

# Independent Review of the Value Added of the Central Emergency Response Fund (CERF) in Ethiopia

Final Report

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# Executive Summary

This review of CERF funding to Ethiopia aims to assess the indicators of the CERF's Performance and Accountability Framework (PAF) and address additional key questions raised by the CERF Advisory Group and Secretariat. The report is based on interviews with RC/HC, UN agencies, IOM, NGOs and a government representative in Addis Ababa in May 2011. It also draws on a document review and funding information from the CERF Secretariat and agencies participating in the review.

## Value-Added of the CERF

Since 2009, Ethiopia has received funding exclusively from the CERF's Under-Funded Emergency (UFE) window. This funding has added value for recipient agencies by: filling funding gaps; providing funding early on in the year; complementing the country-level Humanitarian Response Fund (HRF); enabling agencies to leverage funding from other donors; supporting a response capacity; being a straightforward funding mechanism that focuses on addressing gaps in meeting needs.

However, some interviewees felt that those involved in CERF allocations were too focused on life-saving activities in a context of chronic and relatively predictable crisis, such as in Ethiopia, where applying the life-saving criteria flexibly could save as many, if not more, lives in the longer term.

## Timeliness of CERF Funding

The CERF Secretariat's data on funding to Ethiopia show that it is quick to process applications, once they have been finalised, and the Controller's Office disburses money very quickly too. In 2011, the CERF Secretariat and agencies were also able to finalise proposals quite quickly, taking between 15-21 days.

It is difficult to judge how quickly CERF recipient agencies transfer funding to implementing NGOs as many of them have agreements that go well beyond CERF funding and some do not record the transfer of CERF funds specifically. However, in Ethiopia, UN agencies work largely through the government rather than NGOs. Data provided by the UN agencies for 2010 show that they had transferred funding to partners generally within project timeframes but this does not show whether the partners completed implementation on time. For example, as of June 2011, FAO was waiting for government partners to report on implementation of its 2010 CERF grant before paying instalments totalling US\$141,818.

No-cost extension (NCE) requests are more common for Rapid Response grants but three agencies requested NCEs for five Under-Funded Emergency (UFE) grants. The two requests submitted in 2010 show that the main challenge with them is that they do not provide a clear outline of the activities that the agency has completed (this tends to be contained in the annual report that the agency submits to the HC) or the funds that it has spent. The agencies also may not explain the reasons for delays.

## Inclusiveness and Transparency of Allocation Process

In Ethiopia, Cluster leads discuss CERF allocations across sectors. In 2009 and 2010, the HRF Review Board, which includes different stakeholders, also discussed the allocations. OCHA informs the Ethiopia Humanitarian Country Team (EHCT) of the allocations. Interviewees felt that the 2010 allocation process worked well because it included an element of competition (as the agencies requested more funding than was available and had to argue their case); there was collaboration between agencies because funding was allocated by sector, not agency; and the use of the HRF Review Board to discuss proposals reinforced complementarity with the HRF and other humanitarian funding. The main challenge with the process is that funding is allocated on the basis of needs or funding shortfalls without taking into consideration an agency's ability to deliver the proposed activities on time. There are two reasons for this. The first is that reporting on the use of CERF funding is due well after the next allocation is made and there is no other process for reviewing what the agencies have achieved or discussing lessons learned. The second is that agencies are responsible for monitoring and evaluating their own projects and the HC has no

independent information on how the agencies have performed. As a result, the agencies face no penalty for any failure to deliver; it is crisis-affected communities that pay the price.

For the 2011 CERF first UFE allocation, the Humanitarian Coordinator incorporated a competitive element into the process in order to allocate funds on the basis of merit and change the agencies' attitude of entitlement. Therefore, he decided that 75% of the US\$11 million allocated to Ethiopia would be allocated by agency (with those that had requested NCEs in 2010 ineligible for funding) and 25% on the basis of competitive bids. The HC appointed an independent committee with representatives from organisations that had no vested interest in the competitive bidding process to review and select proposals. While some interviewees could understand the rationale for this process, many identified challenges that ranged from the short timeframe and a lack of information on process and committee composition to the way in which the committee selected proposals against agreed criteria. These will need to be addressed to strengthen the process in future.

While non-UN stakeholders are involved in CERF discussions and prioritisation or at least informed of them through the HRF Review Board and the EHCT, there is little or no discussion of CERF funding within sector Task Forces. This is probably because CERF-recipients implement through regional and local government bodies that are not present in national Task Forces. This can weaken coordination –for example, a group of NGOs had submitted requests for veterinary drugs to FAO in January 2010 but heard nothing further about them. They were then surprised to receive request from FAO in September 2010 to collect the drugs that it had procured with CERF funding and one NGO had, in fact, stopped operating in the area for which the drugs were intended.

### **Reporting and Accountability**

It was difficult to verify the accuracy of reporting by CERF recipients because implementing partners generally have no idea if they are receiving CERF funding and it was not possible to visit project sites. On the basis of available evidence, most of the reporting appears to be accurate but FAO had copied beneficiary and NGO funding figures from its proposal even though the real NGO funding figures were very different (see table 8) and the beneficiary figures must have been lower because the project was incomplete. Since FAO budgeted US\$10,000 for monitoring and reporting on its CERF grant in 2010 (increased to US\$19,000 in its NCE request), its reporting should have been accurate.

The review found that WFP, UNICEF, UNHCR and IOM have the most detailed monitoring procedures. WHO, on the other hand, relies entirely on government and NGO reporting as it does not want to establish a parallel mechanism. Therefore, it provides financial support for government monitoring. Although the agencies monitor CERF projects, none of them had evaluated the projects, though a couple had undertaken evaluations of related programmes or activities.

Currently, there is no process for feedback and reporting in Ethiopia into which CERF reporting could fit and the EHCT does not discuss the HC's annual report on the CERF. This means that there is no mechanism to ensure that the lessons identified in the CERF report are acted upon. A number of interviewees felt that it would be useful to have some form of programme review, either at the Cluster leads meeting or at the EHCT. One suggested that OCHA should ask CERF recipients to provide information on some simple, objective indicators that would show how and where they have used CERF funding. It could then make the analysis available to assist the CERF allocation process. Another believed that OCHA could make use of the HRF's peer reviews to cover CERF projects, as this would strengthen linkages between the two funds.

### **Support to Humanitarian Reform and Response**

Ethiopia's complex coordination structure and the fact that CERF funding is not generally discussed in sector Task Forces probably contributed to the view that the CERF does not help to strengthen coordination. However, CERF funding has strengthened the role of the Humanitarian Coordinator,

enabling him to incentivise behavioural change amongst UN agencies and engage with the wider humanitarian community.

Since Ethiopia has received CERF funding every year since 2006, at least some agencies factor it into their budgetary plans. Therefore, when the HC suggested that Ethiopia should not apply for CERF UFE funding in 2011 because there was money available in the HRF (the extent of the drought was not fully apparent), this came as a shock to the agencies. They argued strongly for an application, calling on their headquarters for support in making the case, and Ethiopia did receive CERF funding. While such reliability of CERF funding has enabled some agencies to maintain a humanitarian response capacity in Ethiopia, currently there is little incentive to ensure that it is effective.

## Recommendations

The recommendations listed at the end of each section of the report are grouped together below on the basis of whether they apply to Ethiopia specifically or more generally. For ease of reference, the recommendation numbers are the same as those in the main report.

### Ethiopia-specific

3. If the HC continues to make an initial allocation of CERF funding by sector, it would be more transparent and ensure acceptance if the EHCT sets CERF sectoral priorities for funding from the UFE window. Although the EHCT only meets once a month, there is time between the application submission and allocation of funding to discuss priorities.
4. To ensure greater buy-in for a CERF allocation process based on merit and delivery capacity, it would be helpful for the HC and OCHA to communicate the process clearly and well in advance. This would give agencies time to collaborate as well as prepare good quality proposals.
5. For CERF UFE funding, the full amount should be allocated on the basis of concept notes, as was the case in 2010. The HC should consider one of two options for reviewing these concept notes. Rather than setting up a new committee, he could use an expanded form of the HRF Review Board (adding a couple of donor representatives to ensure a balance of different types of members). If he feels that a separate committee would be more independent and impartial, since applicant agencies would not be members, the committee should consist of NGO and donor representatives only, with OCHA acting as secretariat and note-taker.
6. To ensure good quality projects, all CERF UFE proposals should undergo technical review by Cluster members (excluding the applicant agency), as is the case with HRF proposals.
8. While it is not OCHA's task to double check the figures that CERF recipient agencies provide, OCHA Ethiopia should ensure that any failures to meet project targets that agencies do report are clearly reflected in the HC's report.
11. OCHA Ethiopia should share the summary of CERF onward funding contained in the HC's report with NGOs so that they can raise queries if there is any discrepancy between reported and received amounts.
12. The HRF team in Ethiopia should explore with CERF recipient agencies the option of extending the peer review monitoring process to CERF projects.
14. To ensure that CERF allocation decisions take account of agency performance, the HRF Review Board should discuss what the CERF recipient agencies have achieved with the previous year's funding. This would enable NGOs to contribute to the discussion as implementing partners and/or Cluster members. If the HC decides to use the HRF Review Board to consider proposals for CERF funding, the two discussions would fit together well.
16. The EHCT should discuss key issues from the lessons learned section of the HC's report to ensure that the responsible entities take the follow-up action identified in the report.

## General

1. The CERF Secretariat should provide a format for no-cost extension requests (which should not be more than 2 pages). This could include: activities completed with dates when they were completed, clear explanation as to why planned activities have not been completed and a workplan for the completion of remaining activities with proposed completion dates. In addition, the CERF Secretariat should require a one-page financial statement of expenditure to date against the budget in the proposal as well as any proposed changes to budget line items. This would make it easier to identify what expenditure has occurred and the changes to the original proposed budget.
2. The HC's decision to allocate CERF funding on the basis of merit should be replicated in other countries. Therefore, the CERF Secretariat should advocate for lessons from Ethiopia to be shared with other HCs, perhaps at the annual HCs retreat.
7. CERF recipient agencies should ensure that their reporting to the HC is accurate and that figures or text are not simply copied from their proposals, particularly when they are using CERF funds to cover reporting costs.
9. The CERF Secretariat should ask agencies to report on direct beneficiaries only (as accurately as possible) so that CERF beneficiary figures are comparable across agencies and countries.
10. In order to obtain comprehensive information on onward funding and some indication of its timeliness, the CERF Secretariat should request agencies to list funding to all implementing partners, not just to NGOs, since most agencies do record this information for financial management purposes.
13. CERF-recipient agencies need to be more transparent about how they use CERF funding for monitoring and reporting. The CERF Secretariat should also follow up with the agencies when they have requested funding for monitoring and reporting.
15. Currently, the lessons learned section of the HC's report is a mixture of different types of lessons and it is not clear whether this is useful. Therefore, the CERF Secretariat should clarify the purpose of this section of the report and provide guidance on the different types of lessons on which the agencies should focus.

# Section 1: Introduction

The CERF Secretariat developed a Performance and Accountability Framework (PAF) in 2010<sup>1</sup>. The CERF Advisory Group supported the PAF's proposal of 3-5 independent country-level reviews per year, as determined by the Emergency Relief Coordinator (ERC). Therefore, in 2011, the CERF Secretariat has commissioned four country reviews – in Bolivia, Colombia, Ethiopia and Zimbabwe.

The Terms of Reference (ToR) for this review (see Annex 3) outline the purpose and key issues that it should cover as well as the methodology. As described in Annex 2, this report is based on:

- Interviews in Addis Ababa with the Resident/Humanitarian Coordinator, UN agencies, IOM, international and national NGOs and the Ethiopian Red Cross Society.
- A review of documents, including UN agency proposals and reports on the CERF.
- An analysis of funding data, based on information from UN agencies, the CERF Secretariat and the Humanitarian Response Fund Unit in Ethiopia.

This report seeks to answer the key questions raised in the ToR and address the 31 indicators of the PAF (listed in Annex 2) *succinctly*. Therefore, it does not go into the details of how the CERF operates at a global level. Information on the establishment of the CERF, guidelines (e.g., the Life-Saving Criteria), application and reporting formats etc. are all available from the CERF website: [ochaonline.un.org/cerf](http://ochaonline.un.org/cerf). To keep the main report short, Annex 1 contains supporting evidence.

## 1.1 Humanitarian context in Ethiopia

Several interviewees described the humanitarian context in Ethiopia as a chronic crisis with repeated and fairly predictable emergencies – droughts, floods and disease (both human and animal) outbreaks – though the timing and magnitude of the crises is difficult to predict. As a result, the government of Ethiopia has focused increasingly on disaster risk management (DRM) and developed a draft policy for it. This points out that DRM covers a complete disaster management cycle: **prevention** (avoiding disasters by addressing vulnerabilities), **mitigation** (minimizing potential disaster impacts through disaster risk management), **preparedness** (ensuring readiness through strengthening early warning system, building logistic capacity, maintaining adequate resource reserves and other precautionary measures), **response** (saving lives and livelihoods), **recovery** (immediate post-crisis assistance), and **rehabilitation** (building capacities to withstand future crises) (paragraph 2.1.1). It also emphasises that the prevention, recovery and rehabilitation components of DRM are the responsibility of development actors.

Also, following the re-election of Prime Minister Meles Zenawi in 2010, the Government committed itself to an ambitious Growth and Transformation Plan (GTP) that envisions Ethiopia as a middle income, democratic and developmental state, and a carbon neutral climate resilient economy, by 2025. It targets an economic growth rate of 14.9%<sup>2</sup>. This signals the Government's wish to move away from a focus on internationally financed humanitarian aid towards internal growth and development.

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<sup>1</sup> Available from: <http://ochaonline.un.org/cerf/WhatistheCERF/EvaluationsandReviews/tabid/5340/language/en-US/Default.aspx>.

<sup>2</sup> From [http://www.ethioembassy.org.uk/news\\_archive/Ethiopia\\_GTP.htm](http://www.ethioembassy.org.uk/news_archive/Ethiopia_GTP.htm) and the 2011 DRM Strategic Programme and Investment Framework (SPIF) from the Disaster Risk Management and Food Security Sector (DRMFSS).



The Government is developing a Strategic Programme and Investment Framework for DRM (DRM-SPIF) to harmonise DRM activities, coordinate investment and ensure that the DRM approach supports the achievement of objectives and targets in the GTP. This defines and costs DRM programmes/components. Alongside this, UNDP is establishing a Multi-Donor Trust Fund for DRM while FAO is also setting up a pooled fund for DRM.

Despite these developments, UN agencies participating in this review argued that, currently, there is no funding available for the prevention and preparedness elements of the DRM cycle. Despite the DRM policy's emphasis on the responsibilities of development actors, they have not shown any signs of financing these activities, which leaves the agencies dependent on humanitarian financing to cover them. For example, UNICEF has moved to a community-based approach to treating malnutrition and is trying to finance this through its regular programme. However, it is still reliant on (non-CERF) emergency funding to cover the cost of "plumpy nut" and other supplies.

To compound the funding situation, UN agencies are finding that there is less humanitarian funding available for Ethiopia due to other high profile crises, cuts to global humanitarian budgets and the reduction in humanitarian needs in 2010 in Ethiopia. Therefore, relying on humanitarian funding is proving to be a challenge when the country is facing the effects of La Niña and the agencies need to act to mitigate the worst effects of the current drought and the anticipated floods. The humanitarian community's concerns about the lack of flexible funding to finance prevention and preparedness and to address the underlying causes of the chronic crisis in Ethiopia are summarised in the Ethiopia Humanitarian Country Team's (EHCT) draft paper on *Bridging the funding gap between humanitarian and development/recovery financing in Ethiopia*.

## 1.2 Humanitarian Requirements Document (HRD)

The government's focus on DRM and growth as well as its sensitivity about Ethiopia's international image are amongst the reasons why the country does not have a Consolidated Appeal Process (CAP). Instead, the government, together with humanitarian partners, prepares a Humanitarian Requirements Document (HRD). The annual document is supposed to cover both food and non-food needs and is usually launched in February. If the government and humanitarian community identify additional needs during the year, they may publish a revised HRD. For example, in 2011, due to drought conditions, the government and humanitarian partners published a revised HRD in April to cover anticipated needs in April and May. They are likely to publish another HRD in June.

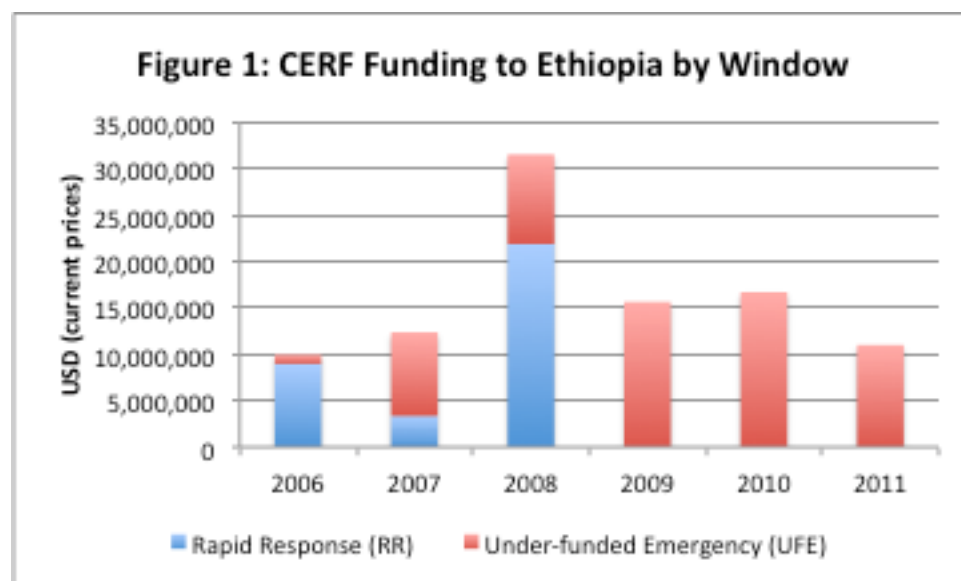
For aid agencies, one concern about the HRD is that it tends to underestimate humanitarian needs. For example, in 2010, as part of the CERF allocation process, each sector assessed humanitarian needs and available funding. For the agriculture/livestock sector, though the HRD estimated needs of US\$11 million, FAO estimated that this could be US\$25 million. This makes it difficult for agencies to make the case for adequate humanitarian funding and it also makes it difficult for the humanitarian community to assess the extent to which needs in Ethiopia are under-funded. However, the CERF Secretariat has established a procedure to determine whether non-CAP countries like Ethiopia are eligible for funding from the CERF's Under-Funded Emergencies (UFE) window and this is described in the UFE Guidelines<sup>3</sup>.

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<sup>3</sup>See [CERF Procedures for Grant Allocations to Underfunded Emergencies](#)

### 1.3 CERF funding to Ethiopia

Ethiopia has received CERF funding every year since the fund was established in 2006. With a total of US\$97.2 million since 2006, Ethiopia is the CERF's 5<sup>th</sup> largest recipient<sup>4</sup>. Table 2 in Annex 1 lists CERF funding to Ethiopia from 2006-2011 by recipient agency while Figure 1 below shows funding to Ethiopia by CERF window (Rapid Response (RR) and Under-Funded Emergency (UFE)). This shows that the majority of CERF funding to Ethiopia (US\$62.9 million) has been through the UFE window, with no RR funding since 2009. 2008 was an exception as Ethiopia received US\$21.8 million from the Rapid Response window to address a severe drought. In 2006 as well, it received almost US\$9 million from the RR window and only US\$1 million from the UFE window.



### 1.4 Ethiopia Humanitarian Response Fund (HRF)

Established in March 2006, the HRF is a country-level pooled fund managed by OCHA on behalf of the Humanitarian Coordinator (HC)<sup>5</sup>. It finances the humanitarian response of both UN agencies and international NGOs. The HRF is a large fund and had allocated just under US\$131.6 million to projects by December 2010. In 2011, as of 30 May, it has allocated a further US\$22.4 million (which is double the CERF funding of US\$11 million to Ethiopia in 2011). Table 3 in Annex 1 shows HRF as well as CERF funding to the UN agencies participating in this review and puts both in context of their total humanitarian expenditure. This shows a variable picture but it is clear that agencies with large humanitarian spending, such as UNICEF and WFP, seem to leave the HRF to fund NGOs while they receive their funding from the CERF. It also shows that CERF funding is not generally a large percentage of total humanitarian spending by the agencies but section 2.1 demonstrates that agencies regard it as a critical source of funding.

The HRF has a Review Board with UN agencies, NGOs (including the Ethiopian Red Cross Society), a donor agency (OFDA) and a government representative as members. Amongst its other responsibilities, the Board reviews proposals submitted to the HRF (after they have undergone a technical review in the

<sup>4</sup>For a full list of recipient countries, see

<http://ochaonline.un.org/cerf/CERFFigures/CountriesreceivingCERFfunds/tabid/1799/language/en-US/Default.aspx>

<sup>5</sup>Details of the fund and how it operates are available from: <http://www.ocha-eth.org/hrf/index.html>

relevant Cluster) and decides whether to recommend them to the HC for funding or not. One of the interviewees for this review pointed out that it is very rare for the Board to reject a UN agency proposal, unless it is clearly outside the HRF's remit. One reason is that the UN agencies work collegially and do not want to offend colleagues by rejecting their funding proposals.

Although the HRF finances both UN agencies and international NGOs, OCHA is not mandated to monitor UN agency projects. However, it has introduced a system of peer reviews that covers UN as well as NGO projects to help strengthen HRF-financed projects as a whole, particularly at a technical level, and enable organisations to learn lessons.

Although CERF and HRF funding is complementary (see section 2.1), it is clear from interviews that humanitarian organisations in Ethiopia are more aware of, and focused on, the HRF than the CERF. There are several possible reasons for this:

- HRF funding has been much larger than CERF contributions to Ethiopia.
- NGOs as well as UN agencies can access HRF funding.
- HRF funding is available throughout the year whereas the CERF is allocated once a year unless there is a major emergency.
- HRF funding is often discussed in Clusters whereas CERF funding is not. This is probably because Clusters can discuss how members (NGO and UN) can use HRF funding to fill gaps and because HRF proposals undergo technical review in Clusters.
- Humanitarian agencies feel a greater sense of ownership of the HRF because they have representation on the Review Board.

## 1.5 Implementation channels

The CERF Secretariat only requests UN agencies to list onward funding to NGOs and the dates on which the funds were transferred (with funding to government reported as a total amount). Therefore, the review requested participating UN agencies to provide details of funding to government partners in 2010 (see table 5 in Annex 1). Table 1 below shows what share of the CERF grants each agency channelled through the government and through NGOs. This shows that, in Ethiopia, UN agencies tend to implement activities through government channels rather than NGOs although there are exceptions such as IOM and UNFPA, who have channelled funding mainly through NGOs.

Agency/Sector	CERF Grant	Govt Total	%	NGO Total	%
FAO/Agriculture & Livestock	1,868,220	1,037,162.51	55.5%	73,268.00	3.9%
IOM/Shelter & NFI	800,000	-	-	250,639.76	31.3%
UNFPA/Health	297,046	21,087.64	7.1%	107,931.87	36.3%
UNICEF/Education	500,022	272,540.95	54.5%	-	-
UNICEF/Health	979,086	423,614.31	43.3%	19,976.13	2%
UNICEF/Nutrition	1,350,246	1,148,944.91	85.1%	-	-
UNICEF/WASH	2,674,967	1,043,450.94	39%	990,110.06	37%
WHO/Health, WASH & Nutrition	1,674,810	371,300.00	22.2%	110,000.00	6.6%

## Section 2: Value Added of the CERF

### 2.1 The CERF's Added Value

This section focuses on the extent to which the CERF has added value to humanitarian response in Ethiopia. It addresses indicators 17, 18, 19 and 21 of the PAF. It shows that the CERF has added value for UN agencies in various ways. However, in a context of chronic and relatively predictable crisis, the CERF's focus on immediate life-saving activities precludes agencies from using it for prevention and mitigation activities that could also save lives.

Of the organisations participating in the review, four UN agencies (FAO, UNICEF, WFP and WHO) and IOM pointed to the following ways in which the CERF has added value to their ability to provide a humanitarian response.

- **By filling funding gaps.** Ethiopia has received funds mainly from the CERF's UFE window so it is not surprising that UN agencies use it to fill critical funding gaps. For example, WFP emphasised that the CERF has prevented vital breaks in its food pipeline. In Ethiopia, WFP is able to convert CERF funding into food in the country very quickly because of the government's Emergency Food Reserve. CERF funding has also enabled WFP to distribute the full basket of food required by Somali refugees despite increases in the influx of refugees. WFP also faces serious constraints in financing its therapeutic supplementary feeding programme and CERF funding was a genuine "lifesaver".
- **By providing funding early on in the year,** before funding from other donors has arrived. Every year since the CERF was established, Ethiopia has received at least some funding from the first UFE CERF allocation. CERF Secretariat data on the dates when the Emergency Relief Coordinator approved grants and signed a Letter of Understanding with recipient agencies shows that agencies have usually received CERF funding by April of a given year.
- **By complementing the country-level Humanitarian Response Fund (HRF),** which can finance unforeseen needs while the CERF tends to fill gaps in on-going humanitarian programmes. For example, IOM has used CERF funding for protracted displacement needs whereas the HRF would tend to finance sudden and/or short-term displacement needs. Also, the availability of CERF funding means that UN agencies tend to compete less with NGOs for the HRF.
- **By enabling agencies to leverage funding from other donors.** IOM has used CERF funding to address the needs of displaced populations. When more people were displaced, it was easier to obtain funding from other donors to expand the CERF-financed programme and also add components financed by other donors (such as livelihoods).
- **By supporting a response capacity.** One UN interviewee noted that the CERF enables it to respond to emergencies that it knows will occur (though the magnitude and timing are unpredictable) by enabling it to apply for funds early in the year. Another interviewee pointed out that, with the increasing focus on risk reduction in Ethiopia, there is less of a focus on emergency response but the CERF maintains a space for this. One UN agency pointed out that, without CERF funding, it would not be able to finance staff critical for emergency response and leverage the donor funding that it needs to have an emergency programme in Ethiopia. The CERF also supported the agency's response capacity by funding 10 computers in 2010.
- As a relatively **straightforward funding mechanism** (with simple application and reporting formats compared to other donors) that aims to address gaps in meeting needs (see description of 2010 CERF allocation process in section 4.1).

## 2.2 Challenge with CERF funding

UN agencies clearly appreciate CERF funding, a number of interviewees pointed out that the CERF's emphasis on life-saving activities means that they are unable to cover prevention, mitigation and training activities (which are certainly part of the Ethiopian government's DRM approach). One agency argued that this meant that it was unable to address risk factors and this meant responding to the same crisis year after year. It suggested that this contributed to the Ethiopian government's view that UN agencies use crisis situations to mobilise resources for themselves. Another agency pointed out that humanitarian organisations are forced to respond to disease outbreaks that would not constitute an emergency in other countries. For example, children do not usually die of measles but in Ethiopia they are likely to do so because they are malnourished. This underlines the need to address underlying causes and to link humanitarian and development responses.

One interviewee believed that actors in-country interpret the CERF's life-saving criteria in a subjective way so, for example, they may want the agency to focus on the procurement of drugs rather than training even if the latter contributes to saving lives because an untrained health practitioner can endanger lives. Another interviewee suggested that this is linked to how actors define emergency response because an activity that is not defined as emergency response could still save many lives. In Ethiopia, most children die of simple diarrhoea rather than AWD and this can be treated easily with zinc. However, the agency was not clear about whether it could use CERF funding for such an activity<sup>6</sup>. Both interviewees argued that, in a context of chronic and relatively predictable crisis, such as in Ethiopia, country-level actors could apply the CERF's life-saving criteria more flexibly as this could save as many, if not more, lives in the longer term.

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<sup>6</sup> The CERF's Life-Saving Criteria guidelines list various activities (by sector) that are eligible for CERF funding. However, they add that, "this is not an exhaustive list of activities that may qualify for CERF funding but should rather be understood as overall guidance. Humanitarian activities not reflected in this list may be considered for CERF funding based on the specific context."The CERF Secretariat is willing to discuss specific cases with agencies and provide advice on eligible activities though these still have to be prioritised at country level.

## Section 3: Timeliness of CERF Funding

This section examines the timeliness of the CERF Secretariat in disbursing funds as well as the timing of onward funding from CERF recipient agencies to implementing partners. It addresses indicators 8, 9, 10, 11, 12 and 20 of the PAF. It shows that the CERF Secretariat is usually quick to approve final proposals and disburse funds. In Ethiopia, UN agencies implement through the government rather than NGOs and appear to have transferred funds within project timeframes though the timely transfer of funds does not guarantee timely implementation. Although most CERF funding to Ethiopia has been from the UFE window, which has a longer implementation timeframe, three agencies have requested five no-cost extensions since 2006. The main challenge with these requests is that they do not always give a clear indication of how much funding the agency has spent on which activities, which activities have been completed and the reasons for delays.

### 3.1 Timeliness of the CERF Secretariat

The CERF's focus on life-saving and time-critical emergency response has led the Secretariat to emphasise the timeliness of CERF funding. Therefore, PAF indicators 8-10 seek to measure the following:

- Average number of working days between final submission of a CERF grant request package from RC/HC and ERC decision. (Benchmark: 3 working days for RR and 5 working days for UFE)
- Average number of working days between receipt of LoU from a grant recipient and request (memo for disbursement to OPPBA) (Benchmark: 2 working days)
- Average number of days between request (memo) for fund disbursement by OPPBA to grant recipient.

Table 5 in Annex 1 shows the number of working days for each of these indicators for CERF grants to Ethiopia from 2009-2011 (all from the UFE window). This shows that:

- The average number of days from an agency's final proposal submission to approval by the Emergency Relief Coordinator (ERC) increased between 2009-2010 (from 3.2 to 4.7 days) but decreased to 2.7 days in 2011. These average timings are within the CERF Secretariat's benchmark for UFE funding though there are exceptions. In 2010, it took 12 days to approve one UNICEF project<sup>7</sup> and eight days to approve a WHO project.
- The average number of days from the date that the recipient agency signs the Letter of Understanding (LOU) to the date that the CERF Secretariat requests payment increased from 1.8 days in 2009 to 2.1 days in 2010 to 2.8 days in 2011. This exceeds the CERF Secretariat's benchmark but it may be due to the fact that the CERF Secretariat processes UFE applications from all recipient countries at the same time.

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<sup>7</sup> The CERF provides one joint approval letter for all UNICEF projects in a given submission. Sometimes, this means that one or more UNICEF projects that are ready for ERC approval wait several days until all other UNICEF projects are ready for approval. This then affects the CERF's timeliness statistics.



- The average number of working days from the CERF Secretariat's request for a payment to actual disbursement by the Controller's Office decreased in 2010 (from 3 days in 2009 to 2.7 days) but increased in 2011 to 3.7 days.

Overall, table 5 shows that the CERF Secretariat is quick to process applications, once they have been finalised, and that the Controller's Office disburses money very quickly as well. The most time-consuming component of the process though is the time it takes to move from an initial proposal submission to a final submission, as there tends to be a fair amount of back and forth between the applicant agency and the CERF Secretariat. CERF Secretariat data shows that in Ethiopia, over the 2009-2011 period (when the country received only UFE funding), the shortest time to finalise a proposal was 12 days (UNFPA and WHO proposals in 2010) while the longest time was 43 days for a UNHCR proposal in 2009. In 2011, proposals were finalised fairly quickly, taking between 15-21 working days.

### 3.2 Timeliness of Onward Funding

To try to assess whether CERF-financed projects are implemented in a timely way, the PAF includes indicators on the timeliness of onward funding –the transfer of funds from the recipient agency's headquarters to field office level and the time it takes an agency field office to disburse to implementing partners once an agreement has been signed (indicators 11 and 12).

The time taken by agency headquarters to transfer funds to the field office is usually very short – the important thing is for headquarters to inform field offices that they have signed the LOU with the CERF Secretariat so that the field office can begin activities. In Ethiopia, agencies did not identify any challenges with this.

Using the time it takes an agency to disburse funds to implementing partners after signing an agreement as a measure of the timeliness of CERF funding is difficult because agencies such as UNICEF, UNHCR and WFP have funding agreements with partners that go well beyond CERF funding and so may be signed before the agencies receive CERF funding. It is a challenge to track CERF funding because the NGOs have no idea about the sources of the agencies' funding and UNHCR and WFP do not record the dates when they transfer CERF funding specifically. In Ethiopia, measuring the timeliness of onward funding was even more challenging because the agencies tend to work through government rather than NGOs. The CERF Secretariat does not require UN agencies to report when they transferred funds to government partners but table 4 presents data from the CERF recipients on the amounts and dates of funds transferred to both government and NGO implementing partners in 2010.

From the data provided, it appears that the agencies transferred funds within project timeframes. Table 4 shows that, as of June 2011, FAO had instalments totalling US\$141,818 still due to government partners because it pays the last instalment once activities are complete and the implementer has submitted a final report. For CERF accounting purposes, this counts as a commitment to payment within the project timeframe. It is important to note that the date of transfer of funds does not always provide a reliable indication of timely implementation. For example, UNICEF paid Save the Children US\$288,864 in November 2010 but this was a reimbursement and the NGO had already completed the work for which it was being paid. Also, if a UN agency channels CERF funding through a government entity, the latter may take time to hire an implementing NGO or to implement activities directly. As mentioned above, FAO is waiting for government partners to report that they have completed the activities agreed in the Letters of Agreement (LOAs) in order to pay second or third instalments to them. A lack of government capacity also proved to be a challenge for UNFPA in 2010 –its inability to identify a government partner in the Somali region with sufficient absorptive capacity was one reason for requesting a no-cost extension. Due to the short time for fieldwork for this review, it was not possible to consult the regional governments that had received CERF funding to ascertain whether they were able to implement the activities on time.

### 3.3 No Cost Extensions (NCEs)

Table 6 in Annex 1 lists the No-Cost Extension (NCE) requests from CERF recipient agencies in Ethiopia from 2006-2011. This shows that, while the first three NCE requests were for Rapid Response grants, the remaining 5 have been for UFE grants. Generally, NCE requests are more common for Rapid Response grants because UN agencies had three months to commit funds and another 3 months to complete implementation. From May 2011, UN agencies have six months to commit funds and implement Rapid Response projects and the CERF Secretariat believes that NCEs will no longer be as necessary.

NCE requests should be less necessary in the case of UFE grants because UN agencies have around 8 months to implement projects. For the first UFE-round allocation, funds are disbursed around April and agencies have to complete projects by the end of December. In Ethiopia, in 2009, funding from the second UFE round was disbursed in October giving agencies 8 months to implement because projects have to be completed by the end of June.

UNICEF made two NCE requests in 2009, both for its Enhanced Outreach Strategy (EOS) for Child Survival projects. The activities take place in April and October each year and UNICEF reimburses the relevant regional government bodies once the activities are complete. The timing of the CERF funding meant that it was unable to collect receipts and make payments within the project timeframe. FAO required two NCEs (in 2008 and 2010) and UNFPA required one in 2010. All three were necessary because the agencies were unable to implement the planned activities in the given timeframe. While the agencies usually submit their NCE request a month or two before the end of the project, UNFPA submitted its NCE request on 27 December 2010 when the project was due to end on 31 December.

Annex 1 contains the NCE requests for the two 2010 projects. These show that the main challenge with the requests is that they do not always provide a clear outline of the activities that the agency has completed (this tends to be contained in interim report that the agency submits to the HC for the annual report to the CERF Secretariat). The agencies also may not explain the reasons for delays. For example, UNFPA's NCE request notes that the agency experienced delays in procuring iron foliate tablets but does not explain why (though the agency described the delays in response to this review - see section 3.3 of Annex 1). Also, while it proposes to use one-third of the unspent budget to procure more reproductive health kits, it does not indicate how many kits, why these are needed or where they will be distributed. The lack of detail in NCEs means that the CERF Secretariat often has to request further information via email.

In FAO's case, the NCE request states, "a huge amount of funds has been channelled to government offices through letters of agreement" but provides no information on how many letters of agreement (LOAs) the agency had signed and exactly how much money it had channelled to government entities. FAO's interim report to the HC states that, as of December 2010, it had signed 4 LOAs while table 4 shows that the agency had transferred around US\$259,000 to government partners by November 2010. This is just over half of the US\$500,000 it had budgeted to transfer through LOAs.

### Recommendation

1. The CERF Secretariat should provide a format for no-cost extension requests (which should not be more than 2 pages). This could include: activities completed with dates when they were completed, clear explanation as to why planned activities have not been completed and a workplan for the completion of remaining activities with proposed completion dates. In addition, the CERF Secretariat should require a one-page financial statement of expenditure to date against the budget in the proposal as well as any proposed changes to budget line items. This would make it easier to identify what expenditure has occurred and the changes to the original proposed budget.



## Section 4: Inclusiveness and Transparency of Allocation Process

This section examines the extent to which CERF allocation processes in Ethiopia include key stakeholders and are transparent. It addresses indicators 1, 2, 3, 6 and 25 of the PAF. It shows that CERF priorities and allocations are discussed in the Cluster leads meeting and at least mentioned at the Ethiopian Humanitarian Country Team and the HRF Review Board. However, there is little or no discussion of CERF funding within sector Task Forces or Clusters at national level. To ensure that CERF funding is allocated on the basis of merit, the HC introduced a new allocation procedure in 2011. While UN agencies may be willing to accept the rationale for this, they noted several challenges that need to be addressed to strengthen the process.

This section starts by describing the allocation of CERF funding across sectors before going on to focus on discussions of CERF funding within sector Task Forces or Clusters.

### 4.1 Allocation across sectors

In 2010, once the ERC had made an UFE allocation of US\$17 million to Ethiopia, OCHA presented suggested amounts for each sector and requested the Cluster leads to submit their funding requests in the form of a concept note under nine headings, which included an analysis of funding shortfalls (see Annex 1 for the template. OCHA Ethiopia had introduced the practice of concept notes during the second CERF UFE allocation in 2009). Cluster leads discussed the concept notes and the funding requested at a meeting on 26 January 2010. The amounts requested by each sector exceeded the funding available (even after WFP halved its initial request for US\$10 million to US\$5 million) and the Cluster leads decided to refer the final decision to the HRF Review Board (which included NGO representatives). At the meeting on 28 January 2010, there was intense discussion amongst participants as there were no clear criteria or procedures for deciding how to reduce the US\$19.6 million requested to the US\$17 million available. Finally, the participants agreed to reduce funding for each sector by a certain percentage, largely on the consideration of which sectors would have most difficulty in securing funding. WFP's request for US\$5 million was the only one not reduced, presumably because the agency had already halved its request. Table 7 in Annex 1 shows the requested amounts and the agreed reductions.

Overall, interviewees felt that the 2010 allocation process worked well and included an element of competition because the agencies requested more than was available and so had to make the case for each sector. Also, since the funding was allocated according to sector rather than agency (even though funding for each sector went to the lead agency), interviewees felt that the process encouraged collaboration between the agencies and joint proposals. Thirdly, using the HRF Review Board to review concept notes reinforced complementarity between the CERF and the HRF (with members able to suggest that agencies should apply to the HRF for certain activities rather than to the CERF). Finally, OCHA's HRF unit meets ECHO and OFDA technical staff every two weeks to coordinate activities so it is possible to ensure that CERF funding complements what these two key donors are financing. However, one UN interviewee argued that a lack of clarity about the role of NGOs in CERF decision-making (when they do not receive direct funding) meant that they did not contribute to the discussion as effectively as

they could have. An INGO member of the Review Board felt that it would be helpful for the NGOs to get more guidance on the intention of the CERF UFE window and examples of what it can and cannot fund.

The main challenge with the process is that funding is allocated on the basis of needs or funding shortfalls without taking into consideration an agency's ability to deliver the proposed activities on time. When OCHA proposes suggested allocations to the Cluster leads, these are based mainly on its analysis of needs and funding gaps<sup>8</sup> and not on an assessment of delivery capacity. There are two reasons for this. The first is that reporting on the use of CERF funding is due well after the next allocation is made because the agencies report once a year, with the HC's report to the CERF Secretariat due on 31 March. There is no other process for reviewing what the agencies have achieved or discussing lessons learned (see next section). The other is that agencies are responsible for monitoring and evaluating their own projects and the HC has no independent information on how the agencies have performed. The problem with not taking agency performance into account when allocating CERF funding is that the agencies face no penalty for any failure to deliver; it is crisis-affected communities that pay the price. For example, UNFPA purchased iron foliate tablets for pregnant women with part of the CERF funding it received in 2010. The tablets did not arrive in Ethiopia for distribution till April 2011 - a full year after the agency received the money for it. If UNFPA had applied for CERF funding in 2011, this delay in implementation would have had no effect on its chances of receiving money because those involved in allocating funding would have had no information about it. UNFPA's NCE request stated that the iron foliate tablets would arrive and be distributed in January 2011. Its interim report to the HC (submitted after the allocation process) simply stated that there had been a delay in procuring the tablets but gave no delivery date.

Figure 2 in Annex 1 presents the timeline for each step of the allocation process in 2011. The CERF Secretariat informed the HC about the allocation to Ethiopia on 23<sup>rd</sup> December with the aim of enabling the in-country allocation process to begin as early in the year as possible. The challenge with the timing is that many agency staff members are on holiday for Christmas. In Ethiopia, people continue to be on holiday into January because the Ethiopian Christmas is on 7<sup>th</sup> January. One agency felt excluded from the allocation process because its staff had not been at the initial meetings to discuss CERF allocations.

In 2011, the Humanitarian Coordinator introduced a change to the CERF allocation process in Ethiopia in order to "create a shift in agencies' attitude from one of entitlement to one driven by demonstrated need"<sup>9</sup>. To achieve this, the HC incorporated a competitive element into the process, to allocate funding according to merit. During discussions with OCHA, the HC decided that 75% of the US\$11 million allocated to Ethiopia from the first UFE round in 2011 would be allocated by agency with 25% allocated on a competitive basis. To ensure that the 75% was also allocated on a degree of merit, the HC decided that agencies that had requested no-cost extensions in 2010 would not be eligible for funding from it but would have to submit proposals for the competitive process. OCHA, in discussion with the Cluster leads, developed criteria for the selection of projects through the competitive process. These were:

- Magnitude of needs/urgency
- CERF Life-saving criteria
- Cost effectiveness
- Transparency of relationship to other funding sources/potential leverage of CERF funding
- Innovation
- Accountability arrangements
- Inclusion of cross cutting issues

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<sup>8</sup>As noted in section 1.2, in the absence of a robust assessment of humanitarian needs, it is a challenge to identify needs accurately and to assess the extent to which they are under-funded.

<sup>9</sup> Minutes of Ethiopian Humanitarian Country Team meeting, 20 January 2011.

Rather than using the HRF Review Board, which includes applicant agencies, to consider proposals for the competitive element, the HC and OCHA established a committee consisting of members that did not have a vested interest in the process. The committee members were representatives from DFID, Mercy Corps, OCHA, IOM (which had received funding from the 75% allocation so had not submitted a bid) and ISDR. The agencies submitted proposals with budgets and OCHA prepared a one-page summary (highlighting how the proposal addressed the selection criteria) to accompany the budget. OCHA then circulated this to committee members together with CERF guidance documents (such as on the life-saving criteria) prior to a meeting. The committee agreed that it would be better to provide adequate funding to a small number of good quality projects than to give a large number of projects a small amount of money each. Therefore, it recommended 3 of the 9 projects submitted to the HC for funding.

A few interviewees said that they could understand the rationale for the change in the process in 2011 and agreed with the idea of allocating funding on the basis of merit. A couple felt that it was helpful to have a donor on the review committee. But, several interviewees identified challenges with the process:

- The notice and timeframe for the competitive element was very short. This, together with the use of the term ‘competitive’, meant that agencies did not collaborate on proposals and there was some duplication in the proposals.
- Funding was allocated by agency, rather than sector (as in 2010). This reduced the incentive for collaboration further.
- The criteria for selecting committee members and the criteria and process for selecting projects were not transparent (i.e., not communicated sufficiently). Also, one committee member had no knowledge of humanitarian issues or actors and so made a limited contribution to deliberations.
- Even though the committee members from the UN system had no vested interest in project selection, one felt that they were put in a difficult position. The UN agencies are used to working collegially, particularly on the HRF Review Board, and this makes it very difficult for them to be in a position of refusing funding to other agencies.
- Unlike previous years, OCHA presented the initial allocation of funding (of 75% of the total) to the Cluster leads after discussion with the HC. Therefore, agencies had the impression that this was the HC’s decision and that they could not negotiate changes to the amounts (which made them feel that the process was less inclusive and transparent).
- Unlike in 2010, agencies had to submit proposals only for the 25% allocated on a competitive basis. The rest of the CERF funding was allocated without documentation of the activities that the agencies would undertake (with the agencies preparing proposals for the CERF Secretariat after they had received an allocation).
- The proposals submitted for the competitive bids were of mixed quality and were not technically reviewed, and OCHA’s one-page summaries could not provide much detail. This made it difficult to select projects for funding.
- The committee discussed each project on its merit and decided whether to fund it on the basis of consensus. There was no process for weighting the proposals and measuring them against each other. For example, they could have been given points against each criterion with the proposals with the most points being funded. This meant that all the selection criteria were not applied equally across the proposals. For example, the extent to which the committee took accountability arrangements or crosscutting issues into consideration is not clear. Also, one interviewee argued that the emergency education proposal needed to be technically stronger but received funding because the committee prioritised it as a chronically under-funded sector.

## 4.2 Allocation within sectors

PAF indicator 2 aims to measure whether the “Intra- and inter-cluster prioritization process is inclusive of all relevant stakeholders (including INGOs and NGOs), (for RR and UFE) and adheres to Principles of

Partnership”. In Ethiopia, CERF discussions include non-UN stakeholders through the HRF Review Board and the EHCT since donors, INGOs, and the Ethiopian Red Cross Society are members of both. A government representative from the DRMFS is a member of the HRF Review Board but does not participate actively. However, the EHCT is not involved in prioritisation but simply briefed on allocation decisions under the ‘Any Other Business’ section of the meeting. In 2010, the NGO members of the HRF Review Board were involved in the prioritisation discussion but did not feel that they had much to contribute because the decisions did not affect their work. In 2011, like the EHCT, the HRF Review Board was simply briefed on the allocation decisions as part of ‘Any Other Business’.

The level of discussion of priorities within sectoral Task Forces or Clusters is generally low. For example, CERF funding is not discussed at all in the Agriculture and WASH Task Forces. The Multi-Agency Nutrition Task Force as a whole does not discuss CERF funding; instead UNICEF and WFP discuss CERF allocation with the government. According to WHO, the Health Partnership Forum (HPF) does discuss CERF funding but this did not happen in 2011 as the HPF did not meet till March. This lack of discussion is probably because most agencies work through regional and local government (see table 5) that are not present in national Task Forces. Presumably, they discuss priorities and CERF funding with them directly but it was not possible to verify this. WFP and UNHCR both work closely with the Administration for Refugee and Returnee Affairs (ARRA) and WFP informs ARRA and other partners about CERF and other funding that it receives at monthly inter-agency meetings. UNHCR does not do this because CERF funding contributes to its overall country budget (of which ARRA is aware) and is not for additional activities.

If sector Task Forces do not discuss CERF funding and the activities that agencies are using it to finance, this can weaken coordination and effective planning. FAO, as the lead for the Agriculture Task Force, requested NGOs working on a USAID-funded pastoralists’ livelihoods project to submit a list of the veterinary drugs that they required (but could not purchase due to donor restrictions) in January 2010 so that it could include this in its CERF application. However, according to 3 of the 4 NGOs that received the drugs, they had no further information until they received an email from FAO on 17 September 2010 (Save the Children US was an exception because it had been in contact with FAO staff in the field). This requested them to collect the veterinary drugs that it had procured from its warehouse as soon as possible. As a result, they were considerably surprised. Four of the five NGOs emailed were able to make use of them but one (CARE) was no longer operational in Afar. Had there been regular information exchange in the Task Force, presumably FAO would have been aware of this. After CARE informed FAO of this change in its programme, FAO gave the drugs to the Afar Pastoral Agriculture and Rural Development Bureau. Although most of the NGOs were able to use the drugs, clearly, they would have been able to plan better if they had more information on FAO’s CERF funding and the status of its drugs procurement.

## Recommendations

2. The HC’s decision to allocate CERF funding on the basis of merit should be replicated in other countries. Therefore, the CERF Secretariat should advocate for lessons from Ethiopia to be shared with other HCs, perhaps at the annual HCs retreat.
3. If the HC continues to make an initial allocation of CERF funding by sector, it would be more transparent and ensure acceptance if the EHCT sets CERF sectoral priorities for funding from the UFE window. Although the EHCT only meets once a month, there is time between the application submission and allocation of funding to discuss priorities.
4. To ensure greater buy-in for a CERF allocation process based on merit and delivery capacity, it would be helpful for the HC and OCHA to communicate the process clearly and well in advance. This would give agencies time to collaborate as well as prepare good quality proposals.

5. For CERF UFE funding, the full amount should be allocated on the basis of concept notes, as was the case in 2010. The HC should consider one of two options for reviewing these concept notes. Rather than setting up a new committee, he could use an expanded form of the HRF Review Board (adding a couple of donor representatives to ensure a balance of different types of members). If he feels that a separate committee would be more independent and impartial, since applicant agencies would not be members, the committee should consist of NGO and donor representatives only, with OCHA acting as secretariat and note-taker.
6. To ensure good quality projects, all CERF UFE proposals should undergo technical review by Cluster members (excluding the applicant agency), as is the case with HRF proposals.

## Section 5: Reporting and Accountability

This section focuses on reporting on, and accountability for, CERF grants. It addresses indicators 13, 14, 15, 16, 27 and 28 of the PAF. It argues that it is difficult to verify the accuracy of reporting, particularly when implementing partners have no idea that they are receiving CERF funding. On the basis of limited evidence, most CERF recipient reporting appears to be accurate but there have been some inaccuracies. UN agency monitoring procedures vary from fairly detailed monitoring to a complete reliance on government and NGO reporting. There were no evaluations of CERF-funded projects. Currently, there are no mechanisms to report back on CERF-funded activities to actors in country or to follow up lessons identified for the HC's annual report on CERF funding.

This section begins by discussing UN agency and IOM reporting, covering the issues addressed by PAF indicators 13-16. It goes on to focus on agency monitoring and evaluation systems, which are covered by PAF indicators 27 and 28. The section ends with a discussion of procedures for performance review and lesson learning.

### 5.1 Reporting on CERF funding

When UN agencies and IOM receive CERF funding, the agency headquarters is responsible for providing a financial report while the country office contributes a narrative report to the annual report that the RC/HC submits to the ERC through the CERF Secretariat. This annual report is due on 31<sup>st</sup> March for the previous calendar year. Since the CERF Secretariat makes the first UFE allocation at the beginning of the year, agencies have until 31<sup>st</sup> December to complete implementation and they then provide a report for the HC's annual report. If a project is granted a no-cost extension, the agency provides an interim update for the next HC's report but then reports fully on it in the following annual report. So, for example, UNICEF reported fully on the two nutrition programmes from 2009 that received extensions in the annual report submitted by 31<sup>st</sup> March 2011. FAO and UNFPA will report in 2012 on the 2010 projects for which they received extensions. Agencies are expected to complete implementation of projects funded from the second UFE allocation by 30<sup>th</sup> June and report on them in the year after. So, a project funded from the second UFE allocation of 2010 must be completed by 30<sup>th</sup> June 2011 and reported on in the annual report due at the end of March 2012. Since the CERF Secretariat views the annual narrative reports from each country as a vehicle for providing General Assembly Members with the transparency they expect, it publishes them on its website.

The CERF Secretariat has simplified reporting requirements since the CERF's inception so it is unsurprising that CERF recipient agencies said that they found the application and reporting requirements very straightforward compared to other funding sources. They also found the guidance that the CERF Secretariat provides adequate.

Once CERF recipient agencies submit their narrative reports to the OCHA office in Ethiopia, it combines them into one report that the HC submits. OCHA is also responsible for filling in the context part of the report. Editing the individual agency reports into a coherent overall report is a challenging and time-consuming task for the OCHA office. In Ethiopia, the OCHA office only provides a brief overview of projects that have received no-cost extensions as they are reported on in full after completion. However, this can mean leaving out important details. For example, the HC's report for 2010 says of FAO's project:



*By the end of the reporting period (December 2010) the project had assisted 306,000 persons (61,200 households) of which 48% were female and 52% were male and 15.8% were under the age of 5 (the project's duration was extended through March 2011 and full achievements will be reported in the next annual report).*

The beneficiary figures are taken from the first page of FAO's interim report but, within the report, FAO states that "in terms of inputs provision [of the seeds component] so far the achievement is 42 percent and in terms of beneficiary coverage 26 percent only". It is not OCHA's job to check the figures that the agencies provide but, in fact, FAO's beneficiary figures on the first page of its report are simply copied from its proposal and therefore cannot be accurate (since no organisation reaches *exactly* the number of beneficiaries that it planned to in a humanitarian programme especially if the project has not been completed).

The HC's report also states that UNFPA reached 300,000 beneficiaries, including 31,500 pregnant and lactating women. UNFPA's contribution to the results table in section II of the report does indeed state that it reached 300,000 beneficiaries but, in its interim report, the table providing disaggregated beneficiary numbers states that it reached 41,500 beneficiaries, of which 31,500 were female. UNFPA's report does not explain this difference but, for this review, the agency pointed out that the figure of 41,500 represents direct beneficiaries of reproductive health commodities. The figure of 300,000 represents 51% of the female population of the five woredas in which UNFPA implemented the project and covers direct as well as indirect beneficiaries.

Currently, the CERF Secretariat does not specify whether agencies should list direct beneficiaries only or whether they can include indirect beneficiaries as well. This means that agencies are likely to take different approaches and the beneficiary numbers are not comparable across them.

Another challenge with reporting beneficiary numbers is that agencies provide beneficiary numbers by sector to the HC for his/her annual report. So, if a person receives assistance from both health (WHO) and WASH (UNICEF) projects funded by the CERF, s/he will be counted for both sectors and OCHA cannot avoid a degree of double counting. However, it has worked to avoid double-counting within a sector - since the CERF Secretariat requests the number of under-5 beneficiaries as well as male and female beneficiaries, there is a risk of double counting the under-5s in the gender categories.

Currently, there is no independent verification of other aspects of agency reporting either as this is beyond the scope of OCHA or the CERF Secretariat. For this review, it was not possible to visit CERF project sites so it was necessary to rely on documentary evidence and interviews with NGO implementing partners to check the robustness of agency reporting. It is often difficult to check information with NGO implementers because they have no information about whether the funding they receive is from the CERF or other sources. As noted in section 3.2, WFP and UNHCR do not track the dates on which they transferred CERF funding to partners so it is not possible even to make a limited check of whether CERF funding was transferred on time.

On the basis of the limited evidence available, it appears that most agencies do provide accurate reporting. However, the review found discrepancies in one case. Table 8 in Annex 1 lists the value of FAO's in-kind contributions to NGOs in 2010 as reported to the HC for his annual report against figures provided for this review (these figures represent the value of the veterinary drugs discussed in section 4.2). The figures given to the HC were simply copied from the agency's proposal and are US\$102,413.61 higher than the actual contribution to NGOs. Also, the HC's report shows a contribution to CARE even though the NGO did not take delivery of the drugs. FAO explained that the reason for the discrepancy in the value of contribution of veterinary drugs was that it had overestimated the price of the drugs and it had also benefited from currency exchange rates. Therefore, it contributed the planned or even higher quantities of the drugs to the NGOs though the cash value was considerably lower. This

should have been stated clearly in its interim report but this only listed the quantities of drugs provided to the NGOs, not their value. This may be due to the separation of financial and narrative reporting but, since FAO budgeted US\$2,500 for the cost of reporting on its CERF contribution and increased its budget for monitoring and reporting to US\$19,000 in its NCE budget, its reporting should have been accurate.

## 5.2 UN Agency Monitoring and Evaluation (M&E)

To address PAF indicator 13 “UN agencies/IOM receiving grants have internal evaluation and accountability mechanisms”, the review sought to get an understanding of their monitoring and evaluation procedures for humanitarian activities in Ethiopia. Table 9 in Annex 1 lists the monitoring procedures that the agencies described. This shows that the monitoring procedures vary widely. WFP, UNHCR, UNICEF and IOM appear to have the most robust monitoring procedures with WFP using several different tools. UNICEF uses field staff as well as an independent company for post-coverage surveys of its Enhanced Outreach Strategy. One of UNICEF’s local NGO partners confirmed that both staff based locally as well as those in Addis visit projects. IOM staff members from Addis Ababa visit projects that the agency implements directly as well as those implemented by NGOs. IOM’s two NGO partners in 2010 verified that IOM had visited their projects and appreciated this interaction with IOM.

WHO, on the other hand, relies entirely on Ministry of Health and NGO reporting as it does not wish to set up a parallel mechanism. However, WHO does support monitoring by the government. One of its CERF proposals in 2010 budgeted US\$16,800 to pay “DSA for government health service managers in six regions for supportive supervision”. In 2011, the agency has budgeted US\$30,000 for “Monitoring of the implementation of project activities and implementation status at identified Regional and hot spot woredas with government and partners”.

Relying on government partners to provide information can be challenging. Although UNICEF conducts post-distribution monitoring, a member of the Education Cluster noted that UNICEF (as Cluster lead) had stated that it had no information on where government partners distribute the emergency education kits that it provides. As a result, the NGO had approached a regional government department directly to obtain kits for its project. However, it had no idea if the regional government reported this to UNICEF.

Table 9 shows that FAO normally uses a range of monitoring methods, including visits to projects by staff in the field and from Addis. In 2010, however, it did not monitor how the four NGOs that received veterinary drugs distributed them. Nor were the NGOs required to provide a report other than the delivery note showing that they had collected the drugs (unlike in 2009, when they did provide reports)<sup>10</sup>. Monitoring does not have to be just a policing function; it can also be an opportunity to identify and share lessons. In 2011, FAO has increased its budget for CERF monitoring and reporting to US\$26,090 (from US\$19,000 in 2010) so this should help ensure more comprehensive monitoring and reporting.

Although the CERF recipient agencies have monitoring procedures in place, none of them have evaluated CERF-financed projects in country, even as part of an overall programme evaluation (though FAO undertook a global evaluation of CERF-funded projects from 2006-2009, covering 28 of its 160 projects). Some agencies have undertaken related evaluations. UNICEF undertook an evaluation of its EOS programme in 2006, which led to its use of independent post-coverage surveys. WHO has conducted internal assessments of its response to AWD and measles to identify lessons and why there

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<sup>10</sup>As of May 2011, Save the Children US was still making use of the drugs in a voucher scheme that enabled pastoralists to access the drugs on the basis of needs. The vouchers are valid for 3 months though they can be extended.



are repeated outbreaks. It also undertook an internal assessment of how other actors perceive its emergency staff in order to improve how its emergency response is organised.

### 5.3 Performance reviews and lesson learning

In addition to the PAF indicators on monitoring and evaluation and reporting, the CERF Secretariat sought answers to the following questions from this review:

- Do CERF-recipient agencies provide information from monitoring and evaluation activities (reports, findings etc.) to Task Forces/Clusters and/or the HC?
- Is the HC's annual report on the CERF used by the RC/HC and sectors?
- Is CERF reporting integrated into broader reporting processes?
- Does the country team (or the sectors) have any organized follow-up to previous CERF allocations to establish lessons learned and gauge performance (with respect to the process as well as implementation of the funded activities)?

The short answer to these questions is no. Task Forces/Clusters seem to focus on identifying needs and gaps rather than reviewing the activities undertaken by members. This may be because both NGOs and UN agencies are sensitive about discussing their performance in public. There is no broader reporting process for the annual CERF report to slot into and the EHCT does not discuss the report. In fact, it does not appear that any agency even reads the HC's annual report once OCHA has consolidated the inputs. Interviewees suggested the following reasons for the absence of a review process:

- Sensitivity about discussing agency performance, particularly when humanitarian agencies are used to working collegially (e.g., on the HRF Review Board and in the Cluster leads meeting).
- The risk of lessons learned processes becoming politicised, as was the case with the Ministry of Health-led process for the AWD outbreak in 2009.
- The chronic nature of the humanitarian situation in Ethiopia. This means that there does not seem to be an appropriate time to stop and take stock of the humanitarian response.
- A lack of agreement on the questions that aid agencies need to address in a review process.

A number of interviewees felt that it would be useful to have some form of programme review, either at the Cluster leads meeting or through an EHCT discussion of the annual CERF report. One UN interviewee suggested that OCHA should ask CERF recipients to provide information on some simple, objective indicators that would show how and where they have used CERF funding. It could then make the analysis available to assist the CERF allocation process. Another agreed that it is important to have some form of assessment because funding decisions should not be based on well-written proposals alone. One UN interviewee believed that OCHA could make use of the HRF's peer reviews to cover CERF projects as this would build on linkages between the two funds.

Without a review process, there is also no mechanism to ensure that lessons identified for the HC's report on CERF funding are acted upon. Table 10 in Annex 1 provides examples of the lessons that CERF recipient agencies identified for the 2010 report. These show that while some of the lessons relate to CERF allocation and funding processes, others are sector or activity specific and require action by Clusters or even individual agencies. There is currently no way to assess whether the Clusters and/or agencies have taken the actions identified.

### Recommendations

7. CERF recipient agencies should ensure that their reporting to the HC is accurate and that figures or text are not simply copied from their proposals, particularly when they are using CERF funds to cover reporting costs.

8. While it is not OCHA's task to double check the figures that CERF recipient agencies provide, OCHA Ethiopia should ensure that any failures to meet project targets that agencies do report are clearly reflected in the HC's report.
9. The CERF Secretariat should ask agencies to report on direct beneficiaries only (as accurately as possible) so that CERF beneficiary figures are comparable across agencies and countries.
10. In order to obtain comprehensive information on onward funding and some indication of its timeliness, the CERF Secretariat should request agencies to list funding to all implementing partners, not just to NGOs, since most agencies do record this information for financial management purposes.
11. OCHA Ethiopia should share the summary of CERF onward funding contained in the HC's report with NGOs so that they can raise queries if there is any discrepancy between reported and received amounts.
12. The HRF team in Ethiopia should explore with CERF recipient agencies the option of extending the peer review monitoring process to CERF projects.
13. CERF-recipient agencies need to be more transparent about how they use CERF funding for monitoring and reporting. The CERF Secretariat should also follow up with the agencies when they have requested funding for monitoring and reporting.
14. To ensure that CERF allocation decisions take account of agency performance, the HRF Review Board should discuss what the CERF recipient agencies have achieved with the previous year's funding. This would enable NGOs to contribute to the discussion as implementing partners and/or Cluster members. If the HC decides to use the HRF Review Board to consider proposals for CERF funding, the two discussions would fit together well.
15. Currently, the lessons learned section of the HC's report is a mixture of different types of lessons and it is not clear whether this is useful. Therefore, the CERF Secretariat should clarify the purpose of this section of the report and provide guidance on the different types of lessons on which the agencies should focus.
16. The EHCT should discuss key issues from the lessons learned section of the HC's report to ensure that the responsible entities take the follow-up action identified in the report.

## Section 6: Support to Humanitarian Reform

**This section examines the extent to which CERF funding has supported elements of humanitarian reform. It addresses indicators 23, 24, 29, 30 and 31 of the PAF.** Ethiopia's complex coordination structure and that fact that CERF funding is not generally discussed in sector Task Forces probably contributed to the view that the CERF does not help to strengthen coordination. However, CERF funding has strengthened the role of the Humanitarian Coordinator, enabling him to incentivise behavioural change amongst UN agencies and engage with the wider humanitarian community. UN agencies in Ethiopia have come to rely on CERF funding each year and it supports their humanitarian capacity. However, there are questions about the effectiveness of the response capabilities of some agencies, particularly as the allocation of CERF funds does not depend on past performance.

This section reviews the extent to which the CERF has supported elements of the reform process in Ethiopia, i.e., coordination, the role of the Humanitarian Coordinator (HC) and rapid, flexible, predictable financing.

### 6.1 Coordination

As figure 3 in Annex 1 demonstrates, Ethiopia has a complex coordination structure even though the humanitarian community has tried to merge Clusters with government-led sector Task Forces. Several interviewees felt that the coordination structure is too heavy, with a plethora of meetings. Perhaps due to this and the fact that CERF funding is not generally discussed in sector Task Forces, most interviewees felt that CERF funding has not contributed to strengthening coordination. However, WHO argued that CERF funding does enable it to engage with other actors in the Health Partnership Forum. Also, UNICEF has used CERF funding for WASH to pay for consultants who are embedded in regional water bureaux to strengthen their coordination capacity. This contributes to coordination at the Federal level as information feeds up from the regions. Although agencies have used CERF funding to finance coordination staff as part of other life-saving activities, the project selection committee rejected an application from UNDP to establish an emergency operations centre that would also coordinate the immediate restoration of vital services. This was because the project did not conform with the CERF's life-saving criteria (which state clearly that early warning and preparedness activities are outside the CERF's remit) and was not a response priority for the prevailing humanitarian situation (even though the government had requested the project).

PAF indicator 30 seeks to ascertain whether CERF funding has strengthened an inter-Cluster forum as well as coordination within Clusters. In Ethiopia, the Cluster leads meeting discusses CERF allocations across sectors though it is not clear whether the CERF has contributed to strengthening this forum or whether it has benefited from a well-functioning group.

### 6.2 Role of the Humanitarian Coordinator (HC)

CERF funding has empowered the HC in Ethiopia because having funding at his disposal enables the HC to incentivise behavioural change amongst the UN agencies. This is evident from the HC's important changes to the CERF allocation procedure in 2011. The HC also felt that the availability of CERF funding has enabled him to reach out beyond the UN system to the broader humanitarian community.

One interviewee felt that CERF funding strengthens the HC's role as a leader and helps to position the UN as a whole as an important humanitarian actor in Ethiopia while another believed that bringing CERF funding to the table increased the credibility of UN agencies with the government.

### 6.3 Rapid, flexible and predictable financing

Section 3.1 highlighted the fact that the CERF Secretariat tries to ensure that CERF funding is approved and disbursed quickly. The CERF Secretariat also aims to ensure that agencies have funding early in the year and, for 2011, it announced the allocation of the first round from the UFE in December 2010. While some agencies have found the CERF flexible, as noted in section 2.1, others believe that the life-saving criteria could be applied more flexibly in chronic crises. This section focuses on the predictability of CERF funding.

Indicators 23 and 24 of the PAF aim to assess whether the reliability and predictability of CERF funding strengthen humanitarian response capacity and lead recipient agencies to launch operations more quickly. In addition, the CERF Secretariat wanted to know whether and how the RC/HC and the EHCT factor CERF funding into their planning. Since Ethiopia has received CERF funding from the UFE window every year since 2006 as well as Rapid Response funding from 2006-2008, recipient agencies certainly expect to receive it and at least a couple of them factor it into their budgetary planning processes. Therefore, when the RC/HC suggested that Ethiopia should not apply for CERF UFE funding in 2011 because there was funding available from the HRF (the full extent of the drought was not apparent at the time), this came as a shock to the agencies. They argued strongly for an application, calling on their headquarters for support in making the case, and Ethiopia did receive CERF funding.

A DFID interviewee argued that a chronic crisis, such as in Ethiopia, is unlikely to be resolved overnight so agencies are right to expect CERF funding each year. Also, if the CERF's aim is to be reliable enough to enable agencies to build up a humanitarian response capacity then it has to be prepared to fund this capacity over a period of years. However, what the PAF does not seek to assess is the effectiveness of the response capacity that the CERF is supporting. If agencies pay no penalty for their failure to deliver CERF-funded projects on time, there is little incentive to ensure that their response capacity is effective. Some agencies are particularly reliant on CERF funding and losing this would be a serious loss to the agency and its staff. The question that those involved in CERF allocation processes need to ask is whether the loss of CERF funding to an agency would be detrimental to crisis-affected communities and the assistance that they receive.

Ethiopia is perhaps not the most appropriate context in which to assess whether the predictability of CERF funding prompts agencies to launch operations more quickly because the country has only received UFE funding for the last 3 years. The situation in the country is chronic rather than acute and, for UFE projects, agencies cannot reclaim costs incurred before the Secretariat has disbursed funds<sup>11</sup>. Therefore, agencies had not begun operations until the LOU was signed and they had received CERF funding.

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<sup>11</sup> CERF recipients can start projects financed from the UFE window on the date of disbursement. They can start Rapid Response projects up to 6 weeks before the date of disbursement (as long as this is not before the onset of the crisis) though this is at their own risk as CERF funding is not guaranteed until the ERC has approved a grant (CERF Secretariat communication on the umbrella LOU between OCHA and CERF recipients and its implications for CERF grants. 26 May 2011).

# Annex 1: Supporting Evidence

## Section 1.2 CERF funding to Ethiopia

Table 2 below shows funding to Ethiopia from 2006-2011 by recipient agency. This shows that WFP and UNICEF have consistently been the largest recipients of CERF funding. In WFP's case, this is because it has a huge food pipeline for Ethiopia. In UNICEF's case, this is because the agency is active in several sectors (WASH, nutrition, health and education).

Agency	2006	2007	2008	2009	2010	2011
FAO	910,850		1,278,250	2,300,349	1,868,220	1,350,000
IOM					800,000	749,999
UNDP		290,209				
UNDSS	80,000					
UNFPA	49,755	220,001	600,000		297,046	
UNHCR	600,000	2,075,730	2,700,000	1,745,823	689,135	599,931
UNICEF	3,795,093	4,143,902	11,320,396	4,208,238	5,504,321	3,648,828
WFP	3,173,688	3,345,247	12,779,838	6,696,603	5,856,661	4,049,550
WHO	1,363,600	2,290,570	2,849,556	694,385	1,674,810	599,917
<b>TOTAL</b>	<b>9,972,986</b>	<b>12,365,659</b>	<b>31,528,040</b>	<b>15,645,398</b>	<b>16,690,193</b>	<b>10,998,225</b>

Table 3 below puts CERF funding into context by showing the humanitarian expenditure of each agency from 2008-2010 (excluding CERF and HRF funding) against the funding it has received from the Humanitarian Response Fund (HRF) and CERF. The table shows both absolute amounts and the percentage that each funding source represents of the agency's total humanitarian funding. WFP did not provide its emergency expenditure figures so the table only shows HRF and CERF funding amounts for it. It is important to note that, although both UNICEF and WFP have received substantial funding from the HRF, in 2009 and 2010, part of this funding was used to procure therapeutic food that NGOs use for their programmes (HRF funding to WFP in 2010 was entirely for the procurement of Corn Soy Blend (CSB)).

Agency	2008			2009			2010		
	Hum. Exp.	HRF	CERF	Hum. Exp.	HRF	CERF	Hum. Exp.	HRF	CERF
FAO	7.520 66%	2.596 22.8%	1.278 11.2%	6.260 63%	1.370 13.8%	2.300 23.2%	4.398 53.4%	1.963 23.9%	1.868 22.7%
IOM	1.554 75.9%	0.494 24.1%	-	0.313 27.7%	0.815 72.3%	-	0.108 7.1%	0.611 40.2%	0.800 52.7%
UNHCR	28.316 91.3%		2.700 8.7%	28.484 93.1%	0.376 1.2%	1.746 5.7%	32.198 97.9%		0.689 2.1%
UNICEF	56.539 71.3%	11.444 14.4%	11.320 14.3%	27.804 75.9%	4.606 12.6%	4.208 11.5%	28.052 80.2%	1.445 4.1%	5.504 15.7%
WFP		2.000	12.780		5.864	6.696		1.731	5.856
WHO	5.801 53.8%	2.683 24.9%	2.290 21.3%	8.190 82.9%	0.995 10.1%	0.694 7%	7.427 81.6%		1.675 18.4%

### Section 1.3 Implementation channels

Table 4 below shows the amounts of funding that CERF-recipient agencies (except WFP, which did not provide information) channelled through government and NGO partners in 2010 as well as the dates on which the agencies transferred the money. FAO and UNFPA received no-cost extensions till 31<sup>st</sup> March 2011 so they were able to make payments after 31<sup>st</sup> December 2010, which is the date on which projects funded from the first UFE window allocation in 2010 should have ended. FAO also reported unpaid amounts to government partners totalling US\$141,818.44. This is because it is waiting for the partners to provide reports before paying further instalments.

Table 4: CERF Funding Channelled to Partners in 2010				
Agency/Sector	Partner	Cash	In-kind	Transfer Date
FAO/Livestock	Save the Children UK		17,047.00	Sept. 2010
FAO/Livestock	Mercy Corps		24,960.00	Sept. 2010
FAO/Livestock	International Rescue Committee		14,216.00	Sept. 2010
FAO/Livestock	Save the Children US		17,045.00	Sept. 2010
FAO/Livestock	Afar Region (first round in 2010 and second round in April 2011)		74,433.29	23.07.10; 28.09.10; 06.10.10; 24.11.10; 18.04.11
FAO/Livestock	Amhara Region (first round in 2010 and Feb 2011 and second round in April 2011)		61,367.87	30.09.10; 05.10.10; 04.02.11; 15.04.11
FAO/Livestock	Gambella Region		31,024.03	19.07.10; 22.09.10
FAO/Livestock	Oromiya Region (first round in 2010 and on 05 April 2011 and second round on 19 April 2011)		63,521.29	08.10.10; 27.10.10; 05.04.11; 19.04.11
FAO/Livestock	Tigray Region (first round in 2010 and second round in April 2011)		60,317.39	05.07.10; 19.08.10; 30.09.10; 24.11.10; 15.04.11
FAO/Agriculture & Livestock	Southern Rangeland Development Unit (SRDU)	61,912.83		19.08.10
FAO/Agriculture & Livestock	Southern Rangeland Development Unit (SRDU)	23,728.00		21.01.11
FAO/Agriculture & Livestock	Southern Rangeland Development Unit (SRDU)	8,198.68		20.04.11
FAO/Agriculture & Livestock	Southern Rangeland Development Unit (SRDU)	31,287.89		16.05.11
FAO/Agriculture & Livestock	Southern Rangeland Development Unit (SRDU)	3,462.00		Not paid
FAO/Agriculture & Livestock	Oromiya Pastoralist Area Development Commission	12,023.52		21.02.11
FAO/Agriculture	Oromiya Pastoralist Area	17,371.72		16.05.11

& Livestock	Development Commission			
FAO/Agriculture & Livestock	Oromiya Pastoralist Area Development Commission	34,432.22		30.05.11
FAO/Agriculture & Livestock	Oromiya Pastoralist Area Development Commission	15,470.00		Not paid
FAO/Agriculture & Livestock	Afar Water Works Construction Enterprise	72,107.40		23.05.11
FAO/Agriculture & Livestock	Afar Water Works Construction Enterprise	50,658.74		Not paid
FAO/Livestock	Afar Pastoral, Agriculture and Rural Development Bureau	24,559.52		11.05.10
FAO/Livestock	Afar Pastoral, Agriculture and Rural Development Bureau	4,992.14		20.01.11
FAO/Agriculture	Afar Pastoral, Agriculture and Rural Development Bureau	5,810.16		18.08.10
FAO/Agriculture	Afar Pastoral, Agriculture and Rural Development Bureau	11,063.88		Not paid
FAO/Livestock	Afar Pastoral, Agriculture and Rural Development Bureau	29,336.55		17.02.11
FAO/Livestock	Afar Pastoral, Agriculture and Rural Development Bureau	7,307.69		Not paid
FAO/Livestock	Amhara Agriculture and Rural Development Bureau	52,137.52		23.04.10
FAO/Livestock	Amhara Agriculture and Rural Development Bureau	10,588.95		09.12.10
FAO/Agriculture	Amhara Agriculture and Rural Development Bureau	14,262.15		05.08.10
FAO/Agriculture	Amhara Agriculture and Rural Development Bureau	27,158.66		Not paid
FAO/Agriculture & Livestock	Borena Zone Office for Water Resources Development	1,379.82		31.08.10
FAO/Agriculture & Livestock	Borena Zone Office for Water Resources Development	2,627.52		Not paid
FAO/Agriculture & Livestock	Bule Hora Woreda Office for Water Resources Development	805.89		31.08.10
FAO/Agriculture & Livestock	Bule Hora Woreda Office for Water Resources Development	1,103.45		21.01.11
FAO/Agriculture & Livestock	Bule Hora Woreda Office for Water Resources Development	438.46		Not paid
FAO/Agriculture & Livestock	Gelana Woreda Office for Water Resources Development	805.89		31.08.10
FAO/Agriculture & Livestock	Gelana Woreda Office for Water Resources Development	1,103.45		21.01.11
FAO/Agriculture & Livestock	Gelana Woreda Office for Water Resources Development	438.46		Not paid
FAO/Agriculture	Ethiopian Institute of Agriculture Research	12,236.55		15.09.10
FAO/Agriculture	Ethiopian Institute of Agriculture	20,184.51		21.01.11



	Research			
FAO/Agriculture	Ethiopian Institute of Agriculture Research	8,020.43		Not paid
FAO/Livestock	Gambella Agriculture and Rural Development Bureau	33,130.04		22.04.10
FAO/Livestock	Gambella Agriculture and Rural Development Bureau	6,765.57		18.10.10
FAO/Agriculture	Gambella Agriculture and Rural Development Bureau	7,308.88		31.07.10
FAO/Agriculture	Gambella Agriculture and Rural Development Bureau	13,856.43		08.03.11
FAO/Livestock	National Animal Health Diagnostic & Investigation Centre	13,936.43		16.09.10
FAO/Livestock	National Animal Health Diagnostic & Investigation Centre	3,449.94		09.02.11
FAO/Livestock	Oromia Pastoralist Areas Development Commission	29,309.42		15.04.10
FAO/Livestock	Oromia Pastoralist Areas Development Commission	7,219.44		18.08.10
FAO/Livestock	Tigray Agriculture and Rural Development Bureau	33,207.77		23.04.10
FAO/Livestock	Tigray Agriculture and Rural Development Bureau	8,112.43		31.07.10
FAO/Agriculture	Tigray Agriculture and Rural Development Bureau	8,015.04		15.06.10
FAO/Agriculture	Tigray Agriculture and Rural Development Bureau	15,172.60		Not paid
IOM/Shelter/NFI	Mercy Corps	231,573.46		May 2010
IOM/Shelter/NFI	Ethiopian Red Cross Society	19,066.30		June 2010
UNFPA/Health	Gamo Gofa Health Department (SNNPR)	10,898.31		Aug. 2010
UNFPA/Health	International Rescue Committee		49,600.00	08.11.10
UNFPA/Health	International Medical Corps	58,331.87		2 <sup>nd</sup> week March 2011
UNFPA/Health	Regional Early Warning and Food Security Section (SNNPR)	10,189.33		3 <sup>rd</sup> week March 2011
UNHCR/WASH	International Rescue Committee	62,976.00		Not Available
UNHCR/WASH	AHA	97,398.00		Not Available
UNHCR/Multi-sector	Administration for Refugee and Returnee Affairs (ARRA)	225,257.00		Not Available
UNICEF/Education	Afar Education Bureau	78,718.52		29.07.10
UNICEF/Education	Oromiya Education Bureau	1,508.00		12.07.10
UNICEF/Education	Oromiya Education Bureau	60,040.00		27.07.10
UNICEF/Education	Oromiya Education Bureau	12,040.27		12.08.10



UNICEF/Education	Oromiya Education Bureau	4,425.14		12.10.10
UNICEF/Education	Oromiya Education Bureau	5,390.00		03.12.10
UNICEF/Education	Somali Education Bureau	11,698.63		30.09.10
UNICEF/Education	Somali Education Bureau	1,876.61		29.10.10
UNICEF/Education	Gambella Education Bureau	70,181.88		16.08.10
UNICEF/Education	Gambella Education Bureau	26,662.00		01.10.10
UNICEF/Health	SNNP Regional Health Bureau	251,375.93		13.04.10
UNICEF/Health	SNNP Regional Health Bureau	624.07		16.06.10
UNICEF/Health	SNNP Regional Health Bureau	50,168.00		20.08.10
UNICEF/Health	SNNP Regional Health Bureau	115,374.88		18.10.10
UNICEF/Health	Oromiya Regional Health Bureau	6,071.43		20.05.10
UNICEF/Health	Save Your Generation Ethiopia (SYGE) (Local NGO)	19,976.13		18.10.10
UNICEF/Nutrition	Oromiya Regional Health Bureau	265,869.72		15.07.10
UNICEF/Nutrition	Oromiya Regional Health Bureau	880,394.33		26.11.10
UNICEF/Nutrition	Oromiya Regional Health Bureau	2,680.86		13.12.10
UNICEF/WASH	Tigray Regional Water Bureau	149,138.14		26.07.10
UNICEF/WASH	Tigray Regional Water Bureau	5,129.24		10.08.10
UNICEF/WASH	Tigray Regional Health Bureau	73,274.82		10.08.10
UNICEF/WASH	Tigray Regional Health Bureau	1,009.80		03.11.10
UNICEF/WASH	Afar Regional Water Bureau	119,840.00		26.07.10
UNICEF/WASH	Afar Regional Health Bureau	55,640.00		26.07.10
UNICEF/WASH	ORDA Amhara (local NGO)	21,097.47		18.05.10
UNICEF/WASH	ORDA Amhara (local NGO)	12,134.76		08.10.10
UNICEF/WASH	ORDA Amhara (local NGO)	159,271.59		19.10.10
UNICEF/WASH	ORDA Amhara (local NGO)	53,182.60		29.10.10
UNICEF/WASH	Amhara Regional Water Bureau	32,962.47		21.10.10
UNICEF/WASH	Oromiya Regional Water Bureau	211,860.00		25.10.10
UNICEF/WASH	Oromiya Regional Health Bureau	106,140.80		02.11.10
UNICEF/WASH	Oromiya Regional Water Bureau	7,707.18		11.12.10
UNICEF/WASH	OWDA (local Somali NGO)	53,314.08		16.06.10
UNICEF/WASH	Somali Regional Water Bureau	133,111.82		02.11.10
UNICEF/WASH	Somali Regional Water Bureau	3,444.65		23.11.10
UNICEF/WASH	Somali Regional Health Bureau	73,777.43		02.11.10
UNICEF/WASH	SNNPR Regional Water Bureau	196,010.16		06.08.10
UNICEF/WASH	SNNPR Regional Health Bureau	109,083.87		06.08.10
UNICEF/WASH	SNNPR Regional Health Bureau	11,006.98		26.11.10
UNICEF/WASH	Save Your Generation Ethiopia (Local NGO)	20,871.43		23.08.10
UNICEF/WASH	International Rescue Committee	128,585.19		18.10.10
UNICEF/WASH	Save the Children US	288,864.15		03.11.10
UNICEF/WASH	Save the Children UK	7,102.37		02.12.10
WHO/Health	Ethiopian Red Cross Society	20,000		April 2010
WHO/Health	Ethiopian Red Cross Society	30,000		Sept 2010

WHO/Health	Ethiopian Health & Nutrition Research Institute (EHNRI)	25,000		June & Dec 2010
WHO/Health	Afar Region	17,500		Sept 2010
WHO/Health	Afar Region	20,000		Oct 2010
WHO/Health	Amhara Region	21,000		Aug 2010
WHO/Health	Amhara Region	12,000		Sep 2010
WHO/Health	Amhara Region	12,600		Oct 2010
WHO/Health	SNNPR	38,000		Sept 2010
WHO/Health	Oromiya Region	55,500		Aug 2010
WHO/Health	Somali Region	28,700		Aug 2010
WHO/Health	Gambella Region	36,500		Aug 2010
WHO/Health	GOAL		30,000 (Cost of 1 IAEHK) <sup>12</sup>	Nov 2010
WHO/Health	MERLIN		30,000 (Cost of 1 IAEHK)	Nov 2010
WHO/Health	Amhara, SNNPR, Oromia, Somali, Gambella		5 IAEHK (at US\$7,000 each)	May-Nov 2010
WHO/Health	SNNPR, Somali and Oromia		10 Diarrhoeal Disease Kits (at US\$7,000 each)	May-Nov 2010

### Section 3.1 Timeliness of the CERF Secretariat

Table 5: Number of Working Days to Approve CERF Grants to Ethiopia and Disburse Funds: 2009-2011									
Project number	2009			2010			2011		
	Final Submission to USG Approval	LOU Signed to Payment Request	Payment Request to Funds Disbursed	Final Submission to USG Approval	LOU Signed to Payment Request	Payment Request to Funds Disbursed	Final Submission to USG Approval	LOU Signed to Payment Request	Payment Request to Funds Disbursed
09-CEF-022	2	3	3						
09-CEF-050-A	3	1	3						
09-CEF-050-B	3	1	3						
09-FAO-014	2	2	2						
09-FAO-029	3	2	3						
09-HCR-014	2	2	2						
09-HCR-015	4	1	3						
09-HCR-038	6	1	4						
09-WFP-021	3	3	3						
09-WFP-022	3	3	4						
09-WFP-057	3	1	4						
09-WHO-051	4	2	3						
09-WHO-052	4	2	3						
10-CEF-016-A				6	2	2			

<sup>12</sup> IAEHK = Inter-Agency Emergency Health Kit.

10-CEF-016-B				12	2	2			
10-CEF-016-C				7	2	2			
10-CEF-016-D				6	2	2			
10-FAO-013				3	2	3			
10-FPA-012				3	2	1			
10-HCR-012				3	2	3			
10-IOM-008				2	3	3			
10-WFP-019				2	3	4			
10-WFP-020				2	3	4			
10-WHO-014				3	2	3			
10-WHO-015				8	2	3			
10-WHO-016				5	1	4			
11-CEF-016-A							2	3	4
11-CEF-016-B							2	3	4
11-CEF-016-C							2	3	4
11-CEF-016-D							2	3	4
11-FAO-016							5	3	4
11-HCR-013							2	2	3
11-IOM-011							2	3	3
11-WFP-018							6	3	4
11-WHO-019							2	3	4
Average No. of Days	3.2	1.8	3.0	4.7	2.1	2.7	2.7	2.8	3.7

### Section 3.3 No-Cost Extensions (NCEs)

Table 6 below provides a summary of the no-costs extensions requested by CERF recipient agencies in Ethiopia.

Table 6: No-Cost Extension Requests for CERF Grants to Ethiopia: 2006-2011						
Agency	Project No.	Title	Amount	Request Date	CERF Window	Date/Duration of Extension
<b>FAO</b>	06-FAO-294	Urgent provision of seeds to flood affected Agro-Pastoralists and Farmers in Somali Regional State of Ethiopia	160,966	09.04.07	RR	2 months until 25.06.07
<b>WFP</b>	07-WFP-078	Logistics Augmentation for Somali region operations	598,019	07.05.08	RR	3 months until 31.07.08
<b>WFP</b>	07-WFP-072	Enabling Livelihood Protection and Promotion	872,224	25.02.08	RR	2 months until 04.05.08
<b>FAO</b>	08-FAO-008	Post flood/drought emergency agricultural interventions	1,278,250	29.06.09 <sup>13</sup>	UFE	6 months until 30.06.09
<b>UNICEF</b>	09-CEF-	Enhanced Outreach	2,123,950	06.11.09	UFE	3 months until

<sup>13</sup>FAO originally submitted its NCE request on 25 November 2008 but, due to procedural problems, the CERF Secretariat did not receive the request till June 2009 and had to grant a retroactive no-cost extension.

	022	Strategy for Child Survival in SNNPR & coordination of emergency nutrition information through cluster approach				31.03.10
<b>UNICEF</b>	09-CEF-050-B	Enhanced Outreach Strategy and Therapeutic Feeding Programme for Child Survival in drought affected districts	1,000,022	06.04.10	UFE	3 months until 30.09.10
<b>FAO</b>	10-FAO-013	Emergency livelihood support to drought affected communities through seed provision animal health and water rehabilitation in Ethiopia	1,868,220	11.11.10	UFE	3 months until 31.03.11
<b>UNFPA</b>	10-FPA-012	Emergency Reproductive Health Response Project	297,046	04.01.11 <sup>14</sup>	UFE	3 months until 31.03.11

### Section 3.3 2010 NCE Requests

This section contains the NCE requests that FAO and UNFPA submitted in 2010.

#### **JUSTIFICATION FOR THE NO-COST EXTENSION UNDER CERF 10-FAO-013 (OSRO/ETH/003 CHA)**

The actual Entry Date of the Project is 15th March 2010, the actual project not to exceed date is 31st December 2010 and the Project period will be 10 months.

Nevertheless:

- In one of the project regions, i.e. Afar National Regional State, severe flooding displaced many pastoralists and agro-pastoralists exhausting the livelihoods of the communities already affected by the 2008/9 drought. This necessitates immediate response, hence shifting of resources from previous planned interventions to flood-related livelihood recovery interventions for flood-affected communities.
- The floods endangered the livelihoods of the pastoralist by damaging the crop and pasture land as well as aggravating animal diseases transmission due to favourable

<sup>14</sup>UNFPA submitted the NCE request to OCHA Ethiopia on 27 December 2010 but the CERF Secretariat received the request on 4 January 2011. UNFPA originally requested a 6-month extension but the ERC granted 3 months.

conditions. During flooding, water and sediments cover the crop and the grazing lands in affected areas. As a result, agro-pastoralists and pastoralist are forced either to migrate or assemble large number of animals at hill or dry sites. Further to the loss of assets, due to the high density of livestock at these sites the risk of disease outbreak is high.

- The occurrence of LSD, CCPP, endo-parasitic infestations and vector-borne diseases is eminent. Heavy floods also cause disturbance to the underlying soils thereby increasing chances of developing soil-borne diseases such as anthrax and black quarter. Hoof related problems may also become an issue in those cases where livestock trapped by flood waters remain in water logged conditions for an extended period of time. Vaccination, curative and prophylactic treatments are required to prevent loss of assets due to the outbreaks of communicable diseases. Furthermore floods inflict heavy damages on pasturelands, fodder banks and standing crops whose residues are used for livestock feeding. This has resulted in serious feed shortage and put the very survival of livestock belonging to vulnerable households at great risk.
- In order to protect the livelihood assets of the pastoralist, the Disaster Response & Rehabilitation Unit of FAO-Ethiopia has re-designed one of its ongoing projects (OSRO/ETH/003/CHA) funded by CERF by including a new activity on animal feed and expanding the on-going animal health activities to the flood affected woredas of the region. Through this arrangement the seed intervention would like to use USD326. 400 and the livestock component would like to use USD154 620 on animal health and feed interventions.
- On top of the recent flooding:
  - ✓ The scarcity of crop seeds at local market level revealed to be higher than in normal years.
  - ✓ Emergency crop seed intervention, livestock vaccination and water point rehabilitation activities are being conducted through government counterparts, hence a huge amount of funds has been channeled to government offices through letters of agreement; those counterparts are facing some problems in implementing and reporting timely some of the planned activities due to lack of sufficient human resources.
  - ✓ The project is covering many of the regional states in Ethiopia and it is a multi-component project with various activities,

Against this background therefore, a three month no cost extension is requested in order to allow FAO Ethiopia to thoroughly implement planned (both new and old) livelihood recovery interventions.

<b>12. CERF Project Budget</b> <b>Please use the template below without modifying the section headings. Provide a detailed breakdown of items (quantity, unity costs) and costs for each budget line for the CERF component of the project only. Add additional rows, as needed.</b>			
<i>Cost breakdown</i>	<i>Original Amount (USD)</i>	<i>Revision for (HRF Afar proposal)</i>	<b>TOTAL</b>
<b>A. Staff costs (salaries and other entitlements of UN staff)</b>	<b>160,000</b>	<b>9,000</b>	<b>169,000</b>
Emergency Coordinator 2 man month	25,000		25,000
Deputy Emergency Coordinator 2 man month	25,000		25,000
International Consultant crop/livestock 4 man month	50,000		50,000
Agronomist 6 man months @ USD 2,000	12,000	2,000.00	14,000
Livestock Specialist 6 man months @ USD 2,000	12,000	2,000.00	14,000
Natural resource management specialist 6 man months @ USD 2,000	12,000	2,000.00	14,000
Reporting Officer 2 man month @ USD 4,000	8,000	2,000.00	10,000
Administration/Finance, communication and program 8 man month @ USD 2,000	16,000	1,000.00	17,000
<b>B. Travel</b>	<b>42,400</b>	<b>0</b>	<b>42,400</b>
Travel costs of agency staff by air and road	42,400	0	42,400
• 6 people@40USD/day*100 days=24,000 (in country)			
• 3 people@400USD/day*10 days=12,000 (international travel)			
• Air ticket =8 round trips@600/trip=4,800			
• Fuel 9600kms (1 lit/6kms)=1600 lit*1 USD=1,600			
<b>C. Contractual Services (please list and provide general cost breakdown for implementing partners)</b>	<b>700,000</b>	<b>47,000</b>	<b>747,000</b>
10 letters of agreement with various implementing institutions (government and NGOs) (10 x USD 50,000 per implementing partner for emergency seed and livestock intervention activities)	500,000	47,000	547,000
Contract for emergency rehabilitation of 7 water points in Borena zone	200,000		200,000

<b>D. Operations (please itemize expendable operational inputs, e.g. quantity of food, medical supplies etc.)</b>	<b>810,600</b>	<b>-65,000</b>	<b>745,600</b>
Emergency seeds 300 tons	318,000	-65,000	253,000
Farm tools to 4500 households	50,000		50,000
Emergency livestock treatment and vaccination (procurement of veterinary drugs and equipments)= USD 336,000 (cost break down see Annex I)*	336,000		336,000
Provision of operational support to projects(including warehousing/logistics/transportation of seeds, drugs, vaccines /vaccination activities/equipment and vehicle rental /maintenance services/related training)	106,600		106,600
• Transportation of seeds (170USD/ton)*300=51,000			
• Transportation of drugs, equipments and vaccines=37,000			
• Vehicle rental=100USD/day*5 vehicles*30 days=15,000			
• Maintenance services=3,600			
<b>E. Acquisitions (please itemize asset purchases, e.g. computers)</b>	<b>23,000</b>		<b>23,000</b>
• 5 Lap Top Computers @2500/lap top=12,500	23,000		23,000
• 5 Desktop computers@1500/desktop=7,500			
• 10 CDMA (wireless connections) 300USD/CDMA=3,000			
<b>F. Other</b>	<b>10,000</b>	<b>9,000</b>	<b>19,000</b>
Monitoring and reporting costs (up to 5%) (USD 7 500 M&E and USD 2 500 reporting)	10,000	9,000	19,000
<b>Subtotal project requirements</b>	<b>1,746,000</b>	<b>0</b>	<b>1,746,000</b>
<b>Indirect program support costs (not to exceed 7% of subtotal project costs)</b>			
PSC amount	122,220		122,220
<b>Total CERF project cost</b>	<b>1,868,220</b>		<b>1,868,220</b>

## **UNFPA – Request for No-Cost Extension and Budget Revision**

**1. Title :** Emergency Reproductive Health Response

**2. Reference Project No. :** 10-FPA-012

**3. Accomplishments:**

Key accomplishments made under the CERF primarily addressed capacity building gaps and commodity shortage in remote locations in two regions of the country. Though support provided was on small-scale it has given UNFPA Ethiopia the opportunity to address gaps in much needed areas in remote areas of the country.

a/ Capacity building Provision of training for 147 Health Extension Workers, their supervisors (HeWs) and midwives on antenatal care, clean and safe delivery, post natal care, management of malnourished cases and referral linkages.

b/ Reproductive Health Commodities Supply of Reproductive Health kits for Gamo Gofa Health Department in SNNPR) and for districts in Somali region through International Rescue Committee. A total of 28500 Clean Delivery Kits (CDKs) have been transferred to the respective Regions for use. Additionally, much needed iron foliate tablets are in the pipeline for distribution.

c/ Field monitoring visit Field monitoring visit to support technical backstopping has been conducted to the site in Gamo Gofa.

**4. Expenditure to date:**

**Total budget of the project = USD 297,046.00**

**Expenditure up-to-date = USD 226,422.99 (including the USD 22,975 for iron foliate tablets)**

**Balance = USD 70,623.01 (including indirect cost of USD 6,367.00 at HQ)**

**5. Constraints:** Distribution of commodities through the Regional Health Bureau in Somali region and finding an alternate implementing partner has been a major constraint. Delays were also experienced in procuring iron foliate tablets.

**6. What will be achieved under the No-Cost Extension request?**

a/ UNFPA Ethiopia will work with a suitable implementing partner in Somali region to ensure timely distribution of commodities in Somali region.

b/ Training on reproductive health issues will be conducted in SNNP and Somali region in consultation with national implementing partners and with the technical backstopping support of UNFPA Ethiopia staff and the UN's Gencap Advisor. Finally, much needed commodities will be procured including reproductive health kits.

**7. How would the challenges be addressed?** UNFPA Ethiopia will prevent delays in distribution of much needed commodities in Somali region by partnering with a suitable while the iron foliate tablets in the pipeline will be distributed early January, 2011.



- 8. Budget realignment:** Table below shows budget re-shuffling to off-set over expenditure on shipment costs and for commodity procurement.

Part 1 – UNFPA Execution					
The initial CERF project activities			The CERF project activities including the proposed activities for reprogramming		
S.N	Description of activity on the CERF project	Balance on Atlas (USD) as 23/12/ 2010	Proposed activities for reprogramming	Budget of the proposed reprogrammed activities (USD)	Remark ( Explanation for variance and timeframe for implementation)
A	Personnel ( salaries and other entitlements of UN staff)	8,000.00	Personnel	-	Re-programme to D 1 and D2. Staff costs to be covered by existing UNFPA Ethiopia staff
B	Monitoring	4,183.44	Monitoring	1,250.00	Balance re-programmed for iron table purchase + to add to D1
c	Contractual Services				
C.1	Logistics – Local Transportation	16,841.96	Logistics – Local Transportation	3,120.00	Balance to be re-programmed to D1
C.2	Operation Costs	20,075.00	Operation cost	-	Re-programmed for iron tablet purchase
C.3	Training	18,944.00	Training	16,347.08	Balance to be re-programmed to D1
D	Commodities and Operations				-
D.1	Purchase of RH kits (including their shipment cost)	-26,328.94	Purchase of RH kits	22,802.50	To be covered from re-programmed budget
D.2	Shipment of kits	34,450.00	Shipment from abroad	9,772.50	Reflects balance of off-set budget for over expenditure under D1 and re=programmed funds
E	Grant		Grant		
E.1	Gamo Gofa Health Department - SNNPR	101.62	G.Gofa H/D -SNNPR	-	Re-programmed to D1
	<b>Subtotal – 1</b>	<b>53,292.08</b>		<b>53,292.08</b>	
Part 2- Implementing Partner Execution					
A	Training	5,556.00	Training	5,556.00	
B	Logistics – Local transportation	1,482.00	Logistics – Local trans.	1,482.00	
C	Operation Cost	3,925.00	Operation Cost	3,925.00	
	<b>Subtotal - 2</b>	<b>10,963.00</b>	<b>Subtotal - 2</b>	<b>10,963.00</b>	
	<b>Subtotal - 1 and Subtotal – 2</b>	<b>64,255.08</b>		<b>64,255.08</b>	
Part 3 – Indirect Cost					
A	Indirect cost to be deducted at HQ level	6,367.93	Indirect cost to be deducted at HQ level	6,367.93	
	<b>Sub –total 3</b>	<b>6,367.93</b>	<b>Sub –total 3</b>	<b>6,367.93</b>	
	<b>Total Balance on Atlas</b>	<b>70,623.01</b>		<b>70,623.01</b>	

Although UNFPA's NCE and interim report to the HC do not provide reasons for the delay in distributing the iron foliate tablets that it procured with CERF funding, in response to this review it explained that the tablets did not arrive on time for the following reasons:

"Delays were caused at the time of procurement from international suppliers after UNFPA has submitted its request to Copenhagen and the fact that sea transportation arranged had also consumed time. There was also back and forth communication with Ethiopia Drug Administration and Control Authority to fulfil the paper requirements before the FeFol was allowed into the country. There was also delay in land transportation arrangement from the port of Djibouti as the supplier made the initial agreement with Ethiopia Shipping Lines Authority (ESLA) which transport the item only up to the Mojo dry port that is located 75 kms away from Addis Ababa, where UNFPA's temporary warehouse is located, while ESLA has received the full payment of transportation up to Addis Ababa. Then the agreement between the FeFol supplier and ESLA has been breached and the former later on established new agreement with another transportation agent. Because of all these logistics delays at different levels, the FEFOL could not arrive on time as planned, and that also pushed the time for distribution." *(Comment from UNFPA in response to draft report).*

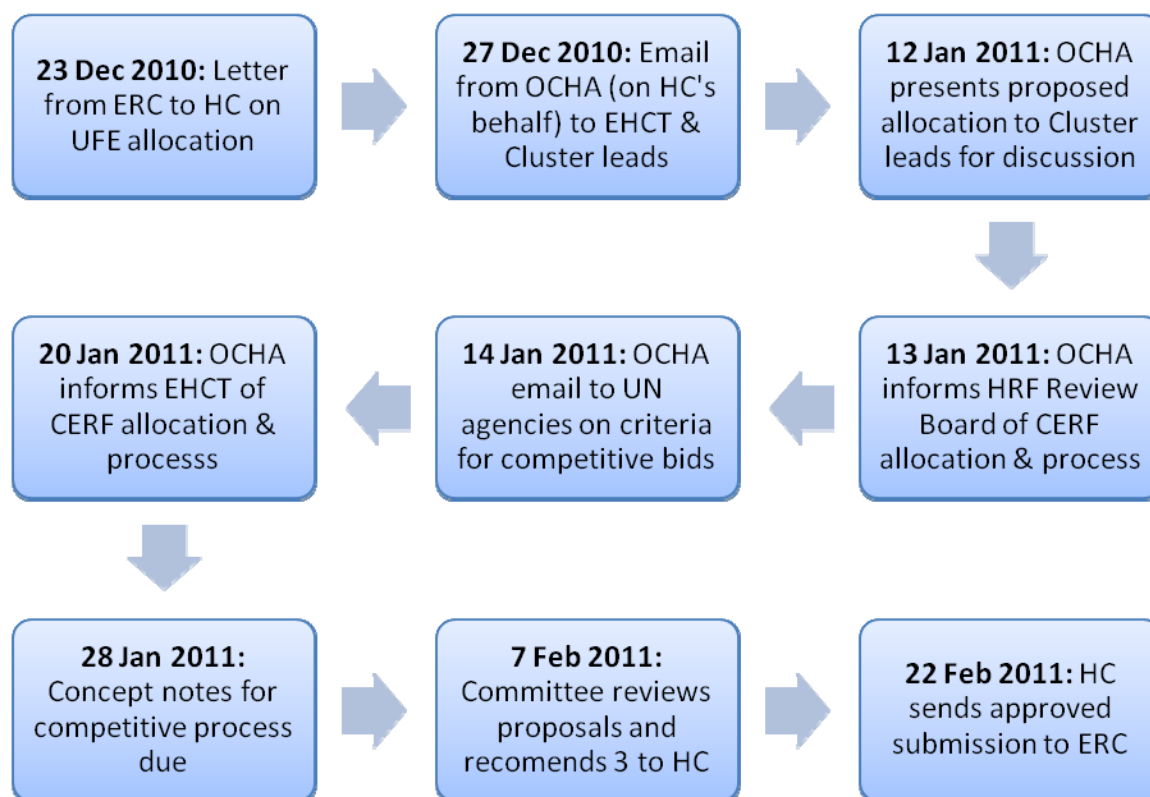
#### **Section 4.1 Allocation across sectors**

In January 2010, OCHA provided UN agencies with a template for concept notes for CERF funding with the following headings:

- 1. Situation analysis of the underfunded sector**  
(reflecting overall needs in that sector/activity area) and specific area (i.e. AWD within WASH and/or Health; seeds purchases in Agriculture; or TSF in food aid) to which the CERF funding would be directed
- 2. Proposed response activities**  
(i.e. according to the national planning document) and their compliance with CERF life-saving criteria
- 3. Geographical priority areas**
- 4. Existing presence in the priority areas**  
(including potential partner agencies)
- 5. Funding available**  
(detail on existing pledges and commitments by donors and/or carry-over)
- 6. Projected gaps in the response due to funding shortfalls**
- 7. Analysis on the capacity of CERF to address those gaps in a fashion that would improve the situation tangibly**
- 8. Analysis as to why the sector/activity area is underfunded**
- 9. Total amount requested from the overall CERF allocation**

Table 7: CERF 2010: Requested amounts and final allocations				
Sector	Request	Final allocation	Reduction	Proportion by sector
WASH	3,500,000	2,500,000	(1,000,000)	15%
Health	2,790,112	2,400,000	(390,112)	14%
Nutrition	2,009,859	1,800,000	(209,859)	11%
Food	5,000,000	5,000,000	-	29%
Education	530,134	500,000	(30,134)	3%
Refugees	2,500,000	2,000,000	(500,000)	12%
Livelihoods	2,000,000	2,000,000	-	12%
IDP	1,276,715	800,000	(476,715)	5%
<b>Total</b>	<b>19,606,820</b>	<b>17,000,000</b>	<b>(2,606,820)</b>	<b>100%</b>

**Figure 2: Steps for the Prioritisation of the 2011 First UFE Allocation to Ethiopia**



## Section 5.1 Reporting on CERF funding

Table 8: FAO reported vs. actual contributions to NGOs			
NGO	Reported amount	Actual amount	Difference
CARE	25,873.00	0.00	25,873.00
Save the Children US	31,185.00	15,520.07	15,664.93
Mercy Corps	60,351.00	29,304.87	31,046.13
International Rescue Committee	27,100.00	12,938.06	14,161.94
Save the Children UK	31,185.00	15,517.39	15,667.61
<b>TOTAL</b>	<b>175,694.00</b>	<b>73,280.39</b>	<b>102,413.61</b>

## Section 5.2 UN Agency Monitoring and Evaluation (M&E)

The table below lists information on monitoring procedures that the agencies participating in the review have provided.

Table 9: UN agency monitoring procedures	
Agency/Sector	Monitoring Procedures
FAO/Agriculture& Livestock	Range of monitoring tools including requiring <b>mid-term and final reports</b> for all LOAs before effecting payments, frequent <b>project visits</b> by FAO staff in the field and from Addis, <b>monthly monitoring charts</b> filled in by project managers, <b>budget status tracking</b> and <b>project planning charts</b> .
IOM/Shelter/NFI	IOM staff from Addis office visit NGO or directly implemented projects once or twice, depending on their nature and duration. NGOs verified IOM visits and appreciated them. IOM field staff implementing projects also have to provide weekly or bi-weekly situation reports. In 2011, IOM wants teams present when NGO partners undertake distributions to ensure that this is done as agreed and also to identify capacity building or training needs of partners.
UNHCR/Multi-sector	<p>UNHCR field officers monitor implementing partners (IPs) against a sub-agreement that has a detailed budget, planned results, agreed outputs and a work plan. They use physical checking, coordinating meetings with partner offices and support missions of technical UNHCR staff (like health, protection, and environment) from the Representation office in Addis Ababa. Day to day problems faced by the IP in implementing the targeted activities are discussed at field and Addis level so that any deviations from the target work plan can be reflected through amendments to the sub-agreements. In addition, UNHCR and ARRA programme staff travel to the field to hold review meetings with all partners concerned about once every 3 months.</p> <p>UNHCR generally releases funds to IPs on a quarterly basis. IPs submit a financial expenditure report once they have used over 70% of the released funds. UNHCR verifies the authenticity of the financial report by reviewing IP accounting records and spot checks as needed. In addition, IPs are required to submit mid-year and year-end narrative reports. UNHCR staff in Addis and the relevant field office review these reports to check whether they are in line with the terms and work plan in the signed sub-agreement.</p>
UNICEF/Health	Government system provides information during emergencies (though quality debatable). UNICEF also has staff on the ground to see what is happening. In

	emergencies, UNICEF hires consultants for 2-3 months. They are based in the emergency location.
UNICEF/Nutrition	For CERF-funded EOS projects, UNICEF hires an independent company to undertake post-coverage surveys (as recommended by an evaluation in 2006).
UNICEF/WASH	Staff at field level undertake monitoring. For water trucking, truck driver carries a card that the head of village has to sign. UNICEF does not liquidate payments unless it has the signed cards. UNICEF is also working with the government to develop an inventory of water points, with GPS coordinates. It will then be able to report on the GPS coordinates of rehabilitated or new water points.
WFP/Food and Nutrition	<p>WFP has a number of tools for gathering monitoring information but these are closely interlinked and reflect the agency's <b>Results-Based Management (RBM)</b> framework. The main RBM tool is a logical framework (Log frame) that WFP uses to monitor all programme activities and their efficiency and effectiveness in achieving outputs and outcomes. Results feed into corporate reports, such as the annual Standard Project Reports (SPRs).</p> <p>WFP also uses <b>Post-Distribution Monitoring (PDM)</b> surveys to monitor WFP's food assistance for its relief and therapeutic supplementary feeding programmes at the household level. In Ethiopia, WFP undertakes PDM surveys twice a year in each geographical intervention area, interviewing around 3,040 households or 19,760 people a year (of which 15-17% are non-beneficiary households that act as a control group).</p> <p>WFP monitors use <b>Action Based Monitoring (ABM)</b> to collect process, output, and outcome information in order to identify and address problems encountered during field visits, refer problems to management (through consolidated ABM reports), and collect outcome and output data for various reports, including SPRs. During ABM visits, field monitors hold discussions with woreda and kebele government counterparts, interview beneficiaries, and visit Food Distribution Points (FDPs) and work sites. They base their monitoring analysis on checklists developed for each programme. Monitors enter the checklist information into the ABM database so that programme officers and sub office heads can review and analyse the ABM findings on a monthly basis. They send the results to the Country Office so that it can ensure issues are addressed and lessons learned.</p> <p>WFP's <b>Food Aid Tracking System (FATS)</b> tracks data on beneficiaries and quantities of food allocated, dispatched, delivered and distributed on a monthly basis for all programmes. WFP uses the information to track food movement and to report monthly beneficiaries and quantities of food to the Regional Bureau in the <b>Automated Output Measurement System (ATOMS)</b>.</p> <p>Finally, WFP's <b>M&amp;E Online Database</b> combines information from PDM surveys, ABM and FATS so that staff can use it to produce data analysis reports.</p>
WHO/Health	Relies entirely on Ministry of Health figures and NGO reporting to avoid establishing parallel mechanisms.

### Section 5.3 Lesson Learning

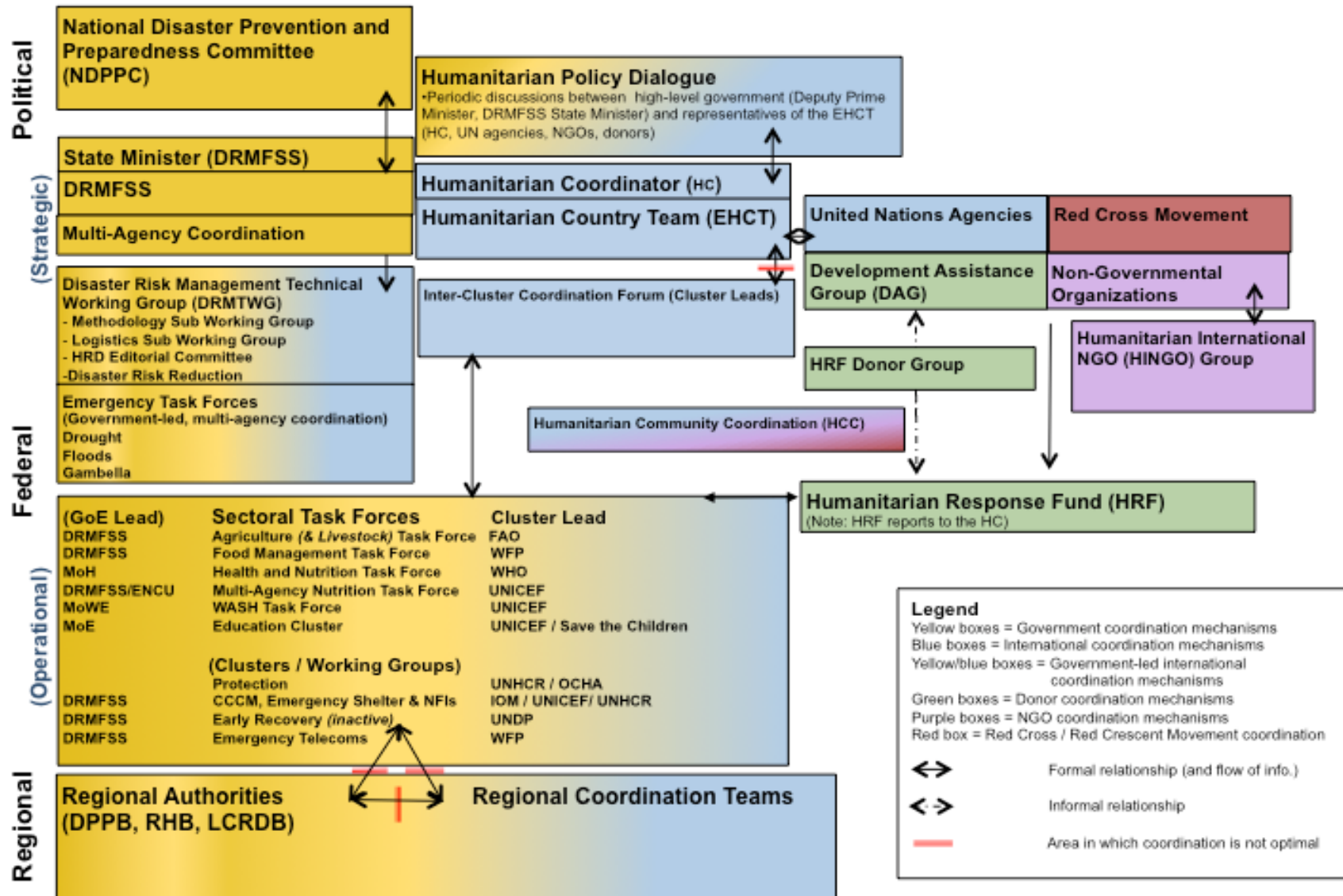
The table below contains examples from section III of the 2010 HC's report. The table is supposed to be completed by the Office of the Resident/Humanitarian Coordinator together with the UN Humanitarian Country Team. The report format states, "This section should include constructive references to

difficulties or constraints encountered during the request for CERF funding and funding allocation, specifically on matters that are within the responsibility of the CERF Secretariat. Please propose follow-up actions and suggest improvements. **This information will be used for internal purposes only and will not be posted to the CERF website, so be as candid as possible.**

Table 10: Selection of lessons identified in HC's 2010 report on CERF funding		
Lesson learned	Suggestion for follow-up/improvement	Responsible Entity
The in-country funding allocation used existing structures, including the Humanitarian Response Fund Review Board and the cluster leads meeting, with inclusion of NGOs, to determine appropriate sector allocations. This made the process transparent and on the whole acceptable to all involved stakeholders	Ensure that subsequent allocation processes build on the positive experience from 2010 in order to ensure that the allocation process is transparent, responds to identified needs and is widely accepted by all stakeholders, as a credible process.	OCHA
Other aspects of AWD control such as environmental and information/communication issues tend to be neglected with more focus on the medical aspects of the disease.	Joint Water and health sector planning at implementation level. Improve preparedness and response to future outbreaks by identifying main weaknesses and strengths.	MOH, FMoWR Regional, Woreda health and water sectors
The lack of emergency preparedness fund contributed to poor responses during the early phase of the epidemic. HRF is meant for immediate response priorities.	Consider to integrate some preparedness budget	CERF secretariat
The recruitment and assigning of national consultants in AWD affected areas supported the RHBs in assessment, supervision, coordination, planning and capacity strengthening resulting in a positive impact in the AWD response in the affected zones.	Maintenance of field EHA officers	WHO
The delay in local procurement of some items was long, much more than expected, due to suppliers low stock levels and cash flow situation	Greater focus on prepositioning (which worked well throughout 2010) and development of Long Term arrangements with the most responsive local suppliers	UNICEF
Other sectors hazard had direct implication on education sector such as WASH, school feeding and health	As education is a good entry point for responses of other sectors, EIE requires more attention	Cluster leads and implementing partners
Having a cluster-level discussion with Government, UN agencies and NGO before submitting to proposal for CERF funding was a very useful exercise to decide on priorities and to make fair allocations within the nutrition cluster	Repeat the same exercise in the future	Key nutrition cluster partners



Figure 3: Humanitarian Coordination Structure in Ethiopia (Source: OCHA)



## Humanitarian Coordination Architecture in Ethiopia

## Humanitarian Coordination Architecture in Ethiopia

### National Disaster Prevention and Preparedness Committee (NDDPC)

- Chaired by the Deputy Prime Minister, membership comprises Ministers of various Line Ministries and State Minister/DRMFSS
- Highest-level national emergency coordination forum
- Reviews and approves annual Humanitarian Requirements Document (HRD)

### Disaster Risk Management and Food Security Sector (DRMFSS)

- Directorate within Ministry of Agriculture, headed up by a State Minister
- Early Warning & Response (EWRD) & Food Security Coordination (FSCD)
- Responsible for inter-ministerial coordination of DRR, emergency response (including relief food assistance) and early recovery

□ **Multi-Agency Coordination (MAC):** Chaired by DRMFSS, open to STF chairs only; coordinates federal response on the government side

□ **DRM Technical Working Group:** Chaired by DRMFSS, membership open to line ministries, UN, NGOs and donors

- **Methodology Sub Working Group, Logistics Sub Working Group and HRD Editorial Committee:** as sub-groups of the DRMTWG, each works on a technical aspect of preparation of the biannual national needs assessments and related HRDs
- **DRR Sub Working Group:** New, its TORs are being developed
- **Emergency Task Forces (including Drought, Floods and Gambella):** Like the DRMTWG that they fall under, ETFs are chaired by DRMFSS and open to membership by line ministries, UN, NGOs and donors; ETFs are established/reactivated for key crises that require a multi-sectoral response

### Sectoral Task Forces (STFs)

- Each STF is chaired by the relevant line ministry and supported/co-chaired by a cluster lead from the international community
- Membership open to all agencies working in the sector at the technical level
- STFs are responsible for formulating sector strategies and response plans and coordinating sector response at federal and state levels
- Through the relevant cluster lead, the STFs are also responsible for performing the technical review of HRF projects in the sector

### Regional / Local Authorities

- Within each region (and usually within woredas and at lower levels), the counterparts to the relevant line ministry (i.e. Ministry of Health – Regional Health Bureau) and DRMFSS (Disaster Prevention and Preparedness Bureaus, DPPBs)
- Responsible for coordinating response within sectors at the regional and lower levels, but needs to be formalized, regularized and strengthened

### Humanitarian Policy Dialogue

- Co-chaired by the State Minister/DRMFSS and Humanitarian Coordinator (HC), with secretarial support of DRMFSS and OCHA
- Quarterly forum that brings together representatives of the EHCT, DRMFSS and Line Ministries to discuss key strategic issues

### Ethiopia Humanitarian Country Team (EHCT)

- Chaired by the HC and comprised of UN agencies, NGO representatives, donor representatives and Red Cross Movement
- EHCT sets humanitarian strategy, policy and advocacy priorities

### Inter-Cluster Coordination (Cluster Leads Meeting)

- Convened and chaired by OCHA, comprising working level representatives from each cluster lead agency
- Inter-sectoral coordination on the international side; discusses strategic issues
- Includes representation from clusters / working groups that have no national STF counterparts (i.e. Protection)
- Should be operational counterpart to EHCT, but information sharing and accountability mechanisms require strengthening

### Humanitarian Community Coordination

- Information sharing platform open to all partners

### Regional Coordination Teams

- Comprising UN and NGOs represented at regional and lower levels, informal groups work to streamline response through inter-sectoral and sectoral coordination

### Humanitarian Response Fund (HRF)

- Managed by OCHA on behalf of the HC, HRF is a pooled fund accessible by UN and international NGOs
- Technical review done by cluster leads/STFs; overall project review and recommendation to HC done by Review Board
- Largest source of non-food humanitarian financing in Ethiopia, able to fund sectors not covered by HRD
- Liaises regularly (formally and informally) with its donors, as well as non-HRF donors (OFDA, ECHO) to enhance complementarity

### Humanitarian International NGO Group (HINGO)

- Inter-NGO coordination mechanism comprising national and international NGOs
- Elected Steering Committee represents the NGO community on the EHCT

### Development Assistance Group

- Main development partner/group in Ethiopia; has its own coordination mechanisms
- Three DAG representatives (ECHO, USAID/OFDA and DFID) sit on EHCT

## Annex 2: Methodology

This annex briefly describes the methodology for this review. The review has used two main sources of information – interviews in Addis Ababa conducted during a 10-day visit from 8-17 May 2011 and a review of documents. Table 11 below lists the organisations and number of interviewees. To maintain confidentiality, it does not name the individuals interviewed.

I am very grateful to all interviewees for their time and to those who helped to organise meetings, particularly OCHA and the HRF team for support with logistics and obtaining documents. To make the process of setting up meetings more efficient, OCHA gave individual Cluster leads the responsibility of setting up meetings with government and NGO partners as well as relevant staff members within their agencies. Unfortunately, in one case the Cluster lead was away and in another the person was ill. For these and other reasons, some agencies did not arrange meetings with government or NGO partners. However, WFP and UNHCR invited Administration for Refugee and Returnee Affairs (ARRA) to a joint meeting as both agencies work with this department. WFP also invited two INGO implementers of its therapeutic supplementary feeding (TSF) programme to the meeting. UNICEF arranged an interview with a local NGO partner while IOM arranged the meeting with the Ethiopian Red Cross Society. I arranged meetings with INGOs and DFID independently, with the help of OCHA's HRF Team.

In addition, the review included a short consultation with the HRF Review Board. Unfortunately, most of the individuals present had not been involved in CERF discussions and were not able to contribute substantive information.

Table 11: List of Organisations Consulted		
Organisation	# of Interviewees	Notes
Administration for Refugee and Returnee Affairs (ARRA)	1	
UK Department for International Development (DFID)	1	
FAO	1	Plus email consultation with project manager
Ethiopian Red Cross Society	2	
Humanitarian Coordinator	1	
IOM	1	
NGOs (6 international & 1 Ethiopian)	13	Plus email consultation with 2 project managers in INGOs
OCHA	4	
UNDP	1	
UNFPA		Email consultation with project manager
UNHCR	1	Plus email consultation with finance officer
UNICEF	8	
WFP	2	
WHO	2	
<b>TOTAL</b>	<b>38</b>	

The document review covered the following:

- Agency final proposals for the CERF 2010 and 2011 UFE allocations
- RC/HC annual report on CERF funding to Ethiopia 2008-2010
- CERF recipient inputs into the RC/HC's report on CERF funding to Ethiopia in 2010
- HRF Annual Reports 2008-2009
- Examples of agency concept notes for CERF allocations in 2010
- Summaries of agency bids for the competitive element of CERF funding in 2011
- No-Cost Extension request documents for all requests from Ethiopia
- CERF guidance documents, particularly on UFE grants
- Minutes of Cluster lead, Review Board and EHCT meetings that discussed CERF funding (2010 and 2011)
- CERF Secretariat data on the time taken to process CERF applications for Ethiopia 2006-2011
- Government of Ethiopia's draft Disaster Risk Management Policy and documents on its DRM Strategic Programme and Investment Framework (SPIF)
- EHCT draft paper *"Bridging the funding gap between humanitarian and development/recovery financing in Ethiopia"*

The review involved semi-structured interviews that covered the following PAF indicators as well as a list of issues that the CERF Advisory Group and Secretariat identified as being of interest. Table 12 below numbers and lists the PAF indicators.

Table 12: List of PAF indicators			
#	PAF Indicator	#	PAF Indicator
1	All members of Humanitarian Country Team (HCT) and clusters aware of CERF availability	2	Intra- and inter - cluster prioritization process is inclusive of all relevant stakeholders (including INGOs and NGOs), (for RR and UFE) and adheres to Principles of Partnership (Endorsed by the Global Humanitarian Platform, 12 July 2007)
3	Analysis of funding undertaken to inform prioritization process and facilitate appropriate direction of funds'	4	CERF underfunded country selection/apportionment process undertaken in a timely and transparent manner with available resources frontloaded
5	Cluster submission to the RC/HC is of high quality and reflects views of cluster members	6	Agency performance (capacity to implement within the timeframe of the grant, past performance, speed of distribution and absorptive capacity) is considered when developing proposal
7	CERF request adheres to cluster standards and CERF Life Saving Criteria	8	Average number of working days between final submission of a CERF grant request package from RC/HC and ERC' decision. (Benchmark: three working days for RR and 5 working days for UFE)
9	Average number of working days between receipt of LoU from a grant recipient and request (memo for disbursement to OPPBA (Benchmark: two working days)	10	Average number of days between request (memo) for fund disbursement by OPPBA to grant recipient
11	Average number of working days from disbursement from UN HQ to country office	12	Time from UN agency country offices signing project agreement with implementing partners to them receiving funding

13	Agencies receiving grants have internal evaluation and accountability mechanisms	14	CERF Secretariat has provided adequate global guidance on the standards for reporting
15	OCHA CO, in support of the HC, provides guidance to agencies, and facilitates input for annual report	16	Agencies, both at HQ and in the field provide satisfactory input (as defined by CERF Secretariat Guidelines) to the annual RC/HC Report which adheres to reporting guidelines
17	CERF funds allow agencies to demonstrate capability to leverage donor confidence for future contributions	18	Availability of CERF funding recognized by recipient agencies as being fundamental to ability to respond to life saving needs and gaps
19	Extent to which gaps, both geographic and sectoral, have been identified and addressed through use of CERF funds	20	Number of No-Cost Extensions requested
21	CERF funds fill a critical time gap as measured in relation to time that other contributions are received	22	Percentage of total amount of CERF funding to flash appeals provided within the first two weeks (of appeal publications)
23	Response capacity is strengthened given knowledge that CERF is a reliable source of funding	24	Operations deployed more rapidly due to 'predictability' of quick funding source
25	Transparent information management of recipient agencies on status of CERF projects	26	Accountability to affected populations, as outlined in the Humanitarian Accountability Project (HAP), is incorporated into project submissions
27	Evaluative mechanisms established (NOTE: CERF evaluative processes to be developed)	28	Real-Time and internal agency evaluations, when conducted, demonstrate CERF's contribution to a more coherent response
29	Extent to which Cluster leads and RC/HC leverage CERF as a tool to incentivize coordination	30	Strengthened function of clusters and of inter-cluster forum
31	Leadership and involvement of RC/HC in humanitarian operation improved		

Additional issues identified by the CERF Advisory Group and Secretariat:

- CERF Guidance and support: Are there any specific areas where field colleagues need additional or improved guidance or tools from CERF that would help make their lives easier and improve country level processes? (e.g. it would be interesting to know how the CERF Application Template (and guidance) is perceived. Is it useful and logical, does it cover the right elements of projects? Is the Life-Saving Criteria well understood and useful? Is the CERF reporting guidance and template appropriate? Are people aware of the UFE and RR technical guidance notes and what do they think about them? Is the website known and is it useful? Are people aware of the CERF training? etc.)
- Reporting and Monitoring: Agencies are responsible for the monitoring and evaluation of their own programmes (including those funded for CERF). Do such reviews/monitoring/ evaluations take place? And if so is related information (reports, findings etc) fed back to the sectors and the HC? If not, why not?
- Joint Reporting and Lessons Learning: Is the level of reporting appropriate (annual RC/HC CERF country report)? Is the report used by the RC/HC and sectors? Would a more elaborate project level reporting be useful and acceptable? Is CERF reporting integrated into broader reporting

processes? Does the country team (or the sectors) have any organized follow-up to previous CERF allocations to establish lessons learned and gauge performance (with respect to the process as well as implementation of the funded activities)

- NGOs: Level of NGO involvement in the overall process (prioritization etc) and their perception of the prioritization process and their access to CERF funding.
- The linkages with the HRF in Ethiopia – how closely have the HRF and CERF processes been aligned (e.g. common systems and procedures for prioritization)? Why/why not? How has this worked, and has it for example brought NGOs closer into CERF discussions. How do agencies perceive the alignment (or lack of) of the two processes?



## Annex 3: Terms of Reference

### INDEPENDENT REVIEW OF THE VALUE ADDED OF THE CENTRAL EMERGENCY RESPONSE FUND (CERF) IN COLOMBIA, BOLIVIA, ETHIOPIA AND MYANMAR

#### Terms of Reference

##### 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.

##### 2. Scope and Purpose

The main purpose of the present country-level review will be to assess the value added of CERF operations in Colombia, Bolivia, Ethiopia and Myanmar during 2010.

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 favours 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-à-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 consultants to Bolivia, Colombia, Ethiopia and Myanmar, 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 two consultants will be required, one to prepare the reviews for Bolivia and Colombia and one to draft those for Ethiopia and Myanmar. The consultants will be independent and not have 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 and ability to work in Spanish required (for Bolivia and Colombia only.)
- 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 four concise 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 reports will be structured in the form of short observations and conclusions around the different assurance concerns linked to the PAF. The report 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.

## **8. Timeline**

20 May: Draft of the three country reports submitted to CERF Secretariat.

15 June: Final version of reports submitted to CERF Secretariat

## **9. Contract length:**

17 Days per study, 34 per consultant, 68 in total.