CENTRAL EMERGENCY RESPONSE FUND

CERF Two Year Evaluation: Management Response Matrix
FINAL, October 2010

1.   The two-year evaluation of the Central Emergency Response Fund (CERF) outlined key challenges for the fund and presented a set of 37 strategic and operational recommendations to ensure that the Fund continues to meet its objectives. In response to these recommendations, OCHA prepared a detailed management response matrix outlining actions to be taken for each recommendation based on inputs from a wide-range of stakeholders. The Advisory Group was kept fully informed on progress being made on the matrix, through discussions, and working drafts of the matrix which were shared in advance of the Group's November 2008, April 2009 and November 2009 meetings.

2.   For the past two years, the matrix has served as a 'road map' for work that needed to be completed before the General Assembly mandated Five-Year evaluation. It was updated on a biannual basis to reflect the implementation status of the recommendations. The Inter-Agency Standing Committee Group on Humanitarian Financing, which includes UN agencies and the IOM, the three NGO consortia, and NGOs were invited to provide inputs to the revised matrix.

3.   Significant progress has been made by the CERF Secretariat and its partners since the matrix was last discussed with the Advisory Group. To date, **26** of the **33 operational** recommendations[1] (1-15, 17-20, 24, 25, 27, 29, 30, 32 and 33) have been implemented, and **one** recommendation (**28**) was rejected. In November 2009, the Advisory Group asked the CERF Secretariat to revisit recommendation number 28, which involved the use of independent assessors to conduct rapid appraisals of proposals, and which had not been accepted by the Emergency Relief Coordinator. The CERF Secretariat has examined the recommendation again, and maintains its position that independent assessors are not needed, given the existing checks and balances in the proposal development and review process.

4.   Of the **six** remaining recommendations, **four (16, 22, 23, 26)** relate to the administration of the Fund – including OCHA's authority to approve adjustments to the CERF Secretariat cost plan, and the ratio of programme support costs provided to OCHA to cover management and oversight of the Fund. Following extensive review and in-depth discussions with the Office of the Controller and all stakeholders, recommendations **16** and **23** have **not been implemented**, and recommendations **22** and **26** have been **partially implemented**. Progress has been made in implementing the other **two** (21, 31) recommendations. However, as these relate to more long-term UN-NGO partnerships, and full implementation can only be realised over a longer period, the CERF Secretariat suggests that these recommendations should no longer be tracked via this matrix beyond 2010.

5.   The CERF Secretariat seeks the endorsement of the Advisory Group to close the CERF two-year evaluation management response matrix.

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[1] Guide to matrix: Gray background: implemented; Orange background: *Rejected* or *not implemented*; green background: *partially implemented* or where one part of the recommendation has been *implemented* and another part *not implemented*.

MANAGEMENT RESPONSE MATRIX - WORKING DRAFT 4 (17 March 2010)
[History: Draft 1 – November 2008, Draft 2 – April 2009, Draft 3 – November 2009]

The strategic recommendations were accepted in the Secretary-General's Report on the Central Emergency Response Fund (A/63/348). Due to the broad based nature of these recommendations, individual responses and actions to be taken were not included as they are reflected in the responses and actions to be taken for the operational recommendations.

Strategic Recommendation 1: The CERF should continue under its current mandate. The size of the Fund should be allowed to increase progressively, in line with demands, and in parallel to improvements in the implementation capacity of the UN agencies and the management capacity of the CERF Secretariat.

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame - Expected - Ongoing - Implemented - Not applicable	Status - Implemented - Partially Implemented - Not Implemented - Not Applicable
1.	OCHA and the UN agencies need to acknowledge that NGOs have unique strengths to contribute to the objectives of the CERF, and hence the NGOs need to play a more important role in CERF processes than they have been playing so far.	**Accepted** Note: By agreeing to the Principles of Partnership and through their specific partnership frameworks, UN agencies have acknowledged that NGOs and other humanitarian partners have unique strengths to contribute to humanitarian response delivery carried out by the UN system. Despite this, NGO involvement varies considerably and depends largely on the composition and structure of country team as well as the existing relationship between UN entities and non-UN partners on the ground, in both substantial and procedural/financial terms. This is a longstanding issue affecting humanitarian response and coordination, and is not specific to CERF. OCHA has applied a three-pronged approach to ensuring NGOs are involved in CERF processes: (1) improved consultation and stronger communication links (e.g. establishment of a CERF partnership task force in 2007). (2) improved access to funding (e.g. provision of CERF to several ERFs). (3) more targeted guidance and training (e.g. CERF guidance training materials have continuously emphasized the	Through telephone and email communication with RC/HCs and OCHA regional/field offices, the CERF Secretariat regularly reviews and ensures compliance with the requirement that NGOs and other humanitarian actors are present in the field-based CERF application process. To continue to improve existing humanitarian response architecture, the ERC advocates for broad-based humanitarian country teams which adhere to the Principles of Partnership, with due emphasis placed on the principles of equality and transparency. Establishing more inclusive humanitarian country teams will encourage more active involvement of NGOs in the programme management cycle, and ensure that NGOs are engaged in strategic and operational discussions regarding prioritization, programming, and fund allocations (from CERF). Guidance on the establishment of humanitarian country teams was endorsed by the IASC Working Group following discussion at the November 2009 session. The Principles of Partnership are part of	ERC, HCSS, CERF Secretariat, Director of OCHA New York, Agencies, NGOs, RC/HCs, country teams	Implemented: HCT Guidance in place	**Implemented**

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		importance of NGOs in the field-based grant development process, and the RC/HC is required to detail the involvement of NGOs in the CERF application process when submitting a request).	guidance.			
2.	The 'underfunded' window should be renamed the 'underfunded protracted crisis' window, or similar. A clearer more widely supported process for this window is required. A transparent set of data should be used to determine eligible countries and the process reviewed by the IASC Working Group, for submission to the ERC.	**Partially accepted** Note: The phrase 'underfunded protracted crisis' does not adequately describe the intent of this window. Furthermore, the GA resolution governing the CERF makes specific reference to the phrase 'underfunded crises'. Changing the name would not be in line with the resolution and does not seem to provide added value. With respect to the IASC Working Group, the infrequency of meetings and process would affect timeliness and predictability of underfunded allocations. In March 2007, the IASC Working Group formally recommended that the CERF inter-agency group be used to discuss operational issues, including underfunded allocations. In July 2009, the IASC Working Group agreed to establish an IASC Group on Humanitarian Financing. This body will include CERF as part of its terms of reference/work plan, leading to the dissolution of the CERF inter-agency group.	This recommendation was examined through an internal review of the underfunded window in mid-2009, which looked at criteria and data utilized and stakeholders involved in order to make improvements/adjustments to the allocation process. Feedback from key stakeholders was collected through questionnaires as well as through inter-agency and bilateral discussions. Some findings from the review – such as the use of additional funding and vulnerability data in the selection process and ensuring more structured engagement of RC/HCs in the apportionment phase – were pilot tested in the allocation process for the second underfunded round in 2009. Other recommendations are being discussed with stakeholders before they are applied to the next underfunded allocation in early 2010. A draft paper outlining the findings of the review and the key recommendations has been circulated to stakeholders for comment in October 2009; comments will be taken into consideration before the document is finalized. The finalized paper will serve as the basis for the revision of the allocation guidelines and process for the window. The review helped to further sensitize stakeholders at various levels to the allocation process. This is in addition to activities already undertaken in late 2008 and early 2009 to ensure that the underfunded decision-making process has been communicated to a wide-range of stakeholders. In this regard, improved	CERF Secretariat (ERC + Director of OCHA NY), Agencies	Implemented: March 2010 (Following CERF AG meeting in November 2009, Revised Guidelines are ready for USG approval and posting).	**Implemented**

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			and more comprehensive allocation information has been posted on the CERF website, including a summary of the underfunded allocation process. Also, a briefing on the underfunded allocation process was conducted for Member States in February 2009.			
3.	In situations when agencies are awaiting funds from donors, or where they are required to set up common services on behalf of the UN system, the CERF loan window can be used creatively to strengthen time-critical response, provided that loan approval processes can be simplified, by removing the requirement for a pledge letter for smaller loans, and by allowing larger short-term loans against pledges. The loan window should be promoted among country teams as another tool available for humanitarian work.	**Partially accepted** (promoting the use of the loan window to strengthen time-critical response) Note: Through the revision of the Secretary-General's Bulletin, the loan procedures were internally reviewed. After careful consideration, the ERC decided that pledge letters would continue to be required in order to be satisfied that pledges have been made in the amount sufficient to cover the funds advanced. However, this requirement may be waived by the ERC in extenuating circumstances. There is also no limit on the size of a loan request, although the ERC may choose to cap a request based on the availability of loan funds.	The CERF Secretariat reviewed grant funding to common services, and prepared three guidelines in 2009 related to common humanitarian air services, common security services, and emergency telecommunications. These guidelines outline the framework and conditions for funding common services and reference the possible use of the loan window in supporting these activities. Agencies have noted that requesting loans for common services is usually not feasible. The use of the loan window has been promoted regularly in correspondence and in guidance from the ERC to RC/HCs. Procedures for the loan process have been included in the CERF Application Guidelines package and will continue to be shared broadly.	CERF Secretariat (ERC + Director of OCHA NY), Agencies, Office of the Controller	Implemented: October 2009	Implemented (internal review of loan element completed; common services guidance notes drafted; Application Guidelines post on CERF website)
4.	The ERC and RC/HCs should re-emphasize the importance of impartial and objective chairing of cluster meetings, particularly when CERF funding allocations are being discussed. Ideally, clusters should be chaired by officials without agency management responsibilities. Where this is not possible, cluster leads should consider inviting their co-leads or other members to chair funding discussions.	**Partially accepted** Note: According to the principles of the cluster approach, all cluster partners must have the opportunity to participate in the joint prioritization of projects. The cluster lead should serve as a facilitator and represent the interests of the cluster, regardless of their role of provider of last resort. In some situations (depending on the size/capacity of the emergency response and resources available), clusters have dedicated full-time cluster coordinators, with no other agency-specific responsibilities. This is strongly encouraged and often helps to ensure increased impartiality, particularly with respect to	In partnership with the agencies, OCHA will continue to provide comprehensive cluster coordination training in addition to providing guidance to RC/HCs and country teams on the proper implementation of the approach. In line with the IASC ToRs for cluster leads, cluster leads are expected to chair meetings in an impartial and objective way, and take up their responsibilities in line with the ToRs. At the IASC Working Group meeting in July 2009, representatives of global cluster lead agencies agreed that a letter should be sent to country representatives/	ERC, OCHA, clusters, agencies, RC/HCs,	Implemented	**Implemented**

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		prioritization, resource mobilization and advocacy on behalf of the cluster.	directors, reminding them of the crucial role they play in ensuring that their agencies fulfil their commitments as cluster leads. The letter was finalized in October 2009 through a consultative process, and it refers to the dual role of heads of cluster lead agencies (i.e. representing both the agency and the cluster that the agency leads for the HCT) and outlines the responsibilities of heads of cluster lead agencies in ensuring that cluster coordination is fully integrated into the daily work of the respective agencies. This measure should serve to strengthen coordination and accountability within the system.			
5.	The ERC should work with UNDGO to ensure that, when RCs receive CERF funds, lines of accountability to the ERC are fully adhered to, and that the RCs make full use of the humanitarian coordination mechanisms available.	**Accepted** (action to be taken by OCHA, not UNDGO/DOCO)	The revised terms of reference for RCs (approved by UNDOCO on 29 January 2009) as well as the revised joint UNDP/ERC letter to RCs includes language which spells out the responsibilities and reporting lines in the disaster cycle and which clarifies the responsibilities of RCs with respect to humanitarian financing. Throughout 2008, OCHA carried out regional trainings for RCs, which included information and guidance on humanitarian financing to increase their awareness of the available mechanisms. OCHA is also finalizing a Handbook for RC/HCs in close collaboration with IASC partners, which includes guidance and information on humanitarian financing mechanisms. The accountability of RC/HCs with respect to the Fund will be outlined in the CERF Performance and Accountability Framework (PAF) and will cover proposal development and submission, project implementation, and reporting issues. The CERF Secretariat continues to review RC/HC annual reports on the	ERC, OCHA (HCSS, CERF Sec), Agencies, RCs	Implemented (Handbook finalized; PAF in place)	**Implemented** (ToRs in place; trainings conducted; review of RC/HC reports conducted as per standard practice)

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame - Expected - Ongoing - Implemented - Not applicable	Status - Implemented - Partially Implemented - Not Implemented - Not Applicable
			use of CERF funds against project proposals to ensure that funds are spent properly and that the target population is reached with the proposed activities. For late, incomplete or inadequate reports, appropriate follow-up activities are undertaken.			
6.	The UN agencies/IOM should work to promote the Principles of Partnership with NGOs throughout their organisations.	**Accepted** Note: This is part of the work of the Global Humanitarian Platform and has been presented to the IASC WG in June 2008 (i.e. prior to the completion of this evaluation), where agreement was reached on the adherence to the Principles of Partnership as a standard for UN-NGO partnership, including processes related to the Fund.	The CERF Secretariat has included information on the Principles of Partnership (PoP) in the CERF Application Guidelines. Training workshops on CERF also include information on the PoP; in 2010, these workshops will give more attention to the common humanitarian programme cycle as well as on ways to strengthen humanitarian coordination.	UN + NGOs + CERF Secretariat	Implemented: October 2009 (Application Guidelines posted on CERF website)	**Implemented**

Strategic Recommendation 2: The quality of CERF-funded programmes needs to become more consistent. To that end, the criteria for project approval and their application need to be further refined, including the application of the 'life saving criteria', assessments of agencies' capacity, the timeframe for implementation and the use of needs assessments.

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
7.	In order to ensure that CERF only funds activities arising out of humanitarian emergencies (both rapid and chronic), place the existing 'life-saving criteria' for CERF grants in the context of core emergency humanitarian needs to emphasise the principles articulated in the SG's bulletin, and target the CERF more precisely so that prioritisation of needs becomes clearer.	**Accepted**	In early 2009, the CERF Secretariat began an internal review of the life saving criteria to ensure they are appropriate and applied consistently. Various stakeholders were consulted, including UN agencies, IOM, NGOs, IFRC and representatives of the SPHERE project. Initial findings from the review indicated that existing criteria were appropriate but could be strengthened further through a technical review. This technical review was undertaken with global clusters and the CERF inter-agency group in mid-2009, and served to clarify grey areas and update the criteria to reflect humanitarian needs. The revised criteria should be easier for field staff to use when develop grant requests. The criteria were discussed with the CERF Advisory Group in October 2009 in order to discuss key issues, particularly those related to whether CERF funding should be used for coordination support, needs assessments, and monitoring, reporting and evaluation activities. Following the Advisory Group discussion, the criteria were finalized and put into use. Regarding prioritization, guidance for field teams will be incorporated into the CERF Application Guidelines. Surge support, coaching and training for field staff will continue. Through telephone and email communication with RC/HCs, as well as field/surge missions, the CERF Secretariat reviews and collects information on the prioritization process and provides additional guidance as needed. CERF training material includes sessions on prioritisation and how to use the life saving criteria in the allocation process.	CERF Secretariat, Director of OCHA New York, ERC, Agencies	Implemented: (revised life-saving criteria in place)	**Implemented** (Following CERF AG meeting in November 2009, revised Life-Saving Criteria has been finalized and posted on CERF website)
8.	Appraisals of proposals by the	**Accepted**	The CERF application template was	CERF Secretariat,	Expected:	**Implemented**

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
	CERF Secretariat for the rapid response window need to factor in the applicant agencies' preparedness to launch a response immediately on approval of funds by the ERC (without waiting for LOUs and disbursement from the Controller's office), and the RC/HC's assessment of the agencies' capacity to deliver timely response.		revised in March 2009 to include a check box which asks the requesting agency (through self-assessment) to certify that it has capacity for immediate implementation and the timely delivery of assistance; this information should be confirmed by the RC/HC before submitting the request to the ERC. The revised template was circulated to the CERF inter-agency group for comment and then piloted in two countries in the second underfunded round in 2009. The template was fine-tuned to take into account feedback from the country teams that utilized it during the pilot testing, and then was rolled out globally.	Agencies, RC/HCs	Implemented: April 2010 (revised application template in place)	(revised application used for First Underfunded round of 2010 and for Rapid Response as of 1 April 2010).
9.	In exceptional cases, particularly involving activities in the agricultural sector, the ERC needs to allow from the outset, an extension of the project duration for RR grants.	**Accepted** **Note:** After careful review, the ERC has determined that the implementation period for all rapid response grants should be extended to six months.	The revised implementation period for rapid response grants (from the current period of three month to the revised period of six months) has been included in the updated Secretary-General's Bulletin, which was signed in April 2010. This revised period also has been reflected in the umbrella Letter of Understanding, which is in the final stages of review by legal offices of the respective agencies and Office of Legal Affairs.	CERF Secretariat (ERC + Director of OCHA NY), Agencies	Implemented (revised SGB and finalized u/LoU in place)	**Implemented** (SGB has been revised; Umbrella LoU in final stages)
10.	Donors must continue to support agencies' individual emergency response funds in addition to mechanisms such as CERF to ensure timely response.	**Accepted** NOTE: This recommendation is for donors.	This recommendation was included in the 2008 Secretary-General's Report on CERF to the General Assembly. In addition, the ERC advocates for improvements in humanitarian financing – including continued and timely support to agencies' individual emergency reserves and to CERF – on an ongoing basis in bilateral meetings with Member States and at HLWG meetings. The Director of OCHA New York complements these actions by continuously stressing the importance of maintaining diversity of humanitarian funding channels, and for providing consistent and predictable support to these channels to meet growing humanitarian needs.	Donors + Agencies + ERC	Ongoing	**Implemented**
11.	Where feasible, CERF funds should be allocated on the basis of	**Accepted**	The CERF Secretariat revised the CERF application template in March 2009 to	CERF Secretariat, Agencies, RC/HCs	Implemented in April 2010	**Implemented**

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
	coordinated needs assessments.	Note: Conducting coordinated needs assessments should form part of the standard operating procedures for humanitarian planning and response and should not be conducted for the CERF application process only.	include a check box which requests the RC/HC to certify whether the grant request is based on coordinated and participatory needs assessments conducted by the country team/agencies and to provide information on when the assessments were carried out. The revised template was rolled out for the First Underfunded Round of 2010, and will be in use for the Rapid Response Window as of 1 April 2010. The CERF Application Guidelines makes reference to the need for CERF grant requests to be based on coordinated, common needs assessments, where feasible.		(revised application template in place)	(revised application used for First Underfunded round of 2010 and for Rapid Response as of 1 April 2010).
12.	The CERF application template should include a section on important issues of principle such as gender equity.	**Accepted**	CERF Secretariat revised the CERF application template in March 2009 in line with this recommendation, and circulated it to the CERF inter-agency group for comment. The revised template was rolled out for the First Underfunded Round of 2010, and will be in use for the Rapid Response Window as of 1 April 2010. RC/HCs and country teams can also make use of GENCAP advisors, and the IASC Gender Handbook.	CERF Secretariat, Agencies	Implemented: April 2010 (revised application template in place)	**Implemented** (revised application used for First Underfunded round of 2010 and for Rapid Response as of 1 April 2010).

Strategic Recommendation 3: The capacity of the CERF secretariat and OCHA field teams need to be strengthened, to ensure timely review of applications and high-quality decisions, and onward disbursement of funds from UN agencies/IOM to implementing partners needs to be speeded up, thereby guaranteeing faster response and better value for money. In addition, overhead charges need to be reviewed and the mandate of the CERF Advisory Group should be extended for a further period.

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
13.	CERF Secretariat officers should have discretion to seek the advice of CRD during the appraisal of projects, when they feel it would be useful. While the CERF Secretariat should continue to copy all correspondence to CRD, formal reference of projects to CRD for review should no longer be a requirement.	**Accepted**	The proposal review procedures have been internally reviewed. Due consideration was placed on the added value that CRD desk officers provide to the review of projects given their knowledge of country contexts. Nevertheless, CERF Secretariat and CRD managers have agreed that the involvement of CRD desk officers in the formal review of projects will no longer be a requirement, although their informal guidance/advice may be sought when considered useful. The internal processing procedures will be reviewed and revised to take into account this change in the project appraisal process.	CERF Secretariat, CRD, Director of OCHA NY, Director of CRD, ERC	Implemented: (revision of internal processing procedures undertaken)	**Implemented** (review of appraisal process completed)
14.	When significant CERF funding is envisaged for countries without an OCHA presence, the ERC should ensure that a core team of OCHA or UN agency surge staff is deployed for a sufficient length of time to support the RC/HC in prioritisation, the CERF application process and coordination of the immediate response. Staff selected for deployment as part of OCHA and UN agency surge teams should be adequately trained and, where possible, include specialists in cross cutting issues, such as gender. Where such staff are required to assist RCs with the development of CERF proposals and with subsequent reporting, it is the view of the evaluation team that such costs should be considered a reasonable charge against the 3%	**Accepted** Note: The provision of surge support for overall coordination of the immediate response is outside the scope of the Fund and this MRM.	Surge support (an individual from OCHA or an agency) will continue to be provided to RC/HCs and country teams to support the prioritization and application process for Fund allocations; an increased number of missions was budgeted within the 2009 CERF Secretariat cost plan (which is covered by the 3% programme support cost retained by the UN Secretariat[2]). So far, five surge missions to Yemen, Zimbabwe, Djibouti, Myanmar and Haiti were undertaken in 2009. Staff with experience in cross-cutting issues, such as gender and HIV/AIDS, will continue to be given priority consideration. A CERF surge capacity toolkit was developed and field tested in the first half of 2009; the toolkit is readily available for staff undertaking surge missions. Standard terms of reference for surge	CERF Secretariat, Agencies, RC/HCs	Implemented Sept/Oct 2009 (up-to-date surge toolkit and standard ToRs in place; Application Guidelines post on CERF website)	**Implemented**

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[2] The use of programme support costs is governed by the provisions of administrative instruction ST/AI/286.

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
	overhead fee levied by the UN Secretariat.		missions were refined. In 2010, increased attention will be placed on further improving CERF surge support by strengthening inter-linkages with OCHA's Emergency Response Roster. The introduction of CERF Application Guidelines and the continuation of the CERF training programme will improve the knowledge of OCHA/agency staff on the CERF application process.			
15.	The staffing of the CERF Secretariat should be strengthened to reflect levels of responsibility, and the consequence of error, and to ensure credibility with agency counterparts. Specifically, the Chief of the CERF Secretariat should be at the D1 level. In addition, the CERF Secretariat should be moved into proper office space as soon as possible.	**Accepted** Note: OCHA and the Office of the Controller moved forward on a number of points elaborated in this recommendation in 2008: staffing levels of the CERF Secretariat were reviewed, and additional staff posts were approved in September 2008; the revised cost plan included a request for the post of the Chief of the Secretariat to be upgraded to a D1; funds were allocated for the relocation of the CERF Secretariat to more appropriate office space (which took place on 10 October 2008).	The necessary paperwork for the reclassification of the Chief of the CERF Secretariat post from a P5 to a D1 was completed and submitted to the ACABQ. The reclassification was approved by ACABQ on 31 July 2009. The recruitment process for this post is underway. The CERF Secretariat now stands at 20 regular posts. Only 3 posts need be filled; recruitment processes for these posts are underway in accordance with standard procedure.	ERC+ Controller + Department of Management	Implemented: July 2009 (ACABQ approves reclassification of Chief post) October 2008 (moved from GA-100) September 2008 (additional posts were approved)	**Implemented**
16.	The UN Controller should delegate to the ERC the authority to approve adjustments to the CERF Secretariat budget, within agreed limits.	**Not accepted by the Office of the Controller Accepted by OCHA**	OCHA's request for increased delegated authority was denied by the Office of the Controller, following discussions.	ERC/Director of OCHA New York + Controller		**Not implemented**
17.	The evaluation recommends that OCHA should initiate a discussion in the IASC on the harmonization of various humanitarian pooled funds, including the CERF. In order to improve consistency and coherence, the ERC should consider the appointment of a Director of Humanitarian Financing, through whom the Chief of the CERF Secretariat would report, to advise him on issues relating to all humanitarian pooled funds.	**Accepted**	Discussions on humanitarian financing take place regularly in IASC fora and should continue. The IASC Group on Humanitarian Financing has included this in its 2010 work plan. The CERF Secretariat and the Funding Coordination Section (FSC) encourage the field through training workshops and coaching to use existing country-based pooled funding processes/mechanisms for CERF allocations. This message is also mainstreamed in various guidance documents.	Pooled Funds: Director of OCHA New York, IASC, CERF Secretariat, FCS Humanitarian Financing Director: ERC+ Controller	Implemented (in the IASC Group on Humanitarian Financing discussion on harmonization of pooled funds)	**Implemented** (IASC Group on Humanitarian Financing Group's work plan includes harmonization of pooled fund processes as an area of focus in 2010) Guidance

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			The CEFF Secretariat and FCS are also working on harmonization through OCHA's Strategic Framework. Regarding the appointment of a director for humanitarian financing, the Director of OCHA NY currently manages the humanitarian financing (supply side) portfolio. The ERC may further review this issue in the context of OCHA's resource planning.			/training material include relevant messages; several papers on humanitarian financing produced for IASC WG in Nov 2008, July 2009 and a paper is planned for Nov 2010.
18.	Negotiations with the RC/HC on the initial envelope for a CERF contribution should be handled on the telephone in the first days following a disaster by the ERC personally or by his Deputy or by the Director overseeing the CERF Secretariat. As a rule of thumb, an initial contribution to a medium-scale disaster could be between 10 and 20% of the initial Flash Appeal, with a special focus on those components of the Appeal required to get operations underway.	**Accepted**	This recommendation has been incorporated into the standard operating procedures and referenced in the CERF Application Guidelines. The practice of the ERC approving envelopes for funding (based on needs, to the extent possible) will continue to be utilized, as appropriate. Envelopes of 10-20% will be considered, following an initial assessment of needs and a review of the context and type/scale of disaster. In the long-term, humanitarian partners may consider developing a tool for the categorization of crises to assist in determining a range for the initial contribution based on the severity and scale of the disaster.	CERF Secretariat, ERC, Director of OCHA NY	Implemented: October 2009 (Application Guidelines posted on CERF website)	**Implemented**
19.	The ERC should continue to routinely remind RC/HCs that the CERF funds emergency humanitarian needs, was never intended to fund everything, nor was it meant to fund all agencies. Requests must focus on the most urgent enabling activities and on those sectors where government or civil society capacity is weakest, or where donor support is least likely to be available.	**Accepted** Such information is regularly included in correspondence and guidance to RC/HCs and country teams. Field visits undertaken by the ERC, Director of OCHA New York, and CERF Secretariat staff will continue to expand these messages, based on the lifesaving criteria which were discussed and agreed upon by agencies in the CERF inter-agency group.	Part of regular work of the CERF Secretariat.	ERC (+CERF Secretariat)	Ongoing	**Implemented**
20.	Through its field-based staff OCHA	**Accepted**	Coaching (through telephone and email	CERF Secretariat,	Implemented:	**Implemented**

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
	should continue to articulate clearly the CERF allocation criteria and funds availability, and through better communication, including greater use of telephone and satellite links, the CERF Secretariat should ensure that initial CERF proposals for RR are received within a maximum of 10 days after the disaster.		communication) as well as training of OCHA and agency headquarters/field staff on the application process are part of the regular work of the CERF Secretariat. The CERF Secretariat holds regular teleconferences with field staff preparing grant requests. With the introduction of a CERF Application Guidelines package, OCHA and agency field staff have clearer written guidance on the application criteria and process. Guidance, coaching and training have given field staff the broad brush strokes of the steps and timeline for the development of a grant request As for establishing a deadline for the submission of rapid response proposals, this issue will be further considered in 2010 when looking at ways to measure timeliness for the development of grant requests in the field. In principle, 10 days should be a reasonable target (depending on the context). .Consideration will also be given in 2010 to introducing a new project management system for the Fund to enable project tracking from the field, and to eensuring that the application process for CERF funding is included in inter-agency preparedness and contingency plans, to accelerate the process in the event of a sudden onset emergency.	CRD, Agencies	October 2009 (Application Guidelines posted on CERF website) December 2010 (measuring timeliness of grant development; establishing a new project management system; improved inter-linkages with contingency planning)	
21.	Given that the ERC is accountable to donors for the use of the funds, he should request a commitment from the UN agencies to forward project funds to implementing partners within a target number of days and to publish tables of performance in the same way as the CERF secretariat.	**Ongoing (progress made)** Note: With respect to the implementation of this recommendation, agencies have noted that a distinction needs to be made when providing funding to NGOs on a programme versus project basis. For programme-based agencies, funds from various sources are pooled together, making it impossible to attribute timeliness of funding to implementing partners to one source, including CERF. It is also important to note that since some UN agencies are currently revising their NGO partnership arrangements procedures, a more comprehensive response to this point will be	The CERF Secretariat prepared background papers for several IASC Working Group meetings in 2008 and 2009 that looked at issues affecting UN-NGO partnerships. It also conducted a range of bilateral and multilateral (through the CERF partnership task force and CERF inter-agency group) discussions on partnership issues. In addition, the ERC asked the IASC Working Group in May 2009 to take up issues related to funding relationships between UN agencies and NGOs, making specific reference to the need for improvement in timeliness of forward	ERC + Agencies	Expected December 2010	**Partially Implemented** (paper prepared for IASC WG meeting in July 2009; UNICEF, WFP and UNHCR undertaking consultations with NGOs in line with

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
		possible once these processes are completed.	disbursements. In line with the ERC's message and in consultation with IASC partners, OCHA presented a paper to the IASC Working Group in July 2009, which included a proposal for reconfiguring the architecture for managing humanitarian financing issues and for addressing the most immediate challenges, particularly those related to NGO financing arrangements. As an outcome of that meeting, UNICEF, UNHCR and WFP agreed to undertake consultations with NGOs to share developments on financial partnership and contractual arrangements and to consider proposals for the improvement of UN-NGO financial arrangements. The three agencies provided an update on this work to the November 2009 meeting of the IASC WG and discussions have continued in 2010. **Changes made to the CERF reporting template including reporting on the flow of funds from recipient UN agencies to implementing partners.**			IASC WG recommendation)
22.	The evaluation recommends that the ERC should seek to negotiate with the UN Controller an understanding that two-thirds of the UN Secretariat's 3% PSC charge will be made available to OCHA to meet all legitimate costs associated with the management and oversight of the CERF.	**Partially accepted** (portion of PSC provided based on operational needs)	The utilization of the programme support account is governed by the provisions of ST/AI/286 and by instruction from the Controller. According to current practice, 40% of the PSC may be used by the implementing offices and 60% of the income is used for central administrative functions. In April 2009, OCHA and the Controller clarified that the portion of PSC for the management of the Fund could go above the current practice if the increase in requirements is based on well-justified, operational needs. OCHA is in the process of assessing the amount of (post and non-post) funds required to manage the Fund, and will formally propose a request for additional	ERC/Director of OCHA New York + Controller	Partially implemented	**Partially implemented** (Controller approved the 2010 budget above the 40% threshold based on needs. 2011 budget proposed higher than 40% but no firm agreement has been reached

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
			allotment in 2010.			concerning a two-third OCHA share).
23.	OCHA should seek agreements with the five main humanitarian agencies and UNDP on ways of categorizing projects depending on the level of administrative support and oversight required from the UN agency, and on the indirect support cost structure of the agency concerned. PSC rates up to 7% could then be applied accordingly. An agreement should also be sought in the context of the IASC to standardize the provision of fair overhead charges for NGOs implementing projects funded by the CERF.	Categorization of UN PSC rates: **Partially accepted** There is considerable variation in the terminology that humanitarian organizations use to describe their indirect support costs. In order to be able to categorize projects, agreement would need to be reached on the names and definitions of different categories of costs as well as the classification of costs per category. Under the auspices of the UN's High Level Committee on Management (specifically the Finance and Budget Network), efforts are already underway to reach agreement on harmonizing practices.	OCHA will continue to advocate for resolution of this issues through the Office of the Controller and through his Office, with the UN's Finance and Budget Network, when the group comes back into session. .	OCHA, Agencies	No exact timeframe can be given	**Not implemented** (Currently being discussed by the Finance and Budget Task Force (UN wide), led by the UN Controller)
		Standardization of NGO overheads: **Pending**	The CERF Secretariat prepared background papers for several IASC Working Group meetings in 2008 and 2009 that looked at issues affecting UN-NGO partnerships. It also conducted a range of bilateral and multilateral (through the CERF partnership task force and CERF inter-agency group) discussions on partnership issues, and collected data on the percentage of PSC provided to NGOs by the 8 main recipients of CERF funding. The ERC asked the IASC Working Group in May 2009 to take up issues related to funding relationships between UN agencies and NGOs, as these are not specific to CERF and a more comprehensive UN agency-wide approach was needed; the ERC's message made specific reference to the need for the consistent provision of indirect costs/overheads. In line with the ERC's message and in consultation with IASC partners, OCHA presented a paper to the IASC Working Group in July 2009, which included a proposal for reconfiguring the architecture for managing humanitarian financing issues and for addressing the	ERC+ Agencies	No exact timeframe can be given	**Not implemented** (The UN Controller is currently exploring how NGO overheads are expensed through CERF funds.)

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
			most immediate challenges, particularly those related to NGO financing arrangements. As an outcome of that meeting, UNICEF, UNHCR and WFP agreed to undertake consultations with NGOs to share developments on financial partnership and contractual arrangements and to consider proposals for the improvement of UN-NGO financial arrangements. The three agencies provided an update on this work to the November 2009 meeting of the IASC WG and discussions are continuing in 2010.			
24.	The evaluation recommends that the mandate of the CERF Advisory Group be extended for a further period of two years, and that its membership should rotate regularly, in keeping with its status as a group of members serving in their individual capacities. Members should continue to be drawn from a range of backgrounds and geographical origins. The practice of designating alternate members of the AG is no longer required. The Group should consist of 16 members. In addition, a wider platform involving all member states contributing to the CERF needs to be created, which would be convened every six months by the ERC, where he could report on CERF progress, challenges and funding needs, and provide a forum for open discussions.	**Accepted**	The terms of reference (ToRs) of and the section in the Secretary-General's Bulletin (SGB) regarding the Advisory Group will be amended to take into account this recommendation (change to the size of the group and to the designation of alternates). The revised ToR was approved by the Advisory Group in November 2009; and with the approval of the SGB in April 2010, is now formally in use. A 'wider platform' for Member States was introduced during the high level conference on CERF (HLCC) in December 2008, which included both a pledging conference and a half day briefing/discussion with Member States on progress and challenges related to the Fund. This 'wider platform' discussion is in addition to the activities/briefings already planned for Member States throughout the year.	CERF Secretariat (ERC, Director of OCHA New York) (SGB revision: OCHA, Agencies, Office of the Controller, Office of Legal Affairs)	Implemented: November 2008 (first rotation of one-third of members completed) - December 2008 (wider platform conducted) Revised SGB was signed in April 2010 and is in place; revised AG ToRs in place)	**Implemented** (rotation of members undertaken; 'wider platform' meeting with MS forms part of HLCC)

Strategic 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[3]; the ERC needs to ensure that the operational agencies have in place appropriate monitoring and reporting systems, and to make use of quality assurance mechanisms for evaluation of CERF projects, without increasing the bureaucratic burdens in implementing humanitarian programmes.

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
25.	The ERC should ask the Controller to work with the UN agencies/IOM to rationalize the CERF financial reporting system.	**Accepted**	Options were discussed with the Office of the Controller in 2009. The UNDG format was approved for use in CERF in the context of the umbrella LOU, which will go into effect early 2010.	CERF Secretariat (ERC + Director of OCHA NY), Agencies, Office of the Controller	Implemented	**Implemented** (through umbrella LoU)
26.	When agencies receive more than one grant for the same emergency at the same time (through different sectoral/cluster proposals), the LOU ought to allow agencies flexibility to amend budgets, with the agreement of the HC, to reflect changing imperatives or priorities, and to prepare one comprehensive financial report.	**Partially accepted (budget amendment)** Note: The ERC has proposed to the Controller that agencies should have authority to redeploy funds between classes of the approved project budget up to a total of 15 per cent of direct project costs (excluding staff costs); any deployments above this amount would continue to require the ERC's approval. Due to administrative constraints, funds can not be re-deployed across projects/programmes. This issues related to the redeployment of funds are currently being discussed with the Office of the Controller.	The parameters for funding redeployment have been included in draft u/LoU. Consultations between OCHA and the Office of the Controller/OPPBA took place throughout the second and third quarters of 2009. Financial reporting must follow UN financial rules and regulations, and is managed by the Office of the Controller. The authority to redeploy funds between project budget classes up to 15 per cent of direct costs is written into the umbrella LOU.	CERF Secretariat (ERC + Director of OCHA NY), Agencies, Office of the Controller	Partially implemented: budget amendment	**Implemented** (budgets can be amended) **Not implemented** (each project must have a corresponding financial report).
27.	Clear parameters for Monitoring and Evaluation, with detailed statements of specific interventions to be carried out, need to be included in all proposals and LOUs and the outputs made available to all through the in-country humanitarian country teams.	**Accepted**	This issue has been addressed in the Performance and Accountability Framework, and subsequently reflected in the umbrella LoU (as appropriate). Efforts have been made to ensure that existing monitoring and evaluation systems are used in addition to building on the work of the IASC CAP Sub Working Group and processes used for country-based pooled funds. The Advisory Group reviewed the core elements of the PAF at its November 2009 meeting, and approved the draft in July 2010.	CERF Secretariat, Agencies, Office of the Controller	Implemented: PAF in place	**Implemented** (Advisory Group has endorsed the PAF)

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[3] This will be tackled through the development of a Performance and Accountability Framework.

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
28.	The ERC could make use of independent assessors to conduct rapid appraisals of proposals (for large and complex operations) – these assessors will have been selected through a vetting process involving IASC, and trained in CERF-related requirements	**Not accepted** Note: The use of independent assessors may be detrimental to the timeliness and cost-effectiveness of the Fund. The function of the assessors is already adequately covered by a range of actors, including at the field level: the RC/HC, clusters/sectors, and country team, and at the headquarters level: CERF Secretariat and CRD. Surge capacity may serve to further support the RC/HC and country team in the rapid appraisal of proposals.	Not applicable	Not applicable	Not applicable	**Not applicable**
29.	In order to fulfil his responsibility for quality assurance, the ERC should from time to time commission independent programme audits, real-time evaluations and end-of-project evaluations, where appropriate using the roster of assessors. The evaluations/RTEs should include a mix of country studies, evaluations of randomly selected individual CERF-funded projects and sector grants, as well as overall evaluations like the current one. All reports should be made available to all stakeholders.	**Partially accepted** Note: Agencies have pointed out that the suggestion to commission independent programme audits (understood to include a financial component) is not in accordance with the S-G's Bulletin (ST/SGB/2006/10), which states that CERF grant or loan recipients need to comply with their own financial regulations and rules, including internal and external audit procedures. With respect to end-of-project evaluations, the grant element is predicated on the principle that the recipient UN agencies and IOM follow their own internal system of monitoring and evaluation to ensure the implementation and delivery of results; changes to this will be considered / reviewed in consultation with the agencies. With respect to real-time evaluations, agencies have noted that these should be done in conjunction with evaluations of other elements of the reform to promote a comprehensive approach. Furthermore, a review of the CERF should be incorporated into a more programme/response oriented review of results and impact, particularly as a number of CERF grant recipients have a programme-based approach to the delivery of assistance.	Real-time evaluations (as part of the IASC approved project) continue to be conducted and evaluators are selected according to standard procedure. As part of this, CERF processes/results will be reviewed (where feasible) in those countries benefiting from funds. Another independent review of the Fund is planned for 2011. The ERC may also decide to undertake other assessments/evaluations as deemed appropriate. Other performance and accountability measures - to ensure that the ERC is satisfied that the CERF application and project implementation processes are being properly undertaken and to determine the relevance, efficiency and effectiveness of activities carried out with CERF funds – have been defined in consultation with the agencies through the development of the Performance and Accountability Framework (PAF). The Advisory Group reviewed the core elements of the PAF at its meeting in November 2009, and approved the draft in July 2010.	OCHA+ Agencies	Implemented: April 2010 (PAF in place)	**Implemented** (core elements of PAF reviewed by Advisory Group)

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
30.	The CERF Secretariat should produce an annual report on activities for a wide audience, and ensure a wide distribution for its monthly update on activities.	**Accepted**	A CERF annual report for 2007 was published and distributed in 2008; the 2008 annual report was drafted in April 2009 and widely circulated in July 2009. The distribution list for and the type of information in the CERF newsletter has been expanded to ensure that a broader range of partners receives information on the Fund. A communication strategy has being finalized, which details systems for information dissemination and aid in improving transparency and accountability to primary stakeholders of the Fund.	CERF Secretariat	Implemented: April 2009 (annual report drafted) November 2008 (distribution lists updated)	**Implemented**
31.	a. OCHA and the UN agencies should explore setting up in-country rapid response mechanisms, or ERFs, part-funded by CERF, in countries in protracted crises or subject to disasters, as a way of funding reputable and principled civil society organisations with recognised programme capacity. b. Where appropriate, UN agencies may be encouraged to 'pre-qualify' competent national and international NGO partners, and to agree consistent arrangements for payment of overheads.	**Partially accepted** Note: ERFs are established by RC/HCs to provide grants not only to NGOs but also to UN agencies and IOM for small-scale rapid response activities to meet unforeseen critical needs and fill gaps within the existing response.	a. The ERC has encouraged RC/HCs to set up ERFs where appropriate, and OCHA has provided support to field staff managing or establishing ERFs. As of September 2010, there are 15 ERFs, of which eight were established in the course of 2009 and 2010. In 2010, major emergencies in Haiti and Pakistan have shown that ERFs have sufficient fund raising capacity and does not need to rely on CERF funding. These emergencies proved that the two pooled funding instruments, work in tandem. As at October 2010, $85 million has been raised for the Haiti ERF, and the Pakistan ERF has attracted $30 million. To ensure that funds are readily available during emergencies and to strengthen partnerships, OCHA has considered ways to reinforce inter-linkages between CERF and ERFs. In terms of CERF funding, consideration is being given to establishing eligibility conditions for ERFs to receive grant funding. In cases where OCHA administers the ERF, alternative arrangements would need to be sought as OCHA is not eligible to receive CERF grants. OCHA also is exploring use of the CERF loan element to ensure that ERFs have sufficient	ERFs: Director of OCHA NY (with support from relevant units) NGOs: Agencies + NGOs + IASC	a. ERFs: Implemented b. NGOs: Ongoing	**a. Implemented** b. **Not implemented** (background paper prepared for IASC WG meeting in July 2009; UNICEF, WFP and UNHCR undertaking consultations with NGOs in line with IASC WG recommendati on)

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
			financial liquidity if there is a firm donor pledge. The CERF Secretariat has reviewed the handful of ERFs that received grants from the Fund to determine lessons learned which will be applied when developing CERF guidance in 2010 on funding ERFs.			
			b. Pre-qualifying NGO partners and the issue of establishing consistent arrangements for the payment of overheads was presented to the IASC WG on several occasions, given that these issues relate to internal policies and frameworks of the agencies and to broader humanitarian financing concerns (See response under recommendation 23). The ERC also raised both issues to the IASC Principals attention in a message sent to them in May 2009, which suggested that the IASC Working Group take up partnership issues.			
			In line with an IASC Working Group recommendation, UNICEF, UNHCR and WFP are presently undertaking consultations with NGOs to share developments on financial partnership and contractual arrangements and to consider proposals for the improvement of UN-NGO financial arrangements. The three agencies provided an update on this work to the November 2009 meeting of the IASC WG and discussions are continuing in 2010.			
			Programme-based agencies have noted that this recommendation is not applicable to them. Pre-qualification should be given careful consideration and if implemented, done so in a fully transparent way as this may have negative implications for local/national NGOs. Lessons learned from the HACT/UNDG roll-out should be taken into account.			
32.	Within the limitations of CERF,	**Accepted**	Please see actions taken for	CERF Secretariat	No exact	**Implemented**

	RECOMMENDATIONS	Response	Action Taken or Planned	Responsible Entity	Time frame	Status
	OCHA and UN agencies should explore various options for enabling NGOs to have meaningful access to CERF funds rapidly, and at low cost.		recommendation 21 on UN-NGO partnerships and recommendation 31 on ERFs.	(Director of OCHA New York) + Agencies	timeframe can be given	Within "*the limitations of the CERF Secretariat*" (see 21 and 31 a.)
33.	The General Assembly should consider inviting all member states to contribute to the CERF, and requesting the Secretary-General to commission a further independent evaluation in early 2011.	**Accepted** NOTE: This recommendation is for the GA/Member States.	This recommendation was included in the Secretary-General's Report on CERF to the General Assembly. In the ensuing General Assembly resolution, Member States requested that another independent review be conducted in 2011. The ERC continues to advocate for the achievement of the annual funding target of $450m, which was surpassed in 2008 with $453 million committed by 67 Member States, one Observer State, six private organizations, and individual contributions through the United Nations Foundation. As of September 2009, 108 Member States pledged or contributed to the Fund since 2006.	General Assembly; OCHA	Implemented: December 2008 (GA resolution requests 5 year evaluation) Annual/ongoing: (funding target met in 2008; resource mobilization plan in place)	**Implemented**