is a critical factor in project implementation.

Timing of Activities Implementation Start (indicator 1)

As illustrated in the following chart, the implementation by IPs of a quarter of 2014 RR sub-grants of CERF funding (170 out of 685) started within the first week from the disbursement of funding from CERF to recipient agencies.

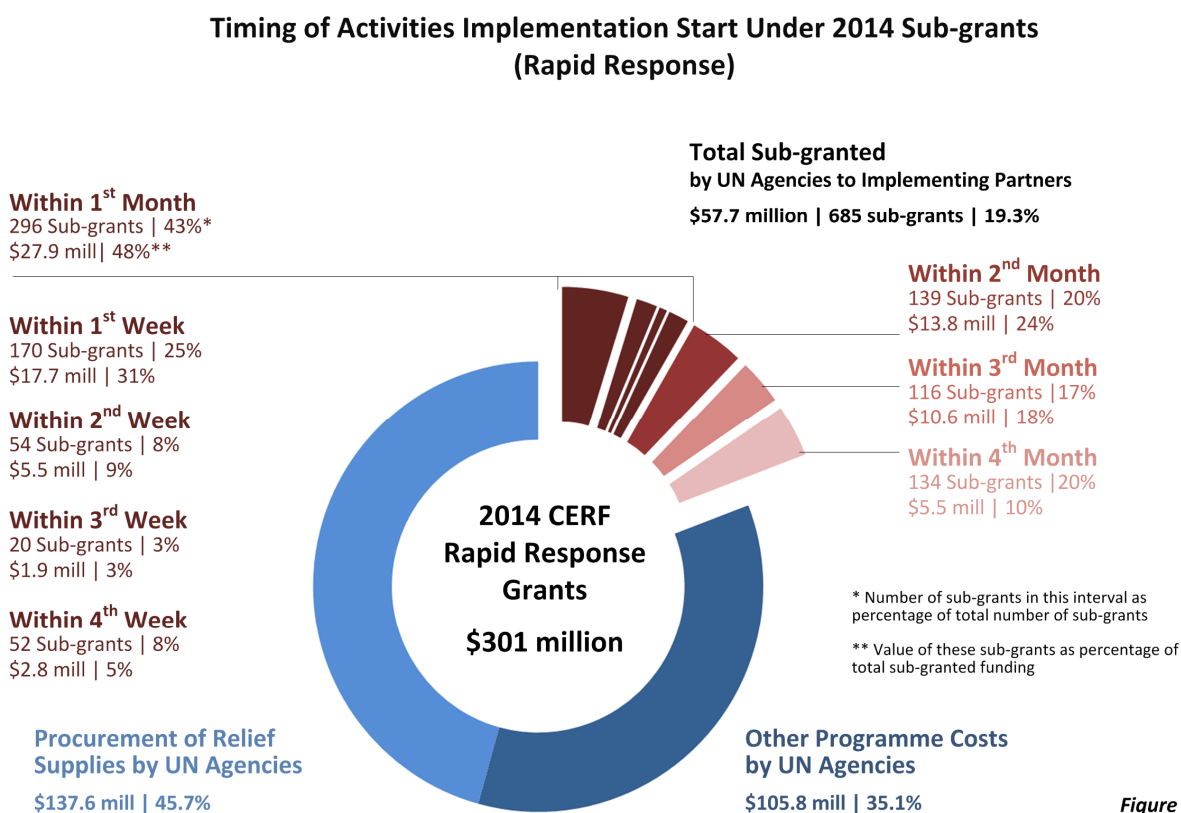


Figure 9

During the next three weeks, agencies' implementing partners had begun to implement another 126 sub-grants. In total, the implementation of 296 out of 685 sub-grants (43 per cent per cent of all 2014 CERF RR sub-grants) started within the first four weeks after disbursement of grants from CERF to recipient agencies.

In the second month after the disbursement from the CERF, the implementation of another 20 per cent of sub-grants began. Thus, within the first two months following the disbursement from the CERF, the implementation of 63 per cent of all RR sub-grants started.

In the third month after the disbursement from the CERF, the implementation of further 17 per cent of sub-grants begun. By that time, the implementation of 80 per cent of all RR sub-grants started. The implementation of the remaining 20 per cent of sub-grants (134 sub-grants) did not start until the fourth month or later. The data shows a similar timing distribution as for 2013 sub-grants which may indicate a pattern in CERF implementation reflecting the nature of the projects typically funded by CERF.

The implementation start time varies somewhat between partner types but is comparable. As seen in the following chart, implementation of activities by international NGOs on average started sooner than for national NGOs and host governments.

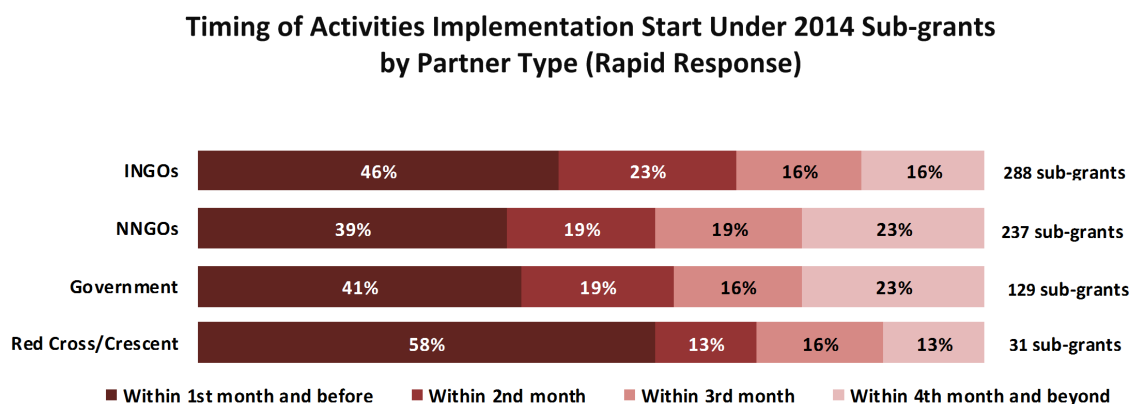


Figure 10

There were differences between the timing of implementation start depending on the provider of sub-grants as can be seen in Figure 11. The statistics of the timing of implementation start by IPs of UNDP, UNOPS and UN Women should be interpreted with caution due to very small sample size (only 10 sub-grants and below) which may reflect the characteristics of individual sub-grants rather than represent trends.

The timing statistics by agencies for 2014 sub-grants are very similar to those seen for 2013. This may indicate that the overall data trends reflect the typical implementation profile of the type of agency projects normally funded by CERF over a year, or the partnership modalities used, rather than represent ad-hoc administrative delays across various projects.

Timing of Activities Implementation Start Under 2014 Sub-grants by Agency (Rapid Response)

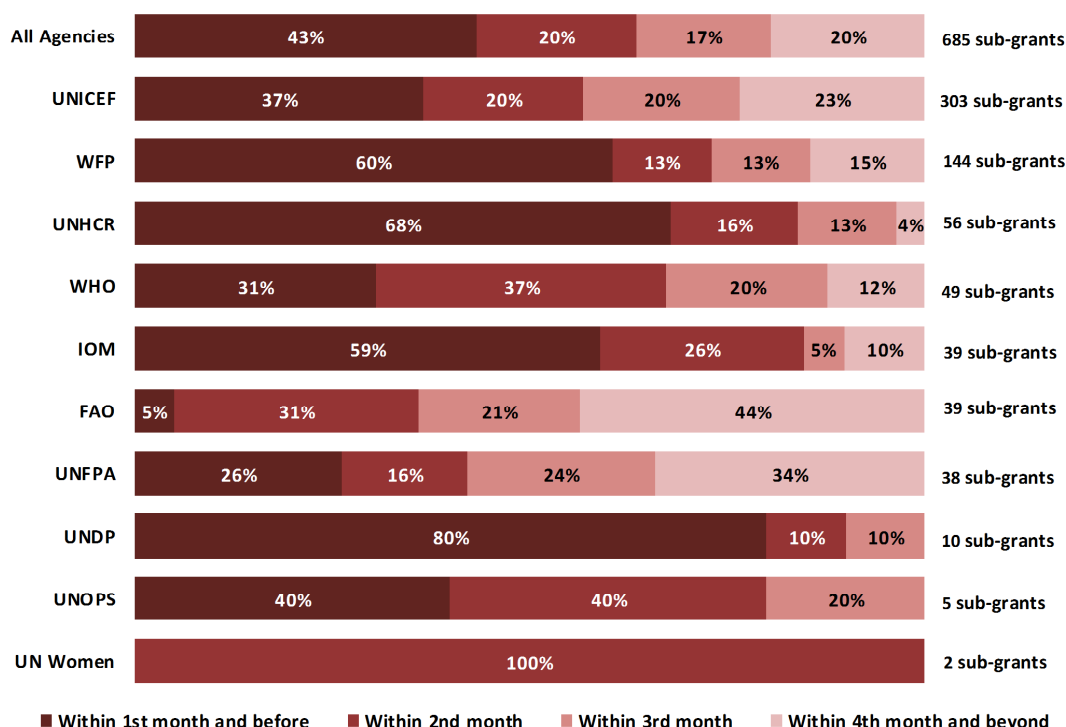


Figure 11

Timing of Disbursement (indicator 2)

The disbursement of sub-grants by agencies to their implementing partners on average happened after the implementation start by these partners. This indicates a high degree of CERF implementation under existing partnership agreements and a capacity among IPs to pre-finance the implementation of some activities. Disbursement timing therefore, do not necessarily influence the timing of implementation of CERF-funded activities.

The disbursement of 27 per cent of sub-grants from agencies to IPs was done within the first four weeks from the disbursement of funds from the CERF to agencies (183 out of 685 sub-grants). Within the second and third month the disbursement of another 20 per cent of sub-grants took place. Thus, the disbursement of nearly half of 2014 sub-grants took place within the first two month (317 out of 685 sub-grants). Another 18 per cent of sub-grants were disbursed in the third month and the remaining 36 per cent of sub-grants were disbursed within the fourth month and beyond.

Timing of 2014 Sub-grants Disbursements (Rapid Response)

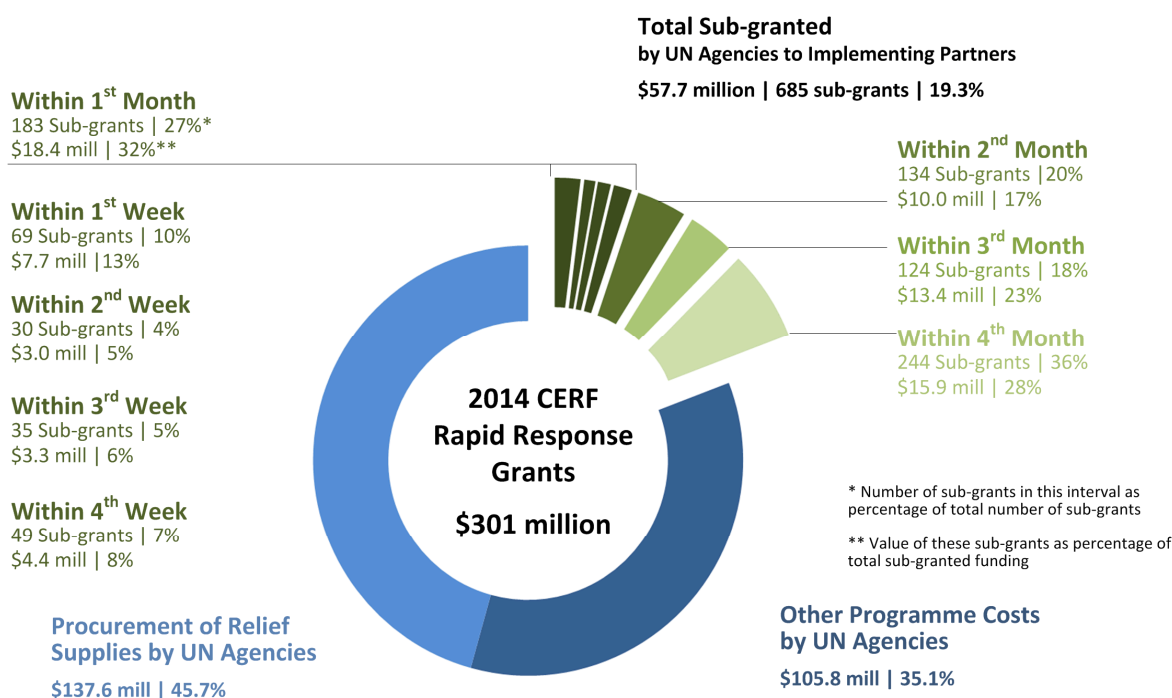


Figure 12

As illustrated in the following chart, the disbursement time was similar across partner types with disbursement to Red Cross/Crescent being slightly faster. Though, given the small sample size (only 31 sub-grants) this information should be interpreted with caution.

Timing of 2014 Sub-grants Disbursements by Partner Type (Rapid Response)

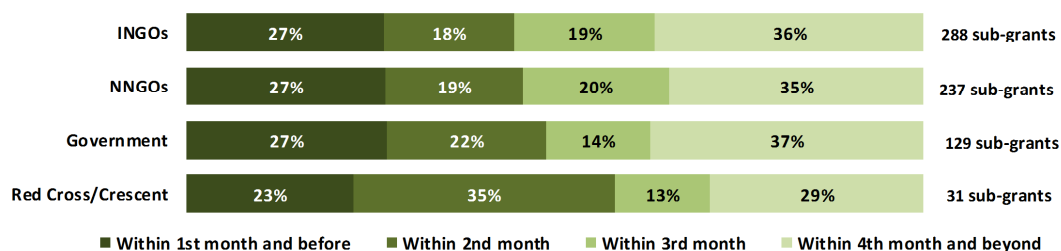


Figure 13

There were however significant differences between the timing of disbursements depending on the provider of sub-grants as can be seen in Figure 14. The statistics of the timing of disbursement to IPs of UNDP, UNOPS and UN Women should be interpreted with caution due to very small sample size (only 10 sub-grants and below) which may reflect the characteristics of individual sub-grants rather than represent trends.

Timing of 2014 Sub-grants Disbursements by Agency (Rapid Response)

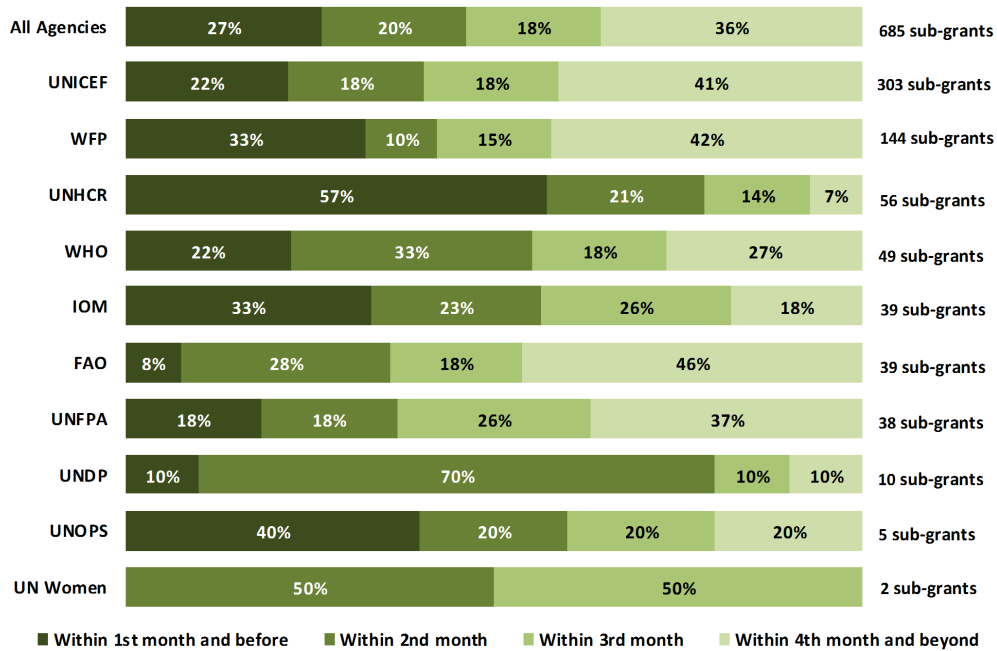


Figure 14