

Independent review of CERF's added value to the humanitarian response in Sudan

Summary by the CERF secretariat, October 2014



A humanitarian Investment

Introduction

In line with the Performance and Accountability Framework (PAF) of the Central Emergency Response Fund (CERF), the CERF secretariat commissions three to five reviews annually on the value added by CERF. These reviews are conducted by independent evaluation experts. Between 2010 and 2013, 15 reviews covering 20 different countries were completed (three reviews examined regional crises in West Africa in 2011-2012, the Sahel in 2011-2012, and in the Horn of Africa in 2011).

So far in 2014, the CERF secretariat has commissioned two independent humanitarian consultants to review the value added by CERF to the humanitarian responses in Sudan and the Democratic People's Republic of Korea. Two additional reviews – a regional review of the Syria conflict and a Myanmar country review – are planned for late 2014 and will be shared with the CERF Advisory Group in April 2015.

The country review of Sudan focused on the use of CERF funds in 2013 and 2014. Field visits for the review took place in June 2014.

Summary of findings and recommendations

Sudan is the second largest recipient of CERF funding, having received over US\$239 million from 2006 until June 2014. In 2013, Sudan received \$47.5 million from CERF through one underfunded emergencies (UFE) allocation and four rapid response (RR) grants, making it the largest CERF recipient country that year. CERF was the fourth largest humanitarian funding channel to Sudan in 2013.

This summary outlines the main findings and recommendations of the Sudan country review and highlights the different areas in which CERF has added value to humanitarian action in Sudan. Additional information is available in the report itself. The views expressed are the consultants' own.

Main findings

Humanitarian funding to Sudan has declined since 2009 and CERF has, consequently, become an important funding channel. CERF is seen by partners as a valuable funding channel because of the speed of RR grants, which enable agencies to respond to new emergencies, and the flexibility of the UFE allocations, which enables agencies to fill gaps. The review found that CERF has added value to the humanitarian response in Sudan by supporting a timely response to acute emergencies, enabling agencies to leverage other funding, complementing other donor funding (including the Common Humanitarian Fund, CHF), being faster and more flexible than other donors, strengthening humanitarian response capacity, and filling critical gaps and funding activities that other donors are unwilling to support. CERF funding was attractive to agencies in Sudan because it was relatively predictable and was an important resource at the time of acute emergency. CERF funding processes can enable agencies to programme jointly to address specific problems.

In addition to the overall finding that CERF has added value in Sudan in various areas and has been an important funding channel, the review also uncovered a number of challenges:

- **Complementarity of CERF and CHF:** The use of the same prioritisation process for CHF standard allocations and CERF UFE grants in 2013 and 2014 increased the inclusiveness and transparency of CERF allocations. While the two funds are used in a complementary way to some extent, there is currently no joint strategy to maximise complementarity. Complementarity was not a criterion for sectors when selecting and prioritising projects. OCHA Sudan is implementing several other good practices to improve complementarity.
- **Strengthening coordination and leadership:** CERF funding to Sudan has had a limited impact on strengthening coordination. Interviewees felt that CERF did not strengthen the role of the Resident and Humanitarian Coordinator (RC/HC) because his engagement in CERF processes was limited.
- **Programme-support costs:** The UN Controller limits programme-support costs (PSC) for CERF projects to 7 per cent, which is retained by UN agency headquarters. This restricts PSC for NGO implementing partners.

Combined with agency delays in transferring CERF funds, PSC restrictions result in refusal of a few INGOs to implement CERF projects, which further reduces the options available to UN agencies. Agencies felt that CERF had also become less flexible in other ways, e.g. with regard to granting no-cost extensions (NCEs).

- **Inclusiveness and transparency:** The experience from the 2014 first underfunded emergency grant to Sudan highlights the challenges with adopting a strategic approach to allocating CERF funds when agencies have multiple under-funded activities and are competing for funding. Currently, the CERF allocation processes at country level do not sufficiently consider the delivery capacity of agencies, the timeliness of their procurement systems, and their access capability. Finally, neither the Humanitarian Country Team (HCT) nor the Inter-Sector Coordination Group (ISCG) has engaged in setting a strategy for CERF allocations. Despite these challenges, the UFE allocation process is, due to the use of the same prioritisation process for the CHF and CERF, more inclusive and transparent than the RR grant allocation process. With RR grants, different approaches are used in the sectors, often restricting discussions to other CERF-recipient agencies and selected partners.
- **Timeliness of disbursement and implementation:** CERF recipient agencies find CERF funding timely because it has enabled them to respond to rapid onset crises by providing funding more quickly than bilateral donors. Agencies' onward disbursement of funding to implementing partners in 2013, however, was sometimes lengthy. These delays meant that NGOs started project implementation late and often implemented activities after the CERF deadline for project completion.

Insecurity and lack of access were the two major challenges for CERF-recipient agencies and their partners, leading to implementation delays.

- **Monitoring and reporting:** Agencies find the CERF reporting requirements straightforward but an after-action review highlighted the poor quality of agency reporting to the RC/HC. Since NGO implementing partners provide regular and detailed reporting to UN agencies, the reason for the poor quality of the reports is not clear. NGO implementing partners and sector coordinators felt that they should receive a copy of the final report. The Government of Sudan is also increasingly interested to know where and how CERF funds have been used.

The CHF finances national Monitoring and Reporting (M&R) officers in five sectors and they have begun to include CERF projects into their workplans in 2014. Agencies welcomed this since they had found the information useful for verifying their own monitoring data. However, to date, sector lead agencies had not worked with the M&R officers to consolidate findings from the monitoring missions and to identify common problems or make broader recommendations. Interviewees argued that, as a result, findings, identified problems, and recommendations have not been shared at HCT level, fed into decision-making processes or helped to improve the performance of agencies.

- **CERF guidance and compliance:** Despite the availability of CERF guidance, it was clear that agency staff were unclear about the implementation period for CERF grants and rules about requesting NCEs. Only two interviewees had participated in CERF training (one in 2009) and interviewees felt that it would be helpful if they had undergone training. The review identified five projects of the 37 funded in 2013 where activities exceeded the CERF implementation period but agencies did not report this to the CERF secretariat or request NCEs, as they should have done.

Recommendations

Sudan-specific

- After-action reviews for CERF funding should include NGO implementing partners since they are key actors in implementing CERF grants.
- To ensure a more coordinated, inter-sectoral approach with CERF prioritization, the HCT should empower the ISCG, chaired by OCHA, to develop a strategy for the allocation of CERF funds that focuses on maximizing impact. The HCT, under the HC's leadership, should respect the ISCG's recommendations.
- Sector Peer Review Groups (PRGs) should take a more strategic approach to ensuring complementarity of CERF and CHF, taking into account their different timeframes for implementation and differences in criteria.

This will be easier if a more strategic approach for the use of CERF funds is developed by the ISCG and the HCT.

- To help take account of the delivery capacity of agencies and the timeliness of implementation when allocating CERF funds, OCHA should circulate a table to agencies on behalf of the RC/HC mid-way through the project implementation period. This table should list the CERF project number and enable agencies to indicate the total amount of funding spent, activities delivered, and challenges encountered. This would only require one line per project in the table and would take a short time for agencies to complete. This best practice has been found useful in other CERF-recipient countries.
- When monitoring CERF projects, M&R officers should cover the activities of CERF-recipient agencies as well as their implementing partners, particularly whether relief materials were provided on time. To facilitate this, proposals and the project implementation dates should be made available to the M&R officers by the CERF-recipient agencies.
- The M&R officers, coordinated by OCHA, should consolidate findings from their project reports to identify lessons that apply at agency, sector or inter-sectoral levels. For CERF projects, OCHA should share these consolidated findings with the CERF secretariat.
- OCHA should distribute the RC/HC's reports on CERF funding to sector coordinators, and CERF recipient agencies should share the reports with their NGO implementing partners.

Global

- Donors to CERF urgently need to reach an agreement with the Controller and UN agencies, funds and programmes on ensuring adequate programme support costs for implementing NGOs.
- It would be helpful if the CERF secretariat requested that prioritization strategies submitted for UFE allocations outline how sectors/clusters will prioritize funds. This will help ensure transparency around prioritization processes and can be used to promote best practices and lead to consistent approaches across sectors.
- A growing number of CERF country-level reviews are highlighting delays in onward funding to implementing partners, which seriously delays the implementation of CERF projects. CERF donors should work with UN agencies to improve their internal sub-granting mechanisms.
- CERF recipient agencies must take responsibility for ensuring that staff members dealing with CERF grants are aware of the key requirements.
- The CERF secretariat should consider making its training course available online. This would reach a much larger number of agency staff members dealing with CERF funds, particularly at country level, and would contribute to improving compliance with CERF requirements.