



Grants to Implementing Partners using CERF Funds:

Findings from the Philippines PAF Review

CERF secretariat, October 2012

1. Introduction and Background:

At the May 2012 meeting of the CERF Advisory Group (AG), the CERF secretariat presented papers analysing the timeliness of sub-grants as reported by agencies in the annual reports of the Resident and Humanitarian Coordinators (RC/HCs) and describing the results of a survey of 11 sub-grants selected by the CERF secretariat as case studies.

The CERF secretariat stated that it would continue to review sub-grants through the RC/HC reports and would incorporate partnership issues in its annual country-level reviews under the Performance and Accountability Framework (PAF). The review of CERF's added value to the humanitarian response in the Philippines subsequently contained on a pilot basis an expanded analysis on the timelines for project implementation, including timeliness of sub-grants to implementing partners.

2. Philippines PAF Review:

The review contained several timelines that demonstrated that the timeliness of onward funding to implementing partners varied and that agencies had different systems and procedures for this. For example, UNICEF amended existing annual Programme Cooperation Agreements (PCAs) with non-governmental organizations (NGOs) in the water, sanitation and hygiene sector to enable them to respond quickly to the floods in central Mindanao in 2011. One of UNICEF's NGO partners explained that it normally took three months to sign the PCA but, because it had already been in place, the NGO could simply write a two-page activation sheet and start responding to the emergency.

In UNHCR's case, existing annual agreement with implementing partners were also employed to rapidly channel CERF funds. For example, one UNHCR partner explained that when Tropical Storm Sendong struck it was coming to the end of its project agreement. The NGO still had money left in the budget so it prepared a new proposal to justify a different utilization of funds and used the money to start responding to Sendong.

This approach was similar to the one employed by UNHCR in Liberia as evidenced by the RC/HC report and the PAF review for the refugee crises in Cote d'Ivoire (covering Cote d'Ivoire, Liberia and Ghana). In responding to the influx of refugees from Cote d'Ivoire in early 2011, UNHCR modified existing annual sub-project agreements to respond rapidly to the evolving situation.

In other instances, agencies signed new agreements with partners when they received CERF funding. For example, for its CERF-funded education project in 2011, UNICEF signed new PCAs with its NGO partners three months after UNICEF received CERF funding. This delay was said to be due to a change in UNICEF's system at the end of 2011.

Similarly, since IOM was a “projectized” agency it had to use CERF funding for a completely new project, rather than as a contribution to an existing project, even though the project activities might have been on-going. Accordingly, it signed new agreements with its NGO partners for the CERF UFE grants in 2011 and 2012 which took time.

UNFPA was said to have experienced difficulties in finding suitable implementing partners for its CERF-funded project to address gender-based violence in 2011. Both UNFPA and WHO pointed out that their internal systems were not designed for emergency response. A UNFPA interviewee argued that the scale of its response to Tropical Storm Sendong overwhelmed the agency’s financial system and this has caused the agency as a whole to consider how to adapt its systems for humanitarian response.

The review also noted that even an agency such as UNICEF which did have mechanisms to speed up onward funding, such as signing annual PCAs and then amending them for emergency response, could face challenges. UNICEF could only have one PCA per partner so it could take time to incorporate a new emergency response into an existing agreement for a partner NGO. UNICEF also had rules about the liquidation of funds, regardless of the project or source of funding, before it could transfer additional funds. This could pose problems for NGOs that are implementing several projects for UNICEF. For example, a lack of progress on a non-CERF funded project could affect funding for a CERF-funded project.

The timeliness of the implementation of projects does not depend only on the timeliness of onward funding. A range of other factors can affect timeliness, some of which were out of the control of aid agencies. In the case of FAO’s CERF-funded project in 2011, FAO’s NGO partner distributed seeds in March so that farmers could plant in April, before the rainy season. Some farmers were able to do this but in some areas the rains came unexpectedly early and fields were flooded from March to May. Farmers, therefore, were only able to plant seeds in May or June once the water had subsided.

3. Conclusion:

The analysis of CERF project implementation in the Philippines, including the timeliness of sub-grants to implementing partners, provides valuable insight into country-specific context and challenges. It has also provided useful information on the general dynamics and issues surrounding agencies’ sub-granting processes. The country-level analysis undertaken through the PAF review mission thus serves as a valuable complement to the information provided through the regular CERF reporting process. Based on the positive outcome of this pilot the CERF secretariat will continue to include enhanced timeliness analysis in selected PAF country reviews when deemed relevant.