

# **Independent Review of the Value Added of CERF in Djibouti 2011**

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## **Executive Summary**

Djibouti is the smallest of the countries in the Horn of Africa affected by the 2011 drought, which was a spike in a severe chronic crisis in which the rural and peri-urban poor have been increasingly affected. While politically stable, access to basic services in the country is limited, coping mechanisms have become exhausted among nomadic and semi-nomadic populations, and rising food prices are a huge problem as 90% of Djibouti's food is imported. Djibouti also hosts increasing numbers of Somali refugees. The 2012 Consolidated Appeal estimates one quarter of the Djibouti population is in need of humanitarian assistance.

CERF funds have been allocated to Djibouti every year since 2006, reaching their highest level in 2011 – in which CERF was the largest humanitarian donor, ahead of USA and ECHO, providing around \$6m, or 30% of humanitarian funding received in the country.

### **Added value of CERF**

CERF has added value to the humanitarian response in Djibouti in five distinct, but linked ways:

1. Donor of last resort in resource scarce environment – few donors have prioritised Djibouti, partly due to perceptions of stability in the country
2. Gap filling while mobilising other resources – timely availability of funds has been important as well as their absolute level
3. Rapid response to worsening situation – the deteriorating situation in 2011 required a quick and responsive reaction
4. Establishing humanitarian response capacity – agencies such as FAO without emergency personnel were able to set up emergency teams through CERF funding
5. Leveraging other funds – in a donor-scarce environment, CERF sent an important signal to other donors of the need for additional funding

While these are equally applicable to 2011 and other years, in 2011 CERF rapid response submissions from Djibouti were triggered by specific changing circumstances which reflected a worsening of the already chronic crisis. Refugee flows from Somalia increased during 2011 and peaked in July/August 2011, while the situation of pastoralists in Djibouti worsened. The CERF rapid response submission was reactive rather than pre-emptive, in part because the UFE grants were for similar activities and had recently been agreed in March 2011. Grants were primarily for filling gaps in pipelines and scaling up activities.

### **Appropriateness and transparency of allocation**

The allocations applied life-saving criteria – with projects submitted by UNDP and UNFPA rejected by the HC as not meeting the criteria – and fund allocation was based on the highest priorities as agreed by the HCT, i.e. food security and water. Health was funded but slow implementation of previous projects by WHO/Ministry of Health was a factor in making a smaller allocation to WHO. Within the context of Djibouti, the allocations were generally viewed as appropriate in terms of both priorities and sums allocated.

The main influences on allocation were relative priorities of need, past performance and implementation capacity. Interviewees pointed to a need for more guidance and support from the CERF Secretariat on how to manage the prioritisation process. While the allocation process intends to be inclusive, there is little room for broader inclusion as the NGO community is so small, so the UNCT is in practice the same as the HCT, and Government interaction is hampered by its limited capacity.

**Recommendation 1:** The CERF Secretariat should develop further material and guidance to support prioritisation and allocation discussions, providing examples of good practice and options for processes and criteria to be used – while maintaining the principle of it being country-led and designed.

**Recommendation 2:** OCHA should provide a full-time Humanitarian Affairs Officer to support the RC and coordination through the HCT and clusters, as well as CAP processes and advocacy towards the Government. Previous surge capacity has been appreciated, but has not necessarily been for long enough or appropriate in terms of language skills or experience. With a sizeable CAP and significant humanitarian needs as a proportion of the population, the current humanitarian capacity and coordination support needs strengthening.

While the clusters have made a good start since being rolled out in 2011, they are still maturing and are much more limited in their composition than in other crises, with few participants and no dedicated cluster leads. CERF has played a crucial role in catalysing the structures of humanitarian reform in Djibouti, which did not exist before 2011, and strengthening the HC's role in coordinating humanitarian action among agencies and advocating with the Government.

**Recommendation 3:** Relevant OCHA sections should consider further support/training on CERF, clusters and CAP to benefit the development of these mechanisms and tools. The issue is less about the availability and content of the trainings and more about awareness of training opportunities, and agencies prioritising sending their staff.

### **Timeliness benchmarks**

Timeliness benchmarks on the CERF process are met in Djibouti, according to CERF Secretariat figures. Taken as a whole these show a rapid process once proposals have been finalised.

The area of delay and some frustration expressed by some agencies in Djibouti is in finalising proposals to the satisfaction of the CERF Secretariat. However the average 11 days for finalisation of the proposal in 2011 is fast compared to many donor processes, and generally adds value and quality to proposals, as well as enhancing the credibility of CERF as a donor. The majority of interviewees were also positive overall about the service they received from the CERF Secretariat, which was seen as quick, responsive, flexible and reasonable.

**Regional aspects**

Djibouti has benefited from being included in the Horn of Africa Appeal. This occurred both by drawing attention to Djibouti in comparison to its larger neighbours, and in attracting funds which are regionally earmarked that can be directed towards the country. There was limited regional coordination between Djibouti and UN country teams in other countries during 2011.

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## **Section 1: Introduction and context**

1. This report is the main output of an independent review of the added value of CERF in Djibouti as part of the CERF Performance and Accountability Framework (PAF). It forms part of the regional review of the added value of CERF in responding to the Horn of Africa crisis in 2011 also covering Ethiopia, Kenya and Somalia (TORs at Annex A). Its primary scope is 2011 but prior years and the ongoing 2012 underfunded round will also be discussed where relevant, particularly in the context of an ongoing, chronic crisis. For CERF this is also an important opportunity to review CERF processes and learn lessons from a country which is not a typical CERF recipient.

2. It is based on a visit to Djibouti from April 29-May 4 2012 which included semi-structured interviews in the capital with all UN agencies, the limited number of international NGOs present in-country, and an official of the Djibouti government (see Annex B for list of interviewees); the OCHA Regional Office for Eastern Africa was interviewed in Nairobi. A one-day field visit was undertaken to Al Alef and Tadjoura on May 2 to observe completed CERF projects and discuss with project teams, beneficiaries and local authorities. A standard question guide was designed for the four country studies which was discussed with the CERF Secretariat. The visit was complemented and informed by a comprehensive desk review of reports, project proposals and correspondence relating to Djibouti, the Horn of Africa crisis and CERF more broadly. Preliminary findings and recommendations were presented to the UNCT on May 3 2012. The reviewer is very grateful to UNDP, in particular Souleymane Balde, for their support of the mission, as well as all those interviewed and who helped arrange the field visit.

3. This report aims to give a concise overview of the key value added and lessons learned from CERF in Djibouti. The findings are independent and do not necessarily represent the views of OCHA or other agencies interviewed.

## Djibouti context



4. The Republic of Djibouti is a very small country, covering 23,200 sq km (the size of Massachusetts or Haiti). Over half its population of 818,159 (according to the 2009 census) live in the capital Djibouti, the remainder in the sparsely populated desert bordered by Somalia, Eritrea and Ethiopia. 94% of the population are Muslim. It achieved independence from France in 1977 and has been politically stable for most of its existence, with a democratic system dominated by the ruling party of the President. Its main source of income is from its port in the capital, and the fees paid by French, US, Japanese and EU military forces stationed there. Only 4% of the land is agricultural, with nomadic pastoralism the main livelihood outside the capital. 90% of food is imported.

5. Djibouti ranks 165/187 on the Human Development Index with a per capita GDP of \$1563. The vast majority of the poor live in the rural areas and over 80% cannot meet their basic needs. The current drought far exceeds normal variation in Djibouti's semi-arid climate - insufficient rainfall since 2005 has exhausted coping mechanisms among pastoralists and led rural households to migrate within their regions to sources of water, and towards urban areas. The 2011 drought represented a spike in a chronic severe crisis.

6. While water/sanitation and food security are the priorities for rural populations, there is a growing recognition of the risks to the extreme urban poor with the growth of peri-urban areas, due to rising food prices, poor

sanitation and malnutrition. Finally, an influx of mainly Somali refugees has overstretched existing camp facilities, with over 20,000 now hosted by the country. Health services in rural areas are very limited.

7. According to the 2012 Consolidated Appeal, approximately one quarter of the population, or 206,000 people are in humanitarian need. While in absolute terms this is tiny compared to its neighbours, it represents a greater *percentage* of the population than both Kenya and Ethiopia. While Djibouti is clearly of less concern than Somalia, its relative stability and small size amongst more fragile neighbours creates a perception of less need and risks it being neglected as it does not make international headlines. It is also a high priority for the Government to maintain an image of stability as significant national income is derived from the international military presence (as well as a smaller share from tourism).

### **Humanitarian response capacity and coordination**

8. The Government of Djibouti takes the lead in directing the response to the ongoing crisis but has demonstrated uneven capacity to coordinate international inputs. The small size of the country and limited funding means that international response capacity is small. UN agencies have small teams covering the whole range of development and humanitarian activities. The RC has not been officially designated an HC but has instituted a Humanitarian Country Team and in 2011 launched life saving clusters in Djibouti. Some of these are chaired by the relevant ministry, while others are led by the cluster lead.

9. While the clusters have made a good start, they are still maturing and are much more limited in their composition than in other crises with few participants and no dedicated cluster leads. There is no functioning inter-cluster group as yet, though this is under discussion. There are nominally 5 international NGOs operational in Djibouti, but in practice only one - ACF - has significant national capacity with 14 expatriates. It has been operational in Djibouti for one year. CARE Canada has just arrived as a potential UNHCR implementing partner. Other international NGOs are small and some have experienced government resistance to them working in particular sectors. National NGOs are very limited in their number, scope and capacity. The multiple challenges of high operating costs, limited donor funding, few national implementing partners and government partners with limited capacity make it difficult for INGOs to consider a presence.

10. This means that UN agencies primarily implement nominally through Government ministries - which in practice means direct implementation of much activity. Government capacity is very limited, with technical positions suffering from high turnover and restructuring. Working hours are limited. This puts pressure on small UN offices to implement programmes directly.

11. Djibouti's small size makes less difference to logistics and coordination than might be expected. Roads away from the limited but excellent main highways are rough tracks. Small UN agency teams are already multi-tasking so although coordination is easy in terms of the informality of relationships -

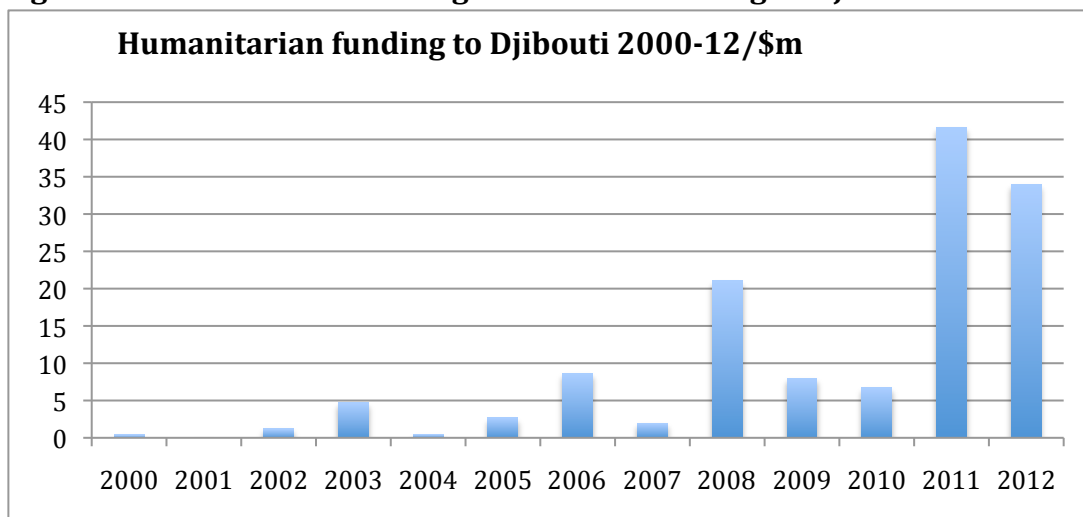


everyone knows everyone in the small community – it needs to avoid over-burdening this limited capacity with too many meetings. For example, the same individuals from some agencies might sit in multiple clusters.

### Humanitarian funding

12. Donor funding to Djibouti has been very limited, in part due to its small size, perceptions of stability and it being dwarfed by its larger neighbours. The 2011 Drought Appeal was the first such Appeal, launched by the Government of Djibouti with the UN. It has received 58% of the \$33m requested via the Appeal and over \$40m in total from all humanitarian contributions inside and outside of the Appeal. This is a significant increase on funding to Djibouti, from \$7m reported to OCHA’s Financial Tracking Service (FTS) in 2010 (see Figure 1). This is partly as reporting is likely to have improved with greater engagement during 2011, but also due to increased awareness of needs. Djibouti has launched its first CAP for 2012, appealing for \$79m, over twice the size of the 2011 Drought Appeal but the second smallest of the 19 appeals launched for 2012 (the Djibouti 2012 CAP is 40% funded as of September 2012).

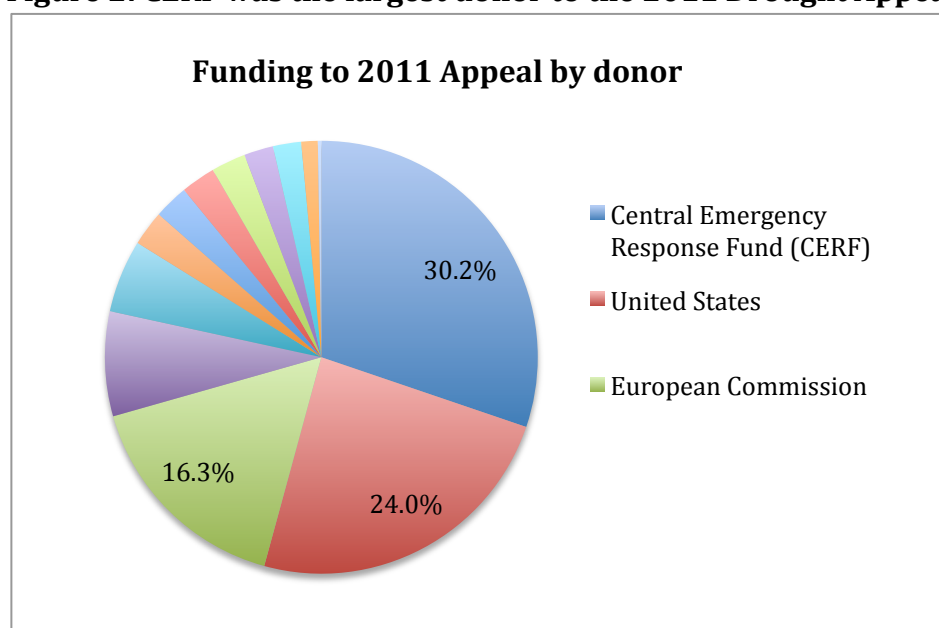
**Figure 1: Humanitarian funding has been increasing to Djibouti**



Data as at June 6 2012, Source: FTS

13. CERF was the largest donor to the Drought Appeal in 2011, followed by the US and ECHO (see Figure 2). CERF funding was critical for WASH and Agriculture (see Figure 3).

**Figure 2: CERF was the largest donor to the 2011 Drought Appeal**



Source: FTS

**Table 1: Funding requirements and contributions by sector – 2011 CAP**

Sector	Revised requirements USD	Funding USD	CERF funding	% CERF funded	% Appeal Covered
Agriculture and Livestock	6,540,918	2,355,131	1,049,358	44%	36%
Emergency Preparedness and Response	438,700	0	0	0	0%
Food Aid	16,230,614	12,374,737	2,107,974	17%	76%
Health and Nutrition	7,672,500	2,290,375	0	0	30%
Sector not yet specified	0	739,583	284,353	38%	0%
Water and Sanitation	2,381,606	1,610,288	1,187,753	74%	68%
<b>Grand Total:</b>	<b>33,264,338</b>	<b>19,370,114</b>	<b>6,138,419</b>	<b>32%</b>	<b>58%</b>

### CERF funding

14. Djibouti has received \$25,216,013 in CERF funding since 2006 to date. Funding received from 2006-2011 is listed in Table 2 below:

**Table 2: CERF funding to Djibouti 2006-11**

Year	CERF UFE	CERF RR	Total humanitarian funding
2006	-	\$1,905,355	\$8,603,316
2007	-	\$1,575,570	\$1,953,556
2008	-	\$5,580,667	\$21,039,429
2009	\$2,996,920	-	\$8,005,157
2010	\$2,999,757	-	\$6,692,647
2011	\$2,998,322	\$3,140,097	\$41,615,748

15. During 2011 it received almost \$3m from the underfunded window (March) and \$3.1m from the rapid response window (August), its largest year since 2008 when it received a total of \$5.6m. This corresponded to a major upturn in humanitarian contributions as a total, linked to the release of a CAP for the first time. In April 2012 it received \$4m from the underfunded window for the continued impacts of the drought. Details of 2011 CERF funding are in table 3:

**Table 3: CERF funding to Djibouti 2011**

Underfunded window March 2011

Agency	Project	Amount/US\$
UNICEF	Acute malnutrition case management	295,427
UNICEF	Wash Response In Emergency Situation	479,012
FAO	Emergency support to sustain pastoralist livelihoods affected by the drought in rural areas in Djibouti	749,596
UNFPA	Essential Reproductive Health interventions in drought affected areas	99,997
WFP	Food Assistance to Vulnerable Groups and Refugees - Protracted Relief and Recovery Operation (PRRO 10544.1)	1,110,000
WHO	Mitigation of the effects of drought on the health of the vulnerable population in Djibouti	264,290
	<b>TOTAL:</b>	<b>2,998,322</b>

Rapid response window August 2011

Agency	Project	Amount/US\$
UNICEF	WASH Response in vulnerable areas	708,741
UNICEF	Response to Nutrition Crisis in a context of long lasting drought in Djibouti and the Horn of Africa	543,753
FAO	Drought emergency response to ensure livestock safety and water access in severely affected areas of rural Djibouti	299,763
UNHCR	Protection and multi-sectoral assistance for refugees and asylum seekers with mixed migrants in Djibouti	284,353
WFP	"Food Assistance to Vulnerable Groups and Refugees" - Protracted Relief and Recovery Operation (PRRO 10544.1)	997,974
WHO	Mitigation of the Effects of Drought on the Health of the Vulnerable Population of Djibouti	305,513
	<b>TOTAL:</b>	<b>3,140,097</b>

## **Section 2: Added value of CERF**

16. CERF has added value to the humanitarian response in Djibouti in five distinct, but linked ways:

- Donor of last resort in resource scarce environment
- Gap filling while mobilising other resources
- Rapid response to worsening situation
- Establishing humanitarian response capacity
- Leveraging other funds

17. This is generally seen as the order of significance, although different agencies have used the fund for different reasons. The different types of added value are discussed below, followed by a section looking at the challenges of adding value in a chronic crisis.

### **Donor of last resort in resource scarce environment**

18. In providing 30% of the response to the 2011 Drought Appeal, CERF acted as a vital 'donor of last resort', in the absence of other donors. OFDA and ECHO provided levels of funding typically associated with them for most crises (24% and 16% of response respectively) but in the absence of other contributions, the gap between requirements and funds received would have been significant in an already underfunded Appeal at 58% response. Taking the CERF contribution out of the funds received against the Appeal would reduce the funding response to 40%.

19. In the absence of major development funding (ODA flows to Djibouti in 2010 amounted to \$98m), there is little foundation on which to scale up a humanitarian response.

20. All stakeholders interviewed highlighted the sheer fact that CERF brought scarce funds to Djibouti was highly important.

### **Gap filling while mobilising other resources**

21. For some UN agencies, CERF provided an important rapid stop-gap fund while discussions took place with other donors about funding. The relatively rapid process and ability to engage in technical discussions with UN colleagues to make the case for funding was highlighted as significant. This was compared to the sometimes drawn-out discussions with donors, some of whom did not have technical expertise to engage with specific technical aspects of proposals, were based in Nairobi, or were just not interested in funding Djibouti.

22. For WFP specifically, CERF provided important small but timely injections to its food pipelines. While its PRRO was generally well funded by the end of the year, different donor timings and processes often led to gaps during the year when there were risks of pipeline break without even relatively small CERF inputs.

### **Rapid response to worsening situation**

23. 2011 was significant in marking a rapidly worsening situation within an ongoing, chronic crisis. Agencies highlighted the speed of CERF as allowing them to mount rapid responses or bring forward planned responses to reflect the urgency. For example through CERF funding in 2011 UNICEF was able to provide potable water to 30,000 people through emergency water trucking, and WHO was able to procure IV kits when it became clear that none were available in Djibouti to respond to the outbreak of Acute Watery Diarrhoea in late 2011.

### **Establishing humanitarian response capacity**

24. Particularly for FAO, CERF funds were instrumental in allowing an expansion in its footprint so that it could actually manage a minimum emergency response. Prior to CERF funding, international staff were limited to the Representative and an officer running regional projects. It was simply not possible to implement an emergency programme and participate in coordination structures, liaise with government counterparts and monitor programmes with such limited capacity. The additional two emergency programme officers have been able to provide sufficient capacity to mount and sustain a credible response.

25. As all agencies are small in Djibouti, for most of them CERF funding has been an important contribution of resources to maintain emergency capacity.

### **Leveraging other funds**

26. FAO as well as other agencies specifically used CERF funding to demonstrate results and make the case for further funding from other donors – in FAO's case from ECHO, growing its emergency programme from \$1m to \$5m.

27. CERF funding supported UNICEF's position with the Government of Djibouti in advocating for the importance of nutrition.

### **Section 3: Challenges/constraints**

#### **Working in chronic crisis**

28. The 2011 crisis was a significant dip in an ongoing crisis of major severity. While it triggered some specific additional needs, these were on a spectrum of pre-existing needs that had not been dealt with through development by Government or its international partners.

29. As with other chronic crises, there is the tension of whether short humanitarian funding cycles, including CERF, can or should do more than just treating the symptoms. For example CERF projects in Djibouti as part of the emergency response are investing in systems for the longer term - for example by constructing simple water reservoirs rather than focusing on water trucking, or supporting early warning systems such as outbreak alert systems for human and animal health or livestock market price tracking to pre-empt panic selling by destocking.

#### **CERF life-saving criteria**

30. In this context, some CERF partners working on both development and humanitarian programming perceived the life-saving criteria as unjustifiably narrow. For example saving lives among vulnerable pastoralists means addressing diarrhoeal disease (among other things) but this depends on delivery capacity: while Government systems exist in terms of health posts, these do not cover more remote rural areas, necessitating mobile health teams. Where these teams are absent they must be trained or substituted by for example expatriate teams. The issue raised here is that a more sustainable, comprehensive and cost-effective solution would be to put resources into building national systems rather than expatriates, particularly given the high cost of living in Djibouti. However the reality is that even were more resources available, the challenges of delivering through government systems would mean gaps would be likely to remain, and particularly when an acute crisis such as the 2011 drought occurs, such capacity would be overstretched. Overall, the life-saving criteria are applied appropriately in Djibouti.

#### **Reliance on CERF**

31. The low level of funding generally to Djibouti has made UN agencies reliant on CERF to sustain programmes, and there is an expectation that CERF funding will be received every year through the UFE window as well as the RR window. This has not though diminished efforts to mobilise other resources, as shown by the joint mission of the RC, the UN and Government of Djibouti to Nairobi to meet regional donors in 2011 (due to be repeated in 2012).

#### **Section 4: Inclusiveness and transparency of the allocation process**

32. The allocation process for CERF grants in Djibouti is based on agreed CAP/Appeal priorities and its inclusiveness reflects the small scale of operations in the country. The allocations applied life-saving criteria – projects submitted by UNDP and UNFPA were rejected by the HC for not meeting the criteria – and fund allocation was based on the highest priorities as agreed by the HCT, i.e. food security and water. Health was funded but slow implementation of previous projects by WHO/Ministry of Health was a factor in making a smaller allocation to WHO. Within the context of Djibouti, the allocations were generally viewed as appropriate in terms of both priorities and sums allocated.

33. Discussions with UNCT members painted a picture of constructive discussions with sound facilitation and final decision making from the Resident Coordinator, who is seen as ‘having a mandate to referee on allocation decisions’. The often-seen ‘cake-sharing’ of funds to maintain a balance between agencies is evident in Djibouti, as a small country with low government capacity, and limited additional analytical capacity or clear data on needs, but the main influences on allocation are relative priorities of need, past performance and implementation capacity. Interviewees pointed to a need for greater clarity and support from the CERF Secretariat on how to manage the prioritisation process.

34. There is little room for broader inclusion as the NGO community is so small, so the UNCT is in practice the same as the HCT, and Government interaction is hampered by a low level of awareness on international funding norms (e.g. seeing CERF funds as money that should come directly to the government). The recently started clusters are the entry point for inclusive discussion of priorities more broadly, which indirectly influences allocation decisions. Many interviewees pointed to the limited humanitarian coordination capacity as a major constraint to a deepening of the inclusiveness, as well as broader awareness raising on humanitarian issues among the government and agencies – there is no OCHA presence, UNDP has received valued but inevitably limited and sporadic support from the OCHA regional office, and UNDP itself has only one senior coordination officer covering the full spectrum of development and humanitarian activity in the absence of additional support.

35. The small scale of operations in Djibouti means there is less difference in reality and perception between the underfunded and rapid response windows. Priorities are fairly clear for each sector, there are few implementation alternatives, and essentially everything is underfunded due to the acute lack of donors. CERF contributions are generally inputs to scale up existing projects and programmes rather than to start new programming.

#### **Recommendations:**

1. The CERF Secretariat should develop further material and guidance to support prioritisation and allocation discussions, providing examples of good practice and options for processes and criteria to be used – while maintaining the principle of it being country-led and designed.

2. OCHA should provide a full-time Humanitarian Affairs Officer to support the RC and coordination through the EHCT and clusters, as well as CAP processes and advocacy towards the Government. Previous surge capacity has been appreciated, but has not necessarily been for long enough or appropriate in terms of language skills or experience. With a sizeable CAP and significant humanitarian needs as a proportion of the population, the current humanitarian capacity and coordination support needs strengthening.



## Section 5: Support to Humanitarian reform

36. CERF has played a crucial role in catalysing the structures of humanitarian reform in Djibouti which did not exist before 2011.

37. Clusters were launched in Djibouti during 2011 and the Humanitarian Country team also began to meet. Interviews highlighted the importance of CERF in supporting the RC in rolling out these structures – and strengthening her role in coordinating humanitarian action among agencies and advocating with the Government.

38. While the clusters are still at an early stage of maturity, with small numbers of NGOs in the country, they have been generally supported and provide an important forum for discussion of norms and priorities. For example, the clusters were an important forum for the design of a multi-sector refugee camp survey in 2011. The food security cluster is the only functioning forum to bring together key actors to discuss food security in the country.

39. Similarly, the HCT is in practice the same as the UNCT most of the time since there are too few NGOs for regular attendance by non-UN actors – but it signifies an important intent to be inclusive and consultative. While the HCT is still a work in progress in terms of being a strong forum for coordination, CERF ‘stimulates’ the UNCT to discuss priorities. This has enabled Djibouti to launch a CAP for the first time for 2012 humanitarian needs. This has included UNHCR which chose not to participate in the 2011 Drought Appeal.

40. Challenges revolve around the limited capacity of both agencies and Government. Some clusters are led by government ministries with varying degrees of success. Where UN agencies lead clusters they tend to function better but these are then less connected to government plans and activities. Overstretched staff have not participated in CERF training – which was offered in French in Dakar - but the main support has been from OCHA support from the regional office in Nairobi.

41. In summary, CERF has been important support for the process of embedding HCT, clusters, and the CAP in Djibouti. Awareness among agencies and government is developing but it needs further attention and support.

- **Recommendation 3:** Further support/training on CERF, clusters and CAP would benefit the development of these mechanisms and tools. The issue is less about the availability and content of the trainings and more about awareness of training opportunities, and agencies prioritising sending their staff.

## **Section 6: Timeliness of CERF funding**

### **Triggers**

42. CERF rapid response submissions from Djibouti were triggered by specific changing circumstances which reflected a worsening of the already chronic crisis. Refugee flows from Somalia increased during 2011 and peaked in July/August 2011, while the situation of pastoralists in Djibouti worsened. The CERF submission was reactive rather than pre-emptive, in part because the UFE grants were for similar activities and had recently been agreed in March 2011. Grants were primarily for filling gaps in pipelines and scaling up activities. As with other countries in the region, the delay in response was due to the challenge of recognising when a trend became acute rather than a short term 'blip', allied with lack of contingency planning; but particularly exacerbated by a need to maintain an image of stability, and the under-developed government systems of monitoring and reporting on indicators particularly in health, e.g. outbreaks of communicable disease.

### **Timeliness benchmarks**

43. Timeliness benchmarks on the CERF process are met in Djibouti, according to CERF Secretariat figures. Taken as a whole these show a rapid process once proposals have been finalised.

44. Against a benchmark of 3-5 days from final submission to USG approval, the overall average is 2 days. The longest was in 2009 where the average was 5 days, which is within the UFE benchmark.

45. The area of perceived delay and some frustration for some agencies is in finalising proposals to the satisfaction of the CERF Secretariat. This is reflected in the figures of the number of days from official submission to USG approval, averaging 16 days for 2008-11. There has been an improving trend since 2009's average 24 days, reducing to 11 and 12 days in 2010 and 2011 respectively – or on average 11 days for finalisation of the proposal in 2011. This is fast compared to many donor processes, and generally adds value and quality to proposals, as well as enhancing the credibility of CERF as a donor.

46. The majority of interviewees were actually positive about the service they received from the CERF Secretariat overall, which was quick, responsive, flexible and reasonable. In general, the process of finalising proposals was seen as reasonable and adding value to the quality of implementation through sensible questions and clarifications.

47. It is not possible to comprehensively analyse the speed of onward transmission of funds to implementing partners due to lack of data. In Djibouti, the vast majority of implementation occurs nominally through government ministries rather than NGO partners as in other countries. In practice UN agencies are directly executing considerable parts of such projects due to government capacity constraints.

48. Implementation rates as judged by requests for no-cost extensions are reasonable. However due to the challenge of obtaining reporting from government partners, whether planned activities have actually been implemented, rather than just funds transferred, is difficult to verify. Data from the Annual CERF report 2011 for Djibouti has incomplete reporting on the dates of grant transfer to partners. UNICEF and WHO have reported on some grants for WASH, nutrition and health (in Annex 2 of the report). There is a wide variation in when the first grant instalment was transferred for the CERF grants agreed in August 2011 – from almost immediate (or pre-dating the CERF grant) to 20 December 2011. Further tracking of such data for a more complete picture would be valuable as for some projects the start date for both underfunded and rapid response projects is much delayed. Implementation challenges have often revolved around the slow pace of government action and limitations of UN capacity to implement directly.

## **Section 7: Reporting and accountability**

49. While the small size of Djibouti and informal relationships make performance relatively easy to monitor in a qualitative manner, the reluctance of government partners to share information – and lack of systems to track such information – presents challenges.

50. UN agency monitoring and reporting systems are very reliant on government systems. This is most challenging for WHO, which finds it very difficult to obtain data even for projects it is funding through the Djibouti Health Ministry – due to sensitivities around perceptions of communicable disease outbreaks – but this may be showing signs of improvement. By contrast WFP has its own network of food monitors who follow standard approaches of post-distribution monitoring and standardised assessment protocols. This allows WFP to have a better grasp of its programming.

51. At the level of overall coordination within the UN systems, the small RC office and patchy/transient humanitarian coordination capacity creates challenges for consistent provision of high quality reporting and analysis to the CERF Secretariat. The Annual Report 2011 was delayed in submission due to delayed reporting from government partners – but without a concerted firm management of the process by a focused humanitarian coordination capacity this kind of delay is likely to be repeated. While there are prospects of a joint process such as joint discussions in the HCT as it becomes a more established forum, this did not occur in 2011; equally the inclusion of government stakeholders was limited to provision of information rather than interactive discussion.

52. CERF-specific evaluations have not been carried out – again due to limited capacity in country offices. In general, there is a sense that monitoring and reporting systems are evolving in Djibouti, beyond CERF-specific requirements.

53. Some interviewees focused on the need for further CERF training – in reality this would seem to be about awareness of training opportunities as for example, CERF asked the regional office to invite Djibouti to participate in the training held in French in Dakar but no applications were received; so the issue may be about managers/agencies prioritising staff time to be able to participate, in the context of overstretched multi-tasking staff; and the importance of minimising changes to CERF reporting formats each year.

## **Section 8: Regional dimensions**

54. Djibouti has benefited from being included in the Horn of Africa Appeal. This occurs both by drawing attention to Djibouti in comparison to its larger neighbours, and in attracting funds which are regionally earmarked that can be directed towards the country.

55. There was limited regional coordination between Djibouti and UN country teams in other countries during 2011. This is partly a function of the small size of the Djibouti team, and the perception of the crisis being lesser there. Djibouti's regional coordination focuses on resource mobilisation from donors based in Nairobi, and in receiving support from the OCHA Regional Office also in Nairobi.

56. A better regional understanding of the dynamic drivers of migration by Somalis fleeing conflict and drought would be needed to underpin a more strategic regional approach that could be supported by CERF funding. This would also consider the limits of a regional approach in terms of the different capacities and policies of governments in the regions. Overall, the response in Djibouti is very much a Djibouti-focused one without strong links to events in neighbouring countries despite the close inter-connectedness.

57. Further analysis of the CERF's role in the Horn of Africa as a region is discussed in a separate regional synthesis paper.

## Annex A: Study Terms of Reference

### INDEPENDENT REVIEW OF THE VALUE ADDED OF THE CENTRAL EMERGENCY RESPONSE FUND (CERF) IN ETHIOPIA AND DJIBOUTI

#### Terms of Reference

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##### **1. Background to the CERF and Performance and Accountability Framework (PAF)**

It is widely recognized that the key strengths of the CERF lie in its ability to respond quickly and in the relatively high degree of flexibility it affords users compared with other sources of humanitarian funding. Member States and private donors require appropriate assurances that the considerable funds involved are managed appropriately and meaningful results are being achieved. The ERC function is charged with a formal fiduciary responsibility over the proper use of CERF funds, and relies upon the CERF Secretariat to assist with the proper discharge of these responsibilities. In this context, the development of a PAF for the CERF is regarded as an effective tool.

Paragraph 19 of General Assembly Resolution 60/124 calls for “the establishment of an appropriate reporting and accountability mechanism to ensure that the funds allocated through the Fund are used in the most efficient, effective and transparent manner possible.” Consequently, the CERF Advisory Group at its meeting on 12 October 2006 called for the development of a Performance and Accountability Framework (PAF). In addition, the 2008 CERF Two-year Evaluation gave as Key Recommendation 4: “The multiple lines of accountability for CERF need to be clarified, in consultation with the UN Controller and the operational agencies, to specify the roles of each actor.” In response, the CERF Secretariat worked on developing a PAF, a first draft was circulated in 2009 and a PAF adopted in 2010.

The CERF PAF proposes, among other things, the introduction of independent reviews to be conducted annually within a sample of three to five countries as determined by the ERC. The CERF Advisory Group supported the inclusion of such an independent country-level mechanism. Following a pilot review conducted in Kenya in early 2010, the CERF AG met on 1 July and endorsed the PAF. Further studies took place in late 2010 in Chad, Mauritania and Sri Lanka and in 2011 in Colombia, Bolivia, Ethiopia and Zimbabwe.

##### **2. Scope and Purpose**

The main purpose of the present country-level reviews will be to assess the value added of CERF operations in Ethiopia and Djibouti during 2011 in the context of the overall CERF support to the Horn of Africa drought response. The reviews will also look at prioritization exercises in 2012 to the extent possible.

A major aim of the review will be to provide the ERC with an appropriate level of assurance around the achievement of key performance benchmarks and planned results for the CERF mechanism. The review will also include recommendations aimed at improving operational aspects of the CERF and may also identify relevant policy issues which need to be addressed at a global level.

### 3. Key issues

The critical overriding question on which assurance is sought by the ERC is: **Have CERF operations in the country successfully added value to the broader humanitarian endeavor?**

Using the PAF indicator sets, assurances will be sought around the following specific broad areas of concern to the ERC:

1. *CERF processes are achieving key management benchmarks in that:*
  - CERF submissions are based on an inclusive planning process and adhere to established quality criteria.
  - Transparent systems are in place for correct allocation, efficient flow and use of CERF by agencies.
  - Adequate monitoring and evaluation systems are in place at the agency level for measuring and reporting on results.
2. *There are reasonable grounds to believe that CERF operations favour the following results:*
  - CERF consolidates humanitarian reform by empowering the RC/HC and enhancing the quality of coordination within the cluster approach and across clusters.
  - CERF facilitates adequate coverage, eliminates gaps and facilitates an effective division of labour among humanitarian (especially smaller) actors.
  - CERF contributes to a more timely response to needs.
  - CERF favors the delivery of relevant life-saving actions at critical moments.

### 4. Review Methodology

During the PAF development process, UN agencies emphasized that the formal assessment of agency performance vis-a-vis CERF-funded activities remains the prerogative of recipient agencies via their own internal oversight procedures (internal performance reporting, audit and evaluation etc.). The review approach will therefore be designed in a manner which avoids duplication with such procedures and meets only the immediate assurance needs of the ERC in relation to the PAF.

Recognizing that CERF funds are often co-mingled with other donor funds by agencies and that the in-depth assessment of beneficiary-level impact is formally the charge of recipient agencies, the review will not attempt to link beneficiary-level changes to CERF activity, except where recipient agencies already have this data. The review mechanism will not seek to provide comprehensive coverage linked to detailed narratives and contextual analysis around how and why results are being achieved. Rather it will focus instead on providing an assurance around issues of the Fund's operational impact.

Key components of the methodology will include a rapid desk review and field visits by the consultant to Ethiopia and Djibouti, including interviews with key stakeholders. The analytical approach will be deliberately kept rapid and light.

Prior to leaving each country, the Consultant will leave with the RC/HC a short analytical report consisting of a series of short observations and recommendations in relation to the key assurance issues identified above. The RC/HC, together with the HCT, will subsequently be requested to provide a "management response" to the recommendations contained in the report.

Desk review: A quantitative analysis will be conducted on the data, reports and files available at the HQ and Country level. These include:

- Funding data, including funding from sources other than the CERF (e.g. OCHA's Financial Tracking System);
- Timelines on sums requested, allocated from CERF database;
- CERF country-level reports on context, needs, status of implementation, activities, results and lessons learned;
- CERF meeting minutes at HQ and country-level and notifications of application decisions;
- CERF Project files at HQ and country-level.

Semi-structured interviews at country level will include: RC/HC, Cluster leads, Heads of Agencies, I/NGO partner implementing CERF projects and those without access to CERF funds, host government, donors. Interviews will also take place with selected CERF Secretariat staff to get further background and perspective. UN Agencies and IOM will be asked to provide relevant documents and indicate interview partners to facilitate the review.

Select project site visits: These may be included as appropriate and time permitting to help provide some limited anecdotal information regarding the use of funding at the affected population level and can provide a field-level snapshot and some direct contact with affected populations.

In-Country briefings will be used as learning opportunities to discuss and validate the findings, explore possible recommendations and further refine the analytical approaches.

## **5. Proposed Consultants**

It is anticipated that one consultant will be required to prepare the reviews for Ethiopia and Djibouti. The consultant will be independent and he/she has not been previously involved with any aspects of the country-level operations being reviewed. He/she should have the following skills:

- Expertise in UN humanitarian reform & financing and knowledge of the CAP and Flash Appeal process;
- Expertise and extensive experience in humanitarian evaluation;
- Expertise in analyzing financial data in tandem with other types of information;
- Expertise in project management and implementation;
- Knowledge, including field experience with a broad range of humanitarian actors, such as UN agencies, Red Cross/Red Crescent Movement, local government disaster response structures and systems, and NGOs;
- Fluency in written and spoken English
- Familiarity with complex emergency and natural disaster settings.

## **6. Management and Support**

The review will be managed by the CERF Secretariat, who will identify country-level focal points to support the review mission. Their responsibilities will include:

- Provide necessary administrative, coordination and logistical support to the consultants;
- Facilitate the consultants' access to specific information or expertise necessary to perform the assessment;
- Monitor and assess the quality of the review and its process;



- Ensure sufficient engagement by UNCT on initial findings prior to dissemination;
- When appropriate, recommend approval of final report;
- Disseminate final report; and
- Facilitate management response to the final report and subsequent follow up.

## **7. Deliverables**

The main output will be two concise country reports in English to the ERC, through the CERF Secretariat, of no more than 20 pages each (excluding appendices) in an electronic version plus an Executive Summary (up to two pages). The consultant will also prepare a brief synthesis report placing the country findings in the context of the overall CERF response to the Horn of Africa drought. The reports will be structured in the form of short observations and conclusions around the different assurance concerns linked to the PAF. The reports will include, as appropriate, a set of specific, well targeted and action-oriented recommendations whose purpose should be to improve the performance of the CERF within the country or raising any policy issues. The annexes will include a brief description of the methods used and the tests performed and a list of persons interviewed.

## **Annex B: Interviewees**

Representatives were interviewed from the following organisations:

UNICEF

UNDP

OCHA Regional Office, Nairobi

RC/HC Office

WHO

FAO

WFP

UNFPA

UNHCR

IOM

ACF

CARE

Government of Djibouti and local authorities/communities in Tadjoura and Al

Alef