

Introduction

In 2012, the CERF secretariat commissioned a review of CERF's Underfunded Emergency (UFE) window. Among other things, the study recommended that the analysis around the biannual UFE rounds be used as an advocacy tool for donors to help guide their bilateral allocations to emergencies. This would contribute to CERF's third objective of strengthening core elements of humanitarian responses in underfunded crises by increasing the likelihood that CERF support to underfunded crises leverages additional donors contributions.

Reflecting on the review of CERF's UFE window, and based on consultations with some CERF donors, questions remained about the extent to which CERF allocations from either window influence the humanitarian funding decisions of donors. Therefore, in late 2013, the CERF secretariat commissioned a study with the objective of understanding the extent to which funding from either the Rapid Response (RR) or UFE windows influences the direct funding of key humanitarian donors.

The study was conducted by an independent consultant in the period November 2013 – January 2014 and was mainly based on 17 interviews with staff members from 13 donor countries (Australia, Canada, Denmark, the European Commission, Germany, Ireland, Japan, the Netherlands, Norway, Spain, Sweden, the United Kingdom and the United States of America), and the OECD's Development Cooperation Directorate, as well as desk studies. This note highlights the main findings of the study. The full report from the study can be found on CERF's website (<http://cerf.un.org>)

Key Findings and Recommendations

The donor study was guided by eight research questions and the resulting report is structured according to these. The questions and a summary of the corresponding findings can be found in the annex of this note for easy reference. The detailed findings against the research questions can be found in the full report on CERF's website. Based on the findings, the study made the following overall conclusions and related recommendations:

1. The research has revealed that CERF funding is not an important factor in donor decision-making. Instead, donor decisions to fund underfunded crises are influenced by presence, strategic interest, political leverage or the ability to add value in one way or another. The report also noted that even well-resourced donors may have reasons for not funding a particular crisis. The study concluded that given donors' likeliness to fund certain emergencies in accordance with internal priorities, advocacy around fund raising should focus on those donors that have a particular interest in specific crises rather than targeting donors broadly.

Recommendation to OCHA: OCHA should support the Emergency Relief Coordinator (ERC) with a strategic approach to advocacy around fund raising for emergencies, focusing on those donors that are likely to provide funding for specific emergencies because they see that there is an added value in this.

2. The study has highlighted that most donors contributing to CERF appreciate its role in addressing underfunded emergencies, with some relying on it to channel funding to these crises. The study found that this indirectly points to challenges within the humanitarian financing architecture with ensuring adequate funding and support to crises that are underfunded according to a range of criteria beyond the level of funding to an inter-agency response plan.

Recommendation to donors: Donors could use the CERF secretariat's identification of underfunded crises to understand why certain situations are underfunded and then look at how the financing architecture can be adapted to best address this. The Good Humanitarian Donorship (GHD) initiative

could be one forum for this discussion since the GHD principles commit donors to address humanitarian 'needs' wherever they occur.

3. The study has shown that several donors obtain information that influences their decision-making from Embassies or country offices. It is therefore important to ensure that these offices have more systematic information on CERF allocations.

Recommendation to CERF: The CERF secretariat should ask OCHA offices to ensure that information on CERF allocations is disseminated to key Embassies and/or country offices in CERF-recipient countries.

4. The study found that it is clear that donors have a high level of trust in the CERF secretariat but, as it becomes more important for them to demonstrate that funding channels such as the CERF represent value for money, it will be useful for them to better understand the rationale for the CERF secretariat's selection of countries for funding from the UFE window.

Recommendation to CERF: Use the annual CERF High-Level Meeting to highlight that documentation on the UFE selection process is available on the CERF website and ensure that the relevant documents are more accessible on the website than currently. In addition, provide a link to the relevant documents when allocations from the UFE window are announced.

5. The report highlighted that most donors make their funding decisions in January for the forthcoming year. Therefore, it would be useful for them to have a report in December prior to the CERF High-Level Meeting on how their contributions to CERF for the previous year have been used. This would enable them to factor the information into their decision making, not only for allocations to CERF but also for allocations for on-going crises.

Recommendation to CERF: Provide an overview for donors on the use of CERF funds during the past year (including trends in funding and challenges) for distribution prior to the CERF High-Level Meeting in order to enable donors to factor the information into their decision making on contributions for the coming year. Detailed information should be made available on CERF's website.

Next Steps

The findings and recommendations from the study will provide important information for informing the CERF secretariat's ongoing work on developing updated strategies and approaches for resource mobilization, communication and advocacy. The study has already informed the CERF secretariat's 2014 - 2015 resource mobilization and communications strategy. As an immediate first step, CERF has scaled up information sharing and adjusted its key asks to donors. Relevant findings will also be considered in the development of future training and guidance and will feed into the update of the CERF website. Results from the study will guide planning and messaging for the annual CERF High-Level Conference and other Member State events. In addition, the report will be shared and discussed with other parts of OCHA working on donor related issues.

CERF secretariat, 3 April 2014

Annex - Research Questions and Summary of Related Findings

How do donors make humanitarian funding decisions and how important a factor is CERF funding in the decision-making process?

The study found that most donors try to ensure that their funding is needs based. Donors tend to take account of CERF funding when looking at the overall amounts of funding to a given crisis, yet none of the interviewed donors listed CERF funding as a criterion that influenced their decisions. Donors were asked to rate the importance of CERF allocations to their decision-making process on a scale of 1 - 5, where 1 was not at all important and 5 was extremely important. Ten out of the 13 donors responded to the question and all rated CERF at 3 or below.

How do CERF allocations influence donors' direct funding?

For donors with limited capacity and/or budgets, the added value of CERF is that it enables them to concentrate their resources on a smaller number of crises but reach other crises through CERF. For a few donors, CERF funding to an underfunded crisis would mean that they do not have to provide funding. Therefore, these donors were in favour of strengthening the CERF's UFE window. By contrast, a well-resourced donor did not believe that a low level of funding to an inter-agency response plan was an indication that donors were not interested or that emergency needs were not being met. Therefore, it was less supportive of the role of the UFE window. Three donors stated that a CERF allocation might prompt them to consider funding a crisis or to increase their funding. However, for the majority of donors, CERF funding does not influence their direct funding.

How do donors take account of their share of a CERF allocation?

Most interviewed donors highlighted the fact that they have contributed to a crisis through CERF, internally to decision-makers and/or to the public. Some donors make explicit calculations of the amount of a CERF allocation that can be attributed to their funding. When highlighting their contributions to the public, donors tend to state the amount that CERF has provided and the fact that they are one of the top donors to it.

Does the type of crisis make a difference to how donors take account of CERF funding?

For the participating donors, the type of crisis – whether a sudden onset disaster or an underfunded crisis – did not make a difference to how they factored CERF funding into their decision-making.

Does the amount of CERF funding to a crisis influence donor decisions?

The amount of a CERF allocation does not generally influence donor decisions by itself. However, all donors examine the level of existing funding to a crisis when making their decision so CERF funding is factored into this overall level of funding. Some donors noted that in the case of a large-scale rapid onset crisis, the issue of timeliness was more important than the size of the CERF allocation.

What sources of information do donors use for CERF allocations?

A number of donors use the CERF website directly to get details of allocations. A couple of donors that rely on their Embassies or country offices for information noted that these receive little or no information on CERF allocations at country level. In general, donors are not involved in discussions about CERF allocations at country level.

Are donors informed of the analysis for funding from the UFE window?

Although almost all the participating donors find the CERF website very useful, only two knew that the documents outlining the CERF secretariat's process for selecting countries for funding from the UFE window are available on the website. Most donors are aware that the secretariat has a procedure for allocations

from the UFE window but they had not sought more information because they have a high level of trust in the secretariat to follow a robust process and make the right decisions.

What are the best ways to approach donors for advocacy purposes?

Donors have different structures and use different sources of information for decision-making. Therefore, they suggested different entry points for the CERF secretariat to advocate for increased funding to underfunded crises. These included: country offices and Embassies, the Missions in New York and Geneva, the European Council Working Group on Humanitarian Aid and Food Aid (COHAFA), the OCHA Donor Support Group (ODSG).