
Final Report – 18th October 2012

Glyn Taylor – Humanitarian Outcomes
Review of the Value Added of the CERF in Kenya - Final Report – Glyn Taylor
Humanitarian Outcomes

Contents

Executive Summary ........................................................................................................ 4
Section 1: Introduction and the Kenya Context ............................................................... 6
  1.1 Background and Kenya Context ............................................................................ 6
  1.2 Humanitarian Coordination in Kenya ................................................................. 7
  1.3 Humanitarian Funding in Kenya .......................................................................... 9
  1.4 CERF funding in Kenya ....................................................................................... 11
  1.5 The Kenya Emergency Response Fund (ERF) ..................................................... 16
Section 2: Inclusiveness and Transparency of the Allocation Process .......................... 19
  2.1 Stakeholder perceptions ...................................................................................... 20
  2.2 Progress since other CERF reviews ..................................................................... 20
  2.3 Support to humanitarian reform .......................................................................... 21
Section 3: Timeliness of CERF Funding ..................................................................... 22
  3.1 Gap filling and timely, life-saving response .......................................................... 22
  3.2 Gap filling and life-saving responses ................................................................... 23
Section 4: Reporting and Accountability .................................................................... 24
Section 5: Overall conclusions and recommendations ................................................ 25
Annex A - TOR ............................................................................................................... 27

Table of Figures

Figure 1: Map of Kenya Map of Kenya ........................................................................ 3
Figure 2: Humanitarian Funding to Somalia (2000-2012) ........................................... 9
Figure 3: Top 10 Donors to Kenya 2011 .................................................................... 10
Figure 4: Top 10 Non-Food Donors to Kenya 2011 ..................................................... 10
Figure 5: Kenya 2010 and 2011 Humanitarian Funding .............................................. 11
Figure 6: Monthly Breakdown of Funding in 2011 ...................................................... 12
Figure 7: ERF and CERF funding by window (2006-2012) ......................................... 12
Figure 9: Breakdown of CERF allocations by UN organisation .................................... 14
Figure 10: Proportion of total CERF funding by sector ............................................... 15
Figure 11: CERF funding as a proportion of overall funding by sector ............................ 15
Figure 12: CERF funding as a proportion of overall funding by sector ............................ 16
Figure 13: Donor Contribution to ERF (2009 - 2011) (From Kenya ERF 2011) ......... 17
Figure 14: Kenya ERF allocation by Sector (From Kenya ERF 2011) ............................ 17
Figure 1: Map of Kenya

Executive Summary

Coordination structures in Kenya are noted in previous CERF studies as being relatively strong and inclusive and this remains true of UN / Government led structures for non-refugee programming. More broadly, coordination for Kenya appears disjointed. There is no strong coordination structure that straddles both refugee and non-refugee programmes and although the concept of resilience is the topic of much discussion, a number of actors in Kenya noted the lack of central leadership from the government required to bring coherence to development and humanitarian programming. The ERF is run in close coordination with technical ministries of the government but there is little or no interaction between the ERF and the CERF. Within this context, the CERF can be considered an effective tool for the part of the system it principally serves, the UN led, sector based system for non-refugee programming. Although sectors were noted as remaining uneven, allocation processes were largely perceived to be inclusive and transparent through the system of sectoral groups. Where the CERF was directed to refugee programming, UNCHR's internal systems and field level coordination functions are the default. By definition these are less inclusive and transparent and sit apart from ‘reformed’ coordination systems.

The CERF is well regarded by its interlocutors in government, although they play little part in the technical process of allocation. Donors, as in previous reports, feel relatively unsighted on CERF allocations. This stands in contrast, to the ERF, a relatively small fund noted as having has a higher level of technical interaction with government and donors. The ERF is a relatively small fund and reports have noted issues with timeliness. Overall, there is a strong sense that the lack of consistent leadership on the part of government undermines the possibility of more alignment with UN response mechanisms more broadly. In particular, the allocations through the Rapid Response window, required a speed of allocation, processing and disbursement than a more consultative process would have allowed.

The CERF secretariat met, or was close to meeting, tight deadlines for processing, especially for the RR window. When placed in the context of the drought response overall, the CERF can be acknowledged as having had an impact in disbursing money marginally ahead of the upswing of donor funding following the declaration of emergency. There is a strong consensus, with hindsight, that the request to the CERF should have been made earlier in the year. Principally the cause for the lack of action was perceived to be ‘self-censored’ behaviour on the part of humanitarian actors not wanting to be seen as ‘jumping the gun’ in the absence of an emergency declaration and explicit expressions of interest on the part of the government. The use of the CERF in 2012 in Kenya, for early response, is an interesting development. The potential for the use of the CERF in this way in this and similar contexts is covered in the regional synthesis report.

In keeping with other PAF country studies, there was no perceived improvement in reporting and monitoring systems as a result of the application of the CERF. Normal monitoring systems and practices were in place and used to generate the CERF annual report. No additional, joint processes were applied as a result of CERF funding.
Interviews for the Kenya and Somalia PAF studies, in the field and in Headquarters, acknowledged that at some point the operational contexts in the Horn of Africa made the RR and UFE windows almost interchangeable. The crisis in Kenya typifies chronic food security crises with acute, cyclical spikes. Acknowledging the need to programme appropriately to context, the CAP in Kenya encourages longer programme cycles, whilst retaining a life-saving focus. A number of respondents argued that the UFE should not automatically be drawn into responding to the most acute events, this being the primary function of the RR window. Instead, the UFE could consider life-saving in the broader sense and consider which are the most important across the range of the CAP, rather than favouring those which appeared to be the most urgent. The logical extension of this argument would be that in a narrow range of contexts like Kenya, and in line with a very clear strategy, the two windows of the CERF could fund two distinct sets of projects, guided by different interpretations of the life-saving criteria and whilst fully adhering to CERF guidance.

**Recommendations:**

a. OCHA Kenya and the CERF Secretariat should instigate a process of review for all recommendations from the CERF 5 year evaluation\(^1\). Whilst not all remain relevant, a number provide useful insight. It is essentially that there is a concrete process of follow up. Recommendations in the following areas should be prioritised and a response matrix drawn up:

- A review of the processes for both the CERF and the ERF with a view to ensuring stronger complementarity (Recommendation 11 – Five year review)
- Consultations with government in allocation process (Recommendations 1-3 - Five year review)
- A more proactive process of sharing results with government and donors (Recommendation 9 - Five year review).

b. The CERF Secretariat should ensure as a matter of course that recommendations from PAF country studies which are accepted by both the Secretariat and country offices should be followed up formally.

c. OCHA in Kenya and the CERF Secretariat should evaluate the use of the CERF in 2012 for early response, with a view to learning lessons for future events in Kenya and similar contexts.

---

\(^1\) Recommendations from the original PAF study are more general, more dated and generally of less specific current relevance than the more recent 5 year evaluation.
Section 1: Introduction and the Kenya Context

1.1 Background and Kenya Context

This report is the result of an independent review of CERF funding in Kenya. As part of the implementation of the Fund’s Performance and Accountability Framework (PAF), the added value of the CERF in the overall response to the Horn of Africa drought in 2011 was examined through a regional review, consisting of four country reviews of which this is one. The findings are based on a visit to Nairobi between May 9th and May 24th and a complementary review of documents related to the Kenyan context. As per the study’s TOR, the primary focus of the discussions was CERF funding to Kenya during 2011, however, discussions related to earlier CERF allocations, and the first CERF allocation in 2012 are included where relevant. The visit consisted of a series of interviews with those involved with CERF processes in 2011, including UN staff and other humanitarian actors. The full TOR is at annex A. In keeping with the TOR and discussions with the CERF Secretariat, interviews were semi-structured and based on an interview guide expanded from a template developed for the pilot study in Kenya in 2009.

Previous CERF reviews in Kenya: As one of the largest and most frequent recipients of CERF funding, the use of the Fund in Kenya has also been reviewed repeatedly. This study will attempt to avoid re-treading old ground and consciously uses the two most recent CERF studies as a frame of reference. These are the Kenya Country Study from July 2011, which formed part of the 5 year evaluation of the CERF (referred to hereafter as ‘the CERF evaluation’) and the pilot PAF review2 on Kenya from July 2010 (referred to hereafter as the ‘PAF pilot report’). Each of these studies made a full set of recommendations. During the interviews for this study, there was no awareness of either set of recommendations, and no process in place for follow up. The previous findings, however, provide an interesting framework in which to view recent developments and on-going issues. As such, each section of this report will summarise relevant findings and recommendations and attempt to identify a clear set of issues for attention going forward.

Kenya in 2011: The backdrop and response to the crises in the Horn of Africa in 2011 have been the subject of a number of studies. This study takes the Kenya specific study from the IASC Real Time Evaluation of the Humanitarian Response to the Horn of Africa Drought Crisis (referred to hereafter as ‘the RTE’) as primary reference.

The RTE notes the complex nature and multiple causes of the crises in Kenya. Most humanitarian actors in Nairobi refer to Kenya’s ‘dual crises’; one rooted in drought and a failure of livelihoods, the second of refugees, in particular the significant and increasing population of Somali refugees in Kenya, focused on Dadaab and other camps in Kenya’s North Eastern Province. The implications of the dual emergencies for coordination and, by extension, for the CERF are covered in the following section on humanitarian coordination.

The failure of consecutive rains was a key causal factor in the crises. A large number of respondents for the study also noted the significance of the closure of the Government’s Arid

Lands Natural Resource Management Project Phase II (ALRMP), funded by the World Bank. Although this project is due to be replaced, interviewees cited a general failure of development investment in the Arid Lands overall.

In keeping with other reviews, the RTE ultimately finds that the humanitarian response helped to reduce the worst symptoms of the crisis and to save lives. In spite of the availability of early warning data, however, a decisive response was launched too late. This situation was, in part, put down to a lack of collective leadership between the international system and the Government of Kenya. Although coordination at a basic level is seen to function, a lack of coherent and strategic planning was noted. The capacity and motivation of the Government of Kenya (GoK) to lead all humanitarian coordination and response operations, is frequently questioned.

A number of studies note that short term humanitarian action alone is inappropriate for addressing cyclical disasters like those across the Horn. Kenya’s CAP has been developed in the form of a three year strategy as a step towards addressing this issue but to a significant extent, interviewees for this study understood this approach to be largely presentational, dressing over the on-going annual cycles of most humanitarian funders and projects. In the absence of development assistance in adequate quantities in the Arid and Semi-Arid Lands (known as the ASALs) and in disaster risk reduction more broadly, the humanitarian community is left to respond as best it can with inadequate resources and the on-going challenges of predicting, pre-empting and responding to inevitable shocks.

Interviewees had different views on how the CERF might best play a role in this context through both the RR and UFE windows. The pilot PAF report coincided with the inauguration of the Kenya Humanitarian Partnership Team (KHPT) and recommended that this group should direct the CERF to both ‘long and short term aspects of the humanitarian situation.’

1.2 Humanitarian Coordination in Kenya

Coordination mechanisms are not a direct focus of this study. The CERF, however, as all pooled funding mechanisms to a greater or lesser extent, uses them as core structures through which to make allocation decisions. The CERF Secretariat, through its own guidance notes and the PAF indicator set, makes it clear that it expects an allocation process to be led by the HC and rooted in the ‘cluster’ system. Clusters were phased out in Kenya in the period between the 5 year CERF evaluation in 2011 and this study. Similar coordination structures remain in place for non-refugee programming, however, albeit returning to the terminology of sectors and sectoral working groups. The highest inclusive coordination forum is the KHPT, which includes representatives of Government, UN agencies and NGOs. Underneath this structure are 11 sectoral working groups and an additional inter-sectoral forum. Coordination is ostensibly Government led, but their engagement was frequently described as uneven across sectors and irregular or weak in some.

The previous CERF reviews and the RTE tend to view coordination structures in Kenya as viable, if variable. They note that the GoK and OCHA take responsibility for the broader

---

3 Including the RTE, PAF pilot and the CERF two and five year evaluations
drought / livelihoods response, while UNHCR is primarily responsible for coordination of the refugee response. A number of interviewees for the study argued that while the two responses are separate, the links between the ‘dual’ crises are clear, creating a number of issues for coordination and by extension for the CERF. These points included:

- Stress related displacement and migration, with refugee status as the end result, would be better addressed through a more holistic and more broadly coordinated response. Such a response would consider issues of livelihoods, displacement and migration and services along typical migration routes within a regional / cross border framework.

- Tensions between populations in camps and populations surrounding camps are routinely reported as running high. The RTE notes that the provision of services to ‘host’ populations in the vicinity of refugee camps is inadequate. This complex issue has led to the deployment of an OCHA representative to Dadaab, to assist in the coordination of non-refugee programmes in areas surrounding the camp.

- A general lack of clarity, transparency at national level about gaps in service provision for refugees in Dabaab. This was noted predominantly in interviews with donor representatives.

Ultimately the way in which UNHCR controls the response in Kenya is in keeping with its usual approach and is firmly rooted in its mandate. It is widely acknowledged, however, that UNHCRs multi-sectoral, programmatic approach and internal financial systems cut across the logic of humanitarian reform. Ultimately for a mechanism such as the CERF, the dual and largely unconnected coordination mechanisms which result, make allocation challenging. There is simply no complete set of data, nor any means of comparing vulnerability, risk or needs across Kenya. Many interviewees felt that gaps in services within and around the refugee camps were largely invisible to the CERF.

The RTE notes that inter-sector coordination for drought response works ‘reasonably well, ensuring operational coordination and communication, and reducing duplication’. In keeping with the previous CERF studies, it also notes inconsistency of performance across sectors, as well as marginalisation of local NGOs and a limited input from aid recipients. Both Government and inter-sectoral coordination mechanisms were noted as requiring strengthening, as were linkages between Nairobi and field operations.

Interviews undertaken for this study confirm that, in the context of the CERF, coordination works well in some sectors for drought response. WASH and nutrition in particular were highly regarded. Although some NGO representatives felt that coordination remained weak in some areas, there was a general sense of improvement since the previous CERF reports, not least because of the solidifying effect of the 2011 emergency.

A number of sectors noted cross border coordination. Most collaboration was understandably noted between Somalia and Kenya, given the length of the border, cross border movement and the colocation of a number of key actors in Nairobi. Coordinated responses were noted in WASH and health. The health sector in Kenya reported synchronised vaccination campaigns and disease surveillance exercises, as well as a cross
border response to cholera. The synthesis report for this Horn of Africa CERF review looks at regional issues in more detail.

1.4 Humanitarian Funding in Kenya

Figure 2 below, summarises humanitarian funding flows to Kenya from 2000 to 2012, using data from OCHAs FTS.

![Humanitarian Funding to Kenya (2000 - 2012)](image)

Figure 2: Humanitarian Funding to Somalia (2000-2012)

Total humanitarian funding for humanitarian action in Kenya in 2011 reached USD 654.2 million. Figure 3, below, shows the contributions of donors in 2011 in relative terms (data from the RTE) – United States – USD $197 million; Carry-over – USD $70 million; European Union – USD $64 million; Germany – USD $40 and Japan USD $32 million. Overall the top 10 donors provided over 80% of total funding, with the U.S. contributing 30% of overall funds.

The CERF was the ninth largest humanitarian donor to Kenya. After eliminating food aid, the CERF rises slightly to eighth largest donor, shown below in Figure 4. The overall donor profile does not change significantly.
Although overall funding levels show a spike in 2011, the timing of this funding in relation to the crisis has been the source of much discussion. Figure 5 below, taken directly from the RTE, shows how funding levels rose over-time during 2010 and 2011.
As noted in the context section above, evidence of impending crisis developed throughout early 2011. Funding flows began to rise only after the Kenya CAP mid-year review, which itself closely followed the GoK’s emergency declaration on May 30th. By this time, the RTE notes that the Famine Early Warning Systems Network (FEWS NET) was classifying the region as the most severe food security emergency in the world.

During July, USD 73.8 million was donated to the appealing organisations. The funding total reached USD 529.4 million by mid-December, enough to cover 71% of the updated appeal funding requirements (all figures from the RTE). The GoK itself made a significant contribution to the appeal (USD 3.4 million). The Kenya Red Cross Society accessed substantial amounts of local funding, approximately $7.4 million dollars, through its ‘Kenyans for Kenyans’ national appeal. The Kenyan Red Cross was one of the few actors to access internal funding significantly earlier in the year.

### 1.5 CERF funding in Kenya

Kenya was the fifth largest recipient of CERF funding in 2011, receiving a total of $22.7m. This came in the form of one underfunded allocation (approximately $6 million) and one rapid response allocation (approximately $17 million) in 2011 (the timing and distribution of funding are summarised in table 2 below).

Funding through the CERF was processed very quickly (see section 3 below for a discussion of timeliness more broadly) and it is safe to assume that it was dispersed more quickly than most other donor sources. The application and allocation processes, however, can be seen as forming part of the general upswing in financial flows from June 2011 onwards.
Review of the Value Added of the CERF in Kenya - Final Report – Glyn Taylor
Humanitarian Outcomes

Figure 6 below shows the contribution of the CERF in relation to other donors, both in terms of timing and proportion. The timeliness of CERF funding is covered below in section 3.

Figure 6: Monthly Breakdown of Funding in 2011

Figure 7 and Table 1 below shows the history of CERF funding in Kenya. In total, Kenya has received $157,483,135 USD in CERF funding since 2006, the sixth largest recipient. These demonstrate the consistent application of both the UFE window and the RR window. They also show the relatively limited contribution of the Kenya Emergency Response Fund (described below), but also its growth in 2011.

Figure 7: ERF and CERF funding by window (2006-2012)
Table 1: CERF allocations by window and by year

<table>
<thead>
<tr>
<th>Year</th>
<th>CERF RR</th>
<th>CERF UFE</th>
<th>ERF</th>
<th>Total Humanitarian ($10/million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>26</td>
<td>1</td>
<td></td>
<td>28</td>
</tr>
<tr>
<td>2007</td>
<td>2</td>
<td>3</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>2008</td>
<td>20</td>
<td>6</td>
<td></td>
<td>26</td>
</tr>
<tr>
<td>2009</td>
<td>18</td>
<td>8</td>
<td>1</td>
<td>54</td>
</tr>
<tr>
<td>2010</td>
<td>10</td>
<td>10</td>
<td>1</td>
<td>42</td>
</tr>
<tr>
<td>2011</td>
<td>17</td>
<td>6</td>
<td>4</td>
<td>64</td>
</tr>
</tbody>
</table>

Table 2: Summary of CERF Allocations to Kenya in 2011

<table>
<thead>
<tr>
<th>Month</th>
<th>Grant</th>
<th>Scope</th>
<th>Window</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>$6m</td>
<td>FAO – Agropastoralists affected by La Niña</td>
<td>Underfunded</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IOM – Livestock support for communities hosting refugees</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>UNHCR – Kakuma refugees</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>WFP – Food assistance to Somali and Sudanese refugees</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>WHO – Refugee and host community health assistance</td>
<td></td>
</tr>
<tr>
<td>July</td>
<td>$17m</td>
<td>FAO – Drought support to pastoral communities</td>
<td>Rapid response</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IOM – Support for rapid refugee</td>
<td></td>
</tr>
</tbody>
</table>
Review of the Value Added of the CERF in Kenya - Final Report – Glyn Taylor

Humanitarian Outcomes

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>influx</td>
<td></td>
</tr>
<tr>
<td><strong>UNHCR</strong> –</td>
<td>Emergency assistance for refugees</td>
</tr>
<tr>
<td><strong>UNICEF</strong> –</td>
<td>Rapid support for drought affected communities</td>
</tr>
<tr>
<td><strong>WFP</strong> –</td>
<td>Food and livelihood assistance for drought-affected communities</td>
</tr>
<tr>
<td><strong>WHO</strong> –</td>
<td>Health support for vulnerable populations</td>
</tr>
</tbody>
</table>

**TOTAL** $23m

Figure 9 below shows the breakdown of funding by UN agency. The dominant position of WFP demonstrates the emphasis placed on access to food in this response.

![Figure 8: Breakdown of CERF allocations by UN organisation](image)

Figure 10 below shows the percentage of total CERF funding allocated by sector. Although WFP is the dominant agency in figure 9, food aid components for nutrition and refugee...
programmes were reported under ‘health’ and ‘multisector’ respectively. As such, although figure 10 appears to show a different picture, there is no contradiction with figure 9.

![Figure 9: Proportion of total CERF funding by sector](image)

Figure 9: Proportion of total CERF funding by sector

Figure 11 below shows how the CERF contributed to each sector as a total of overall funding. As is typical, the CERF had a relatively large impact on funding to agriculture, given the relatively small size of the overall budget in comparison to food, nutrition and health. Figure 12 shows the contribution of CERF funding by agency. Again in a typical fashion, agencies with smaller programmes, FAO, IOM and WHO are larger beneficiaries in proportional terms.

![Figure 10: CERF funding as a proportion of overall funding by sector](image)

Figure 10: CERF funding as a proportion of overall funding by sector
The Kenya Emergency Response Fund (ERF)

The Kenya ERF, in keeping with other ERFs, is a relatively small fund, placed at the disposal of the Humanitarian Coordinator by donors at the country level. ERFs are smaller than Common Humanitarian Funds (CHFs); some have a purely responsive remit and others, like the Kenya ERF, are strategic in nature, funding a range of often complementary activities in a targeted fashion. Although the fund received to new contributions in 2010, it continued to function using carry over from the previous year. In 2011 the ERF received contributions of $3.75 million and funded 22 projects. The UK, Switzerland and Sweden were the principle contributors to the ERF in 2011. A funding breakdown is shown below in Figure 13. Figure 14 shows a breakdown of expenditure by sector.
As is typical for country level pooled funds, the fund is managed by OCHA (one member of staff in this instance) on behalf of the HC. The ERF has an allocation process, through which funding envelopes are allocated in the first instance, followed by project selection through clusters (in conjunction with government counterparts). A technical review board, made up largely on INGO staff, is responsible for vetting projects.

Given the relatively limited size of the ERF and its light management structure, there was no reported overlap or attempt to link process with CERF allocations. As is often the case, the ERF is regarded as a stand-alone process by UN agencies, who have access to the CERF and tend not to access ERFs on the basis of a relatively high ratio of project size to administrative.
burden. The 2011 ERF report\textsuperscript{4} notes challenges with timeliness of decision making. This was perceived by some to be due to the level of close working with government, an otherwise positive feature of the fund.

\textsuperscript{4} Kenya ERF 2011 Annual Report
Section 2: Inclusiveness and Transparency of the Allocation Process

Given the focus on the use of the CERF in Kenya in both 2010 and 2011, this review does not repeat a detailed description of allocation processes. There has been no follow up on the recommendations from the either of the previous reviews and processes for both the RR and UFE windows have evolved only minimally and in keeping with the shifting context. In essence, this review found that allocation processes in Kenya in 2011 were as described in the CERF five-year evaluation (research for which was undertaken principally in 2010), other than the recent shift from clusters to sectors. Processes for both windows included:

- A first stage of discussion at the inter-sector level, resulting in the allocation of funding envelopes.
- A second stage of discussion between sector leads and partners.
- Consultation with government at a senior level (Ministry for Special Programmes) on the basic parameters of allocation: overall funding available and cross referencing of geographical and sectoral envelopes with GoK priorities.)
- Consultation with line ministries indirectly and to the extent that they participate in clusters (this is a lower level of purposeful consultation than noted for the ERF).
- Consultation with NGOs to the extent that they participate in sectoral and inter-sectoral coordination.
- Information sharing with donors through high level coordination forums.

Both UFE and RR windows retain the inter cluster consultation as a first and fundamental step. For the RR submission in 2011, the initial inter-cluster consultation took the decision to prioritise ‘access to food’. Under the specific circumstances of the crisis at this time, this decision was widely accepted. Allocations via sectors were reported to be improved for a number of sectors since the CERF evaluation. Project level allocation for nutrition, for example, was described as efficient, on the basis of strong existing relations (between partners and between the sectors and OCHA), agreement on gaps and clear guidance documents. At the highest allocation level, there was a general sense that allocations had been less contentious. That said, significant pressure from UN agencies to ensure their ‘share’ of funding was reported throughout the interviews.

The UFE allocation in early 2011 was directed by the CERF Secretariat towards the refugee crisis. Such targeting is undertaken from headquarters on the basis of analyses of funding, vulnerability and consultations at headquarters level. Reasons for such targeting, however, can be somewhat opaque at country level. The CERF evaluation recommends the end of HQ ‘earmarking’ on the basis that it undermines local processes and the role of the HC/RC. In this case, there was a clear logic to the decision, given the deterioration of the situation in Somalia and the beginning of an upsurge in refugee numbers. Although allocated for refugees, an inter-sector discussion was undertaken and priorities identified which included food, health and nutrition for refugee populations (through WFP and UNHCR respectively). This consultation, and ultimately the HC, recommended that a small portion of the available funds be utilised for non-refugee work, especially livelihoods, and this was accepted by the Secretariat.
2.1 Stakeholder perceptions

OCHA and UN agencies were generally positive about the role of coordination and sectoral working groups and their participation in allocations. Coordination at the sectoral level, whilst perceived to have improved overall, remains uneven across sectors. In some sectors where a relatively high proportion of funds were reported as having been passed through the NGOs, specifically nutrition, wash, and agriculture / livestock, INGOs described a good level of consultation on CERF funding. INGOs who received high levels of bilateral funding, particularly for the ASALs and host communities in the vicinity of Dadaab, were less positive about coordination in general. This is indicative of a broader sense of fragmentation in Kenya (also described by donor representatives below) where frustration with UN coordination in past years has been a factor in their decision to pass funding through large scale bilateral programmes. Donor representatives did not report a great degree of visibility about the CERF. Despite the small size of the ERF, donor engagement is significantly higher, not least as a result of donor engagement in the oversight mechanisms.

The sole Government representative interviewed for the study, the main interlocutor for the UN humanitarian system from the Ministry of Special Programmes, expressed satisfaction with the relationships on a personal and professional level, including the communication that took place in advance of the CERF allocation. He recalled specific discussions around CERF allocations in the ‘consultative forum’, a Government chaired coordination meeting. He was satisfied that the allocations were in keeping with the Government’s clear emphasis on food aid. It was also clear that the Government did not play a proactive role in the allocation process, rather engaged in a process of discussion and feedback around a presentation of allocations presented from the UN side.

2.2 Progress since other CERF reviews

In respect of the allocation process, the CERF 5 year evaluation found that:

- there have been challenges in decisions regarding the prioritisation of funding between clusters
- although processes were considered inclusive to an extent, cluster members were ‘not systematically consulted on the priorities for CERF funding.’

The report ultimately recommended a more systematic inclusion of views from clusters (now sectoral working groups) and government in allocations. The PAF pilot report also notes the need to avoid potential conflicts of interest during the allocation process; and recommends the appointment of full-time sector leads who can set aside agency loyalties (citing good practice in Zimbabwe).

As noted, there has been no specific process of follow up of recommendations from previous studies and, as such, it is not possible to link any changes, positive or otherwise, to the previous work. For non-refugee programmes, there was general consensus on improvements in coordination at the level of sectoral groups and also in the inter-sectoral group since the previous CERF studies and more by partners in CERF allocations as a result.
For refugee programmes, there was no sense of change since the previous CERF reports and, as noted above in the coordination section, there is no mechanism or structure in Kenya through which an allocation mechanism could undertake a gap analysis or prioritisation exercise to included refugee and non-refugee programmes. This reflects UNHCR’s programmatic and management approach; a systemic issue which goes beyond the situation in Kenya.

The 5 year evaluation also recommended that Government (specifically the Ministry of Special Programmes) be systemically consulted on priorities for CERF allocations. As above, the Ministry of Special Programmes expressed satisfaction with the relationships and the level of consultation. There was no sense, however, that the Government played a proactive role in allocations.

The CERF 5 year evaluation also recommends greater consultation with donors ‘through a donor/HCT meeting or donor participation in some sort of Advisory or Review Committee (which could be the same for the CERF and the ERF) or through email.’ This was on the basis of donors requesting consultation before final CERF submissions are made, with a view to avoiding duplication. Direct input into allocation by donors at the country level would run counter to the spirit of the CERF. Donors consulted for this study continued to state that they felt ‘unsighted’ on CERF allocations and that a greater level of transparency would be helpful for the reasons noted in the 5 year evaluation.

### 2.3 Support to humanitarian reform

As noted above, clusters have been phased out of Kenya, following the scaling down of emergency programmes related to election violence. Emergency sectoral coordination, scaled up to deal with the response, however, took a similar form and function and was perceived to have been strengthened, in general terms, through the CERF process. A number of respondents felt that strengthening of the health sector had been overly focused at the regional level, leaving a shortfall in strength for national coordination.

The role of the HC was perceived to be strengthened by the CERF. Whilst welcoming the opportunity brought by the Fund, the HC himself noted the challenge of the additional responsibility with no corresponding rise in authority.

---

5 Interview, Nairobi, May 2012
Section 3: Timeliness of CERF Funding

3.1 Gap filling and timely, life-saving response

Timeliness of CERF process: The benchmarks for the UFE are: five working days between the final project submission and approval by the USG and two working days between the signature of a letter of understanding (LoU) and submission to the Programme, Planning and Budget Division (PPBD) for disbursal. In 2011, the average working days elapsed between final submission and USG Approval for the Underfunded Emergency window was 4.2 days with a maximum of 6 days and a minimum of 2. The average time elapsed between the LOU and submission to the PPBD was four days with a maximum of 5 days and a minimum of three.

The benchmarks for the Rapid Response window are: three working days between final project submission and approval by the USG and two working days between the LoU and submission to the PPBD. For the Rapid Response window in 2011, the average working days elapsed between the final submission to USG approval was 2.7, with a maximum time of 3 days and a minimum of 1 day. The average time elapsed between the LOU and submission to the PPBD was 2.7 with a maximum of 8 days with a minimum of one day.

Timely response: A clear majority of interviewees agreed that, with hindsight, an earlier request to the RR window could have formed part of a more timely response to the drought. Views on why the request was not more timely varied with different opinions on what was the ultimate trigger for the response. WFP were clear that the six monthly food security assessment, as the only mechanism in Kenya through which the food security situation can be properly assessed, was the trigger for the response. Others stated that the formal declaration of emergency by the GoK, noted as late by the RTE, was the key factor. As was the case in Somalia, risk aversion or ‘self-censorship’ was also put forward as a reason for a lack of early action.

A clear correlation was noted between the UFE window and the RR window in respect of timing. Several interviewees felt that the receipt of the UFE in the first quarter of 2011, was a factor in not requesting money from the RR window earlier. OCHA Kenya and the Regional Office noted that the four RR window requests from countries in the Horn were timed to coincide, in order to reduce the possibility for competition between them. As a result, all four submitted according to the timing of the slowest.

At the time of the field study, a request for early response in 2012 had been submitted to the RR window, learning from the lessons of 2011 (and without a declaration of emergency from the GoK). Kenya did not receive a UFE allocation in 2012. Again, interviewees surmised that if a UFE allocation had been made, the RR window would not have been approached. Donors were reported to be stating transparently for 2012 that they were unable to bring forward potential emergency funding in the absence of a declaration.

Notwithstanding the timing of the request, the Rapid Response allocation was felt to be timely in the sense that it came in advance of the scale up in donor funding. For agriculture RR
funding was described as ‘perfectly timed’ for agricultural inputs, although this was noted to be probably coincidental on the basis that this wasn’t an obvious trigger for the request. Ultimately the funding was able to mitigate the worst effects of the livelihoods crisis rather than pre-empt them. This was one of the factors which justified the earlier request in 2012.

Implementation of refugee projects through UNHCR was delayed due to a downturn in security following the CERF RR allocation. Access for international staff, both UN and NGOs was significantly reduced in the latter half of 2011.

### 3.2 Gap filling and life-saving responses

The prioritisation of funding to health from the UFE window was perceived to have filled a particular gap, given the lack of vaccination coverage in new arrivals from Somalia. This intervention was described as life-saving and ‘basic, but essential’. In light of shortages of funding, but also challenges in procurement of food, partly related to the politics around the importation of genetically modified (GM) food into Kenya, CERF funding was perceived to fill a critical gap. As noted above, for both food and agriculture, the closure of the World Bank supported Arid Lands Natural Resource Management Project was perceived to have caused a notable gap in resources from the side of the GoK. There was a clear consensus that the prioritisation of food and food security was appropriate and in keeping with the application of the life-saving criteria. WASH interventions funded by the CERF RR window were described as having been built on a ‘strong gap’ analysis and, as such, to have been well targeted and in keeping with the life-saving criteria.

**Relationship between the RR window and the UFE window:** As noted above, a significant number of respondents felt that, with hindsight, the UFE early in the year did have an impact on the timing of the request to the RR window. Another fundamental question was raised with respect to the two CERF windows.

Interviews for the Kenya and Somalia PAF studies, in the field and in Headquarters, acknowledged that at some point the operational contexts in the Horn of Africa made the RR and UFE windows almost interchangeable. As noted in the context section, the crisis in Kenya typifies chronic food security crises with acute, cyclical spikes. Acknowledging the need to programme appropriately to context, the CAP in Kenya encourages longer programme cycles, whilst retaining a life-saving focus. A number of respondents argued that the UFE should not automatically be drawn into responding to the most acute events, this being the primary function of the RR window. Instead, the UFE could consider life-saving in the broader sense and consider which are the most important across the range of the CAP, rather than favouring those which appeared to be the most urgent. The logical extension of this argument would be that in a narrow range of contexts like Kenya, and in line with a very clear strategy, the two windows of the CERF could fund two distinct sets of projects, guided by different interpretations of the life-saving criteria and whilst fully adhering to CERF guidance.

These arguments are in-line with a key recommendation from the PAF pilot review: that both short and long term aspects of the humanitarian situation should be addressed by the KHPT, ‘particularly when deciding priorities for CERF funding.’
Section 4: Reporting and Accountability

In keeping with other PAF country studies, this study found little impact on monitoring and evaluation practice as a result of CERF funding. By and large, UN agencies reported that normal M and E practices were in place for projects funded by the CERF, as they would be for any other donor. There was no additional reporting back to OCHA, the HC or the HCT for CERF implementation, nor was any requested. Agencies noted a general challenge in retaining or scaling up standard field monitoring practices under the emergency conditions. FAO in particular noted that the CERF funding came at a time of particular stress on resources, during which monitoring activities were below par. The issue has been subsequently addressed through the additional of field monitoring presence.

No joint process was undertaken around the construction of the annual report (or at any other time), either at the level of the HCT or clusters. The HC noted that whilst the opportunity presented by the CERF was positive and welcome, it gave him no greater authority to insist on reporting. OCHA noted a general problem with agencies response to requests for financial reporting.

In relation to reporting, as well as more generally, UNICEF welcomed ‘repeated’ training on CERF processes, noting that the ERF was lacking in this respect. WFP noted that CERF funding remained a last resort as a donor, largely due to the weight of the reporting process, in relation to the funding available. Generally speaking, and in keeping with other PAF reviews, receiving agencies have become accustomed to the CERF reporting formats and processes.

Progress since previous CERF reviews: As noted above, there has been no specific follow up on recommendations from the previous CERF reviews, which cited monitoring as an area of weakness. The CERF evaluation notes that the HC has no authority to monitor implementation of the performance of CERF projects, and in general, finds reporting levels to be inadequate and overly focussed on outputs as opposed to outcomes. Other findings include a lack of innovation in monitoring techniques and an inadequate circulation of results to donors and government specifically.

Monitoring and evaluation are notorious areas of weakness in pooled funding in general, not least because they ask agencies to report at a lower level (country level and by project) than is the norm. OCHA and the HC require monitoring results in order to feedback into the allocation process but lack the authority to insist upon it. Ultimately, there has been no noticeable progress in monitoring, reporting or evaluation since the previous CERF reviews.

The CERF evaluation, as a general point, recommends more complementarity and the streamlining of practices between country level pooled funds and the CERF, on the basis of modest progress that has been made in other country contexts. As noted in section 1, the Kenya ERF is relatively small and allocations generally made to NGOs, both international and national, more accustomed to reporting at the project level. There is currently no complementarity between the funds.
Section 5: Overall conclusions and recommendations

Coordination structures in Kenya are noted in previous CERF studies as being relatively strong and inclusive and this remains true of UN / Government led structures for non-refugee programming. More broadly, coordination for Kenya appears disjointed. There is no strong coordination structure that straddles both refugee and non-refugee programmes; little reported crossover between the large bilateral programmes of donors in the ASALs and although the concept of resilience is the topic of much discussion, a number of actors in Kenya noted the lack of central leadership from the Government required to bring coherence to development and humanitarian programming. The ERF is run in close coordination with technical ministries of the government but there is little or no interaction between the ERF and the CERF.

Within this context, the CERF can be considered an effective tool for the part of the system it principally serves, the UN led, sector based system for non-refugee programming. Although sectors were noted as remaining uneven, allocation processes were largely perceived to be inclusive and transparent through the system of sectoral groups. Where the CERF was directed to refugee programming, UNCHR’s internal systems and field level coordination functions are the default. By definition these are less inclusive and transparent and sit apart from ‘reformed’ coordination systems.

The CERF is well regarded by its interlocutors in government, although they play little part in the technical process of allocation. Donors, as in previous reports, feel relatively unsighted on CERF allocations. This stands in contrast, to the ERF, a relatively small fund noted as having has a higher level of technical interaction with government and donors. The ERF is a relatively small fund and reports have noted issues with timeliness. Overall, there is a strong sense that the lack of consistent leadership on the part of government undermines the possibility of more alignment with UN response mechanisms more broadly. In particular, the allocations through the Rapid Response window, required a speed of allocation, processing and disbursement than a more consultative process would have allowed.

Interviews for the Kenya and Somalia PAF studies, in the field and in Headquarters, acknowledged that at some point the operational contexts in the Horn of Africa made the RR and UFE windows almost interchangeable. The crisis in Kenya typifies chronic food security crises with acute, cyclical spikes. Acknowledging the need to programme appropriately to context, the CAP in Kenya encourages longer programme cycles, whilst retaining a life-saving focus. A number of respondents argued that the UFE should not automatically be drawn into responding to the most acute events, this being the primary function of the RR window. Instead, the UFE could consider life-saving in the broader sense and consider which are the most important across the range of the CAP, rather than favouring those which appeared to be the most urgent. The logical extension of this argument would be that in a narrow range of contexts like Kenya, and in line with a very clear strategy, the two windows of the CERF could fund two distinct sets of projects, guided by different interpretations of the life-saving criteria and whilst fully adhering to CERF guidance.

Timeliness: The CERF secretariat met, or was close to meeting, tight deadlines for processing, especially for the RR window. When placed in the context of the drought
response overall, the CERF can be acknowledged as having had an impact in disbursing money marginally ahead of the upswing of donor funding following the declaration of emergency. There is a strong consensus, with hindsight, that the request to the CERF should have been made earlier in the year. Principally the cause for the lack of action was perceived to be ‘self-censored’ behaviour on the part of humanitarian actors not wanting to be seen as ‘jumping the gun’ in the absence of an emergency declaration and explicit expressions of interest on the part of the government. The use of the CERF in 2012 in Kenya, for early response, is an interesting development. The potential for the use of the CERF in this way in this and similar contexts is covered in the regional synthesis report.

**Reporting / accountability:** In keeping with other PAF country studies, there was no perceived improvement in reporting and monitoring systems as a result of the application of the CERF. Normal monitoring systems and practices were in place and used to generate the CERF annual report. No additional, joint processes were applied as a result of CERF funding.

**Recommendations:**

a. OCHA Kenya and the CERF Secretariat should instigate a process of review for all recommendations from the CERF 5 year evaluation. Whilst not all remain relevant, a number provide useful insight. It is essentially that there is a concrete process of follow up. Recommendations in the following areas should be prioritised and a response matrix drawn up:

   ⇒ A review of the processes for both the CERF and the ERF with a view to ensuring stronger complementarity (Recommendation 11 – Five year review)
   ⇒ Consultations with government in allocation process (Recommendations 1-3 - Five year review)
   ⇒ A more proactive process of sharing results with government and donors (Recommendation 9 - Five year review).

b. The CERF Secretariat should ensure as a matter of course that recommendations from PAF country studies which are accepted by both the Secretariat and country offices should be followed up formally.

c. OCHA in Kenya and the CERF Secretariat should evaluate the use of the CERF in 2012 for early response, with a view to learning lessons for future events in Kenya and similar contexts.

---

6 Recommendations from the original PAF study are more general, more dated and generally of less specific current relevance than the more recent 5 year evaluation.
INDEPENDENT REVIEW OF THE VALUE ADDED OF THE CENTRAL EMERGENCY RESPONSE FUND (CERF) IN ETHIOPIA AND DJIBOUTI

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 and in 2011 in Colombia, Bolivia, Ethiopia and Zimbabwe.

2. Scope and Purpose

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

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

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

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

1. **CERF processes are achieving key management benchmarks in that:**
   - CERF submissions are based on an inclusive planning process and adhere to established quality criteria.
   - Transparent systems are in place for correct allocation, efficient flow and use of CERF by agencies.
   - Adequate monitoring and evaluation systems are in place at the agency level for measuring and reporting on results.

2. **There are reasonable grounds to believe that CERF operations favour the following results:**
   - CERF consolidates humanitarian reform by empowering the RC/HC and enhancing the quality of coordination within the cluster approach and across clusters.
   - CERF facilitates adequate coverage, eliminates gaps and facilitates an effective division of labour among humanitarian (especially smaller) actors.
   - CERF contributes to a more timely response to needs.
   - CERF favors the delivery of relevant life-saving actions at critical moments.

4. **Review Methodology**

During the PAF development process, UN agencies emphasized that the formal assessment of agency performance vis-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 consultant to Ethiopia and Djibouti, including interviews with key stakeholders. The analytical approach will be deliberately kept rapid and light.

Prior to leaving each country, the Consultant will leave with the RC/HC a short analytical report consisting of a series of short observations and recommendations in relation to the key assurance issues identified above. The RC/HC, together with the HCT, will subsequently be requested to provide a “management response” to the recommendations contained in the report.
Desk review: A quantitative analysis will be conducted on the data, reports and files available at the HQ and Country level. These include:

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

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

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

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

5. Proposed Consultants

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

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

6. Management and Support

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

- Provide necessary administrative, coordination and logistical support to the consultants;
- Facilitate the consultants’ access to specific information or expertise necessary to perform the assessment;
- Monitor and assess the quality of the review and its process;
• Ensure sufficient engagement by UNCT on initial findings prior to dissemination;
• When appropriate, recommend approval of final report;
• Disseminate final report; and
• Facilitate management response to the final report and subsequent follow up.

7. **Deliverables**

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