



## **Underfunded Emergencies Window: Response to the 2012 Independent Review**

*CERF secretariat, April 2013*

In an effort to continuously review and improve its processes and based on a recommendation of the General Assembly-mandated five-year evaluation of CERF, in 2012 the CERF secretariat commissioned an independent review of the Underfunded Emergencies (UFE) process to assess the current methodology used for country selection and apportionment and identify potential alternative or improved methods. The review was undertaken by two independent consultants between May and September 2012.

Overall, the review found that the processes behind the UFE Window are “fundamentally sound” and that there is no need to replace or significantly re-model them. The consultants remarked that the selection process provides a “solid model for evidence-based funding allocation, worthy of consideration for adoption by donors who operate from a global level analysis”. Ultimately the review concluded that there is no superior alternative method for country selection.

The brief paper provides a summary of the consultants’ recommendations and the CERF secretariat’s response, including potential next steps.

### **Recommendation One**

*Retain the current two-round system, with the same timing and front-loaded weighting. For the reasons detailed in the research findings, this review concludes there is no clearly superior alternative model, and the current system should prevail.*

The CERF secretariat plans to review and update the official guidelines for the Underfunded Emergencies Window in 2013. The current guidelines were approved by then ERC John Holmes in March 2010 with a planned review date of June 2011. The CERF secretariat postponed the revision in order to incorporate recommendations and findings of the Independent Review. While the consultants did not propose an alternative methodology for country selection, the updated guidelines will clarify the country selection process and incorporate other lessons learned from recent rounds, including the new practice of excluding countries that received allocations in the UFE first round from the second round except in extraordinary circumstances.

### **Recommendation Two**

*As a priority, OCHA should strongly advocate for and assist in the development of means to strengthen reporting to FTS [Financial Tracking Service] by agencies, donors and INGOs. A useful first step might be a thorough review of the utility of FTS in its current configuration (perhaps under the auspices of the IASC Sub-Working Group on Humanitarian Finance).*

This recommendation is for OCHA rather than the CERF secretariat in particular. The IASC Sub-Working Group on Humanitarian Financing has proposed establishing a task team to review and improve FTS. This initiative is in a nascent stage at this time. The CERF secretariat will follow the work of the task team and provide inputs when required.

### **Recommendation 3**

*Increase the transparency of the UFE process through the inclusion of INGOs in the country selection process. Whilst acknowledging the considerable challenges involved, it is important to continue to engage proactively with stakeholders beyond the UN system, in particular international NGOs.*

In response to this recommendation, the CERF secretariat has begun discussions with one INGO consortium (InterAction) and plans to expand this discussion to other consortia (ICVA, SCHR and CBHA) to gauge their interest and capacity to engage in the country selection process. In the past, several consortia have remarked that they have limited staff resources and the cost benefit of investing staff time to participate in CERF initiatives has been marginal given that INGOs cannot benefit directly from CERF funding.

Some of the consortia have discussed identifying forgotten crises as part of their wider advocacy efforts. The Consortium of British Humanitarian Agencies, for example, has commissioned consultants to develop a Neglected Crises Index. The aim is to select criteria and data sets to identify neglected crises that could be used for collected advocacy and awareness raising activities. If CBHA decides to undertake this annual analysis, the CERF secretariat could potentially incorporate it into the UFE country selection process.